

PRELIMINARY OFFICIAL STATEMENT DATED JUNE 1, 2026

In the opinion of Quarles & Brady LLP, Bond Counsel, assuming continued compliance with the requirements of the Internal Revenue Code of 1986, as amended, under existing law interest on the Notes is excludable from gross income and is not an item of tax preference for federal income tax purposes; however, interest on the Notes is taken into account in determining "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on Applicable Corporations (as defined in Section 59(k) of the Code). See "TAX EXEMPTION" herein for a more detailed discussion of some of the federal income tax consequences of owning the Notes. The interest on the Notes is not exempt from present Wisconsin income or franchise taxes.

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

New Issue

Non-Rated

VILLAGE OF BELGIUM, WISCONSIN (Ozaukee County)

\$2,945,000* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2026A

BID OPENING: June 8, 2026, 10:30 A.M., C.T.

CONSIDERATION: June 8, 2026, 7:00 P.M., C.T.

PURPOSE/AUTHORITY/SECURITY: The \$2,945,000* General Obligation Promissory Notes, Series 2026A (the "Notes") are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the Village of Belgium, Wisconsin (the "Village"), for public purposes, including paying the costs of water system improvements, sanitary sewer system improvements, street improvements and stormwater system improvements. The Notes are general obligations of the Village, and all the taxable property in the Village is subject to the levy of a tax to pay the principal of and interest on the Notes as they become due which tax may, under current law, be levied without limitation as to rate or amount. Delivery is subject to receipt of an approving legal opinion of Quarles & Brady LLP, Milwaukee, Wisconsin.

DATE OF NOTES: July 1, 2026

MATURITY: June 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2027	\$290,000	2034	\$70,000	2041	\$90,000
2028	350,000	2035	70,000	2042	95,000
2029	365,000	2036	75,000	2043	100,000
2030	190,000	2037	75,000	2044	105,000
2031	190,000	2038	80,000	2045	110,000
2032	200,000	2039	85,000	2046	115,000
2033	205,000	2040	85,000		

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

TERM BONDS: See "Term Bond Option" herein.

INTEREST: June 1, 2027 and semiannually thereafter.

OPTIONAL REDEMPTION: Notes maturing on June 1, 2036 and thereafter are subject to call for prior optional redemption on June 1, 2035 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

MINIMUM BID: \$2,908,187.50.

MAXIMUM BID: \$3,180,600.

GOOD FAITH DEPOSIT: A good faith deposit in the amount of \$58,900 shall be made by the winning bidder by wire transfer of funds.

PAYING AGENT: Bond Trust Services Corporation.

BOND COUNSEL AND

DISCLOSURE COUNSEL: Quarles & Brady LLP.

MUNICIPAL ADVISOR: Ehlers and Associates, Inc.

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

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



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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 Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the Village. ***This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy any of the Notes in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction.***

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

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

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

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

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

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

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

CLOSING CERTIFICATES

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

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**VILLAGE OF BELGIUM
VILLAGE BOARD**

		<u>Term Expires</u>
Roseann Geib	Village President	April 2027
Andrew Bartley	Village Trustee	April 2027
Bryan Lorge	Village Trustee	April 2028
Chris Plier	Village Trustee	April 2028
Rose Sauers	Village Trustee	April 2027
Kevin Schueller	Village Trustee	April 2028
Daniel Wolff	Village Trustee	April 2027

ADMINISTRATION

Vickie L. Boehnlein, Village Treasurer/Deputy Clerk
Theresa Bartley, Village Clerk/Deputy Treasurer

PROFESSIONAL SERVICES

Brad Hoeft, Antoine, Hoeft & Eberhardt S.C., Village Attorney, Port Washington, Wisconsin

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

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

INTRODUCTORY STATEMENT

This Official Statement contains certain information regarding the Village of Belgium, Wisconsin (the "Village") and the issuance of its \$2,945,000* General Obligation Promissory Notes, Series 2026A (the "Notes"). Any descriptions or summaries of the Notes, statutes, or documents included herein are not intended to be complete and are qualified in their entirety by reference to such statutes and documents and the form of the Notes to be included in the resolution authorizing the issuance and sale of the Notes ("Authorizing Resolution") to be adopted by the Village Board on June 8, 2026.

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

THE NOTES

GENERAL

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

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

The Village has selected Bond Trust Services Corporation, Minneapolis, Minnesota ("BTSC"), to act as paying agent (the "Paying Agent"). BTSC and Ehlers are affiliate companies. The Village will pay the charges for Paying Agent services. The Village reserves the right to remove the Paying Agent and to appoint a successor.

OPTIONAL REDEMPTION

At the option of the Village, the Notes maturing on or after June 1, 2036 shall be subject to optional redemption prior to maturity on June 1, 2035 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

*Preliminary, subject to change.

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

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

AUTHORITY; PURPOSE

The Notes are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the Village, for public purposes, including paying the costs of water system improvements, sanitary sewer system improvements, street improvements and stormwater system improvements.

ESTIMATED SOURCES AND USES*

Sources		
Par Amount of Notes	\$2,945,000	
Estimated Interest Earnings	<u>21,375</u>	
Total Sources		\$2,966,375
Uses		
Estimated Underwriter's Discount	\$36,813	
Costs of Issuance	75,600	
Deposit to Project Construction Fund	2,850,000	
Rounding Amount	<u>3,962</u>	
Total Uses		\$2,966,375

*Preliminary, subject to change.

SECURITY

For the prompt payment of the Notes with interest thereon and for the levy of taxes sufficient for this purpose, the full faith, credit and resources of the Village will be irrevocably pledged. The Village will levy a direct, annual, irrepealable tax on all taxable property in the Village sufficient to pay the interest on the Notes when it becomes due and also to pay and discharge the principal on the Notes at maturity, in compliance with Article XI, Section 3 of the Wisconsin Constitution. Such tax may, under current law, be levied without limitation as to rate or amount.

RATING

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

CONTINUING DISCLOSURE

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

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

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

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

LEGAL MATTERS

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

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

TAX EXEMPTION

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

"The interest on the Notes is excludable for federal income tax purposes from the gross income of the owners of the Notes. The interest on the Notes is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Internal Revenue Code of 1986, as amended (the "Code") on individuals; however, interest on the Notes is taken into account in determining "adjusted financial statement

income" for purposes of computing the federal alternative minimum tax imposed on Applicable Corporations (as defined in Section 59(k) of the Code). The Code contains requirements that must be satisfied subsequent to the issuance of the Notes in order for interest on the Notes to be or continue to be excludable from gross income for federal income tax purposes. Failure to comply with certain of those requirements could cause the interest on the Notes to be included in gross income retroactively to the date of issuance of the Notes. The Village has agreed to comply with all of those requirements. The opinion set forth in the first sentence of this paragraph is subject to the condition that the Village comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the Notes."

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

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

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

ORIGINAL ISSUE DISCOUNT

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

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

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

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

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

BOND PREMIUM

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

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

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

QUALIFIED TAX-EXEMPT OBLIGATIONS

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

MUNICIPAL ADVISOR

Ehlers has served as municipal advisor to the Village in connection with the issuance of the Notes. The Municipal Advisor cannot participate in the underwriting of the Notes. The financial information included in this Official Statement has been compiled by the Municipal Advisor. Such information does not purport to be a review, audit or certified forecast of future events and may not conform with accounting principles applicable to compilations of financial information. Ehlers is not a firm of certified public accountants. Ehlers is registered with the Securities and Exchange Commission and the MSRB as a municipal advisor.

MUNICIPAL ADVISOR AFFILIATED COMPANIES

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

INDEPENDENT AUDITORS

The basic financial statements of the Village for the fiscal year ended December 31, 2025 have been audited by Baker Tilly US, LLP, Milwaukee, Wisconsin, independent auditors (the "Auditor"). The report of the Auditor, together with the basic financial statements, component units financial statements, and notes to the financial statements are attached hereto as "APPENDIX A – FINANCIAL STATEMENTS". The Auditor has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. The Auditor also has not performed any procedures relating to this Official Statement.

RISK FACTORS

The following is a description of possible risks to holders of the Notes without weighting as to probability. This description of risks is not intended to be all-inclusive, and there may be other risks not now perceived or listed here. Potential investors should read this Official Statement, including the appendices, in its entirety.

Taxes: The Notes are general obligations of the Village, the ultimate payment of which rests in the Village's ability to levy and collect sufficient taxes to pay debt service. In the event of delayed billing, collection or distribution of property taxes, sufficient funds may not be available to the Village in time to pay debt service when due.

State Actions: Many elements of local government finance, including the issuance of debt and the levy of property taxes, are controlled by state government. Future actions of the State of Wisconsin (the "State") may affect the overall financial condition of the Village, the taxable value of property within the Village, and the ability of the Village to levy and collect property taxes.

Future Changes in Law: Various State and federal laws, regulations and constitutional provisions apply to the Village and to the Notes. The Village can give no assurance that there will not be a change in or interpretation of any such applicable laws, regulations and provisions which would have a material effect on the Village or the taxing authority of the Village.

Interest Rates: In the future, interest rates for this type of obligation may rise generally, possibly resulting in a reduction in the value of the Notes for resale prior to maturity.

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

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

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

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

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

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

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

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

VALUATIONS

WISCONSIN PROPERTY VALUATIONS; PROPERTY TAXES

Equalized Value

Section 70.57, Wisconsin Statutes, requires the Department of Revenue to annually determine the equalized value (also referred to as full equalized value or aggregate full value) of all taxable property in each county and taxation district. The equalized value is an independent estimate of value used to equate individual local assessment policies so that property taxes are uniform throughout the various subdivisions in the State. Equalized value is calculated based on the history of comparable sales and information about value changes or taxing status provided by the local assessor. A comparison of the State-determined equalized value and the local assessed value, expressed as a percentage, is known as the assessment ratio or level of assessment. The Department of Revenue notifies each county and taxing jurisdiction of its equalized value on August 15; school districts are notified on October 1. The equalized value of each county is the sum of the valuations of all cities, villages, and towns within its boundaries. Taxing jurisdictions lying in more than one municipality, such as counties, school districts, or special taxing districts, use the equalized value of the underlying units in calculating and levying their respective levies. Equalized values are also used to apportion state aids and calculate municipal general obligation debt limits.

Assessed Value

The "assessed value" of taxable property in a municipality is determined by the local assessor, except for manufacturing properties which are valued by the State. Each city, village or town retains its own local assessor, who must be certified by the State Department of Revenue. Assessed value is used by these municipalities to determine tax levy mill rates and to apportion levies among individual property owners. Each taxing district must assess property at full value at least once in every five-year period. The State requires that the assessed values must be within 10% of State equalized values at least once every four years. The local assessor values property as of January 1 each year and submits those values to each municipality by the second Monday in June. The assessor also reports any value changes taking place since the previous year, to the Department of Revenue, by the second Monday in June.

CURRENT PROPERTY VALUATIONS

2025 Equalized Value	\$367,777,200
2025 Assessed Value	\$321,898,900

2025 EQUALIZED VALUE BY CLASSIFICATION

	2025 Equalized Value	Percent of Total Equalized Value
Residential	\$293,965,100	79.930%
Commercial	59,943,400	16.299%
Manufacturing	12,202,000	3.318%
Agricultural	172,300	0.047%
Undeveloped	572,900	0.156%
Ag Forest	4,500	0.001%
Other	<u>917,000</u>	<u>0.249%</u>
 Total	 <u><u>\$367,777,200</u></u>	 <u><u>100.000%</u></u>

TREND OF VALUATIONS

Year	Assessed Value	Equalized Value¹	Percent Increase/Decrease in Equalized Value
2021	\$200,694,497	\$233,905,200 ¹	5.37%
2022	203,904,882	273,929,200 ¹	17.11%
2023	209,898,913	303,752,600	10.89%
2024	315,983,400 ²	324,633,300	6.87%
2025	321,898,900	367,777,200	13.29%

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

¹ Includes tax increment valuation.

² Reassessment completed this year.

LARGER TAXPAYERS

Taxpayer	Type of Business/Property	2025 Equalized Value ¹	Percent of Village's Total Equalized Value
Lakeside Foods Inc.	Food Processing/Canning	\$5,739,300	1.56%
Lake Hills North - MKE LLC	Rental Properties	5,594,900	1.52%
Kwik Trip Inc.	Gas Station	4,917,500	1.34%
RJ Belgium Properties LLC	Storage Units	4,688,200	1.27%
JB Real Estate Holdings LLC	Real Estate	4,665,100	1.27%
Dreams Logistics LLC	Trucking Warehouse	3,447,400	0.94%
Sandmar Properties LLC	Nursing Home	2,768,500	0.75%
New Luxembourg Phase 3 LLC	Apartments	2,472,500	0.67%
Trimen Investments LLC	Precision Machine Shop	2,193,800	0.60%
Gill Plaza Property LLC	Gas Station	<u>2,119,000</u>	<u>0.58%</u>
Total		\$38,606,200	10.50%
Village's Total 2025 Equalized Value		\$367,777,200	

Source: The Village.

DEBT

DIRECT DEBT²

General Obligation Debt (see schedules following)

Total General Obligation Debt (includes the Notes)* \$8,649,375

Revenue Debt (see schedules following)

Total revenue debt secured by water and sewer revenues \$658,050

*Preliminary, subject to change.

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

² Outstanding debt is as of the dated date of the Notes.

DEBT PAYMENT HISTORY

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

FUTURE FINANCING

The Village 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	\$367,777,200
Multiply by 5%	<u>0.05</u>
Statutory Debt Limit	<u>\$18,388,860</u>
Less: General Obligation Debt*	<u>(8,649,375)</u>
Unused Debt Limit*	<u><u>\$9,739,485</u></u>

*Preliminary, subject to change.

Village of Belgium, Wisconsin
Schedule of Bonded Indebtedness
General Obligation Debt Secured by Taxes
(As of 07/01/2026)

Calendar Year Ending	State Trust Fund Loan		State Trust Fund Loan		Street Improvement Bonds Series 2017A		Corporate Purpose Bonds Series 2022A		Promissory Notes Series 2026A		Total Principal	Total Interest	Total P & I	Principal Outstanding		Calendar Year Ending	
	Dated Amount	Maturity	Dated Amount	Maturity	Dated Amount	Maturity	Dated Amount	Maturity	Dated Amount	Maturity				Principal	% Paid		
	09/15/2010	03/15	12/13/2010	03/15	05/04/2017	05/01	06/29/2022	04/01	07/01/2026	06/01							
	\$300,000		\$225,000		\$4,300,000		\$3,095,000		\$2,945,000*								
Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Estimated Interest						
2026	0	0	0	0	0	47,870	0	53,400	0	0	0	101,270	101,270	8,649,375	.00%	2026	
2027	21,162	4,806	15,683	3,562	220,000	92,440	125,000	104,300	290,000	152,986	671,844	358,093	1,029,938	7,977,531	7.77%	2027	
2028	22,262	3,705	16,499	2,746	225,000	85,765	125,000	99,300	350,000	95,298	738,761	286,813	1,025,574	7,238,770	16.31%	2028	
2029	23,441	2,526	17,372	1,872	235,000	78,865	125,000	94,300	365,000	82,694	765,814	260,257	1,026,070	6,472,956	25.16%	2029	
2030	24,672	1,295	18,284	960	245,000	71,665	140,000	89,000	190,000	72,843	617,956	235,763	853,719	5,855,000	32.31%	2030	
2031					250,000	64,240	140,000	83,400	190,000	66,098	580,000	213,738	793,738	5,275,000	39.01%	2031	
2032					260,000	56,395	150,000	77,600	200,000	59,225	610,000	193,220	803,220	4,665,000	46.07%	2032	
2033					270,000	47,744	150,000	71,600	205,000	52,035	625,000	171,379	796,379	4,040,000	53.29%	2033	
2034					280,000	38,288	160,000	65,400	70,000	47,068	510,000	150,755	660,755	3,530,000	59.19%	2034	
2035					290,000	28,131	170,000	58,800	70,000	44,495	530,000	131,426	661,426	3,000,000	65.32%	2035	
2036					300,000	17,250	170,000	52,000	75,000	41,775	545,000	111,025	656,025	2,455,000	71.62%	2036	
2037					300,000	5,813	180,000	45,000	75,000	38,888	555,000	89,700	644,700	1,900,000	78.03%	2037	
2038							190,000	37,600	80,000	35,825	270,000	73,425	343,425	1,630,000	81.15%	2038	
2039							195,000	29,900	85,000	32,483	280,000	62,383	342,383	1,350,000	84.39%	2039	
2040							205,000	21,900	85,000	28,976	290,000	50,876	340,876	1,060,000	87.74%	2040	
2041							215,000	13,500	90,000	25,300	305,000	38,800	343,800	755,000	91.27%	2041	
2042							230,000	4,600	95,000	21,321	325,000	25,921	350,921	430,000	95.03%	2042	
2043									100,000	17,055	100,000	17,055	117,055	330,000	96.18%	2043	
2044									105,000	12,519	105,000	12,519	117,519	225,000	97.40%	2044	
2045									110,000	7,708	110,000	7,708	117,708	115,000	98.67%	2045	
2046									115,000	2,616	115,000	2,616	117,616	0	100.00%	2046	
	91,537	12,332	67,838	9,139	2,875,000	634,465	2,670,000	1,001,600	2,945,000	937,205	8,649,375	2,594,741	11,244,116				

* Preliminary, subject to change.

Village of Belgium, Wisconsin
Schedule of Bonded Indebtedness
Revenue Debt Secured by Sewerage and Water Revenues
(As of 07/01/2026)

	Sewerage System and Water System Revenue Bonds (SDWFL) Series 2013A		Sewerage System and Water System Revenue Bonds (CWFL) Series 2013B							
Dated Amount	03/13/2013 \$1,155,093		03/13/2013 \$667,439							
Maturity	05/01		05/01							
Calendar Year Ending	Principal	Interest	Principal	Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2026	0	3,955	0	3,244	0	7,199	7,199	658,050	.00%	2026
2027	65,256	7,281	38,575	5,982	103,831	13,263	117,094	554,219	15.78%	2027
2028	66,512	6,013	39,588	4,956	106,100	10,969	117,069	448,119	31.90%	2028
2029	67,793	4,720	40,627	3,904	108,419	8,624	117,043	339,700	48.38%	2029
2030	69,098	3,403	41,693	2,823	110,791	6,226	117,016	228,910	65.21%	2030
2031	70,428	2,060	42,788	1,714	113,215	3,774	116,989	115,694	82.42%	2031
2032	71,783	691	43,911	576	115,694	1,267	116,961	0	100.00%	2032
	410,869	28,122	247,181	23,200	658,050	51,322	709,372			

OVERLAPPING DEBT¹

Taxing District	2025 Equalized Value²	% In Village	Total G.O. Debt³	Village's Proportionate Share
Ozaukee County	\$20,895,769,500	1.7601%	\$14,105,000	\$248,262
School District of Cedar Grove-Belgium Area	1,123,621,714	32.7314%	18,900,000	6,186,235
Lakeshore College	28,206,434,378	1.3039%	28,420,000	<u>370,568</u>
Village's Share of Total Overlapping Debt				<u><u>\$6,805,065</u></u>

DEBT RATIOS

	G.O. Debt	Debt/Equalized Value \$367,777,200	Debt/ Per Capita 2,519⁴
Total General Obligation Debt*	\$8,649,375	2.35%	\$3,433.65
Village's Share of Total Overlapping Debt	<u>6,805,065</u>	<u>1.85%</u>	<u>2,701.49</u>
Total*	\$15,454,440	4.20%	\$6,135.14

*Preliminary, subject to change.

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

² Includes tax increment valuation.

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

⁴ Estimated 2025 population.

TAX LEVIES AND COLLECTIONS

TAX LEVIES AND COLLECTIONS

Tax Year	Levy for Village Purposes Only	% Collected	Levy/Equalized Value Reduced by Tax Increment Valuation in Dollars per \$1,000
2021/22	\$1,066,483	100%	\$5.80
2022/23	1,086,433	100%	5.03
2023/24	1,529,754	100%	5.04
2024/25	1,695,528	100%	5.22
2025/26	1,715,392	In Process of Collection	4.66

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	\$8.52	\$1.76	\$5.80	\$16.08
2022/23	7.68	1.64	5.03	14.35
2023/24	7.21	1.52	5.04	13.77
2024/25	7.27	1.47	5.22	13.96
2025/26	6.81	1.35	4.66	12.82

Source: Property Tax Rates were extracted from Statement of Taxes prepared by the Wisconsin Department of Revenue, Division of State and Local Finance.

LEVY LIMITS

Section 66.0602 of the Wisconsin Statutes, imposes a limit on property tax levies by cities, villages, towns and counties. No city, village, town or county is permitted to increase its tax levy by a percentage that exceeds its valuation factor (which is defined as a percentage equal to the greater of either the percentage change in the political subdivision's January 1 equalized value due to new construction less improvements removed between the previous year and the current or zero percent; for a tax incremental district created after December 31, 2024, the valuation factor includes 90% of the equalized value increase due to new construction that is located in a tax incremental district, but does not include any improvements removed in a tax incremental district). The base amount in any year to which the levy limit applies is the actual levy for the immediately preceding year. In 2018, and in each year thereafter, the base amount is the actual levy for the immediately preceding year plus the amount of the payment from the State under Section 79.096 of the Wisconsin Statutes (an amount equal to the property taxes formerly levied on certain items of personal property), and the levy limit is the base amount multiplied by the valuation factor, minus the amount of the payment from the State under Section 79.096 of the Wisconsin Statutes. This levy limitation is an overall limit, applying to levies for operations as well as for other purposes.

A political subdivision that did not levy its full allowable levy in the prior year can carry forward the difference between the allowable levy and the actual levy, up to a maximum of 1.5% of the prior year's actual levy. The use of the carry forward levy adjustment needs to be approved by a majority vote of the political subdivision's governing body (except in the case of towns) if the amount of carry forward levy adjustment is less than or equal to 0.5% and by a super majority vote of the political subdivision's governing body (three-quarters vote if the governing body is comprised of five or more members, two-thirds vote if the governing body is comprised of fewer than five members) (except in the case of towns) if the amount of the carry forward levy adjustment is greater than 0.5% up to the maximum increase of 1.5%. For towns, the use of the carry forward levy adjustment needs to be approved by a majority vote of the annual town meeting or special town meeting after the town board has adopted a resolution in favor of the adjustment by a majority vote if the amount of carry forward levy adjustment is less than or equal to 0.5% or by two-thirds vote or more if the amount of carry forward levy adjustment is greater than 0.5% up to the maximum of 1.5%.

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

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

The levy limits do not apply to property taxes levied to pay debt service on general obligation debt authorized on or after July 1, 2005. In addition, the statute provides for certain other adjustments to and exclusions from the tax levy limit. Among the exclusions, Section 66.0602(3)(e)5. of the Wisconsin Statutes provides that the levy limit does not apply to "the amount that a political subdivision levies in that year to make up any revenue shortfall for the debt service on a revenue bond issued under Section 66.0621 by that political subdivision." Recent positions taken by the Wisconsin Department of Revenue ("DOR") call into question the availability of this exception if the revenue shortfall is planned or ongoing. To date, such DOR positions have not been expressed formally in a declaratory ruling under Section 227.41(5)(a) of the Wisconsin Statutes, nor have they been the subject of any court challenge or resulting court ruling.

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

REVENUE FROM THE STATE

In addition to local property taxes described above, a number of State programs exist which provide revenue to the Village. One such program is commonly known as shared revenue which, pursuant to sec. 79.036, Wis. Stats., provides funding to the Village that can be used for any public purpose. Chapter 79, Wis. Stats. includes other revenue sharing programs, which each have their own requirements. 2023 Wisconsin Act 12 ("Act 12") created a supplement to shared revenue, with payments to the Village beginning in 2024. This supplemental shared revenue may be used only for the purposes specified in section 79.037, Wis. Stats. In 2025, the Village received approximately \$127,000 in shared revenue under Chapter 79, Wis. Stats., an increase from the approximately \$125,000 received in 2024. The Village is expected to receive approximately \$136,000 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 1922 and is governed by a Village Board which consists of the Village President and six other trustees. The Village President votes on all matters. All are elected to two-year terms. The appointed Village Clerk/Deputy Treasurer and Village Treasurer/Deputy Clerk are responsible for administrative details and financial records.

EMPLOYEES; PENSIONS

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

Village employees are generally required to contribute half of the actuarially determined contributions, and the Village generally may not pay the employees' required contribution. During the fiscal year ended December 31, 2023, the fiscal year ended December 31, 2024 and the fiscal year ended December 31, 2025 ("Fiscal Year 2025"), the Village's portion of contributions to WRS (not including any employee contributions) totaled \$29,128, \$30,565 and \$33,412, 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, 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.

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 2025, the Village reported a liability of \$35,017 for its proportionate share of the net pension liability of the WRS. The net pension liability was measured as of December 31, 2024 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 0.00213108% of the aggregate WRS net pension liability as of December 31, 2024.

The calculation of the total pension liability and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. Such changes may have a significant impact on the calculation of net pension liability of the WRS, which may also cause the ETF Board to change the contribution requirements for employers and employees. For more detailed information regarding the WRS and such actuarial assumptions, see Note 4 in "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

Recognized and Certified Bargaining Units

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

As a result of the 2011 amendments to MERA, the Village is prohibited from bargaining collectively with municipal employees, other than public safety and transit employees, with respect to any factor or condition of employment except total base wages. Even then, the Village is limited to increasing total base wages beyond any increase in the consumer price index since 180 days before the expiration of the previous collective bargaining agreement (unless Village were to seek approval for a higher increase through a referendum). Ultimately, the Village can unilaterally implement the wages for a collective bargaining unit.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 Village currently has no active collective bargaining units.

OTHER POST EMPLOYMENT BENEFITS

The Village does not provide any other post employment benefits.

LITIGATION

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

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

MUNICIPAL BANKRUPTCY

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

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

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

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

FUNDS ON HAND (as of April 28, 2026)

Fund	Total Cash and Investments
General	\$1,276,686
Debt Service Fund	101,270
Water Fund	479,298
Sewer Fund	1,283,639
Capital Projects Fund	<u>86,616</u>
 Total Funds on Hand	 <u><u>\$3,227,509</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 Audited
Water			
Total Operating Revenues	\$618,173	\$645,332	\$673,231
Less: Operating Expenses	<u>(502,868)</u>	<u>(464,249)</u>	<u>(518,730)</u>
Operating Income	\$115,305	\$181,083	\$154,501
Plus: Depreciation	185,485	153,970	151,987
Interest Income	<u>63,799</u>	<u>62,461</u>	<u>52,364</u>
Revenues Available for Debt Service	<u><u>\$364,589</u></u>	<u><u>\$397,514</u></u>	<u><u>\$358,852</u></u>
 Sewer			
Total Operating Revenues	\$935,565	\$959,871	\$957,646
Less: Operating Expenses	<u>(731,210)</u>	<u>(620,824)</u>	<u>(651,806)</u>
Operating Income	\$204,355	\$339,047	\$305,840
Plus: Depreciation	325,918	238,010	223,163
Interest Income	<u>57,505</u>	<u>71,016</u>	<u>62,014</u>
Revenues Available for Debt Service	<u><u>\$587,778</u></u>	<u><u>\$648,073</u></u>	<u><u>\$591,017</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 2025 audited financial statements.

FISCAL YEAR ENDING DECEMBER 31

COMBINED STATEMENT

	2022 Audited	2023 Audited	2024 Audited	2025 Audited
Revenues				
Taxes & special assessments	\$808,215	\$822,224	\$960,765	\$1,116,952
Intergovernmental revenues	219,875	245,800	324,371	362,020
Licenses and permits	56,780	54,238	64,156	49,554
Fines, forfeits and penalties	1,030	1,190	765	1,320
Public charges for services	180,711	175,269	188,464	187,886
Intergovernmental charges for services	12,121	13,800	0	0
Investment income	8,957	69,571	66,901	67,522
Miscellaneous	31,774	33,400	61,320	109,572
Total Revenues	\$1,319,463	\$1,415,492	\$1,666,742	\$1,894,826
Expenditures				
Current:				
General government	\$200,433	\$224,557	\$244,233	\$232,626
Public safety	299,341	311,957	338,958	339,181
Public works	523,385	495,878	564,768	599,481
Leisure activities	133,469	133,769	103,575	128,824
Conservation and development	20,356	17,925	20,703	19,015
Capital outlay	3,303,202	124,237	299,710	404,180
Debt service:				
Interest and fiscal charges	144,258	0	0	0
Total Expenditures	\$4,624,444	\$1,308,323	\$1,571,947	\$1,723,307
Excess of revenues over (under) expenditures	(\$3,304,981)	\$107,169	\$94,795	\$171,519
Other Financing Sources (Uses)				
Long-term debt issued	\$3,087,547	\$0	\$0	\$0
Premium on debt issued	104,258	0	0	0
Transfers in	94,199	478,699	104,407	95,069
Transfers (out)	(231,707)	(489,108)	(134,300)	(205,651)
Total Other Financing Sources (Uses)	3,054,297	(10,409)	(29,893)	(110,582)
Net changes in Fund Balances	(\$250,684)	\$96,760	\$64,902	\$60,937
General Fund Balance January 1	\$803,381	\$552,697	\$649,457	\$714,359
General Fund Balance December 31	\$552,697	\$649,457	\$714,359	\$775,296
DETAILS OF DECEMBER 31 FUND BALANCE				
Nonspendable	\$13,684	\$2,011	\$3,008	\$12,121
Restricted	159,218	95,235	97,547	108,496
Assigned	0	206,671	18,100	1,313
Unassigned	379,795	345,540	595,704	653,366
Total	\$552,697	\$649,457	\$714,359	\$775,296

GENERAL FUND BUDGET SUMMARY

FISCAL YEAR ENDING DECEMBER 31

COMBINED STATEMENT

	2026 Adopted Budget¹
Revenues	
Taxes & special assessments	\$1,141,414
Intergovernmental revenues	369,016
Licenses and permits	44,450
Fines, forfeits and penalties	800
Public charges for services	187,518
Intergovernmental charges for services	
Investment income	18,750
Miscellaneous	35,650
Total Revenues	<u>\$1,797,598</u>
Expenditures	
Current:	
General government	\$262,036
Public safety	480,705
Public works	614,360
Leisure activities	135,413
Conservation and development	21,013
Capital outlay	316,758
Debt service:	
Principal	
Interest and fiscal charges	
Total Expenditures	<u>\$1,830,285</u>
Excess of revenues over (under) expenditures	(\$32,687)
Other Financing Sources (Uses)	
Long-term debt issued	
Premium on debt issued	
Transfers in	107,000
Transfers (out)	(73,000)
Total Other Financing Sources (Uses)	<u>34,000</u>
Net changes in Fund Balances	\$1,313

¹ The 2026 budget was adopted on November 13, 2025.

GENERAL INFORMATION

LOCATION

The Village, with a 2020 U.S. Census population of 2,421 and a current estimated population of 2,519 comprises an area of 2.16 square miles and is located approximately 35 miles north of the Milwaukee Metropolitan area and 20 miles south of Sheboygan just off I-43.

LARGER EMPLOYERS¹

Larger employers in and near the Village include the following:

Firm	Type of Business/Product	Estimated No. of Employees
Lakeside Foods Inc.	Processor of canned and frozen vegetables	185
Cedar Valley Cheese Inc.	Cheese processor and gift shop	85
Trimen Industries, Inc.	Custom manufacturing, machining and painting	72
Holiday Trims, Inc.	Manufacturers	70
Nitro Chain LLC	Industrial roller chain supplier	63
Kwik Trip	Gas/Truck stop	30
Sharon-Cutwell Co. Inc.	Cutting tool manufacturer	30
McDonald's	Fast-food Restaurant	26
Belgium Gardens	Nursing Home	20
Luige's Frozen Pizza Inc.	Pizza products manufacturer	19

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

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

BUILDING PERMITS

	2022	2023	2024	2025	2026 ¹
<u>New Single Family Homes</u>					
No. of building permits	7	3	3	7	0
Valuation	\$2,218,282	\$1,152,681	\$874,800	\$2,240,000	\$0
<u>New Multiple Family Buildings</u>					
No. of building permits	6	2	34	0	0
Valuation	\$1,460,000	\$550,000	\$6,612,000	\$0	\$0
<u>All Building Permits</u> <i>(including additions and remodelings)</i>					
No. of building permits	13	5	37	7	0
Valuation	\$3,678,282	\$1,702,681	\$7,486,800	\$2,240,000	\$0

Source: The Village.

¹ As of April 28, 2026.

U.S. CENSUS DATA

Population Trend: The Village

2010 U.S. Census Population	2,245
2020 U.S. Census Population	2,421
Percent of Change 2010 - 2020	7.84%
2025 Estimated Population	2,519

Income and Age Statistics

	The Village	Ozaukee County	State of Wisconsin	United States
2024 per capita income	\$40,250	\$59,040	\$43,373	\$44,673
2024 median household income	\$74,886	\$96,996	\$77,485	\$80,734
2024 median family income	\$92,656	\$126,683	\$100,141	\$99,999
2024 median gross rent	\$924	\$1,154	\$1,087	\$1,413
2024 median value owner occupied units	\$244,600	\$390,200	\$266,500	\$332,700
2024 median age	45.9 yrs.	43.9 yrs.	40.2 yrs.	38.9 yrs.

	State of Wisconsin	United States
Village % of 2024 per capita income	92.80%	90.10%
Village % of 2024 median family income	92.53%	92.66%

Housing Statistics

	<u>The Village</u>		
	2020	2024	Percent of Change
All Housing Units	949	1,038	9.38%

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>	
	Ozaukee County	Ozaukee County	State of Wisconsin	
2022	48,630	2.4%	2.8%	
2023	49,124	2.4%	2.8%	
2024	49,103	2.5%	3.0%	
2025 ¹	48,447	2.8%	3.2%	
2026, March ¹	48,091	3.2%	4.0%	

Source: Wisconsin Department of Workforce Development.

¹ Preliminary.

FINANCIAL STATEMENTS

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

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

Village of Belgium

Financial Statements and
Required Supplementary Information

December 31, 2025

Village of Belgium

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Independent Auditors' Report

To the Village Board of
Village of Belgium

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Belgium (the Village), Wisconsin, as of and for the year ended December 31, 2025 and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village as of December 31, 2025 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Village and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Baker Tilly US, LLP

Milwaukee, Wisconsin
April 8, 2026

Village of BelgiumStatement of Net Position
December 31, 2025

	Governmental Activities	Business-Type Activities	Total
Assets and Deferred Outflows of Resources			
Assets			
Cash and investments	\$ 1,882,114	\$ 1,411,751	\$ 3,293,865
Receivables:			
Taxes	874,174	-	874,174
Delinquent special charges held by county	633	-	633
Accounts	1,459	362,406	363,865
Lease receivable	-	274,831	274,831
Special assessments	-	2,943	2,943
Other	-	49,179	49,179
Inventories	-	29,324	29,324
Prepaid items	11,488	19,288	30,776
Restricted assets:			
Cash and investments	108,496	636,579	745,075
Capital assets:			
Land	377,127	119,416	496,543
Construction in progress	-	60,354	60,354
Other capital assets (net of accumulated depreciation)	9,821,368	9,901,858	19,723,226
Total assets	<u>13,076,859</u>	<u>12,867,929</u>	<u>25,944,788</u>
Deferred Outflows of Resources			
Deferred outflows related to pension	106,667	99,155	205,822
Liabilities, Deferred Inflows of Resources and Net Position			
Liabilities			
Accounts payable and accrued liabilities	100,572	35,509	136,081
Accrued interest payable	44,964	11,616	56,580
Deposits	1,150	-	1,150
Noncurrent liabilities:			
Due within one year	372,952	548,667	921,619
Due in more than one year	5,711,227	833,096	6,544,323
Total liabilities	<u>6,230,865</u>	<u>1,428,888</u>	<u>7,659,753</u>
Deferred Inflows of Resources			
Unearned revenues	1,879,549	274,831	2,154,380
Deferred inflows related to pension	52,248	51,049	103,297
Total deferred inflows of resources	<u>1,931,797</u>	<u>325,880</u>	<u>2,257,677</u>
Net Position			
Net investment in capital assets	4,133,664	8,715,534	12,849,198
Restricted for:			
Debt requirements	-	7,083	7,083
Stormwater	108,496	-	108,496
Equipment replacement	-	626,727	626,727
Unrestricted	778,704	1,862,972	2,641,676
Total net position	<u>\$ 5,020,864</u>	<u>\$ 11,212,316</u>	<u>\$ 16,233,180</u>

See notes to financial statements

Village of Belgium

Statement of Activities

Year Ended December 31, 2025

<u>Functions/Programs</u>	Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities						
General government	\$ 281,993	\$ 1,654	\$ 41,602	\$ (238,737)	\$ -	\$ (238,737)
Public safety	384,372	50,874	14,781	(318,717)	-	(318,717)
Public works	1,577,761	183,807	199,108	(1,194,846)	-	(1,194,846)
Culture and recreation	197,576	2,425	-	(195,151)	-	(195,151)
Conservation and development	19,009	-	-	(19,009)	-	(19,009)
Interest	213,041	-	-	(213,041)	-	(213,041)
Total governmental activities	2,673,752	238,760	255,491	(2,179,501)	-	(2,179,501)
Business-Type Activities						
Water utility	543,420	673,231	-	-	129,811	129,811
Sewer utility	687,364	957,646	-	-	270,282	270,282
Total business-type activities	1,230,784	1,630,877	-	-	400,093	400,093
Total	\$ 3,904,536	\$ 1,869,637	\$ 255,491	(2,179,501)	400,093	(1,779,408)
General Revenues						
Taxes:						
Property taxes, levied for general purposes				1,107,758	-	1,107,758
Property taxes, levied for debt services				587,770	-	587,770
Other taxes				9,194	-	9,194
Intergovernmental revenues not restricted to specific programs				127,329	-	127,329
Investment income				84,958	114,378	199,336
Miscellaneous				118,697	-	118,697
Total general revenues				2,035,706	114,378	2,150,084
Transfers				95,069	(95,069)	-
Change in net position				(48,726)	419,402	370,676
Net Position, Beginning				5,069,590	10,792,914	15,862,504
Net Position, Ending				\$ 5,020,864	\$ 11,212,316	\$ 16,233,180

See notes to financial statements

Village of Belgium

Balance Sheet -
Governmental Funds
December 31, 2025

	General Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
Assets				
Cash and investments	\$ 1,408,718	\$ 351,599	\$ 121,797	\$ 1,882,114
Cash and investments, restricted	108,496	-	-	108,496
Receivables:				
Taxes	643,795	230,379	-	874,174
Accounts	1,459	-	-	1,459
Delinquent special charges held by county	633	-	-	633
Prepaid items	11,488	-	-	11,488
	<u>2,174,589</u>	<u>581,978</u>	<u>121,797</u>	<u>2,878,364</u>
Total assets	<u>\$ 2,174,589</u>	<u>\$ 581,978</u>	<u>\$ 121,797</u>	<u>\$ 2,878,364</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Accounts payable	\$ 55,589	\$ -	\$ -	\$ 55,589
Accrued liabilities	44,983	-	-	44,983
Deposits	1,150	-	-	1,150
	<u>101,722</u>	<u>-</u>	<u>-</u>	<u>101,722</u>
Total liabilities	<u>101,722</u>	<u>-</u>	<u>-</u>	<u>101,722</u>
Deferred Inflows of Resources				
Unearned property taxes	1,297,571	581,978	-	1,879,549
	<u>1,297,571</u>	<u>581,978</u>	<u>-</u>	<u>1,879,549</u>
Total deferred inflows of resources	<u>1,297,571</u>	<u>581,978</u>	<u>-</u>	<u>1,879,549</u>
Fund Balances				
Nonspendable	12,121	-	-	12,121
Restricted	108,496	-	-	108,496
Assigned	1,313	-	121,797	123,110
Unassigned	653,366	-	-	653,366
	<u>775,296</u>	<u>-</u>	<u>121,797</u>	<u>897,093</u>
Total fund balances	<u>775,296</u>	<u>-</u>	<u>121,797</u>	<u>897,093</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,174,589</u>	<u>\$ 581,978</u>	<u>\$ 121,797</u>	<u>2,878,364</u>

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

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

Land	377,127
Other capital assets	19,432,945
Less accumulated depreciation	(9,611,577)

Deferred outflows of resources related to pension do not relate to current financial resources and are not reported in the governmental funds.

106,667

Deferred inflows of resources related to pension do not relate to current financial resources and are not reported in the governmental funds.

(52,248)

Some liabilities, including long-term debt, are not due and payable in the current period and therefore are not reported in the funds.

Bonds and notes payable	(5,917,952)
Unamortized premium	(146,879)
Accrued interest	(44,964)
Net pension liability	(19,348)

Net Position of Governmental Activities

\$ 5,020,864

See notes to financial statements

Village of Belgium

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
Year Ended December 31, 2025

	General Fund	Debt Service Fund	Capital Project Fund	Total Governmental Funds
Revenues				
Taxes	\$ 1,116,952	\$ 587,770	\$ -	\$ 1,704,722
Intergovernmental revenues	362,020	-	-	362,020
Licenses and permits	49,554	-	-	49,554
Fines, forfeits and penalties	1,320	-	-	1,320
Public charges for services	187,886	-	-	187,886
Investment income	67,522	-	17,436	84,958
Miscellaneous	109,572	-	20,000	129,572
Total revenues	<u>1,894,826</u>	<u>587,770</u>	<u>37,436</u>	<u>2,520,032</u>
Expenditures				
Current:				
General government	232,626	-	-	232,626
Public safety	339,181	-	-	339,181
Public works	599,481	-	-	599,481
Leisure activities	128,824	-	-	128,824
Conservation and development	19,015	-	-	19,015
Capital outlay	404,180	-	709,450	1,113,630
Debt service:				
Principal	-	367,486	-	367,486
Interest and fiscal charges	-	220,284	-	220,284
Total expenditures	<u>1,723,307</u>	<u>587,770</u>	<u>709,450</u>	<u>3,020,527</u>
Excess (deficiency) of revenues over expenditures	<u>171,519</u>	<u>-</u>	<u>(672,014)</u>	<u>(500,495)</u>
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	9,925	9,925
Transfers in	95,069	-	205,651	300,720
Transfers out	(205,651)	-	-	(205,651)
Total other financing sources (uses)	<u>(110,582)</u>	<u>-</u>	<u>215,576</u>	<u>104,994</u>
Net change in fund balances	60,937	-	(456,438)	(395,501)
Fund Balance, Beginning	<u>714,359</u>	<u>-</u>	<u>578,235</u>	<u>1,292,594</u>
Fund Balance, Ending	<u>\$ 775,296</u>	<u>\$ -</u>	<u>\$ 121,797</u>	<u>\$ 897,093</u>

See notes to financial statements

Village of Belgium

Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
Year Ended December 31, 2025

Net Change in Fund Balances, Total Governmental Funds \$ (395,501)

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Net Position the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the Statement of Activities.

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements	1,113,630
Some items reported as capital outlay were not capitalized	(615,345)
Depreciation is recorded in the government-wide statements	(498,661)
Net book value of assets disposed	(21,394)

Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Principal repaid	367,486
------------------	---------

Governmental funds report debt premiums and discounts as other financing sources (uses) or expenditures. However, in the Statement of Net Position these are deferred and reported as additions or deductions from long-term debt. These are allocated over the period the debt is outstanding in the Statement of Activities and are reported as interest expense.

Amortization	4,985
--------------	-------

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

Accrued interest on debt	2,260
Net pension liability	(1,113)
Deferred outflows and inflows of resources related to pension	(5,073)

Change in Net Position of Governmental Activities \$ (48,726)

Village of Belgium

Statement of Net Position -
Proprietary Funds
December 31, 2025

	Business-Type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Total
Assets and Deferred Outflows of Resources			
Current Assets			
Cash and investments	\$ 720,104	\$ 691,647	\$ 1,411,751
Receivables:			
Accounts	118,661	243,745	362,406
Lease receivable	38,923	-	38,923
Other	14,102	35,077	49,179
Inventories	29,324	-	29,324
Prepaid items	9,644	9,644	19,288
Total current assets	930,758	980,113	1,910,871
Noncurrent Assets			
Restricted assets:			
Cash and investments	6,097	630,482	636,579
Other assets:			
Lease receivable	235,908	-	235,908
Special assessments receivable	-	2,943	2,943
Capital assets:			
Land	57,361	62,055	119,416
Construction in progress	21,914	38,440	60,354
Property and equipment	8,363,798	13,715,086	22,078,884
Less accumulated depreciation	(3,355,154)	(8,821,872)	(12,177,026)
Total noncurrent assets	5,329,924	5,627,134	10,957,058
Total assets	6,260,682	6,607,247	12,867,929
Deferred Outflows of Resources			
Deferred outflows related to pension	41,386	57,769	99,155

See notes to financial statements

Village of Belgium

Statement of Net Position -
Proprietary Funds
December 31, 2025

	Business-Type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Total
Liabilities, Deferred Inflows of Resources and Net Position			
Current Liabilities			
Accounts payable	\$ 14,429	\$ 9,284	\$ 23,713
Accrued liabilities	5,182	6,614	11,796
Accrued interest	382	8,465	8,847
Current portion of general obligation debt	209,254	237,801	447,055
Liabilities payable from restricted assets:			
Accrued interest	1,523	1,246	2,769
Current portion of revenue bonds	64,024	37,588	101,612
Total current liabilities	294,794	300,998	595,792
Noncurrent Liabilities			
Revenue bonds	410,869	247,180	658,049
General obligation debt	-	159,378	159,378
Net pension liability	6,747	8,922	15,669
Total noncurrent liabilities	417,616	415,480	833,096
Total liabilities	712,410	716,478	1,428,888
Deferred Inflows of Resources			
Unearned lease revenue	274,831	-	274,831
Deferred inflows related to pension	19,804	31,245	51,049
Total deferred inflows of resources	294,635	31,245	325,880
Net Position			
Net investment in capital assets	4,403,772	4,311,762	8,715,534
Restricted for:			
Debt requirements	4,574	2,509	7,083
Equipment replacement	-	626,727	626,727
Unrestricted net position	886,677	976,295	1,862,972
Total net position	\$ 5,295,023	\$ 5,917,293	\$ 11,212,316

See notes to financial statements

Village of Belgium

Statement of Revenues, Expenses and Changes in Net Position -
Proprietary Funds
Year Ended December 31, 2025

	Business-Type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Total
Operating Revenues			
Public charges for services	\$ 673,231	\$ 957,646	\$ 1,630,877
Operating Expenses			
Operation and maintenance	359,279	419,706	778,985
Depreciation	151,987	223,163	375,150
Taxes	7,464	8,937	16,401
Total operating expenses	518,730	651,806	1,170,536
Total operating income	154,501	305,840	460,341
Nonoperating Revenues (Expenses)			
Investment income	52,364	62,014	114,378
Interest expense	(11,380)	(20,239)	(31,619)
Loss on disposal of capital assets	(13,310)	(15,319)	(28,629)
Total nonoperating revenues (expenses)	27,674	26,456	54,130
Income before transfers	182,175	332,296	514,471
Transfers			
Transfers out	(92,071)	(2,998)	(95,069)
Total transfers	(92,071)	(2,998)	(95,069)
Change in net position	90,104	329,298	419,402
Net Position, Beginning	5,204,919	5,587,995	10,792,914
Net Position, Ending	\$ 5,295,023	\$ 5,917,293	\$ 11,212,316

See notes to financial statements

Village of Belgium

Statement of Cash Flows -
Proprietary Funds
Year Ended December 31, 2025

	Business-Type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Total
Cash Flows From Operating Activities			
Received from customers	\$ 726,855	\$ 941,270	\$ 1,668,125
Paid to vendors for goods and services	(271,644)	(353,245)	(624,889)
Paid to employees for operating payroll	(91,536)	(96,954)	(188,490)
Net cash flows from operating activities	<u>363,675</u>	<u>491,071</u>	<u>854,746</u>
Cash Flows From Capital and Related Financing Activities			
Special assessments received	-	2,940	2,940
Acquisition and construction of capital assets	(477,709)	(404,142)	(881,851)
Principal paid on long-term debt	(269,747)	(270,466)	(540,213)
Interest paid on long-term debt	(11,903)	(22,076)	(33,979)
Net cash flows from capital and related financing activities	<u>(759,359)</u>	<u>(693,744)</u>	<u>(1,453,103)</u>
Cash Flows From Noncapital Financing			
Tax equivalent paid to municipality	(92,071)	(2,998)	(95,069)
Net cash flows from noncapital financing activities	<u>(92,071)</u>	<u>(2,998)</u>	<u>(95,069)</u>
Cash Flows From Investing Activities			
Investment income	52,364	62,014	114,378
Net cash flows from investing activities	<u>52,364</u>	<u>62,014</u>	<u>114,378</u>
Change in cash and cash equivalents	(435,391)	(143,657)	(579,048)
Cash and Cash Equivalents, Beginning	<u>1,161,592</u>	<u>1,465,786</u>	<u>2,627,378</u>
Cash and Cash Equivalents, Ending	<u>\$ 726,201</u>	<u>\$ 1,322,129</u>	<u>\$ 2,048,330</u>
Reconciliation of Operating Income to Net Cash From Operating Activities:			
Operating income	\$ 154,501	\$ 305,840	\$ 460,341
Adjustments to reconcile operating income to net cash from operating activities:			
Depreciation expense	151,987	223,163	375,150
Depreciation charged to other accounts	13,979	(13,979)	-
Changes in assets and liabilities:			
Accounts receivable	108	2,421	2,529
Due from other funds	39,537	(4,818)	34,719
Materials and supplies	(2,476)	-	(2,476)
Prepayments	(9,644)	(9,644)	(19,288)
Accounts payable	9,282	(17,592)	(8,310)
Accrued liabilities	2,836	2,116	4,952
Pension related deferrals and liabilities	3,565	3,564	7,129
Net cash flows from operating activities	<u>\$ 363,675</u>	<u>\$ 491,071</u>	<u>\$ 854,746</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position, Proprietary Funds			
Cash and investments, unrestricted	\$ 720,104	\$ 691,647	\$ 1,411,751
Cash and investments, restricted	6,097	630,482	636,579
Cash and Cash Equivalents, Ending	<u>\$ 726,201</u>	<u>\$ 1,322,129</u>	<u>\$ 2,048,330</u>
Noncash Investing, Capital and Related Financing Activities			
Loss of disposal of capital assets	<u>\$ 13,310</u>	<u>\$ 15,319</u>	<u>\$ 28,629</u>

See notes to financial statements

Village of Belgium

Statement of Fiduciary Net Position -
Fiduciary Fund
December 31, 2025

	<u>Custodial Fund</u> <u>Tax</u> <u>Collection</u> <u>Fund</u>
Assets	
Cash and investments	\$ 1,812,359
Taxes receivable	<u>1,187,512</u>
Total assets	<u>2,999,871</u>
Liabilities	
Due to other taxing units	<u>2,999,871</u>
Total liabilities	<u>2,999,871</u>
Net Position	
Total net position	<u><u>\$ -</u></u>

See notes to financial statements

Village of Belgium

Statement of Changes in Fiduciary Net Position -
Fiduciary Fund
Year Ended December 31, 2025

	<u>Custodial Fund</u> <u>Tax</u> <u>Collection</u> <u>Fund</u>
Additions	
Tax collections	\$ 1,789,640
Total additions	<u>1,789,640</u>
Deductions	
Payments to overlying districts	<u>1,789,640</u>
Total deductions	<u>1,789,640</u>
Change in fiduciary net position	-
Net Position, Beginning	<u>-</u>
Net Position, Ending	<u><u>\$ -</u></u>

See notes to financial statements

Village of Belgium

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December 31, 2025

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Village of Belgium

Notes to Financial Statements
December 31, 2025

1. Summary of Significant Accounting Policies

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

Reporting Entity

This report includes all of the funds of the Village. The reporting entity for the Village consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The Village has not identified any organizations that meet this criteria.

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

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

- a. Total assets/deferred outflows of resources, liabilities/deferred inflows of resources, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type, and
- b. The same element of the individual governmental or enterprise fund that met the 10% test is at least 5% of the corresponding total for all governmental and enterprise funds combined.

Village of Belgium

Notes to Financial Statements
December 31, 2025

- c. In addition, any other governmental or enterprise fund that the Village believes is particularly important to financial statement users may be reported as a major fund.

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

The Village reports the following major governmental funds:

General Fund

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

Debt Service Fund

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

Capital Projects Fund

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

Enterprise Funds

The Village reports the following major enterprise funds:

Water Utility accounts for operations of the Water system.

Sewer Utility accounts for operations of the Sewer system.

In addition, the Village reports the following fund type:

Custodial Fund

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

Tax Collection Fund

Village of Belgium

Notes to Financial Statements
December 31, 2025

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

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

Intergovernmental aids and grants are recognized as revenues in the period the Village is entitled to the resources and the amounts are available. Amounts owed to the Village which are not available are recorded as receivables and unavailable revenues. Amounts received before eligibility requirements (excluding time requirements) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows.

Special assessments are recorded as revenues when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and unavailable revenues.

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

Proprietary and Fiduciary Funds

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

Village of Belgium

Notes to Financial Statements
December 31, 2025

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

All Financial Statements

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

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

Deposits and Investments

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

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

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

The Village has adopted an investment policy. That policy follows the state statute for allowable investments. The policy addresses custodial credit risk by stating the Village will diversify its investment portfolio to avoid incurring unreasonable risks for potential losses.

Village of Belgium

Notes to Financial Statements
December 31, 2025

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

See Note 3 for further information.

Receivables

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

Property tax calendar - 2025 tax roll:

Lien date and levy date	December 2025
Tax bills mailed	December 2025
Payment in full, or	January 31, 2026
First installment due	January 31, 2026
Second installment due	July 31, 2026
Tax sale - 2025 delinquent real estate taxes	October 2028

Delinquent real estate taxes as of July 31 are paid in full by the County, which assumes the collection thereof. No provision for uncollectible accounts receivable has been made for the water and sewer utilities because they have the right by law to place substantially all delinquent bills on the tax roll and other delinquent bills are generally not significant.

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

Inventories and Prepaid Items

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

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Village of Belgium

Notes to Financial Statements
December 31, 2025

Restricted Assets

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

Capital Assets

Government-Wide Financial Statements

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 general capital assets and \$5,000 for infrastructure assets and an estimated useful life in excess of one year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor and overhead. The cost of renewals and betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

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

Buildings	15-50 Years
Land improvements	15-40 Years
Machinery and equipment	5-25 Years
Utility system	18-77 Years
Infrastructure	20-40 Years

Fund Financial Statements

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

Deferred Outflows of Resources

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

Long-Term Obligations

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of notes and bonds payable.

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

For the government-wide statements and proprietary fund statements, bond premiums and discounts are amortized over the life of the issue using the straight-line method. The balance at year end is shown as an increase or decrease in the liability section of the statement of net position.

Leases

The Village is a lessor because it leases capital assets to other entities. As a lessor, the Village reports a lease receivable and corresponding deferred inflow of resources in both the fund financial statements and government-wide financial statements. The Village continues to report and depreciate the capital assets being leased as capital assets of the primary government.

Deferred Inflows of Resources

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

Equity Classifications

Government-Wide Statements

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

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

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

Fund Statements

Governmental fund balances are displayed as follows:

- a. **Nonspendable** - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. **Restricted** - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.

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- c. **Committed** - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the Village Board. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Village Board that originally created the commitment.
- d. **Assigned** - Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The Village Board has, by resolution, adopted a financial policy authorizing the Clerk/Treasurer, with Board approval, to assign amounts for a specific purpose. Assignments may take place after the end of the reporting period.
- e. **Unassigned** - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

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

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

See Note 3 for further information.

Pension

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

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

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.

Basis for Existing Rates

Water Utility

Current water rates were approved by the Public Service Commission of Wisconsin on March 15, 2025.

Sewer Utility

Current sewer rates were approved by the Village Board and placed into effect in March 15, 2022.

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December 31, 2025

2. Stewardship, Compliance and Accountability

Excess Expenditures Over Budget

The following funds had expenditures and other financing uses over budget:

<u>Fund</u>	<u>Budgeted Expenditures and Other Financing Uses</u>	<u>Actual Expenditures and Other Financing Uses</u>	<u>Excess Expenditures and Other Financing Uses Over Budget</u>
General Fund	\$ 1,878,778	\$ 1,928,958	\$ 50,180
Capital Projects Fund	290,000	709,450	419,450

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

Limitations on the Village's Tax Levy

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

3. Detailed Notes on All Funds

Deposits and Investments

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

	<u>Carrying Value</u>	<u>Statement Balances</u>	<u>Associated Risks</u>
Deposits	\$ 5,851,199	\$ 5,861,960	Custodial credit risk
Petty cash	100	-	N/A
Total deposits and investments	<u>\$ 5,851,299</u>	<u>\$ 5,861,960</u>	
Reconciliation to financial statements			
Per statement of net position:			
Unrestricted cash and investments	\$ 3,293,865		
Restricted cash and investments	745,075		
Per statement of net position, fiduciary funds:			
Custodial Fund - Tax Collection Fund	<u>1,812,359</u>		
Total deposits and investments	<u>\$ 5,851,299</u>		

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

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

The Village maintains collateral agreements with its banks. At December 31, 2025, the banks had pledged various government securities in the amount of \$6,249,729 to secure the Village's deposits.

Custodial Credit Risk

Deposits

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

The Village does not have any deposits exposed to custodial credit risk.

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

Receivables

Receivables as of year end for the government's individual major funds and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are detailed on the governmental funds balance sheet, proprietary funds statement of net position and fiduciary funds statement of assets and liabilities. All of the receivables on the balance sheet and proprietary funds statement of net position are expected to be collected within one year, except for delinquent special charges held by county of \$633, lease receivables of \$235,908, and special assessments of \$2,943.

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

	<u>Unearned</u>
Property taxes receivable for subsequent year	\$ 1,879,549
Total unearned/unavailable revenue for governmental funds	<u>\$ 1,879,549</u>
Unearned revenue included in deferred inflows	<u>\$ 1,879,549</u>
Total unearned revenue for governmental activities	<u>\$ 1,879,549</u>

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At the end of the current fiscal year, the various components of unearned revenue in the proprietary funds were as follows:

	<u>Unearned</u>
Lease revenue	\$ 274,831

Restricted Assets

The following represent the balances of the restricted assets:

Long-Term Debt Accounts

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

Equipment Replacement Account

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

Stormwater Fees

The Village has received regional stormwater fees which must be used for the maintenance of regional stormwater ponds.

Following is a list of restricted assets at December 31, 2025:

	<u>Restricted Assets</u>	<u>Liabilities Payable from Restricted Assets</u>	<u>Restricted Net Position</u>
Bond redemption account	\$ 9,852	\$ 2,769	\$ 7,083
Equipment replacement account	626,727	-	626,727
Stormwater fees	108,496	-	108,496
Total	<u>\$ 745,075</u>	<u>\$ 2,769</u>	<u>\$ 742,306</u>

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Notes to Financial Statements
December 31, 2025

Capital Assets

Capital asset activity for the year ended December 31, 2025, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 377,127	\$ -	\$ -	\$ 377,127
Total capital assets not being depreciated	<u>377,127</u>	<u>-</u>	<u>-</u>	<u>377,127</u>
Capital assets being depreciated:				
Land improvements	613,537	86,102	-	699,639
Buildings	2,049,258	-	-	2,049,258
Equipment	1,488,394	289,401	284,196	1,493,599
Streets	8,368,569	122,782	49,641	8,441,710
Sidewalk	609,773	-	-	609,773
Curb and gutter	1,039,620	-	-	1,039,620
Storm sewer	5,099,346	-	-	5,099,346
Total capital assets being depreciated	<u>19,268,497</u>	<u>498,285</u>	<u>333,837</u>	<u>19,432,945</u>
Total capital assets	<u>19,645,624</u>	<u>498,285</u>	<u>333,837</u>	<u>19,810,072</u>
Less accumulated depreciation for:				
Land improvements	(251,392)	(23,477)	-	(274,869)
Buildings	(499,822)	(65,096)	-	(564,918)
Equipment	(882,654)	(61,659)	262,802	(681,511)
Streets	(3,531,232)	(149,425)	49,641	(3,631,016)
Sidewalk	(326,236)	(15,210)	-	(341,446)
Curb and gutter	(776,586)	(20,468)	-	(797,054)
Storm sewer	(3,157,437)	(163,326)	-	(3,320,763)
Total accumulated depreciation	<u>(9,425,359)</u>	<u>(498,661)</u>	<u>312,443</u>	<u>(9,611,577)</u>
Net capital assets being depreciated	<u>9,843,138</u>	<u>(376)</u>	<u>21,394</u>	<u>9,821,368</u>
Total governmental activities capital assets, net as reported in the statement of net position	<u>\$ 10,220,265</u>	<u>\$ (376)</u>	<u>\$ 21,394</u>	<u>\$ 10,198,495</u>

Depreciation expense was charged to functions as follows:

Governmental Activities

General government	\$ 35,785
Public safety	1,196
Public works	407,261
Culture, recreation and education	<u>54,419</u>
Total governmental activities depreciation expense	<u>\$ 498,661</u>

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Notes to Financial Statements
December 31, 2025

Business-Type Activities

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Water				
Capital assets not being depreciated:				
Land	\$ 57,361	\$ -	\$ -	\$ 57,361
Construction in progress	209	21,705	-	21,914
Total capital assets not being depreciated	<u>57,570</u>	<u>21,705</u>	<u>-</u>	<u>79,275</u>
Capital assets being depreciated:				
Source of supply	160,156	-	-	160,156
Pumping	710,833	-	-	710,833
Water treatment	62,663	-	-	62,663
Transmission	6,560,907	362,823	3,876	6,919,854
General	440,961	93,181	23,850	510,292
Total capital assets being depreciated	<u>7,935,520</u>	<u>456,004</u>	<u>27,726</u>	<u>8,363,798</u>
Total capital assets	<u>7,993,090</u>	<u>477,709</u>	<u>27,726</u>	<u>8,443,073</u>
Less accumulated depreciation for:				
Source of supply	(70,434)	(4,645)	-	(75,079)
Pumping	(366,694)	(26,045)	-	(392,739)
Water treatment	(45,300)	(3,760)	-	(49,060)
Transmission	(2,331,053)	(125,974)	-	(2,457,027)
General	(390,123)	(5,542)	14,416	(381,249)
Total accumulated depreciation	<u>(3,203,604)</u>	<u>(165,966)</u>	<u>14,416</u>	<u>(3,355,154)</u>
Net capital assets being depreciated	<u>4,731,916</u>	<u>290,038</u>	<u>13,310</u>	<u>5,008,644</u>
Net water capital assets	<u>\$ 4,789,486</u>	<u>\$ 311,743</u>	<u>\$ 13,310</u>	<u>\$ 5,087,919</u>
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Sewer				
Capital assets not being depreciated:				
Land	\$ 62,055	\$ -	\$ -	\$ 62,055
Construction in progress	209	38,231	-	38,440
Total capital assets not being depreciated	<u>62,264</u>	<u>38,231</u>	<u>-</u>	<u>100,495</u>
Capital assets being depreciated:				
Collecting plant	6,121,301	-	-	6,121,301
Collecting pumping	1,369,452	78,769	25,234	1,422,987
Treatment	5,606,177	64,479	77,632	5,593,024
General	359,036	222,663	3,925	577,774
Total capital assets being depreciated	<u>13,455,966</u>	<u>365,911</u>	<u>106,791</u>	<u>13,715,086</u>
Total capital assets	<u>13,518,230</u>	<u>404,142</u>	<u>106,791</u>	<u>13,815,581</u>
Less accumulated depreciation for:				
Collecting plant	(1,872,342)	(124,795)	-	(1,997,137)
Collecting pumping	(1,019,898)	(57,971)	10,958	(1,066,911)
Treatment	(5,529,005)	(3,536)	77,632	(5,454,909)
General	(282,915)	(22,882)	2,882	(302,915)
Total accumulated depreciation	<u>(8,704,160)</u>	<u>(209,184)</u>	<u>91,472</u>	<u>(8,821,872)</u>
Net capital assets being depreciated	<u>4,751,806</u>	<u>156,727</u>	<u>15,319</u>	<u>4,893,214</u>
Net sewer capital assets	<u>\$ 4,814,070</u>	<u>\$ 194,958</u>	<u>\$ 15,319</u>	<u>\$ 4,993,709</u>
Business-type activities capital assets, net as reported in the statement of net position	<u>\$ 9,603,556</u>	<u>\$ 506,701</u>	<u>\$ 28,629</u>	<u>\$ 10,081,628</u>

Village of Belgium

Notes to Financial Statements
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Depreciation expense was charged to functions as follows:

Business-Type Activities

Water	\$ 151,987
Sewer	<u>223,163</u>
Total business-type activities	<u>\$ 375,150</u>

Differences between the depreciation expense reported above and the amounts reported in the statement of revenues, expenses and changes in net position are related to depreciation charges between funds.

Interfund Transfers

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
General fund	Water utility	\$ 92,071	Utility tax equivalent
General fund	Sewer utility	2,998	Utility tax equivalent
Capital projects fund	General fund	<u>205,651</u>	Capital projects
Total, fund financial statements		300,720	
Less fund eliminations		<u>(205,651)</u>	
Total transfers, government-wide statement of activities		<u>\$ 95,069</u>	

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Long-Term Obligations

Long-term obligations activity for the year ended December 31, 2025, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities					
Bonds and notes payable:					
General obligation debt	\$ 6,200,000	\$ -	\$ 325,000	\$ 5,875,000	\$ 330,000
General obligation notes from direct borrowings and direct placements	85,438	-	42,486	42,952	42,952
(Discounts)/Premiums	<u>151,864</u>	<u>-</u>	<u>4,985</u>	<u>146,879</u>	<u>-</u>
Total bonds and notes payable	<u>6,437,302</u>	<u>-</u>	<u>372,471</u>	<u>6,064,831</u>	<u>372,952</u>
Other liabilities:					
Net pension liability	<u>18,235</u>	<u>1,113</u>	<u>-</u>	<u>19,348</u>	<u>-</u>
Total other liabilities	<u>18,235</u>	<u>1,113</u>	<u>-</u>	<u>19,348</u>	<u>-</u>
Total governmental activities long-term liabilities	<u>\$ 6,455,537</u>	<u>\$ 1,113</u>	<u>\$ 372,471</u>	<u>\$ 6,084,179</u>	<u>\$ 372,952</u>

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	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Business-Type Activities					
Bonds and notes payable:					
General obligation notes from direct borrowings and direct placements	\$ 1,047,206	\$ -	\$ 440,773	\$ 606,433	\$ 447,055
Revenue bonds	859,101	-	99,440	759,661	101,612
Total bonds and notes payable	<u>1,906,307</u>	<u>-</u>	<u>540,213</u>	<u>1,366,094</u>	<u>548,667</u>
Other liabilities:					
Net pension liability	12,985	2,684	-	15,669	-
Total other liabilities	<u>12,985</u>	<u>2,684</u>	<u>-</u>	<u>15,669</u>	<u>-</u>
Total business-type activities long-term liabilities	<u>\$ 1,919,292</u>	<u>\$ 2,684</u>	<u>\$ 540,213</u>	<u>\$ 1,381,763</u>	<u>\$ 548,667</u>

In accordance with Wisconsin Statutes, total general obligation indebtedness of the Village may not exceed 5% of the equalized value of taxable property within the Village's jurisdiction. The debt limit as of December 31, 2025, was \$18,388,860. Total general obligation debt outstanding at year end was \$6,524,385.

General Obligation Debt

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

<u>Governmental Activities</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2025</u>
General Obligation Debt					
GO Promissory Notes	05/04/17	05/01/37	1.45-3.875%	\$ 4,300,000	\$ 3,090,000
GO Promissory Notes (Direct)	05/10/21	04/01/26	0.30-0.75	212,416	42,952
GO Corporate Purpose Bond	06/29/22	04/01/42	4.00	3,095,000	<u>2,785,000</u>
Total governmental activities, general obligation debt					<u>\$ 5,917,952</u>

<u>Business-Type Activities</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2025</u>
General Obligation Debt					
State Trust Fund Loan (Direct)	09/15/10	03/15/30	5.25%	\$ 300,000	\$ 111,645
State Trust Fund Loan (Direct)	12/13/10	03/15/30	5.25	225,000	82,740
GO Promissory Notes (Direct)	05/10/21	04/01/26	0.3-0.75	1,997,183	<u>412,048</u>
Total business-type activities, general obligation debt					<u>\$ 606,433</u>

Village of Belgium

Notes to Financial Statements
December 31, 2025

Debt service requirements to maturity are as follows:

<u>Years</u>	Governmental Activities General Obligation Debt	
	<u>Principal</u>	<u>Interest</u>
2026	\$ 330,000	\$ 208,065
2027	345,000	196,740
2028	350,000	185,065
2029	360,000	173,165
2030	385,000	160,665
2031-2035	2,120,000	591,598
2036-2040	1,540,000	209,462
2041-2042	445,000	18,100
Total	<u>\$ 5,875,000</u>	<u>\$ 1,742,860</u>

<u>Years</u>	Governmental Activities General Obligation Notes From Direct Borrowings And Direct Placements		Business-Type Activities General Obligation Notes From Direct Borrowings And Direct Placements	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 42,952	\$ 161	\$ 447,055	\$ 11,750
2027	-	-	36,844	8,367
2028	-	-	38,764	6,451
2029	-	-	40,814	4,398
2030	-	-	42,956	2,255
Total	<u>\$ 42,952</u>	<u>\$ 161</u>	<u>\$ 606,433</u>	<u>\$ 33,221</u>

The Village's outstanding debt from direct borrowings and/or direct placements related to business-type activities of \$194,385 contain clauses that any delinquent payments are subject to a penalty of 1% per month and shall be deducted from any state payments that are due to the Village.

Revenue Debt

Business-type activities revenue bonds are payable only from revenues derived from the operation of the Water and Sewer Utility.

The Village has pledged future water and sewer operating revenues, net of specified operating expenses, to repay revenue bonds issued in 2013. Proceeds from the bonds provided financing for the capital additions. The bonds are payable solely from water and sewer revenues and are payable through 2032. Annual principal and interest payments on the bonds are expected to require 11.00% of net revenues. The total principal and interest remaining to be paid on the bonds is \$819,291. Principal and interest paid for the current year and total customer net revenues were \$117,144 and \$949,869, respectively.

Village of Belgium

Notes to Financial Statements
December 31, 2025

Revenue debt payable at December 31, 2025, consists of the following:

Business-Type Activities Revenue Debt

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2025</u>
Sewer Utility					
Clean Water Fund Loan, Direct	03/13/13	05/01/32	2.63%	\$ 667,439	\$ <u>284,768</u>
Water Utility					
Clean Water Fund Loan, Direct	03/13/13	05/01/32	1.93	1,155,093	<u>474,893</u>
Total business-type activities, revenue debt					<u><u>\$ 759,661</u></u>

Debt service requirements to maturity are as follows:

<u>Years</u>	Business-Type Activities Revenue Debt	
	<u>Principal</u>	<u>Interest</u>
2026	\$ 101,612	\$ 15,507
2027	103,831	13,263
2028	106,099	10,969
2029	108,419	8,624
2030	110,790	6,226
2031-2032	<u>228,910</u>	<u>5,041</u>
Total	<u><u>\$ 759,661</u></u>	<u><u>\$ 59,630</u></u>

The Village's outstanding revenue bonds from direct borrowings and/or direct placements related to business type-activities of \$759,661 contain provisions that in an event of default, outstanding amounts are recoverable by the State by deducting those amounts from any State payments due to the Village, adding a special charge to the amount of taxes apportioned to and levied upon the county in which the Village is located or to collect user fees from the operations of the Village's water and sewer system.

Village of Belgium

Notes to Financial Statements
December 31, 2025

Lease Disclosures

Lessor - Lease Receivables

<u>Business-Type Activities</u>				Receivable Balance December 31, 2025
<u>Lease Receivables Description</u>	<u>Date of Inception</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	
AT&T water tower antenna	03/01/06	02/29/36	4.94%	\$ 156,197
T-Mobile water tower antenna	01/01/00	12/31/29	4.94	104,690
Wireless internet water tower antenna	08/16/10	08/16/33	4.25	<u>13,944</u>
Total business-type activities				<u><u>\$ 274,831</u></u>

The Village recognized \$39,587 of lease revenue during the fiscal year.

The Village recognized \$6,924 of interest revenue during the fiscal year.

Net Position/Fund Balances

Net position reported on the government-wide statement of net position at December 31, 2025, includes the following:

Governmental Activities

Net investment in capital assets:

Land	\$ 377,127
Other capital assets, net of accumulated depreciation	9,821,368
Less long-term debt outstanding	(5,917,952)
Less unamortized debt premium	<u>(146,879)</u>

Total net investment in capital assets \$ 4,133,664

Village of Belgium

Notes to Financial Statements
December 31, 2025

Governmental Funds

Governmental fund balances reported on the fund financial statements at December 31, 2025, include the following:

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
Fund Balances			
Nonspendable:			
Delinquent special charges held by county	\$ 633	\$ -	\$ 633
Prepaid items	11,488	-	11,488
Subtotal	<u>12,121</u>	<u>-</u>	<u>12,121</u>
Restricted for:			
Stormwater fees	108,496	-	108,496
Subtotal	<u>108,496</u>	<u>-</u>	<u>108,496</u>
Assigned to:			
Capital projects	-	121,797	121,797
Subsequent year's budget	1,313	-	1,313
Subtotal	<u>1,313</u>	<u>121,797</u>	<u>123,110</u>
Unassigned:			
	<u>653,366</u>	<u>-</u>	<u>653,366</u>
Total fund balances	<u>\$ 775,296</u>	<u>\$ 121,797</u>	<u>\$ 897,093</u>
Business-Type Activities			
Net investment in capital assets:			
Land		\$ 119,416	
Construction in progress		60,354	
Other capital assets, net of accumulated depreciation		9,901,858	
Less long-term debt outstanding		<u>(1,366,094)</u>	
Total net investment in capital assets		<u>\$ 8,715,534</u>	

4. Other Information

Employees' 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 1,200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

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.

Village of Belgium

Notes to Financial Statements
December 31, 2025

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 occupation employees, 62 for elected officials and executive service retirement 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 period. 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 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.

Postretirement Adjustments

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

<u>Year</u>	<u>Core Fund Adjustment %</u>	<u>Variable Fund Adjustment %</u>
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)
2024	3.6	15.0

Village of Belgium

Notes to Financial Statements
December 31, 2025

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 \$30,564 in contributions from the Village.

Contribution rates for the plan year reported as of December 31, 2025 are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (Executives & Elected Officials)	6.90 %	6.90 %
Protective with Social Security	6.90	14.30
Protective without Social Security	6.90	19.10

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

At December 31, 2025, the Village reported a liability of \$35,017 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023 rolled forward to December 31, 2024. 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, 2024, the Village's proportion was 0.00213108%, which was an increase of 0.00003121% from its proportion measured as of December 31, 2023.

For the year ended December 31, 2025, the Village recognized pension expense of \$43,880.

At December 31, 2025, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between projected and actual experience	\$ 108,747	\$ 102,188
Changes in assumptions	10,390	-
Net differences between projected and actual earnings on pension plan investments	53,210	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	63	1,109
Employer contributions subsequent to the measurement date	<u>33,412</u>	<u>-</u>
Total	<u>\$ 205,822</u>	<u>\$ 103,297</u>

Village of Belgium

Notes to Financial Statements
December 31, 2025

\$33,412 reported as deferred outflows of resources related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ending December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Years Ending December 31:</u>	<u>Deferred Outflows of Resources and Deferred Inflows of Resources (Net)</u>
2026	\$ 20,817
2027	72,287
2028	(18,267)
2029	(5,724)

Actuarial Assumptions

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

Actuarial Valuation Date:	December 31, 2023
Measurement Date of Net Pension Liability (Asset):	December 31, 2024
Experience Study:	January 1, 2021 - December 31, 2023 Published November 19, 2024
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% - 5.7%
Mortality:	2020 WRS Experience Mortality Table
Postretirement Adjustments*:	1.7%

* No postretirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.7% is the assumed annual adjustment based on the investment return assumption and the postretirement discount rate. Includes the impact of known Market Recognition Account deferred gains/losses on the liability for dividend payments.

Village of Belgium

Notes to Financial Statements
December 31, 2025

Actuarial assumptions are based upon an experience study conducted in 2024 that covered a three-year period from January 1, 2021 to December 31, 2023. Based on this experience study, actuarial assumptions used to measure the Total Pension Liability changed from prior year, including seniority (merit) and separation rates. The Total Pension Liability for December 31, 2024 is based upon a roll-forward of the liability calculated from the December 31, 2023 actuarial valuation.

Long-Term Expected Return on Plan Assets

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

Asset Allocation Targets and Expected Returns* as of December 31, 2024			
Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %**
Public Equity	38	7.0	4.3
Public Fixed Income	27	6.1	3.4
Inflation Sensitive	19	4.8	2.1
Real Estate	8	6.5	3.8
Private Equity/Debt	20	9.5	6.7
Leverage***	(12)	3.7	1.1
Total Core Fund	100	7.5	4.8
Variable Fund Asset			
U.S. Equities	70	6.5	3.8
International Equities	30	7.4	4.7
Total Variable Fund	100	6.9	4.2

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

** *New England Pension Consultants' Long-Term U.S. CPI (Inflation) Forecast: 2.6%*

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

Village of Belgium

Notes to Financial Statements
December 31, 2025

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 6.8% and a municipal bond rate of 4.08% (Source: "20-Bond GO Index" is the Bond Buyer Index, general obligation, 20 years to maturity, mixed quality as of December 31, 2024. In describing this index, the Bond Buyer notes that the bonds' average quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard and Poor's Corp.'s AA.) 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 investment rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Village's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate

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

	<u>1% Decrease to Discount Rate (5.8%)</u>	<u>Current Discount Rate (6.8%)</u>	<u>1% Increase to Discount Rate (7.8%)</u>
Village's proportionate share of the net pension liability (asset)	\$ 328,506	\$ 35,017	\$ (173,498)

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>.

At December 31, 2025, the Village reported a payable to the pension plan of \$4,998 which represents contractually required contributions outstanding as of the end of the year.

Risk Management

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

Village of Belgium

Notes to Financial Statements
December 31, 2025

Commitments and Contingencies

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

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

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

Effect of New Accounting Standards on Current-Period Financial Statements

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

- Statement No. 103, *Financial Reporting Model Improvements*
- Statement No. 104, *Disclosure of Certain Capital Assets*
- Statement No. 105, *Subsequent Events*

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

REQUIRED SUPPLEMENTARY INFORMATION

Village of Belgium

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

General Fund

Year Ended December 31, 2025

	Budgeted Amounts		
	Original & Final	Actual	Variance With Final Budget
Revenues			
Taxes	\$ 1,120,759	\$ 1,116,952	\$ (3,807)
Intergovernmental revenues	360,143	362,020	1,877
Licenses and permits	47,943	49,554	1,611
Fines, forfeitures and penalties	800	1,320	520
Public charges for services	180,369	187,886	7,517
Investment income	30,000	67,522	37,522
Miscellaneous	33,239	109,572	76,333
	<u>1,773,253</u>	<u>1,894,826</u>	<u>121,573</u>
Total revenues			
Expenditures			
Current:			
General government	263,591	232,626	30,965
Public safety	331,135	339,181	(8,046)
Public works	576,260	599,481	(23,221)
Leisure activities	124,360	128,824	(4,464)
Conservation and development	24,280	19,015	5,265
Capital outlay	357,575	404,180	(46,605)
	<u>1,677,201</u>	<u>1,723,307</u>	<u>(46,106)</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	<u>96,052</u>	<u>171,519</u>	<u>75,467</u>
Other Financing Sources (Uses)			
Transfers in	103,500	95,069	(8,431)
Transfers out	(201,577)	(205,651)	(4,074)
	<u>(98,077)</u>	<u>(110,582)</u>	<u>(12,505)</u>
Total other financing sources (uses)			
Net change in fund balance	<u>\$ (2,025)</u>	60,937	<u>\$ 62,962</u>
Fund Balance, Beginning		<u>714,359</u>	
Fund Balance, Ending		<u>\$ 775,296</u>	

See notes to required supplementary information

Village of Belgium

Schedule of Proportionate Share of the Net Pension Asset (Liability) - Wisconsin Retirement System
Year Ended December 31, 2025

WRS Fiscal Year Ending	Proportion of the Net Pension Asset (Liability)	Proportionate Share of the Net Pension Asset (Liability)	Covered Payroll	Proportionate Share of the Net Pension Asset (Liability) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/15	0.00224933 %	\$ (36,551)	\$ 312,726	11.69 %	98.20 %
12/31/16	0.00220361 %	(18,163)	311,849	5.82 %	99.12 %
12/31/17	0.00215795 %	64,072	314,410	20.38 %	102.93 %
12/31/18	0.00210923 %	(75,039)	328,957	23.73 %	96.45 %
12/31/19	0.00207108 %	66,781	326,404	20.44 %	102.96 %
12/31/20	0.00203335 %	126,944	334,776	37.92 %	105.26 %
12/31/21	0.00200613 %	161,697	340,966	47.42 %	106.02 %
12/31/22	0.00202978 %	(107,531)	381,821	28.16 %	95.72 %
12/31/23	0.00209987 %	(31,220)	428,354	7.29 %	98.85 %
12/31/24	0.00213108 %	(35,017)	442,969	7.91 %	98.79 %

Schedule of Employer Contributions - Wisconsin Retirement System
Year Ended December 31, 2025

Village Calendar Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/16	\$ 21,257	\$ 21,257	\$ -	\$ 311,849	6.82 %
12/31/17	22,114	22,114	-	314,410	7.03 %
12/31/18	21,366	21,366	-	328,957	6.50 %
12/31/19	21,436	21,436	-	326,404	6.57 %
12/31/20	22,595	22,595	-	334,776	6.75 %
12/31/21	23,015	23,015	-	340,966	6.75 %
12/31/22	24,819	24,819	-	381,821	6.50 %
12/31/23	29,128	29,128	-	428,354	6.80 %
12/31/24	30,565	30,565	-	442,969	6.90 %
12/31/25	33,412	33,412	-	480,744	6.95 %

See notes to required supplementary information

Village of Belgium

Notes to Required Supplementary Information
Year Ended December 31, 2025

Budgetary Information

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

The budgeted amounts presented include any amendments made. The Village may authorize transfers of budgeted amounts within departments. Transfers between departments and changes to the overall budget must be approved by a two-thirds board action.

Appropriations lapse at year-end unless specifically carried over. There were no carryovers to the following year. Budgets are adopted at the function level of expenditure.

Wisconsin Retirement System (WRS) Pension

The amounts determined for each fiscal year were determined as of the calendar year-end and occurred within the fiscal year.

Changes in benefit terms. There were no changes of benefit terms for any participating employer in the Wisconsin Retirement System.

Changes in 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 postretirement 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 postretirement 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

FORM OF LEGAL OPINION

(See following pages)

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

July 1, 2026

Re: Village of Belgium, Wisconsin ("Issuer")
\$2,945,000 General Obligation Promissory Notes, Series 2026A,
dated July 1, 2026 ("Notes")

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

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

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

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2027	\$290,000	___%
2028	350,000	___
2029	365,000	___
2030	190,000	___
2031	190,000	___
2032	200,000	___
2033	205,000	___
2034	70,000	___
2035	70,000	___
2036	75,000	___
2037	75,000	___
2038	80,000	___
2039	85,000	___
2040	85,000	___
2041	90,000	___
2042	95,000	___
2043	100,000	___
2044	105,000	___
2045	110,000	___
2046	115,000	___

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

The Notes maturing on June 1, 2036 and thereafter are subject to redemption prior to maturity, at the option of the Issuer, on June 1, 2035 or on any date thereafter. Said Notes are redeemable as a whole or in part, and if in part, from maturities selected by the Issuer, and within each maturity by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

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

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

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

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

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

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

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

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

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

QUARLES & BRADY LLP

BOOK-ENTRY-ONLY SYSTEM

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

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

FORM OF CONTINUING DISCLOSURE CERTIFICATE

(See following pages)

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the Village of Belgium, Ozaukee County, Wisconsin (the "Issuer") in connection with the issuance of \$2,945,000 General Obligation Promissory Notes, Series 2026A, dated July 1, 2026 (the "Securities"). The Securities are being issued pursuant to a resolution adopted on June 8, 2026 (the "Resolution") and delivered to _____ (the "Purchaser") on the date hereof. Pursuant to the Resolution, the Issuer has covenanted and agreed to provide continuing disclosure of certain financial information and operating data annually and timely notices of the occurrence of certain events. In addition, the Issuer hereby specifically covenants and agrees as follows:

Section 1(a). Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the holders of the Securities in order to assist the Participating Underwriters within the meaning of the Rule (defined herein) in complying with SEC Rule 15c2-12(b)(5). The Issuer is an obligated person with respect to not more than \$10,000,000 in aggregate amount of outstanding municipal securities (including the Securities but excluding obligations exempt from the Rule). References in this Disclosure Certificate to holders of the Securities shall include the beneficial owners of the Securities. This Disclosure Certificate constitutes the written Undertaking required by the Rule.

Section 1(b). Filing Requirements. Any filing under this Disclosure Certificate must be made solely by transmitting such filing to the MSRB (defined herein) through the Electronic Municipal Market Access ("EMMA") System at www.emma.msrb.org in the format prescribed by the MSRB. All documents provided to the MSRB shall be accompanied by the identifying information prescribed by the MSRB.

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

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

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

"Final Official Statement" means the Final Official Statement dated June 8, 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 Belgium, Ozaukee County, Wisconsin, which is the obligated person with respect to the Securities.

"Issuer Contact" means the Village Clerk/Deputy Treasurer of the Issuer who can be contacted at Village Hall, 104 Peter Thein Avenue, Belgium, Wisconsin 53004-9520, phone (262) 285-7931.

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

"MSRB" means the Municipal Securities Rulemaking Board.

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

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

"SEC" means the Securities and Exchange Commission.

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

The Issuer shall, not later than 365 days after the end of the Fiscal Year, commencing with the year ending December 31, 2026, provide the MSRB with an Annual Report filed in accordance with Section 1(b) of this Disclosure Certificate and which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the Audited Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report and that, if Audited Financial Statements are not available within 365 days after the end of the Fiscal Year, unaudited financial information will be provided, and Audited Financial Statements will be submitted to the MSRB when and if available.

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

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

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer or related public entities, which are available to the public on the MSRB's Internet website or filed with the SEC. The Issuer shall clearly identify each such other document so incorporated by reference.

Section 5. Reporting of Listed Events.

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following events with respect to the Securities:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Securities, or other material events affecting the tax status of the Securities;
7. Modification to rights of holders of the Securities, if material;
8. Securities calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution or sale of property securing repayment of the Securities, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the Issuer;
13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake

such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect holders of the Securities, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

For the purposes of the event identified in subsection (a)12. above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

(b) When a Listed Event occurs, the Issuer shall, in a timely manner not in excess of ten business days after the occurrence of the Listed Event, file a notice of such occurrence with the MSRB. Notwithstanding the foregoing, notice of Listed Events described in subsections (a) (8) and (9) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Securities pursuant to the Resolution.

(c) Unless otherwise required by law, the Issuer shall submit the information in the format prescribed by the MSRB, as described in Section 1(b) of this Disclosure Certificate.

Section 6. Termination of Reporting Obligation. The Issuer's obligations under the Resolution and this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all the Securities.

Section 7. Issuer Contact; Agent. Information may be obtained from the Issuer Contact. Additionally, the Issuer may, from time to time, appoint or engage a dissemination agent to assist it in carrying out its obligations under the Resolution and this Disclosure Certificate, and may discharge any such agent, with or without appointing a successor dissemination agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of the Resolution or this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if the following conditions are met:

(a)(i) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Issuer, or the type of business conducted; or

(ii) This Disclosure Certificate, as amended or waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(b) The amendment or waiver does not materially impair the interests of beneficial owners of the Securities, as determined and certified to the Issuer by an underwriter, financial advisor, bond counsel or trustee.

In the event this Disclosure Certificate is amended for any reason other than to cure any ambiguities, inconsistencies, or typographical errors that may be contained herein, the Issuer agrees the next Annual Report it submits after such amendment shall include an explanation of the reasons for the amendment and the impact of the change, if any, on the type of financial statements or operating data being provided.

If the amendment concerns the accounting principles to be followed in preparing financial statements, then the Issuer agrees that it will give an event notice and that the next Annual Report it submits after such amendment will include a comparison between financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. (a) Except as described in the Final Official Statement, in the previous five years, the Issuer has not failed to comply in all material respects with any previous undertakings under the Rule to provide annual reports or notices of events.

(b) In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any holder of the Securities may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under the Resolution and this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default with respect to the Securities and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

Section 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Participating Underwriters and holders from time to time of the Securities, and shall create no rights in any other person or entity.

IN WITNESS WHEREOF, we have executed this Certificate in our official capacities effective the 1st day of July, 2026.

(SEAL)

Roseann Geib
President

Theresa Bartley
Village Clerk/Deputy Treasurer

NOTICE OF SALE

**\$2,945,000* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2026A
VILLAGE OF BELGIUM, WISCONSIN**

Bids for the purchase of \$2,945,000* General Obligation Promissory Notes, Series 2026A (the "Notes") of the Village of Belgium, 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 10:30 A.M., Central Time, and **ELECTRONIC PROPOSALS** will be received via **PARITY**, in the manner described below, until 10:30 A.M., Central Time, on June 8, 2026, at which time they will be opened, read and tabulated. The bids will be presented to the Village Board for consideration for award by resolution at a meeting to be held at 7:00 P.M., Central Time, on the same date. The bid offering to purchase the Notes upon the terms specified herein and most favorable to the Village will be accepted unless all bids are rejected.

AUTHORITY; PURPOSE; SECURITY

The Notes are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the Village, for public purposes, including paying the costs of water system improvements, sanitary sewer system improvements, street improvements and stormwater system improvements. The Notes are general obligations of the Village, and all the taxable property in the Village is subject to the levy of a tax to pay the principal of and interest on the Notes as they become due which tax may, under current law, be levied without limitation as to rate or amount.

DATES AND MATURITIES

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

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2027	\$290,000	2034	\$70,000	2041	\$90,000
2028	350,000	2035	70,000	2042	95,000
2029	365,000	2036	75,000	2043	100,000
2030	190,000	2037	75,000	2044	105,000
2031	190,000	2038	80,000	2045	110,000
2032	200,000	2039	85,000	2046	115,000
2033	205,000	2040	85,000		

ADJUSTMENT OPTION

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

TERM BOND OPTION

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

INTEREST PAYMENT DATES AND RATES

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

BOOK-ENTRY-ONLY FORMAT

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

PAYING AGENT

The Village has selected Bond Trust Services Corporation, Minneapolis, Minnesota ("BTSC"), to act as paying agent (the "Paying Agent"). BTSC and Ehlers are affiliate companies. The Village will pay the charges for Paying Agent services. The Village reserves the right to remove the Paying Agent and to appoint a successor.

OPTIONAL REDEMPTION

At the option of the Village, the Notes maturing on or after June 1, 2036 shall be subject to optional redemption prior to maturity on June 1, 2035 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

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

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

DELIVERY

On or about July 1, 2026, the Notes will be delivered without cost to the winning bidder at DTC. On the day of closing, the Village will furnish to the winning bidder the opinion of bond counsel hereinafter described, an arbitrage certification, and certificates verifying that no litigation in any manner questioning the validity of the Notes is then pending or, to the best knowledge of officers of the Village, threatened. Payment for the Notes must be received by the Village at its designated depository on the date of closing in immediately available funds.

LEGAL MATTERS

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

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

SUBMISSION OF BIDS

Bids must not be for less than \$2,908,187.50, nor more than \$3,180,600, plus accrued interest on the principal sum of \$2,945,000 from date of original issue of the Notes to date of delivery. Prior to the time established above for the opening of bids, interested parties may submit a bid as follows:

- 1) Electronically to bondsale@ehlers-inc.com; or
- 2) Electronically via **PARITY** in accordance with this Notice of Sale until 10:30 A.M., Central Time, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in **PARITY** conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about **PARITY**, potential bidders may contact IHS Markit (now part of S&P Global) at <https://ihsmarkit.com/products/municipal-issuance.html> or via telephone (844) 301-7334.

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

A good faith deposit ("Deposit") in the amount of \$58,900 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The Village reserves the right to award the Notes to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the Village may award the Notes to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the Village as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith.

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

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

AWARD

The Notes will be awarded to the bidder offering the lowest interest rate to be determined on a True Interest Cost (TIC) basis. The Village's computation of the interest rate of each bid, in accordance with customary practice, will be controlling. In the event of a tie, the sale of the Notes will be awarded by lot. The Village reserves the right to reject any and all bids and to waive any informality in any bid.

BOND INSURANCE

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

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

CUSIP NUMBERS

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

QUALIFIED TAX-EXEMPT OBLIGATIONS

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

CONTINUING DISCLOSURE

In order to assist the Underwriter (Syndicate Manager) in complying with the provisions of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 the Village will enter into an undertaking for the benefit of the holders of the Notes. A description of the details and terms of the undertaking is set forth in Appendix D of the Official Statement.

NEW ISSUE PRICING

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

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

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

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

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

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

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

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the underwriters have sold at least 10% of that maturity of the Notes to the public at a price that is no higher than the initial offering price to the public.

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

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

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

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

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

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

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

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

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

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

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

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

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

(g) Sales of any Notes to any person that is a related party to an underwriter participating in the initial sale of the Notes to the public (each term being used as defined below) shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

- (i) "public" means any person other than an underwriter or a related party,
- (ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the Village (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Notes to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Notes to the public),
- (iii) a purchaser of any of the Notes is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) "sale date" means the date that the Notes are awarded by the Village to the winning bidder.

PRELIMINARY OFFICIAL STATEMENT

Bidders may obtain a copy of the Official Statement relating to the Notes prior to the bid opening by request from Ehlers at www.ehlers-inc.com by connecting to the Bond Sales link. The Underwriter (Syndicate Manager) will be provided with an electronic copy of the Final Official Statement within seven business days of the bid acceptance. Up to 10 printed copies of the Final Official Statement will be provided upon request. Additional copies of the Final Official Statement will be available at a cost of \$10.00 per copy.

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

By Order of the Village Board

Theresa Bartley, Village Clerk/Deputy Treasurer
Village of Belgium, Wisconsin

BID FORM

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

June 8, 2026

RE: \$2,945,000* General Obligation Promissory Notes, Series 2026A (the "Notes")
DATED: July 1, 2026

For all or none of the above Notes, in accordance with the Notice of Sale and terms of the Global Book-Entry System (unless otherwise specified by the Purchaser) as stated in this Official Statement, we will pay you \$_____ (not less than \$2,908,187.50, nor more than \$3,180,600) plus accrued interest to date of delivery for fully registered Notes bearing interest rates and maturing in the stated years as follows:

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

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

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

All Notes of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

A good faith deposit ("Deposit") in the amount of \$58,900 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The Village reserves the right to award the Notes to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the Village may award the Notes to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the Village as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith. We agree to the conditions and duties of Ehlers and Associates, Inc., as escrow holder of the Deposit, pursuant to the Notice of Sale. This bid is for prompt acceptance and is conditional upon delivery of said Notes to The Depository Trust Company, New York, New York, in accordance with the Notice of Sale. Delivery is anticipated to be on or about July 1, 2026.

This bid is subject to the Village's agreement to enter into a written undertaking to provide continuing disclosure under Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 as described in the Official Statement for the Notes.

We have received and reviewed the Official Statement, and any addenda thereto, and have submitted our requests for additional information or corrections to the Final Official Statement. As Underwriter (Syndicate Manager), we agree to provide the Village with the reoffering price of the Notes within 24 hours of the bid acceptance.

This bid is a firm offer for the purchase of the Notes identified in the Notice of Sale, on the terms set forth in this bid form and the Notice of Sale, and is not subject to any conditions, except as permitted by the Notice of Sale.

By submitting this bid, we confirm that we are an underwriter and have an established industry reputation for underwriting new issuances of municipal bonds. YES: ___ NO: ___.

If the competitive sale requirements are not met, we elect to use either the: ___ 10% test, or the ___ hold-the-offering-price rule to determine the issue price of the Notes.

Account Manager: _____ By: _____
Account Members: _____

Award will be on a true interest cost basis. According to our computations (the correct computation being controlling in the award), the total dollar interest cost (including any discount or less any premium) computed from July 1, 2026 of the above bid is \$_____ and the true interest cost (TIC) is _____%.

The foregoing offer is hereby accepted on behalf of the Village Board of the Village of Belgium, Wisconsin, on June 8, 2026.

By: _____ By: _____
Title: _____ Title: _____