

Village of Menomonee Falls

Financial Statements and
Supplementary Information

December 31, 2023

Village of Menomonee Falls

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Independent Auditors' Report

To the Village Board of
Village of Menomonee Falls

Report on the Audit of the Financial Statements

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 Menomonee Falls (the Village), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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, 2023 and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund 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) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 the Village and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 31, 2024 on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

The image shows a handwritten signature in black ink that reads "Baker Tilly US, LLP". The signature is written in a cursive, flowing style.

Milwaukee, Wisconsin
July 31, 2024

Village of Menomonee Falls

Statement of Net Position

December 31, 2023

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets and Deferred Outflows of Resources			
Cash and equivalents	\$ 29,834,511	\$ 13,702,749	\$ 43,537,260
Receivables:			
Current	29,146,660	7,347,803	36,494,463
Inventories	735,791	120,305	856,096
Prepaid items	85,822	2,502	88,324
Restricted assets:			
Cash and equivalents, current	853,100	77,905	931,005
Cash and equivalents, noncurrent	-	8,361,622	8,361,622
Prepaid capacity charges	-	1,604,222	1,604,222
Capital assets, net of depreciation/amortization	195,769,517	169,492,817	365,262,334
Total assets	256,425,401	200,709,925	457,135,326
Deferred Outflows of Resources			
Deferred outflows related to pensions	23,075,921	2,683,803	25,759,724
Deferred outflows related to OPEB, life insurance	483,135	105,336	588,471
Deferred outflows related to OPEB, health	23,096	2,566	25,662
Total deferred outflows of resources	23,582,152	2,791,705	26,373,857
Liabilities, Deferred Inflows of Resources and Net Position			
Liabilities			
Accounts payable and accrued expenses	3,093,821	3,740,084	6,833,905
Accrued interest	594,176	-	594,176
Compensated absences	2,141,254	536,852	2,678,106
Deposits	279,292	50,000	329,292
Unearned revenue	-	2,402,818	2,402,818
Unearned ARPA grant funds	641,864	-	641,864
Liabilities payable from restricted assets:			
Current portion of revenue bonds	-	113,845	113,845
Accrued interest	-	132,823	132,823
Noncurrent liabilities:			
Due within one year	7,745,000	1,360,000	9,105,000
Due in more than one year	64,465,557	12,257,700	76,723,257
Net pension liability	6,428,450	424,907	6,853,357
Total OPEB liability	2,120,973	235,664	2,356,637
Net OPEB liability	899,043	196,016	1,095,059
Total liabilities	88,409,430	21,450,709	109,860,139
Deferred Inflows of Resources			
Subsequent year's taxes	33,091,725	-	33,091,725
Pension related amounts	12,438,155	1,980,667	14,418,822
OPEB related amounts	984,140	187,119	1,171,259
Unamortized gain on refunding	13,366	-	13,366
Lease related amounts	301,308	1,454,633	1,755,941
Unearned revenue	295,622	-	295,622
Total deferred inflows of resources	47,124,316	3,622,419	50,746,735
Net Position			
Net investment in capital assets	128,107,477	156,842,567	284,950,044
Restricted for:			
Capital projects	2,606,832	5,633,776	8,240,608
Other	2,865,479	1,067,542	3,933,021
Library operations and maintenance	1,201,126	-	1,201,126
Unrestricted	9,692,893	14,884,617	24,577,510
Total net position	\$ 144,473,807	\$ 178,428,502	\$ 322,902,309

See notes to financial statements

Village of Menomonee Falls

Statement of Activities

Year Ended December 31, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary Government							
Governmental activities:							
General government	\$ 5,050,644	\$ 187,220	\$ -	\$ -	\$ (4,863,424)	\$ -	\$ (4,863,424)
Public safety	21,951,593	3,767,766	139,568	678	(18,043,581)	-	(18,043,581)
Public works	7,762,219	2,608,273	2,742,108	1,811,789	(600,049)	-	(600,049)
Culture and recreation	5,565,279	79,740	32,132	768,567	(4,684,840)	-	(4,684,840)
Conservation and development	4,672,748	193,000	-	-	(4,479,748)	-	(4,479,748)
Interest and fiscal charges	2,168,006	-	-	-	(2,168,006)	-	(2,168,006)
Total governmental activities	47,170,489	6,835,999	2,913,808	2,581,034	(34,839,648)	-	(34,839,648)
Business-Type Activities							
Water Utility	7,628,022	7,357,252	-	3,579,853	-	3,309,083	3,309,083
Sewer Utility	11,822,351	10,072,961	-	4,574,513	-	2,825,123	2,825,123
Stormwater Utility	1,865,239	60,747	-	2,640,872	-	836,380	836,380
Solid Waste Collection	2,229,370	2,174,935	-	80,181	-	25,746	25,746
Total business-type activities	23,544,982	19,665,895	-	10,875,419	-	6,996,332	6,996,332
Total primary government	<u>\$ 70,715,471</u>	<u>\$ 26,501,894</u>	<u>\$ 2,913,808</u>	<u>\$ 13,456,453</u>	(34,839,648)	6,996,332	(27,843,316)
General Revenues							
Taxes:							
Property taxes levied for general purposes					21,590,142	-	21,590,142
Property taxes levied for utility purposes					-	931,000	931,000
Property taxes levied for debt service					2,525,000	-	2,525,000
Property taxes levied for TID districts					5,419,832	-	5,419,832
Other taxes for general purposes					814,409	-	814,409
Grants and contributions not restricted to specific programs					1,858,956	-	1,858,956
Investment earnings					2,112,076	911,063	3,023,139
Gain (loss) on disposal of capital assets					22,680		22,680
Miscellaneous revenue					1,265,235	224,124	1,489,359
Transfers					12,202	(12,202)	-
Total general revenues					35,620,532	2,053,985	37,674,517
Change in net position					780,884	9,050,317	9,831,201
Net Position, Beginning					143,692,923	169,378,185	313,071,108
Net Position, Ending					\$ 144,473,807	\$ 178,428,502	\$ 322,902,309

See notes to financial statements

Village of Menomonee Falls

Balance Sheet -
Governmental Funds
December 31, 2023

	General	General Debt Service	Capital Project Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and equivalents	\$ 19,567,497	\$ 146,398	\$ 203,202	\$ 9,604,157	\$ 29,521,254
Restricted assets:					
Cash and equivalents	-	-	-	853,100	853,100
Accounts receivable:					
Taxes	14,626,288	2,525,000	-	8,003,611	25,154,899
Special charges on the tax roll	29,706	-	-	6,084	35,790
Intergovernmental aid	74,434	-	-	-	74,434
Special assessments	-	-	-	711,879	711,879
Accounts, net	1,774,349	-	758,122	326,034	2,858,505
Leases	279,539	-	-	-	279,539
Prepaid Items	85,822	-	-	-	85,822
Inventory of supplies, at cost	735,791	-	-	-	735,791
Advances to other governmental funds	1,599,442	-	-	3,686,409	5,285,851
Total assets	<u>\$ 38,772,868</u>	<u>\$ 2,671,398</u>	<u>\$ 961,324</u>	<u>\$ 23,191,274</u>	<u>\$ 65,596,864</u>
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable and other accrued liabilities	\$ 2,049,284	\$ -	\$ 420,927	\$ 623,610	\$ 3,093,821
Accrued compensated absences	1,987,877	-	-	153,377	2,141,254
Deposits	96,945	-	158,313	24,034	279,292
Unearned ARPA revenue	-	-	-	641,864	641,864
Long-term advances from other governmental funds	-	-	-	5,285,851	5,285,851
Total liabilities	<u>4,134,106</u>	<u>-</u>	<u>579,240</u>	<u>6,728,736</u>	<u>11,442,082</u>
Deferred inflows of resources					
Subsequent year's taxes	22,563,113	2,525,000	-	8,003,612	33,091,725
Miscellaneous unavailable revenue	1,021,325	-	-	-	1,021,325
Special assessments unavailable revenue	-	-	-	506,014	506,014
Lease related amounts	301,308	-	-	-	301,308
Total deferred inflows of resources	<u>23,885,746</u>	<u>2,525,000</u>	<u>-</u>	<u>8,509,626</u>	<u>34,920,372</u>
Fund Balances					
Nonspendable	2,261,709	-	-	3,686,409	5,948,118
Restricted:					
Capital projects	-	-	-	2,606,832	2,606,832
Other	-	146,398	-	4,066,605	4,213,003
Committed	-	-	382,084	443,815	825,899
Assigned	-	-	-	2,216,091	2,216,091
Unassigned (deficit)	8,491,307	-	-	(5,066,840)	3,424,467
Total fund balances	<u>10,753,016</u>	<u>146,398</u>	<u>382,084</u>	<u>7,952,912</u>	<u>19,234,410</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 38,772,868</u>	<u>\$ 2,671,398</u>	<u>\$ 961,324</u>	<u>\$ 23,191,274</u>	<u>65,596,864</u>
Total fund balances from above	<u>\$ 10,753,016</u>	<u>\$ 146,398</u>	<u>\$ 382,084</u>	<u>\$ 7,952,912</u>	<u>19,234,410</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.	195,769,517
Internal service funds are reported in the Statement of Net Position as governmental activities	344,871
The net pension, total OPEB and net OPEB liabilities do not relate to current financial resources and is not reported in the governmental funds.	(9,448,466)
Deferred outflows of resources related to pension and OPEB do not relate to current financial resources and are not reported in the governmental funds.	23,582,152
Deferred inflows of resources related to pension and OPEB do not relate to current financial resources and are not reported in the governmental funds.	(13,422,295)
Some receivables that are not currently available are reported as unavailable revenue in the fund financial statements but are recognized as revenue when earned in the government-wide statements.	1,231,717
Some liabilities, including long-term debt, are not due and payable in the current period and therefore are not reported in the funds.	(72,818,099)

Net Poistion of Governmental Activities \$ 144,473,807

See notes to financial statements

Village of Menomonee Falls

Statement of Revenues, Expenditures and Changes in Fund Balances -

Governmental Funds

Year Ended December 31, 2023

	General	General Debt Service	Capital Project Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Property taxes	\$ 19,582,142	\$ 2,525,000	\$ -	\$ 7,427,832	\$ 29,534,974
Other taxes	209,374	-	-	345,436	554,810
Charges for services:					
Licenses and permits	1,578,625	-	-	-	1,578,625
Fines and forfeitures	484,062	-	-	21,046	505,108
Program revenues	-	-	-	365	365
Tipping fees	-	-	-	2,441,831	2,441,831
Other charges for services	2,421,548	-	-	-	2,421,548
Intergovernmental	4,403,210	-	111,220	1,636,216	6,150,646
Donations	-	-	300,000	59,962	359,962
Platting fees	-	-	-	193,000	193,000
Impact fees	-	-	-	857,675	857,675
Investment earnings	882,448	14,553	107,612	855,563	1,860,176
Interest on advances to governmental funds	83,706	-	-	166,237	249,943
Other revenues	471,057	-	742,675	149	1,213,881
Total revenues	30,116,172	2,539,553	1,261,507	14,005,312	47,922,544
Expenditures					
Current:					
General government	4,345,160	-	17,815	154,085	4,517,060
Public safety	20,498,214	-	-	378,656	20,876,870
Public works	3,283,091	-	-	775,507	4,058,598
Culture and recreation	1,247,885	-	-	2,407,143	3,655,028
Conservation and development	1,183,264	-	8,362	3,162,363	4,353,989
Capital outlay	-	-	4,630,935	2,587,589	7,218,524
Debt service:					
Principal on long-term debt	-	7,255,000	-	-	7,255,000
Interest and fiscal charges on long-term debt	-	2,128,763	-	23,426	2,152,189
Bond expenses	-	-	58,110	566	58,676
Interest on advances from governmental funds	-	-	-	249,944	249,944
Total expenditures	30,557,614	9,383,763	4,715,222	9,739,279	54,395,878
Excess (deficiency) of revenues over expenditures	(441,442)	(6,844,210)	(3,453,715)	4,266,033	(6,473,335)
Other Financing Sources (Uses)					
Proceeds from sale of capital assets	-	-	-	22,680	22,680
Transfers in	-	6,989,363	250,741	1,181,279	8,421,383
Transfers out	(382,000)	-	(98,950)	(8,990,449)	(9,471,399)
Transfers from water utility, PILOT	1,062,218	-	-	-	1,062,218
Proceeds from long-term debt	-	-	2,025,000	630,000	2,655,000
Premiums on long-term debt	-	-	94,382	29,410	123,792
Total other financing sources (uses)	680,218	6,989,363	2,271,173	(7,127,080)	2,813,674
Net change in fund balance	238,776	145,153	(1,182,542)	(2,861,047)	(3,659,660)
Fund Balances, Beginning	10,514,240	1,245	1,564,626	10,813,959	22,894,070
Fund Balances, Ending	\$ 10,753,016	\$ 146,398	\$ 382,084	\$ 7,952,912	\$ 19,234,410

See notes to financial statements

Village of Menomonee Falls

Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended December 31, 2023

Net Change in Fund Balances, Total Governmental Funds \$ (3,659,660)

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	7,218,524
Some items reported as capital outlay were not capitalized	(120,939)
Depreciation is reported in the government-wide statements	(5,767,866)

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. This amount is the net effect of the differences in the treatment of long-term debt.

Long-term debt issued	(2,655,000)
Premium on debt issued	(123,792)
Lease principal repaid	
Principal repaid	7,255,000

Revenues are reported in the governmental funds when current financial resources are available, but are recognized when earned in the Statement of Activities. (6,053)

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 long-term debt	56,344
Amortization of premiums	236,459
Compensated absences	53,723
Net pension asset/liability	(15,846,424)
Deferred outflows of resources related to pension	4,587,599
Deferred inflows of resources related to pension	9,741,774
Other postemployment benefits - LRLIF	416,066
Other postemployment benefits - Health	69,052
Deferred outflows of resources related to other postemployment benefits	(311,132)
Deferred inflows of resources related to other postemployment benefits	(442,828)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.

80,037

Change in Net Position of Governmental Activities \$ 780,884

Village of Menomonee Falls

General Fund

Detailed Schedule of Revenues - Budget and Actual

Year Ended December 31, 2023

	Budgeted Amounts Final	Actual	Variance With Final Budget Positive (Negative)
Revenues			
General property taxes	\$ 19,582,000	\$ 19,582,142	\$ 142
Other taxes	150,000	209,374	59,374
Licenses and permits	1,695,700	1,578,625	(117,075)
Fines and forfeitures	668,500	484,062	(184,438)
Intergovernmental	4,836,800	4,403,210	(433,590)
Charges for services	2,880,200	2,421,548	(458,652)
Investment earnings	94,900	882,448	787,548
Interest on advances to other governmental funds	19,700	83,706	64,006
Other	218,000	471,057	253,057
Total revenues	30,145,800	30,116,172	(29,628)
Expenditures			
General government	4,743,450	4,345,160	(398,290)
Public safety	20,469,827	20,498,214	28,387
Public works	4,317,500	3,283,091	(1,034,409)
Culture and recreation	1,227,400	1,247,885	20,485
Conservation and development	842,000	1,183,264	341,264
Total expenditures	31,600,177	30,557,614	(1,042,563)
Excess (deficiency) of revenues over expenditures	(1,454,377)	(441,442)	1,012,935
Other Financing Sources (Uses)			
Transfers in	536,377	-	(536,377)
Transfers out	(382,000)	(382,000)	-
Transfers from water utility, PILOT	1,300,000	1,062,218	(237,782)
Total other financing sources (uses)	1,454,377	680,218	(774,159)
Net change in fund balance	\$ -	238,776	\$ 238,776
Fund Balance, Beginning		10,514,240	
Fund Balance, Ending		\$ 10,753,016	

See notes to financial statements

Village of Menomonee Falls

Statement of Net Position -

Proprietary Funds

December 31, 2023

	Business-Type Activities - Enterprise Funds					Governmental Activities - Internal Service Fund
	Water Utility	Sewer Utility	Storm Water Utility	Nonmajor Solid Waste Collection	Total Enterprise Funds	
Assets						
Current assets:						
Cash and equivalents	\$ 9,706,193	\$ 3,480,743	\$ 107,545	\$ 408,268	\$ 13,702,749	\$ 313,257
Cash and equivalents, restricted (current)	-	77,905	-	-	77,905	-
Receivables:						
Special charges on the tax roll	159,299	329,548	-	2,234,730	2,723,577	-
Utility customers	954,637	1,990,426	6,468	-	2,951,531	-
Special assessments, current	155,516	-	-	-	155,516	-
Other, net	19,931	42,071	-	544	62,546	31,614
Leases	1,454,633	-	-	-	1,454,633	-
Prepays	2,502	-	-	-	2,502	-
Inventory	72,440	16,016	31,849	-	120,305	-
Total current assets	12,525,151	5,936,709	145,862	2,643,542	21,251,264	344,871
Noncurrent assets:						
Restricted:						
Cash and equivalents, restricted (noncurrent)	1,025,170	7,336,452	-	-	8,361,622	-
Advances to other funds	3,132,370	-	-	-	3,132,370	-
Prepaid capacity charge	-	1,604,222	-	-	1,604,222	-
Land	501,781	106,773	-	-	608,554	-
Construction in progress	2,690,796	612,699	155,997	-	3,459,492	-
Other capital assets, net of accumulated depreciation	77,254,531	52,595,996	35,574,244	-	165,424,771	-
Total noncurrent assets	84,604,648	62,256,142	35,730,241	-	182,591,031	-
Total assets	97,129,799	68,192,851	35,876,103	2,643,542	203,842,295	344,871
Deferred Outflows of Resources						
Deferred outflows related to pensions	1,515,050	909,030	259,723	-	2,683,803	-
Deferred outflows related to OPEB, life insurance	61,789	35,308	8,239	-	105,336	-
Deferred outflows related to OPEB, health	949	1,437	180	-	2,566	-
Total deferred outflows of resources	1,577,788	945,775	268,142	-	2,791,705	-
Liabilities						
Current liabilities:						
Accounts payable and accrued liabilities	2,746,271	851,771	23,843	188,199	3,810,084	-
Compensated absences	276,662	187,083	73,107	-	536,852	-
Unearned revenue	167,739	-	-	2,235,079	2,402,818	-
Current portion of general obligation notes	1,235,000	-	55,000	-	1,290,000	-
Liabilites payable from restricted assets						
Current portion of revenue bonds	-	113,845	-	-	113,845	-
Accrued interest	125,977	2,008	4,838	-	132,823	-
Total current liabilities	4,551,649	1,154,707	156,788	2,423,278	8,286,422	-
Noncurrent liabilities:						
Net pension liability	239,867	143,920	41,120	-	424,907	-
Net OPEB life insurance	114,981	65,704	15,331	-	196,016	-
Total OPEB, health liability	87,196	131,972	16,496	-	235,664	-
Deposits	-	-	50,000	-	50,000	-
Advances from other funds	-	-	3,132,370	-	3,132,370	-
General obligation notes	11,337,150	-	561,318	-	11,898,468	-
Revenue bonds	-	359,232	-	-	359,232	-
Total noncurrent liabilities	11,779,194	700,828	3,816,635	-	16,296,657	-
Total liabilities	16,330,843	1,855,535	3,973,423	2,423,278	24,583,079	-
Deferred Inflows of Resources						
Deferred inflows related to pensions	1,118,118	670,871	191,677	-	1,980,666	-
Deferred inflows related to OPEB, health	10,555	53,160	12,404	-	76,119	-
Deferred inflows related to OPEB, life insurance	93,029	15,975	1,997	-	111,001	-
Deferred inflows, leases	1,454,633	-	-	-	1,454,633	-
Total deferred inflows of resources	2,676,335	740,006	206,078	-	3,622,419	-
Net Position						
Net investment in capital assets	68,886,253	52,842,391	35,113,923	-	156,842,567	-
Restricted for:						
Operations and maintenance	-	884,442	-	-	884,442	-
Depreciation	-	183,100	-	-	183,100	-
Capital projects	1,025,170	4,608,606	-	-	5,633,776	-
Unrestricted (deficit)	9,788,986	8,024,546	(3,149,179)	220,264	14,884,617	344,871
Total net position	\$ 79,700,409	\$ 66,543,085	\$ 31,964,744	\$ 220,264	\$ 178,428,502	\$ 344,871

See notes to financial statements

Village of Menomonee Falls

Statement of Revenues, Expenses and Changes in Net Position -
Proprietary Funds
Year Ended December 31, 2023

	Business-Type Activities - Enterprise Funds					Governmental Activities - Internal Service Fund
	Water Utility	Sewer Utility	Storm Water Utility	Nonmajor Solid Waste Collection	Total Enterprise Funds	
Operating Revenues						
Charges for services	\$ 7,357,252	\$ 10,072,961	\$ 60,747	\$ 2,174,935	\$ 19,665,895	\$ -
General property taxes	-	-	931,000	-	931,000	-
Total operating revenues	7,357,252	10,072,961	991,747	2,174,935	20,596,895	-
Operating Expenses						
Operation and maintenance	3,036,930	8,964,835	548,448	2,229,370	14,779,583	48,992
Administrative expense	2,066,871	1,272,637	450,893	-	3,790,401	-
Depreciation expense	2,128,325	1,571,618	853,829	-	4,553,772	-
Regulatory commission remainder assessments	7,554	-	-	-	7,554	-
Total operating expenses	7,239,680	11,809,090	1,853,170	2,229,370	23,131,310	48,992
Operating income (loss)	117,572	(1,736,129)	(861,423)	(54,435)	(2,534,415)	(48,992)
Nonoperating Revenues (Expenses)						
Investment earnings	573,700	297,842	7,373	32,148	911,063	32,136
Sale of materials	-	-	-	-	-	-
Lease revenue	76,795	-	-	-	76,795	-
Miscellaneous	(65,263)	172,900	500	-	108,137	96,893
Grant revenue	-	622,346	-	80,181	702,527	-
Fiscal charges on debt	-	(283)	(283)	-	(566)	-
Amortization of debt premiums, discounts and losses on refundings	34,414	-	4,784	-	39,198	-
Debt issuance costs	(83,422)	-	-	-	(83,422)	-
Impact fees	449,956	370,937	-	-	820,893	-
Interest on long-term debt	(304,920)	(12,978)	(11,786)	-	(329,684)	-
Interest on advances from governmental funds	153,465	-	(153,465)	-	-	-
Total nonoperating revenues (expenses)	834,725	1,450,764	(152,877)	112,329	2,244,941	129,029
Income before contributions and transfers	952,297	(285,365)	(1,014,300)	57,894	(289,474)	80,037
Transfers in	985,211	-	64,799	-	1,050,010	-
Transfers to governmental funds, PILOT	(1,062,218)	-	-	-	(1,062,218)	-
Capital contributions from municipality	223,068	-	327,636	-	550,704	-
Capital contributions from developers	2,906,829	3,581,230	2,313,236	-	8,801,295	-
Change in net position	4,005,187	3,295,865	1,691,371	57,894	9,050,317	80,037
Net Position, Beginning	75,695,222	63,247,220	30,273,373	162,370	169,378,185	264,834
Net Position, Ending	<u>\$ 79,700,409</u>	<u>\$ 66,543,085</u>	<u>\$ 31,964,744</u>	<u>\$ 220,264</u>	<u>\$ 178,428,502</u>	<u>\$ 344,871</u>

See notes to financial statements

Village of Menomonee Falls

Statement of Cash Flows -

Proprietary Funds

Year Ended December 31, 2023

	Business-Type Activities - Enterprise Funds					Governmental Activities - Internal Service Fund
	Water Utility	Sewer Utility	Storm Water Utility	Nonmajor Solid Waste Collection	Total Enterprise Funds	
Cash Flows From Operating Activities						
Receipts from customers	\$ 7,669,829	\$ 10,057,850	\$ 990,279	\$ 2,255,136	\$ 20,973,094	\$ 7,121
Payments to suppliers	(2,550,464)	(8,162,147)	-	(2,213,603)	(12,926,214)	(63,051)
Payments to and on behalf of employees	(1,360,892)	(1,170,798)	(737,267)	(7,662)	(3,276,619)	-
Other receipts	-	-	66,766	-	66,766	-
Net cash flows from operating activities	3,758,473	724,905	319,778	33,871	4,837,027	(55,930)
Cash Flows From Noncapital Financing Activities						
Transfers, PILOT	(1,062,218)	-	-	-	(1,062,218)	-
Transfers from governmental funds	985,214	-	64,799	-	1,050,013	-
Net cash flows from noncapital related financing activities	(77,004)	-	64,799	-	(12,205)	-
Cash Flows From Capital and Related Financing Activities						
Proceeds from long-term debt	2,430,000	-	-	-	2,430,000	-
Acquisition and construction of capital assets	(6,639,884)	(94,097)	(84,181)	-	(6,818,162)	-
Debt Issuance costs	54,764	-	-	-	54,764	-
Principal payments on debt	(865,000)	(111,017)	(50,000)	-	(1,026,017)	-
Interest on debt	(309,716)	(13,746)	(165,948)	-	(489,410)	-
Advance to other funds	(353,465)	-	-	-	(353,465)	-
Impact fees	449,956	370,937	-	-	820,893	-
Contribution received for construction	-	622,346	-	-	622,346	-
Special assessments collected	30,548	-	-	-	30,548	-
Net Cash Flows From Capital and and related financing activities	(5,202,797)	774,423	(300,129)	-	(4,728,503)	-
Cash Flows From Investing Activities						
Investment earnings	600,082	297,842	7,376	32,151	937,451	32,136
Interest on advances	153,465	-	-	-	153,465	-
Net cash flows from investing activities	753,547	297,842	7,376	32,151	1,090,916	32,136
Net change in cash and cash equivalents	(767,781)	1,797,170	91,824	66,022	1,187,235	(23,794)
Cash and Cash Equivalents, Beginning	11,499,144	9,097,930	15,721	342,246	20,955,041	337,051
Cash and Cash Equivalents, Ending	\$ 10,731,363	\$ 10,895,100	\$ 107,545	\$ 408,268	\$ 22,142,276	\$ 313,257

See notes to financial statements

Village of Menomonee Falls

Statement of Cash Flows -

Proprietary Funds

Year Ended December 31, 2023

	Business-Type Activities - Enterprise Funds					Governmental Activities - Internal Service Fund
	Water Utility	Sewer Utility	Storm Water Utility	Nonmajor Solid Waste Collection	Total Enterprise Funds	
Reconciliation of Operating Income (Loss) to Net Cash From Operating Activities						
Operating income (loss)	\$ 117,572	\$ (1,736,129)	\$ (861,423)	\$ (54,435)	\$ (2,534,415)	\$ (48,992)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:						
Nonoperating income	179,123	172,900	500	80,181	432,704	-
Depreciation and amortization	2,295,919	1,571,618	853,829	-	4,721,366	-
Other operating expenses	-	252,152	-	-	252,152	96,893
Change in assets and liabilities and deferred outflows/inflows:						
Customer accounts receivable	119,334	(193,840)	-	-	(74,506)	7,121
Other accounts receivable	27,136	5,829	929,033	(77,840)	884,158	-
Inventory	24,723	238	(13,342)	-	11,619	-
Prepayments	(75)	-	-	-	(75)	-
Accounts payable	984,698	513,440	335,176	8,105	1,841,419	(110,952)
Accrued liabilities	(17,448)	(1,872)	1,169	-	(18,151)	-
Due from (to) other funds	(13,016)	-	-	-	(13,016)	-
Other postemployment benefits	(121,011)	46,135	(16,523)	-	(91,399)	-
Other current liabilities	14,312	(3,889)	1,827	-	12,250	-
Pension related deferrals and liabilities	147,206	98,323	20,532	-	266,061	-
Deferred inflow of resources	-	-	(931,000)	77,860	(853,140)	-
Net cash flows from operating activities	<u>\$ 3,758,473</u>	<u>\$ 724,905</u>	<u>\$ 319,778</u>	<u>\$ 33,871</u>	<u>\$ 4,837,027</u>	<u>\$ (55,930)</u>
Noncash Capital and Related Financing Activities						
Amortization of premium	\$ 34,414	\$ 252,152	\$ -	\$ -	\$ -	\$ -
Capital contributions	<u>\$ 3,129,897</u>	<u>\$ 3,581,230</u>	<u>\$ 2,640,872</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Construction related accounts payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

See notes to financial statements

Village of Menomonee Falls

Statement of Fiduciary Net Position -

Fiduciary Funds

December 31, 2023

	Taxing Jurisdiction Fund
Assets	
Cash and investments	\$ 13,949,034
Taxes receivable	<u>48,672,211</u>
Total assets	<u><u>\$ 62,621,245</u></u>
Liabilities	
Due to other taxing units	<u>\$ 62,621,244</u>
Total liabilities	<u><u>\$ 62,621,244</u></u>

See notes to financial statements

Village of Menomonee Falls

Statement of Changes in Fiduciary Net Position -

Fiduciary Funds

Year Ended December 31, 2023

	Tax Jurisdiction Fund
Additions	
Collection of property taxes	\$ 46,812,232
Deductions	
Distributions to other governmental units	<u>46,812,232</u>
Change in fiduciary net position	<u><u>\$ -</u></u>

See notes to financial statements

Village of Menomonee Falls

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December 31, 2023

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Village of Menomonee Falls

Notes to Financial Statements
December 31, 2023

1. Summary of Significant Accounting Policies

The accounting policies of the Village of Menomonee Falls, 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. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

Fund Financial Statements

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

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

Village of Menomonee Falls

Notes to Financial Statements

December 31, 2023

- 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.
- 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 TID or enterprise 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.

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

Stormwater Utility accounts for operations of the stormwater system

The Village reports the following nonmajor governmental and enterprise funds:

Special Revenue Funds

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

Revolving Loan Fund

Police Department

Fire Department

American Rescue Plan

Library Operations and Maintenance

Tourism Commission

TID #9 EDMF

Community Grant

Teen Court

Cable TV

Park Department

Community Development

Library

Debt Issuance

Village of Menomonee Falls

Notes to Financial Statements

December 31, 2023

Capital Projects Funds

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

Special Assessments

Tax Incremental Financing District #6

Tax Incremental Financing District #8

Tax Incremental Financing District #10

Tax Incremental Financing District #12

Tax Incremental Financing District #14

Tax Incremental Financing District #16

Municipal Facilities and Equipment

Tax Incremental Financing District #7

Tax Incremental Financing District #9

Tax Incremental Financing District #11

Tax Incremental Financing District #13

Tax Incremental Financing District #15

Enterprise Funds

Enterprise Funds are used to account for and report any activity for which a fee is charged to external uses for goods or services, and must be used for activities which meet certain debt or cost recovery criteria.

Solid Waste Collection

In addition, the Village reports the following fund types:

Internal Service Funds

Internal Service Funds are used to account for and report the financing of goods or services provided by one department or agency to other departments or agencies of the Village, or to other governmental units, on a cost-reimbursement basis.

Risk Management

Custodial Funds

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.

Taxing Jurisdiction

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.

Village of Menomonee Falls

Notes to Financial Statements
December 31, 2023

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the Village's water, sewer, stormwater and solid waste collection proprietary funds 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.

The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water, sewer, stormwater and solid waste collection proprietary 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.

Village of Menomonee Falls

Notes to Financial Statements
December 31, 2023

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

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.

No policy exists for the following risks:

Credit risk

Custodial credit risk

Interest rate risk

Concentration of credit risk

Investments highly sensitive to interest rate changes

Foreign currency risk

Village of Menomonee Falls

Notes to Financial Statements
December 31, 2023

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

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF) and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2023, the fair value of the Village's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

See Note 3 for further information.

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 - 2023 tax roll:

Lien date and levy date	December 2023
Tax bills mailed	December 2023
Payment in full, or	January 31, 2024
First installment due	January 31, 2024
Second installment due	July 31, 2024
Personal property taxes in full	January 31, 2024
Tax sale - 2023 delinquent real estate taxes	October 2026

Accounts receivable have been shown net of an allowance for uncollectible accounts. 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, sewer, stormwater and solid waste collection utilities because they have the right by law to place substantially all delinquent bills on the tax roll and other delinquent bills are generally not significant.

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

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

Village of Menomonee Falls

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Inventories and Prepaid Items

Governmental fund inventories, if material, are recorded at cost based on the FIFO method using the purchases method of accounting. Proprietary fund inventories are generally used for construction and/or for operation and maintenance work. They are not for resale. They are valued at cost based on FIFO and charged to construction and/or operation and maintenance expense when used.

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.

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 (including right-to-use lease assets), 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 for general capital assets and \$50,000 for infrastructure assets and an estimated useful life in excess of 1 year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor 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 water utility uses rates set by the Public Service Commission. The range of estimated useful lives by type of asset is as follows:

Buildings	40 Years
Land improvements	20 Years
Machinery and equipment	4-25 Years
Infrastructure	25-80 Years

Lease assets are typically amortized over the lease term.

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.

Village of Menomonee Falls

Notes to Financial Statements
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Prepaid Capital Charges

This charge is in the sewer utility and represents their share of the construction costs for collections systems and treatment facilities shared with other municipalities and located outside of the municipal boundaries. Although the Village has no direct ownership of these facilities, it is entitled to a percentage of each facility's capacity. These costs are being amortized using the straight-line method over the expected life of the facilities.

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.

Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Employees accumulate vacation pay based on various factors but are generally required to use all vacation earned annually. The liability for accumulated vacation pay is expected to be paid from current resources.

All vested vacation and sick leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements, and are payable with expendable resources. The Village's policy for sick leave permits employees to accumulate sick leave to an unlimited amount. Upon retirement or death, a maximum of 880 hours will be paid to the retiree or beneficiary. The liability is generally liquidated by the general fund.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2023, are determined on the basis of current salary rates and include salary related payments.

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, revenue bonds, and accrued compensated absences.

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

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

The Village has approved the issuance of industrial revenue bonds (IRB) for the benefit of private business enterprises. IRB's are secured by mortgages or revenue agreements on the associated projects, and do not constitute indebtedness of the Village. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The total amount of IRB's outstanding at the end of the year is approximately \$14,722,245, made up of 4 issues.

Village of Menomonee Falls

Notes to Financial Statements
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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.
- 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.

Village of Menomonee Falls

Notes to Financial Statements
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- 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 Director of Finance 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.

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense the Village recognizes benefit payments when due and payable in accordance with the benefit terms.

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

- Net OPEB Liability;
- Deferred Outflows of Resources and Deferred Inflows of Resources Related to Other Postemployment Benefits; and
- OPEB Expense (Revenue).

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

Village of Menomonee Falls

Notes to Financial Statements
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Basis for Existing Rates

Water Utility

Current water rates were approved by the Public Service Commission of Wisconsin on January 1, 2017.

Sewer Utility

Current sewer rates were approved by the Village Board and are effective on June 1, 2023.

2. Stewardship, Compliance and Accountability

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.

A budget has been adopted for the General, Debt Service, Library Operations and Maintenance and Municipal Facilities and Equipment funds. A budget has not been formally adopted for all the remaining funds presented. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds.

The budgeted amounts presented include any amendments made. The Village may authorize transfers of budgeted amounts within functions. Changes to the overall budget must be approved by the Village Board.

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

Deficit Balances

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

As of December 31, 2023, the following individual funds held a deficit balance:

Fund	Amount	Reason
Tax Incremental Financing District #6	\$ 3,711,214	Excess expenditures over revenues
Tax Incremental Financing District #7	123,307	Excess expenditures over revenues
Tax Incremental Financing District #10	581,808	Excess expenditures over revenues
Tax Incremental Financing District #13	222,263	Excess expenditures over revenues
Tax Incremental Financing District #15	29,587	Excess expenditures over revenues
Tax Incremental Financing District #16	19,174	Excess expenditures over revenues
Debt Issuance Fund	379,487	Excess expenditures over revenues

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

Village of Menomonee Falls

Notes to Financial Statements
December 31, 2023

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 maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the statement of net position and balance sheet as cash 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	\$ 3,554,968	\$ 4,500,272	Custodial credit
LGIP	63,220,547	63,220,547	Credit
Petty cash	<u>3,406</u>	<u>-</u>	N/A
Total deposits and investments	<u>\$ 66,778,921</u>	<u>\$ 67,720,819</u>	
Reconciliation to financial statements			
Per statement of net position:			
Unrestricted cash and investments	\$ 43,537,260		
Restricted cash and investments	9,292,627		
Per statement of net position - fiduciary fund:			
Taxing Jurisdiction	<u>13,949,034</u>		
Total deposits and investments	<u>\$ 66,778,921</u>		

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit accounts (interest-bearing and noninterest-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 \$400,000. 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, 2023, the banks had pledged various government securities in the amount of \$5,677,982 to secure the Village's deposits.

Village of Menomonee Falls

Notes to Financial Statements
December 31, 2023

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.

Credit Risk

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

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

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

Receivables

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

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

	<u>Unearned</u>	<u>Unavailable</u>
Property taxes receivable for subsequent year	\$ 33,091,725	\$ -
Special assessments not yet due	-	506,014
ARPA funds received in advance	641,864	-
Ambulance and police revenue	-	725,703
	<u> </u>	<u> </u>
Total unearned/unavailable revenue for governmental funds	<u>\$ 33,733,589</u>	<u>\$ 1,231,717</u>
Unearned revenue included in liabilities	\$ 641,864	
Unearned revenue included in deferred inflows	<u>33,091,725</u>	
Total unearned revenue for governmental funds	<u>\$ 33,733,589</u>	

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.

Reserve - Used to report resources set aside to make up potential future deficiencies in the redemption account.

Village of Menomonee Falls

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Depreciation - Used to report resources set aside to fund plant renewals and replacement or make up potential future deficiencies in the redemption account.

Impact Fee Account

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

Interceptor Sewer Reserve Account

This restriction is per ordinance enacted related to the interceptor sewer tax.

Following is a list of restricted assets at December 31, 2023:

	Restricted Assets
Interceptor sewer reserve	\$ 1,660,304
Impact fee reserve - utilities	5,633,776
Special redemption reserve	77,905
Operation and maintenance reserve	884,442
Depreciation reserve	183,100
Impact fee account - park	<u>853,100</u>
Total	<u><u>\$ 9,292,627</u></u>

Capital Assets

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

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital assets not being depreciated / amortized:				
Land	\$ 106,851,601	\$ -	\$ -	\$ 106,851,601
Construction in progress	<u>6,876,769</u>	<u>2,411,036</u>	<u>5,045,547</u>	<u>4,242,258</u>
Total capital assets not being depreciated / amortized	<u>113,728,370</u>	<u>2,411,036</u>	<u>5,045,547</u>	<u>111,093,859</u>
Capital assets being depreciated / amortized:				
Land improvements	6,395,728	3,863,302	-	10,259,030
Building and improvements	60,797,505	236,983	-	61,034,488
Equipment and furnishings	24,847,779	2,271,979	154,134	26,965,624
Infrastructure	<u>64,338,420</u>	<u>3,359,832</u>	<u>206,097</u>	<u>67,492,155</u>
Total capital assets being depreciated / amortized	<u>156,379,432</u>	<u>9,732,096</u>	<u>360,231</u>	<u>165,751,297</u>
Total capital assets	<u><u>270,107,802</u></u>	<u><u>12,143,132</u></u>	<u><u>5,405,778</u></u>	<u><u>276,845,156</u></u>

Village of Menomonee Falls

Notes to Financial Statements
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	Beginning Balance	Additions	Deletions	Ending Balance
Less accumulated depreciation / amortization for:				
Land improvements	\$ (4,107,819)	\$ (382,149)	\$ -	\$ (4,489,968)
Building and improvements	(21,389,049)	(1,476,346)	-	(22,865,395)
Equipment and furnishings	(18,551,236)	(1,466,405)	154,134	(19,863,507)
Infrastructure	<u>(31,619,900)</u>	<u>(2,442,966)</u>	<u>206,097</u>	<u>(33,856,769)</u>
Total accumulated depreciation / amortization	<u>(75,668,004)</u>	<u>(5,767,866)</u>	<u>360,231</u>	<u>(81,075,639)</u>
Net capital assets being depreciated / amortized	<u>80,711,428</u>	<u>3,964,230</u>	<u>-</u>	<u>84,675,658</u>
Total governmental activities capital assets, excluding subscription assets	<u>\$ 194,439,798</u>	<u>\$ 6,375,266</u>	<u>\$ 5,045,547</u>	<u>\$ 195,769,517</u>

Depreciation / amortization expense was charged to functions as follows:

Governmental Activities

General government	\$ 502,916
Public safety	1,027,820
Public works	3,464,629
Culture and recreation	744,331
Conservation and development	<u>28,170</u>
Total governmental activities depreciation / amortization expense	<u>\$ 5,767,866</u>

Village of Menomonee Falls

Notes to Financial Statements

December 31, 2023

Business-Type Activities

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Water				
Capital assets not being depreciated:				
Land	\$ 501,781	\$ -	\$ -	\$ 501,781
Construction in progress	5,712,800	6,354,646	9,376,650	2,690,796
Total capital assets not being depreciated / amortized	6,214,581	6,354,646	9,376,650	3,192,577
Capital assets being depreciated / amortized:				
Building and Improvements	4,036,210	1,309,882	38,846	5,307,246
Equipment and furnishings	7,963,462	1,416,843	492,345	8,887,960
Infrastructure	93,248,846	10,283,015	369,698	103,162,163
Total capital assets being depreciated / amortized	105,248,518	13,009,740	900,889	117,357,369
Total capital assets	111,463,099	19,364,386	10,277,539	120,549,946
Less accumulated depreciation for:				
Building and Improvements	(3,240,506)	(145,419)	38,846	(3,347,079)
Equipment and furnishings	(5,819,007)	(454,837)	492,345	(5,781,499)
Infrastructure	(29,658,299)	(1,695,663)	369,698	(30,984,264)
Total accumulated depreciation / amortization	(38,717,812)	(2,295,919)	900,889	(40,112,842)
Net capital assets being depreciated / amortized	66,530,706	10,713,821	-	77,244,527
Net water capital assets	<u>\$ 72,745,287</u>	<u>\$ 17,068,467</u>	<u>\$ 9,376,650</u>	<u>\$ 80,437,104</u>
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Sewer				
Capital assets not being depreciated:				
Land	\$ 106,773	\$ -	\$ -	\$ 106,773
Construction in progress	601,239	78,582	67,122	612,699
Total capital assets not being depreciated / amortized	708,012	78,582	67,122	719,472
Capital assets being :				
Land improvements	34,455	-	-	34,455
Buildings and improvements	5,222,123	-	-	5,222,123
Equipment and furnishings	2,269,095	6,365	-	2,275,460
Infrastructure	78,512,321	3,648,352	-	82,160,673
Total capital assets being depreciated / amortized	86,037,994	3,654,717	-	89,692,711
Total capital assets	86,746,006	3,733,299	67,122	90,412,183
Less accumulated depreciation / amortization for:				
Land improvements	(31,753)	(901)	-	(32,654)
Buildings and improvements	(3,883,776)	(197,470)	-	(4,081,246)
Equipment and furnishings	(1,433,499)	(117,072)	-	(1,550,571)
Infrastructure	(30,176,069)	(1,256,175)	-	(31,432,244)
Total accumulated depreciation / amortization	(35,525,097)	(1,571,618)	-	(37,096,715)
Net capital assets being depreciated / amortized	50,512,897	2,083,099	-	52,595,996
Net sewer capital assets	<u>\$ 51,220,909</u>	<u>\$ 2,161,681</u>	<u>\$ 67,122</u>	<u>\$ 53,315,468</u>

Village of Menomonee Falls

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	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Stormwater				
Capital assets not being depreciated:				
Construction in progress	\$ 71,816	\$ 84,181	\$ -	\$ 155,997
Total capital assets not being depreciated / amortized	<u>71,816</u>	<u>84,181</u>	<u>-</u>	<u>155,997</u>
Capital assets being depreciated / amortized:				
Land improvements	1,878,754	-	-	1,878,754
Equipment and furnishings	290,337	-	-	290,337
Infrastructure	48,462,894	2,640,872	-	51,103,766
Total capital assets being depreciated / amortized	<u>50,631,985</u>	<u>2,640,872</u>	<u>-</u>	<u>53,272,857</u>
Total capital assets	<u>50,703,801</u>	<u>2,725,053</u>	<u>-</u>	<u>53,428,854</u>
Less accumulated depreciation for:				
Land improvements	(722,252)	(36,458)	-	(758,710)
Equipment and furnishings	(222,456)	(13,911)	-	(236,367)
Infrastructure	(15,900,076)	(803,460)	-	(16,703,536)
Total accumulated depreciation / amortization	<u>(16,844,784)</u>	<u>(853,829)</u>	<u>-</u>	<u>(17,698,613)</u>
Net capital assets being depreciated / amortized	<u>33,787,201</u>	<u>1,787,043</u>	<u>-</u>	<u>35,574,244</u>
Net stormwater capital assets	<u>\$ 33,859,017</u>	<u>\$ 1,871,224</u>	<u>\$ -</u>	<u>\$ 35,730,241</u>
Business-type activities capital assets, net as reported in the statement of net position	<u>\$ 157,825,213</u>	<u>\$ 21,101,372</u>	<u>\$ 9,443,772</u>	<u>\$ 169,482,813</u>

Depreciation expense was charged to functions as follows:

Business-Type Activities

Sewer	\$ 1,571,618
Water	2,128,325
Stormwater	<u>853,829</u>

Total business-type activities , net as reported in the
statement of net position expense \$ 4,553,772

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

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Notes to Financial Statements
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Interfund Advances and Transfers

Advances

The general, capital project - municipal facilities and equipment funds and the water utility are advancing funds to various capital project - tax incremental financing district funds and the stormwater utility. The amount advanced is determined by the deficiency of revenues over expenditures and other financing sources. The various receiving funds are charging interest on the advance based on the average outstanding advance balance during the year at a rate of 5.02 percent. No repayment schedules has been established.

The following is a schedule of interfund advances:

Receivable Fund	Payable Fund	Amount	Amount Not Due Within One Year
General fund	Capital Projects, Tax Incremental Financing District #6	\$ 1,429,068	\$ 1,429,068
Water Utility	Stormwater Utility	3,132,370	3,132,370
General fund	Capital Projects, Tax Incremental Financing District #7	170,374	170,374
Capital Projects, Municipal Facilities and Equipment fund	Capital Projects, Tax Incremental Financing District #6	2,286,617	2,286,617
Capital Projects, Municipal Facilities and Equipment fund	Capital Projects, Tax Incremental Financing District #10	737,636	737,636
Capital Projects, Municipal Facilities and Equipment fund	Capital Projects, Tax Incremental Financing District #13	359,275	359,275
Capital Projects, Municipal Facilities and Equipment fund	Capital Projects, Tax Incremental Financing District #14	66,479	66,479
Capital Projects, Municipal Facilities and Equipment fund	Capital Projects, Tax Incremental Financing District #15	36,381	36,381
Capital Projects, Municipal Facilities and Equipment fund	Capital Projects, Tax Incremental Financing District #16	25,000	25,000
Capital Projects, Municipal Facilities and Equipment fund	Capital Projects, Tax Incremental Financing District #9	175,021	175,021
Total, fund financial statements		8,418,221	
Less fund eliminations		(8,418,221)	
Total, interfund advances, government-wide statement of net position		\$ -	
Receivable Fund	Payable Fund	Amount	
Governmental activities	Business-type activities	\$ -	
Business-type activities	Governmental activities	-	
Total government-wide financial statements		\$ -	

Village of Menomonee Falls

Notes to Financial Statements
December 31, 2023

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	\$ 1,062,218	Tax equivalent
Debt service fund	Special revenue, debt issuance	379,204	Debt service coverage
Debt service fund	Special revenue, tourism commission	94,396	Debt service coverage
Debt service fund	Capital projects, municipal facilities and equipment fund	2,290,677	Debt service coverage
Debt service fund	Capital projects fund	98,950	Debt service coverage
Debt service fund	Capital project, tax incremental financing district #6	963,822	Debt service coverage
Debt service fund	Capital project, tax incremental financing district #8	2,024,393	Debt service coverage
Debt service fund	Capital project, tax incremental financing district #9	67,345	Debt service coverage
Debt service fund	Capital project, tax incremental financing district #10	576,462	Debt service coverage
Debt service fund	Capital project, tax incremental financing district #11	51,242	Debt service coverage
Debt service fund	Capital project, tax incremental financing district #12	283,542	Debt service coverage
Debt service fund	Capital project, tax incremental financing district #13	154,575	Debt service coverage
.	Capital project, tax incremental financing district #14	4,755	Debt service coverage
Capital projects fund	Special revenue, community development	231,641	Funding to cover capital needs
Capital projects fund	Special revenue, american rescue plan	19,100	Federal funding to cover project costs
Capital projects - municipal facilities and equipment fund	Special revenue, fire department	799,279	Funding to cover capital needs
Water utility	Special revenue, american rescue plan	160,211	Federal funding to cover project costs
Water utility	Special revenue, american rescue plan	825,000	Federal funding to cover project costs
Capital projects, municipal facilities and equipment fund	General fund	382,000	Funding to cover capital needs
Stormwater utility	Special revenue, american rescue plan	64,799	Federal funding to cover project costs
Total, fund financial statements		10,533,611	
Less fund eliminations		<u>(10,521,409)</u>	
Total transfers, government-wide statement of activities		<u>\$ 12,202</u>	

Village of Menomonee Falls

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December 31, 2023

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>
Governmental activities	Business-type activities	\$ 1,062,218
Business-type activities	Governmental activities	<u>(1,050,016)</u>
Total government-wide financial statements		<u>\$ 12,202</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, 2023, 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	\$ 72,470,000	\$ 2,655,000	\$ 7,255,000	\$ 67,870,000	\$ 7,325,000
(Discounts)/Premiums	<u>1,345,562</u>	<u>123,792</u>	<u>236,459</u>	<u>1,232,895</u>	<u>-</u>
Total bonds and notes payable	<u>73,815,562</u>	<u>2,778,792</u>	<u>7,491,459</u>	<u>69,102,895</u>	<u>7,325,000</u>
Other liabilities:					
Accumulated unpaid sick pay	3,161,385	-	53,723	3,107,662	420,000
Net OPEB, life	1,315,109	-	416,066	899,043	-
Total OPEB, health	2,190,025	-	69,052	2,120,973	-
Net Pension, WRS	<u>-</u>	<u>6,428,450</u>	<u>-</u>	<u>6,428,450</u>	<u>-</u>
Total other liabilities	<u>6,666,519</u>	<u>6,428,450</u>	<u>538,841</u>	<u>12,556,128</u>	<u>420,000</u>
Total governmental activities long-term liabilities, excluding lease liabilities	<u>\$ 80,482,081</u>	<u>\$ 9,207,242</u>	<u>\$ 8,030,300</u>	<u>\$ 81,659,023</u>	<u>\$ 7,745,000</u>
Business-Type Activities					
Bonds and notes payable:					
General obligation debt	\$ 11,305,000	\$ 2,430,000	\$ 915,000	\$ 12,820,000	\$ 1,290,000
Revenue bonds	584,094	-	111,018	473,076	113,845
(Discounts)/Premiums	<u>318,488</u>	<u>89,178</u>	<u>39,198</u>	<u>368,468</u>	<u>-</u>
Total bonds and notes payable	<u>12,207,582</u>	<u>2,519,178</u>	<u>1,065,216</u>	<u>13,661,544</u>	<u>1,403,845</u>
Other liabilities:					
Accumulated unpaid sick pay	424,110	-	18,151	405,959	70,000
Net OPEB, life	298,522	-	102,506	196,016	-
Total OPEB, health	224,557	11,107	-	235,664	-
Net Pension, WRS	<u>-</u>	<u>424,907</u>	<u>-</u>	<u>424,907</u>	<u>-</u>
Total other liabilities	<u>947,189</u>	<u>436,014</u>	<u>120,657</u>	<u>1,262,546</u>	<u>70,000</u>
Total business-type activities long-term liabilities, excluding lease liabilities	<u>\$ 13,154,771</u>	<u>\$ 2,955,192</u>	<u>\$ 1,185,873</u>	<u>\$ 14,924,090</u>	<u>\$ 1,473,845</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, 2023, was \$389,755,530. Total general obligation debt outstanding at year end was \$80,690,000.

Village of Menomonee Falls

Notes to Financial Statements

December 31, 2023

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.

Governmental Activities					Balance
General Obligation Debt	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	December 31, 2023
2014 promissory note	06/16/14	06/01/24	2.91%	\$ 4,920,000	\$ 1,000,000
2014 refunding bond	10/30/14	05/01/30	4.00	8,450,000	6,250,000
2015 promissory note	03/30/15	03/01/25	2.95	7,850,000	5,150,000
2015 promissory note	03/30/15	03/01/25	3.11	4,300,000	2,900,000
2015 promissory note	05/04/15	05/01/25	2.86	3,110,000	900,000
2016 promissory note	05/02/16	05/01/26	2.00	3,190,000	600,000
2016 refunding bond	11/21/16	06/01/33	2.99	7,425,000	6,050,000
2016 promissory note	11/21/16	06/01/26	2.00	2,500,000	1,000,000
2017 promissory note	06/20/17	06/01/27	2.64	14,935,000	5,805,000
2018 promissory note	06/18/18	06/01/28	3.00	3,340,000	945,000
2019 corporate purpose bond	07/10/19	02/01/29	3.50	2,030,000	1,200,000
2019 corporate purpose bonds	07/10/19	02/01/39	3.08	4,350,000	2,725,000
2020 promissory note	07/01/20	02/01/30	2.27	3,270,000	2,175,000
2021 promissory note	05/13/21	02/01/31	1.83	3,150,000	2,850,000
2022 promissory note	04/27/22	02/01/32	2.80	6,190,000	5,785,000
2022C community development bond	05/04/22	02/01/39	4.44	2,645,000	2,435,000
2023A promissory note	05/24/23	02/01/33	4.00	2,655,000	2,655,000
2019 corporate purpose bonds	07/10/19	09/01/38	2.74	18,435,000	<u>17,445,000</u>
Total governmental activities, general obligation debt					<u>\$ 67,870,000</u>

Business-Type Activities					Balance
General Obligation Debt	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	December 31, 2023
2020 bond	07/01/20	02/01/40	2.00%	\$ 1,460,000	\$ 1,235,000
2022 bond	04/27/22	02/01/35	2.56	1,350,000	1,250,000
2023 bond	05/24/23	02/01/43	4.00	2,430,000	2,430,000
2014 promissory note	06/16/14	06/01/24	2.91	4,920,000	495,000
2015 promissory note	05/04/15	05/01/25	2.86	3,110,000	670,000
2016 promissory note	05/02/16	05/01/26	2.00	3,190,000	840,000
2017 promissory note	06/20/17	06/01/27	2.64	14,935,000	895,000
2018 promissory note	06/18/18	06/01/28	3.00	3,340,000	1,015,000
2019 corporate purpose bonds	07/10/19	02/01/39	2.88	4,350,000	990,000
2021 corporate purpose bonds	05/13/21	02/01/41	2.00	3,400,000	<u>3,000,000</u>
Total business-type activities, general obligation debt					<u>\$ 12,820,000</u>

Village of Menomonee Falls

Notes to Financial Statements

December 31, 2023

Debt service requirements to maturity are as follows:

<u>Years</u>	Governmental Activities General Obligation Debt		Business-Type Activities General Obligation Debt	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 6,865,000	\$ 1,952,822	\$ 1,750,000	\$ 346,700
2025	13,965,000	1,619,829	1,285,000	285,760
2026	6,905,000	1,318,812	1,365,000	252,631
2027	7,020,000	1,119,197	1,275,000	220,668
2028	5,910,000	931,040	1,275,000	186,398
2029-2033	25,230,000	2,065,421	2,685,000	669,950
2034-2038	1,790,000	179,438	1,975,000	336,700
2039-2043	185,000	29,250	1,210,000	65,550
Total	<u>\$ 67,870,000</u>	<u>\$ 9,215,809</u>	<u>\$ 12,820,000</u>	<u>\$ 2,364,357</u>

Revenue Debt

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

Revenue debt payable at December 31, 2023, 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, 2023</u>
<u>Sewer Utility</u>					
Clean water fund loan	08/22/07	05/01/27	2.55%	\$ 1,887,778	\$ 473,076
Total business-type activities, revenue debt					<u>\$ 473,076</u>

Debt service requirements to maturity are as follows:

<u>Years</u>	Business-Type Activities Revenue Debt	
	<u>Principal</u>	<u>Interest</u>
2024	\$ 113,845	\$ 10,599
2025	116,745	7,663
2026	119,718	4,652
2027	122,768	1,563
Total	<u>\$ 473,076</u>	<u>\$ 24,477</u>

Village of Menomonee Falls

Notes to Financial Statements
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Lease Disclosures

Lessor - Lease Receivables

<u>Governmental Activities</u>				Receivable Balance December 31, 2023
<u>Lease Receivables Description</u>	<u>Date of Inception</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	
Communications company, cellular	2013	12/31/2027	1.82%	\$ 279,539
Total governmental activities				<u>\$ 279,539</u>
<u>Business-Type Activities</u>				Receivable Balance December 31, 2023
<u>Lease Receivables Description</u>	<u>Date of Inception</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	
Communications company - cellular	Various	Various	1.82%	\$ 1,454,633
Total business-type activities				<u>\$ 1,454,633</u>

The Village recognized \$49,831 of lease revenue during the fiscal year.

The Village recognized \$3,842 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, 2023, includes the following:

Governmental Activities

Invested in capital assets:	
Land and construction in progress	\$ 111,093,859
Other capital assets, net of accumulated depreciation	84,675,658
Less long-term debt outstanding	(67,870,000)
Plus unspent capital related debt proceeds	828,720
Plus noncapital debt proceeds	600,000
Plus unamortized loss on refunding	12,135
Less unamortized debt premium	<u>(1,232,895)</u>
Total invested in capital assets	<u>\$ 128,107,477</u>

Village of Menomonee Falls

Notes to Financial Statements

December 31, 2023

Governmental Funds

Governmental fund balances reported on the fund financial statements at December 31, 2023, include the following:

	<u>General Fund</u>	<u>General Debt Service Fund</u>	<u>Capital Project Fund</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Fund Balances					
Nonspendable:					
Prepaid items	\$ 85,822	\$ -	\$ -	\$ -	\$ 85,822
Inventories	735,791	-	-	-	735,791
Delinquent personal property taxes	11,028	-	-	-	11,028
Advances to other funds	1,429,068	-	-	3,686,409	5,115,477
Subtotal	<u>2,261,709</u>	<u>-</u>	<u>-</u>	<u>3,686,409</u>	<u>5,948,118</u>
Restricted for:					
Debt service	-	146,398	-	-	146,398
Revolving loans for community development	-	-	-	1,020	1,020
Public safety programs	-	-	-	227,656	227,656
Park development and land acquisition	-	-	-	1,809,788	1,809,788
Parks operations	-	-	-	46,405	46,405
Tourism commission	-	-	-	419,373	419,373
Library facilities	-	-	-	65,238	65,238
Library operation and maintenance	-	-	-	1,201,126	1,201,126
American rescue plan	-	-	-	268,701	268,701
Tax incremental financing districts	-	-	-	2,627,039	2,627,039
Teen court	-	-	-	7,091	7,091
Subtotal	<u>-</u>	<u>146,398</u>	<u>-</u>	<u>6,673,437</u>	<u>6,819,835</u>
Committed to:					
Capital projects	-	-	382,084	-	382,084
Community grants	-	-	-	19,545	19,545
Cable TV	-	-	-	22,500	22,500
Special assessments	-	-	-	401,770	401,770
Subtotal	<u>-</u>	<u>-</u>	<u>382,084</u>	<u>443,815</u>	<u>825,899</u>
Assigned to:					
Capital projects	-	-	-	2,216,091	2,216,091
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,216,091</u>	<u>2,216,091</u>
Unassigned (deficit):	<u>8,491,307</u>	<u>-</u>	<u>-</u>	<u>(5,066,840)</u>	<u>3,424,467</u>
Total fund balances	<u>\$ 10,753,016</u>	<u>\$ 146,398</u>	<u>\$ 382,084</u>	<u>\$ 7,952,912</u>	<u>\$ 19,234,410</u>

Business-Type Activities

Net investment in capital assets:

Land and construction in progress	\$ 4,068,046
Other capital assets, net of accumulated depreciation	165,414,767
Less long-term debt outstanding	(13,293,077)
Plus unspent capital related debt proceeds	1,021,299
Less unamortized debt premium	<u>(368,468)</u>

Total net investment in capital assets \$ 156,842,567

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.

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 retirement benefit based on a formula factor, their 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.

Village of Menomonee Falls

Notes to Financial Statements
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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>
2013	(9.6)	9.0
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)
2020	1.7	21.0
2021	5.1	13.0
2022	7.4	15.0

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 \$1,582,763 in contributions from the Village.

Contribution rates for the plan year reported as of December 31, 2023 are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (Executives & Elected Officials)	6.50 %	6.50 %
Protective with Social Security	6.50	12.00
Protective without Social Security	6.50	16.40

Village of Menomonee Falls

Notes to Financial Statements

December 31, 2023

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

At December 31, 2023, the Village reported a liability of \$6,853,357 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021 rolled forward to December 31, 2022. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net pension liability was based on the Village's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2022, the Village's proportion was 0.12936467%, which was an increase of 0.00426226% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the Village recognized pension expense (revenue) of \$1,643,470.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual experience	\$ 10,915,273	\$ 14,340,219
Changes in assumptions	1,347,653	-
Net differences between projected and actual earnings on pension plan investments	11,642,272	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	14,791	78,603
Employer contributions subsequent to the measurement date	<u>1,839,735</u>	<u>-</u>
Total	<u>\$ 25,759,724</u>	<u>\$ 14,418,822</u>

\$1,839,735 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 ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Years Ending December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2024	\$ 382,812
2025	1,962,109
2026	2,009,102
2027	5,147,444

Village of Menomonee Falls

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Actuarial Assumptions

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

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

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

Village of Menomonee Falls

Notes to Financial Statements

December 31, 2023

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, 2022

Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %**
Public Equity	48	7.6	5
Public Fixed Income	25	5.3	2.7
Inflation Sensitive	19	3.6	1.1
Real Estate	8	5.2	2.6
Private Equity/Debt	15	9.6	6.9
Total Core Fund***	115	7.4	4.8
Variable Fund Asset			
U.S. Equities	70	7.2	4.6
International Equities	30	8.1	5.5
Total Variable Fund	100	7.7	5.1

* 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: 2.5%

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

Village of Menomonee Falls

Notes to Financial Statements
December 31, 2023

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 4.05% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2022. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 6.8% 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)	\$ 22,746,068	\$ 6,853,357	\$ (4,079,465)

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, 2023, the Village reported a payable to the pension plan 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. The Village participates in a public entity risk pool called to provide coverage for losses from (torts; theft of, damage to or destruction of assets; errors and omission; workers compensation; and health care of its employees). However, other risks, such as (torts; theft of, damage to or destruction of assets; errors and omission; workers compensation; and health care of its employees) are accounted for and financed by the Village in the general fund.

Village of Menomonee Falls

Notes to Financial Statements
December 31, 2023

Public Entity Risk Pool

Wisconsin Municipal Insurance Commission (WMIC) Cities and Villages Mutual Insurance Company (CVMIC)

The WMIC is an intergovernmental cooperation commission created by contract under Section 66.30 of the Wisconsin Statutes. It was created in August, 1987 for the purpose of facilitating the organization, establishment and capitalization of the CVMIC, and has numerous cities and villages as members.

The CVMIC is a municipal mutual insurance company established on September 14, 1987 under Section 611.23 of the Wisconsin Statutes. The CVMIC provides liability insurance coverage to the cities and villages which make up the membership of the WMIC.

The CVMIC is self-insured up to a maximum of \$2,000,000 of each insurance risk. Losses paid by CVMIC plus administrative expenses will be recovered through premiums to the participating pool of municipalities. The Village's share of such losses is approximately 2.635%.

Management of each organization consists of a board of directors or officers comprised of representatives elected by each of three classes of participants based on population. The Village does not exercise any control over the activities of the agencies beyond the election of the officers and board.

Financial statements of WMIC and CVMIC can be obtained directly from CVMIC's offices.

The initial investment in WMIC is refundable upon withdrawal from the commission and has been reported at the original amount of \$0 in the risk management internal service fund

The Village pays an annual premium to CVMIC for its general liability insurance, which provides coverage up to \$5,000,000 per occurrence, less the Village's retained liability. The Village's retained liability is limited to \$125,000 per occurrence and an annual aggregate limit of \$500,000. An actuarially determined estimate has been recorded for this liability, as well as for claims incurred but not reported at December 31, 2023. A total liability of approximately \$0 at December 31, 2023, was recorded as claims payable in the risk management internal service fund. Changes in the fund's claims loss liability follow:

	Beginning Balance	Incurred Claims	Claims Paid/ Settled	Ending Balance
2022	\$ 210,794	\$ -	\$ 113,901	\$ 96,893
2023	96,893	-	96,893	-

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.

Village of Menomonee Falls

Notes to Financial Statements

December 31, 2023

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.

Other Postemployment Benefits

The Village group health insurance plan provides coverage to active employees and retirees (or other qualified terminated employees) at blended premium rates. This results in an other postemployment benefit (OPEB) commonly referred to as an implicit rate subsidy. Employees participating in the OPEB benefit consisted of the following at December 31, 2022, the date of the latest valuation:

Employees Covered by Benefit Terms

At December 31, 2023, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	5
Active plan members	<u>162</u>
Total	<u><u>167</u></u>

Total OPEB Liability

The Village's total OPEB liability of \$2,356,637 was measured as of December 31, 2022, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Healthcare cost trend rates	7% decreasing to 6.5%, then decreasing by .10% per year down to 4.5%, and level thereafter

The discount rate was based on all years of projected payments discounted at a municipal bond rate of 4.31%.

Mortality rates were based on 2020 WRS Experience Tables for active employees and healthy retirees projected with mortality improvements using the fully generational MP-2021 projection scale from a base year of 2010.

The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an actuarial experience study conducted in 2021 using WRS experience from 2018-20..

Village of Menomonee Falls

Notes to Financial Statements

December 31, 2023

Changes in the Total OPEB Liability

	Total OPEB Liability
Balances at December 31, 2022	\$ 2,414,582
Changes for the year:	
Service cost	203,649
Interest	50,064
Differences between expected and actual experience	(31,406)
Changes in assumptions or other inputs	(253,859)
Benefit payments	(26,393)
Net changes	(57,945)
Balances at December 31, 2023	\$ 2,356,637

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.3%) or 1-percentage-point higher (5.3%) than the current discount rate:

	1% Decrease	Discount Rate	1% Increase
Total OPEB liability	\$ 2,569,051	\$ 2,356,637	\$ 2,162,753

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.0% decreasing to 3.5%) or 1-percentage-point higher (8.0% decreasing to 5.5%) than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$ 2,094,595	\$ 2,356,637	\$ 2,664,558

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2023, the Village recognized negative OPEB expense of \$233,528. At December 31, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 31,406
Changes of assumptions or other inputs	25,662	253,859
Total	\$ 25,662	\$ 285,265

Village of Menomonee Falls

Notes to Financial Statements
December 31, 2023

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

<u>Years Ending December 31:</u>	<u>Amount</u>
2024	\$ (20,185)
2025	(20,185)
2026	(20,185)
2027	(20,185)
2028	(20,185)
Thereafter	(158,678)
Total	<u><u>\$ (259,603)</u></u>

Local Retiree Life Insurance Fund (LRLIF)

Plan Description

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

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

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

Benefits Provided

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

Contributions

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

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

Village of Menomonee Falls

Notes to Financial Statements

December 31, 2023

Contribution rates for the plan year reported as of December 31, 2023 are:

<u>Coverage Type</u>	<u>Employer Contribution</u>
50% Post Retirement Coverage	40% of member contribution
25% Post Retirement Coverage	20% of member contribution

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

<u>Life Insurance Member Contribution Rates *For the Plan Year</u>		
<u>Attained Age</u>	<u>Basic</u>	<u>Supplemental</u>
Under 30	\$0.05	\$0.05
30-34	0.06	0.06
35-39	0.07	0.07
40-44	0.08	0.08
45-49	0.12	0.12
50-54	0.22	0.22
55-59	0.39	0.39
60-64	0.49	0.49
65-69	0.57	0.57

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

During the reporting period, the LRLIF recognized \$5,793 in contributions from the employer.

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

At December 31, 2023, the Village reported a liability of \$1,095,059 for its proportionate share of the net OPEB. The net OPEB was measured as of December 31, 2022, and the total OPEB liability used to calculate the net OPEB was determined by an actuarial valuation as of January 1, 2022 rolled forward to December 31, 2022. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net OPEB was based on the Village's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2022, the Village's proportion was 0.28743000%, which was an increase of 0.01443000% from its proportion measured as of December 31, 2021.

Village of Menomonee Falls

Notes to Financial Statements
December 31, 2023

For the year ended December 31, 2023, the Village recognized OPEB expense (revenue) of \$104,965.

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

	Deferred Outflow of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 107,169
Net differences between projected and actual earnings on plan investments	20,548	-
Changes in actuarial assumptions	393,430	646,385
Changes in proportion and differences between employer contributions and proportionate share of contributions	168,700	132,440
Employer contributions subsequent to the measurement date	<u>5,793</u>	<u>-</u>
Total	<u>\$ 588,471</u>	<u>\$ 885,994</u>

\$5,793 reported as deferred outflows of resources related to OPEB resulting from the LRLIF Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ending December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2024	\$ (29,937)
2025	(12,593)
2026	(69,568)
2027	(80,083)
2028	(111,135)

Village of Menomonee Falls

Notes to Financial Statements
December 31, 2023

Actuarial Assumptions

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

Actuarial Valuation Date:	January 1, 2022
Measurement Date of Net OPEB Liability (Asset)	December 31, 2022
Experience Study:	January 1, 2018 - December 31, 2020. Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield*	3.72%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	3.76%
Salary Increases:	
Wage Inflation	3.00%
Seniority/Merit	0.10% - 5.6%
Mortality:	2020 WRS Experience Mortality Table

*Based on the Bond Buyers GO index

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

Long-Term Expected Return on Plan Assets

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

Village of Menomonee Falls

Notes to Financial Statements
December 31, 2023

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

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return
U.S. Intermediate Credit Bonds	Bloomberg U.S. Interm Credit	50.00%	2.45%
U.S. Mortgages	Bloomberg U.S. MBS	50.00%	2.83%
Inflation			2.30%
Long-Term Expected Rate of Return			4.25%

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

Single Discount Rate

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

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

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

The following presents the Village's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 3.76%, as well as what the Village's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (2.76%) or 1-percentage-point higher (4.76%) than the current rate:

	1% Decrease to Discount Rate (2.76%)	Current Discount Rate (3.76%)	1% Increase to Discount Rate (4.76%)
Village's proportionate share of the net OPEB liability (asset)	\$ 1,492,996	\$ 1,095,059	\$ 790,085

Village of Menomonee Falls

Notes to Financial Statements
December 31, 2023

At December 31, 2023, the Village reported debt payable to the OPEB plan of \$0, which represents a contractual arrangement for contribution to the OPEB plan related to past service cost.

Tax Incremental Districts

Tax increment financing district (TID), as authorized by Section 66.1105 of the Wisconsin Statutes, is a method by which the Village can recover its development and public improvement costs in TID designated areas. These costs are recovered from the increase in property tax revenue which results from the increased valuation in the designated area. The Village finances development and public improvement costs in its TID through the issuance of general obligation long-term debt. Project costs are reported primarily as capital projects fund expenditures. Tax increments are reported as capital projects fund revenues and are used to meet maturing debt obligations incurred to provide financing for development and public improvement costs within the tax incremental district. Certain details related to each of the Village's tax incremental districts are listed below. For complete details of financial activity related to any of the tax incremental districts, compilation reports are available for viewing in the Village's Financial Services Department.

T.I.D. #6 - Main St Corridor

On April 17, 2006, the Village created Tax Incremental District #6 (TID #6). TID #6 has a statutory life of 27 years which will expire April 17, 2033. The last date to incur project costs is April 17, 2028. On July 21, 2008, the original project plan was amended to change to original plan boundaries. On September 17, 2018, the original project plan was amended to increase certain planned project expenditures. On April 1, 2019, TID #6 received the Village's portion of the excess TIF increment disbursed upon closure from TID #4 and TIF #5 in the amounts of \$532,506 and \$501,555, respectively.

T.I.D. #7 - First Park

On February 18, 2008, the Village created Tax Incremental District #7 (TID #7). TID #7 has a statutory life of 20 years which will expire February 18, 2028. The last date to incur project costs is February 18, 2023.

T.I.D. #8 - Falls Parkway

On July 21, 2008, the Village created Tax Incremental District #8 (TID #8). TID #8 has a statutory life of 27 years which will expire July 21, 2035. On January 18, 2010, the project plan was amended by the addition of certain provisions and to provide transfers in from TID #4. The last date to incur project costs is July 21, 2030.

T.I.D. #9 - Village Centre / Appleton Ave

On January 18, 2010, the Village created Tax Incremental District #9 (TID #9). TID #9 has a statutory life of 20 years which will expire January 18, 2030. The last date to incur project costs is January 18, 2025.

T.I.D. #10 - Woodland Prime

On August 17, 2011, the Village created Tax Incremental District #10 (TID #10). TID #10 has a statutory life of 26 (as extended) years which will expire August 17, 2037. The last date to incur project costs is August 17, 2026.

Village of Menomonee Falls

Notes to Financial Statements
December 31, 2023

T.I.D. #11 - Wacker Neuson

On August 17, 2011, the Village created Tax Incremental District #11 (TID #11). TID #11 has a statutory life of 20 years which will expire August 17, 2031. The last date to incur project costs is August 17, 2026.

T.I.D. #12 - Lilly Rd Industrial

On September 15, 2014, the Village created Tax Incremental District #12 (TID #12). TID #12 has a statutory life of 20 years which will expire September 15, 2034. The last date to incur project costs is September 15, 2029.

T.I.D. #13 - Flint Drive/DRS

On March 5, 2019, the Village created Tax Incremental District #13 (TID #13). TID #13 has a statutory life of 21 years which will expire March 4, 2040. The last date to incur project costs is March 4, 2034.

T.I.D. #14 - Glenroy

On March 4, 2019, the Village created Tax Incremental District #14 (TID #14). TID #14 has a statutory life of 21 years which will expire May 2, 2049. The last date to incur project costs is May 2, 2044.

Municipal Revenue Obligations

The Village has entered into municipal revenue obligations (MRO) with developers in certain tax incremental districts. An MRO is similar to a revenue bond in that it is only payable out of the revenue generated from tax increment (less a provision for administrative and other costs) and is not a general obligation of the Village. Unlike a revenue bond, however, there is no obligation to pay any outstanding balance beyond the maturity date. All MROs accrue interest at 0%, except for the TID #7, which accrues interest at 8.5%. Payments are made in annual installments.

TID	Principal	Paid in 2023	Total Paid	Potential Remaining Obligation	Maturity Year
7	\$ 5,100,000	\$ 428,164	\$ 4,895,388	\$ 204,612	2026
8	4,000,000	-	81,879	3,918,121	2035
9	1,200,000	87,206	332,661	867,339	2030
9	3,952,860	109,816	340,356	3,612,504	2030
10	2,500,000	185,949	2,190,614	309,386	2024
10	250,000	-	-	250,000	2026
10	3,100,000	-	-	3,100,000	2035
13	4,396,086	295,125	424,644	3,971,442	2040
14	3,095,000	91,016	128,795	2,966,205	2040

Village of Menomonee Falls

Notes to Financial Statements
December 31, 2023

Contingent Liabilities

The Village has identified the following items as potential liabilities not recorded in the financial statements:

- The Village has been advised by the Wisconsin Department of Natural Resources that the Village is considered to be a responsible party with respect to property owned by the Village and formerly operated by others as a landfill known as the Bruce Landfill. The Village continues to monitor site contamination in accordance with an agreement with the Wisconsin Department of Natural Resources. Currently, there are no requirements for remediation activities, and the Village is unable to say at this time what, if any, remediation activities might be required in future periods. In the event that the Village is determined to have any liability with respect to the Bruce Landfill, the Village may have rights against third parties.

Effect of New Accounting Standards on Current-Period Financial Statements

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

- Statement No. 100, *Accounting Changes and Error Corrections—an Amendment of GASB Statement No. 62*
- Statement No. 101, *Compensated Absences*
- Statement No. 102, *Certain Risk Disclosures*

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

REQUIRED SUPPLEMENTARY INFORMATION

Village of Menomonee Falls

Schedule of Changes in the Total OPEB Liability and Related Ratios
December 31, 2023

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Total OPEB Liability						
Service cost	\$ 110,051	\$ 110,051	\$ 123,803	\$ 158,435	\$ 191,224	\$ 203,649
Interest	58,363	62,135	80,558	65,856	50,418	50,064
Differences between expected and actual experience	-	174,047	223,152	(248,992)	-	(31,406)
Changes of assumptions	-	(60,223)	-	(90,755)	48,741	(253,859)
Benefit payments	<u>(73,097)</u>	<u>(48,184)</u>	<u>(60,262)</u>	<u>(67,767)</u>	<u>(42,010)</u>	<u>(26,393)</u>
Net Change in Total OPEB Liability	95,317	237,826	367,251	(183,223)	248,373	(57,945)
Total OPEB Liability, Beginning	<u>1,649,038</u>	<u>1,744,355</u>	<u>1,982,181</u>	<u>2,349,432</u>	<u>2,166,209</u>	<u>2,414,582</u>
Total OPEB Liability, Ending (a)	<u>\$ 1,744,355</u>	<u>\$ 1,982,181</u>	<u>\$ 2,349,432</u>	<u>\$ 2,166,209</u>	<u>\$ 2,414,582</u>	<u>\$ 2,356,637</u>
 Covered-employee payroll	 \$ 12,175,597	 \$ 13,140,757	 \$ 13,140,757	 \$ 14,021,873	 \$ 14,021,873	 \$ 13,903,287
 Total OPEB liability as a percentage of covered-employee payroll	 14.33%	 15.08%	 17.88%	 15.45%	 17.22%	 16.95%

Notes to Schedule:

The Village implemented GASB Statement No. 74 and No. 75 in fiscal year 2018. Information prior to fiscal year 2018 is not available. Additional years will be added prospectively until 10 years are presented.

Note: This schedule is to show information for 10 years.

However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

Village of Menomonee Falls

Schedule of Proportionate Share of the Net OPEB Liability -

Local Retiree Life Insurance Fund

Year Ended December 31, 2023

Plan Fiscal Year End	Proportion of the Net OPEB Liability	Proportionate Share of the Net OPEB Liability	Covered Payroll	Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
12/31/17	0.29930000 %	\$ (900,360)	\$ 12,584,907	7.15 %	44.81 %
12/31/18	0.29880000 %	(770,930)	12,951,000	5.95 %	48.69 %
12/31/19	0.30970000 %	(1,318,559)	13,453,000	9.80 %	37.58 %
12/31/20	0.23930000 %	(1,316,224)	13,805,000	9.53 %	31.36 %
12/31/21	0.27300000 %	(1,613,631)	14,342,000	11.25 %	29.57 %
12/31/22	0.28743000 %	(1,095,059)	15,302,000	7.16 %	38.81 %

Schedule of Employer Contributions - Local Retiree Life Insurance Fund

Year Ended December 31, 2023

Village Fiscal Year End	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/18	\$ 5,683	\$ 5,683	\$ -	\$ 12,584,907	0.045 %
12/31/19	5,756	5,756	-	12,951,000	0.044 %
12/31/20	5,597	5,597	-	13,453,000	0.042 %
12/31/21	4,471	4,471	-	13,805,000	0.035 %
12/31/22	5,588	5,588	-	14,342,000	0.039 %
12/31/23	5,793	5,793	-	15,302,000	0.038 %

See notes to required supplementary information

Village of Menomonee Falls

Schedule of the Village of Menomonee Falls Proportionate Share of the Net Pension Liability (Asset)

Wisconsin Retirement System

Year Ended December 31, 2023

Plan Fiscal Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/14	0.112000000%	\$ 2,745,315	\$ 12,593,512	21.80%	102.74%
12/31/15	0.109900000%	(1,785,211)	13,201,573	13.52%	98.20%
12/31/16	0.111100000%	(915,900)	13,622,704	6.72%	99.12%
12/31/17	0.114700000%	3,405,166	13,809,611	24.66%	102.93%
12/31/18	0.117900000%	(4,195,484)	14,186,136	29.57%	96.45%
12/31/19	0.120300000%	3,879,858	14,753,401	26.30%	102.96%
12/31/20	0.122800000%	7,663,593	15,153,314	50.57%	105.26%
12/31/21	0.125102410%	10,083,484	15,618,036	64.56%	106.02%
12/31/22	0.129364670%	6,853,357	16,505,891	41.52%	95.72%

Schedule of Employer Contributions - Wisconsin Retirement System

Year Ended December 31, 2023

City Fiscal 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
12/31/15	\$ 1,067,234	\$ 1,067,234	\$ -	\$ 12,593,512	8.47%
12/31/16	1,068,023	1,068,023	-	13,201,573	8.09%
12/31/17	1,087,135	1,087,135	-	13,622,704	7.98%
12/31/18	1,205,134	1,205,134	-	13,809,611	8.73%
12/31/19	1,238,425	1,238,425	-	14,186,136	8.73%
12/31/20	1,272,776	1,272,776	-	14,753,401	8.63%
12/31/21	1,423,931	1,423,931	-	15,153,314	9.40%
12/31/22	1,482,193	1,482,193	-	15,618,036	9.49%
12/31/23	1,839,735	1,839,735	-	17,355,882	9.59%

Wisconsin Retirement System

The amounts presented in relation to the schedule of employer's proportionate share of the net pension liability and the schedule of employer contributions represents the specific data of the Village. The information was derived using a combination of the employer's contribution data along with data provided by the Wisconsin Retirement System in relation to the Village as a whole.

The Village is required to present the last ten years data; however accounting standards allow the Village to present as many years as are available until ten fiscal years are presented.

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

Changes of assumptions. Actuarial assumptions are based upon an experience study conducted in 2018 using experience from 2015 – 2017. Based on the experience study conducted in 2018, actuarial assumptions used to develop Total Pension Liability changed, including the discount rate, long-term expected rate of return, postretirement adjustment, wage inflation rate, mortality and separation rates.

Village of Menomonee Falls

Notes to Required Supplementary Information
Year Ended December 31, 2023

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

Supplemental schedules are required to present the last ten fiscal years of data; however, accounting standards allow the presentation of as many years as are available until ten fiscal years are presented.

Changes in Benefit Terms and Assumptions

Wisconsin Retirement System

The Village is required to present the last ten fiscal years data; however, the standards allow the Village to present as many years as are available until ten fiscal years are presented.

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

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 post-retirement adjustments from 1.9% to 1.7%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table

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

- Lowering the long-term expected rate of return from 7.2% to 7.0%
- Lowering the discount rate from 7.2% to 7.0%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Lowering the post-retirement adjustments from 2.1% to 1.9%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Mortality Table to the Wisconsin 2018 Mortality Table

Village of Menomonee Falls

Notes to Required Supplementary Information
Year Ended December 31, 2023

Other Postemployment Benefits, Health Insurance

The data presented in the Schedule of Changes in the Total OPEB Liability and Related Ratios was taken from the reports issued by the actuary.

The Village is required to present the last ten fiscal years data; however, the standards allow the Village to present as many years as are available until ten fiscal years are presented.

Changes in benefit terms. There were no changes of benefit terms for the Village.

Changes in assumptions. Changes in assumptions from the previous study are as follows:

- The discount rate was changed from 2.00% to 4.31%.

Other Postemployment Benefits, Local Retiree Life Insurance Fund

The Village is required to present the last ten fiscal years data; however, the standards allow the Village to present as many years as are available until ten fiscal years are presented.

Changes in benefit terms. There were no changes of benefit terms for any participating employer in the Local Retiree Life Insurance Fund.

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

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

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

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

- Lowering the long-term expected rate of return from 5.0% to 4.25%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Mortality Table to the Wisconsin 2018 Mortality Table

SUPPLEMENTARY INFORMATION

Village of Menomonee Falls

Combining Balance Sheet -
Nonmajor Governmental Funds
December 31, 2023

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets			
Cash and equivalents	\$ 3,594,172	\$ 6,009,985	\$ 9,604,157
Restricted assets			
Cash and equivalents	853,100	-	853,100
Receivables			
Taxes	2,025,000	5,978,611	8,003,611
Special changes on the tax roll	-	6,084	6,084
Special assessments receivable	-	711,879	711,879
Accounts	113,807	212,227	326,034
Advances to other capital project funds	-	3,686,409	3,686,409
Total assets	<u>\$ 6,586,079</u>	<u>\$ 16,605,195</u>	<u>\$ 23,191,274</u>
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities			
Accounts payable and other accrued liabilities	\$ 36,675	\$ 586,935	\$ 623,610
Accrued compensated absences	153,377	-	153,377
Unearned ARPA grant funds	641,864	-	641,864
Deposits	-	24,034	24,034
Advances from municipality	-	5,285,851	5,285,851
Total liabilities	<u>831,916</u>	<u>5,896,820</u>	<u>6,728,736</u>
Deferred Inflows of Resources			
Special assessments	-	506,014	506,014
Subsequent year's taxes	2,025,000	5,978,612	8,003,612
Total deferred inflows of resources	<u>2,025,000</u>	<u>6,484,626</u>	<u>8,509,626</u>
Fund Balances			
Nonspendable	-	3,686,409	3,686,409
Restricted			
Capital projects	-	2,606,832	2,606,832
Other	4,066,605	-	4,066,605
Committed	42,045	401,770	443,815
Assigned	-	2,216,091	2,216,091
Unassigned (Deficit)	(379,487)	(4,687,353)	(5,066,840)
Total fund balances (deficits)	<u>3,729,163</u>	<u>4,223,749</u>	<u>7,952,912</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 6,586,079</u>	<u>\$ 16,605,195</u>	<u>\$ 23,191,274</u>

Village of Menomonee Falls

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

December 31, 2023

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues			
Property taxes	\$ 2,008,000	\$ 5,419,832	\$ 7,427,832
Other taxes	345,436	-	345,436
Public charges for services			
Fines and forfeitures	21,046	-	21,046
Program revenue	365	-	365
Tipping fees	-	2,441,831	2,441,831
Operating grants and contributions			-
Intergovernmental	1,286,686	349,530	1,636,216
Donations	59,962	-	59,962
Special assessments and interest	-	-	-
Platting fees	193,000	-	193,000
Impacts fees	857,675	-	857,675
Investment earnings	501,234	354,329	855,563
Interest earned on advances to governmental funds		166,237	166,237
Other revenues	149	-	149
Total revenues	5,273,553	8,731,759	14,005,312
Expenditures			
Current:			
General government	-	154,085	154,085
Public safety	205,903	172,753	378,656
Public works	-	775,507	775,507
Culture, recreation and education	2,407,143	-	2,407,143
Conservation and development	79,648	3,082,715	3,162,363
Capital outlay	65,934	2,521,655	2,587,589
Debt service:			-
Interest on advances to governmental funds	-	249,944	249,944
Interest and fiscal charges	-	23,426	23,426
Bond expenses	566	-	566
Total expenditures	2,759,194	6,980,085	9,739,279
Excess (deficiency) of revenues over expenditures	2,514,359	1,751,674	4,266,033
Other Financing Sources (Uses)			
Proceeds from sale of capital assets	-	22,680	22,680
Transfers in	-	1,181,279	1,181,279
Transfers out	(2,573,633)	(6,416,816)	(8,990,449)
Proceeds from long-term debt	-	630,000	630,000
Premiums on long-term debt	-	29,410	29,410
Total other financing sources (uses)	(2,573,633)	(4,553,447)	(7,127,080)
Net change in fund balances	(59,274)	(2,801,773)	(2,861,047)
Fund Balances, Beginning	3,788,437	7,025,522	10,813,959
Fund Balances, Ending	\$ 3,729,163	\$ 4,223,749	\$ 7,952,912

Village of Menomonee Falls

Nonmajor Special Revenue Funds
Combining Balance Sheet
December 31, 2023

	Special Revenue Funds														Total Nonmajor Special Revenue Funds
	Revolving Loan Fund	Police Department	Fire Department	Park Department	Community Department	Library	Community Grant	Teen Court	Cable TV	American Rescue Plan	Debt Issuance	Library Operations and Maintenance	Tourism Commission	TID #9 EDMF	
Assets															
Cash and equivalents	\$ 1,020	\$ 146,766	\$ 80,929	\$ 46,405	\$ 940,308	\$ 65,238	\$ 19,545	\$ 7,091	\$ 22,500	\$ 910,565	\$ (379,487)	\$ 1,361,967	\$ 351,118	\$ 20,207	\$ 3,594,172
Restricted assets															
Cash and equivalents	-	-	-	-	853,100	-	-	-	-	-	-	-	-	-	853,100
Receivables															
Taxes	-	-	-	-	-	-	-	-	-	-	-	2,025,000	-	-	2,025,000
Accounts	-	-	-	-	16,423	-	-	-	-	-	-	2,927	94,457	-	113,807
Total assets	\$ 1,020	\$ 146,766	\$ 80,929	\$ 46,405	\$ 1,809,831	\$ 65,238	\$ 19,545	\$ 7,091	\$ 22,500	\$ 910,565	\$ (379,487)	\$ 3,389,894	\$ 445,575	\$ 20,207	\$ 6,586,079
Liabilities															
Accounts payable and other accrued liabilities	\$ -	\$ 39	\$ -	\$ -	\$ 43	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,533	\$ 8,060	\$ -	\$ 36,675
Accrued compensated absences	-	-	-	-	-	-	-	-	-	-	-	135,235	18,142	-	153,377
Unearned ARPA grant funds	-	-	-	-	-	-	-	-	-	641,864	-	-	-	-	641,864
Total liabilities	-	39	-	-	43	-	-	-	-	641,864	-	163,768	26,202	-	831,916
Deferred Inflows of Resources															
Subsequent year's tax roll	-	-	-	-	-	-	-	-	-	-	-	2,025,000	-	-	2,025,000
Fund Balances															
Restricted, capital projects	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restricted, other	1,020	146,727	80,929	46,405	1,809,788	65,238	-	7,091	-	268,701	-	1,201,126	419,373	20,207	4,066,605
Committed	-	-	-	-	-	-	19,545	-	22,500	-	-	-	-	-	42,045
Unassigned (deficit)	-	-	-	-	-	-	-	-	-	-	(379,487)	-	-	-	(379,487)
Total fund balances	1,020	146,727	80,929	46,405	1,809,788	65,238	19,545	7,091	22,500	268,701	(379,487)	1,201,126	419,373	20,207	3,729,163
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,020	\$ 146,766	\$ 80,929	\$ 46,405	\$ 1,809,831	\$ 65,238	\$ 19,545	\$ 7,091	\$ 22,500	\$ 910,565	\$ (379,487)	\$ 3,389,894	\$ 445,575	\$ 20,207	\$ 6,586,079

Village of Menomonee Falls

Nonmajor Capital Projects Funds
Combining Balance Sheet
December 31, 2023

	Capital Projects Funds													Total Nonmajor Capital Projects Funds
	Municipal Facilities and Equipment Fund	TID #6 Main St Corridor	TID #7 First Park	TID #8 Falls Parkway	TID #9 Village Centra/ Appleton Ave	TID #10 Woodland Prime	TID #11 Wacker Neoson	TID #12 Lilly Rd Industrial	TID #13 Flint Drive/ DRS	TID #14 Glenroy	TID #15 Mill Road Landfill	TID #16 Silver Spring	Special Assessments	
Assets														
Cash and equivalents	\$ 2,561,284	\$ 7,334	\$ 47,133	\$ 1,033,895	\$ 496,801	\$ 155,894	\$ 380,607	\$ 815,098	\$ 137,079	\$ 147,519	\$ 6,860	\$ 6,626	\$ 213,855	\$ 6,009,985
Receivables														
Taxes	-	720,255	492,671	1,804,706	797,513	856,253	45,784	539,700	621,856	99,873	-	-	-	5,978,611
Special changes on the tax roll	-	-	-	-	-	-	-	-	-	-	-	-	6,084	6,084
Special assessments receivable	-	-	-	-	-	-	-	-	-	-	-	-	711,879	711,879
Accounts	212,227	-	-	-	-	-	-	-	-	-	-	-	-	212,227
Advances to other capital project funds	3,686,409	-	-	-	-	-	-	-	-	-	-	-	-	3,686,409
Total assets	\$ 6,459,920	\$ 727,589	\$ 539,804	\$ 2,838,601	\$ 1,294,314	\$ 1,012,147	\$ 426,391	\$ 1,354,798	\$ 758,935	\$ 247,392	\$ 6,860	\$ 6,626	\$ 931,818	\$ 16,605,195
Liabilities														
Accounts payable and other accrued liabilities	\$ 557,420	\$ 2,863	\$ 66	\$ 25,324	\$ 66	\$ 66	\$ 66	\$ 66	\$ 66	\$ 66	\$ 66	\$ 800	\$ -	\$ 586,935
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	24,034	24,034
Advances from municipality	-	3,715,685	170,374	-	175,021	737,636	-	-	359,275	66,479	36,381	25,000	-	5,285,851
Total liabilities	557,420	3,718,548	170,440	25,324	175,087	737,702	66	66	359,341	66,545	36,447	25,800	24,034	5,896,820
Deferred Inflows of Resources														
Special assessments	-	-	-	-	-	-	-	-	-	-	-	-	506,014	506,014
Unavailable revenue, miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subsequent year's taxes	-	720,255	492,671	1,804,706	797,513	856,253	45,784	539,700	621,857	99,873	-	-	-	5,978,612
Total deferred inflows of resources	-	720,255	492,671	1,804,706	797,513	856,253	45,784	539,700	621,857	99,873	-	-	506,014	6,484,626
Fund Balances														
Nonspendable	3,686,409	-	-	-	-	-	-	-	-	-	-	-	-	3,686,409
Restricted	-	-	-	1,008,571	321,714	-	380,541	815,032	-	80,974	-	-	-	2,606,832
Committed	-	-	-	-	-	-	-	-	-	-	-	-	401,770	401,770
Assigned	2,216,091	-	-	-	-	-	-	-	-	-	-	-	-	2,216,091
Unassigned (deficit)	-	(3,711,214)	(123,307)	-	-	(581,808)	-	-	(222,263)	-	(29,587)	(19,174)	-	(4,687,353)
Total fund balances (deficits)	5,902,500	(3,711,214)	(123,307)	1,008,571	321,714	(581,808)	380,541	815,032	(222,263)	80,974	(29,587)	(19,174)	401,770	4,223,749
Total liabilities, deferred inflows of resources and fund balances	\$ 6,459,920	\$ 727,589	\$ 539,804	\$ 2,838,601	\$ 1,294,314	\$ 1,012,147	\$ 426,391	\$ 1,354,798	\$ 758,935	\$ 247,392	\$ 6,860	\$ 6,626	\$ 931,818	\$ 16,605,195

Village of Menomonee Falls

Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Year Ended December 31, 2023

	Special Revenue Funds														Total Nonmajor Special Revenue Funds
	Revolving Loan Fund	Police Department	Fire Department	Park Department	Community Department	Library	Community Grant	Teen Court	Cable TV	American Rescue Plan	Debt Issuance	Library Operations and Maintenance	Tourism Commission	TID #9 EDMF	
Revenues															
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,008,000	\$ -	\$ -	\$ 2,008,000
Other taxes	-	-	-	-	-	-	-	-	-	-	-	-	345,436	-	345,436
Public charges for services:															
Fines and forfeitures	-	994	-	-	-	-	-	-	-	-	-	20,052	-	-	21,046
Program revenue	-	-	-	-	-	-	-	365	-	-	-	-	-	-	365
Operating grants and contributions:															
Intergovernmental	-	83,093	39,263	-	-	-	-	-	-	1,069,113	-	95,217	-	-	1,286,686
Donations	-	21,989	15,286	7,035	-	-	-	-	-	-	-	15,652	-	-	59,962
Capital grants and contributions:															
Platting fees	-	-	-	-	193,000	-	-	-	-	-	-	-	-	-	193,000
Impacts fees	-	-	89,108	-	768,567	-	-	-	-	-	-	-	-	-	857,675
Investment earnings	271	39,251	55,521	12,163	68,792	10,265	5,215	2,102	-	207,759	-	74,667	25,228	-	501,234
Other revenues	-	-	-	-	-	-	-	-	-	-	-	149	-	-	149
Total revenues	271	145,327	199,178	19,198	1,030,359	10,265	5,215	2,467	-	1,276,872	-	2,213,737	370,664	-	5,273,553
Expenditures															
Current:															
Public safety	-	135,244	69,977	-	-	-	-	682	-	-	-	-	-	-	205,903
Culture, recreation and education	-	-	-	5,397	-	5,543	-	-	-	-	-	2,098,063	298,140	-	2,407,143
Conservation and development	-	-	-	-	-	-	-	-	-	-	-	-	-	79,648	79,648
Bond expenses	-	-	-	-	-	-	-	-	-	-	283	-	283	-	566
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-	65,934	-	65,934
Total expenditures	-	135,244	69,977	5,397	-	5,543	-	682	-	-	283	2,098,063	364,357	79,648	2,759,194
Excess (deficiency) of revenues over expenditures	271	10,083	129,201	13,801	1,030,359	4,722	5,215	1,785	-	1,276,872	(283)	115,674	6,307	(79,648)	2,514,359
Other Financing Sources (Uses)															
Transfers out	-	-	(799,279)	-	(231,641)	-	-	-	-	(1,069,113)	(379,204)	-	(94,396)	-	(2,573,633)
Total other financing sources (uses)	-	-	(799,279)	-	(231,641)	-	-	-	-	(1,069,113)	(379,204)	-	(94,396)	-	(2,573,633)
Net change in fund balances	271	10,083	(670,078)	13,801	798,718	4,722	5,215	1,785	-	207,759	(379,487)	115,674	(88,089)	(79,648)	(59,274)
Fund Balances (Deficit), Beginning	749	136,644	751,007	32,604	1,011,070	60,516	14,330	5,306	22,500	60,942	-	1,085,452	507,462	99,855	3,788,437
Fund Balances (Deficit), Ending	\$ 1,020	\$ 146,727	\$ 80,929	\$ 46,405	\$ 1,809,788	\$ 65,238	\$ 19,545	\$ 7,091	\$ 22,500	\$ 268,701	\$ (379,487)	\$ 1,201,126	\$ 419,373	\$ 20,207	\$ 3,729,163

Village of Menomonee Falls

Nonmajor Capital Projects Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Year Ended December 31, 2023

	Capital Projects Funds													Total Nonmajor Funds
	Municipal Facilities and Equipment Fund	TID #6 Main St Corridor	TID #7 First Park	TID #8 Falls Parkway	TID #9 Village Centra/ Appleton Ave	TID #10 Woodland Prime	TID #11 Wacker Neoson	TID #12 Lilly Rd Industrial	TID #13 Flint Drive/ DRS	TID #14 Glenroy	TID #15 Mill Road Landfill	TID #16 Silver Spring	Special Assessments	
Revenues														
Tax Increment	\$ -	\$ 641,298	\$ 429,389	\$ 1,669,984	\$ 722,303	\$ 831,878	\$ 43,644	\$ 474,474	\$ 510,196	\$ 96,666	\$ -	\$ -	\$ -	\$ 5,419,832
Public charges for services:														
Tipping fees	2,441,831	-	-	-	-	-	-	-	-	-	-	-	-	2,441,831
Operating grants and contributions:														
Intergovernmental	100,687	12,244	2,948	90,372	8,856	88,223	45,522	678	-	-	-	-	-	349,530
Capital grants and contributions:														
Special assessments and interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment earnings	121,009	3,070	5,344	133,879	8,715	9,662	17,335	31,981	6,934	4,633	-	-	11,767	354,329
Interest on advances to governmental funds	166,237	-	-	-	-	-	-	-	-	-	-	-	-	166,237
Total revenues	2,829,764	656,612	437,681	1,894,235	739,874	929,763	106,501	507,133	517,130	101,299	-	-	11,767	8,731,759
Expenditures														
Current:														
General government	-	35,588	7,150	34,218	11,725	12,150	6,757	7,150	6,513	6,513	-	19,174	7,147	154,085
Public safety	172,753	-	-	-	-	-	-	-	-	-	-	-	-	172,753
Public works	63,907	1,201	-	707,224	-	3,175	-	-	-	-	-	-	-	775,507
Conservation and development	-	166,687	428,164	1,548,394	202,022	270,573	-	-	355,620	106,016	5,239	-	-	3,082,715
Capital outlay	2,521,655	-	-	-	-	-	-	-	-	-	-	-	-	2,521,655
Debt service														
Interest on advances from governmental funds	-	166,984	8,917	-	11,776	38,604	-	-	18,803	3,479	1,381	-	-	249,944
Interest and fiscal charges	683	763	-	17,236	283	363	363	363	3,009	-	-	-	-	23,426
Total expenditures	2,758,998	371,223	444,231	2,307,072	225,806	324,865	7,120	7,513	381,299	119,017	6,620	19,174	7,147	6,980,085
Excess (deficiency) of revenues over expenditures	70,766	285,389	(6,550)	(412,837)	514,068	604,898	99,381	499,620	135,831	(17,718)	(6,620)	(19,174)	4,620	1,751,674
Other Financing Sources (Uses)														
Proceeds from assets and capital assets	22,680	-	-	-	-	-	-	-	-	-	-	-	-	22,680
Transfer in	1,181,279	-	-	-	-	-	-	-	-	-	-	-	-	1,181,279
Transfer out	(2,290,677)	(963,823)	-	(2,024,393)	(67,345)	(576,462)	(51,243)	(283,543)	(154,575)	(4,755)	-	-	-	(6,416,816)
Face value of bonds issued	-	-	-	535,000	-	-	-	-	-	95,000	-	-	-	630,000
Bond premiums	-	-	-	24,869	-	-	-	-	-	4,541	-	-	-	29,410
Total other financing sources (uses)	(1,086,718)	(963,823)	-	(1,464,524)	(67,345)	(576,462)	(51,243)	(283,543)	(154,575)	94,786	-	-	-	(4,553,447)
Net change in fund balance	(1,015,952)	(678,434)	(6,550)	(1,877,361)	446,723	28,436	48,138	216,077	(18,744)	77,068	(6,620)	(19,174)	4,620	(2,801,773)
Fund Balances (Deficit), Beginning	6,918,452	(3,032,780)	(116,757)	2,885,932	(125,009)	(610,244)	332,403	598,955	(203,519)	3,906	(22,967)	-	397,150	7,025,522
Fund Balances (Deficit), Ending	\$ 5,902,500	\$ (3,711,214)	\$ (123,307)	\$ 1,008,571	\$ 321,714	\$ (581,808)	\$ 380,541	\$ 815,032	\$ (222,263)	\$ 80,974	(29,587)	(19,174)	401,770	\$ 4,223,749

Village of Menomonee Falls

Debt Service Fund

Schedule of Revenues, Expenditures and Changes

in Fund Balance - Budget to Actual

Year Ended December 31, 2023

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Property taxes	\$ 2,525,000	\$ 2,525,000	\$ -
Investment income	4,000	14,553	10,553
Total revenues	2,529,000	2,539,553	10,553
Expenditures			
Principal	7,255,000	7,255,000	-
Interest and fiscal charges	2,128,800	2,128,763	37
Total expenditures	9,383,800	9,383,763	37
Excess of revenues over expenditures	(6,854,800)	(6,844,210)	10,590
Other Financing Sources (Uses)			
Premium on bond issued	167,400	-	(167,400)
Transfers in	6,713,600	6,989,363	275,763
Total other financing sources (uses)	6,881,000	6,989,363	108,363
Net change in fund balances	\$ 26,200	145,153	\$ 118,953
Fund Balances, Beginning		1,245	
Fund Balances (Deficit), Ending		\$ 146,398	