

PRELIMINARY OFFICIAL STATEMENT DATED APRIL 22, 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 Bonds is excludable from gross income and is not an item of tax preference for federal income tax purposes; however, interest on the Bonds is taken into account in determining "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on Applicable Corporations (as defined in Section 59(k) of the Code). See "TAX EXEMPTION" herein for a more detailed discussion of some of the federal income tax consequences of owning the Bonds. The interest on the Bonds is not exempt from present Wisconsin income or franchise taxes.

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

New Issue

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

VILLAGE OF OREGON, WISCONSIN (Dane County)

\$5,210,000* WATER AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2026B

BID OPENING: April 29, 2026, 10:00 A.M., C.T.

CONSIDERATION: Not later than 11:59 P.M., C.T. on April 29, 2026 (PARAMETERS RESOLUTION)

PURPOSE/AUTHORITY/SECURITY: The \$5,210,000* Water and Sewerage System Revenue Bonds, Series 2026B (the "Bonds") are being issued pursuant to Section 66.0621, Wisconsin Statutes, by the Village of Oregon, Wisconsin (the "Village"), to provide funds for the public purpose of financing additions, improvements and extensions to the Village's Water System and Sewerage System including finishing the well no. 6 project, water main, other wells and pumphouse improvements and acquiring equipment and vehicles for the system (collectively, the "System") and refunding the Water and Sewerage System Revenue Bond Anticipation Note, Series 2025A, dated April 2, 2025. The Bonds are not general obligations of the Village but are payable only from and secured by a pledge of income and revenue to be derived from the operation of the System. The Bonds are being issued on a parity with the Village's outstanding Water and Sewerage System Revenue Bonds, Series 2022B, dated July 13, 2022 (the "2022 Bonds"), Water and Sewerage Revenue Bonds, Series 2025C, dated July 9, 2025 (the "2025 CWF Bonds"), Water and Sewerage System Revenue Bonds, Series 2025D, dated July 9, 2025 (the "2025 SDW Bonds") (collectively, the "Prior Bonds"). Delivery is subject to receipt of an approving legal opinion of Quarles & Brady LLP, Milwaukee, Wisconsin.

DATE OF BONDS: May 14, 2026

MATURITY: May 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2028	\$145,000	2035	\$180,000	2042	\$380,000
2029	125,000	2036	295,000	2043	395,000
2030	135,000	2037	305,000	2044	410,000
2031	140,000	2038	320,000	2045	430,000
2032	145,000	2039	335,000	2046	435,000
2033	155,000	2040	350,000		
2034	165,000	2041	365,000		

***MATURITY ADJUSTMENTS:** The Village reserves the right to increase or decrease the principal amount of the Bonds on the day of sale, in increments of \$5,000 each. The principal amount of each maturity or mandatory redemption amount may be increased or decreased by up to \$100,000 in years 2028 through 2035, and the principal amounts or mandatory redemption amounts of the 2036 through 2046 maturities may be increased or decreased by up to \$250,000. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

TERM BONDS: See "Term Bond Option" herein.

INTEREST: May 1, 2027 and semiannually thereafter.

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

MINIMUM BID: \$5,144,875.

MAXIMUM BID: \$5,731,000.

GOOD FAITH DEPOSIT: A good faith deposit in the amount of \$104,200 shall be made by the winning bidder by wire transfer of funds.

PAYING AGENT: Bond Trust Services Corporation.

BOND 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.



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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 Preliminary 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 Preliminary Official Statement does not constitute an offer to sell or a solicitation of an offer to buy any of the Bonds in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction.***

This Preliminary 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 Preliminary 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. Bond Counsel has not participated in the preparation of this Preliminary Official Statement and is not expressing any opinion as to the completeness or accuracy of the information contained therein. Compensation of Ehlers and Associates, Inc., payable entirely by the Village, is contingent upon the delivery of the Bonds.

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

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

Preliminary Official Statement: This Preliminary Official Statement was prepared for the Village for dissemination to potential investors. Its primary purpose is to disclose information regarding the Bonds to prospective underwriters in the interest of receiving competitive proposals in accordance with the sale notice contained herein. Unless an addendum is posted prior to the sale, this Preliminary 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 Preliminary 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 Preliminary 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 Preliminary 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 Preliminary Official Statement describes the conditions under which the Village is required to comply with the Rule.

CLOSING CERTIFICATES

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

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VILLAGE OF OREGON VILLAGE BOARD

		<u>Term Expires</u>
Phil Van Kampen	Village President	April 2027
Tim Higgins	Village Trustee	April 2027
Tom Kirchdoerfer	Village Trustee	April 2028
Paige Knipfer	Village Trustee	April 2027
Matt Leas	Village Trustee	April 2028
Rich Marx	Village Trustee	April 2027
Lynn McDaniel	Village Trustee	April 2028

ADMINISTRATION

Martin Shanks, Village Administrator
Lisa Novinska, Finance Director/Treasurer
Candie Jones, Village Clerk

PROFESSIONAL SERVICES

Stafford Rosenbaum LLP, Village Attorney, Madison Wisconsin

Quarles & Brady LLP, Bond Counsel, Milwaukee, Wisconsin

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

INTRODUCTORY STATEMENT

This Preliminary Official Statement contains certain information regarding the Village of Oregon, Wisconsin (the "Village") and the issuance of its \$5,210,000* Water and Sewerage System Revenue Bonds, Series 2026B (the "Bonds"). **The Village Board adopted a resolution on April 20, 2026 (the "Parameters Resolution" or "Bond Resolution"), which authorizes the Finance Director/Treasurer or the Village Administrator to accept a bid for the Bonds if the parameters and conditions set forth in the Parameters Resolution are satisfied. If the parameters and conditions set forth in the Parameters Resolution are not met through the competitive bids received on April 29, 2026, neither the Finance Director/Treasurer nor the Village Administrator will have the authority to accept a bid for the Bonds, and all bids for the Bonds will be rejected.**

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

THE BONDS

GENERAL

The Bonds will be issued in fully registered form as to both principal and interest in denominations of \$5,000 each or any integral multiple thereof, and will be dated, as originally issued, as of May 14, 2026. The Bonds will mature on May 1 in the years and amounts set forth on the cover of this Preliminary Official Statement. Interest will be payable on May 1 and November 1 of each year, commencing May 1, 2027, to the registered owners of the Bonds appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board ("MSRB"). All Bonds of the same maturity must bear interest from the date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

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

The Village has selected Bond Trust Services Corporation, 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 Bonds maturing on or after May 1, 2035 shall be subject to optional redemption prior to maturity on May 1, 2034 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

*Preliminary, subject to change.

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

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

AUTHORITY; PURPOSE

The Bonds are being issued pursuant to Section 66.0621, Wisconsin Statutes, by the Village, to provide funds for the public purpose of financing additions, improvements and extensions to the Village's Water System and Sewerage System including finishing the well no. 6 project, water main, other wells and pumphouse improvements and acquiring equipment and vehicles for the system (collectively, the "System") and refunding the Water and Sewerage System Revenue Bond Anticipation Note, Series 2025A, dated April 2, 2025 (the "2025A RBAN").

Issue Being Refunded	Date of Refunded Issue	Call Date	Call Price	Maturity Being Refunded	Interest Rate	Principal to be Refunded
2025A RBAN	4/2/2025	5/15/2026	Par	2027	5.76%	<u>\$1,762,539</u>
Total 2025A RBAN Being Refunded						<u>\$1,762,539</u>

A portion of the proceeds of the Bonds will be used to call and prepay the maturity described above.

ESTIMATED SOURCES AND USES*

Sources	
Par Amount of Bonds	\$5,210,000
Transfers from Prior Issue Debt Service Reserve Funds	305,889
Estimated Interest Earnings	<u>26,626</u>
Total Sources	\$5,542,515
Uses	
Estimated Underwriter's Discount	\$65,125
Costs of Issuance	100,750
Deposit to Debt Service Reserve Fund	524,000
Deposit to Project Construction Fund	3,043,000
Deposit to Current Refunding Fund	1,805,686
Rounding Amount	<u>3,954</u>
Total Uses	\$5,542,515

*Preliminary, subject to change.

SECURITY

This section is a summary of security provisions. A detailed explanation of the security provisions is contained in the Bond Resolution, the form of which is attached as Appendix E.

Source of Payment: THE BONDS ARE NOT GENERAL OBLIGATIONS of the Village but are payable only from and secured by a pledge of income and revenue of the System.

The Village pledges the revenues of the System for payment of principal of and interest on the Bonds and Prior Bonds after payment of operation and maintenance expenses.

Rate Covenant: The Village covenants to establish, charge and collect such lawfully established rates and charges for the services provided by the System so that net revenues (i.e. gross revenues derived from said rates and charges less all costs of operation and maintenance, exclusive of debt service, depreciation, local tax equivalents and capital expenditures) will be at least 1.25 times the total amount of principal and interest coming due on all outstanding bonds payable from the income and revenues of the System each year.

Additional Bonds Test: The Bonds are issued on a parity with the Prior Bonds. The Village reserves the right and privilege to issue additional revenue bonds payable from the Net Revenues of the System on a parity with the outstanding bonds payable from the Net Revenues of the System ("Parity Bonds"), including the Prior Bonds and the Bonds. No bonds or obligations payable from the Net Revenues of the System may be issued in such a manner as to enjoy priority over the Prior Bonds and the Bonds. Before issuing Parity Bonds, the Village must meet one of the two following tests with respect to Net Revenues of the System:

(1) The Net Revenues for the last completed Fiscal Year preceding the issuance of such Parity Bonds must have been at least equal to 1.25 times the average combined annual principal and interest requirements on all Bonds and any Parity Bonds then outstanding payable from the revenues of the System (other than Bonds and any Parity Bonds being refunded), and the Parity Bonds proposed to be issued, for any succeeding Fiscal Year in which there shall be a principal maturity on such outstanding bonds; provided, however, that if prior to the authorization of such additional obligations the Village shall have adopted and put into effect a revised schedule of rates, then the Net Revenues of the System for the last completed Fiscal Year which would, in the calculations of an independent consulting engineer, registered municipal advisor or independent certified public accountant employed for that purpose, have resulted from such rates had they been in effect for such period may be used in lieu of the actual Net Revenues for the last completed Fiscal Year; or

(2) An independent certified public accountant, registered municipal advisor or consulting professional engineer provides calculations setting forth for each of the three Fiscal Years commencing with the Fiscal Year following that in which the projects financed by such additional obligations are to be completed, the projected Net Revenues and the maximum annual interest and principal requirements on all bonds outstanding payable from the Gross Revenues of the System and on the Parity Bonds proposed to be issued (the "Maximum Annual Debt Service Requirement"); and demonstrating that for each of the three Fiscal Years the projected Net Revenues will be in an amount not less than 125% of such Maximum Annual Debt Service Requirement;

Service to Village: The Village is to pay the reasonable cost and value of any services rendered to the Village by the System equal to an amount as may be necessary from year to year to produce net revenues equivalent to not less than 1.25 times the annual debt service requirements on the Bonds and any outstanding Prior Bonds and Parity Bonds. Such payment by the Village is subject to annual appropriation by the Village Board and other conditions set forth in the Bond Resolution.

Bond Reserve Account: In the Bond Resolution, the Village covenants and agrees that upon the issuance of the Bonds an amount equal to the "Reserve Requirement" will be on deposit in the Reserve Account and will be maintained therein as additional security for the payment of principal and interest on the 2022 Bonds and the Bonds. Reserve Requirement is defined as an amount, determined as of the date of issuance of the Bonds, equal to the least of (a) the amount required to be on deposit in the Reserve Account prior to the issuance of the Bonds plus the amount permitted pursuant to Section 148(d)(1) of the Code and Regulations; (b) the maximum annual debt service on the 2022 Bonds and the Bonds in any bond year; and (c) 125% of average annual debt service on the 2022 Bonds and the Bonds in a bond year; provided, however, that on an ongoing basis the Reserve Requirement shall never exceed the remaining maximum annual principal and interest due on the outstanding 2022 Bonds and the Bonds in any bond year. The 2025 CWF Bonds and the 2025 SDW Bonds are not secured by the Reserve Account.

If Parity Bonds which are to be secured by the Reserve Account are issued, the Reserve Requirement shall mean the least of (a) the amount on deposit in the Reserve Account prior to the issuance of such Parity Bonds plus the amount permitted to be deposited therein from proceeds of the Parity Bonds pursuant to Section 148(d)(1) of the Code and Regulations, (b) the maximum annual debt service on outstanding obligations secured by the Reserve Account and the Parity Bonds to be issued and (c) 125% of the average annual debt service for outstanding obligations secured by the Reserve Account and the Parity Bonds to be issued; provided, however, that on an ongoing basis the Reserve Requirement shall never exceed the remaining maximum annual principal and interest due on the outstanding obligations secured by the Reserve Account and Parity Bonds.

UTILITY SYSTEM REVENUE DEBT OUTSTANDING

All outstanding System revenue debt of the Village is listed on the following page. The debt service coverage ratios included on this page are calculated using unaudited 2025 Net Revenues. No guarantee can be given that the Net Revenues in future years will be the same as the Net Revenues in 2025, and future Net Revenues may be materially different.

HISTORIC UTILITY SYSTEM DEBT SERVICE COVERAGES

The exhibit on the Page 6 presents the three-year historic and projected debt service coverages of the System.

Village of Oregon, Wisconsin
Schedule of Bonded Indebtedness
Revenue Debt Secured by Water and Sewerage System Revenues
(As of 05/14/2026)

Dated Amount	Water and Sewerage Revenue Bonds 2022B		Water and Sewerage Revenue Bonds (CWFL) Series 2025C		Water and Sewerage Revenue Bonds (SDWFL) Series 2025D		Water and Sewerage Revenue Bonds Series 2026B		Unaudited 2025 Net Revenue Available for Debt Service**						
	07/13/2022 \$1,695,000		07/09/2025 \$26,470,699		07/09/2025 \$2,417,368		05/14/2026 \$5,210,000*								
Maturity	05/01		05/01		05/01		05/01		\$2,572,826						
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Estimated Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending	Coverage
2026	0	20,535	0	305,737	0	27,265	0	0	0	353,537	353,537	35,296,318	.00%	2026	0
2027	110,000	39,420	651,052	603,954	58,060	53,860	0	325,675	819,112	1,022,908	1,842,020	34,477,206	2.32%	2027	1.40
2028	110,000	36,120	666,091	588,741	59,401	52,503	145,000	220,153	980,492	897,516	1,878,008	33,496,714	5.10%	2028	1.37
2029	145,000	32,223	681,478	573,176	60,773	51,115	125,000	215,833	1,012,251	872,346	1,884,597	32,484,464	7.97%	2029	1.37
2030	145,000	27,655	697,220	557,252	62,177	49,695	135,000	211,673	1,039,397	846,275	1,885,671	31,445,067	10.91%	2030	1.36
2031	145,000	22,943	713,326	540,960	63,613	48,242	140,000	207,238	1,061,939	819,382	1,881,321	30,383,128	13.92%	2031	1.37
2032	150,000	18,038	729,803	524,292	65,083	46,756	145,000	202,498	1,089,886	791,583	1,881,469	29,293,241	17.01%	2032	1.37
2033	150,000	12,975	746,662	507,239	66,586	45,235	155,000	197,320	1,118,248	762,769	1,881,017	28,174,993	20.18%	2033	1.37
2034	150,000	7,838	763,910	489,792	68,124	43,679	165,000	191,679	1,147,034	732,987	1,880,021	27,027,959	23.43%	2034	1.37
2035	150,000	2,625	781,556	471,942	69,698	42,087	180,000	185,420	1,181,254	702,074	1,883,328	25,846,705	26.77%	2035	1.37
2036			799,610	453,679	71,308	40,458	295,000	176,485	1,165,918	670,623	1,836,541	24,680,787	30.08%	2036	1.40
2037			818,081	434,995	72,955	38,792	305,000	164,856	1,196,036	638,643	1,834,680	23,484,750	33.46%	2037	1.40
2038			836,979	415,879	74,641	37,088	320,000	152,433	1,231,619	605,399	1,837,018	22,253,131	36.95%	2038	1.40
2039			856,313	396,322	76,365	35,343	335,000	139,165	1,267,678	570,830	1,838,508	20,985,454	40.54%	2039	1.40
2040			876,094	376,312	78,129	33,559	350,000	124,685	1,304,223	534,556	1,838,779	19,681,231	44.24%	2040	1.40
2041			896,332	355,841	79,934	31,733	365,000	108,860	1,341,265	496,434	1,837,699	18,339,966	48.04%	2041	1.40
2042			917,037	334,896	81,780	29,866	380,000	91,908	1,378,817	456,669	1,835,486	16,961,149	51.95%	2042	1.40
2043			938,220	313,468	83,669	27,955	395,000	73,688	1,416,889	415,110	1,832,000	15,544,260	55.96%	2043	1.40
2044			959,893	291,545	85,602	26,000	410,000	54,163	1,455,495	371,707	1,827,202	14,088,765	60.08%	2044	1.41
2045			982,067	269,115	87,579	23,999	430,000	33,260	1,499,646	326,375	1,826,021	12,589,119	64.33%	2045	1.41
2046			1,004,752	246,167	89,602	21,953	435,000	11,201	1,529,355	279,322	1,808,676	11,059,764	68.67%	2046	1.42
2047			1,027,962	222,690	91,672	19,859			1,119,634	242,549	1,362,183	9,940,129	71.84%	2047	1.89
2048			1,051,708	198,669	93,790	17,717			1,145,498	216,386	1,361,885	8,794,631	75.08%	2048	1.89
2049			1,076,003	174,094	95,956	15,525			1,171,959	189,620	1,361,579	7,622,672	78.40%	2049	1.89
2050			1,100,858	148,952	98,173	13,283			1,199,031	162,235	1,361,266	6,423,641	81.80%	2050	1.89
2051			1,126,288	123,228	100,441	10,989			1,226,729	134,217	1,360,946	5,196,912	85.28%	2051	1.89
2052			1,152,305	96,910	102,761	8,642			1,255,066	105,553	1,360,619	3,941,846	88.83%	2052	1.89
2053			1,178,924	69,985	105,135	6,241			1,284,058	76,226	1,360,284	2,657,787	92.47%	2053	1.89
2054			1,206,157	42,437	107,563	3,784			1,313,720	46,221	1,359,942	1,344,067	96.19%	2054	1.89
2055			1,234,019	14,253	110,048	1,271			1,344,067	15,524	1,359,591	0	100.00%	2055	1.89
	1,255,000	220,370	26,470,699	10,142,522	2,360,619	904,496	5,210,000	3,088,189	35,296,318	14,355,576	49,651,894				

* Preliminary, subject to change.

**The debt service coverage ratios included on this page are calculated using unaudited 2025 Net Revenues. No guarantee can be given that the Net Revenues in future years will be the same as the unaudited Net Revenues in 2025 and future Net Revenues may be materially different.

1) Pursuant to the Wisconsin Capital Finance Office, Project No. 4324-07, the amount of disbursements as of April 1, 2026, is \$5,407,989.54. The schedule shown assumes full draws of the loan.

2) Pursuant to the Wisconsin Capital Finance Office, Project No. 4873-05, the amount of disbursements as of April 1, 2026, is \$1,900,760.96. The schedule shown assumes full draws of the loan.

Village of Oregon, WI

HISTORIC STATEMENT OF REVENUES AND EXPENSES

The following table sets forth the historic comparison of Net Revenues and debt service secured by revenues of the System for the audited three-year period ended December 31, 2024 and the unaudited year ended December 31, 2025.

	<u>Audited 2022</u>	<u>Audited 2023</u>	<u>Audited 2024</u>	<u>Unaudited 2025</u>
Operating Revenues				
Water and Sewer Service Fees	\$ 2,869,084	\$ 3,121,235	\$ 3,686,860	\$ 4,436,126
Other Operating Revenues	53,026	43,766	46,674	37,969
Total Operating Revenues	2,922,110	3,165,001	3,733,534	4,474,095
Operating Expenses				
Operation and Maintenance	1,945,064	2,034,253	2,570,165	2,331,144
Depreciation and Amortization	1,159,195	1,213,245	1,275,468	1,342,959
Taxes - Payroll & Other	34,288	39,770	44,725	46,913
Total Operating Expenses	3,138,547	3,287,268	3,890,358	3,721,016
Operating Income	(216,437)	(122,267)	(156,824)	753,078
Plus:				
Depreciation and Amortization	1,159,195	1,213,245	1,275,468	1,342,959
Interest Income	180,497	597,824	623,309	476,788
Net Revenues Available for Debt Service	\$ 1,123,255	\$ 1,688,802	\$ 1,741,953	\$ 2,572,826
Debt Service				
2022B Water & Sewer Rev. Bonds	\$ -	\$ 178,901	\$ 159,320	\$ 156,020
2025C	\$ -	\$ -	\$ -	\$ 190,236
2025D	\$ -	\$ -	\$ -	\$ 17,373
Total Debt Service	\$ -	\$ 178,901	\$ 159,320	\$ 156,020
Debt Service Coverage		9.44	10.93	16.49

DESCRIPTION OF THE WATER SYSTEM

The Village of Oregon Water System is a separate enterprise fund. It operates under service rules established by the Wisconsin Public Service Commission which regulates the rates charged. The Village of Oregon owns, operates and maintains the municipal Water System and related appurtenances serving customers located within the Village of Oregon. The Water System is governed by the Public Works and Utility Committee which consists of three members appointed by the President, subject to approval of the Village Board. The Committee is the policy making body of the Water System, overseeing all projects and programs, reviewing and approving the budget, and determining Water System projects. Water System operations are directed by the Public Works Director.

The Water System consists of three wells with electric pumping equipment and a water distribution system. The wells have an actual capacity of 3,888,000 gallons per day. The wells pumped an average of 913,386 gallons per day in 2025. The maximum gallons pumped in any one day during 2025 was 1,455,000 gallons and the minimum gallons pumped in any one day was 633,000 gallons. In addition, the Water System owns one steel elevated storage tank, two steel standpipes and three underground storage tanks with a total storage capacity of 1,268,000 gallons.

The Water System includes other related appurtenances including 332,694 feet of various types of 2"-12" water mains; 4,053 various types of 3/4"-8" water pipe; 5,587 utility-owned meters; and 667 hydrants.

History of Water Customers

Year	Residential	Commercial	Industrial	Public Authority ¹	Irrigation	Multi-Family	Total
2021	3,821	561	14	27	0	139	4,562
2022	4,301	569	14	32	0	127	5,043
2023	3,474	181	14	25	946	460	5,100
2024	3,590	178	14	26	947	455	5,210
2025	3,686	177	14	29	959	470	5,335

History of Water Billings by Customer Type

Year	Residential	Commercial	Industrial	Public Authority ²	Multi-Family	Total Billings
2021	\$729,586	\$108,079	\$21,023	\$40,418	\$66,448	\$965,554
2022	685,580	103,555	22,287	43,236	67,172	921,830
2023	787,651	114,829	31,897	71,377	79,782	1,085,536
2024	840,903	126,550	35,846	274,058	107,105	1,384,462
2025	1,030,784	109,358	43,400	62,823	178,427	1,424,792

¹ Includes other sales to public authorities, sales for resale, and interdepartmental sale, etc. but **not** private or public fire protection services.

² Includes other sales to public authorities, sales to irrigation customers, sales for resale, and interdepartmental sale, etc. but **not** private or public fire protection services.

History of Water Sales¹

Year	No. of Customers	Gallons Sold	Total Billings
2021	4,562	280,856,601	\$965,554
2022	5,043	270,909,000	921,830
2023	5,100	311,028,000	1,085,536
2024	5,210	284,694,000	1,384,462
2025	5,335	292,603,820	1,424,792

2025 Larger Water Customers

Total 2025 Gallons Sold: 292,603,820

Total 2025 Billings: \$1,424,792

Customer	Gallons Sold	Billings ²	% of Total Billings
Village of Oregon Plant 1	7,096,950	\$18,627	1.31%
WISCO Industries	5,657,085	14,677	1.03%
Lycon	5,094,100	13,739	0.96%
The Legend at Bergamont	2,172,392	10,629	0.75%
All Color Powder Coating	3,397,050	9,038	0.63%
Kwik Trip- Car Wash	2,859,253	8,802	0.62%
Oregon School District West	1,738,804	8,625	0.61%
Oregon School (Jaycee Park East)	1,622,386	8,311	0.58%
CC Lane - Oregon LLC	1,819,133	5,348	0.38%
Rosewood Place	1,473,429	4,470	0.31%

¹ Does not include charges for private or public fire protection services.

² Does not include charges for private fire protection services.

Water Rates and Charges

Rates and charges for the Water System are subject to approval by the Wisconsin Public Service Commission. The following monthly water rates have been in effect since October 31, 2023.

Monthly Service Charge:

5/8 inch meter	\$ 7.00	3 inch meter	\$ 49.00
3/4 inch meter	7.00	4 inch meter	75.00
1 inch meter	11.45	6 inch meter	140.00
1 1/4 inch meter	15.35	8 inch meter	216.00
1 1/2 inch meter	19.30	10 inch meter	317.00
2 inch meter	29.00	12 inch meter	418.00

Plus Volume Charge:

First 10,000 gallons used each month	\$ 3.18	per 1,000 gallons
Next 30,000 gallons used each month	\$ 2.66	per 1,000 gallons
Over 40,000 gallons used each month	\$ 2.56	per 1,000 gallons

Plus Public Fire Protection Service:

5/8 inch meter	\$ 7.42	3 inch meter	\$ 112.00
3/4 inch meter	7.42	4 inch meter	186.00
1 inch meter	18.52	6 inch meter	371.00
1 1/4 inch meter	27.44	8 inch meter	594.00
1 1/2 inch meter	37.09	10 inch meter	890.00
2 inch meter	59.00	12 inch meter	1,187.00

Average Bill for Residential Service in 2025

Avg. Monthly Usage in Gallons	Avg. Monthly Bill
4,378	\$23.30

Bills for water service are rendered monthly and become due and payable upon issuance following the period for which service is rendered. A late payment charge of 1 percent per month will be added to bills not paid within 20 days of issuance. This late payment charge will be applied to the total unpaid balance for utility service, including unpaid late payment charges. The late payment charge is applicable to all customers. The utility customer may be given a written notice that the bill is overdue no sooner than 20 days after the bill is issued. Unless payment or satisfactory arrangement for payment is made within the 10 days, service may be disconnected pursuant to Chapter PSC 185, Wisconsin Adm. Code.

DESCRIPTION OF THE SEWERAGE SYSTEM

The Village of Oregon, Wisconsin owns, operates, and maintains the municipal Sewerage System and related appurtenances, serving customers located entirely within the Village and Oakhill Correctional Facility. The wastewater treatment plant, constructed in 1983 & 1986, is operated by the Oregon Wastewater Utility, overseen by the Oregon Village Board which consists of six elected Trustees and one elected Village President. The Village Board is the policy making body of the Sewerage System, overseeing all projects and programs, reviewing, and approving the budget, and determining Sewerage System projects. Sewerage System operations are directed by the Director of Public Works.

The wastewater treatment facility consists of the treatment facility and 56 miles of various-sized sewer lines. The treatment facility has an average annual flow capacity of 1,800,000 gallons per day (1,250 gallons per minute) and a current usage of 1,183,000 gallons per day. The Village’s 2020 Facilities Plan for the treatment facility found that it was approaching peak flow and suspended solids capacity. A three-phase upgrade project (planned construction in 2025-2026, 2030, and 2035) is projected to expand plant capacity to accommodate projected development through at least 2040.

History of Usage and Total Billings

Year	Total Usage in Gallons	Total Billings
2021	267,335,951	\$1,587,769
2022	256,537,292	1,536,491
2023	276,470,893	1,634,550
2024	269,394,613	1,381,749
2025	274,191,648	1,911,289

History of Sewer Connections by Customer Type

Year	Residential	Commercial	Industrial	Public Authority	Total
2021	3,852	618	14	21	4,505
2022	3,883	618	14	21	4,536
2023	3,844	624	14	22	4,504
2024	3,989	647	14	22	4,672
2025	4,163	633	14	21	4,831

2025 Larger Sewer Customers

Total 2025 Sewer Billings \$1,911,289

Customer	2025 Usage in Gallons	2025 Total Billings	Percent of Total Sewer Billings
Oakhill Correctional Facility	28,743,000	\$149,211	7.81%
WISCO Industries	5,657,085	41,525	2.17%
Kwik Trip - Car Wash	2,456,347	18,551	0.97%
CC Lane - Oregon LLC	1,819,133	14,162	0.74%
Oregon High School	1,294,823	12,326	0.64%
Rosewood Place	1,473,429	11,698	0.61%
Jefferson Crossing	1,453,056	11,549	0.60%
LL Wash LLC	1,420,900	10,972	0.57%
Oregon Hotel	1,361,114	10,534	0.55%
Oregon Apartments Too, LLC	1,153,984	9,360	0.49%

Sewer Rates

The Village Board establishes rates and charges for the Sewerage System. Sewer rates are not subject to approval by the Wisconsin Public Service Commission. The Village annually reviews rates as required under Village sewer ordinances to determine if adjustments are required. The sewer service charge for any lot, parcel of land, building or premise is based on the quantity and quality of wastewater generated, on debt service related to the Sewerage System, and operation, maintenance and replacement costs of the Sewerage System. The following sewer rates were approved on November 18, 2024 and became effective December 31, 2024:

General Service - Metered

<u>Monthly Volume Charge</u>		<u>Monthly Service Charge</u>	
		<u>Meter Size</u>	<u>Charge</u>
Domestic Strength Rates		5/8"	\$9.63
Volume Charge	\$4.06/1,000 gallons	3/4"	9.63
		1"	23.85
BOD	\$.89/lb	1-1/4"	33.35
SS	\$.61/lb	1-1/2"	33.35
P	\$15.53/lb	2"	47.57
		3"	76.05
		4"	237.34
		6"	474.55
		8"	759.20
		10"	1,091.30
		12"	1,518.26

Average Bill for Residential Service in 2025

**Avg. Monthly Usage
in Gallons**

3,447

Avg. Monthly Bill

\$25.23

RATING

The Village's Water and Sewerage System revenue debt is currently not rated. The Village has requested a rating on the Bonds from Moody's Investors Service, Inc. ("Moody's"), and bidders will be notified as to the assigned rating prior to the sale. Such rating reflects only the views of such organization and explanations of the significance of such rating may be obtained from Moody's.

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

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

CONTINUING DISCLOSURE

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

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

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

The Village did not timely file notices of the incurrence of multiple financial obligations during the previous five years. Except to the extent that the preceding is deemed to be material, the Village believes it has not failed to comply in the previous five years in all material respects with its prior undertakings under the Rule. The Village has reviewed its continuing disclosure responsibilities, including the two new material events, to help ensure compliance in the future. Ehlers is currently engaged as dissemination agent for the Village.

LEGAL OPINION

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

STATEMENT REGARDING COUNSEL PARTICIPATION

Bond Counsel has not assumed responsibility for the Preliminary Official Statement or participated in its preparation (except with respect to the section entitled "TAX EXEMPTION" in the Preliminary Official Statement and the "FORM OF LEGAL OPINION" found in Appendix B).

TAX EXEMPTION

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

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

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

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

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

ORIGINAL ISSUE DISCOUNT

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

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

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

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

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

BOND PREMIUM

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

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

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

NOT QUALIFIED TAX-EXEMPT OBLIGATIONS

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

MUNICIPAL ADVISOR

Ehlers has served as municipal advisor to the Village in connection with the issuance of the Bonds. The Municipal Advisor cannot participate in the underwriting of the Bonds. The financial information included in this Preliminary 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. Ehlers makes no representation, warranty or guarantee regarding the accuracy or completeness of the information in this Preliminary Official Statement, and its assistance in preparing this Preliminary Official Statement should not be construed as a representation that it has independently verified such information.

MUNICIPAL ADVISOR AFFILIATED COMPANIES

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

INDEPENDENT AUDITORS

The basic financial statements of the Village for the fiscal year ended December 31, 2024 have been audited by Johnson Block & Company, Inc., Middleton, 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 Preliminary Official Statement.

RISK FACTORS

The following is a description of possible risks to holders of the Bonds without weighting as to probability. This description of risks is not intended to be all-inclusive, and there may be other risks not now perceived or listed here.

System Revenues: Should rates set be inadequate to cover expenses, an unusual number of delinquencies occur, or a major breakdown or other disaster cause the System to be inoperable, a shortfall of revenues could result in a delay of debt payments.

Larger Users: Should larger users increase or decrease usage of the water and sewer service currently provided, the revenues of the System will be affected proportionately.

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

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

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

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

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

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

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

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

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

The foregoing is intended only as a summary of certain risk factors attendant to an investment in the Bonds. In order for potential investors to identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Official Statement and the Appendices hereto.

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	\$2,129,359,300
2025 Equalized Value Reduced by Tax Increment Valuation	\$2,031,867,500
2025 Assessed Value	\$2,219,699,500

2025 EQUALIZED VALUE BY CLASSIFICATION

	2025 Equalized Value¹	Percent of Total Equalized Value
Residential	\$1,848,468,900	86.809%
Commercial	247,936,500	11.644%
Manufacturing	32,943,900	1.547%
Agricultural	<u>10,000</u>	<u>0.0005%</u>
Total	<u><u>\$2,129,359,300</u></u>	<u><u>100.000%</u></u>

TREND OF VALUATIONS

Year	Assessed Value	Equalized Value¹	Percent Increase/Decrease in Equalized Value
2021	\$1,392,336,831	\$1,411,777,900	7.59%
2022	1,568,994,142	1,587,674,000	12.46%
2023	1,772,574,660	1,820,588,000	14.67%
2024	1,819,182,600	1,948,853,600	7.05%
2025	2,219,699,500	2,129,359,300	9.26%

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

¹Includes tax increment valuation.

LARGER TAXPAYERS

Taxpayer	Type of Business/Property	2025 Equalized Value¹	Percent of Village's Total Equalized Value
Prairie Brook Apartments LLC	Commercial	\$13,604,996	0.64%
Bergamont Townhomes LLC	Commercial	10,438,344	0.49%
Individual	Residential/Commercial	9,892,502	0.46%
The Flats Oregon LLC	Commercial	9,661,310	0.45%
JKK Thyse Properties LLC	Manufacturing	8,071,461	0.38%
Oregon Apartments LLC	Commercial	7,898,115	0.37%
CC Lane-Oregon LLC	Residential/Commercial	7,557,947	0.35%
Oregon Apartments Too LLC	Commercial	7,186,122	0.34%
Bergamont Golf Course	Golf Course	6,942,172	0.33%
25 O'Brien Court LLC	Commercial	<u>6,685,751</u>	<u>0.31%</u>
Total		\$87,938,720	4.13%
Village's Total 2025 Equalized Value ²		\$2,129,359,300	

Source: The Village.

DEBT

DIRECT DEBT³

General Obligation Debt (see schedules following)

Total General Obligation Debt (includes the Concurrent Obligations, as defined herein)*	<u><u>\$56,330,444</u></u>
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*Preliminary, subject to change.

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

²Includes tax increment valuation.

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

Revenue Debt

Total revenue debt secured by water and sewerage revenues (includes the Bonds and excludes the refunded obligations)* (See schedule on Page 5)

\$35,296,318

*Preliminary, subject to change.

DEBT PAYMENT HISTORY

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

FUTURE FINANCING

Concurrently with the Bonds, the Village plans to issue its \$17,650,000* General Obligation Promissory Notes, Series 2026A (the "Concurrent Obligations"). The Village expects to issue general obligation debt for capital projects in 2027, but the final amount and timing of any such borrowing has not yet been determined. Aside from the preceding, the Village has no current plans for additional financing in the next 12 months.

DEBT LIMIT

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

Equalized Value	\$2,129,359,300
Multiply by 5%	<u>0.05</u>
Statutory Debt Limit	\$106,467,965
Less: General Obligation Debt*	<u>(56,330,444)</u>
Unused Debt Limit*	<u><u>\$50,137,521</u></u>

*Preliminary, subject to change.

Village of Oregon, Wisconsin
Schedule of Bonded Indebtedness
General Obligation Debt Secured by Taxes
(As of 05/14/2026)

	Corporate Purpose Bonds Series 2015A		Promissory Notes Series 2017A		Corporate Purpose Bonds Series 2017B		State Trust Fund Loan		Promissory Notes Series 2018A	
Dated	05/06/2015		06/08/2017		06/08/2017		12/13/2017		06/20/2018	
Amount	\$4,815,000		\$1,550,000		\$1,950,000		\$550,000		\$645,000	
Maturity	03/01		03/01		03/01		03/15		03/01	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2026	0	10,750	0	1,800	0	16,263	0	0	0	2,175
2027	420,000	16,250	120,000	1,800	95,000	31,100	27,475	14,818	75,000	3,263
2028	440,000	5,500			95,000	28,250	28,536	13,756	75,000	1,088
2029					100,000	25,325	29,715	12,577		
2030					95,000	22,400	30,904	11,389		
2031					95,000	19,550	32,140	10,153		
2032					95,000	16,700	33,401	8,891		
2033					95,000	13,731	34,762	7,531		
2034					95,000	10,644	36,152	6,140		
2035					85,000	7,613	37,598	4,694		
2036					85,000	4,638	39,093	3,199		
2037					90,000	1,575	40,666	1,627		
2038										
2039										
2040										
2041										
2042										
2043										
2044										
2045										
2046										
	860,000	32,500	120,000	3,600	1,025,000	197,788	370,444	94,775	150,000	6,525

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Village of Oregon, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 05/14/2026)

	Corporate Purpose Bonds Series 2018B		Promissory Notes Series 2019A		Corporate Purpose Bonds Series 2019B		Promissory Notes Series 2020A		Corporate Purpose Bonds Series 2020B	
Dated	06/20/2018		06/13/2019		06/13/2019		05/06/2020		05/06/2020	
Amount	\$3,880,000		\$860,000		\$2,655,000		\$1,325,000		\$3,715,000	
Maturity	03/01		03/01		03/01		03/01		03/01	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2026	0	34,238	0	1,575	0	23,625	0	7,200	0	28,638
2027	205,000	65,400	105,000	1,575	150,000	44,250	140,000	12,300	335,000	52,250
2028	205,000	59,250			155,000	38,925	165,000	8,550	340,000	42,125
2029	180,000	53,475			155,000	34,275	165,000	5,250	340,000	33,625
2030	185,000	48,000			155,000	29,625	180,000	1,800	200,000	28,225
2031	180,000	42,525			130,000	25,350			325,000	22,975
2032	180,000	37,125			130,000	21,450			225,000	17,475
2033	180,000	31,613			130,000	17,550			200,000	13,225
2034	180,000	25,988			130,000	13,650			175,000	9,475
2035	180,000	20,363			130,000	9,750			150,000	6,225
2036	180,000	14,625			130,000	5,850			125,000	3,413
2037	180,000	8,775			130,000	1,950			100,000	1,050
2038	180,000	2,925								
2039										
2040										
2041										
2042										
2043										
2044										
2045										
2046										
	2,215,000	444,300	105,000	3,150	1,525,000	266,250	650,000	35,100	2,515,000	258,700

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Village of Oregon, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 05/14/2026)

	Taxable Refunding Bonds Series 2020C		Corporate Purpose Bonds Series 2021A		Corporate Purpose Bonds Series 2022A		Corporate Purpose Bonds Series 2023A		Promissory Notes Series 2024A	
Dated	05/06/2020		05/26/2021		06/01/2022		06/08/2023		06/06/2024	
Amount	\$1,035,000		\$11,980,000		\$6,100,000		\$7,030,000		\$6,575,000	
Maturity	03/01		03/01		03/01		03/01		03/01	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2026	0	10,890	0	105,650	0	81,181	0	112,381	0	130,075
2027	50,000	21,030	595,000	202,375	145,000	160,188	290,000	217,513	315,000	252,275
2028	55,000	19,648	620,000	184,150	325,000	153,138	270,000	203,513	330,000	236,150
2029	55,000	18,383	630,000	165,400	325,000	143,388	345,000	188,138	330,000	219,650
2030	55,000	17,118	635,000	146,425	325,000	133,638	315,000	171,638	335,000	203,025
2031	60,000	15,690	600,000	127,900	325,000	123,481	315,000	155,888	335,000	186,275
2032	60,000	14,100	560,000	113,300	310,000	113,163	325,000	139,888	335,000	169,525
2033	60,000	12,510	570,000	102,000	310,000	103,088	330,000	123,513	335,000	152,775
2034	60,000	10,860	575,000	90,550	310,000	93,013	285,000	108,138	335,000	136,025
2035	65,000	9,079	575,000	79,050	335,000	82,531	290,000	93,763	285,000	120,525
2036	65,000	7,226	580,000	67,500	350,000	71,400	290,000	81,800	290,000	106,150
2037	70,000	5,250	580,000	55,900	325,000	60,350	290,000	72,194	290,000	91,650
2038	70,000	3,150	615,000	43,950	325,000	49,544	290,000	62,225	295,000	78,500
2039	70,000	1,050	635,000	31,450	325,000	38,413	290,000	52,075	300,000	66,600
2040			640,000	18,700	310,000	27,300	290,000	41,200	305,000	54,500
2041			615,000	6,150	310,000	16,450	295,000	29,500	305,000	42,300
2042					315,000	5,513	295,000	17,700	305,000	30,100
2043							295,000	5,900	300,000	18,000
2044									300,000	6,000
2045										
2046										
	795,000	165,983	9,025,000	1,540,450	4,970,000	1,455,775	5,100,000	1,876,963	5,625,000	2,300,100

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Village of Oregon, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 05/14/2026)

Dated	Promissory Notes Series 2025B		Promissory Notes Series 2026A		Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
	Amount	Maturity	Amount	Maturity						
	05/15/2025		05/14/2026							
	\$4,660,000		\$17,650,000*							
	03/01		03/01							
Calendar Year Ending	Principal	Interest	Principal	Estimated Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2026	0	90,750	0	0	0	657,190	657,190	56,330,444	.00%	2026
2027	320,000	173,500	0	967,981	3,387,475	2,237,866	5,625,341	52,942,969	6.01%	2027
2028	245,000	159,375	0	746,195	3,348,536	1,899,611	5,248,148	49,594,432	11.96%	2028
2029	255,000	146,875	360,000	740,885	3,269,715	1,787,245	5,056,960	46,324,717	17.76%	2029
2030	255,000	134,125	360,000	730,265	3,125,904	1,677,671	4,803,575	43,198,813	23.31%	2030
2031	240,000	121,750	415,000	718,730	3,052,140	1,570,266	4,622,406	40,146,673	28.73%	2031
2032	240,000	109,750	470,000	705,103	2,963,401	1,466,469	4,429,870	37,183,272	33.99%	2032
2033	245,000	97,625	470,000	690,063	2,959,762	1,365,222	4,324,984	34,223,510	39.25%	2033
2034	245,000	85,375	500,000	674,175	2,926,152	1,264,032	4,190,184	31,297,358	44.44%	2034
2035	245,000	73,125	530,000	656,783	2,907,598	1,163,499	4,071,098	28,389,759	49.60%	2035
2036	250,000	60,750	505,000	638,676	2,889,093	1,065,227	3,954,320	25,500,666	54.73%	2036
2037	250,000	48,250	585,000	618,890	2,930,666	967,460	3,898,126	22,570,000	59.93%	2037
2038	255,000	35,625	730,000	594,380	2,760,000	870,299	3,630,299	19,810,000	64.83%	2038
2039	315,000	21,375	810,000	565,100	2,745,000	776,063	3,521,063	17,065,000	69.71%	2039
2040	270,000	6,750	770,000	533,723	2,585,000	682,173	3,267,173	14,480,000	74.29%	2040
2041			960,000	497,538	2,485,000	591,938	3,076,938	11,995,000	78.71%	2041
2042			1,460,000	445,383	2,375,000	498,695	2,873,695	9,620,000	82.92%	2042
2043			1,800,000	372,678	2,395,000	396,578	2,791,578	7,225,000	87.17%	2043
2044			2,075,000	283,484	2,375,000	289,484	2,664,484	4,850,000	91.39%	2044
2045			2,410,000	177,400	2,410,000	177,400	2,587,400	2,440,000	95.67%	2045
2046			2,440,000	59,780	2,440,000	59,780	2,499,780	0	100.00%	2046
	3,630,000	1,365,000	17,650,000	11,417,208	56,330,444	21,464,166	77,794,610			

* Preliminary, subject to change.

OVERLAPPING DEBT¹

Taxing District	2025 Equalized Value²	% In Village	Total G.O. Debt³	Village's Proportionate Share
Dane County	\$117,343,578,900	1.8146%	\$832,310,000	\$15,103,097
Madison Technical College District	159,919,721,111	1.3315%	168,740,000	2,246,773
Oregon School District	5,211,624,691	40.8579%	65,555,000	<u>26,784,396</u>
Village's Share of Total Overlapping Debt				<u><u>\$44,134,267</u></u>

DEBT RATIOS

	G.O. Debt	Debt/Equalized Value \$2,129,359,300	Debt/ Per Capita 12,441⁴
Total General Obligation Debt*	\$56,330,444	2.65%	\$4,527.81
Village's Share of Total Overlapping Debt	<u>44,134,267</u>	<u>2.07%</u>	<u>3,547.49</u>
Total*	\$100,464,711	4.72%	\$8,075.29

*Preliminary, subject to change.

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

²Includes tax increment valuation.

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

⁴Estimated 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	\$7,630,024	100%	\$5.54
2022/23	8,456,584	100%	5.51
2023/24	9,116,087	100%	5.15
2024/25	9,727,790	100%	5.21
2025/26	10,372,713	In Process of Collection	5.11

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

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

PROPERTY TAX RATES

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

Year Levied/ Year Collected	Schools¹	County	Local	Total
2021/22	\$11.20	\$2.89	\$5.54	\$19.63
2022/23	10.78	2.72	5.51	19.01
2023/24	10.12	2.76	5.15	18.03
2024/25	10.07	2.60	5.21	17.88
2025/26	9.89	2.50	5.11	17.50

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%.

¹The 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.

With respect to revenue bonds issued pursuant to Section 66.0621, Wis. Stats., such as the Bonds, any taxes levied to pay debt service on the Bonds because of a revenue shortfall may be excluded from the levy limits.

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 \$594,000 in shared revenue under Chapter 79, Wis. Stats., an increase from the approximately \$532,000 received in 2024. The Village is expected to receive approximately \$548,000 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 1883 and is governed by a seven-member Village Board of which the Village President is a voting member. All are elected to two-year terms. The appointed Administrator, Finance Director/Treasurer and Village Clerk are responsible for administrative details and financial records.

EMPLOYEES; PENSIONS

The Village employs a staff of 63 full-time, 29 part-time, and four 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 \$338,032, \$410,007, and \$456,332 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 \$433,973 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 0.02918831% 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 9 in "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

Recognized and Certified Bargaining Units

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

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

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

The following bargaining unit represents employees of the Village:

Bargaining Unit	Expiration Date of Current Contract
WPPA	December 31, 2026

¹On 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.

OTHER POST EMPLOYMENT BENEFITS

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

For Fiscal Year 2024, the Village's portion of contributions to the LRLIF totaled \$1,198. For Fiscal Year 2023, the Village reported a liability of \$251,173 for its proportionate share of the net OPEB liability of the LRLIF. The net OPEB liability was measured as of December 31, 2023 based on the Village's share of contributions to the LRLIF relative to the contributions of all participating employers. The Village's proportion was 0.05459500% of the aggregate LRLIF net OPEB liability as of December 31, 2023.

The calculation of the total OPEB liability and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. Such changes may have a significant impact on the calculation of the net OPEB liability of the LRLIF, which may also cause ETF to change the contribution requirements for employers and employees. For more detailed information, see Note 10 in the "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

LITIGATION

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

MUNICIPAL BANKRUPTCY

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

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

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

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

FUNDS ON HAND (as of February 28, 2026)

Fund	Total Cash and Investments
General	\$6,262,267
Special Revenue	3,938,685
Debt Service	452,042
Capital Projects	8,476,569
Water	3,983,289
Sewer	4,094,104
Trust Agency	<u>10,452</u>
 Total Funds on Hand	 <u><u>\$27,217,408</u></u>

ENTERPRISE FUNDS

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

	2023 Audited	2024 Audited	2025 Unaudited
Water			
Total Operating Revenues	\$1,528,627	\$1,897,323	\$2,010,465
Less: Operating Expenses	<u>(1,253,344)</u>	<u>(1,804,529)</u>	<u>(1,568,518)</u>
Operating Income	\$275,283	\$92,794	\$441,947
Plus: Depreciation	465,223	505,174	302,177
Interest Income	<u>263,036</u>	<u>253,179</u>	<u>185,903</u>
Revenues Available for Debt Service	<u><u>\$1,003,542</u></u>	<u><u>\$851,147</u></u>	<u><u>\$930,027</u></u>
Sewer			
Total Operating Revenues	\$1,636,374	\$1,836,211	\$2,246,226
Less: Operating Expenses	<u>(2,033,924)</u>	<u>(2,085,829)</u>	<u>(2,178,423)</u>
Operating Income	(\$397,550)	(\$249,618)	\$67,803
Plus: Depreciation	748,022	770,294	799,777
Interest Income	<u>334,788</u>	<u>370,130</u>	<u>290,885</u>
Revenues Available for Debt Service	<u><u>\$685,260</u></u>	<u><u>\$890,806</u></u>	<u><u>\$1,158,465</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.

	FISCAL YEAR ENDING DECEMBER 31				
COMBINED STATEMENT	2021	2022	2023	2024	2025
	Audited	Audited	Audited	Audited	Unaudited¹
Revenues					
Taxes & Special Assessments	\$4,653,081	\$4,792,779	\$5,102,246	\$5,174,582	\$5,539,779
Intergovernmental	925,616	1,045,817	1,155,377	1,541,203	1,758,856
Licenses and Permits	266,338	245,385	318,600	327,078	328,414
Fines, Forfeitures, and Penalties	129,338	118,391	112,433	94,360	95,246
Public Charges for Services	117,938	123,776	177,733	269,559	296,865
Intergovernmental Charges for Services	185,012	198,284	191,039	224,111	223,119
Interest Income	14,100	84,935	287,598	335,992	299,699
Miscellaneous	116,493	117,501	156,232	163,400	164,181
Total Revenues	<u>\$6,407,916</u>	<u>\$6,726,868</u>	<u>\$7,501,258</u>	<u>\$8,130,285</u>	<u>\$8,706,160</u>
Expenditures					
Current:					
General Government	\$1,049,357	\$1,076,115	\$1,121,368	\$1,297,621	\$1,328,480
Public Safety	3,433,330	3,584,382	3,947,311	4,023,623	4,525,617
Public Works	964,809	930,959	1,003,024	992,359	1,016,413
Health and Human Services	257,829	277,913	380,505	457,569	518,536
Culture, Recreation, and Education	544,239	549,849	660,247	713,848	778,858
Conservation and Development	100,356	114,575	233,488	191,152	149,740
Total Expenditures	<u>\$6,349,920</u>	<u>\$6,533,793</u>	<u>\$7,345,943</u>	<u>\$7,676,172</u>	<u>\$8,317,643</u>
Excess of revenues over (under) expenditures	\$57,996	\$193,075	\$155,315	\$454,113	\$388,517
Other Financing Sources (Uses)					
Transfers in	330,532	337,781	343,737	427,804	488,485
Transfers (out)	(670,000)	(450,000)	(340,112)	(653,000)	(321,873)
Total Other Financing Sources (Uses)	<u>(339,468)</u>	<u>(112,219)</u>	<u>3,625</u>	<u>(225,196)</u>	<u>166,612</u>
Net changes in Fund Balances	(\$281,472)	\$80,856	\$158,940	\$228,917	\$555,129
General Fund Balance January 1	<u>\$2,623,531</u>	<u>\$2,342,059</u>	<u>\$2,422,915</u>	<u>\$2,581,855</u>	<u>\$2,810,772</u>
General Fund Balance December 31	\$2,342,059	\$2,422,915	\$2,581,855	\$2,810,772	\$3,365,901
DETAILS OF DECEMBER 31 FUND BALANCE					
Nonspendable	\$155,805	\$155,491	\$172,535	\$202,549	
Committed	4,001	4,001	4,001	4,001	
Assigned	25,103	25,010	24,748	25,136	
Unassigned	2,157,150	2,238,413	2,380,571	2,579,086	
Total	<u>\$2,342,059</u>	<u>\$2,422,915</u>	<u>\$2,581,855</u>	<u>\$2,810,772</u>	

GENERAL FUND BUDGET SUMMARY

FISCAL YEAR ENDING DECEMBER 31

COMBINED STATEMENT

	2026 Adopted Budget ¹
Revenues	
Taxes	\$5,308,240
Other Taxes	\$457,800
Intergovernmental	1,672,808
Licenses and permits	282,420
Fine and forfeitures	103,500
Charges for services	236,655
Intergovernmental Charges for Services	220,126
Investment Revenue	170,160
Miscellaneous	161,900
Total Revenues	<u>\$8,613,609</u>
Expenditures	
Current:	
General government	\$1,371,184
Public safety	4,843,404
Public Works	1,155,171
Health & Human Services	525,746
Culture & Recreation	908,508
Conservation & Development	168,596
Total Expenditures	<u>\$8,972,609</u>
Excess of revenues over (under) expenditures	(\$359,000)
Other Financing Sources (Uses)	
Sale of capital asset	
Transfers in	359,000
Transfers (out)	0
Total Other Financing Sources (Uses)	<u>359,000</u>
Net changes in Fund Balances	\$0

¹ The 2026 budget was adopted on November 17, 2025.

GENERAL INFORMATION

LOCATION

The Village, with a 2020 U.S. Census population of 11,179 and a current estimated population of 12,441 comprises an area of 4.48 square miles and is located approximately nine miles south of the City of Madison just off U.S. Highway 14.

LARGER EMPLOYERS¹

Larger employers in the area include the following:

Firm	Type of Business/Product	Estimated No. of Employees
Oregon School District	Elementary and secondary education	674
Oakhill Correctional Institution	Minimum security prison	315
Trachte Inc.	Manufacturers	200
Hy-Vee	Grocers	125
Wisco Industries, Inc.	Laser Cutting - Manufacturing	120
Thysse Printing Service, Inc.	Commercial printing and designer	100
The Village	Municipal Government	96
Gorman & Company	General contractor	80
Kwik Trip	Gas station and convenience stores	60
Culver's Restaurant	Fast food restaurant	60

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

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

BUILDING PERMITS

	2022	2023	2024	2025	2026 ¹
<u>New Single Family Homes</u>					
No. of building permits	61	59	80	84	16
Valuation	\$28,834,596	\$28,795,485	\$41,088,988	\$37,067,245	\$7,345,733
<u>New Multiple Family Buildings</u>					
No. of building permits	2	11	15	10	1
Valuation	\$823,600	\$26,918,000	\$9,449,387	\$12,677,435	\$595,000
<u>New Commercial/Industrial</u>					
No. of building permits	2	4	3	2	0
Valuation	\$3,550,000	\$15,260,655	\$3,653,000	\$4,779,000	\$0
<u>All Building Permits</u> <i>(including additions and remodelings)</i>					
No. of building permits	462	475	533	984	85
Valuation	\$44,562,202	\$79,970,735	\$64,043,077	\$69,188,517	\$11,618,013

Source: The Village.

¹As of February 28, 2026.

U.S. CENSUS DATA

Population Trend: The Village

2010 U.S. Census Population	9,231
2020 U.S. Census Population	11,179
Percent of Change 2010 - 2020	21.10%
2025 Estimated Population	12,441

Income and Age Statistics

	The Village	Dane County	State of Wisconsin	United States
2024 per capita income	\$49,569	\$53,181	\$43,373	\$44,673
2024 median household income	\$102,978	\$89,975	\$77,485	\$80,734
2024 median family income	\$135,147	\$124,904	\$100,141	\$99,999
2024 median gross rent	\$1,221	\$1,398	\$1,087	\$1,413
2024 median value owner occupied units	\$417,200	\$394,800	\$266,500	\$332,700
2024 median age	39.6 yrs.	35.7 yrs.	40.2 yrs.	38.9 yrs.

	State of Wisconsin	United States
Village % of 2024 per capita income	114.29%	110.96%
Village % of 2024 median family income	134.96%	135.15%

Housing Statistics

	<u>The Village</u>		
	2020	2024	Percent of Change
All Housing Units	4,446	4,854	9.18%

Source: 2010 and 2020 Census of Population and Housing, Wisconsin Demographic Services Center (https://doa.wi.gov/Pages/LocalGovtsGrants/Population_Estimates.aspx) and 2024 American Community Survey (Based on a five-year estimate), U.S. Census Bureau (<https://data.census.gov/cedsci>).

EMPLOYMENT/UNEMPLOYMENT DATA

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

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

Source: Wisconsin Department of Workforce Development.

¹Preliminary.

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 Preliminary Official Statement, nor has the Village requested that the Auditor consent to the use of such financial statements in this Preliminary Official Statement. Although the inclusion of the financial statements in this Preliminary Official Statement is not intended to demonstrate the fiscal condition of the Village since the date of the financial statements, in connection with the issuance of the Bonds, the Village represents that there have been no material adverse change in the financial position or results of operations of the Village, nor has the Village incurred any material liabilities, which would make such financial statements misleading.

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



**FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITOR'S REPORT
For the Year Ended December 31, 2024**

VILLAGE OF OREGON

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INDEPENDENT AUDITOR'S REPORT

To the Village Board
Village of Oregon
Oregon, Wisconsin

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 1 to the financial statements, the Village implemented Governmental Accounting Standards Board (GASB) Statement No. 100, *Accounting Changes and Error Corrections* – an amendment of GASB Statement No. 62. This standard requires the restatement of beginning balances to reflect the change in the presentation of major funds. Accordingly, the classification and presentation of certain funds have been adjusted to comply with requirements of GASB 100. Our opinions are not modified with respect to this matter.

Additionally, as discussed in Note 1 to the financial statements, effective January 1, 2024, the Village adopted the provisions of GASB Statement No. 101, *Compensated Absences*. The adoption resulted in a restatement, decreasing the beginning net position by \$507,939, consisting of a \$447,323 decrease for governmental activities and a \$60,616 decrease for business-type activities. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village of Oregon, Wisconsin's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village of Oregon, Wisconsin'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, Local Retiree Life Insurance Fund schedules, and Wisconsin Retirement System schedules on pages iv through xii and 62-70 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Oregon, Wisconsin's basic financial statements. The combining and individual nonmajor fund financial statements 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 relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Johnson Block & Company, Inc.

Johnson Block & Company, Inc.

June 16, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Village of Oregon, Wisconsin, we offer readers of the Village of Oregon, Wisconsin's basic financial statements this narrative overview and analysis of the financial activities of the Village of Oregon, Wisconsin for the fiscal year ended December 31, 2024. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the Village's basic financial statements, which follow this narrative.

FINANCIAL HIGHLIGHTS

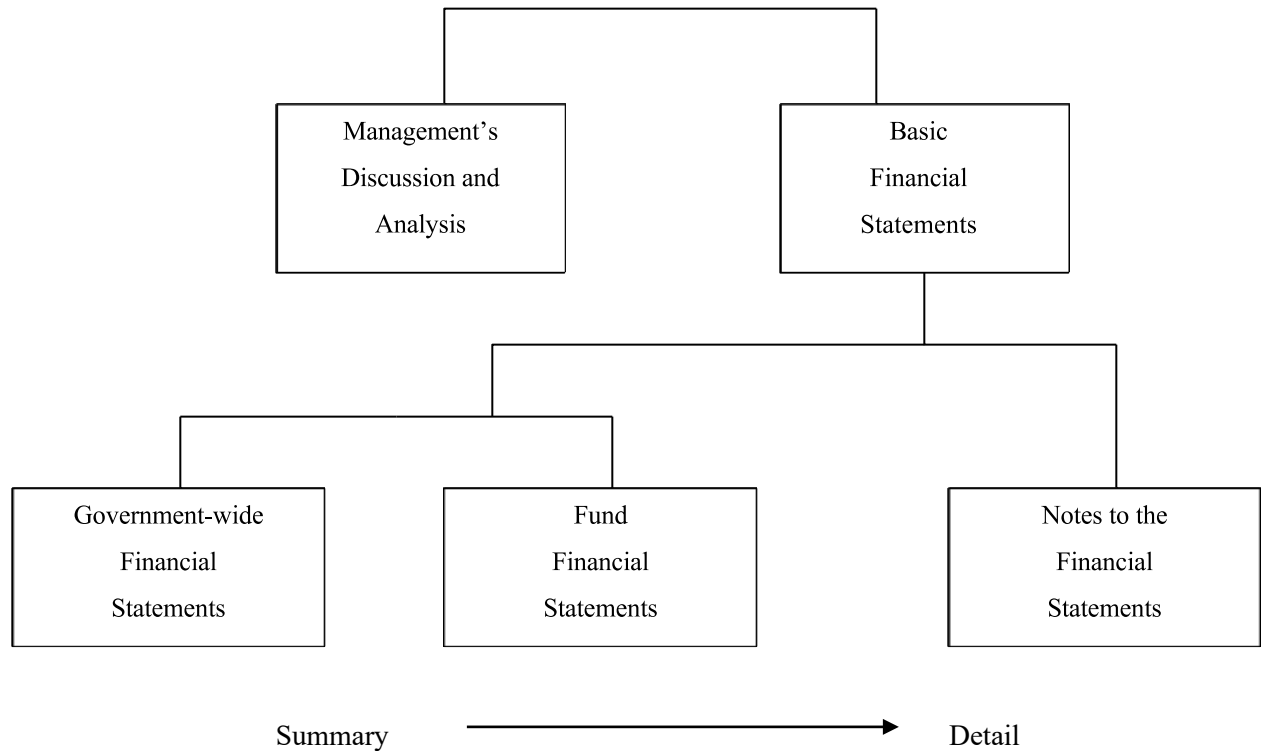
- The assets and deferred outflows of resources of the Village of Oregon, Wisconsin exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$77,134,332 (*net position*).
- The government's total net position increased by \$74,864.
- As of the close of the current fiscal year, the Village of Oregon, Wisconsin's governmental funds reported combined ending fund balances of \$14,530,374, an increase of \$3,189,964 in comparison with the prior year.
- At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$2,579,086 or 34 percent of total general fund expenditures for the fiscal year.
- The Village reported a net increase in general obligation debt of \$2,900,622

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to Village of Oregon, Wisconsin's basic financial statements. The Village's basic financial statements consist of three components; 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two different views of the Village through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the Village of Oregon, Wisconsin.

Required Components of Annual Financial Report

Figure 1



BASIC FINANCIAL STATEMENTS

The first two statements in the basic financial statements are the **Government-wide Financial Statements**. They provide both short and long-term information about the Village's financial status.

The next statements are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the Village's government. These statements provide more detail than the government-wide statements. There are three parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the fiduciary fund statements; and 3) the proprietary fund statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the Village's individual funds. Budgetary information required by the General Statutes also can be found in this part of the statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the Village's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the Village's financial status as a whole.

The two government-wide statements report the Village's net position and how it has changed. Net position is the difference between the Village's assets plus deferred outflows of resources and total liabilities plus deferred inflows of resources. Measuring net position is one way to gauge the Village's financial condition.

The government-wide statements are divided into two categories: 1) governmental activities and 2) business-type activities. The governmental activities include most of the Village's basic services such as public safety, parks and recreation, and general administration. Property taxes and state and federal grant funds finance most of these activities. The business-type activities are those that the Village charges customers to provide. These include the water and sewer services offered by the Village of Oregon, Wisconsin.

Fund Financial Statements

The fund financial statements provide a more detailed look at the Village's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village of Oregon, Wisconsin, like all other governmental entities in Wisconsin, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the State of Wisconsin Statutes or the Village's budget ordinance. All of the funds of Village of Oregon, Wisconsin can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds - Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the Village's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting* which provides a short-term spending focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps determine if there are more or less financial resources available to finance the Village's programs. The relationship between government activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenue, expenditures, and changes in fund balances for the general fund, the library fund, the park improvement fund and the debt service fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The Village of Oregon, Wisconsin adopts an annual budget for its governmental funds as required by the State of Wisconsin Statutes. The budget is a legally adopted document that incorporates input from the citizens of the Village, the management of the Village, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the Village to obtain funds from identified sources to finance these current period activities. The budgetary comparison schedule provided for the General Fund and Library Fund demonstrates how well the Village complied with the budget ordinance and whether or not the Village succeeded in providing the services as planned when the budget was adopted. The statement shows four columns: 1) the original budget as adopted by the Board; 2) the final budget as amended by the Board; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the variance between the final budget and the actual revenue and expenditures.

Proprietary Funds - The Village of Oregon, Wisconsin has one kind of proprietary fund. *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village of Oregon, Wisconsin uses enterprise funds to account for its water and sewer operations. These funds are the same as those functions shown in the business-type activities in the Statement of Net Position and the Statement of Activities.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Utility and for the Sewer Utility, both of which are considered to be major funds of the Village of Oregon.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the Village of Oregon, Wisconsin's own programs. The most significant fiduciary fund maintained by the Village of Oregon, Wisconsin is the Tax Collections Fund which records the tax roll and tax collections for other taxing jurisdictions within the Village of Oregon, Wisconsin.

Notes to the Financial Statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information - In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the Village of Oregon, Wisconsin. Required supplementary information can be found following the notes to the financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

THE VILLAGE OF OREGON'S NET POSITION

Figure 1

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$27,546,855	\$26,959,355	\$10,989,252	\$12,589,011	\$38,536,107	\$39,548,366
Capital Assets	68,081,719	65,765,577	35,789,314	32,906,578	103,871,033	98,672,155
Total Assets	95,628,574	92,724,932	46,778,566	45,495,589	142,407,140	138,220,521
Deferred Outflows	3,647,759	5,190,183	431,846	615,777	4,079,605	5,805,960
Long-Term Liabilities	43,456,133	37,240,452	4,174,628	4,686,621	47,630,761	41,927,073
Other Liabilities	6,524,407	9,509,372	740,817	926,282	7,265,224	10,435,654
Total Liabilities	49,980,540	46,749,824	4,915,445	5,612,903	54,895,985	52,362,727
Deferred Inflows	13,519,107	13,043,617	937,321	1,052,730	14,456,428	14,096,347
Net Position:						
Net Investment in Capital Assets	30,923,085	31,851,981	28,662,187	29,098,770	59,585,272	60,950,751
Restricted	3,773,936	3,247,795	1,924,235	1,739,961	5,698,171	4,987,756
Unrestricted	1,079,665	3,021,898	10,771,224	8,607,002	11,850,889	11,628,900
Total Net Position	\$35,776,686	\$38,121,674	\$41,357,646	\$39,445,733	\$77,134,332	\$77,567,407

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The assets of the Village of Oregon, Wisconsin exceeded liabilities and deferred inflows of resources by \$77,134,332 as of December 31, 2024. The Village's net position increased by \$74,864 for the fiscal year ended December 31, 2024. The largest portion, \$59,585,272, reflects the Village's investment in capital assets (e.g. land, land improvements, buildings, and equipment), less any related debt still outstanding that was issued to acquire those items. The Village of Oregon, Wisconsin uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village of Oregon, Wisconsin's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of the Village of Oregon, Wisconsin's net position, \$5,698,171, represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$11,850,889 is unrestricted.

VILLAGE OF OREGON'S CHANGES IN NET POSITION

Figure 2

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues:						
Charges for services and fees, fines and costs	\$ 1,810,390	\$ 1,731,136	\$ 3,733,534	\$ 3,165,001	\$ 5,543,924	\$ 4,896,137
Operating grants and contributions	1,720,074	1,567,741	45,648	215,824	1,765,722	1,783,565
Capital grants and contributions	689,808	3,056,606	1,959,778	549,745	2,649,586	3,606,351
General revenues:						
Taxes	10,565,765	9,909,118	-	-	10,565,765	9,909,118
Intergovernmental revenues not restricted to specific programs	1,055,301	993,035	-	-	1,055,301	993,035
Unrestricted Interest and Investment Earnings	1,009,958	1,134,301	623,309	597,824	1,633,267	1,732,125
Miscellaneous	90,082	77,757	-	-	90,082	77,757
Special Items	(5,987)	(11,514)	-	-	(5,987)	(11,514)
Total Revenues	16,935,391	18,458,180	6,362,269	4,528,394	23,297,660	22,986,574
Expenses:						
General Government	1,752,106	1,580,486	-	-	1,752,106	1,580,486
Public Safety	4,591,204	4,566,981	-	-	4,591,204	4,566,981
Public Works	3,468,594	3,466,697	-	-	3,468,594	3,466,697
Health and Human Services	501,159	419,054	-	-	501,159	419,054
Culture, Recreation and Education	2,694,028	2,071,739	-	-	2,694,028	2,071,739
Conservation & Development	4,846,213	399,752	-	-	4,846,213	399,752
Interest on long-term debt	1,339,621	1,144,947	-	-	1,339,621	1,144,947
Water & Sewer	-	-	4,029,871	3,439,154	4,029,871	3,439,154
Total Expenses	19,192,925	13,649,656	4,029,871	3,439,154	23,222,796	17,088,810
Increase (Decrease) in Net Position before transfers	(2,257,534)	4,808,524	2,332,398	1,089,240	74,864	5,897,764
Transfers	359,869	(242,781)	(359,869)	244,862	-	2,081
Increase (Decrease) in Net Position	(1,897,665)	4,565,743	1,972,529	1,334,102	74,864	5,899,845
Net Position – January 1, previously reported	38,121,674	33,555,931	39,445,733	38,111,631	77,567,407	71,667,562
Restatement	(447,323)	-	(60,616)	-	(507,939)	-
Net Position – January 1, restated	37,674,351	33,555,931	39,385,117	38,111,631	77,059,468	71,667,562
Net Position – December 31	\$35,776,686	\$38,121,674	\$41,357,646	\$39,445,733	\$77,134,332	\$77,567,407

Figure 2 provides summarized operating results and their impact on net position. Governmental activities decreased and business-type activities increased the Village's financial position.

Governmental activities: The Village relies primarily on charges for services (10.7%) and taxes (62.4%) to provide basic services, and capital grants and contributions (4.1%) and operating grants and contributions (10.2%) for major projects. Public safety (23.9%), public works (18.0%), conservation and development (25.2%), and Culture and Recreation (14.0%) comprise the majority of expenses.

Business-type activities: Utility charges for services and capital grants and contributions were higher than 2023. Capital grants and contributions primarily consist of infrastructure constructed and financed by developers.

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

As noted earlier, the Village of Oregon, Wisconsin uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds: The focus of the Village of Oregon, Wisconsin's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the Village of Oregon, Wisconsin's financing requirements. Specifically, unassigned fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

The General Fund is the primary operating fund of the Village of Oregon, Wisconsin. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$2,579,086, while total fund balance was \$2,810,772. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 34 percent of total General Fund expenditures, while total fund balance represents 37 percent of that same amount.

At December 31, 2024, the governmental funds of Village of Oregon, Wisconsin reported a combined fund balance of \$14,530,374, an increase of \$3,189,964 from last year.

General Fund Budgetary Highlights: During the fiscal year, the Village revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget resolution once more accurate information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services.

Revenue was more than the original budgeted amounts primarily because of more taxes, intergovernmental, license and permits and interest income. Total actual revenues were more than amended final budget by \$21,447.

Expenditures were less than the original budget by approximately \$237,173, while actual expenditures were less than the amended final budget by \$189,076. The general government, public safety and public works departments were the largest contributors, with expenditures less than budget of \$49,209, \$46,773 and \$46,328, respectively.

Proprietary Funds: The Village of Oregon, Wisconsin's proprietary funds provide the same type of information found in the government-wide statements but in more detail.

Other factors concerning the finances of these funds have already been addressed in the discussion of the Village of Oregon, Wisconsin's business-type activities.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets: The Village of Oregon, Wisconsin’s investment in capital assets for its governmental and business-type activities as of December 31, 2024, totals \$103,871,033 (net of accumulated depreciation). These assets include land, land improvements, buildings, construction in progress, equipment, and infrastructure.

Major capital asset transactions during the year include the following additions:

- Public Work Bobcat
- Public Work Snowplow
- Western Star Dumptruck
- Public Work Trucks
- Laser Grader
- John Deere Mower
- Street Construction
- Public Work garage construction
- Police Squad

VILLAGE OF OREGON’S CAPITAL ASSETS

Figure 3

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Land	\$ 10,353,264	\$ 11,208,764	\$ 270,832	\$ 270,832	\$ 10,624,096	\$ 11,479,596
Construction Work in Progress	7,778,174	5,208,858	2,228,487	858,999	10,006,661	6,067,857
Land and Construction Work in Progress	18,131,438	16,417,622	2,499,319	1,129,831	20,630,757	17,547,453
Buildings & Improvements	25,697,889	25,475,462	3,603,982	3,517,169	29,301,871	28,992,631
Vehicles & Equipment	6,932,525	6,488,017	3,180,272	3,045,364	10,112,797	9,533,381
Infrastructure	52,459,685	51,246,447	50,955,134	48,499,226	103,414,819	99,745,673
Other Capital Assets	85,090,099	83,209,926	57,739,388	55,061,759	142,829,487	138,271,685
Accumulated Depreciation	(35,139,818)	(33,861,971)	(24,449,393)	(23,285,012)	(59,589,211)	(57,146,983)
Other Capital Assets, net of depreciation	49,950,281	49,347,955	33,289,995	31,776,747	83,240,276	81,124,702
Total Capital Assets	\$ 68,081,719	\$ 65,765,577	\$ 35,789,314	\$ 32,906,578	\$ 103,871,033	\$ 98,672,155

Additional information on the Village’s capital assets can be found in the Notes to the Financial Statements.

Long-Term Obligations: As of December 31, 2024, the Village of Oregon, Wisconsin had total long-term obligations outstanding of \$52,056,454. Of this, \$42,042,266 is debt backed by the full faith and credit of the Village. The remainder of the Village’s debt represents premiums, mortgage revenue bonds, developer commitments and employee benefit obligations.

VILLAGE OF OREGON'S OUTSTANDING LONG-TERM OBLIGATIONS

Figure 4

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
General Obligation Bonds/Notes	\$39,097,266	\$35,811,644	\$ 2,945,000	\$ 3,330,000	\$ 42,042,266	\$ 39,141,644
Mortgage Revenue Bonds	-	-	1,475,000	1,585,000	1,475,000	1,585,000
Premium	1,855,973	1,516,867	103,845	118,563	1,959,818	1,635,430
Other Long-Term Obligations*	6,415,108	2,879,501	164,262	134,569	6,579,370	3,014,070
Total Debt Outstanding	\$ 47,368,347	\$ 40,208,012	\$ 4,688,107	\$ 5,168,132	\$ 52,056,454	\$ 45,376,144

**2023 balances restated for GASB 101 implementation.*

The Village of Oregon, Wisconsin's total general obligation debt increased by \$2,900,622 during the past fiscal year. Principal payments on long-term obligations totaled \$3.8 million for 2024.

The State of Wisconsin statutes limit the amount of general obligation debt that a unit of government can issue to 5 percent of the total equalized value of taxable property located within that government's boundaries. The legal debt limit for the Village of Oregon, Wisconsin is \$97,442,680.

Additional information regarding the Village of Oregon, Wisconsin's long-term debt can be found in the Notes to the Financial Statements.

Economic Factors Bearing on the Village's Future

Major Developments in the Village of Oregon (tax base)

The Village continues to have robust development with 80 single family homes, 13 duplexes, 2 multifamily projects, and 3 commercial projects in 2024. The Bergamont and Oregon Parks residential subdivisions are nearly built out with a few remaining lots for single family homes. Autumn Ridge, Highlands of Netherwood, and Greenview Preserve residential subdivisions continue to progress through new phases. There are 260 vacant and / or undeveloped greenfield or infill parcels that are currently zoned for residential development.

Levy Limit

In July 2005, the State of Wisconsin placed a levy limit on municipalities for fiscal years 2006 and 2007. In 2007, the State of Wisconsin continued this levy limit for fiscal years 2008 and 2009. In 2009, the State of Wisconsin continued this levy limit for fiscal years 2010 and 2011. The 2011-2013 state budget makes the levy limits permanent.

Requests for Information

This report is designed to provide an overview of the Village's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Finance Director, Village of Oregon, 101 Alpine Parkway, Oregon, Wisconsin 53575.

VILLAGE OF OREGON
Oregon, Wisconsin

Statement of Net Position
December 31, 2024

	Primary Government		Total
	Governmental Activities	Business-type Activities	
<u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u>			
CURRENT ASSETS			
Cash and Cash Equivalents	\$ 16,189,103	\$ 7,306,939	\$ 23,496,042
Receivables:			
Taxes	6,388,770	-	6,388,770
Accounts	406,090	350,637	756,727
Lease Receivable - Current	28,998	11,701	40,699
Other	638	1,877	2,515
Special Assessments	134,559	-	134,559
Internal Balances	(22,444)	22,444	-
Inventories	-	17,962	17,962
Prepays	333,020	90,014	423,034
Restricted Assets:			
Restricted Cash and Investments	3,845,820	2,291,634	6,137,454
TOTAL CURRENT ASSETS	<u>27,304,554</u>	<u>10,093,208</u>	<u>37,397,762</u>
NONCURRENT ASSETS			
Capital Assets:			
Land, and Construction in Progress	18,131,438	2,499,319	20,630,757
Other Capital Assets, Net of Depreciation	49,950,281	33,289,995	83,240,276
Total Capital Assets	<u>68,081,719</u>	<u>35,789,314</u>	<u>103,871,033</u>
Other Assets:			
Long-term Receivables	118,097	157,024	275,121
Long-term Lease Receivable	124,204	739,020	863,224
Total Other Assets	<u>242,301</u>	<u>896,044</u>	<u>1,138,345</u>
TOTAL NONCURRENT ASSETS	<u>68,324,020</u>	<u>36,685,358</u>	<u>105,009,378</u>
TOTAL ASSETS	<u>95,628,574</u>	<u>46,778,566</u>	<u>142,407,140</u>
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized Loss on Bond Refunding	62,403	13,659	76,062
Deferred Pension Outflows	3,491,854	418,187	3,910,041
Deferred Outflows - Retiree Life Insurance	93,502	-	93,502
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>3,647,759</u>	<u>431,846</u>	<u>4,079,605</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 99,276,333</u>	<u>\$ 47,210,412</u>	<u>\$ 146,486,745</u>

See accompanying notes to the basic financial statements.

VILLAGE OF OREGON
Oregon, Wisconsin

Statement of Net Position
December 31, 2024

	Primary Government		Total
	Governmental Activities	Business-type Activities	
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</u>			
CURRENT LIABILITIES			
Accounts Payable and Accrued Liabilities	1,358,899	\$ 144,675	\$ 1,503,574
Due to Other Governmental Agencies	13,251	-	13,251
Deposits	86,433	-	86,433
Accrued Interest Payable	514,878	36,249	551,127
Long-Term Liabilities Due Within One Year			
Compensated Absences	419,750	70,379	490,129
Long-Term Debt and Other Obligations	4,131,196	489,514	4,620,710
TOTAL CURRENT LIABILITIES	6,524,407	740,817	7,265,224
NONCURRENT LIABILITIES			
Long-Term Debt and Other Obligations	42,099,755	4,034,331	46,134,086
Compensated Absences	717,646	93,883	811,529
Net Pension Liability	387,559	46,414	433,973
Retiree Life Insurance Liability	251,173	-	251,173
TOTAL NONCURRENT LIABILITIES	43,456,133	4,174,628	47,630,761
TOTAL LIABILITIES	49,980,540	4,915,445	54,895,985
DEFERRED INFLOWS OF RESOURCES			
Deferred Pension Inflows	2,079,065	248,990	2,328,055
Deferred Inflows - Leases	141,916	688,331	830,247
Deferred Inflows - Retiree Life Insurance	134,800	-	134,800
Deferred Tax Levy	11,163,326	-	11,163,326
TOTAL DEFERRED INFLOWS OF RESOURCES	13,519,107	937,321	14,456,428
NET POSITION			
Net Investment in Capital Assets	30,923,085	28,662,187	59,585,272
Restricted:			
Impact Fees	-	841,660	841,660
Library Building Donations	690,652	-	690,652
Senior Center	236,485	-	236,485
Parks	515,262	-	515,262
TIF Districts	477,195	-	477,195
Work Force Housing	268,209	-	268,209
Park Improvements	985,598	-	985,598
Room Tax	243,408	-	243,408
Others	357,127	-	357,127
DNR Replacement Fund	-	1,082,575	1,082,575
Unrestricted	1,079,665	10,771,224	11,850,889
TOTAL NET POSITION	35,776,686	41,357,646	77,134,332
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 99,276,333	\$ 47,210,412	\$ 146,486,745

See accompanying notes to the basic financial statements.

VILLAGE OF OREGON
Oregon, Wisconsin

Statement of Activities
For the Year Ended December 31, 2024

Functions/Programs Primary Government	Program Revenue			Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government
Governmental Activities					
General Government	\$ 1,752,106	\$ 190,139	\$ -	\$ -	\$ (1,561,967)
Public Safety	4,591,204	446,708	111,745	-	(4,032,751)
Public Works	3,468,594	841,823	784,724	42,250	(1,799,797)
Health and Human Services	501,159	155,849	277,408	5,500	(62,402)
Culture, Recreation and Education	2,694,028	173,472	546,197	642,058	(1,332,301)
Conservation and Development	4,846,213	1,935	-	-	(4,844,278)
Interest on Long-term debt	1,339,621	464	-	-	(1,339,157)
Total Governmental Activities	19,192,925	1,810,390	1,720,074	689,808	(14,972,653)
Business-type Activities					
Water	1,912,122	1,897,323	39,785	1,047,018	\$ 1,072,004
Sewer	2,117,749	1,836,211	5,863	912,760	637,085
Total Business-type Activities	4,029,871	3,733,534	45,648	1,959,778	1,709,089
Total Primary Government	\$ 23,222,796	\$ 5,543,924	\$ 1,765,722	\$ 2,649,586	(14,972,653)
General Revenues:					
Taxes:					
Property Taxes, levied for general purposes					4,700,838
Property Taxes, levied for debt service					3,315,873
Property Taxes, levied for community service purposes					1,099,376
Tax Increments					902,739
Other Taxes					546,939
Grants and Contributions not restricted to specific programs					1,055,301
Interest Income					1,009,958
Miscellaneous					90,082
Special Item - gain (loss) on sale of capital assets					(5,987)
Transfers					359,869
Total General Revenues, Special Items and Transfers					13,074,988
Change in Net Position					(1,897,665)
Net Position - Beginning, as previously reported					38,121,674
Prior Period Adjustment - Implementation of GASB Statement No. 101					(447,323)
Net Position - Beginning of year, as restated					37,674,351
Net Position - End of year					\$ 35,776,686
					\$ 41,357,646

See accompanying notes to the basic financial statements.

VILLAGE OF OREGON
Oregon, Wisconsin

Balance Sheet
Governmental Funds
December 31, 2024

	General Fund	Debt Service	Street Improvements	Library Fund	Formerly Non- Major Fund Park Improvements	Non-Major Governmental Funds	Total Governmental Funds
ASSETS							
Cash and Cash Equivalents	\$ 5,117,710	\$ 1,574,519	\$ 3,071,137	\$ 945,362	\$ -	\$ 5,480,375	\$ 16,189,103
Receivables:							
Taxes	2,818,082	2,042,983	-	657,641	-	823,548	6,342,254
Delinquent Personal Property Taxes	46,516	-	-	-	-	-	46,516
Special Assessments	-	134,559	-	-	-	-	134,559
Accounts	287,015	-	-	-	-	119,075	406,090
Other	638	-	118,097	-	-	-	118,735
Lease Receivables	153,202	-	-	-	-	-	153,202
Due from Other Funds	110,409	-	-	-	-	4,280	114,689
Prepaid Expenses	82,681	-	-	13,492	-	236,847	333,020
Restricted Cash	-	613,162	766,186	265,858	1,386,736	813,878	3,845,820
Advances Receivable	62,066	-	-	-	-	-	62,066
Total Assets	<u>\$ 8,678,319</u>	<u>\$ 4,365,223</u>	<u>\$ 3,955,420</u>	<u>\$ 1,882,353</u>	<u>\$ 1,386,736</u>	<u>\$ 7,478,003</u>	<u>\$ 27,746,054</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts Payable	\$ 378,833	\$ -	\$ 329,414	\$ 5,721	\$ 101,009	\$ 334,634	\$ 1,149,611
Accrued Liabilities	180,239	-	-	26,211	-	2,838	209,288
Deposits	86,433	-	-	-	-	-	86,433
Due to Other Funds	26,724	-	-	-	-	110,409	137,133
Due to Other Governments	3,243	-	-	-	-	10,008	13,251
Advances Payable	-	-	-	-	-	62,066	62,066
Total Liabilities	<u>675,472</u>	<u>-</u>	<u>329,414</u>	<u>31,932</u>	<u>101,009</u>	<u>519,955</u>	<u>1,657,782</u>
Deferred Inflows of Resources:							
Deferred Taxes and Special Assessments	5,050,159	3,665,994	118,097	1,146,277	-	1,435,455	11,415,982
Deferred Leases	141,916	-	-	-	-	-	141,916
Total Deferred Inflows of Resources	<u>5,192,075</u>	<u>3,665,994</u>	<u>118,097</u>	<u>1,146,277</u>	<u>-</u>	<u>1,435,455</u>	<u>11,557,898</u>
Fund Balances (Deficit):							
Nonspendable	202,549	-	-	13,492	-	246,847	462,888
Restricted	-	699,229	766,186	690,652	1,285,727	2,911,564	6,353,358
Committed	4,001	-	-	-	-	191,496	195,497
Assigned	25,136	-	2,741,723	-	-	2,334,280	5,101,139
Unassigned (Deficit)	2,579,086	-	-	-	-	(161,594)	2,417,492
Total Fund Balances (Deficit)	<u>2,810,772</u>	<u>699,229</u>	<u>3,507,909</u>	<u>704,144</u>	<u>1,285,727</u>	<u>5,522,593</u>	<u>14,530,374</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficit)	<u>\$ 8,678,319</u>	<u>\$ 4,365,223</u>	<u>\$ 3,955,420</u>	<u>\$ 1,882,353</u>	<u>\$ 1,386,736</u>	<u>\$ 7,478,003</u>	<u>\$ 27,746,054</u>

See accompanying notes to the basic financial statements.

VILLAGE OF OREGON
Oregon, Wisconsin

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2024

Total fund balance, governmental funds		\$ 14,530,374
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.		68,081,719
Special assessments set up for installment are reported as revenue in the Statement of Net Position when earned, but they are recorded as deferred inflows of resources in the fund financial statements.		252,659
Unamortized debt premiums are not recognized in the fund financial statements since they are not due and payable in the current period. However, they are included in the Statement of Net Position.		(1,855,974)
The net pension liability is not due and payable in the current period and, therefore, is not reported in the fund financial statements.		(387,559)
The net OPEB liability is not due and payable in the current period and, therefore, is not reported in the fund financial statements.		(251,173)
Deferred charges for loss on refunding are recognized as an expense in the funds but deferred on the Statement of Net Position.		62,403
Pension and OPEB deferred outflows of resources and deferred inflows of resources are actuarially determined by the defined benefit pension and OPEB plans. These items are reflected in the Statement of Net Position and are being amortized with pension and OPEB expenses in the Statement of Activities. The deferred outflows of resources and deferred inflows of resources are not financial resources or uses and therefore are not reported in the fund statements.		
Deferred outflows of resources		3,585,356
Deferred inflows of resources		(2,213,865)
Some liabilities, (such as General Obligation Debt and Accrued Interest), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.		
Accrued interest	(514,878)	
Long-term debt - Current portion	(3,455,402)	
Long-term debt	(35,641,865)	
Developer Commitments - Current portion	(536,940)	
Developer Commitments - Long-term	(4,740,773)	
Compensated absences	(419,750)	
Compensated absences - Long-term	(717,646)	
Subtotal	(46,027,254)	
Net Position of Governmental Activities in the Statement of Net Position		\$ 35,776,686

See accompanying notes to the basic financial statements.

VILLAGE OF OREGON
Oregon, Wisconsin

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2024

	<u>General Fund</u>	<u>Debt Service</u>	<u>Street Improvements</u>	<u>Library Fund</u>	<u>Formerly Non- Major Fund Park Improvements</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES							
Property Taxes	\$ 4,700,838	\$ 3,315,873	\$ -	\$ 1,099,376	\$ -	\$ 902,739	\$ 10,018,826
Other Taxes	473,744	-	-	-	-	73,195	546,939
Special Assessment Revenue	-	117,860	-	-	-	-	117,860
Intergovernmental	1,541,203	-	5,000	481,279	1,085	653,613	2,682,180
License and Permits	327,078	111,410	-	-	307,868	104,363	850,719
Fines, Forfeits and Penalties	94,360	-	-	9,081	-	-	103,441
Public Charges for Services	269,559	-	-	-	-	633,091	902,650
Intergovernmental Charges for Services	224,111	-	-	24,088	-	-	248,199
Interest Income	335,992	32,508	222,408	60,283	89,937	268,830	1,009,958
Miscellaneous Income	163,400	-	5,619	342,567	92,176	205,169	808,931
Total Revenues	<u>8,130,285</u>	<u>3,577,651</u>	<u>233,027</u>	<u>2,016,674</u>	<u>491,066</u>	<u>2,841,000</u>	<u>17,289,703</u>
EXPENDITURES							
Current:							
General Government	1,297,621	4,442	-	-	-	195,405	1,497,468
Public Safety	4,023,623	-	-	-	-	17,254	4,040,877
Public Works	992,359	-	120,193	-	-	651,099	1,763,651
Health and Human Services	457,569	-	-	-	-	-	457,569
Culture, Recreation and Education	713,848	-	-	1,380,849	-	138,842	2,233,539
Conservation and Development	191,152	-	-	-	-	510,310	701,462
Capital Outlay	-	-	1,789,883	271,632	2,608,768	1,550,682	6,220,965
Debt Service:							
Principal Repayment	-	3,239,378	-	-	-	50,000	3,289,378
Interest Expense and Fiscal Charges	-	1,097,643	52,792	13,238	63,255	69,074	1,296,002
Total Expenditures	<u>7,676,172</u>	<u>4,341,463</u>	<u>1,962,868</u>	<u>1,665,719</u>	<u>2,672,023</u>	<u>3,182,666</u>	<u>21,500,911</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>454,113</u>	<u>(763,812)</u>	<u>(1,729,841)</u>	<u>350,955</u>	<u>(2,180,957)</u>	<u>(341,666)</u>	<u>(4,211,208)</u>
OTHER FINANCING SOURCES (USES)							
Proceeds from Long-Term Debt	-	-	2,220,000	-	2,660,000	1,695,000	6,575,000
Debt Premium from Long-Term Debt	-	389,998	25,764	-	30,870	19,671	466,303
Transfers In	427,804	553,852	-	-	-	803,000	1,784,656
Transfers Out	(653,000)	-	-	-	(138,590)	(633,197)	(1,424,787)
Total Other Financing Sources (Uses)	<u>(225,196)</u>	<u>943,850</u>	<u>2,245,764</u>	<u>-</u>	<u>2,552,280</u>	<u>1,884,474</u>	<u>7,401,172</u>
Net Change in Fund Balances	<u>228,917</u>	<u>180,038</u>	<u>515,923</u>	<u>350,955</u>	<u>371,323</u>	<u>1,542,808</u>	<u>3,189,964</u>
Fund Balances - Beginning of year, as previously reported	2,581,855	519,191	2,991,986	353,189	-	4,894,189	11,340,410
Change within financial reporting entity (non-major to major fund)	-	-	-	-	914,404	(914,404)	-
Fund Balances - Beginning of year, as restated	<u>2,581,855</u>	<u>519,191</u>	<u>2,991,986</u>	<u>353,189</u>	<u>914,404</u>	<u>3,979,785</u>	<u>11,340,410</u>
Fund Balances - End of year	<u>\$ 2,810,772</u>	<u>\$ 699,229</u>	<u>\$ 3,507,909</u>	<u>\$ 704,144</u>	<u>\$ 1,285,727</u>	<u>\$ 5,522,593</u>	<u>\$ 14,530,374</u>

See accompanying notes to the basic financial statements.

VILLAGE OF OREGON
Oregon, Wisconsin

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the
Statement of Activities
For the Year Ended December 31, 2024**

Net change in fund balances - total governmental funds: \$ 3,189,964

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

Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period.

This is the amount of capital outlays (\$5,599,054) net of depreciation (\$2,302,193) in the current period. 3,296,861

Gain (Loss) on sale of capital assets (980,719)

Governmental funds record special assessment revenues when available and collectible. In contrast, such revenues are reported in the Statement of Activities when earned. This represents special assessments and other revenue accrued on the government-wide statements, but not on the fund statements. (90,452)

Certain revenues are recognized in the fund financial statements when they become both available and collectible. In contrast, these revenues are reported in the Statement of Activities when earned. This timing difference results in revenue that was accrued in the government-wide financial statements in a prior year being recognized as revenue in the fund financial statements in the current year. (191,635)

Governmental funds report debt proceeds as current financial resources. In contrast, the Statement of Activities treats such issuance of debt as a liability. Governmental funds report repayment of principal as an expenditure. In contrast, the Statement of Activities treats such repayments as a reduction in long-term liabilities.

This is the amount of debt proceeds (\$6,575,000) with debt premium (\$466,303) during the year net of principal payments (\$3,289,378). (3,751,925)

This is the amount of current year developer commitments reported as an accrued liability. (3,663,859)

This is the amount of previously accrued developer commitments paid during the year. 287,246

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

Change in accrued interest not reflected on governmental funds (64,034)

Amortization of debt premiums 127,197

Amortization of loss on refunding (18,721)

Change in compensated absences (158,993)

Pension and OPEB expenses reported in the governmental funds represents current year required contributions into the defined benefit pension and OPEB plans. Pension and OPEB expenses in the Statement of Activities are actuarially determined by the defined benefit pension and OPEB plans as the difference between the net pension asset and the net OPEB liability from the prior year to the current year, with some adjustments.

Amount of current year required contributions into the defined benefit pension and OPEB plans 366,988

Actuarially determined change in net pension and OPEB asset (liability) between years, with adjustment (245,583)

Change in net position of governmental activities \$ (1,897,665)

See accompanying notes to the basic financial statements.

VILLAGE OF OREGON
Oregon, Wisconsin

Statement of Net Position
Proprietary Funds
December 31, 2024

	Enterprise Funds		
	Water	Sewer	Total
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 2,378,933	\$ 4,928,006	\$ 7,306,939
Receivables:			
Accounts	166,836	183,801	350,637
Lease	11,701	-	11,701
Other	1,877	-	1,877
Due from Other Funds	11,058	11,386	22,444
Inventories	17,962	-	17,962
Prepaid Expenses	7,110	82,904	90,014
Total Current Assets	<u>2,595,477</u>	<u>5,206,097</u>	<u>7,801,574</u>
Restricted Assets:			
Restricted Cash and Cash Equivalents	1,209,059	1,082,575	2,291,634
Total Restricted Assets	<u>1,209,059</u>	<u>1,082,575</u>	<u>2,291,634</u>
Capital Assets:			
Land	197,523	58,056	255,579
Construction Work in Progress	907,093	1,336,647	2,243,740
Other Capital Assets	26,243,521	31,495,867	57,739,388
Less Accumulated Depreciation	(8,726,897)	(15,722,496)	(24,449,393)
Net Capital Assets	<u>18,621,240</u>	<u>17,168,074</u>	<u>35,789,314</u>
Noncurrent Assets:			
Long-Term Lease Receivable	739,020	-	739,020
Long-Term Receivable	-	157,024	157,024
Total Noncurrent Assets	<u>739,020</u>	<u>157,024</u>	<u>896,044</u>
Total Assets	<u>23,164,796</u>	<u>23,613,770</u>	<u>46,778,566</u>
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized Loss on Debt Refunding	13,659	-	13,659
Deferred Pension Outflows	215,208	202,979	418,187
Total Deferred Outflows of Resources	<u>228,867</u>	<u>202,979</u>	<u>431,846</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 23,393,663</u>	<u>\$ 23,816,749</u>	<u>\$ 47,210,412</u>

See accompanying notes to the basic financial statements.

VILLAGE OF OREGON
Oregon, Wisconsin

Statement of Net Position
Proprietary Funds
December 31, 2024

	Enterprise Funds		
	Water	Sewer	Total
LIABILITIES			
Current Liabilities:			
Accounts Payable	\$ 42,945	\$ 78,055	\$ 121,000
Accrued Liabilities	11,275	12,400	23,675
Accrued Interest Payable	25,841	10,408	36,249
Compensated Absences	31,359	39,020	70,379
Current Portion of Long-Term Debt	335,000	140,000	475,000
Current Portion of Unamortized Bond Premium	8,651	5,863	14,514
Total Current Liabilities	455,071	285,746	740,817
Non-Current Liabilities:			
Long-Term Debt:			
General Obligation Debt	1,675,000	905,000	2,580,000
Revenue Bonds Payable	1,365,000	-	1,365,000
Unamortized Bond Premium	63,066	26,265	89,331
Total Long-Term Debt	3,103,066	931,265	4,034,331
Other Liabilities:			
Compensated Absences	38,902	54,981	93,883
Net Pension Liability	23,886	22,528	46,414
Total Other Liabilities	62,788	77,509	140,297
Total Non-Current Liabilities	3,165,854	1,008,774	4,174,628
Total Liabilities	3,620,925	1,294,520	4,915,445
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows-Leases	688,331	-	688,331
Deferred Pension Inflows	128,136	120,854	248,990
Total Deferred Inflows of Resources	816,467	120,854	937,321
NET POSITION			
Net Investment in Capital Assets	13,910,869	14,751,318	28,662,187
Restricted			
DNR Replacement Fund	-	1,082,575	1,082,575
Impact Fees	841,660	-	841,660
Unrestricted	4,203,742	6,567,482	10,771,224
Total Net Position	18,956,271	22,401,375	41,357,646
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 23,393,663	\$ 23,816,749	\$ 47,210,412

See accompanying notes to the basic financial statements.

VILLAGE OF OREGON
Oregon, Wisconsin

Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2024

	Enterprise Funds		
	Water	Sewer	Total
OPERATING REVENUES			
Charges for Services	\$ 1,857,424	\$ 1,829,436	\$ 3,686,860
Other Operating Revenues	39,899	6,775	46,674
Total Operating Revenues	<u>1,897,323</u>	<u>1,836,211</u>	<u>3,733,534</u>
OPERATING EXPENSES			
Operation and Maintenance	1,280,269	1,289,896	2,570,165
Depreciation	505,174	770,294	1,275,468
Taxes	19,086	25,639	44,725
Total Operating Expenses	<u>1,804,529</u>	<u>2,085,829</u>	<u>3,890,358</u>
Operating Income (Loss)	<u>92,794</u>	<u>(249,618)</u>	<u>(156,824)</u>
NON-OPERATING REVENUES (EXPENSES)			
Interest and Investment Revenue	253,179	370,130	623,309
Miscellaneous Non-Operating Revenue	39,785	5,863	45,648
Interest and Amortization Expense	<u>(107,593)</u>	<u>(31,920)</u>	<u>(139,513)</u>
Total Non-Operating Revenues (Expenses)	<u>185,371</u>	<u>344,073</u>	<u>529,444</u>
Income (Loss) Before Transfers and Capital Contributions	278,165	94,455	372,620
Capital Contributions	1,047,018	912,760	1,959,778
Transfers Out - Tax Equivalent	(345,410)	-	(345,410)
Transfers Out	<u>(12,560)</u>	<u>(1,899)</u>	<u>(14,459)</u>
Change in Net Position	<u>967,213</u>	<u>1,005,316</u>	<u>1,972,529</u>
Net Position - Beginning of year, as previously reported	18,013,301	21,432,432	39,445,733
Restatement - change in accounting principle (GASB 101)	<u>(24,243)</u>	<u>(36,373)</u>	<u>(60,616)</u>
Net Position - Beginning of year, as restated	<u>17,989,058</u>	<u>21,396,059</u>	<u>39,385,117</u>
Net Position - End of year	<u>\$ 18,956,271</u>	<u>\$ 22,401,375</u>	<u>\$ 41,357,646</u>

See accompanying notes to the basic financial statements.

VILLAGE OF OREGON
Oregon, Wisconsin

Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2024

	Enterprise Funds		
	Water	Sewer	Total
<u>Cash Flows from Operating Activities:</u>			
Receipts from customers	\$ 1,885,288	\$ 1,807,959	\$ 3,693,247
Payments to suppliers	(813,718)	(1,019,143)	(1,832,861)
Payments to employees	(472,430)	(485,032)	(957,462)
Tax equivalent paid	(345,410)	-	(345,410)
Net cash provided (used) by operating activities	<u>253,730</u>	<u>303,784</u>	<u>557,514</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Acquisition and construction of plant assets	(1,209,629)	(1,465,592)	(2,675,221)
Impact / Connection Fees	170,406	300,000	470,406
Principal payments on long-term debt	(350,000)	(145,000)	(495,000)
Transfer to debt service	(12,560)	(1,899)	(14,459)
Interest paid	(108,784)	(33,310)	(142,094)
Net cash provided (used) by capital and related financing activities	<u>(1,510,567)</u>	<u>(1,345,801)</u>	<u>(2,856,368)</u>
<u>Cash Flows from Investing Activities:</u>			
Interest income	<u>253,179</u>	<u>370,130</u>	<u>623,309</u>
Net cash provided (used) by investing activities	<u>253,179</u>	<u>370,130</u>	<u>623,309</u>
Net increase (decrease) in cash and equivalents	(1,003,658)	(671,887)	(1,675,545)
<u>Cash and Equivalents, Beginning of year</u>	<u>4,591,650</u>	<u>6,682,468</u>	<u>11,274,118</u>
<u>Cash and Equivalents, End of year</u>	<u>\$ 3,587,992</u>	<u>\$ 6,010,581</u>	<u>\$ 9,598,573</u>
<u>Reconciliation to Statement of Net Position:</u>			
Current cash and cash equivalents	\$ 2,378,933	\$ 4,928,006	\$ 7,306,939
Restricted cash and cash equivalents	<u>1,209,059</u>	<u>1,082,575</u>	<u>2,291,634</u>
Cash and Equivalents, End of Year	<u>\$ 3,587,992</u>	<u>\$ 6,010,581</u>	<u>\$ 9,598,573</u>

See accompanying notes to the basic financial statements.

VILLAGE OF OREGON
Oregon, Wisconsin

Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2024

	Enterprise Funds		
	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities			
Operating Income (Loss)	\$ 92,794	\$ (249,618)	\$ (156,824)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Miscellaneous	39,785	5,863	45,648
Tax equivalent transfer	(345,410)	-	(345,410)
Joint meter allocation	37,927	(37,927)	-
Amortization	(8,854)	(5,864)	(14,718)
Depreciation	505,174	770,294	1,275,468
Pension expense	(8,912)	(8,410)	(17,322)
Leases	(20,212)	-	(20,212)
Changes in Assets and Liabilities:			
Customer accounts receivable	(12,030)	(28,252)	(40,282)
Other accounts receivable	26	-	26
Inventories	1,861	-	1,861
Prepayments	27,554	(76,934)	(49,380)
Accounts payable	(72,116)	(84,682)	(156,798)
Accrued liabilities	16,174	17,674	33,848
Net cash provided (used) by operating activities	<u>\$ 253,730</u>	<u>\$ 303,784</u>	<u>\$ 557,514</u>
 Noncash Capital and Related Financing			
Plant financed by accounts payable	<u>\$ 5,456</u>	<u>\$ 49,115</u>	<u>\$ 54,571</u>
Plant financed by developer contributions	<u>\$ 876,612</u>	<u>\$ 612,760</u>	<u>\$ 1,489,372</u>

See accompanying notes to the basic financial statements.

VILLAGE OF OREGON
Oregon, Wisconsin

Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2024

	<u>Tax Collections</u>
ASSETS	
Cash and Cash Equivalents	\$ 10,091,181
Receivables:	
Taxes Receivable	<u>13,581,425</u>
Total Assets	<u><u>\$ 23,672,606</u></u>
LIABILITIES	
Due to Other Governments	<u>\$ 23,672,606</u>
Total Liabilities	<u><u>\$ 23,672,606</u></u>

See accompanying notes to the basic financial statements.

VILLAGE OF OREGON
Oregon, Wisconsin

Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2023

	<u>Tax Collections</u>
ADDITIONS	
Property tax collections for other governments	<u>\$ 16,385,797</u>
Total Additions	<u>16,385,797</u>
DEDUCTIONS	
Payments of taxes to other governments	<u>16,385,797</u>
Total Deductions	<u>16,385,797</u>
Net increase (decrease) in fiduciary net position	-
Net Position - Beginning of year	<u>-</u>
Net Position - End of year	<u><u>\$ -</u></u>

See accompanying notes to the basic financial statements.

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies

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

A. Reporting Entity

The Village operates under a Village Board form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, sanitation, health and social services, culture-recreation, education, public improvements, planning and zoning, and general administrative services.

The criterion for including a legally separate organization as a component unit is the degree of financial accountability and fiscal dependency the Village has with the organization. A financial benefit or burden relationship needs to be present between the primary government and that organization for it to be included in the reporting entity as a component unit.

The following circumstances set forth the Village's financial accountability for a legally separate organization: the Village is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the Village. The Village may be financially accountable if an organization is fiscally dependent on the Village regardless of whether the organization has (1) a separately-elected governing body, (2) a governing body appointed by a higher level of government, or (3) a jointly-appointed governing body. In addition, the primary government may determine, through exercise of management's professional judgment, that the inclusion of an organization that does not meet the financial accountability criteria is necessary in order to prevent the Village's financial statements from being misleading.

B. Basis of Presentation - Government-Wide and Fund Financial Statements

"Government-wide" financial statements are basic financial statements required for all governmental units. The Statement of Net Position and the Statement of Activities are the two required statements. Both statements are prepared on the full accrual basis. The modified accrual basis of accounting continues to be the appropriate basis of accounting for governmental activity fund financial statements.

In addition, all funds in the government-wide financial statements are reported as business-type activities or governmental activities. The definitions for these types of activities are discussed in other portions of Note 1.

Finally, all non-fiduciary funds are further classified as major or non-major funds. In reporting financial condition and results of operations for governmental units, the standard concentrates on major funds versus non-major funds.

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies (Continued)

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

Government-Wide 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.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenue. 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 revenue includes 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.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into individual 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 and deferred outflows of resources, liabilities and deferred inflows of resources, net position/fund equity, revenues, and expenditure/expenses.

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

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

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies (Continued)

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

Fund Financial Statements (Continued)

The Village reports the following major funds:

Major Governmental Funds

General Fund - used to account for all financial resources, except those required to be accounted for in another fund. The General Fund is the primary operating fund of the Village.

Debt Service - used to account for the accumulation of resources for, and payment of, general long-term debt principal, interest, and related costs.

Library Fund - used to account for the proceeds of specific revenue sources that is restricted to expenditures for the library.

Street Improvements Fund - used to account for the accumulation of resources for, and payment of, street improvement projects and related repairs.

Park Improvements Fund – used to account for the accumulation of resources for, and payment of, park improvement projects and related repairs.

Major Proprietary Funds

Proprietary funds are used to account for operations a) that are financed and operated in a manner similar to private business enterprise – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or b) where the governing body has decided that periodic determination of revenues earned, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The following proprietary funds are included in these statements:

Water - All activities necessary to provide water services to residents of the Village. Fund activities include administration, billing and collection, operations, maintenance, and financing. The water utility is regulated by the Wisconsin Public Service Commission.

Sewer - This fund accounts for the maintenance of the Village’s sewer system. Wisconsin State Statutes Section 66.076, permit municipalities to implement sewer fees to recover the costs of operation, maintenance, repair, and depreciation of sewer collection and transportation facilities. Sewer maintenance costs are recovered through a user fee rather than through the property tax.

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies (Continued)

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

Fund Financial Statements (Continued)

Non-Major Governmental Funds

The Village reports the following non-major governmental funds:

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

Cable TV Franchise	Wackman
Senior Center Fund	Canine Fund
Preserve Water Tower	Community Events
Cemetery	Sick Leave
Police	Work Force Housing
Refuse & Recycling Pickup	Hermesen Property Fund
Room Tax	Drug Free Community Grant
TIF District #3	Public Art Fund
TIF District #4	TIF District #6
TIF District #5	

Capital Projects Funds– used to account for financial resources to be used for the acquisition or construction of major capital facilities and infrastructure (other than those financed by proprietary funds and trust funds). The non-major capital projects funds included in these statements are the following:

Developers Storm Sewer	Bike Path
Park Fund	Civic Campus Plan Projects
Equipment Replacement	Business Park

Permanent Funds – a restricted true endowment fund for governments. Used to generate and disburse money to those entitled to receive payments by qualification or agreement. The non-major permanent funds included in these statements are as follows:

Wackman Trust Fund

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies (Continued)

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

Fund Financial Statements (Continued)

Non-Major Governmental Funds (Continued)

Fiduciary Funds

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

Custodial Funds - used to account for assets held by the Village in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units. The Village accounts for tax collections payable to overlying taxing jurisdictions in a custodial fund.

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

Measurement focus refers to what is being measured, and basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

Government-Wide Financial Statements

The government-wide financial statements 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, regardless of the timing of related cash flows. 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 revenue. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. 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 payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the government's water and sewer functions 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.

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies (Continued)

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

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 recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

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

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

Special assessments are recognized as revenue when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and deferred inflows.

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

The Village reports deferred inflows on its governmental funds balance sheet. Deferred inflows arise from taxes levied in the current year, which are for subsequent year's operations. For governmental fund financial statements, deferred inflows arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred inflows also arise when resources are received before the Village has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the deferred inflows are removed from the balance sheet and revenue is recognized.

The proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies (Continued)

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

Fund Financial Statements (Continued)

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. 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.

D. Assets, Liabilities, and Net Position or Equity

1) Cash and Cash Equivalents

Each fund's portion of total cash and investments is reported as cash and cash equivalents/investments by the Village's individual major funds, and in the aggregate for non-major and custodial funds. For purposes of the Statement of Cash Flows, all cash and investments with original maturities 90 days or less of the proprietary fund are considered to be cash equivalents. The Village has certificates of deposit greater than 90 days that are not cash equivalents.

All deposits of the Village are made in board designated official depositories and are secured as required by State Statute. The Village may designate, as an official depository, any bank or savings association. Also, the Village may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

Investments with remaining maturities at the time of purchase of one year or less are stated at amortized cost which approximates fair value. Investments with a maturity of more than one year at acquisition and non-money market investments are carried at fair value as determined by quoted market prices. In accordance with State law, the Village has invested in securities which are callable and may provide for periodic interest rate increases in specific increments until maturity; these and all other investments are stated at fair value.

See Footnote 2 for additional information.

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Position or Equity (Continued)

2) Taxes Receivable

Property taxes are levied prior to the end of the calendar year and are due and collectible in the following year. Property taxes attach as an enforceable lien as of January 1. The Village's portion of taxes is recorded as a receivable in the general fund. Since Village property taxes are not considered available until January 1 of the year following the levy, they are recorded as deferred inflows in the funds budgeted therefore. Taxes are levied in December on the assessed value as of the prior January 1.

Property tax calendar – 2024 tax roll

Lien 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

3) Accounts Receivable

Accounts receivable have been adjusted for all known uncollectible accounts. Delinquent real estate taxes as of July 31 are paid in full by the county, which assumes the collection thereof. No allowance is necessary at year end. No provision for uncollectible accounts receivable has been made in the accompanying enterprise fund financial statements because the water and sewer utility has the right by law to place delinquent bills on the tax roll.

4) Special Assessments

Assessments against property owners for public improvements are generally not subject to full settlement in the year levied. Special assessments are placed on tax rolls on an installment basis. Revenue from special assessments recorded in governmental funds is recognized as collections are made or as current installments are placed on tax rolls. Special assessments of enterprise funds are recorded as non-operating revenue at the time of assessment, if subject to collection.

Uncollected installments placed on prior year tax rolls are held for collection by the County and are remitted to the Village upon collection by the County. These delinquent installments are financed by the general fund.

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Position or Equity (Continued)

5) Inventories and Prepaid Items

Inventories of proprietary funds are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund type inventories are recorded as expenditures when consumed rather than when purchased. Year-end inventory was not material for governmental funds.

Prepaid items represent payments made by the Village for which benefits extend beyond December 31. A nonspendable fund balance has been recognized for these non-liquid assets (inventories and prepaid items) to signify that a portion of fund balance is not available for other subsequent expenditures, except in cases where they are offset by unearned revenue.

6) Advance and Interfund Activities

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. In the governmental fund financial statements, advances to other funds are offset, equally by a fund balance reserve account which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation (nonspendable fund balance). Eliminations have been made for amounts due to/from and advance to/from within the same fund type on the government-wide statements.

Non-exchange transactions which are not borrowing/lending (will not be repaid) are recorded as operating transfers, and exchange transactions are recorded as revenues and expenses. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers.

7) Restricted Cash and Investments

Impact Fees – Restricted cash and investments includes impact fee collected under Village ordinances that have time and purpose restrictions. Impact fees are collected to finance future capital improvements.

Unspent Debt Proceeds – Restricted cash and investments includes the amount of debt proceeds borrowed but unspent as of December 31, 2024. These funds are shown as restricted based on the purposes outlined in bond resolutions when issued.

Replacement Funds – Restricted cash and investments includes a "DNR Replacement Fund" which is required by the Wisconsin Department of Natural Resources for repairs and maintenance on the sewer utility plant.

Other – Resources that have been received or earned by the government with an explicit understanding between the government and the resource providers that the resources would be used for a specific purpose.

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Position or Equity (Continued)

8) Leases as Lessor

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

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

A portion of fund balance is shown as nonspendable because it is not an available resource. It represents the year-end balance of the lease receivable in excess of the deferred inflow of resources for the lease receivable, which is not a spendable resource.

9) Capital Assets

Government-Wide Statements

In the government-wide financial statements, fixed assets are accounted for as capital assets. Capital assets are defined by the government as assets with an initial cost of more than \$2,000 for general capital assets including 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 fixed assets are recorded at their estimated acquisition value at the date of donation.

General infrastructure assets, such as roads, bridges, curbs, gutters, streets, sidewalks and drainage, and lighting systems, acquired prior to January 1, 2004, are reported at estimated historical cost using prior financial information.

General Fixed Assets - Fixed assets acquired or constructed for general governmental services are recorded as expenditures in the fund from which the disbursements are made. Generally accepted accounting principles require that these fixed assets be capitalized at cost in the government-wide financial statements. Contributed fixed assets are to be recorded in the government-wide financial statements at fair market value at the time received. Interest incurred during construction is not capitalized.

Depreciation on governmental fixed assets is calculated straight-line based on the estimated useful life of assets. The estimated useful life of assets is determined by industry standards as recommended by GASB. Useful lives vary by asset type. Capitalization thresholds and the estimated useful lives are as follows:

Capital Asset Category	Capitalization Threshold	Estimated Useful Life
Infrastructure	\$2,000	33-100
Land	-	N/A
Improvements	\$2,000	7-23
Buildings	\$2,000	40-110
Machinery and Equipment	\$2,000	3-30

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Position or Equity (Continued)

9) Capital Assets (Continued)

Proprietary Fund Fixed Assets - Assets in the proprietary fund are capitalized at cost or fair value at date of contribution or acquisition. Normal repairs and maintenance that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining lives of the related assets.

Depreciation is charged over the estimated service life of the assets using the straight-line method. Annual depreciation charges are determined using the average utility plant in service and rates prescribed by the Wisconsin Public Service Commission.

10) 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 bond payable, and accrued compensated absences.

Proceeds of long-term debt issues not recorded as fund liabilities are reflected as “Other Financing Sources” in the operating statement of the recipient fund. Retirement of these issues is reported as an expenditure of the debt service fund in the year in which the debt matures or is repaid, whichever is earlier. Conduit debt obligations, such as industrial revenue bonds (IRBS), approved for business enterprises, do not constitute debt of the Village. Accordingly, the bonds are not recorded in the Village’s financial statements.

11) Debt Issuance Costs, Debt Premium and Discount and Loss

In the government-wide and proprietary fund financial statements, debt premiums and discounts are deferred and amortized over the life of the debt. Long-term debt is reported net of the applicable debt premium or discount. Debt issuance gains or losses are reported as deferred inflows or outflows and amortized over the term of the debt issue.

In the fund financial statements, governmental fund types recognize premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums on debt issuance are reported as other financing sources while discounts on debt issuance are reported as other financing uses.

Debt issuance costs are recognized as expenditures in the current period for both the fund financial statements and the government-wide financial statements.

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Position or Equity (Continued)

12) Compensated Absences

Vacation pay accumulates and is fully vested. All vacation pay is based upon the employee's anniversary date of hire. Vacation time earned and not taken by an employee's anniversary date must be used within six months or two years of their anniversary date depending on the employee's position. All earned vacation is paid to terminating employees if they give at least two weeks' notice prior to leaving. Employees whose service is being terminated due to discharge, death, or retirement shall receive all earned vacation based upon actual months of service.

Sick leave can be accumulated and carried forward in varying amounts based on an employee's position. All sick leave accumulated is cancelled when an employee leaves the employment of the Village except for department heads and supervisors hired prior to January 1, 2006 who have 20 years of consecutive service as a department head or supervisor (which may accrue up to 2,080 hours).

The Village provides eligible employees hired before January 1, 2006, the option to convert accumulated sick leave to cash or insurance premium payments. Eligibility is based on Village policies and contractual agreements. The number of participants currently eligible to receive benefits is two. The cost of those premiums is recognized as expenditure as the premiums are paid. Funding for those costs is provided out of the current operating budget of the municipality. There were not such benefit premiums paid during 2024 and there is no governmental amount outstanding at year end to be accrued.

Accumulated unpaid vacation and sick leave for employees is recorded as an expense and liability to the government-wide and proprietary funds. 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. Compensated absences accrued in the financial statements are calculated at the pay rate in effect as of December 31 of each fiscal year. Upon retirement employees compensated absences are paid based on the rate of pay for an individual at retirement.

13) Pensions

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

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

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

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Position or Equity (Continued)

14) Other Post-Employment Benefits (OPEB)

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

- Net OPEB Liability (Asset),
- Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs, and
- OPEB Expense (Revenue).

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

15) Deferred Outflows and Inflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

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

16) Equity Classifications

Government-Wide Statements

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

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

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

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Position or Equity (Continued)

16) Equity Classifications (Continued)

Fund Financial Statements

In the fund financial statements, governmental fund balance is presented in five possible categories:

- a. *Non-spendable* – resources which cannot be spent because they are either a) not in spendable form or; b) legally or contractually required to be maintained intact.
- b. *Restricted* – resources with constraints placed on the use of resources are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.
- c. *Committed* – resources which are subject to limitation the government imposes upon itself at its highest level of decision making, and that remain binding unless removed in the same manner.
- d. *Assigned* – resources neither restricted nor committed for which a government has a stated intended use as established by the Board or a body or official of which the Board has delegated the authority to assign amounts for specific purposes.
- e. *Unassigned* – resources which cannot be properly classified in one of the other four categories. The General Fund is the only fund that reports a positive unassigned fund balance amount. Unassigned balances also include negative balances in the governmental funds reporting resources restricted for specific programs.

When net losses occur, it is the Village's policy to record the net loss against committed fund balance, then assigned fund balance, and lastly to unassigned fund balance. The Village applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net resources are available.

It is the Village's policy to maintain an unassigned fund balance to meet operational needs. The goal is to maintain a minimum unassigned fund balance equal to 25-35% of the following year's total General Fund Expenditures. It has been the practice of the Village to transfer any excess over 30% to other capital and/or special revenue funds as determined by management.

17) Claims and Judgments

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

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Position or Equity (Continued)

18) Use of Estimates

The financial statements of the Village have been prepared in conformity with generally accepted accounting principles as applied to local government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. 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 and liabilities 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.

19) Change in Accounting Principles

Effective January 1, 2024, the Village adopted GASB Statement No. 100, *Accounting Changes and Error Corrections*. GASB 100 was issued to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This standard requires the restatement of beginning balances to reflect the change in the presentation of major funds. As a result, the classification and presentation of certain funds have been adjusted to comply with the requirements.

Effective January 1, 2024, the Village adopted GASB Statement No. 101, *Compensated Absences*. GASB 101 was issued to provide guidance on the accounting and financial reporting for compensated absences. As a result of adopting GASB 101, the Village has made changes to the way it recognizes and measures its compensated absence liabilities, and adjustments to beginning net position were required for government-wide and business-type activities.

2. Cash and Cash Equivalents/Investments

At December 31, 2024, the cash and investments consist of the following:

	Deposits and Investments	Risks
Petty Cash/Cash on Hand	\$ 1,011	
Deposits with Financial Institutions	38,254,577	Custodial Credit
Certificates of Deposit	10,000	Custodial Credit/Interest Rate
Wisconsin Local Government Investment Pool	1,459,089	Credit/Interest Rate
Total Cash and Investments	\$ 39,724,677	

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

2. Cash and Cash Equivalents/Investments (Continued)

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

Statement of Net Position:	
Cash and Cash Equivalents	\$ 23,496,042
Restricted Cash and Cash Equivalents	6,137,454
Fiduciary Funds:	
Cash and Investments	10,091,181
Total Cash and Cash Equivalents	<u><u>\$ 39,724,677</u></u>

Investments Authorized by Wisconsin Statutes

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

- 1) Deposits in any credit union, bank, savings bank, trust company or savings and loan which is authorized to transact business in this State;
- 2) Bonds or securities issued or guaranteed as to principal and interest by the federal government, or by a commission, board or other instrumentality of the federal government;
- 3) Bonds or securities of any county, drainage district, technical college district, village, city, town or school district of this State;
- 4) Any security which matures or which may be tendered for purchase at the option of the holder within not more than seven years of the date on which it is acquired, if that security has a rating which is the highest or second highest rating category assigned by Standard & Poor's Corporation, Moody's investor service or other similar nationally recognized rating agency or if that security is senior to, or on a parity with, a security of the same issuer which has such a rating;
- 5) Bonds or securities issued under the authority of the municipality;
- 6) The local government pooled-investment fund as established under WI Statute Section 25.50.
- 7) Agreements in which a public depository agrees to repay funds advanced to it by the Village, plus interest, if the agreement is secured by bonds or securities issued or guaranteed as to principal and interest by the federal government.
- 8) Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
- 9) Repurchase agreements with public depositories, with certain conditions.
- 10) Bonds issued by the University of Wisconsin Hospital and Clinics Authority, and the Wisconsin Aerospace Authority.

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

2. Cash and Cash Equivalents/Investments (Continued)

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Village’s investment policy limits investment maturities to be no more than three years.

The LGIP investments have an average maturity of no more than 9 days. Certificates of deposit identified in the table below have an average maturity of 113 days. Investments maturities as of December 31, 2024 are classified as follows:

Investment Type	Investment Maturities			
	Fair Value	Less Than 6 Months	6 Months to 1 Year	1 Year to 3 Years
Certificates of Deposit	\$ 10,000	\$ 10,000	\$ -	\$ -
Local Government Investment Pool	1,459,089	1,459,089	-	-
Total	\$ 1,469,089	\$ 1,469,089	\$ -	\$ -

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law limits investments in commercial paper, corporate bonds and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The Village’s investment policy does not further limit its investments choices. As of December 31, 2024, the Village’s investment in the Wisconsin Local Government Investment Pool was not rated, however, the investments at all times consist solely of securities and instruments in which municipalities are permitted to invest.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Village would not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial risk for investments is the risk that, in the event of failure of the counterparty (e.g. broker-dealer) to a transaction, the Village would not be able to recover the value of its investment of collateral securities that are in the possession of another party. The Village’s investment policy states it shall maintain all cash and investments that are insured or registered or which are collateralized. The Village requires a minimum of \$2,000,000 of collateral from the main financial institutions acting as a depository for the Village.

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for demand deposits accounts and \$250,000 for time and savings deposits accounts. Bank accounts and the local government investment pool are also insured by the State Deposit Guarantee Fund in the amount of \$1,000,000. However, due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses may be significant to individual organizations.

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

2. Cash and Cash Equivalents/Investments (Continued)

The Village’s investment policy requires a minimum of \$2,000,000 of collateral from all financial institutions acting as a depository for the Village. As of December 31, 2024, the Village’s deposits were exposed to custodial credit risk as follows:

Uninsured, covered by irrevocable letter of credit	\$ 33,055,721
Total	\$ 33,055,721

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

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

Investment allocation in the LGIP as of December 31, 2024 was: 97% in U.S. Government Securities, and 3% in Commercial Paper, Certificates of Deposit, and Time Deposits. The Wisconsin State Treasurer updates the investment allocations on a monthly basis.

3. Components of Restricted Assets

The following is a list of restricted cash as of December 31, 2024:

	Governmental	Water	Sewer
DNR Replacement	\$ -	\$ -	\$ 1,082,575
Library Building Donations	265,858	-	-
Unspent Debt Proceeds	1,880,193	131,954	-
Debt Reserve/Redemption	389,998	235,445	-
Impact Fees	1,309,771	841,660	-
Total	\$ 3,845,820	\$ 1,209,059	\$ 1,082,575

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

4. Leases as Lessor

The Village has entered into lease agreements where the Village is the lessor. In the statement of activities, lease revenue for the year ended December 31, 2024 was as follows:

Lease-related Revenue	For the Year Ended December 31, 2024	
	Governmental Activities	Business-type Activities
Lease Revenue		
Building	\$ (32,878)	\$ -
Office Space	(32,522)	-
Cell Tower	-	(30,592)
Total Lease Revenue	(65,400)	(30,592)
Interest Revenue	(7,678)	(22,669)
Total	\$ (73,078)	\$ (53,261)

Aggregate future cash flows for the revenue generated by the lease receivable and interest for the Village as of December 31, 2024 were as follows:

Year Ended December 31,	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ (28,998)	\$ (7,002)	\$ (36,000)	\$ (11,701)	\$ (22,365)	\$ (34,067)
2026	(35,394)	(5,406)	(40,800)	(13,093)	(21,995)	(35,089)
2027	(41,502)	(3,498)	(45,000)	(14,559)	(21,583)	(36,141)
2028	(47,308)	(1,291)	(48,599)	(16,101)	(21,125)	(37,226)
2029	-	-	-	(17,723)	(20,620)	(38,342)
2030-2034	-	-	-	(115,983)	(93,689)	(209,672)
2035-2039	-	-	-	(170,642)	(72,426)	(243,068)
2040-2044	-	-	-	(239,855)	(41,927)	(281,782)
2045-2047	-	-	-	(151,064)	(5,994)	(157,058)
Total Future Receipts	\$ (153,202)	\$ (17,197)	\$ (170,399)	\$ (750,721)	\$ (321,724)	\$ (1,072,445)

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

5. Capital Assets

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

	Balance 1/1/2024	Additions	Retirements	Balance 12/31/2024
Governmental Activities				
Non-depreciable Capital Assets:				
Land	\$ 11,208,764	\$ -	\$ (855,500)	\$ 10,353,264
Construction in Progress	5,208,858	2,700,729	(131,413)	7,778,174
Total Non-Depreciable Capital Assets	<u>16,417,622</u>	<u>2,700,729</u>	<u>(986,913)</u>	<u>18,131,438</u>
Capital Assets Being Depreciated:				
Buildings	25,433,361	222,427	-	25,655,788
Infrastructure	51,246,447	1,991,331	(778,093)	52,459,685
Improvements other than buildings	42,101	-	-	42,101
Machinery and equipment	6,488,017	815,980	(371,472)	6,932,525
Total Capital Assets Being Depreciated	<u>83,209,926</u>	<u>3,029,738</u>	<u>(1,149,565)</u>	<u>85,090,099</u>
Less Accumulated Depreciation				
Buildings	4,577,157	558,870	-	5,136,027
Infrastructure	25,118,029	1,433,028	(677,780)	25,873,277
Improvements other than buildings	39,308	800	-	40,108
Machinery and equipment	4,127,477	309,495	(346,566)	4,090,406
Total Accumulated Depreciation	<u>33,861,971</u>	<u>2,302,193</u>	<u>(1,024,346)</u>	<u>35,139,818</u>
Total Capital Assets being Depreciated, Net	<u>49,347,955</u>	<u>727,545</u>	<u>(125,219)</u>	<u>49,950,281</u>
Governmental Activities Capital Assets, Net	<u><u>\$ 65,765,577</u></u>	<u><u>\$ 3,428,274</u></u>	<u><u>\$ (1,112,132)</u></u>	<u><u>\$ 68,081,719</u></u>

Depreciation expense for the governmental activities was charges to functions as follows:

General Government	\$ 153,521
Public Safety	189,306
Public Works	1,583,532
Health and Human Services	12,183
Culture, Recreation, and Education	<u>363,651</u>
Total Governmental Activities Depreciation Expenses	<u><u>\$ 2,302,193</u></u>

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

5. Capital Assets (Continued)

Capital asset activity in the business-type activities for the year ended December 31, 2024 was as follows:

	Balance 1/1/2024	Additions	Retirements	Balance 12/31/2024
Business-Type Activities				
Non-Depreciable Capital Assets:				
Land and Work in Progress	\$ 1,129,831	\$ 1,397,964	\$ (28,476)	\$ 2,499,319
Total Non-Depreciable Capital Assets	1,129,831	1,397,964	(28,476)	2,499,319
Capital Assets Being Depreciated:				
Buildings	3,517,169	86,813	-	3,603,982
Infrastructure/Systems	48,499,226	2,566,995	(111,087)	50,955,134
Machinery and Equipment	3,045,364	134,908	-	3,180,272
Total Capital Assets Being Depreciated	55,061,759	2,788,716	(111,087)	57,739,388
Less Accumulated Depreciation:				
Buildings	2,247,751	97,055	-	2,344,806
Infrastructure/Systems	19,573,741	1,049,874	(111,087)	20,512,528
Machinery and Equipment	1,463,520	128,539	-	1,592,059
Total Accumulated Depreciation	23,285,012	1,275,468	(111,087)	24,449,393
Total Capital Assets being Depreciated, Net	31,776,747	1,513,248	-	33,289,995
Business-Type Activity Capital Assets, Net	\$ 32,906,578	\$ 2,911,212	\$ (28,476)	\$ 35,789,314

Depreciation expense for the business-type activities was charges to functions as follows:

Water Utility	\$ 505,174
Sewer Utility	770,294
Total Business-Type Activities Depreciation Expenses	\$ 1,275,468

6. Long-Term Receivables

In 2006, the sewer utility entered into an agreement with three developers on the Village's west side to assume their share of the west side sewer interceptor recapture payments from future annexations. The original assignment amount was \$662,000. As of December 31, 2024, the sewer utility had received payments for annexations of \$504,976 applied to the assumed recapture amount. The remaining assumed recapture amount as of December 31, 2024 is \$157,024.

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

6. Long-Term Receivables (Continued)

In 2010, the Village entered into a pre-annexation agreement with a local building owner for the cost of constructing a new road which required the owner to pay the Village \$147,621. The agreement was deferred until 2019. Annual payments are due in the amount of \$4,921. The annual payments will be made through 2048. As of December 31, 2024, the Village's total outstanding receivable balance was \$118,097.

7. Short-Term Obligation

The Village had one short-term General Obligation Promissory Note in an amount of \$1,000,000 with interest of 6.25%. The short-term borrowing matured on December 29, 2024. Short-term obligation activity for the year ended December 31, 2024 was as follows:

	Balance 1/1/2024	Additions	Removals	Balance 12/31/2024
Promissory Note	\$ 1,000,000	\$ -	\$ 1,000,000	\$ -
Total	\$ 1,000,000	\$ -	\$ 1,000,000	\$ -

The total interest paid for this short-term obligation was \$13,238.

8. Long-Term Obligations

All general obligation notes and bonds payable are backed by the full faith and credit of the municipality. Notes and bonds will be retired by future property tax levies. Proprietary fund debt is payable by revenues from user fees of those funds, or if the revenues are not sufficient, by future tax levies. The following is a summary of long-term debt and other obligations transactions of the Village for the year ended December 31, 2024.

	Balance 1/1/2024	Additions	Payments	Balance 12/31/2024	Due Within One Year
Governmental Activities:					
General Obligation Bonds Payable	\$ 32,815,000	\$ -	\$ 2,745,000	\$ 30,070,000	\$ 2,260,000
General Obligation Notes Payable	2,550,000	6,575,000	520,000	8,605,000	1,170,000
Notes from Direct Borrowing or Placements	446,644	-	24,378	422,266	25,402
Unamortized Premium	1,516,867	466,303	127,197	1,855,973	138,854
Developer Commitments	1,901,099	3,663,859	287,246	5,277,712	536,940
Total Governmental Activities	\$ 39,229,610	\$ 10,705,162	\$ 3,703,821	\$ 46,230,951	\$ 4,131,196
Business-Type Activities:					
General Obligation Notes and Bonds	\$ 3,330,000	\$ -	\$ 385,000	\$ 2,945,000	\$ 365,000
Direct Borrowing - Revenue Bonds	1,585,000	-	110,000	1,475,000	110,000
Unamortized Premium	118,563	-	14,718	103,845	14,514
Total Business-Type Activities	\$ 5,033,563	\$ -	\$ 509,718	\$ 4,523,845	\$ 489,514

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

8. Long-Term Obligations (Continued)

As described in Note 1, accumulated benefits for employees are recorded as a liability on the government-wide and proprietary fund statements. The accrued liability as of December 31, 2024 was as follows:

	Balance 1/1/2024	Additions	Payments	Balance 12/31/2024	Due Within One Year
Compensated Absences					
Governmental Activities:					
Compensated Absences*	\$ 978,402	\$ 158,994	\$ -	\$ 1,137,396	\$ 419,750
Total Governmental Activities	<u>\$ 978,402</u>	<u>\$ 158,994</u>	<u>\$ -</u>	<u>\$ 1,137,396</u>	<u>\$ 419,750</u>
Business-Type Activities:					
Compensated Absences*	\$ 134,569	\$ 29,693	\$ -	\$ 164,262	\$ 70,379
Total Business-Type Activities	<u>\$ 134,569</u>	<u>\$ 29,693</u>	<u>\$ -</u>	<u>\$ 164,262</u>	<u>\$ 70,379</u>

* Beginning balances restated for GASB 101 implementation.

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

Developer Commitments

The Village has a developer agreement that specifies that the Village is to provide municipal revenue obligation of \$800,000 upon the developer meeting conditions. The conditions of the agreement were met in 2019 and an accrual was included in the government-wide financial statements. Payment amounts are based on an agreed to payment schedule assuming actual tax increment received during the year is sufficient to cover the scheduled payment. An interest rate of 5% is also applied annually. A payment of \$105,581 was made during 2024.

The Village has another developer agreement that specifies that the Village is to provide a municipal revenue obligation of \$800,000 upon the developer meeting conditions. The conditions of the agreement were met in 2019 and an accrual was included in the government-wide financial statements. Payment amounts are based on an agreed to payment schedule assuming actual tax increment received during the year is sufficient to cover the scheduled payment. An interest rate of 5% is also applied annually. A payment of \$78,869 was made during 2024.

The Village has another developer agreement that specifies that the Village is to provide a municipal revenue obligation of \$711,177 upon the developer meeting conditions. The conditions of the agreement were met in 2021 and an accrual was included in the government-wide financial statements. Payment amounts are based on an agreed to payment schedule assuming actual tax increment received during the year is sufficient to cover the schedule payment. An interest rate of 4% is also applied annually. A payment of \$102,795 was made during 2024.

The Village has another developer agreement that specifies that the Village is to provide a municipal revenue obligation of \$2,755,797 upon the developer meeting conditions. The conditions of the agreement were met in 2024 and an accrual was included in the government-wide financial statements. Payment amounts are based on an agreed to payment schedule assuming actual tax increment received during the year is sufficient to cover the schedule payment. An interest rate of 5% is also applied annually. No payment on this agreement was made during 2024.

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

8. Long-Term Obligations (Continued)

Developer Commitments (Continued)

The Village has another developer agreement that specifies that the Village is to provide a municipal revenue obligation of \$820,000 upon the developer meeting conditions. The conditions of the agreement were met in 2024 and an accrual was included in the government-wide financial statements. Payment amounts are based on an agreed to payment schedule assuming actual tax increment received during the year is sufficient to cover the schedule payment. An interest rate of 4% is also applied annually. No payment on this agreement was made during 2024.

A. Legal Debt Limit

The 2024 equalized valuation of the Village is certified by the Wisconsin Department of Revenue. The legal debt limit and margin of indebtedness as of December 31, 2024, is as follows:

Total Equalized Value	\$ 1,948,853,600
Debt Limit (5%)	<u>5%</u>
	97,442,680
Less: General Obligation Debt	<u>(42,042,266)</u>
Unused Borrowing Capacity	<u><u>\$ 55,400,414</u></u>

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

8. Long-Term Obligations (Continued)

B. General Obligation Debt

Governmental Activities:

Total Governmental General Obligation Debt as of December 31, 2024 consists of:

Issue Description	Original Amount	Date of Issue	Date of Maturity	Interest Rate (%)	Balance 12/31/2024	Due Within One Year
Bonds Payable						
2015 General Obligation Refunding Bonds	\$ 3,945,000	5/6/2015	3/1/2028	2.00-3.00	\$ 1,395,000	\$ 345,000
2017 General Obligation Bonds	\$ 1,150,000	6/8/2017	3/1/2037	3.00-3.50	730,000	60,000
2018 General Obligation Bonds	\$ 3,295,000	6/20/2018	3/1/2038	3.00-3.25	2,200,000	160,000
2019 General Obligation Bonds	\$ 2,335,000	6/13/2019	3/1/2037	3.00-4.00	1,580,000	135,000
2020 General Obligation Bonds	\$ 2,855,000	5/6/2020	3/1/2037	2.00-3.00	2,500,000	300,000
2020 Refunding Bonds	\$ 1,035,000	5/6/2020	3/1/2039	2.30-3.00	895,000	50,000
2021 General Obligation Bonds	\$ 11,525,000	5/26/2021	3/1/2041	2.00-3.00	9,810,000	495,000
2022 General Obligation Bonds	\$ 6,100,000	6/1/2022	3/1/2042	3.00-3.50	5,225,000	145,000
2023 General Obligation Bonds	\$ 6,780,000	5/31/2023	3/1/2043	3.25-5.00	5,735,000	570,000
Total Bonds Payable					<u>30,070,000</u>	<u>2,260,000</u>
Notes Payable						
2016 General Obligation Notes	\$ 1,755,000	7/13/2016	3/1/2026	.75-1.875	320,000	160,000
2017 General Obligation Notes	\$ 1,550,000	6/8/2017	3/1/2027	3.00	360,000	120,000
2018 General Obligation Notes	\$ 600,000	6/20/2018	3/1/2028	2.00-2.90	285,000	65,000
2019 General Obligation Notes	\$ 675,000	6/13/2019	3/1/2027	3.00-4.00	250,000	85,000
2020 General Obligation Notes	\$ 1,150,000	5/6/2020	3/1/2030	2.00-3.00	815,000	100,000
2024 General Obligation Notes	\$ 6,575,000	6/6/2024	3/1/2044	4.00-5.00	6,575,000	640,000
Total Notes Payable					<u>8,605,000</u>	<u>1,170,000</u>
Direct Borrowing or Placements						
2017 State Trust Fund Loan	\$ 550,000	12/13/2017	3/15/2037	4.00	422,266	25,402
Total Direct Borrowings or Placements					<u>422,266</u>	<u>25,402</u>
Total Governmental Activities General Obligation Debt					<u>\$ 39,097,266</u>	<u>\$ 3,455,402</u>

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

8. Long-Term Obligations (Continued)

B. General Obligation Debt (Continued)

Business-Type Activities:

The Proprietary Fund General Obligation Debt as of December 31, 2024 consists of:

Issue Description	Original Amount	Date of Issue	Date of Maturity	Interest Rate (%)	Balance 12/31/2024	Due Within One Year
Bonds Payable						
2015 General Obligation Refunding Bonds	\$ 860,000	5/6/2015	3/1/2028	2.00-3.00	\$ 320,000	\$ 75,000
2017 General Obligation Bonds	\$ 800,000	6/8/2017	3/1/2037	3.00-3.50	490,000	40,000
2018 General Obligation Bonds	\$ 585,000	6/20/2018	3/1/2038	3.00-3.25	410,000	35,000
2019 General Obligation Bonds	\$ 320,000	6/13/2019	3/1/2037	3.00-4.00	245,000	15,000
2020 General Obligation Bonds	\$ 860,000	5/6/2020	3/1/2037	2.00-3.00	675,000	50,000
2021 General Obligation Bonds	\$ 455,000	5/26/2021	3/1/2041	2.00-3.00	305,000	50,000
2023 General Obligation Bonds	\$ 250,000	5/31/2023	3/1/2043	3.25-5.00	235,000	10,000
Total Bonds Payable					<u>2,680,000</u>	<u>275,000</u>
Notes Payable						
2016 General Obligation Notes	\$ 585,000	7/13/2016	3/1/2026	.75-1.875	105,000	55,000
2019 General Obligation Notes	\$ 185,000	6/13/2019	3/1/2027	3.00-4.00	75,000	25,000
2020 General Obligation Notes	\$ 160,000	5/6/2020	3/1/2030	2.00-3.00	85,000	10,000
Total Notes Payable					<u>265,000</u>	<u>90,000</u>
Total Business-Type Activities General Obligation Debt					<u>\$ 2,945,000</u>	<u>\$ 365,000</u>

C. Revenue Bonds

The Proprietary Fund Revenue Bond as of December 31, 2024 consists of:

Issue Description	Original Amount	Date of Issue	Date of Maturity	Interest Rate (%)	Balance 12/31/2024	Due Within One Year
2022B Water Revenue Bond	\$ 1,695,000	7/13/2022	5/1/2035	3.0-3.5%	\$ 1,475,000	\$ 110,000
Total Revenue Bonds Payable					<u>\$ 1,475,000</u>	<u>\$ 110,000</u>

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

8. Long-Term Obligations (Continued)

D. Maturities

Debt service requirements to maturity including general obligation debt and revenue bond debt are as follows:

Years	Governmental Activities			
	Bonds and Notes		Direct Borrowings	
	Principal	Interest	Principal	Interest
2025	\$ 3,430,000	\$ 1,294,563	\$ 25,402	\$ 16,891
2026	2,770,000	1,114,287	26,418	15,874
2027	2,690,000	1,022,393	27,475	14,818
2028	2,770,000	930,736	28,536	13,756
2029	2,415,000	844,683	29,715	12,577
2030-2034	10,630,000	3,095,087	167,360	44,104
2035-2039	9,150,000	1,482,109	117,360	9,520
2040-2044	4,820,000	314,511	-	-
Total	\$ 38,675,000	\$ 10,098,369	\$ 422,266	\$ 127,540

Years	Business-Type Activities			
	Bonds and Notes		Revenue Bond	
	Principal	Interest	Principal	Interest
2025	\$ 365,000	\$ 79,857	\$ 110,000	\$ 46,020
2026	375,000	69,601	110,000	42,720
2027	350,000	59,175	110,000	39,420
2028	305,000	49,550	110,000	36,120
2029	210,000	42,225	145,000	32,222
2030-2034	790,000	137,512	740,000	89,448
2035-2039	490,000	37,969	150,000	2,625
2040-2044	60,000	4,797	-	-
Total	\$ 2,945,000	\$ 480,686	\$ 1,475,000	\$ 288,575

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

8. Long-Term Obligations (Continued)

E. Bond Covenant Disclosures

The following information is provided in compliance with the resolution creating the revenue bonds:

Insurance

The Water Utility 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. These risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded coverage in any of the last three years. There were no significant reductions in coverage compared to the prior year. Expiration for the following policies is January 1, 2025.

The Utility is covered under the following insurance policies at December 31, 2024:

Type	Coverage
Valuation Policy - Village Coverage	
Buildings and Contents	\$ 59,436,906
Property in the Open	3,343,555
Contractors Equipment	4,892,906
Water Utility Included in Above Coverage	
Water Towers and Buildings	2,510,350
Wells and Infrastructure	1,919,134

Number of Customers

The Water Utility had the following number of customers and billed volumes for 2024:

Water	Customers	(000 gals)
Residential	3,590	169,240
Commercial	178	28,917
Industrial	14	12,864
Public Authority	26	14,819
Multifamily	455	28,607
Irrigation	947	30,247
	5,210	284,694

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

8. Long-Term Obligations (Continued)

E. Bond Covenant Disclosures (Continued)

Debt Coverage – Water

Under terms of the resolution providing for the issuance of revenue bonds, revenue less operating expenses excluding depreciation must exceed 1.25 times the annual debt service of the bonds. The coverage requirement calculation is as follows:

	<u>Water</u>
Annual debt service CWFL	<u>\$ 159,320</u>
Total debt service	159,320
Ratio	125%
Net Revenues required	<u><u>\$ 199,150</u></u>
 REVENUES	
Charges for Services	\$1,857,424
Other Operating Revenues	39,899
Total Operating Revenues	<u><u>1,897,323</u></u>
 OPERATING EXPENSES	
Operation and Maintenance (excluding depreciation)	1,280,269
Taxes (excluding tax equivalent)	19,086
Total expenses for coverage ratio calculation	<u><u>1,299,355</u></u>
Net from operations for coverage ratio calculation	597,968
 NON-OPERATING REVENUES (EXPENSES)	
Interest and Investment Revenue	253,179
Other revenue	39,785
Capital contributions and impact fees received	1,047,018
Less: non-cash capital contributions	(876,612)
Transfers out	<u>(357,970)</u>
Net Revenues per bond ordinance	<u><u>\$ 703,368</u></u>
 Net Revenues Above Required Amount	 <u><u>\$ 504,218</u></u>

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

9. Wisconsin Retirement System

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

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

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

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

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

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

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

The WRS also provides death and disability benefits for employees.

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

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

9. Wisconsin Retirement System (Continued)

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

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

Contributions. Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including Teachers, 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 \$409,694 in contributions from the employer.

Contribution rates as of December 31, 2024 are:

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

Pension Liabilities, Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At December 31, 2024, the Village reported a liability of \$433,973 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability 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 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 0.02918831%, which was an increase of 0.00103318% from its proportion measured as of December 31, 2022.

For the year ended December 31, 2024, the Village recognized pension expense of \$299,289.

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

9. Wisconsin Retirement System (Continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,749,777	\$ (2,317,590)
Net differences between projected and actual earnings on pension plan investments	1,512,327	-
Changes in assumptions	189,156	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	2,449	(10,465)
Employer contributions subsequent to the measurement date	456,332	-
Total	\$ 3,910,041	\$ (2,328,055)

\$456,332 reported as deferred outflows related to pension resulting from the Village's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense (revenue) as follows:

Year Ended December 31,	Net Deferred Outflows (Inflows) of Resources
2025	\$ 229,222
2026	239,754
2027	947,840
2028	(291,162)
Total	\$ 1,125,654

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

9. Wisconsin Retirement System (Continued)

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

Actuarial Valuation Date:	December 31, 2022
Measurement Date of Net Pension Liability (Asset):	December 31, 2023
	January 1, 2018 - December 31, 2020
Experience Study:	Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Salary Increases:	
Wage Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table
Post-Retirement Adjustments*	1.7%

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

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. The total pension liability for December 31, 2023 is based upon a roll-forward of the liability calculated from the December 31, 2022 actuarial valuation.

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

9. Wisconsin Retirement System (Continued)

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

Asset Allocation Targets and Expected Returns¹
As of December 31, 2023

<u>Core Fund Asset Class</u>	<u>Asset Allocation %</u>	<u>Long-Term Expected Nominal Rate of Return %</u>	<u>Long-Term Expected Real Rate of Return %²</u>
Public Equity	40	7.3	4.5
Public Fixed Income	27	5.8	3.0
Inflation Sensitive	19	0.4	1.7
Real Estate	8	5.8	3.0
Private Equity/Debt	18	9.6	6.7
Leverage ³	(12)	3.7	1.0
Total Core Fund	100	7.4	4.6
<u>Variable Fund Asset Class</u>			
U.S. Equities	70	6.8	4.0
International Equities	30	7.6	4.8
Total Variable Fund	100	7.3	4.5

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

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

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

Single Discount Rate. A single discount rate of 6.8% was used to measure the Total Pension Liability for the current and prior year. This discount rate is based on the expected rate of return on pension plan investments of 6.80% and a municipal bond rate of 3.77% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index’s “20-year Municipal GO AA Index” as of December 31, 2023. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

9. Wisconsin Retirement System (Continued)

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

	1% Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.80%)
Village's proportionate share of the net pension liability (asset)	\$ 4,194,563	\$ 433,973	\$ (2,197,470)

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>.

Allocation of Pension Plan Disclosures. Pension amounts are allocated between governmental and proprietary funds based on the percentage of required contributions or retirement expenses accounted for in each fund.

10. Other Postemployment Benefits – Multi-Employer Life Insurance Plan

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

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

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

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

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

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

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

10. Other Postemployment Benefits – Multi-Employer Life Insurance Plan (Continued)

Contribution rates as of December 31, 2024 are:

Coverage Type	Employer Contribution
25% Post Retirement Coverage	20% of Member Contribution

Member contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating members must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The member contribution rates in effect for the year ended December 31, 2023 are as listed below:

Life Insurance		
Member Contribution Rates*		
For the year ended December 31, 2023		
Attained Age	Basic	Supplemental
Under 30	\$0.05	\$0.05
30-34	0.06	0.06
35-39	0.07	0.07
40-44	0.08	0.08
45-49	0.12	0.12
50-54	0.22	0.22
55-59	0.39	0.39
60-64	0.49	0.49
65-69	0.57	0.57

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

During the reporting period, the LRLIF recognized \$1,112 in contributions from the employer.

OPEB Liabilities, OPEB Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs. At December 31, 2023, the Village reported a liability (asset) of \$251,173 for its proportionate share of the net OPEB liability (asset). The net OPEB liability (asset) was measured as of December 31, 2023, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of January 1, 2023 rolled forward to December 31, 2023. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village’s proportion of the net OPEB liability (asset) was based on the Village’s share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2023, the Village’s proportion was 0.05459500%, which was an increase of 0.00086500% from its proportion measured as of December 31, 2022.

For the year ended December 31, 2024, the Village recognized OPEB expense of \$19,610.

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

10. Other Postemployment Benefits – Multi-Employer Life Insurance Plan (Continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (22,230)
Net differences between projected and actual earnings on plan investments	3,393	-
Changes in actuarial assumptions	78,569	(98,906)
Changes in proportion and differences between employer contributions and proportionate share of contributions	10,342	(13,664)
Employer contributions subsequent to the measurement date	1,198	-
Totals	\$ 93,502	\$ (134,800)

\$1,198 reported as deferred outflows related to OPEB resulting from the Village's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense (revenue) as follows:

Year Ended December 31,	Net Deferred Outflows (Inflows) of Resources
2025	\$ (1,878)
2026	1,089
2027	(10,210)
2028	(18,932)
2029	(16,002)
Thereafter	3,437
Total	\$ (42,496)

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

Actuarial Valuation Date:	January 1, 2023
Measurement Date of Net OPEB Liability (Asset)	December 31, 2023
Experience Study:	January 1, 2018 - December 31, 2020, Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield*:	3.26%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	3.32%
Salary Increases	
Wage Inflation:	3.00%
Seniority/Merit:	0.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table

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

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

10. Other Postemployment Benefits – Multi-Employer Life Insurance Plan (Continued)

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. The Total OPEB Liability for December 31, 2023 is based upon a roll-forward of the liability calculated from the January 1, 2023 actuarial valuation.

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

Local OPEB Life Insurance
Asset Allocation Targets and Expected Returns
As of December 31, 2023

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return
US Intermediate Credit Bonds	Bloomberg US Intern Credit	40%	2.32%
US Mortgages	Bloomberg US MBS	60%	2.52%
Inflation			2.30%
Long-Term Expected Rate of Return			4.25%

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

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

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

10. Other Postemployment Benefits – Multi-Employer Life Insurance Plan (Continued)

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

	1% Decrease to Discount Rate (2.32%)	Current Discount Rate (3.32%)	1% Increase to Discount Rate (4.32%)
Village's proportionate share of the net OPEB liability (asset)	\$ 337,486	\$ 251,173	\$ 185,288

11. Interfund Receivables, Payables, Advances and Transfers

Interfund Receivables and Payables

Individual fund interfund receivable and payable balances at December 31, 2024, are as follows:

Receivable Fund	Payable Fund	Amount	Purpose
Water Utility	General Fund	\$ 11,058	Delinquent Taxes
Sewer Utility	General Fund	11,386	Delinquent Taxes
Refuse & Recycling Pickup	General Fund	4,280	Delinquent Taxes
General Fund	TIF #6	17,894	Cash Shortfall
General Fund	Refuse & Recycling Pickup	59,603	Cash Shortfall
General Fund	Drug Free	31,958	Cash Shortfall
General Fund	Community Events	954	Cash Shortfall
Subtotal - Fund Financial Statements		137,133	
Less: Fund Eliminations		(114,689)	
Total - Government-Wide Statement of Net Position		\$ 22,444	

Balances resulted from the timing differences between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, (3) payments between funds are made, (4) and funds overdraw their share of pooled cash or when there are transactions between funds where one fund does not participate in the Village's pooled cash.

Advances

The advances balances as of December 31, 2024 are as follows:

Advance Receivable	Advance Payable	Interest Rate	Principal Amount	Accrued Interest	Amount
General Fund	TIF #4 Special Revenue Fund	0.25-2.75%	\$ 47,000	\$ 15,066	\$ 62,066
					\$ 62,066

The advance to TIF #4 will be repaid with future TIF Increment.

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

11. Interfund Receivables, Payables, Advances and Transfers (Continued)

Transfers

Individual fund operating transfers during 2024 are as follows:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Per Government- Wide Statements</u>	<u>Amount</u>	<u>Principal Purposes</u>
General Fund	Water Utility		\$ 345,410	Tax Equivalent
General Fund	Cable TV Franchise Fund	Eliminated	11,000	Operations
General Fund	Refuse and Recycling Fund	Eliminated	3,000	Operations
General Fund	Room Tax	Eliminated	68,394	Room Tax Close Out
Community Events	General Fund	Eliminated	10,000	Operations
Sick Leave	Equipment Replacement	Eliminated	150,000	Sick Payout
Civic Campus Plan Project	General Fund	Eliminated	20,000	Capital Outlay
Debt Service Fund	TIF #3 Special Revenue Fund	Eliminated	225,000	Debt Payment
Debt Service Fund	TIF #5 Special Revenue Fund	Eliminated	175,803	Debt Payment
Debt Service Fund	Park Improvements	Eliminated	138,590	Debt Payment
Debt Service Fund	Sewer Utility		1,899	Debt Payment
Debt Service Fund	Water Utility		12,560	Debt Payment
Bike Path Fund	General Fund	Eliminated	20,000	Capital Outlay
Equipment Replacement Fund	General Fund	Eliminated	<u>603,000</u>	Excess Fund Balance
Subtotal Governmental Funds - Transfer In			1,784,656	
Less: Net Transfers to Proprietary Funds			<u>(359,869)</u>	
Subtotal Governmental Funds - Transfer Out			<u>\$ 1,424,787</u>	
General Fund	Water Utility	\$ (345,410)	\$ (345,410)	Tax Equivalent
Debt Service Fund	Sewer Utility	(1,899)	(1,899)	Debt Payment
Debt Service Fund	Water Utility	<u>(12,560)</u>	<u>(12,560)</u>	Debt Payment
Subtotal Proprietary Funds		<u>\$ (359,869)</u>	<u>\$ (359,869)</u>	
Total Transfers - Government-Wide Statement of Activities		<u>\$ (359,869)</u>		

For the Statement of Activities, interfund transfers within the governmental activities or business-type activities are netted and eliminated.

Transfers are used to: (1) move revenue from the fund that statute or budget requires collection from to the fund that statute or budget required to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenue collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

12. Net Position and Fund Balances

The following is a detailed schedule of governmental ending fund balances by category:

	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total
General Fund						
Advance Receivable	\$ 62,066	\$ -	\$ -	\$ -	\$ -	\$ 62,066
Delinquent Tax Amounts	46,516	-	-	-	-	46,516
Prepaid Expenses	82,681	-	-	-	-	82,681
Lease as a Lessor	11,286	-	-	-	-	11,286
Excessive Medical	-	-	4,001	-	-	4,001
Historical Preservation	-	-	-	250	-	250
Police Uniforms	-	-	-	3,340	-	3,340
Case Management	-	-	-	795	-	795
Crime Information Reward	-	-	-	751	-	751
Budget Carryovers	-	-	-	20,000	-	20,000
Unassigned	-	-	-	-	2,579,086	2,579,086
Subtotal General Fund	<u>202,549</u>	<u>-</u>	<u>4,001</u>	<u>25,136</u>	<u>2,579,086</u>	<u>2,810,772</u>
Debt Service Fund						
Debt Payments	-	699,229	-	-	-	699,229
Subtotal Debt Service Fund	<u>-</u>	<u>699,229</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>699,229</u>
Library Fund						
Prepaid Expenses	13,492	-	-	-	-	13,492
Restricted Donations	-	690,652	-	-	-	690,652
Subtotal Library Fund	<u>13,492</u>	<u>690,652</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>704,144</u>
Street Improvements Fund						
Unspent Debt Proceeds	-	766,186	-	-	-	766,186
Capital Projects	-	-	-	2,741,723	-	2,741,723
Park Improvements Fund	<u>-</u>	<u>766,186</u>	<u>-</u>	<u>2,741,723</u>	<u>-</u>	<u>3,507,909</u>
Park Improvements Fund						
Unspent Debt Proceeds	-	300,129	-	-	-	300,129
Impact Fees	-	985,598	-	-	-	985,598
Subtotal Civic Campus Plan Projects Fund	<u>-</u>	<u>1,285,727</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,285,727</u>

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

12. Net Position and Fund Balances (Continued)

	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total
<u>Non-Major Funds</u>						
Cable TV Franchise	-	-	53,046	-	-	53,046
Senior Center Fund	-	236,485	-	-	-	236,485
Preserve Water Tower	-	-	-	1,300	-	1,300
Cemetery Fund	-	158,586	-	-	-	158,586
Police	-	-	49,609	-	-	49,609
Refuse & Recycling Pickup	-	-	4,652	-	-	4,652
Room Tax	-	243,408	-	-	-	243,408
Wackman Special Revenue	-	918	-	-	-	918
Canine Fund	-	-	84,189	-	-	84,189
TIF #3 Special Revenue	-	-	-	-	(3,511)	(3,511)
TIF #4	284	477,195	-	-	-	477,479
TIF #5	386	-	-	-	(138,722)	(138,336)
Sick Leave	-	-	-	162,948	-	162,948
Work Force Housing	-	268,209	-	-	-	268,209
Hermesen Property Fund	-	15,381	-	-	-	15,381
Drug Free	-	80	-	-	-	80
Developers Storm Sewer	-	93,984	-	-	-	93,984
Park Fund	-	515,262	-	-	-	515,262
Equipment Replacement	210,791	161,168	-	1,555,987	-	1,927,946
Bike Path	-	108,888	-	59,956	-	168,844
Civic Campus Plan Projects	-	543,822	-	482,344	-	1,026,166
Business Park	142	-	-	71,745	-	71,887
Wackman Trust Fund	10,000	-	-	-	-	10,000
Public Art Fund	25,000	88,178	-	-	-	113,178
Community Events	41	-	-	-	(989)	(948)
TIF #6	203	-	-	-	(18,372)	(18,169)
Subtotal Non-Major Funds	<u>246,847</u>	<u>2,911,564</u>	<u>191,496</u>	<u>2,334,280</u>	<u>(161,594)</u>	<u>5,522,593</u>
Grand Total - All Funds	<u>\$ 462,888</u>	<u>\$ 6,353,358</u>	<u>\$ 195,497</u>	<u>\$ 5,101,139</u>	<u>\$ 2,417,492</u>	<u>\$ 14,530,374</u>

Governmental funds with deficit balances as of December 31, 2024 are as follows:

Fund	Amount	Description
TIF #5	\$ 138,336	To be replenished with future tax increment
TIF #3 Special Revenue	3,511	To be replenished with future tax increment
Community Events	948	To be replenished with future project revenues
TIF #6	18,169	To be replenished with future tax increment

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

12. Net Position and Fund Balances (Continued)

Net position as of December 31, 2024 is as follows:

Net Investment in Capital Assets	<u>Governmental</u>	<u>Water</u>	<u>Sewer</u>	<u>Total Business-Type</u>
Capital Assets	\$ 68,156,278	\$ 17,078,133	\$ 15,828,445	\$ 32,906,578
Less: Current Portion Debt	(3,594,256)	(343,651)	(145,863)	(489,514)
Less: Long-Term Debt	(37,358,983)	(3,103,067)	(931,264)	(4,034,331)
Plus: Non-Capital Related Debt	1,449,855	-	-	-
Plus: Unspent Bond Proceeds	1,880,193	131,954	-	131,954
Plus: Debt Reserve	389,998	147,500	-	147,500
Net Investment in Capital Assets	<u>\$ 30,923,085</u>	<u>\$ 13,910,869</u>	<u>\$ 14,751,318</u>	<u>\$ 28,662,187</u>

Restricted Net Position	<u>Governmental</u>	<u>Water</u>	<u>Sewer</u>	<u>Total Business-Type</u>
Restricted for:				
Senior Center	\$ 236,485	\$ -	\$ -	\$ -
Library Building Donations	690,652	-	-	-
Herman Cemetery	158,586	-	-	-
Wackman Special Revenue	918	-	-	-
Room Tax	243,408	-	-	-
Developers Storm Sewer	93,984	-	-	-
Parks	515,262	-	-	-
TIF #4	477,195	-	-	-
Park Improvements	985,598	-	-	-
Work Force Housing	268,209	-	-	-
Hermesen Property	15,381	-	-	-
Drug Free Fund	80	-	-	-
Public Art Fund	88,178	-	-	-
DNR Replacement Fund	-	-	1,082,575	1,082,575
Impact Fees	-	841,660	-	841,660
Restricted Net Position	<u>\$ 3,773,936</u>	<u>\$ 841,660</u>	<u>\$ 1,082,575</u>	<u>\$ 1,924,235</u>

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

12. Net Position and Fund Balances (Continued)

Restatement

The beginning fund balances and net position have been restated in accordance with GASB Statement No. 100 and GASB Statement No. 101 as follows:

	Reporting Units Affected by Adjustments to and Restatements of Beginning Balances					
	Funds				Government-Wide	
	Park Improvements	Non-major Governmental	Water	Sewer	Governmental Activities	Business-Type Activities
Beginning of year, as previously reported	\$ -	\$ 4,894,189	\$ 18,013,301	\$ 21,432,432	\$ 38,121,674	\$ 39,445,733
Change from nonmajor to major fund	914,404	(914,404)	-	-	-	-
GASB 101 implementation	-	-	(24,243)	(36,373)	(447,323)	(60,616)
Beginning of year, restated	<u>\$ 914,404</u>	<u>\$ 3,979,785</u>	<u>\$ 17,989,058</u>	<u>\$ 21,396,059</u>	<u>\$ 37,674,351</u>	<u>\$ 39,385,117</u>

13. Joint Venture

The Village of Oregon and the Townships of Dunn, Oregon and Rutland jointly operate the local fire department and local EMS District, which is called the Oregon Area Fire-EMS District, and provides fire, rescue protection and emergency medical services. The communities share in the operation of the District based on an amount equivalent to their proportionate share of the total budget based upon the equalized assessed valuation of the total property located within the District and total population within the District.

The following is each Community's proportionate share for 2024.

Village of Oregon	66.21%
Town of Dunn	10.56%
Town of Oregon	18.35%
Town of Rutland	4.88%

The District is administered by a five-member board of trustees, two from the Village and one from each township. The board has authority to adopt its own budget and control the financial affairs of the District. The Village made a payment to the District in 2024 of \$984,032 which included additional payments for capital equipment. The Village believes that the District will continue to provide services in the future at similar rates.

Audited financial information of the District is available upon request.

14. Tax Abatements

From time to time the Village may enter into agreements with developers or businesses that are considered tax abatements, or the use of tax revenues to promote economic development or support. For the year ended December 31, 2024, the Village paid the following developer incentives and grants considered to be tax abatements under GASB Statement No. 77:

- As detailed in Note 8, the Village made payments of \$287,246 on municipal revenue obligation agreements between the Village and developers.

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

15. Tax Incremental Financing Districts

Tax increment financing, as authorized by Section 66.1105 of the Wisconsin Statutes, is a method by which the Village can recover its development and public improvement costs in Tax Incremental Finance District (TIF) designated areas. These costs are recovered from the increased valuation in the designated area. The Village has financed development and public improvement costs in its TIF through general fund advances. Project costs have been reported as Capital Projects Fund expenditures. Tax increments will be used to repay general fund advances and to meet any future debt obligations incurred to provide financing for development and public improvements costs within the tax incremental district. The District is allowed to collect tax increments until its termination date. Any over collections are returned to the various taxing entities of the District. The Village becomes liable for any costs not recovered by the termination date.

The Village has four active Tax Incremental Financing Districts. The following is a project summary of the activity and status of the districts through December 31, 2024:

	<u>TIF #3</u>	<u>TIF #4</u>	<u>TIF #5</u>	<u>TIF #6</u>
<u>Project Revenue</u>				
Proceeds from Long-Term Debt	\$ 10,330,000	\$ 1,885,000	\$ 4,335,000	\$ -
Premium on Long-Term Debt	193,224	76,715	98,276	-
General Property Taxes	2,509,401	695,415	278,345	-
Intergovernmental	914,948	37,169	-	-
Tax Increment	2,908,984	1,086,368	1,536,913	-
Public Charges	1,450,373	-	-	-
Developer Contributions	1,999,503	3,502	37,356	-
Increment Sharing with TIF #2	565,000	-	-	-
Miscellaneous (includes interest income)	53,486	156,060	(917)	(433)
Transfer from Other Funds	153,049	316,884	184,044	-
<u>Total Project Revenue</u>	<u>21,077,968</u>	<u>4,257,113</u>	<u>6,469,017</u>	<u>(433)</u>
<u>Project Expense</u>				
Developer Incentive	568,303	734,721	1,607,117	-
Administration	363,377	628,515	411,696	17,735
Principal on Long-Term Debt	8,885,000	632,736	1,622,500	-
Interest and Fiscal Charges	3,212,912	293,068	453,211	-
Loan to Developer	2,200,000	-	-	-
Increment Sharing	25,000	-	-	-
Debt Issuance Cost	414,629	3,206	-	-
Capital Outlay	5,385,408	1,484,605	2,510,887	-
<u>Total Project Expenditures</u>	<u>21,054,629</u>	<u>3,776,851</u>	<u>6,605,411</u>	<u>17,735</u>
Fund Balance as of December 31, 2024	23,339	480,262	(136,394)	(18,168)
Future Debt Service Requirements	<u>1,445,000</u>	<u>1,252,264</u>	<u>2,712,500</u>	<u>-</u>
BALANCE TO BE COLLECTED ON TIF DISTRICT	<u>\$ 1,421,661</u>	<u>\$ 772,002</u>	<u>\$ 2,848,894</u>	<u>\$ 18,168</u>
Maximum Termination Date	8/16/2032	9/15/2035	8/7/2044	8/21/2043
2024 Increment Payable 2025	<u>\$ 201,218</u>	<u>\$ 643,664</u>	<u>\$ 590,364</u>	<u>\$ -</u>

TIF #5 summarized above was primarily created as an overlay district to TIF #3.

TIF #6 was created to support new development within the Village and allowable TIF boundaries.

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

16. Contingencies

The Village participates in a number of intergovernmental grant programs, which have various requirements, and are subject to audit by the awarding agencies. Such audits may result in reimbursements of funds advanced or disallowance of program expenditures. The amount, if any, of grant funds which may be disallowed by the grantor at future dates cannot be determined.

17. Risk Management

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Village manages these risks through the purchase of various forms of commercial insurance. Certain of the commercial insurance policies have established deductible amounts whereby the Village would be responsible for the portion of claims, losses and damages under the deductible limits. All funds participate in the coverages provided by the commercial insurance carriers. Each fund would be responsible for its share of losses either below the deductible amounts or for losses exceeding the coverage limits of the commercial policies.

There were no significant reductions in insurance coverages from the prior year. There were no settlements that exceeded insurance coverages in any of the last three years.

18. Subsequent Events and Commitments

Capital Purchases and Construction Commitments

As of December 31, 2024, the Village had the following construction commitments in progress:

<u>Project</u>	<u>Commitment as of December 31, 2024</u>
WWTP Design	\$ 130,000

Additionally, subsequent to yearend, the Village approved the following:

- Well No. 6 Pumping Station Project in the amount of \$2,779,000.
- 2025 Wastewater Upgrades project including Wastewater Treatment Plant, Richards Road Lift Station, and Rustic Vineyards Lift Station in the amount of \$23,647,000.
- Wastewater Treatment Facility administration and resident engineering professional services at a cost not to exceed \$1,701,000.
- Oregon Area Senior Center Building Project architectural services totaling \$961,875, along with supplemental services in the amount of \$95,625.

VILLAGE OF OREGON
Notes to Financial Statements
December 31, 2024

18. Subsequent Events and Commitments (Continued)

Developer Commitments

The Village has another developer agreement that specifies that the Village is to provide a municipal revenue obligation of \$285,000 upon the developer meeting conditions. Any future payments would be based on actual TIF increment values above the agreed to base valuation at the time of the agreement. As of December 31, 2024, the condition of this agreement had not been met and no liability has been recognized in the financial statements.

The Village has another developer agreement that specifies that the Village is to provide a municipal revenue obligation of \$1,500,000 upon the developer meeting conditions. Any future payments would be based on actual TIF increment values above the agreed to base valuation at the time of the agreement. As of December 31, 2024, the condition of this agreement had not been met and no liability has been recognized in the financial statements.

Subsequent Debt

Subsequent to yearend, the Village approved the following debt issuances:

- In April 2025, the Village issued Water and Sewerage System Revenue Bond Anticipation Note, Series 2025A, in the amount of \$2,858,000 at an interest rate of 5.76%. The note is scheduled to mature on January 1, 2027.
- In May 2025, the Village issued General Obligation Promissory Notes, Series 2025B, in the amount of \$4,660,000 with an interest rate of 5%. The notes will mature on March 1, 2040.
- In June 2025, the Village Board approved the issuance of up to \$26,470,699 in Water and Sewerage System Revenue Bonds, Series 2025C, and up to \$2,417,368 in Water and Sewerage System Revenue Bonds, Series 2025D. Both bond issuances are expected to close later in 2025.

Other

In November 2021, the Village approved a grant agreement with Habitat for Humanity of Dane County to construct eight zero lot line single family buildings in the Village. The agreement was contingent upon if the Village receives a Community Development Block Grant (CDBG) for Disaster Recovery funded by the U.S. Department of Housing and Urban Development, in the amount of \$631,200. In March 2022, the Village was approved for the CDBG grant award. In addition to the CDBG grant, the Village also approved awarding the developer \$180,920 for the project. As of December 31, 2024, the Village has not received the CDBG funds but has paid \$90,460 to Habitat for Humanity of Dane County.

19. Effective of New Accounting Standards on Current Period Financial Statements

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

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF OREGON

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (with Variances)
General Fund
For the Year Ended December 31, 2024

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Property Taxes	\$ 4,700,838	\$ 4,700,838	\$ 4,700,838	\$ -
Other Taxes	412,800	470,111	473,744	3,633
Intergovernmental	1,537,982	1,534,950	1,541,203	6,253
License and Permits	231,310	314,084	327,078	12,994
Fines, Forfeits and Penalties	115,000	115,000	94,360	(20,640)
Public Charges for Services	212,056	257,239	269,559	12,320
Intergovernmental Charges for Services	197,259	218,338	224,111	5,773
Interest Income	80,000	335,845	335,992	147
Miscellaneous Income	87,100	162,433	163,400	967
Total Revenues	<u>7,574,345</u>	<u>8,108,838</u>	<u>8,130,285</u>	<u>21,447</u>
EXPENDITURES				
Current:				
General Government	1,291,337	1,346,830	1,297,621	49,209
Public Safety	4,215,320	4,070,396	4,023,623	46,773
Public Works	1,070,817	1,038,687	992,359	46,328
Health and Human Services	497,966	474,375	457,569	16,806
Culture, Recreation and Education	706,639	744,503	713,848	30,655
Conservation and Development	131,266	190,457	191,152	(695)
Total Expenditures	<u>7,913,345</u>	<u>7,865,248</u>	<u>7,676,172</u>	<u>189,076</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(339,000)</u>	<u>243,590</u>	<u>454,113</u>	<u>210,523</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	339,000	359,410	427,804	68,394
Transfers Out	-	(653,000)	(653,000)	-
Total Other Financing Sources (Uses)	<u>339,000</u>	<u>(293,590)</u>	<u>(225,196)</u>	<u>68,394</u>
Net Change in Fund Balance	-	(50,000)	228,917	278,917
Fund Balance - Beginning of year	2,581,855	2,581,855	2,581,855	-
Fund Balance - End of year	<u>\$ 2,581,855</u>	<u>\$ 2,531,855</u>	<u>\$ 2,810,772</u>	<u>\$ 278,917</u>

See accompanying notes to the required supplementary information.

VILLAGE OF OREGON

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (with Variances)
Library Fund
For the Year Ended December 31, 2024

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Property Taxes	\$ 1,099,376	\$ 1,099,376	\$ 1,099,376	\$ -
Intergovernmental	230,359	481,278	481,279	1
Fines, Forfeits and Penalties	6,200	6,200	9,081	2,881
Intergovernmental Charges for Services	24,088	24,088	24,088	-
Interest Income	5,000	32,779	60,283	27,504
Miscellaneous Income	90,000	342,566	342,567	1
Total Revenues	<u>1,455,023</u>	<u>1,986,287</u>	<u>2,016,674</u>	<u>30,387</u>
EXPENDITURES				
Current:				
Culture, Recreation and Education	1,365,023	1,372,011	1,380,849	(8,838)
Capital Outlay	-	271,631	271,632	(1)
Debt Service:				
Interest Expense	-	-	13,238	(13,238)
Total Expenditures	<u>1,365,023</u>	<u>1,643,642</u>	<u>1,665,719</u>	<u>(22,077)</u>
Net Change in Fund Balance	90,000	342,645	350,955	8,310
Fund Balance - Beginning of year	353,189	353,189	353,189	-
Fund Balance - End of year	<u>\$ 443,189</u>	<u>\$ 695,834</u>	<u>\$ 704,144</u>	<u>\$ 8,310</u>

See accompanying notes to the required supplementary information.

VILLAGE OF OREGON
Wisconsin Retirement System Schedules
December 31, 2024

Schedule of Proportionate Share of the Net Pension Liability (Asset)
As of the Measurement Date

Year ended December 31,	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered- employee payroll	Collective net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability (asset)
2023	0.02918831%	\$ 433,973	\$ 4,561,106	9.51%	98.85%
2022	0.02815513%	1,491,575	3,951,778	37.74%	95.72%
2021	-0.02759949%	(2,224,569)	3,726,767	(59.69%)	106.02%
2020	-0.02700154%	(1,685,743)	3,728,326	(45.21%)	105.26%
2019	-0.02582124%	(832,594)	3,511,412	(23.71%)	102.96%
2018	0.02478423%	881,745	3,220,748	27.38%	96.45%
2017	-0.02348942%	(697,429)	3,023,801	(23.06%)	102.93%
2016	0.02281757%	188,071	2,953,015	6.37%	99.12%
2015	0.02236953%	363,500	2,748,815	13.22%	98.20%
2014	-0.02240905%	(550,276)	2,749,471	(20.01%)	102.74%

Schedule of Village's Contributions
For the Year Ended

Year ended December 31,	Contractually required contributions	Contributions in relation to the contractually required contributions	Contribution deficiency (excess)	Covered-employee payroll	Contributions as a percentage of covered- employee payroll
2024	\$ 456,332	\$ (456,332)	\$ -	\$ 4,884,857	9.34%
2023	410,007	(410,007)	-	4,561,106	8.99%
2022	338,032	(338,032)	-	3,951,778	8.55%
2021	323,400	(323,400)	-	3,726,767	8.68%
2020	303,743	(303,743)	-	3,728,326	8.15%
2019	286,805	(286,805)	-	3,511,412	8.17%
2018	270,109	(270,109)	-	3,220,748	8.39%
2017	251,049	(251,049)	-	3,023,801	8.30%
2016	225,671	(225,671)	-	2,953,015	7.64%
2015	222,226	(222,226)	-	2,748,815	8.08%

See accompanying notes to the required supplementary information.

VILLAGE OF OREGON
Local Retiree Life Insurance Fund Schedules
December 31, 2024

Schedule of Proportionate Share of the Net OPEB Liability (Asset)
As of the Measurement Date

Year ended December 31,	Proportion of the net OPEB liability (asset)	Proportionate share of the net OPEB liability (asset)	Covered- employee payroll	Collective net OPEB liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total OPEB liability (asset)
2023	0.05459500%	\$ 251,173	\$ 3,188,000	7.88%	33.90%
2022	0.05373000%	204,702	3,172,000	6.45%	38.81%
2021	0.05567600%	329,066	3,064,000	10.74%	29.57%
2020	0.05892500%	324,130	2,900,000	11.18%	31.36%
2019	0.05661300%	241,069	2,936,000	8.21%	37.58%
2018	0.05343500%	137,880	2,717,000	5.07%	48.69%
2017	0.05255900%	158,128	2,210,256	7.15%	44.81%

Schedule of Village's Contributions
For the Year Ended

Year ended December 31,	Contractually required contributions	Contributions in relation to the contractually required contributions	Contribution deficiency (excess)	Covered-employee payroll	Contributions as a percentage of covered- employee payroll
2024	\$ 1,198	\$ (1,198)	\$ -	\$ 3,642,000	0.03%
2023	1,123	(1,123)	-	3,188,000	0.04%
2022	1,083	(1,083)	-	3,172,000	0.03%
2021	1,277	(1,277)	-	3,064,000	0.04%
2020	1,209	(1,209)	-	2,900,000	0.04%
2019	1,121	(1,121)	-	2,936,000	0.04%
2018	1,037	(1,037)	-	2,717,000	0.04%

See accompanying notes to the required supplementary information.

VILLAGE OF OREGON
Notes to Required Supplementary Information
For the Year Ended December 31, 2024

1. Notes to Budgetary Comparison Schedule

A. General Policy

The General Fund budgetary comparison schedule has been presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America. The Village follows these procedures in establishing the budgetary data reflected in the financial statements:

Annual budgets, as required by state statutes, are adopted on a basis consistent with U.S. generally accepted accounting principles for all governmental funds. Appropriations lapse at year-end except those separately identified as designated for subsequent years' expenditures.

- 1) Prior to October 1, the Village Administrator submits to the Village Board a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- 2) A public hearing is conducted in the Village Hall to obtain taxpayers' comments.
- 3) Prior to December 1, the budget is legally enacted through passage of a resolution.
- 4) Any budget transfer must be approved by a two-thirds Village Board action.
- 5) Formal budgetary integration is employed as a management control device during the year for all governmental funds.
- 6) Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
- 7) Budgetary expenditure control is exercised at the departmental level.
- 8) Budgeted amounts are as authorized in the original budget ordinance and subsequent revisions authorized by the Village Board.
- 9) Appropriations lapse at year end, except those specifically carried forward by Board action.

B. Excess of Actual Expenditures over Appropriations

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 year-end budget to actual report. The following expenditure functions had an excess of actual expenditures over budget in excess of \$1,000 for the year ended December 31, 2024:

<u>Library Fund:</u>	<u>Excess Expenditures</u>
Culture, Recreation and Education	\$ 8,838
Interest Expense	13,238

VILLAGE OF OREGON
Notes to Required Supplementary Information
For the Year Ended December 31, 2024

2. Notes to Wisconsin Retirement System Schedules

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 OREGON
Notes to Required Supplementary Information
For the Year Ended December 31, 2024

2. Notes to Wisconsin Retirement System Schedules (Continued)

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

	2023	2022	2021	2020	2019
Valuation Date:	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017
Actuarial Cost Method:	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age
Amortization Method:	Level Percent of Payroll- Closed Amortization Period	Level Percent of Payroll- Closed Amortization Period	Level Percent of Payroll- Closed Amortization Period	Level Percent of Payroll- Closed Amortization Period	Level Percent of Payroll- Closed Amortization Period
Amortization Period:	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS
Asset Valuation Method:	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)
Actuarial Assumptions					
Net Investment Rate of Return:	5.4%	5.4%	5.4%	5.4%	5.5%
Weighted based on assumed rate for:					
Pre-retirement:	6.8%	7.0%	7.0%	7.0%	7.2%
Post-retirement:	5.0%	5.0%	5.0%	5.0%	5.0%
Salary Increases					
Wage Inflation:	3.0%	3.0%	3.0%	3.0%	3.2%
Seniority/Merit:	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%
Post-retirement Benefit Adjustments*:	1.7%	1.9%	1.9%	1.9%	2.1%
Retirement Age:	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2021 valuation pursuant to an experience study of the period 2018-2020.	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015 - 2017.	Experience -based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014.
Mortality:	2020 WRS Experience Tables. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2021 fully generational improvement scale from a base year of 2010.	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).

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

VILLAGE OF OREGON
Notes to Required Supplementary Information
For the Year Ended December 31, 2024

2. Notes to Wisconsin Retirement System Schedules (Continued)

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

	2018	2017	2016	2015	2014
Valuation Date:	December 31, 2016	December 31, 2015	December 31, 2014	December 31, 2013	December 31, 2012
Actuarial Cost Method:	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age
Amortization Method:	Level Percent of Payroll- Closed Amortization Period	Level Percent of Payroll- Closed Amortization Period	Level Percent of Payroll- Closed Amortization Period	Level Percent of Payroll- Closed Amortization Period	Level Percent of Payroll- Closed Amortization Period
Amortization Period:	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS
Asset Valuation Method:	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)
Actuarial Assumptions					
Net Investment Rate of Return:	5.5%	5.5%	5.5%	5.5%	5.5%
Weighted based on assumed rate for:					
Pre-retirement:	7.2%	7.2%	7.2%	7.2%	7.2%
Post-retirement:	5.0%	5.0%	5.0%	5.0%	5.0%
Salary Increases					
Wage Inflation:	3.2%	3.2%	3.2%	3.2%	3.2%
Seniority/Merit:	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%
Post-retirement Benefit Adjustments*:	2.1%	2.1%	2.1%	2.1%	2.1%
Retirement Age:	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014.	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011.
Mortality:	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality

*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 OREGON
Notes to Required Supplementary Information
For the Year Ended December 31, 2024

3. Notes to Local Retiree Life Insurance Schedules

Governmental Accounting Standards Board Statement No. 75 requirements have been implemented prospectively, therefore, the illustrations do not present similar information for the 3 preceding years.

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

Assumptions: In addition to the rate changes detailed in the tables in Note 10, the State of Wisconsin Employee Trust Fund Board adopted economic and demographic assumption changes based on a three year experience study performed for the Wisconsin Retirement System. These assumptions are used in the actuarial valuations of OPEB liabilities (assets) for the retiree life insurance programs and are summarized below.

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

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

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

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

OTHER SUPPLEMENTARY INFORMATION

VILLAGE OF OREGON
Oregon, Wisconsin

Combining Balance Sheet
Non-Major Governmental Funds
December 31, 2024

	Non-Major Special Revenue Funds	Non-Major Capital Projects and Permanent Funds	Non-Major Governmental Funds
ASSETS			
Cash and Cash Equivalents	\$ 2,368,901	\$ 3,111,474	\$ 5,480,375
Receivables:			
Taxes	823,548	-	823,548
Accounts	119,075	-	119,075
Due from Other Funds	4,280	-	4,280
Prepaid Expenses	25,914	210,933	236,847
Restricted Cash	-	813,878	813,878
Total Assets	\$ 3,341,718	\$ 4,136,285	\$ 7,478,003
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 12,893	\$ 321,741	\$ 334,634
Accrued Liabilities	2,383	455	2,838
Due to Other Funds	110,409	-	110,409
Due to Other Governments	10,008	-	10,008
Advances Payable	62,066	-	62,066
Total Liabilities	197,759	322,196	519,955
Deferred Inflows of Resources:			
Deferred Taxes and Special Assessments	1,435,455	-	1,435,455
Total Deferred Inflows of Resources	1,435,455	-	1,435,455
Fund Balances (Deficit):			
Nonspendable	25,914	220,933	246,847
Restricted	1,488,440	1,423,124	2,911,564
Committed	191,496	-	191,496
Assigned	164,248	2,170,032	2,334,280
Unassigned (Deficit)	(161,594)	-	(161,594)
Total Fund Balances (Deficit)	1,708,504	3,814,089	5,522,593
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)	\$ 3,341,718	\$ 4,136,285	\$ 7,478,003

VILLAGE OF OREGON
Oregon, Wisconsin

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended December 31, 2024

	Non-Major Special Revenue Funds	Non-Major Capital Projects and Permanent Funds	Non-Major Governmental Funds
REVENUES			
Property Taxes	\$ 902,739	\$ -	\$ 902,739
Other Taxes	73,195	-	73,195
Intergovernmental	180,703	472,910	653,613
License and Permits	104,363	-	104,363
Public Charges for Services	622,919	10,172	633,091
Interest Income	127,035	141,795	268,830
Miscellaneous Income	67,546	137,623	205,169
Total Revenues	<u>2,078,500</u>	<u>762,500</u>	<u>2,841,000</u>
EXPENDITURES			
Current:			
General Government	182,178	13,227	195,405
Public Safety	17,254	-	17,254
Public Works	645,417	5,682	651,099
Culture, Recreation and Education	138,842	-	138,842
Conservation and Development	498,768	11,542	510,310
Capital Outlay	9,963	1,540,719	1,550,682
Debt Service:			
Principal Repayment	50,000	-	50,000
Interest Expense and Fiscal Charges	28,766	40,308	69,074
Total Expenditures	<u>1,571,188</u>	<u>1,611,478</u>	<u>3,182,666</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>507,312</u>	<u>(848,978)</u>	<u>(341,666)</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from Long-Term Debt	-	1,695,000	1,695,000
Debt Premium from Long-Term Debt	-	19,671	19,671
Transfers In	160,000	643,000	803,000
Transfers Out	(483,197)	(150,000)	(633,197)
Total Other Financing Sources (Uses)	<u>(323,197)</u>	<u>2,207,671</u>	<u>1,884,474</u>
Net Change in Fund Balances	184,115	1,358,693	1,542,808
Fund Balances - Beginning of year	1,524,389	2,455,396	3,979,785
Fund Balances - End of year	<u>\$ 1,708,504</u>	<u>\$ 3,814,089</u>	<u>\$ 5,522,593</u>

VILLAGE OF OREGON
Oregon, Wisconsin

Combining Balance Sheet
Non-Major Special Revenue Funds
December 31, 2024

	Cable TV Franchise	Senior Center Fund	Preserve Water Tower	Cemetery Fund	Police	Refuse & Recycling Pickup	Room Tax	TIF #3 Special Revenue	TIF #4	TIF #5
ASSETS										
Cash and Cash Equivalents	\$ 26,133	\$ 246,493	\$ 1,300	\$ 158,586	\$ 49,609	\$ -	\$ 256,002	\$ 82,264	\$ 814,485	\$ 114,206
Receivables:										
Taxes	-	-	-	-	-	-	-	-	-	-
Accounts	26,913	-	-	-	-	59,975	-	115,443	369,282	338,703
Due from Other Funds	-	-	-	-	-	4,280	-	-	-	-
Prepaid Expenses	-	-	-	-	-	-	-	-	-	-
Total Assets	\$ 53,046	\$ 246,493	\$ 1,300	\$ 158,586	\$ 49,609	\$ 64,255	\$ 256,002	\$ 197,707	\$ 1,184,051	\$ 453,295

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICIT)

Liabilities:										
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,594	\$ -	\$ -	\$ 150
Accrued Liabilities	-	-	-	-	-	-	-	-	842	1,117
Due to Other Funds	-	-	-	-	-	59,603	-	-	-	-
Due to Other Governments	-	10,008	-	-	-	-	-	-	-	-
Advances Payable	-	-	-	-	-	-	-	-	62,066	-
Total Liabilities	-	10,008	-	-	-	59,603	12,594	-	62,908	1,267

Deferred Inflows of Resources:

Deferred Taxes and Special Assessments	-	-	-	-	-	-	-	201,218	643,664	590,364
Total Deferred Inflows of Resources	-	-	-	-	-	-	-	201,218	643,664	590,364

Fund Balances (Deficit):

Nonspendable	-	-	-	-	-	-	-	-	284	386
Restricted	-	236,485	-	158,586	-	-	243,408	-	477,195	-
Committed	53,046	-	-	-	49,609	4,652	-	-	-	-
Assigned	-	-	1,300	-	-	-	-	-	-	-
Unassigned (Deficit)	-	-	-	-	-	-	-	(3,511)	-	(138,722)
Total Fund Balances (Deficit)	\$ 53,046	\$ 236,485	\$ 1,300	\$ 158,586	\$ 49,609	\$ 4,652	\$ 243,408	\$ (3,511)	\$ 477,479	\$ (138,336)

Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)

	\$ 53,046	\$ 246,493	\$ 1,300	\$ 158,586	\$ 49,609	\$ 64,255	\$ 256,002	\$ 197,707	\$ 1,184,051	\$ 453,295
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VILLAGE OF OREGON
Oregon, Wisconsin

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Year Ended December 31, 2024

	Cable TV Franchise	Senior Center Fund	Preserve Water Tower	Cemetery Fund	Police	Refuse & Recycling Pickup	Room Tax	TIF #3 Special Revenue	TIF #4	TIF #5
REVENUES										
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 191,739	\$ 359,338	\$ 351,662
Other Taxes	-	-	-	-	-	-	73,195	-	-	-
Intergovernmental	24,254	-	-	-	-	-	-	9,476	2,933	-
License and Permits	104,363	-	-	-	-	-	-	-	-	-
Public Charges for Services	-	-	-	-	-	622,919	-	-	-	-
Interest Income	1,396	28,490	94	8,375	2,593	1,026	14,876	(1,055)	35,400	(3,372)
Miscellaneous Income	-	5,500	503	-	4,425	-	-	464	-	-
Total Revenues	130,013	33,990	597	8,375	7,018	623,945	88,071	200,624	397,671	348,290
EXPENDITURES										
Current:										
General Government	-	-	-	-	-	-	-	5,483	12,519	19,686
Public Safety	-	-	-	-	902	-	-	-	-	-
Public Works	-	-	-	-	-	622,554	-	-	10,282	12,581
Culture, Recreation and Education	129,679	-	-	-	-	-	-	-	-	-
Conservation and Development	-	-	815	-	-	-	38,644	-	194,033	120,924
Capital Outlay	-	-	-	-	-	-	-	-	9,963	-
Debt Service:										
Principal Repayment	-	-	-	-	-	-	-	-	-	50,000
Interest Expense and Fiscal Charges	-	-	-	-	-	-	-	-	3,236	25,530
Total Expenditures	129,679	-	815	-	902	622,554	38,644	5,483	230,033	228,721
Excess (Deficiency) of Revenues Over Expenditures	334	33,990	(218)	8,375	6,116	1,391	49,427	195,141	167,638	119,569
OTHER FINANCING SOURCES (USES)										
Transfers In	-	-	-	-	-	-	-	-	-	-
Transfers Out	(11,000)	-	-	-	-	(3,000)	(68,394)	(225,000)	-	(175,803)
Total Other Financing Sources (Uses)	(11,000)	-	-	-	-	(3,000)	(68,394)	(225,000)	-	(175,803)
Net Change in Fund Balances	(10,666)	33,990	(218)	8,375	6,116	(1,609)	(18,967)	(29,859)	167,638	(56,234)
Fund Balances (Deficit) - Beginning of year	63,712	202,495	1,518	150,211	43,493	6,261	262,375	26,348	309,841	(82,102)
Fund Balances (Deficit) - End of year	\$ 53,046	\$ 236,485	\$ 1,300	\$ 158,586	\$ 49,609	\$ 4,652	\$ 243,408	\$ (3,511)	\$ 477,479	\$ (138,336)

VILLAGE OF OREGON
Oregon, Wisconsin

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Year Ended December 31, 2024

	Wackman Special Revenue	Canine Fund	Sick Leave	Work Force Housing	Hermisen Property Fund	Drug Free	Public Art	Community Events	TIF #6	Non-Major Special Revenue Funds
REVENUES										
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 902,739
Other Taxes	-	-	-	-	-	-	-	-	-	73,195
Intergovernmental	-	-	-	-	-	144,040	-	-	-	180,703
License and Permits	-	-	-	-	-	-	-	-	-	104,363
Public Charges for Services	-	-	-	-	-	-	-	-	-	622,919
Interest Income	-	4,513	7,836	19,865	827	-	6,482	123	(434)	127,035
Miscellaneous Income	-	29,237	-	-	775	-	24,392	2,250	-	67,546
Total Revenues	-	33,750	7,836	19,865	1,602	144,040	30,874	2,373	(434)	2,078,500
EXPENDITURES										
Current:										
General Government	-	-	-	-	-	131,792	3,947	-	8,751	182,178
Public Safety	-	16,352	-	-	-	-	-	-	-	17,254
Public Works	-	-	-	-	-	-	-	-	-	645,417
Culture, Recreation and Education	-	-	-	-	-	-	-	9,163	-	138,842
Conservation and Development	-	-	-	95,459	-	-	39,634	1,661	7,598	498,768
Capital Outlay	-	-	-	-	-	-	-	-	-	9,963
Debt Service:										
Principal Repayment	-	-	-	-	-	-	-	-	-	50,000
Interest Expense and Fiscal Charges	-	-	-	-	-	-	-	-	-	28,766
Total Expenditures	-	16,352	-	95,459	-	131,792	43,581	10,824	16,349	1,571,188
Excess (Deficiency) of Revenues Over Expenditures	-	17,398	7,836	(75,594)	1,602	12,248	(12,707)	(8,451)	(16,783)	507,312
OTHER FINANCING SOURCES (USES)										
Transfers In	-	-	150,000	-	-	-	-	10,000	-	160,000
Transfers Out	-	-	-	-	-	-	-	-	-	(483,197)
Total Other Financing Sources (Uses)	-	-	150,000	-	-	-	-	10,000	-	(323,197)
Net Change in Fund Balances	-	17,398	157,836	(75,594)	1,602	12,248	(12,707)	1,549	(16,783)	184,115
Fund Balances (Deficit) - Beginning of year	918	66,791	5,112	343,803	13,779	(12,168)	125,885	(2,497)	(1,386)	1,524,389
Fund Balances (Deficit) - End of year	\$ 918	\$ 84,189	\$ 162,948	\$ 268,209	\$ 15,381	\$ 80	\$ 113,178	\$ (948)	\$ (18,169)	\$ 1,708,504

VILLAGE OF OREGON
Oregon, Wisconsin

Combining Balance Sheet
Non-Major Capital Projects and Permanent Funds
December 31, 2024

	Capital Projects			
	Developers Storm Sewer	Park Fund	Equipment Replacement	Bike Path
ASSETS				
Cash and Cash Equivalents	\$ 93,984	\$ 515,262	\$ 1,638,787	\$ 269,692
Prepaid Expenses	-	-	210,791	-
Restricted Cash	-	-	161,168	108,888
Total Assets	<u>\$ 93,984</u>	<u>\$ 515,262</u>	<u>\$ 2,010,746</u>	<u>\$ 378,580</u>

**LIABILITIES, DEFERRED INFLOWS OF
RESOURCES AND FUND BALANCES
(DEFICIT)**

Liabilities:				
Accounts Payable	\$ -	\$ -	\$ 82,800	\$ 209,736
Accrued Liabilities	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>82,800</u>	<u>209,736</u>
Fund Balances (Deficit):				
Nonspendable	-	-	210,791	-
Restricted	93,984	515,262	161,168	108,888
Assigned	-	-	1,555,987	59,956
Total Fund Balances (Deficit)	<u>93,984</u>	<u>515,262</u>	<u>1,927,946</u>	<u>168,844</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)	<u>\$ 93,984</u>	<u>\$ 515,262</u>	<u>\$ 2,010,746</u>	<u>\$ 378,580</u>

VILLAGE OF OREGON
Oregon, Wisconsin

Combining Balance Sheet
Non-Major Capital Projects and Permanent Funds
December 31, 2024

	Capital Projects		Permanent Fund	Total Non-Major Capital Projects and Permanent Funds
	Civic Campus Plan Projects	Business Park	Wackman Trust Fund	
ASSETS				
Cash and Cash Equivalents	\$ 511,549	\$ 72,200	\$ 10,000	\$ 3,111,474
Prepaid Expenses	-	142	-	210,933
Restricted Cash	543,822	-	-	813,878
Total Assets	<u>\$ 1,055,371</u>	<u>\$ 72,342</u>	<u>\$ 10,000</u>	<u>\$ 4,136,285</u>

**LIABILITIES, DEFERRED INFLOWS OF
RESOURCES AND FUND BALANCES (DEFICIT)**

Liabilities:				
Accounts Payable	\$ 29,205	\$ -	\$ -	\$ 321,741
Accrued Liabilities	-	455	-	455
Total Liabilities	<u>29,205</u>	<u>455</u>	<u>-</u>	<u>322,196</u>
Fund Balances (Deficit):				
Nonspendable	-	142	10,000	220,933
Restricted	543,822	-	-	1,423,124
Assigned	482,344	71,745	-	2,170,032
Total Fund Balances (Deficit)	<u>1,026,166</u>	<u>71,887</u>	<u>10,000</u>	<u>3,814,089</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)	<u>\$ 1,055,371</u>	<u>\$ 72,342</u>	<u>\$ 10,000</u>	<u>\$ 4,136,285</u>

VILLAGE OF OREGON
Oregon, Wisconsin

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Capital Projects and Permanent Funds
For the Year Ended December 31, 2024

	Capital Projects			
	Developers Storm Sewer	Park Fund	Equipment Replacement	Bike Path
REVENUES				
Intergovernmental	\$ -	-	-	\$ 25
Public Charges for Services	10,172	-	-	-
Interest Income	5,001	28,435	68,309	12,325
Miscellaneous Income	-	30	137,193	-
Total Revenues	<u>15,173</u>	<u>28,465</u>	<u>205,502</u>	<u>12,350</u>
EXPENDITURES				
Current:				
General Government	-	-	7,999	-
Public Works	-	-	-	-
Conservation and Development	-	-	-	-
Capital Outlay	-	-	1,205,229	218,473
Debt Service:				
Interest Expense and Fiscal Charges	-	-	18,311	7,729
Total Expenditures	<u>-</u>	<u>-</u>	<u>1,231,539</u>	<u>226,202</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>15,173</u>	<u>28,465</u>	<u>(1,026,037)</u>	<u>(213,852)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from Long-Term Debt	-	-	770,000	325,000
Debt Premium from Long-Term Debt	-	-	8,936	3,772
Transfers In	-	-	603,000	20,000
Transfers Out	-	-	(150,000)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>1,231,936</u>	<u>348,772</u>
Net Change in Fund Balances	15,173	28,465	205,899	134,920
Fund Balances (Deficit) - Beginning of year	78,811	486,797	1,722,047	33,924
Fund Balances (Deficit) - End of year	<u>\$ 93,984</u>	<u>\$ 515,262</u>	<u>\$ 1,927,946</u>	<u>\$ 168,844</u>

VILLAGE OF OREGON
Oregon, Wisconsin

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Capital Projects and Permanent Funds
For the Year Ended December 31, 2024

	Capital Projects		Permanent Fund	Total Non-Major Capital Projects and Permanent Funds
	Civic Campus Plan Projects	Business Park	Wackman Trust Fund	
REVENUES				
Intergovernmental	\$ 472,885	\$ -	\$ -	\$ 472,910
Public Charges for Services	-	-	-	10,172
Interest Income	23,095	4,630	-	141,795
Miscellaneous Income	400	-	-	137,623
Total Revenues	496,380	4,630	-	762,500
EXPENDITURES				
Current:				
General Government	1,630	3,598	-	13,227
Public Works	-	5,682	-	5,682
Conservation and Development	777	10,765	-	11,542
Capital Outlay	117,017	-	-	1,540,719
Debt Service:				
Interest Expense and Fiscal Charges	14,268	-	-	40,308
Total Expenditures	133,692	20,045	-	1,611,478
Excess (Deficiency) of Revenues Over Expenditures	362,688	(15,415)	-	(848,978)
OTHER FINANCING SOURCES (USES)				
Proceeds from Long-Term Debt	600,000	-	-	1,695,000
Debt Premium from Long-Term Debt	6,963	-	-	19,671
Transfers In	20,000	-	-	643,000
Transfers Out	-	-	-	(150,000)
Total Other Financing Sources (Uses)	626,963	-	-	2,207,671
Net Change in Fund Balances	989,651	(15,415)	-	1,358,693
Fund Balances (Deficit) - Beginning of year	36,515	87,302	10,000	2,455,396
Fund Balances (Deficit) - End of year	\$ 1,026,166	\$ 71,887	\$ 10,000	\$ 3,814,089

FORM OF LEGAL OPINION

(See following pages)

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

May 14, 2026

Re: Village of Oregon, Wisconsin ("Issuer")
\$5,210,000 Water and Sewerage System Revenue Bonds, Series 2026B,
dated May 14, 2026 ("Bonds")

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

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

The Bonds are issued pursuant to Section 66.0621, Wisconsin Statutes, and a resolution adopted by the Village Board of the Issuer on April 20, 2026, as supplemented by the Approving Certificate, dated _____, 2026 (collectively, the "Bond Resolution"). Pursuant to the Bond Resolution, the Bonds are issued on a parity with the Issuer's outstanding Water and Sewerage System Revenue Bonds, Series 2022B, dated July 13, 2022, Water and Sewerage System Revenue Bonds, Series 2025C, dated July 9, 2025 and Water and Sewerage System Revenue Bonds, Series 2025D, dated July 9, 2025 (collectively, the "Prior Bonds"). The Issuer covenanted in the Bond Resolution that revenues of the Water System and Sewerage System (collectively, the "System") of the Issuer which are deposited in the Special Redemption Fund provided by the Bond Resolution (the "Revenues") shall at all times be sufficient to pay the principal of and interest on the Prior Bonds and the Bonds as the same falls due.

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

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2028	\$145,000	____%
2029	125,000	____
2030	135,000	____
2031	140,000	____
2032	145,000	____
2033	155,000	____
2034	165,000	____
2035	180,000	____
2036	295,000	____
2037	305,000	____
2038	320,000	____
2039	335,000	____
2040	350,000	____

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2041	\$365,000	___%
2042	380,000	___
2043	395,000	___
2044	410,000	___
2045	430,000	___
2046	435,000	___

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

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

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

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

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

1. The Issuer is duly created and validly existing under the Constitution and laws of the State of Wisconsin with the power to adopt the Bond Resolution, perform the agreements on its part contained therein and issue the Bonds.
2. The Bond Resolution has been duly adopted by the Issuer and constitutes a valid and binding obligation of the Issuer enforceable upon the Issuer.
3. The Bonds have been lawfully authorized and issued by the Issuer pursuant to the laws of the State of Wisconsin now in force and are valid and binding special obligations of the Issuer in accordance with their terms payable solely from the Revenues of the System. The Bonds, together with interest thereon, do not constitute an indebtedness of the Issuer nor a charge against its general credit or taxing power.
4. The interest on the Bonds is excludable for federal income tax purposes from the gross income of the owners of the Bonds. The interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Internal Revenue Code of 1986, as amended (the "Code") on individuals; however, interest on the Bonds is taken into account in determining "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on Applicable Corporations (as defined in Section 59(k) of the Code). The Code contains requirements that must be satisfied

subsequent to the issuance of the Bonds in order for interest on the Bonds to be or continue to be excludable from gross income for federal income tax purposes. Failure to comply with certain of those requirements could cause the interest on the Bonds to be included in gross income retroactively to the date of issuance of the Bonds. The Issuer has agreed to comply with all of those requirements. The opinion set forth in the first sentence of this paragraph is subject to the condition that the Issuer comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

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

We express no opinion regarding the creation, perfection or priority of any security interest in the Revenues or other funds created by the Bond Resolution or on the sufficiency of the Revenues.

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

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

QUARLES & BRADY LLP

BOOK-ENTRY-ONLY SYSTEM

1. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for [each issue of] the Securities, [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.]
2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.
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 Oregon, Dane County, Wisconsin (the "Issuer") in connection with the issuance of \$5,210,000 Water and Sewerage System Revenue Bonds, Series 2026B, dated May 14, 2026 (the "Securities"). The Securities are being issued pursuant to a resolution adopted on April 20, 2026, as supplemented by an Approving Certificate, dated _____, 2026 (collectively, the "Resolution") and delivered to _____ (the "Purchaser") on the date hereof. Pursuant to the Resolution, the Issuer has covenanted and agreed to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events. In addition, the Issuer hereby specifically covenants and agrees as follows:

Section 1(a). Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the holders of the Securities in order to assist the Participating Underwriters within the meaning of the Rule (defined herein) in complying with SEC Rule 15c2-12(b)(5). References in this Disclosure Certificate to holders of the Securities shall include the beneficial owners of the Securities. This Disclosure Certificate constitutes the written Undertaking required by the Rule.

Section 1(b). Filing Requirements. Any filing under this Disclosure Certificate must be made solely by transmitting such filing to the MSRB (defined herein) through the Electronic Municipal Market Access ("EMMA") System at www.emma.msrb.org 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 _____, 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 Oregon, Dane County, Wisconsin, which is the obligated person with respect to the Securities.

"Issuer Contact" means the Village Clerk of the Issuer who can be contacted at 101 Alpine Parkway, Oregon, Wisconsin 53575, phone (608) 835-3118, fax (608) 835-6503.

"Listed Event" means any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" means the Municipal Securities Rulemaking Board.

"Participating Underwriter" means any of the original underwriter(s) of the Securities (including the Purchaser) required to comply with the Rule in connection with the offering of the Securities.

"Rule" means SEC Rule 15c2-12(b)(5) promulgated by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time, and official interpretations thereof.

"SEC" means the Securities and Exchange Commission.

Section 3. Provision of Annual Report and Audited Financial Statements.

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

(b) If the Issuer is unable or fails to provide to the MSRB an Annual Report by the date required in subsection (a), the Issuer shall send in a timely manner a notice of that fact to the MSRB in the format prescribed by the MSRB, as described in Section 1(b) of this Disclosure Certificate.

Section 4. Content of Annual Report. The Issuer's Annual Report shall contain or incorporate by reference the Audited Financial Statements and updates of the following sections of the Final Official Statement to the extent such financial information and operating data are not included in the Audited Financial Statements:

1. DEBT - Direct Debt
2. DEBT - Debt Limit
3. VALUATIONS - Current Property Valuations
4. THE BONDS - Description of the Water System
5. THE BONDS - Description of the Sewerage System

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 14th day of May, 2026.

(SEAL)

Phillip J. Van Kampen
President

Candie M. Jones
Village Clerk

FORM OF PARAMETERS RESOLUTION

(See following pages)

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE ISSUANCE AND
ESTABLISHING PARAMETERS FOR THE SALE OF NOT TO EXCEED
\$5,210,000 WATER AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2026B
OF THE VILLAGE OF OREGON, DANE COUNTY, WISCONSIN,
AND PROVIDING FOR THE PAYMENT OF THE BONDS AND
OTHER DETAILS WITH RESPECT TO THE BONDS

WHEREAS, the Village of Oregon, Dane County, Wisconsin (the "Village") owns and operates a Water System and a Sewerage System which are operated for public purposes as separate public utilities by the Village and which are hereby combined for the purposes of this financing (hereinafter, the Village's Water System and Sewerage System shall be referred to collectively as the "System"); and

WHEREAS, under the provisions of Section 66.0621, Wisconsin Statutes, any municipality in the State of Wisconsin may, by action of its governing body, provide funds for extending, adding to and improving a public utility or refunding obligations issued to finance such extensions, additions and improvements from the proceeds of bonds, which bonds are payable only from the income and revenues derived from any source by such utility and are secured by a pledge of the revenues of the utility; and

WHEREAS, pursuant to a resolution adopted by the Village Board on June 20, 2022 (the "2022 Resolution"), the Village has heretofore issued its Water and Sewerage System Revenue Bonds, Series 2022B, dated July 13, 2022 (the "2022 Bonds"), which are payable from the income and revenues of the System; and

WHEREAS, pursuant to a resolution adopted by the Village Board on June 16, 2025 (the "2025C Resolution"), the Village has heretofore issued its Water and Sewerage System Revenue Bonds, Series 2025C, dated July 9, 2025 (the "2025C Bonds"), which are payable from the income and revenues of the System; and

WHEREAS, pursuant to a resolution adopted by the Village Board on June 16, 2025 (the "2025D Resolution"), the Village has heretofore issued its Water and Sewerage System Revenue Bonds, Series 2025D, dated July 9, 2025 (the "2025D Bonds"), which are payable from the income and revenues of the System; and

WHEREAS, the 2022 Bonds, the 2025C Bonds and the 2025D Bonds shall collectively be referred to as the "Prior Bonds"; and

WHEREAS, the 2022 Resolution, the 2025C Resolution and the 2025D Resolution shall collectively be referred to as the "Prior Resolutions"; and

WHEREAS, pursuant to a resolution adopted by the Village Board on March 17, 2025, the Village has heretofore issued and has outstanding its Water and Sewerage System Revenue Bond Anticipation Note, Series 2025A, dated April 2, 2025 (the "2025 Note"), which was issued to finance certain improvements, additions and extensions to the System, including Well No. 6 projects; and

WHEREAS, the Village has determined that it is necessary and desirable to refund the 2025 Note (the "Refunding") for the purpose of providing permanent financing for the financed improvements; and

WHEREAS, the Village has also determined that certain additions, improvements and extensions to the System including finishing the well no. 6 project, water main, other wells and pumphouse improvements and acquiring equipment and vehicles for the System (collectively, the "Project") are necessary to adequately supply the needs of the Village and the residents thereof; and

WHEREAS, it is necessary, desirable and in the best interests of the Village to authorize and sell revenue bonds for such purposes payable solely from the revenues of the System, which bonds are to be authorized and issued pursuant to the provisions of Section 66.0621, Wisconsin Statutes; and

WHEREAS, the Prior Resolutions permit the issuance of additional bonds payable from revenues of the System on a parity with the Prior Bonds upon certain conditions, and those conditions have been met; and

WHEREAS, other than the Prior Bonds and the 2025 Note, the Village has no bonds or obligations outstanding which are payable from the income and revenues of the System; and

WHEREAS, it is the finding of the Village Board that it is in the best interest of the Village to direct its financial advisor Ehlers & Associates, Inc. ("Ehlers"), to take the steps necessary for the Village to offer and sell Water and Sewerage System Revenue Bonds, Series 2026B (the "Bonds") at public sale and to obtain bids for the purchase of the Bonds; and

WHEREAS, the Village Clerk (in consultation with Ehlers) is hereby authorized and directed to cause the sale of the Bonds to be publicized at such times and in such manner as the Village Clerk may determine and to cause copies of a complete Notice of Sale and other pertinent data to be forwarded to interested bidders as the Village Clerk may determine; and

WHEREAS, in order to facilitate the sale of the Bonds in a timely manner, the Village Board hereby finds and determines that it is necessary, desirable and in the best interest of the Village to delegate to either the Finance Director/Treasurer or the Village Administrator (each an "Authorized Officer") the authority to accept on behalf of the Village the bid for the Bonds that results in the lowest true interest cost for the Bonds (the "Proposal") and meets the terms and conditions provided for in this Resolution by executing a certificate in substantially the form attached hereto as Exhibit A and incorporated herein by reference (the "Approving Certificate").

NOW, THEREFORE, the Village Board of the Village of Oregon, Dane County, Wisconsin, do resolve that:

Section 1A. Authorization and Sale of the Bonds; Parameters. For the purpose of paying the costs of the Project and Refunding, the Village is authorized to borrow pursuant to Section 66.0621, Wisconsin Statutes, the principal sum of not to exceed FIVE MILLION TWO HUNDRED TEN THOUSAND DOLLARS (\$5,210,000) upon the terms and subject to the conditions set forth in this Resolution. Subject to satisfaction of the condition set forth in

Section 18 of this Resolution, the President and Village Clerk are each hereby authorized, empowered and directed to make, execute, issue and sell to the financial institution that submitted the Proposal (the "Purchaser"), on behalf of and in the name of the Village, the Bonds in a principal amount not to exceed FIVE MILLION TWO HUNDRED TEN THOUSAND DOLLARS (\$5,210,000). The purchase price to be paid to the Village for the Bonds shall not be less than 98.75% nor more than 110.00% of the principal amount of the Bonds.

Section 1B. Terms of the Bonds. The Bonds shall be designated "Water and Sewerage System Revenue Bonds, Series 2026B"; shall be issued in the aggregate principal amount of up to \$5,210,000; shall be dated as of their date of issuance; shall be in the denomination of \$5,000 or any integral multiple thereof; shall be numbered R-1 and upward; and shall mature or be subject to mandatory redemption on the dates and in the principal amounts set forth below; provided that (a) the principal amount of the 2028 through 2035 maturities or mandatory redemption amounts may be increased or decreased by up to \$100,000 per maturity or mandatory redemption amount and (b) the principal amounts of the 2036 through 2046 maturities or mandatory redemption amounts may be increased or decreased by up to \$250,000 per maturity or mandatory redemption amount. The aggregate principal amount of the Bonds shall not exceed \$5,210,000. The schedule below assumes the Bonds are issued in the aggregate principal amount of \$5,210,000.

<u>Date</u>	<u>Amount</u>
05-01-2028	\$145,000
05-01-2029	125,000
05-01-2030	135,000
05-01-2031	140,000
05-01-2032	145,000
05-01-2033	155,000
05-01-2034	165,000
05-01-2035	180,000
05-01-2036	295,000
05-01-2037	305,000
05-01-2038	320,000
05-01-2039	335,000
05-01-2040	350,000
05-01-2041	365,000
05-01-2042	380,000
05-01-2043	395,000
05-01-2044	410,000
05-01-2045	430,000
05-01-2046	435,000

Interest shall be payable semi-annually on May 1 and November 1 of each year commencing on May 1, 2027. The true interest cost on the Bonds (computed taking the Purchaser's compensation into account) will not exceed 5.50%. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board.

The schedule of maturities or mandatory redemptions is found to be such that the amount of annual debt service payments is reasonable in accordance with prudent municipal utility practices and will be confirmed in the Approving Certificate.

The Village Board hereby determines that the Refunding is advantageous and necessary to the Village.

The Bonds, together with interest thereon, shall not constitute an indebtedness of the Village nor a charge against its general credit or taxing power. The Bonds, together with interest thereon, shall be payable only out of the Special Redemption Fund provided for in Section 4 herein, and shall be a valid claim of the registered owner or owners thereof only against the Special Redemption Fund and the Revenues of the System pledged to such fund, on a parity with the pledge granted to the holders of the Prior Bonds. Sufficient Revenues are hereby pledged to said Special Redemption Fund, and shall be used for no other purpose than to pay the principal of, premium, if any, and interest on the Bonds, the Prior Bonds and any Parity Bonds as the same becomes due.

The Bonds shall be subject to optional redemption as set forth in the Approving Certificate. If the Proposal specifies that certain of the Bonds are subject to mandatory redemption, the terms of such mandatory redemption shall be set forth on an attachment to the Approving Certificate. Upon the optional redemption of any of the Bonds subject to mandatory redemption, the principal amount of such Bonds so redeemed shall be credited against the mandatory redemption payments established for such Bonds in such manner as the Village shall direct.

Section 2. Form of the Bonds. The Bonds shall be issued in registered form and shall be executed and delivered in substantially the form attached hereto as Exhibit B and incorporated herein by this reference.

Section 3. Definitions. In addition to the words defined elsewhere in this Resolution, the following words shall have the following meanings unless the context or use indicates another or different meaning or intent:

"Annual Debt Service Requirement" means the total amount of principal and interest due in any Fiscal Year on the Bonds, the Prior Bonds and Parity Bonds.

"Bond Year" means the Fiscal Year.

"Code" means the Internal Revenue Code of 1986, as amended.

"DTC" means The Depository Trust Company, New York, New York, or any successor securities depository for the Village with respect to the Bonds.

"Fiscal Year" means the fiscal year adopted by the Village for the System, which is currently the calendar year.

"Net Revenues" means the Revenues minus all Operation and Maintenance Expenses of the System.

"Operation and Maintenance Expenses" means the reasonable and necessary costs of operating, maintaining, administering and repairing the System, including salaries, wages, costs of materials and supplies, insurance and audits, but excluding depreciation, debt service, tax equivalents and capital expenditures.

"Parity Bonds" means additional bonds or obligations issued on a parity as to pledge and lien with the Bonds in accordance with the provisions of Section 7 of this Resolution.

"Reserve Requirement" means an amount, determined as of the date of issuance of the Bonds, equal to the least of (a) the amount required to be on deposit in the Reserve Account prior to the issuance of the Bonds, plus the amount permitted to be deposited therein from proceeds of the Bonds pursuant to Section 148(d)(1) of the Code and Regulations; (b) the maximum annual debt service on the 2022 Bonds and the Bonds in a Bond Year; and (c) 125% of average annual debt service on the 2022 Bonds and the Bonds; provided, however, that on an ongoing basis it shall never exceed the remaining maximum annual principal and interest due on the 2022 Bonds and the outstanding Bonds in any Bond Year. If Parity Bonds which are to be secured by the Reserve Account are issued, the Reserve Requirement shall mean an amount, determined as of the date of issuance of the Parity Bonds, equal to the least of (a) the amount required to be on deposit in the Reserve Account prior to the issuance of such Parity Bonds, plus the amount permitted to be deposited therein from proceeds of the Parity Bonds pursuant to Section 148(d)(1) of the Code and Regulations; (b) the maximum annual debt service on outstanding obligations secured by the Reserve Account and the Parity Bonds to be issued in any Bond Year; and (c) 125% of average annual debt service on the outstanding obligations secured by the Reserve Account and the Parity Bonds to be issued; provided, however, that on an ongoing basis it shall never exceed the remaining maximum annual principal and interest due on the outstanding obligations secured by the Reserve Account and Parity Bonds in any Bond Year.

"Regulations" means the Regulations of the Commissioner of Internal Revenue under the Code.

"Revenues" means all income and revenue derived from operation of the System, including the revenues received from the Village for services rendered to it and all moneys received from any other source, including moneys appropriated by the Village Board pursuant to Section 5 herein and income derived from investments.

"System" means the entire Water System and Sewerage System of the Village specifically including that portion of the Project owned by the Village and including all property of every nature now or hereafter owned by the Village for the extraction, collection, storage, treatment, transmission, distribution, metering and discharge of industrial and potable public water, and the collection, transmission, treatment, storage, metering and disposal of domestic, industrial and public sewage, including all improvements and extensions thereto made by the Village while any of the Bonds and Parity Bonds remain outstanding, including all real and personal property of every nature comprising part of or used or useful in connection with such Water System and Sewerage System and including all appurtenances, contracts, leases, franchises and other intangibles.

Section 4. Income and Revenue Funds. When the Bonds shall have been delivered in whole or in part, the Revenues shall be set aside into the Water and Sewerage System Revenue Fund and then transferred to the following separate and special funds in the order of priority listed below, which funds are hereby continued, to be used and applied as described below:

- Revenues in amounts sufficient to provide for the reasonable and proper operation and maintenance of the System through the payment of Operation and Maintenance Expenses shall be set aside into the Water and Sewerage System Operation and Maintenance Fund (the "Operation and Maintenance Fund").

- Revenues in amounts sufficient to pay the principal of and interest on the Prior Bonds, the Bonds and Parity Bonds and to meet the Reserve Requirement shall be set aside into the Water and Sewerage System Revenue Bond and Interest Special Redemption Fund (the "Special Redemption Fund"), to be applied to the payment of the principal of and interest on the Prior Bonds, the Bonds and Parity Bonds and to meet the Reserve Requirement. The monies standing in the Special Redemption Fund are irrevocably pledged to the payment of principal of and interest on the Prior Bonds, the Bonds and Parity Bonds.

- Revenues in amounts sufficient to provide a proper and adequate depreciation account for the System shall be set aside into the Water and Sewerage System Depreciation Fund (the "Depreciation Fund").

The Operation and Maintenance Fund and Depreciation Fund shall be deposited as received in public depositories to be selected by the Village Board in the manner required by Chapter 34, Wisconsin Statutes and may be invested in legal investments subject to the provisions of Section 66.0603(1m), Wisconsin Statutes.

Money in the Operation and Maintenance Fund shall be used to pay Operation and Maintenance Expenses as the same come due; money not immediately required for Operation and Maintenance Expenses shall be used to accumulate a reserve in the Operation and Maintenance Fund equal to estimated Operation and Maintenance Expenses for one month. Any money then available and remaining in the Operation and Maintenance Fund may be transferred to the Surplus Fund, which fund is hereby continued.

Revenues shall be deposited in the Depreciation Fund each month until such amount as the Village Board may from time to time determine to constitute an adequate and reasonable depreciation account for the System (the "Depreciation Requirement") is accumulated therein. Money in the Depreciation Fund shall be available and shall be used, whenever necessary, to restore any deficiency in the Special Redemption Fund and for the maintenance of the Reserve Account therein. When the Special Redemption Fund is sufficient for its purpose, funds in the Depreciation Fund may be expended for repairs, replacements, new construction, extensions or additions to the System. Any money on deposit in the Depreciation Fund in excess of the Depreciation Requirement which is not required during the current Fiscal Year for the purposes of the Depreciation Fund, may be transferred to the Surplus Fund.

It is the express intent and determination of the Village Board that the amount of Revenues to be set aside and paid into the Special Redemption Fund (including the Reserve Account) shall in any event be sufficient to pay principal of and interest on the Prior Bonds, the

Bonds and Parity Bonds and to meet the Reserve Requirement, and the Village Treasurer shall each Fiscal Year deposit at least sufficient Revenues in the Special Redemption Fund to pay promptly all principal and interest falling due on the Prior Bonds, the Bonds and Parity Bonds and to meet the Reserve Requirement.

The Revenues so set aside for payment of the principal of and interest on the Prior Bonds, the Bonds and Parity Bonds shall be set apart and shall be paid into the Special Redemption Fund not later than the 10th day of each month. The amount deposited each month shall be not less than one-sixth of the interest next coming due, plus one-twelfth of the principal next maturing.

The minimum amounts to be so deposited for debt service on the Bonds will be set forth on a schedule to be attached to the Approving Certificate.

The Special Redemption Fund shall be used for no purpose other than the payment of interest upon and principal of the Prior Bonds, the Bonds and Parity Bonds promptly as the same become due and payable or to pay redemption premiums. All money in the Special Redemption Fund shall be deposited in a special account and invested in legal investments subject to Section 66.0603(1m), Wisconsin Statutes, and the monthly payments required to be made to the Special Redemption Fund shall be made directly to such account.

The Reserve Account established by the 2022 Resolution shall be continued to additionally secure the payment of principal of and interest on the 2022 Bonds and the Bonds. The Village covenants and agrees that upon the issuance of the Bonds an amount sufficient to make the amount on deposit in the Reserve Account equal to the Reserve Requirement shall be deposited into the Reserve Account and shall be maintained therein. The Reserve Account does not secure the 2025C Bonds or the 2025D Bonds.

The Village covenants and agrees that at any time that the Reserve Account is drawn on and the amount in the Reserve Account shall be less than the Reserve Requirement, an amount equal to one-twelfth of the Reserve Requirement will be paid monthly into the Reserve Account from those funds in the Special Redemption Fund, the Operation and Maintenance Fund, the Depreciation Fund and the Surplus Fund which are in excess of the minimum amounts required by the preceding paragraphs to be paid therein until the Reserve Requirement will again have accumulated in the Reserve Account. No such payments need be made into the Reserve Account at such times as the monies in the Reserve Account are equal to the highest remaining annual debt service requirement on the 2022 Bonds, the Bonds and Parity Bonds secured by the Reserve Account in any Bond Year. If at any time the amount on deposit in the Reserve Account exceeds the Reserve Requirement, the excess shall be transferred to the Special Redemption Fund and used to pay principal and interest on the Bonds. If for any reason there shall be insufficient funds on hand in the Special Redemption Fund to meet principal or interest becoming due on the 2022 Bonds, the Bonds or Parity Bonds secured by the Reserve Account, then all sums then held in the Reserve Account shall be used to pay the portion of interest or principal on such 2022 Bonds, Bonds or Parity Bonds becoming due as to which there would otherwise be default, and thereupon the payments required by this paragraph shall again be made into the Reserve Account until an amount equal to the Reserve Requirement is on deposit in the Reserve Account.

Funds in the Special Redemption Fund in excess of the minimum amounts required to be paid therein plus reserve requirements may be transferred to the Surplus Fund.

Money in the Surplus Fund shall first be used when necessary to meet requirements of the Operation and Maintenance Fund including the one month reserve, the Special Redemption Fund including the Reserve Account, and the Depreciation Fund. Any money then remaining in the Surplus Fund at the end of any Fiscal Year may be used only as permitted and in the order specified in Section 66.0811(2), Wisconsin Statutes. Money thereafter remaining in the Surplus Fund may be transferred to any of the funds or accounts created by this section.

Section 5. Service to the Village. The reasonable cost and value of any service rendered to the Village by the System by furnishing water and sewerage services for public purposes shall be charged against the Village and shall be paid by it in monthly installments as the service accrues, out of the current revenues of the Village collected or in the process of collection, exclusive of the Revenues, and out of the tax levy of the Village made by it to raise money to meet its necessary current expenses. It is hereby found and determined that the reasonable cost and value of such service to the Village in each year shall be in an amount which, together with Revenues of the System, will produce Net Revenues equivalent to not less than 1.25 times the Annual Debt Service Requirement. Such compensation for such service rendered to the Village shall, in the manner provided hereinabove, be paid into the separate and special funds described in Section 4 of this Resolution. However, such payment is subject to (a) annual appropriations by the Village Board therefor, (b) approval of the Wisconsin Public Service Commission, or successors to its function, if necessary, and (c) applicable levy limits, if any; and neither this Resolution nor such payment shall be construed as constituting an obligation of the Village to make any such appropriation over and above the reasonable cost and value of services rendered to the Village and its inhabitants or to make any subsequent payment over and above such reasonable cost and value.

Section 6. Operation of System; Village Covenants. It is covenanted and agreed by the Village with the owner or owners of the Bonds, and each of them, that:

(a) The Village will faithfully and punctually perform all duties with reference to the System required by the Constitution and Statutes of the State of Wisconsin, including the making and collecting of reasonable and sufficient rates lawfully established for services rendered by the System, and will collect and segregate the Revenues of the System and apply them to the respective funds and accounts described hereinabove;

(b) The Village will not sell, lease, or in any manner dispose of the System, including any part thereof or any additions, extensions, or improvements that may be made part thereto, except that the Village shall have the right to sell, lease or otherwise dispose of any property of the System found by the Village Board to be neither necessary nor useful in the operation of the System, provided the proceeds received from such sale, lease or disposal shall be paid into the Special Redemption Fund or applied to the acquisition or construction of capital facilities for use in the normal operation of the System, and such payment shall not reduce the amounts otherwise required to be paid into the Special Redemption Fund;

(c) The Village will cause the Project to be completed as expeditiously as reasonably possible;

(d) The Village will pay or cause to be paid all lawful taxes, assessments, governmental charges, and claims for labor, materials or supplies which if unpaid could become a lien upon the System or its Revenues or could impair the security of the Bonds;

(e) The Village will maintain in reasonably good condition and operate the System, and will establish, charge and collect such lawfully established rates and charges for the service rendered by the System, so that in each Fiscal Year Net Revenues shall not be less than 125% of the Annual Debt Service Requirement, and so that the Revenues of the System herein agreed to be set aside to provide for the payment of the Prior Bonds, the Bonds and Parity Bonds and the interest thereon as the same becomes due and payable, and to meet the Reserve Requirement, will be sufficient for those purposes;

(f) The Village will prepare a budget not less than sixty days prior to the end of each Fiscal Year and, in the event such budget indicates that the Net Revenues for each Fiscal Year will not exceed the Annual Debt Service Requirement for each corresponding Fiscal Year by the proportion stated hereunder, will take any and all steps permitted by law to increase rates so that the aforementioned proportion of Net Revenues to the Annual Debt Service Requirement shall be accomplished as promptly as possible;

(g) The Village will keep proper books and accounts relative to the System separate from all other records of the Village and will cause such books and accounts to be audited annually by a recognized independent firm of certified public accountants including a balance sheet and a profit and loss statement of the System as certified by such accountants. Each such audit, in addition to whatever matters may be thought proper by the accountants to be included therein shall include the following: (1) a statement in detail of the income and expenditures of the System for the Fiscal Year; (2) a statement of the Net Revenues of the System for such Fiscal Year; (3) a balance sheet as of the end of such Fiscal Year; (4) the accountants' comment regarding the manner in which the Village has carried out the requirements of this Resolution and the accountants' recommendations for any changes or improvements in the operation of the System; (5) the number of connections to the System at the end of the Fiscal Year, for each user classification (i.e., residential, commercial, public and industrial); (6) a list of the insurance policies in force at the end of the Fiscal Year setting out as to each policy the amount of the policy, the risks covered, the name of the insurer, and the expiration date of the policy; and (7) the volume of water used as the basis for computing the service charge; and

(h) So long as any of the Bonds are outstanding the Village will carry for the benefit of the owners of the Bonds insurance of the kinds and in the amounts normally carried by private companies or other public bodies engaged in the operation of similar systems. All money received for loss of use and occupancy shall be considered Revenue of the System payable into the separate funds and accounts named in Section 4 of this Resolution. All money received for losses under any casualty policies shall be used in repairing the damage or in replacing the property destroyed provided that if the Village Board shall find it is inadvisable to repair such damage or replace such property and that the operation of the System has not been impaired

thereby, such money shall be deposited in the Special Redemption Fund, but in that event such payments shall not reduce the amounts otherwise required to be paid into the Special Redemption Fund.

Section 7. Additional Bonds. The Bonds are issued on a parity with the Prior Bonds. No bonds or obligations payable out of the Revenues of the System may be issued in such manner as to enjoy priority over the Bonds. Additional obligations may be issued if their lien and pledge is junior and subordinate to that of the Bonds. Additional obligations may be issued on a parity with the Bonds as to the pledge of Revenues of the System ("Parity Bonds") only if all of the following conditions are met:

(a) (i) The Net Revenues for the last completed Fiscal Year preceding the issuance of such additional obligations must have been at least equal to one and one-quarter (1.25) times the average combined annual interest and principal requirements on all Prior Bonds, Bonds and any Parity Bonds then outstanding payable from the revenues of the System (other than Prior Bonds, Bonds and any Parity Bonds being refunded), and the obligations so proposed to be issued, for any succeeding Fiscal Year in which there shall be a principal maturity on such outstanding bonds; provided, however, that if prior to the authorization of such additional obligations the Village shall have adopted and put into effect a revised schedule of rates, then the Net Revenues of the System for the last completed Fiscal Year which would, as calculated by an independent consulting engineer, registered municipal advisor or independent certified public accountant employed for that purpose, have resulted from such rates had they been in effect for such period may be used in lieu of the actual Net Revenues for the last completed Fiscal Year; or

(ii) An independent certified public accountant, registered municipal advisor or consulting professional engineer provides a calculation setting forth for each of the three Fiscal Years commencing with the Fiscal Year following that in which the projects financed by such additional obligations are to be completed, the projected Net Revenues and the maximum annual interest and principal requirements on all bonds outstanding payable from the Gross Revenues of the System and on the obligations then to be issued (the "Maximum Annual Debt Service Requirement"); and demonstrating that for each such Fiscal Year the projected Net Revenues will be in an amount not less than 125% of such Maximum Annual Debt Service Requirement;

(b) The payments required to be made into the funds and accounts enumerated in Section 4 of this Resolution (including the Reserve Account, but not the Surplus Fund) must have been made in full.

(c) The Parity Bonds must have principal maturing on May 1 of each year in which principal falls due and interest falling due on May 1 and November 1 of each year.

(d) If the Parity Bonds are to be secured by the Reserve Account, the amount on deposit in the Reserve Account must be increased to an amount equal to the Reserve Requirement applicable upon the issuance of Parity Bonds as defined in Section 3 of this Resolution.

(e) The proceeds of the Parity Bonds must be used only for the purpose of providing additions, extensions or improvements to the System, or to refund obligations issued for such purpose.

Section 8. Application of Bond Proceeds. All accrued interest received from the sale of the Bonds shall be deposited into the Special Redemption Fund. An amount of proceeds of the Bonds necessary to make the amount on deposit in the Reserve Account equal to the Reserve Requirement shall be deposited in the Reserve Account. An amount of proceeds of the Bonds sufficient to provide for the payment of the 2025 Note shall be deposited in a special account designated the "Refunding Fund" for that purpose. The balance of the proceeds, less the expenses incurred in authorizing, issuing and delivering the Bonds, shall be deposited in a special fund designated as "Water and Sewerage System Improvement Fund." Said special fund shall be adequately secured and used solely for the purpose of meeting costs of extending, adding to and improving the System, as described in the preamble hereof. The balance remaining in said Improvement Fund after paying said costs shall be transferred to the Special Redemption Fund for use in payment of principal of and interest on the Bonds.

Section 9. Amendment to Resolution. After the issuance of any of the Bonds, no change or alteration of any kind in the provisions of this Resolution may be made until all of the Bonds have been paid in full as to both principal and interest, or discharged as herein provided, except:

(a) The Village may, from time to time, amend this Resolution without the consent of any of the owners of the Bonds, but only to cure any ambiguity, administrative conflict, formal defect, or omission or procedural inconsistency of this Resolution; and

(b) This Resolution may be amended, in any respect, with the written consent of the owners of not less than two-thirds of the principal amount of the Bonds then outstanding, exclusive of Bonds held by the Village; provided, however, that no amendment shall permit any change in the pledge of Revenues derived from the System, or in the maturity of any Bond issued hereunder, or a reduction in the rate of interest on any Bond, or in the amount of the principal obligation thereof, or in the amount of the redemption premium payable in the case of redemption thereof, or change the terms upon which the Bonds may be redeemed or make any other modification in the terms of the payment of such principal or interest without the written consent of the owner of each such Bond to which the change is applicable.

Section 10. Defeasance. When all Bonds have been discharged, all pledges, liens, covenants and other rights granted to the owners thereof by this Resolution shall cease. The Village may discharge all Bonds due on any date by depositing into a special account on or before that date a sum sufficient to pay the same in full; or if any Bonds should not be paid when due, it may nevertheless be discharged by depositing into a special account a sum sufficient to pay it in full with interest accrued from the due date to the date of such deposit. The Village, at its option, may also discharge all Bonds called for redemption on any date when they are prepayable according to their terms, by depositing into a special account on or before that date a sum sufficient to pay them in full, with the required redemption premium, if any, provided that notice of redemption has been duly given as required by this Resolution. The Village, at its option, may also discharge all Bonds of said issue at any time by irrevocably depositing in escrow with a suitable bank or trust company a sum of cash and/or bonds or securities issued or

guaranteed as to principal and interest of the U.S. Government, or of a commission, board or other instrumentality of the U.S. Government, maturing on the dates and bearing interest at the rates required to provide funds sufficient to pay when due the interest to accrue on each of said Bonds to its maturity or, at the Village's option, if said Bond is prepayable to any prior date upon which it may be called for redemption, and to pay and redeem the principal amount of each such Bond at maturity, or at the Village's option, if said Bond is prepayable, at its earliest redemption date, with the premium required for such redemption, if any, provided that notice of the redemption of all prepayable Bonds on such date has been duly given or provided for. Upon such payment or deposit, in the amount and manner provided by this Section, all liability of the Village with respect to the Bonds shall cease, terminate and be completely discharged, and the owners thereof shall be entitled only to payment out of the money so deposited.

Section 11. Investments and Arbitrage. Monies accumulated in any of the funds and accounts referred to in Sections 4 and 8 hereof which are not immediately needed for the respective purposes thereof, may be invested in legal investments subject to the provisions of Sec. 66.0603(1m), Wisconsin Statutes, until needed. All income derived from such investments shall be credited to the fund or account from which the investment was made; provided, however, that at any time that the Reserve Requirement is on deposit in the Reserve Account, any income derived from investment of the Reserve Account shall be deposited into the Special Redemption Fund and used to pay principal and interest on the Bonds. A separate banking account is not required for each of the funds and accounts established under this Resolution; however, the monies in each fund or account shall be accounted for separately by the Village and used only for the respective purposes thereof. The proceeds of the Bonds shall be used solely for the purposes for which they are issued but may be temporarily invested until needed in legal investments. No such investment shall be made in such a manner as would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code or the Regulations.

An officer of the Village, charged with the responsibility for issuing the Bonds, shall, on the basis of the facts, estimates and circumstances in existence on the date of closing, make such certifications as are necessary to permit the conclusion that the Bonds are not "arbitrage bonds" under Section 148 of the Code or the Regulations.

Section 12. Resolution a Contract. The provisions of this Resolution shall constitute a contract between the Village and the owner or owners of the Bonds, and after issuance of any of the Bonds no change or alteration of any kind in the provisions of this Resolution may be made, except as provided in Section 9, until all of the Bonds have been paid in full as to both principal and interest. The owner or owners of any of the Bonds shall have the right in addition to all other rights, by mandamus or other suit or action in any court of competent jurisdiction, to enforce such owner's or owners' rights against the Village, the governing body thereof, and any and all officers and agents thereof including, but without limitation, the right to require the Village, its governing body and any other authorized body, to fix and collect rates and charges fully adequate to carry out all of the provisions and agreements contained in this Resolution.

Section 13. Utilization of The Depository Trust Company Book-Entry-Only System. In order to make the Bonds eligible for the services provided by The Depository Trust Company, New York, New York ("DTC"), the Village agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations, which the Village Clerk or other authorized

representative of the Village is authorized and directed to execute and deliver to DTC on behalf of the Village to the extent an effective Blanket Issuer Letter of Representations is not presently on file in the Village Clerk's office.

Section 14. Payment of the Bonds; Fiscal Agent. The principal of and interest on the Bonds shall be paid by Bond Trust Services Corporation, which is hereby appointed as the Village's registrar and fiscal agent pursuant to the provisions of Section 67.10(2), Wisconsin Statutes (the "Fiscal Agent"). The Village hereby authorizes the President and Village Clerk or other appropriate officers of the Village to enter into a Fiscal Agency Agreement between the Village and the Fiscal Agent. Such contract may provide, among other things, for the performance by the Fiscal Agent of the functions listed in Wis. Stats. Sec. 67.10(2)(a) to (j), where applicable, with respect to the Bonds.

Section 15. Persons Treated as Owners; Transfer of Bonds. The Village shall cause books for the registration and for the transfer of the Bonds to be kept by the Fiscal Agent. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of either principal or interest on any Bond shall be made only to the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

Any Bond may be transferred by the registered owner thereof by surrender of the Bond at the office of the Fiscal Agent, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing. Upon such transfer, the President and Village Clerk shall execute and deliver in the name of the transferee or transferees a new Bond or Bonds of a like aggregate principal amount, series and maturity and the Fiscal Agent shall record the name of each transferee in the registration book. No registration shall be made to bearer. The Fiscal Agent shall cancel any Bond surrendered for transfer.

The Village shall cooperate in any such transfer, and the President and Village Clerk are authorized to execute any new Bond or Bonds necessary to effect any such transfer.

Section 16. Record Date. The fifteenth day of each calendar month next preceding each interest payment date shall be the record date for the Bonds (the "Record Date"). Payment of interest on the Bonds on any interest payment date shall be made to the registered owners of the Bonds as they appear on the registration book of the Village at the close of business on the Record Date.

Section 17. Compliance with Federal Tax Laws. (a) The Village represents and covenants that the projects financed by the Bonds and by the 2025 Note and the ownership, management and use of the projects will not cause the Bonds or the 2025 Note to be "private activity bonds" within the meaning of Section 141 of the Code. The Village further covenants that it shall comply with the provisions of the Code to the extent necessary to maintain the tax-exempt status of the interest on the Bonds including, if applicable, the rebate requirements of Section 148(f) of the Code. The Village further covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Bonds) if taking,

permitting or omitting to take such action would cause any of the Bonds to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause interest on the Bonds to be included in the gross income of the recipients thereof for federal income tax purposes. The Village Clerk or other officer of the Village charged with the responsibility of issuing the Bonds shall provide an appropriate certificate of the Village certifying that the Village can and covenanting that it will comply with the provisions of the Code and Regulations.

(b) The Village also covenants to use its best efforts to meet the requirements and restrictions of any different or additional federal legislation which may be made applicable to the Bonds provided that in meeting such requirements the Village will do so only to the extent consistent with the proceedings authorizing the Bonds and the laws of the State of Wisconsin and to the extent that there is a reasonable period of time in which to comply.

The foregoing covenants shall remain in full force and effect, notwithstanding the defeasance of the Bonds, until the date on which all of the Bonds have been paid in full.

Section 18. Condition on Issuance and Sale of the Bonds. The issuance of the Bonds and the sale of the Bonds are subject to approval by an Authorized Officer of the principal amount, definitive maturities, redemption provisions, interest rates and purchase price for the Bonds. Satisfaction of such condition shall be evidenced by execution by an Authorized Officer of the Approving Certificate.

The Bonds shall not be issued, sold or delivered until this condition has been satisfied. Upon satisfaction of this condition, an Authorized Officer is authorized to execute the Proposal providing for the sale of the Bonds to the Purchaser.

Section 19. Redemption of 2025 Note. Subject to the issuance of the Bonds, the 2025 Note is hereby called for prior payment and redemption on a date to be determined by the Authorized Officer in the Approving Certificate which shall be no later than 90 days after the issuance of the Bonds at a price of par plus accrued interest to the date of redemption.

The Village hereby directs the Village Clerk to take all actions necessary for the redemption of the 2025 Note on its redemption date. All actions heretofore taken by the officers and agents of the Village to effectuate the redemption of the 2025 Note are hereby ratified and approved.

Section 20. Payment of Issuance Expenses. The Village authorizes the Purchaser to forward the amount of the proceeds of the Bonds allocable to the payment of issuance expenses to a financial institution to be selected by Ehlers at Closing for further distribution as directed by Ehlers.

Section 21. Official Statement. The Village Board hereby directs an Authorized Officer to approve the Preliminary Official Statement with respect to the Bonds and to deem the Preliminary Official Statement as "final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule"). All actions taken by officers of the Village in connection with the preparation of such Preliminary Official Statement and Final Official Statement and any addenda to it are hereby ratified and approved. In connection with the closing of the Bonds, the appropriate Village official shall certify the Preliminary Official Statement and Final Official

Statement and any addenda. The Village Clerk shall cause copies of the Preliminary Official Statement and Final Official Statement and any addenda to be distributed to the Purchaser.

Section 22. Undertaking to Provide Continuing Disclosure. The Village hereby covenants and agrees, for the benefit of the owners of the Bonds, to enter into a written undertaking (the "Undertaking") if required by the Rule to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events in accordance with the Rule. The Undertaking shall be enforceable by the owners of the Bonds or by the Purchaser on behalf of such owners (provided that the rights of the owners and the Purchaser to enforce the Undertaking shall be limited to a right to obtain specific performance of the obligations thereunder and any failure by the Village to comply with the provisions of the Undertaking shall not be an event of default with respect to the Bonds).

To the extent required under the Rule, the President and Village Clerk, or other officer of the Village charged with the responsibility for issuing the Bonds, shall provide a Continuing Disclosure Certificate for inclusion in the transcript of proceedings, setting forth the details and terms of the Village's Undertaking.

Section 23. Record Book. The Village Clerk shall provide and keep the transcript of proceedings as a separate record book (the "Record Book") and shall record a full and correct statement of every step or proceeding had or taken in the course of authorizing and issuing the Bonds in the Record Book.

Section 24. Bond Insurance. If the Purchaser determines to obtain municipal bond insurance with respect to the Bonds, the officers of the Village are authorized to take all actions necessary to obtain such municipal bond insurance. The President and Village Clerk are authorized to agree to such additional provisions as the bond insurer may reasonably request and which are acceptable to the President and Village Clerk including provisions regarding restrictions on investment of Bond proceeds, the payment procedure under the municipal bond insurance policy, the rights of the bond insurer in the event of default and payment of the Bonds by the bond insurer and notices to be given to the bond insurer. In addition, any reference required by the bond insurer to the municipal bond insurance policy shall be made in the form of Bond provided herein.

Section 25. Execution of the Bonds; Closing; Professional Services. The Bonds shall be issued in printed form, executed on behalf of the Village by the manual or facsimile signatures of the President and Village Clerk, authenticated, if required, by the Fiscal Agent, sealed with its official or corporate seal, if any, or a facsimile thereof, and delivered to the Purchaser upon payment to the Village of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Bonds may be imprinted on the Bonds in lieu of the manual signature of the officer but, unless the Village has contracted with a fiscal agent to authenticate the Bonds, at least one of the signatures appearing on each Bond shall be a manual signature. In the event that either of the officers whose signatures appear on the Bonds shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and directed to do all acts and execute and deliver the Bonds and all such documents, certificates and

acknowledgements as may be necessary and convenient to effectuate the Closing. The Village hereby authorizes the officers and agents of the Village to enter into, on its behalf, agreements and contracts in conjunction with the Bonds, including but not limited to agreements and contracts for legal, trust, fiscal agency, disclosure and continuing disclosure, and rebate calculation services. Any such contract heretofore entered into in conjunction with the issuance of the Bonds is hereby ratified and approved in all respects.

Section 26. Conflicting Ordinances or Resolutions. All prior ordinances, resolutions (other than the Prior Resolutions), rules, or orders, or parts thereof heretofore enacted, adopted or entered, in conflict with the provisions of this Resolution, are hereby repealed and this Resolution shall be in effect from and after its passage. In case of any conflict between this Resolution and the Prior Resolutions, the Prior Resolutions shall control so long as any of the respective Prior Bonds are outstanding.

Adopted, approved and recorded April 20, 2026.

Phillip J. Van Kampen
President

ATTEST:

Candie M. Jones
Village Clerk

(SEAL)

NOTICE OF SALE

**\$5,210,000* WATER AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2026B
VILLAGE OF OREGON, WISCONSIN**

Bids for the purchase of \$5,210,000* Water and Sewerage System Revenue Bonds, Series 2026B (the "Bonds") of the Village of Oregon, 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 April 29, 2026, at which time they will be opened, read and tabulated. **The Village Board adopted a resolution on April 20, 2026 (the "Parameters Resolution"), which authorizes the Finance Director/Treasurer or the Village Administrator to accept a bid for the Bonds if the parameters and conditions set forth in the Parameters Resolution are satisfied. If the parameters and conditions set forth in the Parameters Resolution are not met through the competitive bids received on April 29, 2026, neither the Finance Director/Treasurer nor the Village Administrator will have the authority to accept a bid for the Bonds, and all bids for the Bonds will be rejected.**

AUTHORITY; PURPOSE; SECURITY

The Bonds are being issued pursuant to Section 66.0621, Wisconsin Statutes, by the Village, to provide funds for the public purpose of financing additions, improvements and extensions to the Village's Water System and Sewerage System including finishing the well no. 6 project, water main, other wells and pumphouse improvements and acquiring equipment and vehicles for the system (collectively, the "System") and refunding the Water and Sewerage System Revenue Bond Anticipation Note, Series 2025A, dated April 2, 2025. The Bonds are not general obligations of the Village but are payable only from and secured by a pledge of income and revenue to be derived from the operation of the System. The Bonds are being issued on a parity with the Village's outstanding Water and Sewerage System Revenue Bonds, Series 2022B, dated July 13, 2022 (the "2022 Bonds"), Water and Sewerage Revenue Bonds, Series 2025C, dated July 9, 2025 (the "2025 CWF Bonds"), Water and Sewerage System Revenue Bonds, Series 2025D, dated July 9, 2025 (the "2025 SDW Bonds") (collectively, the "Prior Bonds").

DATES AND MATURITIES

The Bonds will be dated May 14, 2026, will be issued as fully registered Bonds in the denomination of \$5,000 each, or any integral multiple thereof, and will mature on May 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2028	\$145,000	2035	\$180,000	2042	\$380,000
2029	125,000	2036	295,000	2043	395,000
2030	135,000	2037	305,000	2044	410,000
2031	140,000	2038	320,000	2045	430,000
2032	145,000	2039	335,000	2046	435,000
2033	155,000	2040	350,000		
2034	165,000	2041	365,000		

ADJUSTMENT OPTION

The Village reserves the right to increase or decrease the principal amount of the Bonds on the day of sale, in increments of \$5,000 each. The principal amount of each maturity or mandatory redemption amount may be increased or decreased by up to \$100,000 in years 2028 through 2035 and the principal amounts of the 2036 through 2046 maturities or mandatory redemption amounts may be increased or decreased by up to \$250,000. Increases or decreases may be made in any maturity. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

TERM BOND OPTION

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

INTEREST PAYMENT DATES AND RATES

Interest will be payable on May 1 and November 1 of each year, commencing May 1, 2027, to the registered owners of the Bonds appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board. All Bonds of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

BOOK-ENTRY-ONLY FORMAT

Unless otherwise specified by the purchaser, the Bonds will be designated in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds, and will be responsible for maintaining a book-entry system for recording the interests of its participants and the transfers of interests between its participants. The participants will be responsible for maintaining records regarding the beneficial interests of the individual purchasers of the Bonds. So long as Cede & Co. is the registered owner of the Bonds, all payments of principal and interest will be made to the depository which, in turn, will be obligated to remit such payments to its participants for subsequent disbursement to the beneficial owners of the Bonds.

PAYING AGENT

The Village has selected Bond Trust Services Corporation, 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 Bonds maturing on or after May 1, 2035 shall be subject to optional redemption prior to maturity on May 1, 2034 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

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

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

DELIVERY

On or about May 14, 2026, the Bonds will be delivered without cost to the winning bidder at DTC. On the day of closing, the Village will furnish to the winning bidder the opinion of bond counsel hereinafter described, an arbitrage certification, and certificates verifying that no litigation in any manner questioning the validity of the Bonds is then pending or, to the best knowledge of officers of the Village, threatened. Payment for the Bonds must be received by the Village at its designated depository on the date of closing in immediately available funds.

LEGAL OPINION

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

STATEMENT REGARDING COUNSEL PARTICIPATION

Bond Counsel has not assumed responsibility for the Preliminary Official Statement or participated in its preparation (except with respect to the section entitled "TAX EXEMPTION" in the Preliminary Official Statement and the "FORM OF LEGAL OPINION" found in Appendix B of the Preliminary Official Statement).

SUBMISSION OF BIDS

Bids must not be for less than \$5,144,875 nor more than \$5,731,000, plus accrued interest on the principal sum of \$5,210,000 from date of original issue of the Bonds to date of delivery. Prior to the time established above for the opening of bids, interested parties may submit a bid as follows:

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

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

A good faith deposit ("Deposit") in the amount of \$104,200 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The Village reserves the right to award the Bonds to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the Village may award the Bonds to the bidder submitting the

next best bid provided such bidder agrees to such award. The Deposit will be retained by the Village as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith.

The Village and the winning bidder who chooses to so wire the Deposit hereby agree irrevocably that Ehlers shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: 1) All income earned thereon shall be retained by the escrow holder as payment for its expenses; 2) If the bid is not accepted, Ehlers shall, at its expense, promptly return the Deposit amount to the winning bidder; 3) If the bid is accepted, the Deposit shall be returned to the winning bidder at the closing; 4) Ehlers shall bear all costs of maintaining the escrow account and returning the funds to the winning bidder; 5) Ehlers shall not be an insurer of the Deposit amount and shall have no liability hereunder except if it willfully fails to perform or recklessly disregards, its duties specified herein; and 6) FDIC insurance on deposits within the escrow account shall be limited to \$250,000 per bidder.

No bid can be withdrawn after the time set for receiving bids unless the meeting of the Village scheduled for award of the Bonds is adjourned, recessed, or continued to another date without award of the Bonds having been made.

AWARD

The Bonds will be awarded to the bidder offering the lowest interest rate to be determined on a True Interest Cost (TIC) basis. The Village's computation of the interest rate of each bid, in accordance with customary practice, will be controlling. In the event of a tie, the sale of the Bonds will be awarded by lot. The Village reserves the right to reject any and all bids and to waive any informality in any bid. **The Bonds will not be awarded if the TIC (taking the purchaser's compensation into account) exceeds 5.50% or if the other conditions set forth in the Parameters Resolution are not satisfied.**

BOND INSURANCE

If the Bonds are qualified for any bond insurance policy, the purchase of such policy shall be at the sole option and expense of the winning bidder. Any cost for such insurance policy is to be paid by the winning bidder, except that, if the Village requested and received a rating on the Bonds from a rating agency, the Village will pay that rating fee. Any rating agency fees not requested by the Village are the responsibility of the winning bidder.

Failure of the municipal bond insurer to issue the policy after the Bonds are awarded to the winning bidder shall not constitute cause for failure or refusal by the winning bidder to accept delivery of the Bonds.

CUSIP NUMBERS

The Village will assume no obligation for the assignment or printing of CUSIP numbers on the Bonds or for the correctness of any numbers printed thereon, but will permit such numbers to be printed at the expense of the winning bidder, if the winning bidder waives any delay in delivery occasioned thereby.

NOT QUALIFIED TAX-EXEMPT OBLIGATIONS

The Bonds shall not be "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the 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 Bonds. A description of the details and terms of the undertaking is set forth in Appendix D of the Official Statement.

NEW ISSUE PRICING

The winning bidder will be required to provide, in a timely manner, certain information necessary to compute the yield on the Bonds pursuant to the provisions of the Internal Revenue Code of 1986, as amended, and to provide a certificate which will be provided by Bond Counsel upon request.

(a) The winning bidder shall assist the Village in establishing the issue price of the Bonds and shall execute and deliver to the Village at closing an "issue price" or similar certificate satisfactory to Bond Counsel setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications. All actions to be taken by the Village under this Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the Village by the Village's municipal advisor identified herein and any notice or report to be provided to the Village may be provided to the Village's municipal advisor.

(b) The Village intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the "competitive sale requirements") because:

- (1) The Village shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential investors;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the Village may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the Village anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in this bid.

(c) If all of the requirements of a "competitive sale" are not satisfied, the Village shall advise the winning bidder of such fact prior to the time of award of the sale of the Bonds to the winning bidder. In such event, any bid submitted will not be subject to cancellation or withdrawal and the Village agrees to use the rule selected by the winning bidder on its bid form to determine the issue price for the Bonds. On its bid form, each bidder must select one of the following two rules for determining the issue price of the Bonds: (1) the first price at which 10% of a maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity or (2) the initial offering price to the public as of the sale date as the issue price of each maturity of the Bonds (the "hold-the-offering-price rule").

(d) If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the hold-the-offering-price rule, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Bonds to the public on or before the date of award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Bonds, that the underwriters will neither offer nor sell unsold Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or

(2) the date on which the underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

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

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

(i) the agreement of each underwriter to comply with requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-price rule, if applicable to the Bonds, as set forth in an agreement among underwriters and the related pricing wires,

(ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and

(iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The Village further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price rule of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule as applicable to the Bonds.

(e) If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the 10% test, the winning bidder agrees to promptly report to the Village, Bond Counsel and Ehlers the prices at which the Bonds have been sold to the public. That reporting obligation shall continue, whether or not the closing date has occurred, until either (i) all Bonds of that maturity have been sold or (ii) the 10% test has been satisfied as to each maturity of the Bonds, provided that, the winning bidder's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Village or bond counsel.

(f) By submitting a bid, each bidder confirms that:

(i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is party to such third-party distribution agreement, as applicable, to:

(A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred until either all securities of that maturity allocated to it have been sold or it is notified by the winning bidder that either the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Village or bond counsel.

(B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and

(ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group and each broker dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to:

(A) to promptly notify the winning bidder of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and

(B) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public.

(g) Sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each term being used as defined below) shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

- (i) "public" means any person other than an underwriter or a related party,
- (ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the Village (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public),
- (iii) a purchaser of any of the Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) "sale date" means the date that the Bonds are awarded by the Village to the winning bidder.

PRELIMINARY OFFICIAL STATEMENT

Bidders may obtain a copy of the Preliminary Official Statement relating to the Bonds prior to the bid opening by request from Ehlers at www.ehlers-inc.com by connecting to the Bond Sales link. The Underwriter (Syndicate Manager) will be provided with an electronic copy of the Final Official Statement within seven business days of the bid acceptance. Up to 10 printed copies of the Final Official Statement will be provided upon request. Additional copies of the Final Official Statement will be available at a cost of \$10.00 per copy.

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

By Order of the Village Board

Candie Jones, Village Clerk
Village of Oregon, Wisconsin

BID FORM

April 29, 2026

Village of Oregon, Wisconsin (the "Village")

RE: \$5,210,000* Water and Sewerage System Revenue Bonds, Series 2026B (the "Bonds")

DATED: May 14, 2026

For all or none of the above Bonds, in accordance with the Notice of Sale and terms of the Global Book-Entry System (unless otherwise specified by the Purchaser) as stated in this Official Statement, we will pay you \$ _____ (not less than \$5,144,875 nor more than \$5,731,000) plus accrued interest to date of delivery for fully registered Bonds bearing interest rates and maturing in the stated years as follows:

_____ % 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		
_____ % due	2034	_____ % due	2041		

The Village reserves the right to increase or decrease the principal amount of the Bonds on the day of sale, in increments of \$5,000 each. The principal amount of each maturity or mandatory redemption amount may be increased or decreased by up to \$100,000 in years 2028 through 2035, and the principal amounts or mandatory redemption amounts of the 2036 through 2046 maturities may be increased or decreased by up to \$250,000. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

All Bonds of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

A good faith deposit ("Deposit") in the amount of \$104,200 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The Village reserves the right to award the Bonds to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the Village may award the Bonds to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the Village as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith. We agree to the conditions and duties of Ehlers and Associates, Inc., as escrow holder of the Deposit, pursuant to the Notice of Sale. This bid is for prompt acceptance and is conditional upon delivery of said Bonds to The Depository Trust Company, New York, New York, in accordance with the Notice of Sale. Delivery is anticipated to be on or about May 14, 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 Preliminary Official Statement for the Bonds.

We have received and reviewed the Official Statement, and any addenda thereto, and have submitted our requests for additional information or corrections to the Final Official Statement. As Underwriter (Syndicate Manager), we agree to provide the Village with the reoffering price of the Bonds within 24 hours of the bid acceptance.

This bid is a firm offer for the purchase of the Bonds identified in the Notice of Sale, on the terms set forth in this bid form and the Notice of Sale, and is not subject to any conditions, except as permitted by the Notice of Sale.

By submitting this bid, we confirm that we are an underwriter and have an established industry reputation for underwriting new issuances of municipal bonds. YES: ____ NO: ____.

If the competitive sale requirements are not met, we elect to use either the: ____ 10% test, or the ____ hold-the-offering-price rule to determine the issue price of the Bonds.

Account Manager: _____ By: _____
Account Members: _____

Award will be on a true interest cost basis. According to our computations (the correct computation being controlling in the award), the total dollar interest cost (including any discount or less any premium) computed from May 14, 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 Oregon, Wisconsin, on April 29, 2026.

By: _____
Title: _____