

# PRELIMINARY OFFICIAL STATEMENT DATED MAY 8, 2024

In the opinion of Griggs Law Office LLC, Bond Counsel, assuming continuing compliance with the requirements of the Internal Revenue Code of 1986, as amended (the "Code"), interest on the Notes is excludable from gross income and is not an item of tax preference for federal income tax purposes; however, interest on the Notes is taken into account in determining "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on Applicable Corporations (as defined in Section 59(k) of the Code). See "TAX EXEMPTION" for a more detailed discussion of federal tax consequences of owning the Notes. Interest on the Notes is not exempt from present Wisconsin income taxes. The Notes will NOT be designated by the Village as "Qualified Tax Exempt Obligations" for purposes of Section 265 of the Code.

**New Issue**

**Rating: Moody's Investors Service, Inc. "Aa2"**

## VILLAGE OF GERMANTOWN, WISCONSIN (Washington County)

### \$3,215,000\* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2024A

**BID OPENING:** May 15, 2024, 10:00 A.M., C.T.

**CONSIDERATION:** Not later than 11:59 P.M., C.T. on May 15, 2024 (PARAMETERS RESOLUTION)

**PURPOSE/AUTHORITY/SECURITY:** The \$3,215,000\* General Obligation Promissory Notes, Series 2024A (the "Notes") are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the Village of Germantown, Wisconsin (the "Village"), for the purpose of paying the costs of 2024 capital improvements including Village building and street improvements and equipment acquisition. The Notes are general obligations of the Village, and all the taxable property in the Village is subject to the levy of a tax to pay the principal of and interest on the Notes as they become due which tax may, under current law, be levied without limitation as to rate or amount. Delivery is subject to receipt of an approving legal opinion of Griggs Law Office LLC, Milwaukee, Wisconsin.

**DATE OF NOTES:** June 5, 2024

**MATURITY:** March 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2025	\$50,000	2029	\$350,000	2033	\$355,000
2026	350,000	2030	350,000	2034	360,000
2027	350,000	2031	350,000		
2028	350,000	2032	350,000		

**\*MATURITY ADJUSTMENTS:** The Village reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of \$5,000 each, up to a maximum of \$25,000 per maturity in 2025 and up to a maximum of \$175,000 per maturity for maturities in the year 2026-2034. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

**TERM BONDS:** See "Term Bond Option" herein.

**INTEREST:** March 1, 2025 and semiannually thereafter.

**OPTIONAL REDEMPTION:** Notes maturing on March 1, 2032 and thereafter are subject to call for prior optional redemption on March 1, 2031 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

**MINIMUM BID:** \$3,182,850.

**MAXIMUM BID:** \$3,440,050.

**GOOD FAITH DEPOSIT:** A good faith deposit in the amount of \$64,300 shall be made by the winning bidder by wire transfer of funds.

**PAYING AGENT:** Bond Trust Services Corporation.

**BOND COUNSEL:** Griggs Law Office LLC.

**MUNICIPAL ADVISOR:** Ehlers and Associates, Inc.

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

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

## REPRESENTATIONS

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

This Preliminary Official Statement is not to be construed as a contract with the underwriter (Syndicate Manager). Statements contained herein which involve estimates or matters of opinion are intended solely as such and are not to be construed as representations of fact. Ehlers and Associates, Inc. prepared this Preliminary Official Statement and any addenda thereto relying on information of the Village and other sources for which there is reasonable basis for believing the information is accurate and complete. Bond Counsel has not participated in the preparation of this Preliminary Official Statement and is not expressing any opinion as to the completeness or accuracy of the information contained therein. Compensation of Ehlers and Associates, Inc., payable entirely by the Village, is contingent upon the delivery of the Notes.

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

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

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

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

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

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

## CLOSING CERTIFICATES

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

# TABLE OF CONTENTS

<p>INTRODUCTORY STATEMENT..... 1</p> <p>THE NOTES..... 1</p> <p style="padding-left: 20px;">GENERAL..... 1</p> <p style="padding-left: 20px;">OPTIONAL REDEMPTION..... 1</p> <p style="padding-left: 20px;">AUTHORITY; PURPOSE..... 2</p> <p style="padding-left: 20px;">ESTIMATED SOURCES AND USES..... 2</p> <p style="padding-left: 20px;">SECURITY..... 2</p> <p style="padding-left: 20px;">RATING..... 2</p> <p style="padding-left: 20px;">CONTINUING DISCLOSURE..... 3</p> <p style="padding-left: 20px;">LEGAL OPINION..... 3</p> <p style="padding-left: 20px;">STATEMENT REGARDING COUNSEL PARTICIPATION..... 4</p> <p style="padding-left: 20px;">TAX EXEMPTION..... 4</p> <p style="padding-left: 20px;">NON-QUALIFIED TAX-EXEMPT OBLIGATIONS..... 4</p> <p style="padding-left: 20px;">MUNICIPAL ADVISOR..... 5</p> <p style="padding-left: 20px;">MUNICIPAL ADVISOR AFFILIATED COMPANIES..... 5</p> <p style="padding-left: 20px;">INDEPENDENT AUDITORS..... 5</p> <p style="padding-left: 20px;">RISK FACTORS..... 5</p> <p>VALUATIONS..... 8</p> <p style="padding-left: 20px;">WISCONSIN PROPERTY VALUATIONS; PROPERTY TAXES..... 8</p> <p style="padding-left: 20px;">CURRENT PROPERTY VALUATIONS..... 9</p> <p style="padding-left: 20px;">2023 EQUALIZED VALUE BY CLASSIFICATION..... 9</p> <p style="padding-left: 20px;">TREND OF VALUATIONS..... 9</p> <p style="padding-left: 20px;">LARGER TAXPAYERS..... 10</p> <p>DEBT..... 11</p> <p style="padding-left: 20px;">DIRECT DEBT..... 11</p> <p style="padding-left: 20px;">DEBT PAYMENT HISTORY..... 11</p> <p style="padding-left: 20px;">FUTURE FINANCING..... 11</p> <p style="padding-left: 20px;">DEBT LIMIT..... 11</p> <p style="padding-left: 20px;">SCHEDULE OF GENERAL OBLIGATION DEBT..... 12</p> <p style="padding-left: 20px;">SCHEDULE OF WATER REVENUE DEBT..... 16</p> <p style="padding-left: 20px;">OVERLAPPING DEBT..... 17</p> <p style="padding-left: 20px;">DEBT RATIOS..... 17</p> <p>TAX LEVIES AND COLLECTIONS..... 18</p> <p style="padding-left: 20px;">TAX LEVIES AND COLLECTIONS..... 18</p> <p style="padding-left: 20px;">PROPERTY TAX RATES..... 19</p> <p style="padding-left: 20px;">LEVY LIMITS..... 19</p> <p style="padding-left: 20px;">REVENUE FROM THE STATE..... 20</p>	<p>THE ISSUER..... 21</p> <p style="padding-left: 20px;">VILLAGE GOVERNMENT..... 21</p> <p style="padding-left: 20px;">EMPLOYEES; PENSIONS..... 21</p> <p style="padding-left: 20px;">OTHER POST EMPLOYMENT BENEFITS..... 22</p> <p style="padding-left: 20px;">LITIGATION..... 22</p> <p style="padding-left: 20px;">MUNICIPAL BANKRUPTCY..... 23</p> <p style="padding-left: 20px;">FUNDS ON HAND..... 24</p> <p style="padding-left: 20px;">ENTERPRISE FUNDS..... 25</p> <p style="padding-left: 20px;">SUMMARY GENERAL FUND INFORMATION..... 26</p> <p>GENERAL INFORMATION..... 27</p> <p style="padding-left: 20px;">LOCATION..... 27</p> <p style="padding-left: 20px;">LARGER EMPLOYERS..... 27</p> <p style="padding-left: 20px;">BUILDING PERMITS..... 28</p> <p style="padding-left: 20px;">U.S. CENSUS DATA..... 29</p> <p style="padding-left: 20px;">EMPLOYMENT/UNEMPLOYMENT DATA..... 29</p> <p>FINANCIAL STATEMENTS..... A-1</p> <p>FORM OF LEGAL OPINION..... B-1</p> <p>BOOK-ENTRY-ONLY SYSTEM..... C-1</p> <p>FORM OF CONTINUING DISCLOSURE CERTIFICATE .. D-1</p> <p>NOTICE OF SALE..... E-1</p> <p>BID FORM</p>
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## VILLAGE OF GERMANTOWN VILLAGE BOARD

		<u>Term Expires</u>
Dean Wolter	Village President	April 2025
David Baum	Trustee	April 2026
Meg Cutts	Trustee	April 2027
Phil Hudson	Trustee	April 2026
Terri Kaminski	Trustee	April 2027
Jan Miller	Trustee	April 2027
Rick Miller	Trustee	April 2026
Jolene Pieper	Trustee	April 2026
Robert Warren	Trustee	April 2027

## ADMINISTRATION

Steve Kreklow, Administrator  
Matthew Uselding, Finance Director  
Donna Ott, Village Clerk

## PROFESSIONAL SERVICES

Brian Sajdak, Wesolowski, Reidenback & Sajdak, S.C., Village Attorney, Franklin, Wisconsin

Griggs Law Office LLC, Bond Counsel, Milwaukee, Wisconsin

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

## INTRODUCTORY STATEMENT

This Preliminary Official Statement contains certain information regarding the Village of Germantown, Wisconsin (the "Village") and the issuance of its \$3,215,000\* General Obligation Promissory Notes, Series 2024A (the "Notes"). **The Village Board adopted a resolution on April 15, 2024 (the "Parameters Resolution"), which authorized the Finance Director or the Administrator (each an "Authorized Officer") to accept a bid for the Notes if the parameters and conditions set forth in the Parameters Resolution are satisfied. If the parameters and conditions set forth in the Parameters Resolution are not met through the competitive bids received on May 15, 2024, neither the Finance Director nor the Administrator will have the authority to accept a bid for the Notes, and all bids for the Notes will be rejected.**

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

## THE NOTES

### GENERAL

The Notes will be issued in fully registered form as to both principal and interest in denominations of \$5,000 each or any integral multiple thereof, and will be dated, as originally issued, as of June 5, 2024. The Notes will mature on March 1 in the years and amounts set forth on the cover of this Preliminary Official Statement. Interest will be payable on March 1 and September 1 of each year, commencing March 1, 2025, to the registered owners of the Notes appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board ("MSRB"). All Notes of the same maturity must bear interest from the date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

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

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

### OPTIONAL REDEMPTION

At the option of the Village, the Notes maturing on or after March 1, 2032 shall be subject to optional redemption prior to maturity on March 1, 2031 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

\*Preliminary, subject to change.

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

Notice of redemption shall be sent by mail not more than 60 days and not less than 30 days prior to the date fixed for redemption to the registered owner of each Note to be redeemed at the address shown on the registration books.

**AUTHORITY; PURPOSE**

The Notes are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the Village, for the purpose of paying the costs of 2024 capital improvements including Village building and street improvements and equipment acquisition.

**ESTIMATED SOURCES AND USES\***

<b>Sources</b>		
Par Amount of Notes	\$3,215,000	
Estimated Interest Earnings	<u>20,913</u>	
<b>Total Sources</b>		<b>\$3,235,913</b>
<b>Uses</b>		
Estimated Underwriter's Discount	\$32,150	
Cost of Issuance	64,350	
Deposit to Project Construction Fund	3,137,000	
Rounding Amount	<u>2,413</u>	
<b>Total Uses</b>		<b>\$3,235,913</b>

\*Preliminary, subject to change.

**SECURITY**

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

**RATING**

The Village received a rating of "Aa2" by Moody's Investors Service, Inc. ("Moody's"), and bidders were notified as to the assigned rating prior to the sale. Such rating, if any, reflects only the views of such organization and explanations of the significance of such rating may be obtained from Moody's.

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

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

## **CONTINUING DISCLOSURE**

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

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

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

The Village did not file the fiscal year December 31, 2022 audited financial statements by the deadline date of October 1, 2023. Except to the extent that the preceding is deemed to be material, the Village believes it has not failed to comply in the previous five years in all material respects with its prior undertakings under the Rule. The Village has reviewed its continuing disclosure responsibilities along with any changes to the Rule, to ensure compliance. Ehlers is currently engaged as dissemination agent for the Village.

## **LEGAL OPINION**

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

## **STATEMENT REGARDING COUNSEL PARTICIPATION**

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

## **TAX EXEMPTION**

Federal tax law contains a number of requirements and restrictions which apply to the Notes, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of bond proceeds and the facilities financed therewith, and certain other matters. The Village has covenanted to comply with all requirements that must be satisfied in order for the interest on the Notes to be excludable from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the Notes to become includable in gross income for federal income tax purposes retroactively to the date of issuance of the Notes.

Subject to the Village's compliance with the above-referenced covenants, under present law, in the opinion of Griggs Law Office LLC, Milwaukee, Wisconsin, Bond Counsel, interest on the Notes is excludable from the gross income of the owners thereof for federal income tax purposes, is not included as an item of tax preference in computing the federal alternative minimum tax imposed on individuals; however, interest on the the Notes is taken into account in determining "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on Applicable Corporations (as defined in Section 59(k) of the Code).

In rendering its opinion, Bond Counsel will rely upon certifications of the Village with respect to certain material facts within the Village's knowledge. Bond Counsel's opinion represents its legal judgment based upon its review of the law and the facts that it deems relevant to render such opinion and is not a guarantee of a result.

Ownership of the Notes may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the Notes should consult their tax advisors as to applicability of any such collateral consequences.

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

The interest on the Notes is not excluded from income and therefore is not exempt from present Wisconsin income taxes.

## **NON-QUALIFIED TAX-EXEMPT OBLIGATIONS**

The Village will NOT designate the Notes as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code, relating to the ability of certain financial institutions (within the meaning of Section 265(6)(5) of the Code) to deduct from income for federal income tax purposes, 80% of the interest expense that is allocable to carrying and acquiring tax-exempt obligations.



## **MUNICIPAL ADVISOR**

Ehlers has served as municipal advisor to the Village in connection with the issuance of the Notes. The Municipal Advisor cannot participate in the underwriting of the Notes. The financial information included in this Preliminary Official Statement has been compiled by the Municipal Advisor. Such information does not purport to be a review, audit or certified forecast of future events and may not conform with accounting principles applicable to compilations of financial information. Ehlers is not a firm of certified public accountants. Ehlers is registered with the Securities and Exchange Commission and the MSRB as a municipal advisor. Ehlers makes no representation, warranty or guarantee regarding the accuracy or completeness of the information in this Preliminary Official Statement, and its assistance in preparing this Preliminary Official Statement should not be construed as a representation that it has independently verified such information.

## **MUNICIPAL ADVISOR AFFILIATED COMPANIES**

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

## **INDEPENDENT AUDITORS**

The basic financial statements of the Village for the fiscal year ended December 31, 2022 have been audited by Baker Tilly US, LLP, Madison, Wisconsin, independent auditors (the "Auditor"). The report of the Auditor, together with the basic financial statements, component units financial statements, and notes to the financial statements are attached hereto as "APPENDIX A – FINANCIAL STATEMENTS". The Auditor has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. The Auditor also has not performed any procedures relating to this Preliminary Official Statement.

## **RISK FACTORS**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

# VALUATIONS

## WISCONSIN PROPERTY VALUATIONS; PROPERTY TAXES

### Equalized Value

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

### Assessed Value

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

## CURRENT PROPERTY VALUATIONS

2023 Equalized Value	\$3,929,189,400
2023 Equalized Value Reduced by Tax Increment Valuation	\$3,683,230,100
2023 Assessed Value	\$3,038,151,100

## 2023 EQUALIZED VALUE BY CLASSIFICATION

	<b>2023 Equalized Value<sup>1</sup></b>	<b>Percent of Total Equalized Value</b>
Residential	\$2,685,687,500	68.352%
Commercial	865,539,800	22.028%
Manufacturing	302,310,500	7.694%
Agricultural	1,677,700	0.043%
Undeveloped	4,209,000	0.107%
Ag Forest	3,853,200	0.098%
Forest	4,928,800	0.125%
Other	9,536,500	0.243%
Personal Property	<u>51,446,400</u>	<u>1.309%</u>
 Total	 <u><u>\$3,929,189,400</u></u>	 <u><u>100.000%</u></u>

## TREND OF VALUATIONS

Year	Assessed Value	Equalized Value <sup>1</sup>	Percent Increase/Decrease in Equalized Value
2019	\$2,803,854,000	\$2,807,971,400	4.05%
2020	2,855,769,200	2,900,792,300	3.31%
2021	2,914,921,100	3,157,994,500	8.87%
2022	2,956,006,700	3,555,243,900	12.58%
2023	3,038,151,100	3,929,189,400	10.52%

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

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

## LARGER TAXPAYERS

Taxpayer	Type of Business/Property	2023 Equalized Value <sup>1</sup>	Percent of Village's Total Equalized Value
Exeter Holy Hill LP	Real Estate Investment	\$45,647,657	1.16%
TI Investors of Germantown II LLC	Commercial	32,209,789	0.82%
Sentinel Germantown LLC	Commercial	31,054,631	0.79%
Heather Lake LLC	Real Estate	26,147,056	0.67%
STAG Industrial Holdings LLC	Commercial	23,955,192	0.61%
Heritage Place Joint Venture LLC	Senior Living	23,419,317	0.60%
Airgas Safety Inc.	Commercial	21,365,173	0.54%
ICHQ LLC	Senior Living	20,235,619	0.52%
AGNL Dairy LLC	Dairy Foods	19,760,522	0.50%
Goldendale Road IV LLC	Commercial	<u>19,517,930</u>	<u>0.50%</u>
Total		\$263,312,885	6.70%
Village's Total 2023 Equalized Value <sup>2</sup>		\$3,929,189,400	

**Source:** The Village.

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<sup>1</sup> Calculated by dividing the 2023 Assessed Values by the 2023 Aggregate Ratio of assessment for the Village.

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

## DEBT

### DIRECT DEBT<sup>1</sup>

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

Total General Obligation Debt (includes the Notes)*	<u>\$82,280,000</u>
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#### Revenue Debt (see schedules following)

Total revenue debt secured by water revenues	<u>\$3,948,162</u>
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### DEBT PAYMENT HISTORY

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

### FUTURE FINANCING

The Village expects to issue general obligation debt for capital projects later in 2024, but the amount and exact timing have not yet been determined. Aside from the preceding, the City has no current plans for additional financing in the next 12 months.

### DEBT LIMIT

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

Equalized Value	\$3,929,189,400
Multiply by 5%	<u>0.05</u>
Statutory Debt Limit	\$196,459,470
Less: General Obligation Debt*	<u>(82,280,000)</u>
Unused Debt Limit*	<u>\$114,179,470</u>

\*Preliminary, subject to change.

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<sup>1</sup> Outstanding debt is as of the dated date of the Notes.

Village of Germantown, Wisconsin  
 Schedule of Bonded Indebtedness  
 General Obligation Debt Secured by Taxes  
 (As of 06/05/2024)

	Community Development Bonds Series 2014B		Promissory Notes Series 2015A		Promissory Notes Series 2016A		Promissory Notes Series 2017A		Promissory Notes Series 2018A	
<b>Dated</b>	10/01/2014		03/24/2015		05/11/2016		03/29/2017		04/05/2018	
<b>Amount</b>	\$5,405,000		\$2,655,000		\$4,335,000		\$2,805,000		\$2,795,000	
<b>Maturity</b>	03/01		03/01		03/01		03/01		03/01	
<b>Calendar Year Ending</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
<b>2024</b>	0	71,456	0	2,700	0	5,300	0	10,430	0	16,800
<b>2025</b>	380,000	135,313	270,000	2,700	265,000	7,950	280,000	17,500	280,000	29,400
<b>2026</b>	380,000	120,113			265,000	2,650	280,000	10,640	280,000	21,000
<b>2027</b>	405,000	106,438					280,000	3,570	280,000	12,600
<b>2028</b>	415,000	94,138							280,000	4,200
<b>2029</b>	425,000	81,538								
<b>2030</b>	435,000	68,094								
<b>2031</b>	440,000	53,875								
<b>2032</b>	440,000	39,025								
<b>2033</b>	440,000	23,625								
<b>2034</b>	455,000	7,963								
<b>2035</b>										
<b>2036</b>										
<b>2037</b>										
<b>2038</b>										
<b>2039</b>										
<b>2040</b>										
<b>2041</b>										
<b>2042</b>										
	4,215,000	801,575	270,000	5,400	530,000	15,900	840,000	42,140	1,120,000	84,000

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Village of Germantown, Wisconsin  
Schedule of Bonded Indebtedness continued  
General Obligation Debt Secured by Taxes  
(As of 06/05/2024)

	Community Development Bonds Series 2018B		Community Development Bonds Series 2019A		Taxable Community Development Bonds Series 2019B		Promissory Notes Series 2019C		Corporate Purpose Bonds Series 2019D	
	Dated	Amount	Dated	Amount	Dated	Amount	Dated	Amount	Dated	Amount
	06/06/2018	\$2,480,000	02/05/2019	\$6,725,000	02/05/2019	\$1,710,000	05/02/2019	\$3,040,000	12/11/2019	\$10,855,000
Maturity	03/01		02/01		02/01		03/01		03/01	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	0	30,675	0	109,000	0	19,656	0	28,825	0	132,678
2025	130,000	59,400	125,000	214,875	200,000	36,263	320,000	51,250	390,000	257,556
2026	145,000	55,275	125,000	208,625	225,000	29,669	330,000	38,250	525,000	239,256
2027	150,000	50,850	150,000	201,750	250,000	22,125	340,000	26,550	560,000	217,556
2028	150,000	46,350	175,000	193,625	265,000	13,753	355,000	16,125	595,000	197,431
2029	225,000	40,725	250,000	184,250	280,000	4,690	360,000	5,400	655,000	178,681
2030	300,000	32,850	550,000	168,250					665,000	161,375
2031	300,000	23,700	600,000	148,250					670,000	146,356
2032	300,000	14,325	600,000	130,250					670,000	130,863
2033	300,000	4,800	600,000	112,250					675,000	114,891
2034			600,000	93,875					680,000	98,375
2035			625,000	74,344					680,000	81,375
2036			625,000	54,031					685,000	64,313
2037			650,000	32,906					690,000	46,694
2038			650,000	10,969					690,000	28,581
2039									710,000	9,763
2040										
2041										
2042										
	2,000,000	358,950	6,325,000	1,937,250	1,220,000	126,155	1,705,000	166,400	9,540,000	2,105,744

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Village of Germantown, Wisconsin  
Schedule of Bonded Indebtedness continued  
General Obligation Debt Secured by Taxes  
(As of 06/05/2024)

	Promissory Notes Series 2020A		Promissory Notes Series 2021A		Promissory Notes Series 2022A		Taxable Promissory Notes Series 2022B		Corporate Purpose Bonds Series 2022E	
Dated	04/23/2020		06/30/2021		05/18/2022		05/18/2022		12/01/2022	
Amount	\$3,875,000		\$3,165,000		\$4,320,000		\$2,550,000		\$42,380,000	
Maturity	03/01		03/01		03/01		03/01		03/01	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	0	30,475	0	19,638	0	67,800	0	41,754	0	884,500
2025	380,000	53,350	315,000	34,550	415,000	127,300	0	83,508	1,330,000	1,735,750
2026	395,000	39,825	315,000	26,675	440,000	110,200	300,000	78,633	795,000	1,682,625
2027	405,000	29,850	320,000	20,325	450,000	92,400	310,000	68,720	875,000	1,640,875
2028	420,000	21,600	320,000	13,925	465,000	74,100	325,000	58,401	955,000	1,595,125
2029	430,000	13,100	325,000	9,100	480,000	55,200	375,000	47,026	1,030,000	1,545,500
2030	440,000	4,400	325,000	5,688	495,000	38,175	400,000	34,433	1,670,000	1,478,000
2031			325,000	1,950	505,000	23,175	415,000	21,085	2,230,000	1,380,500
2032					520,000	7,800	425,000	7,119	2,230,000	1,269,000
2033									2,300,000	1,155,750
2034									2,425,000	1,037,625
2035									2,575,000	925,500
2036									2,605,000	821,900
2037									2,900,000	711,800
2038									2,980,000	594,200
2039									3,070,000	473,200
2040									3,250,000	346,800
2041									3,435,000	213,100
2042									3,610,000	72,200
	2,470,000	192,600	2,245,000	131,850	3,770,000	596,150	2,550,000	440,678	40,265,000	19,563,950

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Village of Germantown, Wisconsin  
Schedule of Bonded Indebtedness continued  
General Obligation Debt Secured by Taxes  
(As of 06/05/2024)

Promissory Notes Series 2024A								
Dated	06/05/2024							
Amount	\$3,215,000*							
Maturity	03/01							
Calendar Year Ending	Principal	Estimated Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2024	0	0	0	1,471,687	1,471,687	82,280,000	.00%	2024
2025	50,000	134,981	5,130,000	2,981,644	8,111,644	77,150,000	6.23%	2025
2026	350,000	101,315	5,150,000	2,764,750	7,914,750	72,000,000	12.49%	2026
2027	350,000	88,978	5,125,000	2,582,586	7,707,586	66,875,000	18.72%	2027
2028	350,000	77,253	5,070,000	2,406,025	7,476,025	61,805,000	24.88%	2028
2029	350,000	65,528	5,185,000	2,230,738	7,415,738	56,620,000	31.19%	2029
2030	350,000	53,803	5,630,000	2,045,066	7,675,066	50,990,000	38.03%	2030
2031	350,000	42,078	5,835,000	1,840,969	7,675,969	45,155,000	45.12%	2031
2032	350,000	30,353	5,535,000	1,628,734	7,163,734	39,620,000	51.85%	2032
2033	355,000	18,455	4,670,000	1,429,771	6,099,771	34,950,000	57.52%	2033
2034	360,000	6,210	4,520,000	1,244,048	5,764,048	30,430,000	63.02%	2034
2035			3,880,000	1,081,219	4,961,219	26,550,000	67.73%	2035
2036			3,915,000	940,244	4,855,244	22,635,000	72.49%	2036
2037			4,240,000	791,400	5,031,400	18,395,000	77.64%	2037
2038			4,320,000	633,750	4,953,750	14,075,000	82.89%	2038
2039			3,780,000	482,963	4,262,963	10,295,000	87.49%	2039
2040			3,250,000	346,800	3,596,800	7,045,000	91.44%	2040
2041			3,435,000	213,100	3,648,100	3,610,000	95.61%	2041
2042			3,610,000	72,200	3,682,200	0	100.00%	2042
	3,215,000	618,951	82,280,000	27,187,692	109,467,692			

\* Preliminary, subject to change.

**Village of Germantown, Wisconsin  
Schedule of Bonded Indebtedness  
Revenue Debt Secured by Water Revenues  
(As of 06/05/2024)**

	Water System Revenue Bonds (SDWFL) Series 2009		Water System Revenue Bonds Series 2022C							Calendar
Dated Amount	11/12/2009 \$773,293		05/18/2022 \$4,140,000							
Maturity	05/01		05/01							
Calendar Year Ending	Principal	Interest	Principal	Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2024	0	3,244	0	67,331	0	70,575	70,575	3,948,162	.00%	2024
2025	46,106	5,873	300,000	128,663	346,106	134,535	480,641	3,602,056	8.77%	2025
2026	47,336	4,626	300,000	116,663	347,336	121,289	468,624	3,254,720	17.56%	2026
2027	48,599	3,346	310,000	104,463	358,599	107,809	466,407	2,896,122	26.65%	2027
2028	49,895	2,032	320,000	91,863	369,895	93,895	463,790	2,526,226	36.02%	2028
2029	51,226	683	325,000	78,963	376,226	79,646	455,872	2,150,000	45.54%	2029
2030			330,000	65,863	330,000	65,863	395,863	1,820,000	53.90%	2030
2031			345,000	54,088	345,000	54,088	399,088	1,475,000	62.64%	2031
2032			355,000	43,366	355,000	43,366	398,366	1,120,000	71.63%	2032
2033			365,000	31,888	365,000	31,888	396,888	755,000	80.88%	2033
2034			375,000	19,628	375,000	19,628	394,628	380,000	90.38%	2034
2035			380,000	6,650	380,000	6,650	386,650	0	100.00%	2035
	243,162	19,804	3,705,000	809,425	3,948,162	829,229	4,777,391			

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

<b>Taxing District</b>	<b>Equalized Value<sup>2</sup></b>	<b>% In Village</b>	<b>Total G.O. Debt<sup>3</sup></b>	<b>Village's Proportionate Share</b>
Washington County	\$23,449,946,400	16.7556%	\$24,815,000	\$4,157,902
Germantown School District	5,303,803,287	74.0825%	85,253,675	63,158,054
Milwaukee Area Technical College District	118,936,724,216	3.3036%	72,280,000	<u>2,387,842</u>
Village's Share of Total Overlapping Debt				<u><u>\$69,703,798</u></u>

**DEBT RATIOS**

	<b>G.O. Debt</b>	<b>Debt/Equalized Value \$3,929,189,400</b>	<b>Debt/ Per Capita 20,953<sup>4</sup></b>
Total General Obligation Debt*	\$82,280,000	2.09%	\$3,926.88
Village's Share of Total Overlapping Debt	<u>69,703,798</u>	<u>1.77%</u>	<u>\$3,326.67</u>
Total*	\$151,983,798	3.87%	\$7,253.56

\*Preliminary, subject to change.

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

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

<sup>3</sup> Outstanding debt based on information obtained on EMMA and the Municipal Advisor's records.

<sup>4</sup> Estimated 2023 population.

## TAX LEVIES AND COLLECTIONS

### TAX LEVIES AND COLLECTIONS

Tax Year	Levy for Village Purposes Only	% Collected	Levy/Equalized Value Reduced by Tax Increment Valuation in Dollars per \$1,000
2019/20	\$12,962,020	100%	\$4.68
2020/21	13,669,201	100%	4.90
2021/22	13,669,201	100%	4.53
2022/23	15,572,846	100%	4.59
2023/24	15,868,981	In Process	4.31

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

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

## PROPERTY TAX RATES

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

<b>Year Levied/ Year Collected</b>	<b>Schools<sup>1</sup></b>	<b>County</b>	<b>Local</b>	<b>Total</b>
2019/20	\$10.79	\$2.29	\$4.68	\$17.76
2020/21	11.04	2.24	4.90	18.18
2021/22	10.11	2.06	4.53	16.70
2022/23	9.18	1.79	4.59	15.56
2023/24	9.05	1.58	4.31	14.94

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

## LEVY LIMITS

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

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

Beginning with levies imposed in 2015, if a political subdivision does not make an adjustment in its levy as described in the above paragraph in the current year, the political subdivision may increase its levy by the aggregate amount

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

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

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

With respect to general obligation debt service, the following provisions are made:

(a) If a political subdivision's levy for the payment of general obligation debt service, including debt service on debt issued or reissued to fund or refund outstanding obligations of the political subdivision and interest on outstanding obligations of the political subdivision, on debt originally issued before July 1, 2005, is less in the current year than in the previous year, the political subdivision is required to reduce its levy limit in the current year by the amount of the difference between the previous year's levy and the current year's levy.

(b) For obligations authorized before July 1, 2005, if the amount of debt service in the preceding year is less than the amount of debt service needed in the current year, the levy limit is increased by the difference between the two amounts. This adjustment is based on scheduled debt service rather than the amount actually levied for debt service (after taking into account offsetting revenues such as sales tax revenues, special assessments, utility revenues, tax increment revenues or surplus funds). Therefore, the levy limit could negatively impact political subdivisions that experience a reduction in offsetting revenues.

(c) The levy limits do not apply to property taxes levied to pay debt service on general obligation debt authorized on or after July 1, 2005.

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

## **REVENUE FROM THE STATE**

In addition to local property taxes described above, a number of state programs exist which provide revenue to the Village. One such program is commonly known as shared revenue which, pursuant to sec. 79.036, Wis. Stats., provides funding to the Village that can be used for any public purpose. 2023 Wisconsin Act 12 ("Act 12") created a supplement to shared revenue, with payments to the Village beginning in 2024. This supplemental shared revenue may be used only for the purposes specified in section 79.037, Wis. Stats. In 2024, the Village is expected to receive approximately \$713,000 in shared revenue and supplemental shared revenue from the State, an increase from the approximately \$215,000 received in 2023. In future years, the amount of supplemental shared revenue could grow if State sales tax collections grow.



# THE ISSUER

## VILLAGE GOVERNMENT

The Village was incorporated in 1927 and is governed by a nine-member Board of Trustees, of which the Village President is a voting member. All are elected to three year terms. The appointed Village Administrator, Finance Director and the Village Clerk are responsible for administrative details and financial records.

## EMPLOYEES; PENSIONS

The Village employs a staff of 115 full-time, 32 part-time, and 212 seasonal employees. All eligible employees in the Village are covered under the Wisconsin Retirement System ("WRS") established under Chapter 40 of the Wisconsin Statutes ("Chapter 40"). The WRS is a cost-sharing multiple-employer defined benefit pension plan. The Department of Employee Trust Funds ("ETF") administers the WRS. Required contributions to the WRS are determined by the ETF Board pursuant to an annual actuarial valuation in accordance with Chapter 40 and the ETF's funding policies. The ETF Board has stated that its funding policy is to (i) ensure funds are adequate to pay benefits; (ii) maintain stable and predictable contribution rates for employers and employees; and (iii) maintain inter-generational equity to ensure the cost of the benefits is paid for by the generation that receives the benefits.

Village employees are generally required to contribute half of the actuarially determined contributions, and the Village generally may not pay the employees' required contribution. During the fiscal year ended December 31, 2020 ("Fiscal Year 2020"), the fiscal year ended December 31, 2021 ("Fiscal Year 2021") and the fiscal year ended December 31, 2022 ("Fiscal Year 2022"), the Village's portion of contributions to WRS (not including any employee contributions) totaled \$653,360, \$669,795 and \$718,838, respectively.

Governmental Accounting Standards Board Statement No. 68 ("GASB 68") requires calculation of a net pension liability for the pension plan. The net pension liability is calculated as the difference between the pension plan's total pension liability and the pension plan's fiduciary net position. The pension plan's total pension liability is the present value of the amounts needed to pay pension benefits earned by each participant in the pension plan based on the service provided as of the date of the actuarial valuation. In other words, it is a measure of the present value of benefits owed as of a particular date based on what has been earned only up to that date, without taking into account any benefits earned after that date. The pension plan's fiduciary net position is the market value of plan assets formally set aside in a trust and restricted to paying pension plan benefits. If the pension plan's total pension liability exceeds the pension plan's fiduciary net position, then a net pension liability results. If the pension plan's fiduciary net position exceeds the pension plan's total pension liability, then a net pension asset results.

As of December 31, 2021, the total pension liability of the WRS was calculated as \$133.79 billion and the fiduciary net position of the WRS was calculated as \$141.85 billion, resulting in a net pension asset of \$8.06 billion. As of December 31, 2022, the total pension liability of the WRS was calculated as \$123.7 billion and the fiduciary net position of the WRS was calculated as \$118.4 billion, resulting in a net pension liability of \$5.3 billion. Accordingly, the Village will report a liability for its proportionate share of the net pension liability of the WRS in its audited financial statements for the year ended December 31, 2023.

Under GASB 68, each participating employer in a cost-sharing pension plan must report the employer's proportionate share of the net pension liability or net pension asset of the pension plan. Accordingly, for Fiscal Year 2022, the Village reported an asset of \$5,281,697 for its proportionate share of the net pension asset of the WRS. The net pension asset was measured as of December 31, 2021 based on the Village's share of contributions to the pension plan relative to the contributions of all participating employers. The Village's proportion was 0.06552825% of the aggregate WRS net pension asset as of December 31, 2021.

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

**Recognized and Certified Bargaining Units**

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

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

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

The following bargaining units represent(s) employees of the Village:

<b>Bargaining Unit</b>	<b>Expiration Date of Current Contract</b>
International Association of Firefighters of Local 4854	December 31, 2024
Germantown Municipal Employee’s Union Local 730, Affiliate of Labor Assoc of Wisconsin	December 31, 2024
Labor Association of Wisconsin Local 306 Professional Policeman’s Union	December 31, 2024

**OTHER POST EMPLOYMENT BENEFITS**

The Village does not provide any other post employment benefits.

**LITIGATION**

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

## **MUNICIPAL BANKRUPTCY**

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

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

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

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

**FUNDS ON HAND** (as of March 31, 2024)

<b>Fund</b>	<b>Total Cash and Investments</b>
LGIP	\$1,886,471
TD Ameritrade/Ehlers CD	30,626,769
US Bank General Checking	2,893,488
US Bank Tax Account	166,022
US Bank Payroll	15,800
BMO Harris CD- Sewer Replacement	345,554
Bank Five Nine Germantown Community Library	28,676
Associated Bank Verizon CD	33,977
US Bank Health & Dental	99,766
US Bank Traffic Signal Mnt	5,264
First Bank Library CD	80,000
Bank Five Nine Canine	1,264
Westbury Bank Dare Fund- Police Department	17,254
US Bank- Fire Explorer	4,312
US Bank- Electronic Deposit	12,903
	<hr/>
Total Funds on Hand	<u><u>\$36,217,520</u></u>

## ENTERPRISE FUNDS

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

	<b>2020 Audited</b>	<b>2021 Audited</b>	<b>2022 Audited</b>	<b>2023 Unaudited</b>
<b>Water</b>				
Total Operating Revenues	\$2,513,734	\$2,511,329	\$3,569,948	\$3,929,004
Less: Operating Expenses	<u>(2,734,819)</u>	<u>(2,934,289)</u>	<u>(2,747,337)</u>	<u>(3,310,549)</u>
Operating Income	(\$221,085)	(\$422,960)	\$822,611	\$618,455
Plus: Depreciation	1,041,246	992,684	985,410	950,000
Interest Income	<u>33,007</u>	<u>1,394</u>	<u>18,503</u>	<u>53,570</u>
Revenues Available for Debt Service	<u><u>\$853,168</u></u>	<u><u>\$571,118</u></u>	<u><u>\$1,826,524</u></u>	<u><u>\$1,622,025</u></u>
<b>Sewer</b>				
Total Operating Revenues	\$6,811,548	\$6,937,534	\$7,037,371	\$7,548,546
Less: Operating Expenses	<u>(6,627,279)</u>	<u>(7,141,938)</u>	<u>(6,865,395)</u>	<u>(7,370,909)</u>
Operating Income	\$184,269	(\$204,404)	\$171,976	\$177,637
Plus: Depreciation	838,543	1,053,537	881,973	676,000
Interest Income	<u>114,372</u>	<u>27,375</u>	<u>(232,332)</u>	<u>80,333</u>
Revenues Available for Debt Service	<u><u>\$1,137,184</u></u>	<u><u>\$876,508</u></u>	<u><u>\$821,617</u></u>	<u><u>\$933,970</u></u>

**SUMMARY GENERAL FUND INFORMATION**

The following are summaries of the revenues and expenditures and fund balances for the Village's General Fund. These summaries are not purported to be the complete audited financial statements of the Village, and potential purchasers should read the included financial statements in their entirety for more complete information concerning the Village. Copies of the complete statements are available upon request. Appendix A includes the 2022 audited financial statements.

<b>FISCAL YEAR ENDING DECEMBER 31</b>					
<b>COMBINED STATEMENT</b>	<b>2020 Audited</b>	<b>2021 Audited</b>	<b>2022 Audited</b>	<b>2023 Unaudited<sup>1</sup></b>	<b>2024 Adopted Budget<sup>2</sup></b>
<b>Revenues</b>					
Taxes and Special assessments	\$10,386,941	\$10,980,468	\$10,963,687	\$11,580,126	\$11,696,565
Intergovernmental	3,176,636	3,100,061	3,002,101	2,913,946	3,748,752
Regulation and compliance	994,265	1,233,622	1,379,642	1,632,571	1,236,130
Public charges for services	1,247,607	1,789,619	2,130,249	1,942,130	2,494,138
Intergovernmental charges for services	0	140,960	116,065	52,120	0
Investment income (loss)	156,992	(56,444)	(166,259)	1,858,252	168,000
Miscellaneous	108,063	73,704	180,969	236,643	76,928
<b>Total Revenues</b>	<u>\$16,070,504</u>	<u>\$17,261,990</u>	<u>\$17,606,454</u>	<u>\$20,215,788</u>	<u>\$19,420,513</u>
<b>Expenditures</b>					
Current:					
General government	\$1,794,383	\$1,905,457	\$2,276,320	\$2,178,940	\$1,932,503
Public safety	7,957,708	8,579,498	9,587,237	9,701,624	9,730,330
Public works	3,674,213	4,046,612	3,648,296	5,405,051	5,723,923
Culture and recreation	2,431,367	2,736,130	3,304,153	2,623,306	2,403,320
Conservation and development	327,427	338,422	348,417	193,479	299,437
Capital outlay	194,701	202,845	74,557	170,362	161,000
<b>Total Expenditures</b>	<u>\$16,379,799</u>	<u>\$17,808,964</u>	<u>\$19,238,980</u>	<u>\$20,272,762</u>	<u>\$20,250,513</u>
<b>Excess of revenues over (under) expenditures</b>	(\$309,295)	(\$546,974)	(\$1,632,526)	(\$56,974)	(\$830,000)
<b>Other Financing Sources (Uses)</b>					
Transfers in	\$675,875	\$640,452	\$626,310	\$626,000	\$730,000
Transfers (out)	(128,500)	(37,500)	(100,000)	(2,065,000)	0
<b>Total Other Financing Sources (Uses)</b>	<u>547,375</u>	<u>602,952</u>	<u>526,310</u>	<u>(1,439,000)</u>	<u>730,000</u>
<b>Net changes in Fund Balances</b>	\$238,080	\$55,978	(\$1,106,216)	(\$1,495,974)	(\$100,000)
General Fund Balance January 1	<u>\$8,427,251</u>	<u>\$8,665,331</u>	<u>\$8,721,309</u>	<u>\$7,615,093</u>	<u>\$6,119,119</u>
General Fund Balance December 31	\$8,665,331	\$8,721,309	\$7,615,093	\$6,119,119	\$6,019,119
<b>DETAILS OF DECEMBER 31 FUND BALANCE</b>					
Nonspendable	\$4,063	\$274,842	\$78,175		
Assigned	675,875	1,011,450	764,079		
Unassigned	7,985,393	7,435,017	6,772,839		
<b>Total</b>	<u>\$8,665,331</u>	<u>\$8,721,309</u>	<u>\$7,615,093</u>		

<sup>1</sup> The 2023 unaudited data is as of April 10, 2024.

<sup>2</sup> The 2024 budget was adopted on November 20, 2023.

# GENERAL INFORMATION

## LOCATION

The Village, with a 2020 U.S. Census population of 20,917 and a current estimated population of 20,953 comprises an area of 34 square miles and is located in the southeast corner of Washington County approximately 25 miles northwest of the City of Milwaukee.

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

Larger employers in the Village include the following:

<b>Firm</b>	<b>Type of Business/Product</b>	<b>Estimated No. of Employees</b>
MGS Manufacturing Group	Plastics - mold - manufacturers	565
J.W. Speaker Corp.	Lighting equipment	500
School District of Germantown	Elementary and secondary education	457 <sup>2</sup>
Gehl Foods	Commercial	475
Ellsworth Adhesives	Distributor of adhesives and dispensing systems	359
The Village	Municipal government and services	359
GKN Sinter Metals	Sintered metal/Die sets and tooling	333
Moldmakers, Inc.	Special die and tool manufacturing	300
David J. Frank Landscape Contracting	Landscape contracting	300 <sup>3</sup>
WAGO Corporation	Electrical apparatus & equipment business	200

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

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

<sup>2</sup> 456.83 FTE

<sup>3</sup> Over 300 total employees working from two main locations and six dispatch locations in Southeast WI.

## BUILDING PERMITS

	2020	2021	2022	2023	2024 <sup>1</sup>
<u>New Single Family Homes</u>					
No. of building permits	18	80	41	38	8
Valuation	\$7,184,750	\$35,982,555	\$20,573,018	\$15,046,248	\$3,507,476
<u>New Commercial/Industrial</u>					
No. of building permits	15	2	9	7	1
Valuation	\$10,920,578	\$5,061,396	\$48,487,210	\$89,087,628	\$2,557,000
<u>All Building Permits</u> <i>(including additions and remodelings)</i>					
No. of building permits	721	2,147	2,070	1,974	347
Valuation	\$22,925,691	\$76,222,791	\$110,104,107	\$151,254,263	\$14,952,466

**Source:** The Village.

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<sup>1</sup> As of March 27, 2024.



## U.S. CENSUS DATA

### Population Trend: The Village

2010 U.S. Census Population	19,749
2020 U.S. Census Population	20,917
Percent of Change 2010 - 2020	5.91%
2023 Estimated Population	20,953

### Income and Age Statistics

	<b>The Village</b>	<b>Washington County</b>	<b>State of Wisconsin</b>	<b>United States</b>
2022 per capita income	\$48,805	\$45,821	\$40,130	\$41,261
2022 median household income	\$101,554	\$91,915	\$72,458	\$75,149
2022 median family income	\$119,930	\$108,427	\$92,974	\$92,646
2022 median gross rent	\$1,263	\$1,073	\$992	\$1,268
2022 median value owner occupied units	\$333,200	\$293,300	\$231,400	\$281,900
2022 median age	41.3 yrs.	43.4 yrs.	39.9 yrs.	38.5 yrs.
		<b>State of Wisconsin</b>	<b>United States</b>	
Village % of 2022 per capita income		121.62%	118.28%	
Village % of 2022 median family income		128.99%	129.45%	

### Housing Statistics

	<b><u>The Village</u></b>		
	<b>2020</b>	<b>2022</b>	<b>Percent of Change</b>
All Housing Units	8,803	8,582	-2.51%

**Source:** 2010 and 2020 Census of Population and Housing, Wisconsin Demographic Services Center ([https://doa.wi.gov/Pages/LocalGovtsGrants/Population\\_Estimates.aspx](https://doa.wi.gov/Pages/LocalGovtsGrants/Population_Estimates.aspx)) and 2022 American Community Survey (Based on a five-year estimate), U.S. Census Bureau (<https://data.census.gov/cedsci>).

## EMPLOYMENT/UNEMPLOYMENT DATA

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

<b>Year</b>	<b><u>Average Employment</u></b>		<b><u>Average Unemployment</u></b>	
	<b>Washington County</b>	<b>Washington County</b>	<b>Washington County</b>	<b>State of Wisconsin</b>
2020	72,277		5.7%	6.4%
2021	74,193		3.1%	3.9%
2022	74,906		2.4%	2.9%
2023 <sup>1</sup>	75,531		2.6%	3.0%
2024, March <sup>1</sup>	74,575		2.9%	3.5%

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

<sup>1</sup> Preliminary.

**FINANCIAL STATEMENTS**

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

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

# **Annual Comprehensive Financial Report of the Village of Germantown**

December 31, 2022

Department Issuing Report

Prepared by Village Administrator and  
Clerk-Treasurer Department  
Member of the Government Finance Officers  
Association of the United States and Canada

# Village of Germantown

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Table of Contents  
December 31, 2022

	<u>Page</u>
<b>Introductory Section</b>	
Letter of Transmittal	i
List of Principal Officers	vi
Organizational Chart	vii
Location Map	viii
History	ix
<b>Financial Section</b>	
<b>Independent Auditors' Report</b>	x
<b>Required Supplementary Information</b>	
Management's Discussion and Analysis	xiii
<b>Basic Financial Statements</b>	
Government-Wide Financial Statements	
Statement of Net Position	1
Statement of Activities	2
Fund Financial Statements	
Balance Sheet - Governmental Funds	3
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	4
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	5
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	6
Statement of Net Position - Proprietary Funds	7
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	9
Statement of Cash Flows - Proprietary Funds	10
Statement of Fiduciary Net Position	12
Statement of Changes in Fiduciary Net Position	13
Index to Notes to Financial Statements	14
Notes to Financial Statements	15

# Village of Germantown

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Table of Contents  
December 31, 2022

	<u>Page</u>
<b>Required Supplementary Information</b>	
<b>General Fund</b>	
Detailed Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	48
Schedule of Proportionate Share of the Net Pension Liability (Asset) - Wisconsin Retirement System	50
Schedule of Employer Contributions - Wisconsin Retirement System	50
Notes to Required Supplementary Information	51
<b>Supplementary Information</b>	
<b>Debt Service Fund</b>	
Detailed Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Debt Service Fund	52
<b>Major Capital Projects Fund</b>	
Detailed Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Capital Projects	53
<b>Nonmajor Governmental Funds</b>	
Combining Balance Sheet - Nonmajor Governmental Funds	54
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	58
Detailed Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	
Police Impact Fee Fund	62
Fire Impact Fee Fund	63
Library Impact Fee Fund	64
Park and Recreation Impact Fee Fund	65
Senior Van Replacement Fund	66
Police Asset Forfeiture Fund	67
Police Canine Fund	68
Police Honor Guard Fund	69
Historic Preservation Fund	70
Library Fund	71
Facility Fees Fund	72

# Village of Germantown

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Table of Contents  
December 31, 2022

	<b>Page</b>
TID No. 6 Capital Projects Fund	73
TID No. 7 Capital Projects Fund	74
TID No. 8 Capital Projects Fund	75
<b>Internal Service Funds</b>	
Combining Statement of Net Position - Internal Service Funds	76
Combining Statement of Revenues, Expenses and Changes in Fund Net Position - Internal Service Funds	77
Combining Statement of Cash Flows - Internal Service Funds	78
<b>STATISTICAL SECTION</b>	
Table 1 - Statement of Net Position by Component - Last Ten Fiscal Years	79
Table 2 - Changes in Net Position - Last Ten Fiscal Years	80
Table 3 - Fund Balances, Governmental Funds - Last Ten Fiscal Years	81
Table 4 - Changes in Fund Balances, Total Governmental Funds - Last Ten Fiscal Years	82
Table 5 - Assessed Value and Estimated Actual Value of Taxable Property - Last Ten Fiscal Years	83
Table 6 - Direct and Overlapping Property Tax Rates (per \$1,000 of assessed value), before State School Credits - Last Ten Fiscal Years	84
Table 7 - Principal Property Tax Payers - Current Year and Nine Years Ago	85
Table 8 - Property Tax Levies and Collections - Last Ten Fiscal Years	86
Table 9 - Water & Sewer Utility - Customer Count - Last Ten Fiscal Years	87
Table 10 - Water Utility Customer Summary - Last Ten Fiscal Years	88
Table 11 - Water Utility Customer Rates - Last Ten Fiscal Years	89
Table 12 - Sewer Utility Customer Summary - Last Ten Fiscal Years	90
Table 13 - Sewer Utility Customer Rates - Last Ten Fiscal Years	91
Table 14 - Ratio of Outstanding Debt - Last Ten Fiscal Years	92
Table 15 - Ratio of General Bonded Debt Outstanding - Last Ten Fiscal Years	93
Table 16 - Direct and Overlapping Governmental Activities Debt - As of December 31, 2017	94
Table 17 - Legal Debt Margin Information - Last Ten Fiscal Years	95
Table 18 - Pledged - Revenue Coverage - Utility - Last Ten Fiscal Years	96
Table 19 - Demographic and Economic Indicators - Last Ten Fiscal Years	97
Table 20 - Principal Employers - Current Year and Nine Years Ago	98

# Village of Germantown

---

Table of Contents  
December 31, 2022

	<b><u>Page</u></b>
Table 21 - Full-time Equivalent Village Government Employees by Function/Program - Last Ten Fiscal Years	99
Table 22 - Operating Indicators by Function/Program - Last Ten Fiscal Years	100
Table 23 - Capital Asset Statistics by Function/Program - Last Ten Fiscal Years	101
Table 24 - Building Permits - Last Ten Fiscal Years	102



Clerk/Treasurer  
Department

PO Box 337

Germantown WI 53022

December 18, 2023

To: Citizens of the Village of Germantown  
Members of the Board of Trustees

The *Annual Comprehensive Financial Report* for the Village of Germantown, Wisconsin for fiscal year ending December 31, 2022, is prepared to provide the Board, our citizens, our bondholders, and other interested persons, detailed information concerning the financial condition of the Village government. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the village government. The report was prepared by the Village's Administration and Finance departments and contains representations concerning the finances of the Village. We believe the data, as presented is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the Village as measured by financial activity of its various funds; and that all disclosures necessary to enable the reader to gain reasonable understanding of its financial affairs have been included.

The Village retained the services of Baker Tilly US, LLP to perform its audit. Based upon standard audit procedures, Baker Tilly US, LLP has issued an unmodified opinion on the Village's financial statements for the year ended December 31, 2022. The auditor's opinion is located at the front of the financial section of this report.

### **Report Format**

The *Annual Comprehensive Financial Report* is presented in three main sections: introductory, financial and statistical. The introductory section contains this transmittal letter, the Village's organizational chart, a list of principal officials, and other information. The financial section contains the independent auditors report, management's discussion and analysis (MD&A), government-wide financial statements, notes to the financial statements and more detailed fund financial statements. A third section provides selected statistical and general information presented on a multi-year comparative basis.

### **Reporting Entity**

This report includes all funds of the Village of Germantown. The criteria used in determining the reporting entity are consistent with criteria established by the Governmental Accounting Standards Board (GASB) as outlined in the Codification of Governmental Accounting and Financial Reporting Standards. This report includes the General Fund, which accounts for the general administration of the Village, Special Revenue funds relating to Economic Development, and long-term Capital Projects funds and Internal Service Funds. The report also includes the Village's Enterprise funds that account for the Water and Wastewater Utilities. Internal service funds provide information on the health and dental protection plans of the Village's employees.

### **Village Profile**

Located 25 miles northwest of Milwaukee, Germantown encompasses 34 square miles in the southeast corner of Washington County. Germantown is one of the largest villages in geographical area in the State of Wisconsin. The Village's current population, as of the 2020 census, is 20,917, a 5.8% increase over the prior ten year's period. The 2022 estimated population is 21,015. The Village operates under a council-manager form of government. There are nine members on the Germantown



Village Board. Eight of the members are elected from four trustee districts and the Village President is elected at large. Board members are elected to three-year terms. The appointed Village Administrator is responsible for the day-to-day operations of the Village, the appointment of administrative staff members, and the supervision of all employees.

The area offers a pleasing, small-town character enhanced by all the modern amenities of a first-class suburb. Germantown residents take advantage of exceptional schools, modern healthcare providers, attractive real estate, well-maintained parks and facilities as well as unique shops and local restaurants. While the village has worked hard to provide its residents with the finest in big-city conveniences, it has worked equally hard to maintain its rich German heritage and beautiful architecture.

The Village provides typical municipal services including: police, fire, emergency dispatch and ambulance services; public works activities such as highway and street maintenance, and recycling; recreational activities such as parks, recreation programs, public library and senior activity center; community development activities including planning and zoning enforcement, economic development, and general administrative and financial services. The Village operates a Water and Wastewater Utility as enterprise funds.

### **Accounting Systems and Budgetary Control**

The Village's accounting records for governmental and custodial funds are based upon the modified accrual basis, with revenues recorded when available and measurable and expenditures recorded when the services and goods are received, and the liabilities incurred. Accounting records for the Village's utilities are maintained on an accrual basis.

In developing the Village's overall accounting system, consideration was given to the adequacy of the internal accounting control structure. Internal controls are designed to provide reasonable but not absolute assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial resources for preparing financial statements and maintaining accountability for assets.

The concept of reasonable assurance recognized that: (1) the cost of a control should not exceed the benefits likely to be derived and (2) the evaluation of costs and benefits requires estimates and judgements by management. We believe that the Village's internal accounting controls adequately safeguard assets and provides reasonable assurance of proper recording of financial transactions.

Village Board policy provides for adoption of an annual budget prepared by management. The budget, as adopted by the Board, is intended to appropriate expenditures on a program or functional basis. The Village Administrator is granted authority to make mid-year adjustments within budgeted accounts of a department. Budget amendments which change a departmental budget appropriation or are transfers between departments or funds must be approved by a 2/3 majority of the Village Board.

The Village Board's updated Fund Balance Policy establishes a minimum unassigned Fund Balance. It states that the Village will maintain a minimum unassigned fund balance in its General Fund ranging from 16% to 25% of the subsequent year's budgeted expenditures. This minimum fund balance is to protect against cash flow shortfalls related to timing of projected revenue receipts and to maintain a budget stabilization commitment. The 2022 unassigned fund balance is 36% of the subsequent year's expenditure budget, changing from \$7.43 million in 2021 compared to \$6.73 million in 2022. When an unassigned fund balance of the General Fund exceeds 20%, the Village may consider such fund balance surpluses for one-time expenditures that are nonrecurring in nature, and which will not require additional staffing or recurring expenditures. The excess unassigned fund balance may be used to offset future borrowing costs for a new public works facility in 2023.

### **Economic Conditions and Outlook**

The Village's 3,555,243,900 property tax base of equalized value is primarily residential (67%) but has a sizeable commercial (23%) and manufacturing (8%) presence as well. The Village had 41 new

single-family housing starts, and 9 commercial/industrial starts or large-scale expansions. The total number of building permits issued in 2022 was 2,064 with an estimated valuation of \$48,437,210.

The Village's overall equalized value increased by 13%, following an increase of 9% the previous year. The average unemployment rate for Washington county in 2022 was 2.2%, which is lower than the Wisconsin state average of 2.9%. With the use of a variety of financing tools such as impact fees, tax incremental financing incentives, and close partnerships with local business, the Village will be able to maintain current services to our constituents. We have been able to balance the community with a mixture of agricultural, residential, commercial and industrial/office development. Germantown's fine school system and parks and recreational activities are also helpful in acquiring and keeping our residential base.

Tax Incremental District No. 6 (Willow Creek Business Park) is a Mixed-Use District, that is bounded by Appleton Avenue, Lannon Road, and Maple Road. Current construction includes Discount Ramps, Metro Cigars and Ryan Companies. The base value was \$2,796,000 and has grown to \$37,986,700 in 2022. The TID is projected to close in 2033.

Tax Incremental District No. 7 is designated as an Industrial TID. The TID was amended in 2021 in order to add territory. This district was created to capture economic growth related to JW Speaker and so far the development has not created sufficient increment to cover the District's expenses. In 2021, the TID was amended to add territory and account for the Planned Capstone Quadrangle industrial park development. The area included in the District encompasses 144.2 acres owned by the J.W. Speaker Corporation, located on Freistadt Road and by North Goldendale Rd and Capstone Quadrangle property along Goldendale Road. The project allowed for extension of 16" public watermain and the 18" public sanitary sewer interceptor from their current terminus approximately 2,400 feet north along Goldendale Road. The extension facilitated growth within the district and allowed for utility connection through to Tax Increment District No. 8. The amendment includes properties on Goldendale Road. The base value was \$9,642,400 and has grown to \$16,726,100 in 2022. The TID projected closure of 2031.

In July 2018 the Village created Tax Increment District No. 8. The district is an industrial TID, encompassing 224.8 acres which is broken into two development areas, the property controlled by Zilber Property Group (approximately 151.3 acres) and the remaining 73.5 acres to be developed in later phases. The Village anticipates making total project expenditures of approximately \$14.2 million, with completion in phases as development requires. Construction in 2019 included a 706,800 square foot Briggs & Stratton warehouse facility, with two other multi-tenant industrial buildings constructed by Zilber Property Group, plus a 100,000 square foot manufacturing facility for Dielectric. The Village had three TID No. 8 related bond issues in 2019, \$6,725,000 G.O. Community Development Bonds, \$1,755,000 Taxable G.O. Community Development Bonds, and \$7,850,000 G.O. Corporate Purpose bonds. The taxable issue will reimburse Zilber Property Group to cover their costs for internal infrastructure improvements, the other two issues have funded the expansion of water and sewer main to the development as well as road reconstruction costs. The issues also provide the initial funding to construct Well #12 and Water Tower #4, in conjunction with the Water Utility. We anticipate having the well and tower online and serving the village by 2022. The base value was \$ 640,700 and has grown to \$124,620,300 in 2022. The TID is projected to close in 2031.

The Water Utility currently operates six wells; three deep and three shallow; with a capacity of 4,416,000 gallons per day plus three elevated tank water towers, two at 125 feet and one at 190 feet. The 2022 average daily water pumped for customer consumption was 1,7,01,898 gallons. The village is moving forward with a seventh well and fourth elevated tower, completed construction by the end of 2023. The Public Service Commission approved a significant rate increase for the utility during 2021 that took effect at the beginning of 2022.

The Sewer Utility maintains 109.93 miles of sewer main, seven lift stations and one metering station. The Village contracts with Milwaukee Metropolitan Sewerage District (MMSD) for its sewage treatment, the charges from MMSD for treatment and its annual capital charge remain the utility's largest expenditure. Wrenwood subdivision, a major housing development proposed for the North East side of the Village has required an extension of interceptor sewer main, with an abandonment and

construction of a new lift station completed in 2020.

The Village continues to follow basic short-term and long-term planning policies. The Village's philosophy strives for manageable conservative budgets that allow for stable financial futures, keeping taxes and utility user rates as low as possible while guaranteeing that funds will be available to protect village infrastructure and services. The Village board is committed to maintaining a positive General Fund balance. This positive balance provides the Village with a cushion for unanticipated emergencies. The COVID-19 pandemic is a perfect example of this.

By necessity, long range planning includes assessment of future debt issuance in conjunction with current debt service requirements. Village debt policies are designed to comply with requirements of Wisconsin State Statutes and bond covenants, while maintaining the highest bond rating possible. Management reviews capital planning and resultant bond issuance in conjunction with its resources on hand and monitoring the effects on future cash flows. The Village maintains a solid Aa2 general obligation bond rating from Moody's Investors Service, based upon its healthy fund balance, conservative financial management and aggressive debt repayment schedules.

As required by State Law, comprehensive "smart growth" plans are intended to be the community's guide for future growth and development. These plans must address nine specific elements: land use; housing; transportation; utilities and community facilities; agricultural, natural and cultural resources; economic development; intergovernmental cooperation; issues and opportunities; and implementation. The Village began the process of updating the current 2020 Comprehensive Plan in 2019 with assistance from GRAEF consulting. Public workshops, meetings and hearings concerning the required components of the new 2050 Comprehensive Plan were conducted in 2020-2022. The 2050 Comprehensive Plan will include all required elements but will reflect current trends and policy decisions made over the last decade. The 2050 Comprehensive Plan overall planning process is expected to take over 24 months to complete and included an extensive "public participation program" that will provide many different opportunities for property owners, residents and other stakeholders to be part of the process. The 2050 Comprehensive Plan was adopted in 2022.

As in the past several years, development in the Village, be it residential, commercial, or industrial in nature, has been of the high quality necessary to provide the diversified tax base and tax rate necessary to provide services expected by the residents of Germantown. The Village of Germantown intends to maintain an adequate financial reserve in addition to a low tax rate to provide the citizen's excellent municipal services.

### **For the Future**

Overall, the amount and value of new development in 2022 was less than in 2021. Residential development in the Village included forty-one (41) new single-family homes completed or under construction during 2022 with a total value of \$20,573,000 (about 50 percent of the eighty new homes with a value of \$35,000,000 in 2021).

New commercial, office, and industrial development in the Village in 2022 included seven (7) new commercial/industrial projects that were completed or under construction in 2022 with a total value of \$48,487,000. Development within the Germantown Gateway Corporate Park and other land within Tax Increment District (TID) No. 8 continued in 2022, including: completion of a 233,000 sqft multi-tenant industrial building on Gateway Crossing by the Zilber Property Group (Zilber No. 5), completion of the 173,000 sqft pet food manufacturing facility by the Dickman Company for Golden Pet on Gateway Court, and completion of a separate 130,000 sqft multi-tenant industrial building by the Dickman Company nearby on Goldendale Road. Development started in the new Capstone 41 Corporate Park (Holy Hill Road east of US41) with completion of the 203,000 sqft multi-tenant industrial building. In addition, forty-four (44) additions or alterations to existing commercial sites were completed or under construction in 2022 with another \$15,100,000 in total value.

Looking ahead to 2023, the Village approved final subdivision plats for two new single-family residential neighborhoods, including Heritage Park North (35 ¼-acre lots served by municipal water & sewer) and Wrenwood North (Phase 1 with 46 ¼-acre lots served by municipal water & sewer).

Home construction in both subdivisions started in late 2022 and will continue into 2023 and beyond. With respect to new commercial and industrial development in 2023 and beyond, the Village approved the creation and expansion of Tax Increment District No. 9 located in the southeast corner of the Village (Donges Bay road @ Wasaukee Road). TID 9 is 100 acres in total area and will accommodate development of a new 375,000 sqft multi-tenant industrial building by the F-Street Group and a new 34-acre pre-cast concrete panel storage facility for Stonecast Products.

Finally, in September 2022, the Village approved the 2050 Comprehensive Plan to guide future land use and development in the Village. The 2050 Plan replaces the former 2020 Plan with updated land use and development policies based on a “place-based” approach to guiding future land use and development in thirty-two (32) separate Neighborhoods, Districts and Corridors that comprise the Village.

**Vision Statement:** Germantown's ethnic heritage, high quality of life based on its rural and suburban character, and desirable location in the greater metropolitan area create our competitive advantage. Our people will work together, with respect for each other, to ensure that development is consistent with Germantown's future as a neighborly and safe place to live, work and play.

**Mission Statement:** The Village of Germantown is responsive to our citizens and businesses, embracing our heritage while working together to provide quality services in a fiscally responsible manner that will enhance the quality of life in our community.

### **INDEPENDENT AUDIT**

Included in the financial section is the independent auditor's report which is a significant part of the Annual Comprehensive Financial Report (ACFR). In this report, Baker Tilly US, LLP, Certified Public Accountants, express their opinion that the financial statements are presented fairly in conformity with generally accepted accounting principles and comment on the scope of the examination. The opinion is unmodified and signifies a substantial level of achievement.

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

Immediately following the independent auditor's report is *Management's Discussion and Analysis* which provides a narrative introduction, overview, and analysis of the basic financial statements.

### **Acknowledgments**

The preparation of this report was made possible by the dedicated services of the entire staff of the Village of Germantown Finance Department and Administration Department, and the advice of the Village's independent auditors, Baker Tilly US, LLP. Appreciation is expressed to Village employees throughout the organization, especially those employees who were instrumental in the successful completion of this report. Additional appreciation is expressed to Alex Claerbaut for the significant time, energy, and work he dedicated towards the completion of this report.

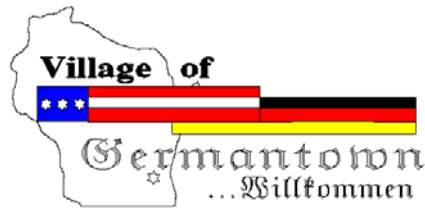
Respectfully submitted,

*Matthew Uselding*

Matthew Uselding, Finance Director

*Steven R. Kreklow*

Steven R. Kreklow, Administrator



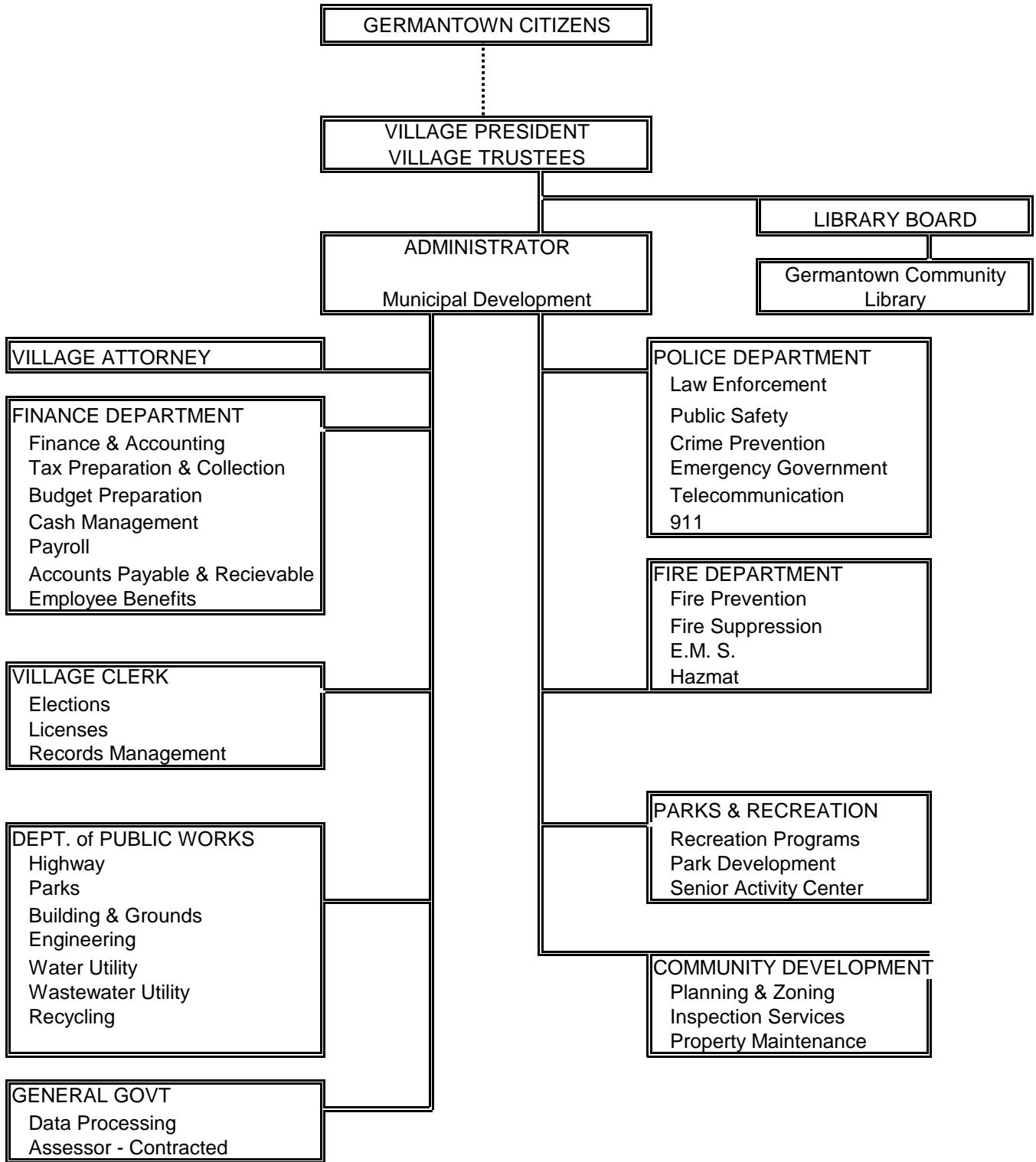
**LIST OF PRINCIPAL OFFICIALS as of December 31, 2022**  
***ELECTED OFFICIALS***

TITLE	NAME
Village President	Dean Wolter
Village Trustee - District 1	David Baum
Village Trustee - District 1	Terri Kaminski
Village Trustee - District 2	Bill Neurether
Village Trustee - District 2	Rick Miller
Village Trustee - District 3	Jolene Pieper
Village Trustee - District 3	Dennis Myers
Village Trustee - District 4	Jan Miller
Village Trustee - District 4	Phil Hudson

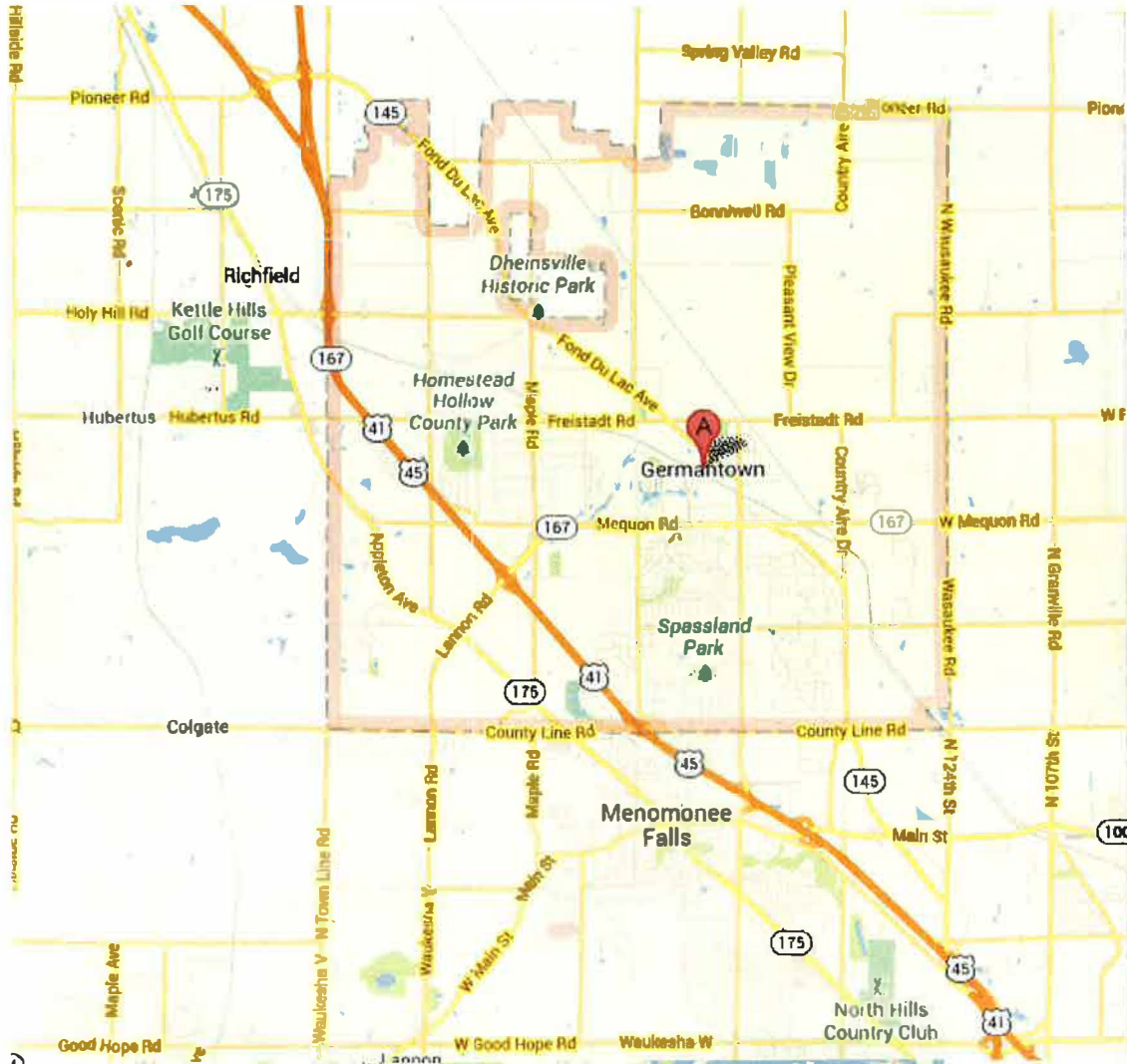
***APPOINTED OFFICIALS***

Village Administrator	Steven R. Kreklow
Village Attorney	Brian Sajdak; Wesolowski, Reidenbach & Sajdak SC
Village Assessor - Contract Service	Associated Appraisal Consultants, Inc
Village Clerk/Treasurer	Deanna L. Braunschweig
Community Development/Planning & Inspection	Jeffrey W. Retzlaff
Director of Public Works	Lawrence Ratayczak
Village Engineer	Vaccant
Police Chief	Michael Snow
Fire Chief	John Delain
Library Director	Patricia Smith
Recreation Director	Guilford Standridge
Police & Fire Commission Chairperson	Scott Scheife
Park & Recreation Commission Chair	Scott Coulthurst
Library Board President	Joyce Nelson

# VILLAGE OF GERMANTOWN ORGANIZATIONAL CHART



# The Village of Germantown - Location Map



## Brief History of the Village of Germantown

The Village of Germantown is located in southeastern Wisconsin, in the southeastern corner of Washington County. The City of Mequon, in Ozaukee County, borders the Village on the east, and the Village of Menomonee Falls, in Waukesha County, borders it on the south. The Village is contiguous with the City of Milwaukee and Milwaukee County at its southeast corner. In Washington County, the Town of Jackson borders it to the north, and the Village of Richfield shares its western border. At 35 square miles, the Village of Germantown is one of the largest village's in geographical area in the State of Wisconsin.

The Village's current population is estimated to be 20,590. A majority of its residential, commercial and industrial development is concentrated in the suburban-like central-southern half of the village. It is in this portion, served by the Milwaukee Metropolitan Sewerage District (MMSD), and supplied with water by municipal wells, that most of Germantown's development has occurred.

The half of the village north of Freistadt Road is rural in nature, and is predominately agricultural. Current extensions of municipal water and sewer main has opened this section to some commercial and industrial development.

In 1839, a group of German immigrants, seeking greater religious freedom and the promise of rich, abundant farmland, founded the settlement of Freistadt (translated "Free City") just east of the present day Village of Germantown. Today, Freistadt Road bisects the Village of Germantown from east to west. In 1839, Anton Wiesner and Levi Ostrander became the first permanent settlers in the Town of Germantown. By 1845, all of the Town of Germantown had been taken for homesteads, mostly by German immigrants.

On 11 March 1927 South Germantown became the Village of Germantown. Eleven citizens of South Germantown had petitioned the Washington County Circuit Court for incorporation of 300 acres in section 22. The petitioners were: Father Banholzer, Adam Diefenthaler, Benn C. Duerrwaechter, Alvin Gronemeyer, Edward Rintelman, Joe Rosecky, Arthur Schmidt, Charles A. Schuster, John A. Schwalbach, Joseph J. Siegl, and Aaron Walterlin. Population of South Germantown, now Germantown, was 243

The Village of Germantown was incorporated at the Fond du Lac Avenue and Main Street area. In the early 1960's, the City of Milwaukee annexed 15 acres in the southeastern corner of the Town of Germantown. Fears over further annexations prompted the Town of Germantown to merge with the smaller Village of Germantown in 1964. Most of the Town of Germantown, except for four small "islands" totaling approximately two square miles in the northwestern portion, was included in the merger.

The Village operates under a council-manager form of government. Under this form of government, a nine member Board of Trustees is elected to exercise the legislative power of the Village and to determine matters of policy. All are elected to three year terms. The Village President, who is elected at large, is the trustee who presides at all Village Board meetings and votes on all matters. The Village President has no veto power. A Village Administrator is appointed by the Village Board to serve as manager. The administrator is the chief administrative officer and is responsible to the Board of Trustees for the proper administration of all Village affairs.



## Independent Auditors' Report

To the Village Board of  
Village of Germantown

### 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 Germantown (the Village), as of and for the year ended December 31, 2022, 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 of Germantown, Wisconsin, as of December 31, 2022 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of 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.

### Emphasis of Matter

As discussed in Note 1, the Village adopted the provisions of GASB Statement No. 87, *Leases*, effective January 1, 2022. Our opinions are not modified with respect to this matter.

### Responsibilities of Management for the Financial Statements

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

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

## **Auditors' Responsibilities for the Audit of the Financial Statements**

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

In performing an audit in accordance with GAAS, we:

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

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

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## **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 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 Information**

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

*Baker Tilly US, LLP*

Madison, Wisconsin  
December 18, 2023

# Village of Germantown

Statement of Net Position  
December 31, 2022

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>Assets and Deferred Outflows of Resources</b>			
<b>Assets</b>			
Cash and investments	\$ 51,264,459	\$ 9,307,547	\$ 60,572,006
Receivables (net):			
Taxes	18,128,184	-	18,128,184
Accounts	1,371,786	2,898,143	4,269,929
Special assessments	4,685	-	4,685
Delinquent taxes	68,505	-	68,505
Accrued interest	12,799	19,760	32,559
Leases	1,295,360	198,198	1,493,558
Due from other governmental units	13,264	-	13,264
Internal balances	(7,770,226)	7,770,226	-
Prepaid items	4,985	-	4,985
Restricted assets:			
Cash and investments	321,142	1,451,010	1,772,152
Accrued interest	2,866	1,066	3,932
Net pension asset	4,829,556	452,141	5,281,697
Land held for resale	2,317,208	-	2,317,208
Capital assets:			
Land	15,629,920	175,599	15,805,519
Construction in progress	8,962,331	3,134,668	12,096,999
Capital assets, net of depreciation	<u>69,924,323</u>	<u>88,787,846</u>	<u>158,712,169</u>
Total assets	<u>166,381,147</u>	<u>114,196,204</u>	<u>280,577,351</u>
<b>Deferred Outflows of Resources</b>			
Pension related amounts	<u>9,332,998</u>	<u>930,991</u>	<u>10,263,989</u>
Total deferred outflows of resources	<u>9,332,998</u>	<u>930,991</u>	<u>10,263,989</u>
<b>Liabilities, Deferred Inflows of Resources and Net Position</b>			
<b>Liabilities</b>			
Accounts payable and accrued expenses	2,381,018	627,453	3,008,471
Accrued interest	692,601	156,131	848,732
Due to fiduciary fund	530,076	-	530,076
Unearned revenues	1,571,852	-	1,571,852
Noncurrent liabilities:			
Due within one year	4,275,888	1,040,877	5,316,765
Due in more than one year	<u>76,476,761</u>	<u>16,127,511</u>	<u>92,604,272</u>
Total liabilities	<u>85,928,196</u>	<u>17,951,972</u>	<u>103,880,168</u>
<b>Deferred Inflows of Resources</b>			
Property taxes levied for subsequent year	18,158,781	-	18,158,781
Pension related amounts	11,280,386	1,170,049	12,450,435
Lease related amounts	<u>1,295,360</u>	<u>198,198</u>	<u>1,493,558</u>
Total deferred inflows of resources	<u>30,734,527</u>	<u>1,368,247</u>	<u>32,102,774</u>
<b>Net Position</b>			
Net investment in capital assets	48,158,074	88,124,204	125,014,112
Restricted for:			
Debt service	-	608,395	608,395
Impact fees	511,322	333,675	844,997
Library	92,641	-	92,641
Pensions	4,829,556	452,141	5,281,697
Equipment replacement	-	397,185	397,185
TIF purposes	2,190,803	-	2,190,803
Unrestricted	<u>3,269,026</u>	<u>5,891,376</u>	<u>20,428,568</u>
Total net position	<u>\$ 59,051,422</u>	<u>\$ 95,806,976</u>	<u>\$ 154,858,398</u>

See notes to financial statements

# Village of Germantown

## Statement of Activities

Year Ended December 31, 2022

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
Governmental activities:							
General government	\$ 3,112,666	\$ 460,997	\$ 533,661	\$ -	\$ (2,118,008)	\$ -	\$ (2,118,008)
Public safety	9,309,120	1,721,568	326,425	63,984	(7,197,143)	-	(7,197,143)
Public works	6,105,881	418,564	1,198,627	3,819,920	(668,770)	-	(668,770)
Culture, education and recreation	3,786,339	1,062,539	373,334	35,595	(2,314,871)	-	(2,314,871)
Conservation and development	3,236,532	26,748	12,250	-	(3,197,534)	-	(3,197,534)
Interest and fiscal charges	1,941,603	-	-	-	(1,941,603)	-	(1,941,603)
Total governmental activities	<u>27,492,141</u>	<u>3,690,416</u>	<u>2,444,297</u>	<u>3,919,499</u>	<u>(17,437,929)</u>	<u>-</u>	<u>(17,437,929)</u>
Business-type activities:							
Water Utility	2,963,851	3,569,948	-	1,627,987	-	2,234,084	2,234,084
Sewer Utility	6,950,114	7,037,371	-	2,300,469	-	2,387,726	2,387,726
Total business-type activities	<u>9,913,965</u>	<u>10,607,319</u>	<u>-</u>	<u>3,928,456</u>	<u>-</u>	<u>4,621,810</u>	<u>4,621,810</u>
Total	<u>\$ 37,406,106</u>	<u>\$ 14,297,735</u>	<u>\$ 2,444,297</u>	<u>\$ 7,847,955</u>	<u>(17,437,929)</u>	<u>4,621,810</u>	<u>(12,816,119)</u>
<b>General Revenues</b>							
Taxes:							
Property taxes, levied for general purposes					10,533,130	-	10,533,130
Property taxes, levied for debt service					3,136,071	-	3,136,071
Property taxes, levied for TIF districts					2,296,924	-	2,296,924
Other taxes					610,316	-	610,316
Intergovernmental revenues not restricted to specific programs					1,220,875	-	1,220,875
Investment income (loss)					(26,902)	(213,829)	(240,731)
Miscellaneous					315,747	72,249	387,996
Total general revenues					<u>18,086,161</u>	<u>(141,580)</u>	<u>17,944,581</u>
<b>Transfers</b>					<u>626,310</u>	<u>(626,310)</u>	<u>-</u>
Change in net position					1,274,542	3,853,920	5,128,462
<b>Net Position, Beginning</b>					<u>57,776,880</u>	<u>91,953,056</u>	<u>149,729,936</u>
<b>Net Position, Ending</b>					<u>\$ 59,051,422</u>	<u>\$ 95,806,976</u>	<u>\$ 154,858,398</u>

See notes to financial statements

# Village of Germantown

Balance Sheet  
Governmental Funds  
December 31, 2022

	General Fund	Debt Service Fund	General Capital Projects	Nonmajor Governmental Funds	Total
<b>Assets</b>					
Cash and investments	\$ 4,298,572	\$ 382,095	\$ 44,677,005	\$ 1,364,614	\$ 50,722,286
Receivables (net):					
Taxes	10,698,722	4,845,716	-	2,583,746	18,128,184
Special assessments	4,685	-	-	-	4,685
Accounts	627,405	-	737,423	-	1,364,828
Leases	1,295,360	-	-	-	1,295,360
Delinquent taxes	68,505	-	-	-	68,505
Accrued interest	6,791	-	1,016	1,080	8,887
Due from other governments	13,264	-	-	-	13,264
Due from other funds	7,030,625	104,282	-	5,644,850	12,779,757
Prepaid items	4,985	-	-	-	4,985
Restricted assets:					
Cash and investments	-	-	-	321,142	321,142
Accrued interest	-	-	-	2,866	2,866
Land held for resale	-	-	-	2,317,208	2,317,208
<b>Total assets</b>	<b><u>\$ 24,048,914</u></b>	<b><u>\$ 5,332,093</u></b>	<b><u>\$ 45,415,444</u></b>	<b><u>\$ 12,235,506</u></b>	<b><u>\$ 87,031,957</u></b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>					
<b>Liabilities</b>					
Accounts payable	\$ 557,442	\$ -	\$ 534,412	\$ 176,984	\$ 1,268,838
Accrued liabilities	758,999	-	-	4,462	763,461
Unearned revenues	-	-	-	1,571,852	1,571,852
Deposits	254,392	-	-	-	254,392
Due to other funds	2,046,018	302,402	12,350,625	4,603,001	19,302,046
Advances from other funds	-	-	-	1,220,000	1,220,000
Due to fiduciary funds	530,076	-	-	-	530,076
<b>Total liabilities</b>	<b><u>4,146,927</u></b>	<b><u>302,402</u></b>	<b><u>12,885,037</u></b>	<b><u>7,576,299</u></b>	<b><u>24,910,665</u></b>
<b>Deferred Inflows of Resources</b>					
Property taxes levied for subsequent year	10,729,319	4,845,716	-	2,583,746	18,158,781
Lease related amounts	1,295,360	-	-	-	1,295,360
Unavailable revenues	262,215	-	737,423	-	999,638
<b>Total deferred inflows of resources</b>	<b><u>12,286,894</u></b>	<b><u>4,845,716</u></b>	<b><u>737,423</u></b>	<b><u>2,583,746</u></b>	<b><u>20,453,779</u></b>
<b>Fund Balances</b>					
Nonspendable	78,175	-	-	-	78,175
Restricted	-	183,975	26,188,441	2,794,766	29,167,182
Committed	-	-	-	53,695	53,695
Assigned	764,079	-	5,604,543	-	6,368,622
Unassigned (deficit)	6,772,839	-	-	(773,000)	5,999,839
<b>Total fund balances</b>	<b><u>7,615,093</u></b>	<b><u>183,975</u></b>	<b><u>31,792,984</u></b>	<b><u>2,075,461</u></b>	<b><u>41,667,513</u></b>
<b>Total liabilities and fund balance</b>	<b><u>\$ 24,048,914</u></b>	<b><u>\$ 5,332,093</u></b>	<b><u>\$ 45,415,444</u></b>	<b><u>\$ 12,235,506</u></b>	<b><u>\$ 87,031,957</u></b>

See notes to financial statements

## Village of Germantown

Reconciliation of the Balance Sheet of Governmental Funds  
to the Statement of Net Position  
December 31, 2022

**Total Fund Balances, Governmental Funds** \$ 41,667,513

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

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

Land	15,629,920
Construction in progress	8,962,331
Other capital assets	130,076,947
Less accumulated depreciation	(60,152,624)

Some receivables that are not currently available are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements. 999,638

The net pension asset does not relate to current financial resources and is not reported in the governmental funds. 4,829,556

Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds. 9,332,998

Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds. (11,280,386)

Internal service funds are reported in the statement of net position as governmental activities. 487,014

Internal service fund internal payable between governmental and business-type activities. (56,235)

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

Bonds and notes payable	(76,795,000)
Compensated absences	(1,156,252)
Accrued interest	(692,601)
Unamortized debt premium	(2,801,397)

**Net Position of Governmental Activities** \$ 59,051,422

# Village of Germantown

## Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds Year Ended December 31, 2022

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>General Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
<b>Revenues</b>					
Taxes	\$ 10,963,687	\$ 3,136,071	\$ -	\$ 2,296,924	\$ 16,396,682
Special assessments	-	-	75	-	75
Intergovernmental	3,002,101	-	-	533,661	3,535,762
Regulation and compliance	1,379,642	-	-	-	1,379,642
Public charges for services	2,130,249	-	-	123,431	2,253,680
Intergovernmental charges for services	116,065	-	-	-	116,065
Investment income (loss)	(166,259)	6,032	97,749	35,563	(26,915)
Miscellaneous	180,969	-	5,000	11,018	196,987
	<u>17,606,454</u>	<u>3,142,103</u>	<u>102,824</u>	<u>3,000,597</u>	<u>23,851,978</u>
<b>Expenditures</b>					
Current:					
General government	2,276,320	-	-	238,932	2,515,252
Public safety	9,587,237	-	-	64,492	9,651,729
Public works	3,648,296	-	-	-	3,648,296
Culture and recreation	3,304,153	-	-	80,885	3,385,038
Conservation and development	348,417	-	-	3,059,721	3,408,138
Capital outlay	74,557	-	7,669,998	3,734,742	11,479,297
Debt service:					
Principal	-	3,520,000	-	-	3,520,000
Interest and fiscal charges	-	1,252,977	-	-	1,252,977
Debt issuance costs	-	8,000	530,294	78,929	617,223
	<u>19,238,980</u>	<u>4,780,977</u>	<u>8,200,292</u>	<u>7,257,701</u>	<u>39,477,950</u>
Excess (deficiency) of revenues over expenditures	<u>(1,632,526)</u>	<u>(1,638,874)</u>	<u>(8,097,468)</u>	<u>(4,257,104)</u>	<u>(15,625,972)</u>
<b>Other Financing Sources (Uses)</b>					
General obligation debt issued	-	-	33,505,000	4,980,000	38,485,000
Premium on debt issued	-	104,282	1,527,713	29,491	1,661,486
Proceeds from debt refunding	-	-	1,435,000	-	1,435,000
Transfers in	626,310	1,551,101	100,000	-	2,277,411
Transfers out	(100,000)	-	-	(1,551,101)	(1,651,101)
	<u>526,310</u>	<u>1,655,383</u>	<u>36,567,713</u>	<u>3,458,390</u>	<u>42,207,796</u>
Total other financing sources (uses)	<u>526,310</u>	<u>1,655,383</u>	<u>36,567,713</u>	<u>3,458,390</u>	<u>42,207,796</u>
Net change in fund balances	(1,106,216)	16,509	28,470,245	(798,714)	26,581,824
<b>Fund Balances, Beginning</b>	<u>8,721,309</u>	<u>167,466</u>	<u>3,322,739</u>	<u>2,874,175</u>	<u>15,085,689</u>
<b>Fund Balances, Ending</b>	<u>\$ 7,615,093</u>	<u>\$ 183,975</u>	<u>\$ 31,792,984</u>	<u>\$ 2,075,461</u>	<u>\$ 41,667,513</u>

See notes to financial statements



## Village of Germantown

Reconciliation of the Statement of Revenues, Expenditures,  
and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
Year Ended December 31, 2022

**Net Change in Fund Balances, Total Governmental Funds** \$ 26,581,824

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	11,479,297
Some items reported as capital outlay were not capitalized	(431,719)
Contributed capital assets are reported as revenues in the government-wide financial statements	3,128,420
Depreciation is reported in the government-wide financial statements	(3,158,302)
Net book value of assets retired	(381,658)

Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.

884,749

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.

Debt issued	(39,920,000)
Principal repaid	3,520,000
Change in lease liability	75,503

Governmental funds report debt premiums and discounts as other financing sources (uses) or financing sources or uses. However, in the statement of net position, these are reported as additions to or deductions from long-term debt. These are allocated over the period the debt is outstanding in the statement of activities and are reported as interest expense.

Premium on debt issued	(1,645,130)
Amortization of debt premium	168,690

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.

Compensated absences	(271,682)
Accrued interest on debt	(256,447)
Net pension asset/liability	1,238,682
Deferred outflows of resources related to pensions	3,404,811
Deferred inflows of resources related to pensions	(3,417,118)

Internal service funds are used by management to charge self insurance costs to individual funds. The change in net position of the internal service fund reported with governmental activities

274,622

**Change in Net Position of Governmental Activities** \$ 1,274,542

# Village of Germantown

Statement of Net Position  
 Proprietary Funds  
 December 31, 2022

	<u>Business-Type Activities - Enterprise Funds</u>			<u>Governmental Activities - Internal Service Funds</u>
	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Total</u>	
<b>Assets</b>				
Current assets:				
Cash and investments	\$ 4,202,331	\$ 4,424,416	\$ 8,626,747	\$ 542,173
Accounts receivable	1,041,588	1,856,555	2,898,143	6,958
Accrued interest	4,951	14,809	19,760	3,912
Due from other funds	5,050,371	5,072,453	10,122,824	50,917
Lease receivable, current	24,489	-	24,489	-
Restricted assets:				
Redemption account	<u>255,560</u>	<u>-</u>	<u>255,560</u>	<u>-</u>
Total current assets	<u>10,579,290</u>	<u>11,368,233</u>	<u>21,947,523</u>	<u>603,960</u>
Noncurrent assets:				
Restricted assets:				
Reserve account	414,000	-	414,000	-
Depreciation account	50,590	-	50,590	-
Equipment replacement account	-	397,185	397,185	-
Impact fees	333,675	-	333,675	-
Accrued interest receivable	1,066	-	1,066	-
Net pension asset	246,723	205,418	452,141	-
Capital assets:				
Land	140,450	35,149	175,599	-
Construction in progress	107,945	3,026,723	3,134,668	-
Plant in service	51,763,418	72,615,035	124,378,453	-
Less accumulated depreciation	(16,824,388)	(18,766,219)	(35,590,607)	-
Other assets:				
Water tower account	680,800	-	680,800	-
Lease receivable	173,709	-	173,709	-
Advances to other funds	<u>1,220,000</u>	<u>-</u>	<u>1,220,000</u>	<u>-</u>
Total noncurrent assets	<u>38,307,988</u>	<u>57,513,291</u>	<u>95,821,279</u>	<u>-</u>
Total assets	<u>48,887,278</u>	<u>68,881,524</u>	<u>117,768,802</u>	<u>603,960</u>
<b>Deferred Outflows of Resources</b>				
Pension related amounts	<u>507,799</u>	<u>423,192</u>	<u>930,991</u>	<u>-</u>
Total deferred outflows of resources	<u>507,799</u>	<u>423,192</u>	<u>930,991</u>	<u>-</u>

See notes to financial statements

# Village of Germantown

Statement of Net Position  
 Proprietary Funds  
 December 31, 2022

	<u>Business-Type Activities - Enterprise Funds</u>			<u>Governmental Activities - Internal Service Funds</u>
	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Total</u>	
<b>Liabilities</b>				
Current liabilities:				
Accounts payable	\$ 45,520	\$ 525,139	\$ 570,659	\$ 94,327
Accrued wages	29,281	27,513	56,794	-
Accrued interest	16,858	43,310	60,168	-
Due to other funds	2,871,742	757,091	3,628,833	22,619
Current portion of general obligation debt	315,000	460,000	775,000	-
Current portion of compensated absences	13,738	8,398	22,136	-
Liabilities payable from restricted assets:				
Current portion of revenue bonds payable	243,741	-	243,741	-
Accrued interest payable	95,963	-	95,963	-
<b>Total current liabilities</b>	<b>3,631,843</b>	<b>1,821,451</b>	<b>5,453,294</b>	<b>116,946</b>
Noncurrent liabilities:				
Long-term debt:				
Revenue bonds payable	4,228,069	-	4,228,069	-
General obligation debt payable	4,165,000	6,975,000	11,140,000	-
Unamortized premium	332,893	319,359	652,252	-
Other liabilities:				
Compensated absences	48,051	59,139	107,190	-
<b>Total noncurrent liabilities</b>	<b>8,774,013</b>	<b>7,353,498</b>	<b>16,127,511</b>	<b>-</b>
<b>Total liabilities</b>	<b>12,405,856</b>	<b>9,174,949</b>	<b>21,580,805</b>	<b>116,946</b>
<b>Deferred Inflows of Resources</b>				
Pension related amounts	625,760	544,289	1,170,049	-
Lease related amounts	198,198	-	198,198	-
<b>Total deferred inflows of resources</b>	<b>823,958</b>	<b>544,289</b>	<b>1,368,247</b>	<b>-</b>
<b>Net Position</b>				
Net investment in capital assets	33,895,422	54,228,782	88,124,204	-
Restricted for:				
Debt service	608,395	-	608,395	-
Impact fees	333,675	-	333,675	-
Pensions	246,723	205,418	452,141	-
Equipment replacement	-	397,185	397,185	-
Unrestricted	1,081,048	4,754,093	5,835,141	487,014
<b>Total net position</b>	<b>\$ 36,165,263</b>	<b>\$ 59,585,478</b>	<b>95,750,741</b>	<b>\$ 487,014</b>
Adjustments to reflect the consolidation of internal service funds activities related to enterprise funds.			56,235	
<b>Net position business-type activities</b>			<b>\$ 95,806,976</b>	

See notes to financial statements

# Village of Germantown

## Statement of Revenues, Expenses and Changes in Net Position

### Proprietary Funds

Year Ended December 31, 2022

	<b><u>Business-Type Activities - Enterprise Funds</u></b>			<b><u>Governmental Activities - Internal Service Funds</u></b>
	<b><u>Water Utility</u></b>	<b><u>Sewer Utility</u></b>	<b><u>Total</u></b>	
<b>Operating Revenues</b>				
Charges for services	\$ -	\$ 7,037,371	\$ 7,037,371	\$ -
Sale of water	3,502,811	-	3,502,811	-
Other	67,137	-	67,137	2,236,975
Total operating revenues	<u>3,569,948</u>	<u>7,037,371</u>	<u>10,607,319</u>	<u>2,236,975</u>
<b>Operating Expenses</b>				
Operation and maintenance	1,761,927	5,983,422	7,745,349	1,927,383
Depreciation	985,410	881,973	1,867,383	-
Total operating expenses	<u>2,747,337</u>	<u>6,865,395</u>	<u>9,612,732</u>	<u>1,927,383</u>
Operating income	<u>822,611</u>	<u>171,976</u>	<u>994,587</u>	<u>309,592</u>
<b>Nonoperating Revenues (Expenses)</b>				
Investment income (loss)	18,503	(232,332)	(213,829)	11
Miscellaneous	61,748	10,501	72,249	-
Interest expense	(121,174)	(87,869)	(209,043)	-
Debt issuance costs	(116,333)	(10,836)	(127,169)	-
Total nonoperating revenues (expenses)	<u>(157,256)</u>	<u>(320,536)</u>	<u>(477,792)</u>	<u>11</u>
Income (loss) before contributions and transfers	<u>665,355</u>	<u>(148,560)</u>	<u>516,795</u>	<u>309,603</u>
<b>Contributions and Transfers</b>				
Capital contributions	1,627,987	2,300,469	3,928,456	-
Transfers out, tax equivalent	(626,310)	-	(626,310)	-
Total contributions and transfers	<u>1,001,677</u>	<u>2,300,469</u>	<u>3,302,146</u>	<u>-</u>
Change in net position	1,667,032	2,151,909	3,818,941	309,603
<b>Net Position, Beginning</b>	<u>34,498,231</u>	<u>57,433,569</u>	<u>91,931,800</u>	<u>177,411</u>
<b>Net Position, Ending</b>	<u>\$ 36,165,263</u>	<u>\$ 59,585,478</u>	<u>\$ 95,750,741</u>	<u>\$ 487,014</u>
Change in net position of proprietary funds			\$ 3,818,941	
Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds			<u>34,979</u>	
Change in net position of business- type activities			<u>\$ 3,853,920</u>	

See notes to financial statements

# Village of Germantown

## Statement of Cash Flows

### Proprietary Funds

Year Ended December 31, 2022

	<b><u>Business-Type Activities - Enterprise Funds</u></b>			<b>Governmental</b>
	<b><u>Water Utility</u></b>	<b><u>Sewer Utility</u></b>	<b><u>Total</u></b>	<b>Activities - Internal Service Funds</b>
<b>Cash Flows From Operating Activities</b>				
Received from customers	\$ 2,652,760	\$ 7,688,820	\$ 10,341,580	\$ -
Received from other funds for services	576,763	-	576,763	2,247,239
Paid to suppliers for goods and services	(2,251,383)	(5,539,251)	(7,790,634)	(2,333,849)
Paid to employees for services	(630,015)	(464,150)	(1,094,165)	-
Net cash flows from operating activities	<u>348,125</u>	<u>1,685,419</u>	<u>2,033,544</u>	<u>(86,610)</u>
<b>Cash Flows From Investing Activities</b>				
Investments sold and matured	2,976,320	5,259,271	8,235,591	-
Investment income (loss)	18,503	(232,332)	(213,829)	11
Investments purchased	(6,357,057)	(4,618,085)	(10,975,142)	-
Net cash flows from investing activities	<u>(3,362,234)</u>	<u>408,854</u>	<u>(2,953,380)</u>	<u>11</u>
<b>Cash Flows From Noncapital Financing Activities</b>				
Paid to municipality for tax equivalent	(626,358)	-	(626,358)	-
Net cash flows from noncapital financing activities	<u>(626,358)</u>	<u>-</u>	<u>(626,358)</u>	<u>-</u>
<b>Cash Flows From Capital and Related Financing Activities</b>				
Acquisition and construction of capital assets	(2,923,591)	(7,745,951)	(10,669,542)	-
Capital contributions received	-	122,498	122,498	-
Special assessments received	10,942	-	10,942	-
Debt retired	(357,603)	(115,000)	(472,603)	-
Interest paid	(16,765)	(77,481)	(94,246)	-
Proceeds from debt issue	8,958,504	5,083,289	14,041,793	-
Debt issuance costs	(116,333)	(10,836)	(127,169)	-
Advances to other funds	(1,220,000)	-	(1,220,000)	-
Net cash flows from capital and related financing activities	<u>4,335,154</u>	<u>(2,743,481)</u>	<u>1,591,673</u>	<u>-</u>
Net change in cash and cash equivalents	694,687	(649,208)	45,479	(86,599)
<b>Cash and Cash Equivalents, Beginning</b>	<u>600,881</u>	<u>1,753,776</u>	<u>2,354,657</u>	<u>628,772</u>
<b>Cash and Cash Equivalents, Ending</b>	<u>\$ 1,295,568</u>	<u>\$ 1,104,568</u>	<u>\$ 2,400,136</u>	<u>\$ 542,173</u>

See notes to financial statements

# Village of Germantown

## Statement of Cash Flows

### Proprietary Funds

Year Ended December 31, 2022

	<u>Business-Type Activities - Enterprise Funds</u>			<u>Governmental Activities - Internal Service Funds</u>
	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Total</u>	
<b>Reconciliation of Operating Income to Net Cash Flows From Operating Activities</b>				
Operating income	\$ 822,611	\$ 171,976	\$ 994,587	\$ 309,592
Nonoperating revenue	47,654	10,501	58,155	-
Adjustments to reconcile operating income to net cash flows from operating activities:				
Depreciation	985,410	881,973	1,867,383	-
Depreciation charged to other funds	65,355	-	65,355	-
Changes in assets and liabilities:				
Accounts receivable	(505,235)	82,505	(422,730)	(990)
Due from other funds	(774,531)	558,443	(216,088)	(408,930)
Lease receivables	(198,198)	-	(198,198)	-
Accounts payable	(273,158)	15,754	(257,404)	13,718
Due to other funds	-	(34,477)	(34,477)	-
Compensated absences	24,123	6,888	31,011	-
Other current liabilities	(9,305)	(6,155)	(15,460)	-
Lease related deferrals	198,198	-	198,198	-
Pension related deferrals and liabilities	(34,799)	(1,989)	(36,788)	-
Net cash flows from operating activities	<u>\$ 348,125</u>	<u>\$ 1,685,419</u>	<u>\$ 2,033,544</u>	<u>\$ (86,610)</u>
<b>Reconciliation of Cash and Cash Equivalents to the Statement of Net Position, Proprietary Funds</b>				
Unrestricted cash and investments	\$ 4,883,131	\$ 4,424,416	\$ 9,307,547	\$ 542,173
Restricted cash and investments	<u>1,053,825</u>	<u>397,185</u>	<u>1,451,010</u>	<u>-</u>
Total cash and investments	5,936,956	4,821,601	10,758,557	542,173
Less noncash equivalents	<u>(4,641,388)</u>	<u>(3,717,033)</u>	<u>(8,358,421)</u>	<u>-</u>
Cash and cash equivalents	<u>\$ 1,295,568</u>	<u>\$ 1,104,568</u>	<u>\$ 2,400,136</u>	<u>\$ 542,173</u>
<b>Noncash Capital and Related Financing Activities</b>				
Developer additions to utility plant	<u>\$ 1,627,987</u>	<u>\$ 2,177,971</u>		
Amortization of debt premium	<u>\$ 5,611</u>	<u>\$ 6,328</u>		

See notes to financial statements

# Village of Germantown

Statement of Fiduciary Net Position

Fiduciary Fund

December 31, 2022

	<b>Custodial Fund</b>
	<b>Tax Collection Fund</b>
	<b>Fund</b>
<b>Assets</b>	
Cash and investments	\$ 21,482,569
Tax roll receivable	15,194,272
Due from village funds	<u>530,076</u>
Total assets	<u>37,206,917</u>
<b>Liabilities</b>	
Accounts payable	28,407
Due to other governments	<u>37,178,510</u>
Total liabilities	<u>37,206,917</u>
<b>Net Position</b>	
Total net position	<u>\$ -</u>

See notes to financial statements

# Village of Germantown

Statement of Changes in Fiduciary Net Position

Fiduciary Fund

Year Ended December 31, 2022

	<u>Custodial Fund</u> <u>Tax Collection Fund</u>
<b>Additions</b>	
Tax collections	\$ 27,703,590
Total additions	<u>27,703,590</u>
<b>Deductions</b>	
Tax distributions	<u>27,703,590</u>
Total deductions	<u>27,703,590</u>
Change in fiduciary net position	-
<b>Net Position, Beginning</b>	<u>-</u>
<b>Net Position, Ending</b>	<u>\$ -</u>

See notes to financial statements



# Village of Germantown

Index to Notes to Financial Statements

December 31, 2022

	<u>Page</u>
<b>1. Summary of Significant Accounting Policies</b>	15
Reporting Entity	15
Government-Wide and Fund Financial Statements	15
Measurement Focus, Basis of Accounting and Financial Statement Presentation	17
Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity	19
Deposits and Investments	19
Receivables	20
Prepaid Items	21
Restricted Assets	21
Capital Assets	21
Deferred Outflows of Resources	22
Compensated Absences	22
Long-Term Obligations/Conduit Debt	22
Leases	14
Deferred Inflows of Resources	22
Equity Classifications	23
Pension	24
Basis for Existing Rates	24
<b>2. Stewardship, Compliance and Accountability</b>	25
Budgetary Information	25
Excess Expenditures and Other Financing Uses Over Budget	25
Deficit Balances	25
Limitations on the Village's Tax Levy	25
<b>3. Detailed Notes on All Funds</b>	26
Deposits and Investments	26
Receivables	28
Restricted Assets	29
Capital Assets	30
Interfund Receivables/Payables, Advances and Transfers	32
Short-Term Debt Activity	34
Long-Term Obligations	34
Lease Disclosures	38
Net Position/Fund Balances	38
<b>4. Other Information</b>	40
Employees' Retirement System	40
Risk Management	45
Commitments and Contingencies	46
Effect of New Accounting Standards on Current-Period Financial Statements	47

# Village of Germantown

Notes to Financial Statements  
December 31, 2022

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## 1. Summary of Significant Accounting Policies

The accounting policies of the Village of Germantown, 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

In June 2017, the GASB issued Statement No. 87, *Leases*. This Statement requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right-to-use an underlying asset. Under the Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, which enhances the relevance and consistency of information about the Village's leasing activities. This standard was implemented January 1, 2022.

### Government-Wide Financial Statements

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

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

### Fund Financial Statements

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

## Village of Germantown

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Notes to Financial Statements  
December 31, 2022

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

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

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

### **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

# Village of Germantown

Notes to Financial Statements  
December 31, 2022

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The Village reports the following nonmajor governmental funds:

## Special Revenue Funds

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

Police Impact Fee Fund	Fire Impact Fee Fund
Library Impact Fee Fund	Park and Recreation Impact Fee Fund
Senior Van Replacement Fund	Police Asset Forfeiture Fund
Police Canine Fund	Historic Preservation Fund
Library Fund	Facility Fees Fund
Police Honor Guard Fund	Fire Explorer Fund
American Rescue Plan Act (ARPA) Fund	

## 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.

Tax Incremental District (TID) No. 6	Tax Incremental District (TID) No. 8
Tax Incremental District (TID) No. 7	Tax Incremental District (TID) No. 9

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.

Health Insurance Fund
Dental Insurance Fund

## Custodial Funds

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

Tax Collection Fund
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## 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 Germantown

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Notes to Financial Statements  
December 31, 2022

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

### **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 and sewer 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 Germantown

Notes to Financial Statements  
December 31, 2022

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## All Financial Statements

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

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

### Deposits and Investments

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

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

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

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

The Village's investment policy allows for demand deposits and certificates of deposit at several designated depositories without restriction as to amount of deposit or collateralization. For other financial institutions, the policy limits certificates of deposit to \$500,000 unless collateralized with certain investments. All governmental bonds and securities purchased as collateral must be placed in a segregated account in the Village's name.

The investment policy addresses credit risk and concentration of credit risk by limiting investments to the types of securities listed in the policy, which follows state statutes. The Village will pre-qualify financial institutions, brokers/dealers, intermediaries and advisors before doing business with them. In addition, the Village's investment portfolio will be diversified so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

# Village of Germantown

Notes to Financial Statements  
December 31, 2022

The Village's investment policy also addresses interest rate risk by requiring investment in securities that mature to meet cash flow requirements, funds that are primarily made up of shorter-term securities, money market mutual funds or similar investment pools and limiting weighted average maturity of portfolios to three years.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on methods and inputs as outlined in Note 3. 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, 2022, 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 state and county governments as well as the local school district and technical college district. Taxes for all state and local governmental units billed in the current year for the succeeding year are reflected as receivables and due to other taxing units on the accompanying statement of fiduciary net position.

Property tax calendar - 2022 tax roll:

Lien date and levy date	December 2022
Tax bills mailed	December 2022
Payment in full, or	January 31, 2023
First installment due	January 31, 2023
Second installment due	July 31, 2023
Personal property taxes in full	January 31, 2023
Tax sale - 2022 delinquent real estate taxes	October 2025

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

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

# Village of Germantown

Notes to Financial Statements  
December 31, 2022

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## Prepaid Items

Governmental fund inventory items are charged to expenditure accounts when purchased. Year-end inventory was not significant.

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 general capital assets and \$25,000 for infrastructure assets and an estimated useful life in excess of one year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

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

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

Buildings	40-50 Years
Land Improvements	25 Years
Machinery and Equipment	5-20 Years
Utility System	20-100 Years
Infrastructure	20-50 Years

### Fund Financial Statements

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



# Village of Germantown

Notes to Financial Statements  
December 31, 2022

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## Deferred Outflows of Resources

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

## Compensated Absences

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

All vested vacation and sick leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements, and are payable with expendable resources.

Employees who retire and are eligible to draw a Wisconsin Retirement Annuity will have 50%, or other collectively bargained percentage, of their unused accumulated sick leave converted into dollars at the time of their retirement and forwarded to ICMA Retirement Corporation to open a VantageCare Retirement Health Savings Plan (RHS). The RHS is a tax-advantaged investment plan dedicated to funding health care costs. The employee has ownership of the funds and may use the dollars to remain on the Village health care plan until age 65. Funding for the RHS contribution are provided out of the current operating budget of the Village. The contributions are financed on a pay-as-you-go basis. The total expenditure for the year was \$133,185.

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, 2022, are determined on the basis of current salary rates and include salary related payments.

## Long-Term Obligations/Conduit Debt

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

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

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 \$31,645,017, made up of 9 issues.

## Deferred Inflows of Resources

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

# Village of Germantown

Notes to Financial Statements  
December 31, 2022

## 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*.

The net position section includes an adjustment for capital assets owned by the business-type activities column, but financed by the debt of the governmental activities column. The amount is a reduction of *net investment in capital assets* and an increase in *unrestricted* net position, shown only in the total column. A reconciliation of this adjustment is as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Adjustment</u>	<u>Total</u>
Net investment in capital assets	\$ 48,158,074	\$ 88,124,204	\$ (11,268,166)	\$ 125,014,112
Unrestricted	3,269,026	5,891,376	11,268,166	20,428,568

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 Germantown

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Notes to Financial Statements  
December 31, 2022

- 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.

The Village has a formal minimum fund balance policy. That policy is to maintain a working capital fund of 16-25% of the Village's subsequent year general fund expenditure budget. The balance at year-end was \$6,772,839 or 36%, and is included in unassigned general fund balance.

See Note 3 for further information.

### Pension

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

### Basis for Existing Rates

#### Water Utility

Current water rates were approved by the Public Service Commission of Wisconsin, effective January 1, 2022.

#### Sewer Utility

Current sewer rates were approved by the Village Board with an effective date of December 15, 2014.

# Village of Germantown

Notes to Financial Statements  
December 31, 2022

## 2. Stewardship, Compliance and Accountability

### Budgetary Information

A budget has been adopted for the all funds except the Fire Explorer Fund, ARPA Fund, and TID No. 9 Capital Projects Fund. A budget has not been formally adopted for the funds listed, as they were created after the respective budgets were adopted. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds.

### Excess Expenditures and Other Financing Uses Over Budget

<u>Funds</u>	<u>Budgeted Expenditures and Other Financing Uses</u>	<u>Actual Expenditures and Other Financing Uses</u>	<u>Excess Expenditures and Other Financing Uses Over Budget</u>
Police Canine Fund	\$ 5,000	\$ 63,600	\$ 58,600
Library Fund	500	3,788	3,288
Facility Fees Fund	20,000	75,972	55,972
TID No. 6 Capital Projects Fund	460,132	525,511	65,379

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

### Deficit Balances

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

As of December 31, 2022, the following individual funds held a deficit balance:

<u>Fund</u>	<u>Amount</u>	<u>Reason</u>
Historic Preservation	\$ 156	Expenditures exceeded revenues
Facility Fees	1,143	Expenditures exceeded revenues
TID No. 8 Capital Projects	771,701	Expenditures exceeded 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. The Historic Preservation and Facilities Fee deficits are anticipated to be funded with future charges for services and donations.

### 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 0%. Changes in debt service from one year to the next are generally exempt from this limit with certain exceptions. The Village is required to reduce its allowable levy by the estimated amount of fee revenue it collects for certain services, if those services were funded in 2013 by the property tax levy. Levies can be increased above the allowable limits if the amount is approved by referendum.

## Village of Germantown

Notes to Financial Statements  
December 31, 2022

### 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	\$ 31,490,700	\$ 32,315,425	Custodial credit
U.S. agencies, implicitly guaranteed	18,096,116	18,096,116	Custodial credit, interest rate, credit, concentration of credit
U.S. treasuries	24,702,835	24,702,835	Custodial credit, interest rate
State and local bonds	2,570,012	2,570,012	Credit, custodial credit, concentration of credit, interest rate
LGIP	3,342,587	3,342,587	Credit
Certificates of deposit (negotiable)	3,372,216	3,372,216	Custodial credit risk, credit, concentration of credit, interest rate
Corporate bonds	250,071	250,081	Custodial credit, interest rate, credit, concentration of credit
Petty cash	2,190	-	N/A
	<u>\$ 83,826,727</u>	<u>\$ 84,649,272</u>	
Reconciliation to financial statements			
Per statement of net position:			
Unrestricted cash and investments	\$ 60,572,006		
Restricted cash and investments	1,772,152		
Per statement of net position, fiduciary fund:			
Cash and investments	<u>21,482,569</u>		
	<u>\$ 83,826,727</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.

## Village of Germantown

Notes to Financial Statements  
December 31, 2022

The Securities Investor Protection Corporation (SIPC), created by the Securities Investor Protection Act of 1970, is an independent government-sponsored corporation (not an agency of the U.S. government).

SIPC membership provides account protection up to a maximum of \$500,000 per customer, of which \$100,000 may be in cash. \$500,000 of the Village's investments are covered by SIPC.

The Village maintains collateral agreements with its banks. At December 31, 2022, the banks had pledged various government securities in the amount of \$25,000,000 to secure the Village's deposits.

The Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The valuation methods for recurring fair value measurements are as follows:

- Quoted market prices

Investment Type	December 31, 2022			
	Level 1	Level 2	Level 3	Total
Certificates of deposit (negotiable)	\$ -	\$ 3,372,216	\$ -	\$ 3,372,216
U.S. agencies, implicitly guaranteed	-	18,096,116	-	18,096,116
State & local bonds	-	2,570,012	-	2,570,012
U.S. treasuries	-	24,702,835	-	24,702,835
Corporate bonds	-	250,071	-	250,071
Total	<u>\$ -</u>	<u>\$ 48,991,250</u>	<u>\$ -</u>	<u>\$ 48,991,250</u>

### 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.

#### Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

All investments that are subject to custodial credit risk have collateral held by the pledging financial institution.

### Credit Risk

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

## Village of Germantown

Notes to Financial Statements  
December 31, 2022

As of December 31, 2022, the Village's investments were rated as follows:

<u>Investment Type</u>	<u>Standard &amp; Poors</u>	<u>Moody's Investors Services</u>
Certificates of deposit (negotiable)	A+, A, Not rated	A1, Aa1, Aa3, A2
U.S. agencies, implicitly guaranteed	AA+, A-1+	Aaa
State & local bonds	AAA, AA+, AA, AA-	Aa1, Aa2, Aa3, Aaa

The Village also held investments in the following external pool which is not rated:

Local Government Investment Pool

### Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.

At December 31, 2022, the Village's investment portfolio was concentrated as follows:

<u>Issuer</u>	<u>Investment Type</u>	<u>Percentage of Portfolio</u>
Federal Home Loan Banks	U.S. agencies, implicitly guaranteed	12.11 %
Federal Nation Mortgage Association	U.S. agencies, implicitly guaranteed	9.73
Federal Farm Credit Banks Funding Corp	U.S. agencies, implicitly guaranteed	6.48
Federal Home Loan Mortgage Corp	U.S. agencies, implicitly guaranteed	5.88

### Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment.

As of December 31, 2022, the Village's investments were as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity (In Years)</u>	
		<u>Less than 1 year</u>	<u>1-5 years</u>
Certificates of deposit (negotiable)	\$ 3,372,216	\$ 1,256,034	\$ 2,116,182
U.S. agencies, implicitly guaranteed	18,096,116	12,136,658	5,959,458
State & local bonds	2,570,012	2,189,403	380,609
US Treasuries	24,702,835	18,408,197	6,294,638
Corporate bonds	250,071	250,071	-
Total	<u>\$ 48,991,250</u>	<u>\$ 34,240,363</u>	<u>\$ 14,750,887</u>

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, except for special assessments and delinquent taxes.

## Village of Germantown

Notes to Financial Statements  
December 31, 2022

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	\$ 18,158,781	\$ -
Payment in lieu of taxes receivable	-	209,649
Special assessments not yet due	-	4,685
Developer receivable not yet due	-	47,881
Accounts receivable due from developer	-	45,923
Receivable due from other government	-	691,500
Grant received not yet earned	<u>1,571,852</u>	<u>-</u>
Total unearned/unavailable revenue for governmental funds	<u>\$ 19,730,633</u>	<u>\$ 999,638</u>
Unearned revenue included in liabilities	\$ 1,571,852	
Unearned revenue included in deferred inflows	<u>18,158,781</u>	
Total unearned revenue for governmental funds	<u>\$ 19,730,633</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 12 months.

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

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

#### Equipment Replacement Account

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

#### Impact Fee Account

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

#### Net Pension Asset

Restricted assets have been reported in connection with the net pension asset balance since this balance must be used to fund employee benefits.



## Village of Germantown

Notes to Financial Statements  
December 31, 2022

Following is a list of restricted assets at December 31, 2022:

	<b>Restricted Assets</b>
Governmental activities:	
Impact fee accounts	\$ 321,142
Accrued interest	2,866
Net pension asset	4,829,556
Business-type activities:	
Water impact fees	333,675
Accrued interest	1,066
Sewer equipment replacement account	397,185
Water redemption account	255,560
Water reserve account	414,000
Water depreciation account	50,590
Net pension asset	452,141
	<u>452,141</u>
Total	<u><u>\$ 7,057,781</u></u>

### Capital Assets

Capital asset activity for the year ended December 31, 2022, was as follows:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Deletions</b>	<b>Ending Balance</b>
<b>Governmental Activities</b>				
Capital assets not being depreciated:				
Land	\$ 13,577,807	\$ 2,052,113	\$ -	\$ 15,629,920
Construction in progress	<u>3,222,602</u>	<u>5,739,729</u>	<u>-</u>	<u>8,962,331</u>
Total capital assets not being depreciated	<u>16,800,409</u>	<u>7,791,842</u>	<u>-</u>	<u>24,592,251</u>
Capital assets being depreciated:				
Buildings and improvements	19,270,779	104,150	-	19,374,929
Machinery and equipment	13,228,926	1,194,644	528,655	13,894,915
Roads	58,604,224	4,097,135	420,401	62,280,958
Storm sewers	22,798,398	534,359	-	23,332,757
Street lighting	3,365,760	414,913	-	3,780,673
Bridges	<u>7,392,610</u>	<u>38,955</u>	<u>18,850</u>	<u>7,412,715</u>
Total capital assets being depreciated	<u>124,660,697</u>	<u>6,384,156</u>	<u>967,906</u>	<u>130,076,947</u>
Total capital assets	<u>141,461,106</u>	<u>14,175,998</u>	<u>967,906</u>	<u>154,669,198</u>
Less accumulated depreciation for:				
Buildings and improvements	(9,968,261)	(541,106)	-	(10,509,367)
Machinery and equipment	(7,764,785)	(682,908)	427,226	(8,020,467)
Roads	(20,602,934)	(1,231,719)	156,811	(21,677,842)
Storm sewers	(13,076,462)	(461,312)	-	(13,537,774)
Street lighting	(2,590,248)	(95,471)	-	(2,685,719)
Bridges	<u>(3,577,880)</u>	<u>(145,786)</u>	<u>2,211</u>	<u>(3,721,455)</u>
Total accumulated depreciation	<u>(57,580,570)</u>	<u>(3,158,302)</u>	<u>586,248</u>	<u>(60,152,624)</u>
Net capital assets being depreciated	<u>67,080,127</u>	<u>3,225,854</u>	<u>381,658</u>	<u>69,924,323</u>
Total governmental activities capital assets, net of accumulated depreciation	<u><u>\$ 83,880,536</u></u>	<u><u>\$ 11,017,696</u></u>	<u><u>\$ 381,658</u></u>	<u><u>\$ 94,516,574</u></u>

## Village of Germantown

Notes to Financial Statements  
December 31, 2022

Depreciation expense was charged to functions as follows:

### Governmental Activities

General government	\$ 72,620
Public safety	512,609
Public works, including infrastructure	2,179,940
Leisure	377,788
Conservation and development	<u>15,345</u>
Total governmental activities depreciation expense	<u>\$ 3,158,302</u>

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Business-Type Activities</b>				
Capital assets not being depreciated:				
Land	\$ 175,599	\$ -	\$ -	\$ 175,599
Construction in progress	<u>107,945</u>	<u>3,026,723</u>	<u>-</u>	<u>3,134,668</u>
Total capital assets not being depreciated	<u>283,544</u>	<u>3,026,723</u>	<u>-</u>	<u>3,310,267</u>
Capital assets being depreciated:				
Buildings and improvements	5,747,697	17,165	-	5,764,862
Machinery and equipment	7,507,875	129,309	12,750	7,624,434
Water system	43,784,488	2,005,528	-	45,790,016
Sewer system	<u>63,000,414</u>	<u>2,198,727</u>	<u>-</u>	<u>65,199,141</u>
Total capital assets being depreciated	<u>120,040,474</u>	<u>4,350,729</u>	<u>12,750</u>	<u>124,378,453</u>
Total capital assets	<u>120,324,018</u>	<u>7,377,452</u>	<u>12,750</u>	<u>127,688,720</u>
Less accumulated depreciation for:				
Buildings and improvements	(1,630,878)	(162,075)	-	(1,792,953)
Machinery and equipment	(4,583,288)	(295,073)	12,750	(4,865,611)
Water system	(12,206,278)	(805,231)	-	(13,011,509)
Sewer system	<u>(15,250,176)</u>	<u>(670,358)</u>	<u>-</u>	<u>(15,920,534)</u>
Total accumulated depreciation	<u>(33,670,620)</u>	<u>(1,932,737)</u>	<u>12,750</u>	<u>(35,590,607)</u>
Net capital assets being depreciated	<u>86,369,854</u>	<u>2,417,992</u>	<u>-</u>	<u>88,787,846</u>
Business-type capital assets, net of accumulated depreciation	<u>\$ 86,653,398</u>	<u>\$ 5,444,715</u>	<u>\$ -</u>	<u>\$ 92,098,113</u>

Depreciation expense was charged to functions as follows:

### Business-Type Activities

Water	\$ 985,410
Sewer	<u>881,973</u>
Total business-type activities depreciation expense	<u>\$ 1,867,383</u>

Additions to accumulated depreciation include depreciation expense as well as salvage on retired assets and joint metering and may not equal depreciation expense. Accumulated depreciation by asset on sewer utility assets is not available.

# Village of Germantown

Notes to Financial Statements  
December 31, 2022

## Interfund Receivables/Payables, Advances and Transfers

### Interfund Receivables/Payables

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	General capital projects	\$ 61,227
General	Debt service	302,402
General	Nonmajor governmental	4,603,001
General	Water utility	1,651,742
General	Sewer utility	389,634
General	Health insurance	22,619
Debt service	General capital projects	104,282
Water utility	General capital projects	4,682,914
Water utility	Sewer utility	367,457
Sewer utility	General capital projects	5,072,453
Nonmajor governmental funds	General	1,995,101
Nonmajor governmental funds	General capital projects	2,429,749
Nonmajor governmental funds	Water utility	1,220,000
Dental Insurance	General	<u>50,917</u>
Total, fund financial statements		22,953,498
Less fund eliminations		(9,936,755)
Less interfund receivables created with internal service fund eliminations		(56,235)
Less government-wide eliminations		(19,510,734)
Less interfund advances		<u>(1,220,000)</u>
Total internal balances, government-wide statement of net position		<u>\$ (7,770,226)</u>
<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Governmental activities	Business-type activities	\$ 3,261,376
Business-type activities	Governmental activities	<u>(11,031,602)</u>
Total government-wide financial statements		<u>\$ (7,770,226)</u>

All amounts are due within one year.

Interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

### Advances

The water utility is advancing funds to TID No. 6 capital projects fund and TID No. 7 capital projects fund. The amount advanced is equal to the TID No. 6 and TID No. 7 related debt issued during 2022. The repayment schedule of the advances is included in the repayment schedule of the 2022 Water Revenue Bonds.

# Village of Germantown

Notes to Financial Statements  
December 31, 2022

The following is a schedule of interfund advances:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Amount Not Due Within One Year</u>
Water utility	TID No. 6 capital projects	\$ 555,000	\$ 530,000
Water utility	TID No. 7 capital projects	<u>665,000</u>	665,000
Total		<u>\$ 1,220,000</u>	

The principal purpose of these interfunds is to prepay principal on debt.

<u>Years</u>	<u>TID No 6</u>		<u>TID No. 7</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 25,000	\$ 29,100	\$ -	\$ 34,967
2024	30,000	18,775	-	24,069
2025	40,000	17,375	30,000	23,469
2026	40,000	15,775	55,000	21,769
2027	40,000	14,175	60,000	19,469
2028-2032	230,000	45,169	310,000	62,203
2033-2035	<u>150,000</u>	<u>7,719</u>	<u>210,000</u>	<u>10,805</u>
Total	<u>\$ 555,000</u>	<u>\$ 148,088</u>	<u>\$ 665,000</u>	<u>\$ 196,751</u>

## 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	Water utility	\$ 626,310	Payment in lieu of taxes
Debt service fund	Nonmajor governmental funds	1,551,101	Debt service
General capital projects	General fund	<u>100,000</u>	Contribution to police vehicle
Total, fund financial statements		2,277,411	
Less fund eliminations		<u>(1,651,101)</u>	
Total transfers, government-wide statement of activities		<u>\$ 626,310</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.

## Village of Germantown

Notes to Financial Statements  
December 31, 2022

### Short-Term Debt Activity

On May 17, 2022, the Village issued short-term debt in the form of note anticipation notes in the amount of \$4,525,000. The short-term debt was refunded on December 1, 2022, with the issuance of general obligation corporate purpose bonds in the amount of \$42,380,000.

Short-term debt activity for the year ended December 31, 2022, was as follows:

	<u>Beginning Balance</u>		<u>Issued</u>		<u>Redeemed</u>		<u>Ending Balance</u>
Note Anticipation Note	\$ -		\$ 4,525,000		\$ 4,525,000		\$ -

### Long-Term Obligations

Long-term obligations activity for the year ended December 31, 2022, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<b>Governmental Activities</b>					
Bonds and notes payable:					
General obligation debt	\$ 40,395,000	\$ 39,920,000	\$ 3,520,000	\$ 76,795,000	\$ 4,110,000
(Discounts)/Premiums	1,324,957	1,645,130	168,690	2,801,397	-
Total bonds and notes payable	<u>41,719,957</u>	<u>41,565,130</u>	<u>3,688,690</u>	<u>79,596,397</u>	<u>4,110,000</u>
Other liabilities:					
Vested compensated absences	884,570	308,931	37,249	1,156,252	165,888
Leases	75,503	-	75,503	-	-
Total other liabilities	<u>960,073</u>	<u>308,931</u>	<u>112,752</u>	<u>1,156,252</u>	<u>165,888</u>
Total governmental activities long-term liabilities	<u>\$ 42,680,030</u>	<u>\$ 41,874,061</u>	<u>\$ 3,801,442</u>	<u>\$ 80,752,649</u>	<u>\$ 4,275,888</u>
<b>Business-Type Activities</b>					
Bonds and notes payable:					
General obligation debt	\$ 2,700,000	\$ 9,330,000	\$ 115,000	\$ 11,915,000	\$ 775,000
Revenue debt from direct borrowings and direct placements	374,414	-	42,604	331,810	43,741
Revenue bonds	315,000	4,140,000	315,000	4,140,000	200,000
(Discounts)/Premiums:					
Premiums(Discounts)	92,398	571,793	11,939	652,252	-
Subtotal	<u>3,481,812</u>	<u>14,041,793</u>	<u>484,543</u>	<u>17,039,062</u>	<u>1,018,741</u>
Other liabilities:					
Vested compensated absences	98,315	40,847	9,836	129,326	22,136
Total other liabilities	<u>98,315</u>	<u>40,847</u>	<u>9,836</u>	<u>129,326</u>	<u>22,136</u>
Total business-type activities long-term liabilities	<u>\$ 3,580,127</u>	<u>\$ 14,082,640</u>	<u>\$ 494,379</u>	<u>\$ 17,168,388</u>	<u>\$ 1,040,877</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, 2022, was \$177,762,195. Total general obligation debt outstanding at year-end was \$88,710,000.

## Village of Germantown

Notes to Financial Statements  
December 31, 2022

### General Obligation Debt

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

<u>Governmental Activities</u>					<u>Balance</u>
<u>General Obligation Debt</u>	<u>Date of</u>	<u>Final</u>	<u>Interest</u>	<u>Original</u>	<u>December 31,</u>
	<u>Issue</u>	<u>Maturity</u>	<u>Rates</u>	<u>Indebtedness</u>	<u>2022</u>
GO Promissory Note GO Community Development Bonds, TID No. 6	05/08/2013	2023	0.30-1.60%	\$ 1,905,000	\$ 195,000
GO Promissory note	10/01/2014	2034	3.00-4.00	5,405,000	4,825,000
GO Promissory Note	05/14/2014	2024	2.00-3.00	2,645,000	600,000
GO Promissory Note	3/24/2015	2025	2.00	2,655,000	800,000
GO Promissory Note	5/11/2016	2026	2.00	2,670,000	1,060,000
GO Promissory Note	03/29/2017	2027	2.00-2.55	2,805,000	1,400,000
GO Promissory Note	04/05/2018	2028	2.4855	2,795,000	1,680,000
GO Community Development Bonds, TID No. 7	06/06/2018	2033	3.0764	2,480,000	2,240,000
GO Community Development Bonds, TID No. 8	02/05/2019	2038	3.00-5.00	6,725,000	6,525,000
Taxable GO Community Development Bonds, TID No. 8	02/05/2019	2029	3.00-3.30	1,710,000	1,565,000
GO Promissory Note	05/02/2019	2029	3.00-4.00	3,040,000	2,300,000
GO Corporate Purpose Bond, TID No. 8	12/11/2019	2039	2.25-4.00	7,850,000	7,630,000
GO Promissory Note	04/23/2020	2030	2.00-4.00	3,875,000	3,190,000
GO Promissory Note	06/30/2021	2031	1.00-3.00	3,165,000	2,865,000
GO Promissory Note	05/18/2022	2032	3.00-4.00	4,320,000	4,320,000
Taxable GO Promissory Notes	05/18/2022	2032	3.25-3.35	2,550,000	2,550,000
GO Corporate Purpose Bond	12/01/2022	2042	4.00-5.00	33,050,000	<u>33,050,000</u>
Total governmental activities, general obligation debt					<u>\$ 76,795,000</u>
<u>Business-Type Activities</u>					<u>Balance</u>
<u>General Obligation Debt</u>	<u>Date of</u>	<u>Final</u>	<u>Interest</u>	<u>Original</u>	<u>December 31,</u>
	<u>Issue</u>	<u>Maturity</u>	<u>Rates</u>	<u>Indebtedness</u>	<u>2022</u>
GO Corporate Purpose Bond	12/11/2019	2039	2.25-4.00%	\$ 3,005,000	\$ 2,585,000
GO Corporate Purpose Bond	12/01/2022	2042	4.00-5.00	9,330,000	<u>9,330,000</u>
Total business-type activities, general obligation debt					<u>\$ 11,915,000</u>

# Village of Germantown

Notes to Financial Statements  
December 31, 2022

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities General Obligation Debt</u>		<u>Business-Type Activities General Obligation Debt</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 4,110,000	\$ 2,432,949	\$ 775,000	\$ 372,356
2024	4,275,000	2,585,292	485,000	447,356
2025	4,655,000	2,420,832	425,000	425,831
2026	4,355,000	2,258,078	445,000	405,356
2027	4,310,000	2,109,677	465,000	383,931
2028-2032	22,835,000	8,297,873	2,670,000	1,584,647
2033-2037	17,215,000	4,497,491	3,295,000	964,525
2038-2042	<u>15,040,000</u>	<u>1,430,219</u>	<u>3,355,000</u>	<u>318,594</u>
Total	<u>\$ 76,795,000</u>	<u>\$ 26,032,411</u>	<u>\$ 11,915,000</u>	<u>\$ 4,902,596</u>

## Revenue Debt

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

The Village has pledged future water revenues to repay revenue bonds issued in 2009 and 2022. Proceeds from the bonds provided financing for the construction of water plant. The bonds are payable solely from water revenues and are payable through 2035. Annual principal and interest payments on the bonds are expected to require 11.73% of gross revenues. The total principal and interest remaining to be paid on the bonds is \$5,602,095. Principal and interest paid for the current year and total customer gross revenues were \$52,025 and \$3,673,495, respectively.

Revenue debt payable at December 31, 2022, 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, 2022</u>
<b>Water Utility</b>					
Direct borrowing/direct placement, Safe Drinking Water Loan	11/12/2009	05/01/2029	2.67%	\$ 773,293	\$ 331,810 (2)
Water system revenue bonds	05/18/2022	05/01/2035	3.00-4.00	4,140,000	<u>4,140,000</u>
Total business-type activities, revenue debt					<u>\$ 4,471,810</u>

(2) - The utility was authorized to issue \$971,470 of water system Safe Drinking Water Loan revenue bonds. The original amount reported above has been issued as of December 31, 2022. The repayment schedule is for the amount issued.

# Village of Germantown

Notes to Financial Statements  
December 31, 2022

Debt service requirements to maturity are as follows:

<u>Years</u>	<b>Business-Type Activities Revenue Debt</b>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 200,000	\$ 216,913
2024	235,000	139,363
2025	300,000	128,663
2026	300,000	116,663
2027	310,000	104,463
2028-2032	1,675,000	334,141
2033-2035	<u>1,120,000</u>	<u>58,163</u>
Total	<u>\$ 4,140,000</u>	<u>\$ 1,098,369</u>

<u>Years</u>	<b>Business-Type Activities Revenue Debt from Direct Borrowings and Direct Placements</b>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 43,741	\$ 8,269
2024	44,908	7,087
2025	46,106	5,873
2026	47,336	4,626
2027	48,599	3,346
2028-2029	<u>101,120</u>	<u>2,715</u>
Total	<u>\$ 331,810</u>	<u>\$ 31,916</u>

## Current Refunding

On May 18, 2022, the water utility issued \$4,140,000 in revenue bonds with an average coupon rate of 3.71% to refund \$160,000 of outstanding bonds with an average coupon rate of 3.87%. The net proceeds along with existing funds of the water utility were used to prepay the outstanding debt.

The cash flow requirements on the refunded debt prior to the current refunding was \$261,315 from 2023 through 2025. The cash flow requirements on the 2022 refunding bonds are \$172,698 from 2023 through 2025. The current refunding resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$88,617.



# Village of Germantown

Notes to Financial Statements  
December 31, 2022

## Lease Disclosures

### Lessor - Lease Receivables

<u>Governmental Activities</u>				Receivable Balance December 31, 2022
<u>Lease Receivables Description</u>	<u>Date of Inception</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	
General Fund - Ground and Structure Leases	2002 - 2012	2027 - 2037	3.37%	\$ 1,295,360
Total governmental activities				<u>\$ 1,295,360</u>
<u>Business-Type Activities</u>				Receivable Balance December 31, 2022
<u>Lease Receivables Description</u>	<u>Date of Inception</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	
Water Utility - Tower Lease	2004	2029	3.37%	\$ 198,198
Total business-type activities				<u>\$ 198,198</u>

The Village recognized \$97,204 of lease revenue during the fiscal year.

The Village recognized \$53,370 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, 2022, includes the following:

### Governmental Activities

Net investment in capital assets:

Land	\$ 15,629,920
Construction in progress	8,962,331
Other capital assets, net of accumulated depreciation	69,924,323
Less long-term debt outstanding	(76,795,000)
Plus unspent capital related debt proceeds	28,412,897
Plus noncapital debt proceeds	4,825,000
Less unamortized debt premium	<u>(2,801,397)</u>
Total net investment in capital assets	<u>\$ 48,158,074</u>

# Village of Germantown

Notes to Financial Statements  
December 31, 2022

## Governmental Funds

Governmental fund balances reported on the fund financial statements at December 31, 2022, include the following:

	<u>General Fund</u>	<u>Debt Service</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Funds</u>	<u>Total</u>
<b>Fund Balances</b>					
<b>Nonspendable:</b>					
Prepaid items	\$ 4,985	\$ -	\$ -	\$ -	\$ 4,985
Noncurrent receivables	<u>73,190</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>73,190</u>
Subtotal	<u>78,175</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>78,175</u>
<b>Restricted for:</b>					
Debt service	-	183,975	-	-	183,975
Capital projects	-	-	26,188,441	-	26,188,441
TID projects	-	-	-	2,190,803	2,190,803
Police projects	-	-	-	143,851	143,851
Fire projects	-	-	-	114,278	114,278
Library projects	-	-	-	59,126	59,126
Parks	-	-	-	194,067	194,067
Library	<u>-</u>	<u>-</u>	<u>-</u>	<u>92,641</u>	<u>92,641</u>
Subtotal	<u>-</u>	<u>183,975</u>	<u>26,188,441</u>	<u>2,794,766</u>	<u>29,167,182</u>
<b>Committed to:</b>					
Senior van replacement	-	-	-	37,007	37,007
Police	-	-	-	15,061	15,061
Fire explorer program	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,627</u>	<u>1,627</u>
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>53,695</u>	<u>53,695</u>
<b>Assigned to:</b>					
Payment in lieu of tax	626,310	-	-	-	626,310
Tourism	137,769	-	-	-	137,769
Capital projects	<u>-</u>	<u>-</u>	<u>5,604,543</u>	<u>-</u>	<u>5,604,543</u>
Subtotal	<u>764,079</u>	<u>-</u>	<u>5,604,543</u>	<u>-</u>	<u>6,368,622</u>
<b>Unassigned (deficit)</b>	<u>6,772,839</u>	<u>-</u>	<u>-</u>	<u>(773,000)</u>	<u>5,999,839</u>
Total fund balances	<u>\$ 7,615,093</u>	<u>\$ 183,975</u>	<u>\$ 31,792,984</u>	<u>\$ 2,075,461</u>	<u>\$ 41,667,513</u>
<b>Business-Type Activities</b>					
Net investment in capital assets:					
Land					\$ 175,599
Construction in progress					3,134,668
Other capital assets, net of accumulated depreciation					88,787,846
Less long-term debt outstanding					(16,386,810)
Plus unspent capital related debt proceeds					13,065,153
Less unamortized debt premium					<u>(652,252)</u>
Total net investment in capital assets					<u>\$ 88,124,204</u>

# Village of Germantown

Notes to Financial Statements  
December 31, 2022

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## 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 Germantown

Notes to Financial Statements  
December 31, 2022

### Post-Retirement Adjustments

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

<u>Year</u>	<u>Core Fund Adjustment %</u>	<u>Variable Fund Adjustment %</u>
2012	(7.0)	(7.0)
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

### 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 \$768,133 in contributions from the Village.

Contribution rates for the plan year reported as of December 31, 2022 are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (Executives & Elected Officials)	6.75 %	6.75 %
Protective with Social Security	6.75 %	11.75 %
Protective without Social Security	6.75 %	16.35 %

## Village of Germantown

Notes to Financial Statements  
December 31, 2022

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

At December 31, 2022, the Village reported an liability (asset) of \$(5,281,697) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2020 rolled forward to December 31, 2021. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net pension liability (asset) was based on the Village's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2021, the Village's proportion was 0.06552825%, which was an increase of 0.00177440% from its proportion measured as of December 31, 2020.

For the year ended December 31, 2022, the Village recognized pension expense of \$(593,368).

At December 31, 2022, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between projected and actual experience	\$ 8,532,315	\$ 615,272
Changes in assumptions	985,384	-
Net differences between projected and actual earnings on pension plan investments	-	11,815,596
Changes in proportion and differences between employer contributions and proportionate share of contributions	27,452	19,567
Employer contributions subsequent to the measurement date	<u>718,838</u>	<u>-</u>
Total	<u>\$ 10,263,989</u>	<u>\$ 12,450,435</u>

\$718,838 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<b>Years Ending December 31:</b>	<b>Deferred Outflows of Resources and Deferred Inflows of Resources (Net)</b>
2023	\$ (238,315)
2024	(1,427,302)
2025	(631,982)
2026	(607,685)

## Village of Germantown

Notes to Financial Statements  
December 31, 2022

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### Actuarial Assumptions

The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. Based on this experience study, actuarial assumptions used to measure the Total Pension Liability changed from prior year, including the discount rate, long-term expected rate of return, post-retirement adjustment, price inflation, mortality and separation rates. The Total Pension Liability for December 31, 2021 is based upon a roll-forward of the liability calculated from the December 31, 2020 actuarial valuation.

## Village of Germantown

Notes to Financial Statements  
December 31, 2022

### 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:

<b>Asset Allocation Targets and Expected Returns* As of December 31, 2021</b>			
<b>Core Fund Asset Class</b>	<b>Asset Allocation %</b>	<b>Long-Term Expected Nominal Rate of Return %</b>	<b>Long-Term Expected Real Rate of Return %**</b>
Global Equities	52	6.8	4.2
Fixed Income	25	4.3	1.8
Inflation Sensitive	19	2.7	0.2
Real Estate	7	5.6	3
Private Equity/Debt	12	9.7	7
Total Core Fund***	115	6.6	4
<b>Variable Fund Asset</b>			
U.S. Equities	70	6.3	3.7
International Equities	30	7.2	4.6
Total Variable Fund	100	6.8	4.2

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

\*\* *New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.5%*

\*\*\* *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 Germantown

Notes to Financial Statements  
December 31, 2022

### Single Discount Rate

A single discount rate of 6.8% was used to measure the total pension liability, as opposed to a discount rate of 7.0% for the prior year. This single discount rate is based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 1.84% (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, 2021. 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:

	<b>1% Decrease to Discount Rate (5.8%)</b>	<b>Current Discount Rate (6.8%)</b>	<b>1% Increase to Discount Rate (7.8%)</b>
Village's proportionate share of the net pension liability (asset)	<u>\$ 3,747,738</u>	<u>\$ (5,281,697)</u>	<u>\$ (11,781,211)</u>

### 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, 2022, 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 purchases commercial insurance to provide coverage for losses from torts; theft of, damage to or destruction of assets; errors and omission; and workers compensation. However, other risks, such as health and dental care of its employees are accounted for and financed by the Village in the health insurance and dental insurance internal service funds.



## Village of Germantown

Notes to Financial Statements  
December 31, 2022

### Self Insurance

For health claims, the uninsured risk of loss is \$45,000 per incident and \$2,000,000 in the aggregate for a policy year. The Village has purchased commercial insurance for claims in excess of those amounts. Settled claims have not exceeded the commercial coverage in any of the past three years.

All funds of the Village participate in the risk management program. Accounts payable in the internal service funds are based on estimates of the amounts necessary to pay prior and current year claims. That reserve was \$448,659 at year-end and is reported in unrestricted net position of the internal service funds

A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable. Liabilities include an amount for claims that have been incurred but not reported. The Village does not allocate overhead costs or other nonincremental costs to the claims liability.

### Claims Liability

	<u>Prior Year</u>	<u>Current Year</u>
Unpaid Claims, Beginning	\$ 147,159	\$ 80,609
Current year claims and changes in estimates	1,677,697	1,183,470
Claim payments	<u>(1,744,247)</u>	<u>(1,169,752)</u>
Unpaid Claims, Ending	<u>\$ 80,609</u>	<u>\$ 94,327</u>

### 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.

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.

The Village has active construction projects as of December 31, 2022. Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures.

In 2018, the Village issued a municipal revenue obligation as part of a development agreement. The amount of the obligation was \$1,000,000, and is payable to the developer solely from tax increments collected from a specific portion of the development in TID No. 8.

Payments are scheduled through the year 2033, and carry an interest rate of 3.75%. The obligation does not constitute a charge upon any funds of the Village. In the event that future tax increments are not sufficient to pay off the obligation, the obligation terminates with no further liability to the Village. Since the amount of future payments is contingent on the collection of future TIF increments, the obligation is not reported as a liability in the accompanying financial statements. The balance of the commitment outstanding at year-end was \$940,347.

## Village of Germantown

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Notes to Financial Statements  
December 31, 2022

### Effect of New Accounting Standards on Current-Period Financial Statements

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

- Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*
- Statement No. 96, *Subscription-Based Information Technology Arrangements*
- Statement No. 99, *Omnibus 2022*
- Statement No. 100, *Accounting Changes and Error Corrections - an Amendment of GASB Statement No. 62*
- Statement No. 101, *Compensated Absences*

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

**REQUIRED SUPPLEMENTARY INFORMATION**

## **GENERAL FUND**

The general fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

# Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual - General Fund  
Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>Revenues</b>			
<b>Taxes</b>			
General property taxes	\$ 10,533,130	\$ 10,533,130	\$ -
Other taxes	581,170	430,557	(150,613)
Special assessments	4,685	-	(4,685)
Intergovernmental	2,878,191	3,002,101	123,910
Regulation and compliance	1,333,009	1,379,642	46,633
Public charges for services	1,989,811	2,130,249	140,438
Intergovernmental charges for services	-	116,065	116,065
Investment income (loss)	138,500	(166,259)	(304,759)
Miscellaneous	39,063	180,969	141,906
	<u>17,497,559</u>	<u>17,606,454</u>	<u>108,895</u>
Total revenues			
<b>Expenditures</b>			
<b>General Government</b>			
Village board	134,300	181,707	(47,407)
General administrator	233,650	240,039	(6,389)
Village clerk	80,500	76,680	3,820
Treasurer/accounting	352,327	312,072	40,255
Assessor	104,294	103,064	1,230
Data processing	159,393	275,482	(116,089)
General government	257,645	195,471	62,174
Buildings and ground maintenance	1,014,216	891,805	122,411
	<u>2,336,325</u>	<u>2,276,320</u>	<u>60,005</u>
Total general government			
<b>Public Safety</b>			
Police protection	5,366,012	5,836,651	(470,639)
Fire protection	2,546,236	3,195,139	(648,903)
Emergency government	17,212	18,804	(1,592)
Protective inspections	526,606	536,643	(10,037)
	<u>8,456,066</u>	<u>9,587,237</u>	<u>(1,131,171)</u>
Total public safety			
<b>Public Works</b>			
Engineer/director	252,830	327,520	(74,690)
Highway and street maintenance and construction	3,009,155	2,921,487	87,668
Solid waste recycling	411,909	399,289	12,620
	<u>3,673,894</u>	<u>3,648,296</u>	<u>25,598</u>
Total public works			

See notes to required supplementary information

## Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual - General Fund  
Year Ended December 31, 2022

	<b>Budgeted Amounts</b>		
	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance With Final Budget</b>
<b>Culture and Recreation</b>			
Library	\$ 962,781	\$ 1,069,193	\$ (106,412)
Recreation	1,304,534	1,432,314	(127,780)
Senior center	119,484	119,269	215
Parks	<u>882,646</u>	<u>683,377</u>	<u>199,269</u>
Total culture and recreation	<u>3,269,445</u>	<u>3,304,153</u>	<u>(34,708)</u>
<b>Conservation and Development</b>			
Planning and zoning	286,929	279,289	7,640
Municipal development	<u>81,900</u>	<u>69,128</u>	<u>12,772</u>
Total conservation and development	<u>368,829</u>	<u>348,417</u>	<u>20,412</u>
<b>Capital Outlay</b>	<u>120,000</u>	<u>74,557</u>	<u>45,443</u>
Total expenditures	<u>18,224,559</u>	<u>19,238,980</u>	<u>(1,014,421)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(727,000)</u>	<u>(1,632,526)</u>	<u>(905,526)</u>
<b>Other Financing Sources (Uses)</b>			
Transfers in	620,000	626,310	6,310
Transfers out	<u>-</u>	<u>(100,000)</u>	<u>(100,000)</u>
Total other financing sources (uses)	<u>620,000</u>	<u>526,310</u>	<u>(93,690)</u>
Net change in fund balance	(107,000)	(1,106,216)	(999,216)
<b>Fund Balance, Beginning</b>	<u>8,721,309</u>	<u>8,721,309</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 8,614,309</u>	<u>\$ 7,615,093</u>	<u>\$ (999,216)</u>

See notes to required supplementary information

**Village of Germantown**

## Schedule of Proportionate Share of the Net Pension Liability (Asset) -

Wisconsin Retirement System

Year Ended December 31, 2022

<b>WRS Fiscal Year Ending</b>	<b>Proportion of the Net Pension Liability (Asset)</b>	<b>Proportionate Share of the Net Pension Liability (Asset)</b>	<b>Covered Payroll</b>	<b>Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll</b>	<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>
12/31/22	0.06355283 %	\$ (5,281,697)	\$ 8,410,935	62.80 %	106.02 %
12/31/21	0.06375385 %	(3,980,241)	8,273,949	48.11 %	105.26 %
12/31/20	0.06104707 %	(1,968,436)	8,083,395	24.35 %	102.96 %
12/31/19	0.05861313 %	2,085,271	7,386,989	28.23 %	96.45 %
12/31/18	0.05745337 %	(1,705,858)	6,970,047	24.47 %	102.93 %
12/31/17	0.05815135 %	479,306	6,998,756	6.85 %	99.12 %
12/31/16	0.05959839 %	968,226	6,919,994	13.99 %	98.20 %
12/31/15	0.06091924 %	(1,496,343)	7,018,809	21.32 %	102.74 %

## Schedule of Employer Contributions - Wisconsin Retirement System

Year Ended December 31, 2022

<b>Village Fiscal Year Ending</b>	<b>Contractually Required Contributions</b>	<b>Contributions in Relation to the Contractually Required Contributions</b>	<b>Contribution Deficiency (Excess)</b>	<b>Covered Payroll</b>	<b>Contributions as a Percentage of Covered Payroll</b>
12/31/22	\$ 718,838	\$ (718,838)	\$ -	\$ 9,157,347	7.85 %
12/31/21	669,795	(669,795)	-	8,411,759	7.96 %
12/31/20	653,360	(653,360)	-	8,277,783	7.89 %
12/31/19	670,516	(670,516)	-	8,083,395	8.29 %
12/31/18	609,915	(609,915)	-	7,386,990	8.26 %
12/31/17	577,241	(577,241)	-	6,970,048	8.28 %
12/31/16	550,442	(550,442)	-	6,992,283	7.87 %
12/31/15	554,307	(554,307)	-	6,919,432	8.01 %

See notes to required supplementary information

## Village of Germantown

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Notes to Required Supplementary Information  
Year Ended December 31, 2022

### Budgetary Information

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

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

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

### Wisconsin Retirement System

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

The Village is required to present the last ten 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.* There were no changes of benefit terms for any participating employer in the Wisconsin Retirement System (WRS).

#### *Changes of assumptions:*

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

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

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

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



**SUPPLEMENTARY INFORMATION**

## **DEBT SERVICE FUND**

The Debt Service Fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources.

## Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual - Debt Service Fund  
Year Ended December 31, 2022

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance With Final Budget</b>
<b>Revenues</b>			
Taxes	\$ 3,136,071	\$ 3,136,071	\$ -
Investment income	3,000	6,032	3,032
Total revenues	<u>3,139,071</u>	<u>3,142,103</u>	<u>3,032</u>
<b>Expenditures</b>			
Debt service:			
Principal	3,635,000	3,520,000	115,000
Interest and fiscal charges	1,243,853	1,252,977	(9,124)
Debt issuance costs	<u>3,800</u>	<u>8,000</u>	<u>(4,200)</u>
Total expenditures	<u>4,882,653</u>	<u>4,780,977</u>	<u>101,676</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,743,582)</u>	<u>(1,638,874)</u>	<u>104,708</u>
<b>Other Financing Sources</b>			
Premium on debt issued	-	104,282	104,282
Transfers in	<u>1,743,582</u>	<u>1,551,101</u>	<u>(192,481)</u>
Total other financing sources	<u>1,743,582</u>	<u>1,655,383</u>	<u>(88,199)</u>
Net change in fund balance	-	16,509	16,509
<b>Fund Balance, Beginning</b>	<u>167,466</u>	<u>167,466</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 167,466</u>	<u>\$ 183,975</u>	<u>\$ 16,509</u>

## **MAJOR CAPITAL PROJECTS FUND**

**General Capital Projects Fund** – This fund accounts for the acquisition and construction of major capital facilities and equipment used in general Village operations. This fund does not include capital facilities and equipment used in the village's enterprise funds.

## Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual - General Capital Projects  
Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>Revenues</b>			
Special assessments	\$ -	\$ 75	\$ 75
Investment income	15,000	97,749	82,749
Miscellaneous	-	5,000	5,000
Total revenues	<u>15,000</u>	<u>102,824</u>	<u>87,824</u>
<b>Expenditures</b>			
Capital outlay	27,127,077	7,669,998	19,457,079
Debt service:			
Debt issuance costs	<u>80,000</u>	<u>530,294</u>	<u>(450,294)</u>
Total expenditures	<u>27,207,077</u>	<u>8,200,292</u>	<u>19,006,785</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(27,192,077)</u>	<u>(8,097,468)</u>	<u>19,094,609</u>
<b>Other Financing Sources</b>			
Premium on long-term debt	-	1,527,713	1,527,713
Issuance of general obligation notes	3,501,000	34,940,000	31,439,000
Transfers in	<u>260,000</u>	<u>100,000</u>	<u>(160,000)</u>
Total other financing sources	<u>3,761,000</u>	<u>36,567,713</u>	<u>32,806,713</u>
Net change in fund balance	(23,431,077)	28,470,245	51,901,322
Fund Balance, Beginning	<u>3,322,739</u>	<u>3,322,739</u>	<u>-</u>
Fund Balance, Ending	<u>\$ (20,108,338)</u>	<u>\$ 31,792,984</u>	<u>\$ 51,901,322</u>

## NONMAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUNDS

The special revenue fund is used to account for specific revenues that are restricted or committed to expenditures for particular purposes.

**Police Impact Fee Fund** – This fund accounts for assets used for the construction of police facilities in the village. Revenues are primarily raised through an impact fee on new residential and commercial development.

**Fire Impact Fee Fund** – This fund accounts for assets used for the construction of fire facilities in the village. Revenues are primarily raised through an impact fee on new residential and commercial development.

**Library Impact Fee Fund** – This fund accounts for assets used for the construction of library facilities in the village. Revenues are primarily raised through an impact fee on new residential development.

**Park and Recreation Impact Fee Fund** – This fund accounts for assets used for the construction of park and recreation facilities in the village. Revenues are primarily raised through an impact fee on new residential development.

**Senior Van Replacement Fund** – This fund accounts for assets to be used for eventual replacement of a van used by the village's Senior Center to provide transportation to senior citizens. Revenues are primarily raised from user fees collected from those using the service.

**Police Asset Forfeiture Fund** – This fund accounts for receipt and use of funds received from assets seized during drug related arrests.

**Police Canine Fund** – This fund accounts for Canine expense incurred with training and care of police canines.

**Police Honor Guard Fund** – This fund accounts for receipts and uses of funds to support events in which honor guards are present.

**Historic Preservation Fund** – This fund account for receipts and uses of funds in relation to the Historical Preservation program.

**Library Fund** – This fund accounts for receipt and use of funds received from library donations. Funds are used for furniture and equipment.

**Facility Fees Fund** – This fund accounts for the receipt and use of funds for the Park and Recreation Department program fees and donations. Funds are used to assist with the maintenance and improvement of any indoor or outdoor facility used by the Park and Recreation Department.

**Fire Explorer Fund** – This fund accounts for receipt and use of funds received from donations. Funds are used for services, equipment and supplies for the Fire Department Explorer Program.

**ARPA Fund** – This fund accounts for receipt and use of funds received from the American Rescue Plan Act passed by the federal government in 2021 to respond to COVID-19 public health emergency and negative economic impacts.

# Village of Germantown

Combining Balance Sheet  
 Nonmajor Governmental Funds  
 December 31, 2022

	<b>Special Revenue Funds</b>			
	<b>Police Impact Fee Fund</b>	<b>Fire Impact Fee Fund</b>	<b>Library Impact Fee Fund</b>	<b>Park and Recreation Impact Fee Fund</b>
<b>Assets</b>				
Cash and investments	\$ -	\$ -	\$ -	\$ -
Due from other funds	27,355	40,124	33,158	86,677
Receivables:				
Taxes receivable	-	-	-	-
Accrued interest	-	-	-	-
Restricted assets:				
Cash and investments	115,898	73,758	25,795	105,691
Accrued interest receivable	598	396	173	1,699
Land held for resale	-	-	-	-
Total assets	<u>\$ 143,851</u>	<u>\$ 114,278</u>	<u>\$ 59,126</u>	<u>\$ 194,067</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>				
Unearned revenues	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances (Deficit)</b>				
Restricted	143,851	114,278	59,126	194,067
Committed	-	-	-	-
Unassigned (deficit)	-	-	-	-
Total fund balances (deficit)	<u>143,851</u>	<u>114,278</u>	<u>59,126</u>	<u>194,067</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 143,851</u>	<u>\$ 114,278</u>	<u>\$ 59,126</u>	<u>\$ 194,067</u>

**Special Revenue Funds**

<u>Senior Van Replacement Fund</u>	<u>Police Asset Forfeiture Fund</u>	<u>Police Canine Fund</u>	<u>Police Honor Guard</u>	<u>Historic Preservation Fund</u>	<u>Library Fund</u>	<u>Facility Fees Fund</u>
\$ 31,913	\$ 1,060	\$ 75,975	\$ 9,377	\$ 352	\$ 92,641	\$ 43,923
4,955	533	-	665	-	-	-
-	-	-	-	-	-	-
139	-	644	39	9	-	249
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 37,007</u>	<u>\$ 1,593</u>	<u>\$ 76,619</u>	<u>\$ 10,081</u>	<u>\$ 361</u>	<u>\$ 92,641</u>	<u>\$ 44,172</u>
\$ -	\$ -	\$ 718	\$ -	\$ -	\$ -	\$ 26,867
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	72,514	-	517	-	18,448
-	-	-	-	-	-	-
-	-	73,232	-	517	-	45,315
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	92,641	-
37,007	1,593	3,387	10,081	-	-	-
-	-	-	-	(156)	-	(1,143)
<u>37,007</u>	<u>1,593</u>	<u>3,387</u>	<u>10,081</u>	<u>(156)</u>	<u>92,641</u>	<u>(1,143)</u>
<u>\$ 37,007</u>	<u>\$ 1,593</u>	<u>\$ 76,619</u>	<u>\$ 10,081</u>	<u>\$ 361</u>	<u>\$ 92,641</u>	<u>\$ 44,172</u>



# Village of Germantown

Combining Balance Sheet  
 Nonmajor Governmental Funds  
 December 31, 2022

	<u>Special Revenue Funds</u>		<u>Capital Projects Funds</u>	
	<u>Fire Explorer Fund</u>	<u>ARPA Fund</u>	<u>TID No. 6 Capital Projects Fund</u>	<u>TID No. 7 Capital Projects Fund</u>
<b>Assets</b>				
Cash and investments	\$ 2,891	\$ -	\$ 23,094	\$ 51,910
Due from other funds	-	1,578,537	778,097	1,365,000
Receivables:				
Taxes receivable	-	-	547,715	106,364
Accrued interest	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Accrued interest receivable	-	-	-	-
Land held for resale	-	-	-	-
<b>Total assets</b>	<b><u>\$ 2,891</u></b>	<b><u>\$ 1,578,537</u></b>	<b><u>\$ 1,348,906</u></b>	<b><u>\$ 1,523,274</u></b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ -	\$ 6,685	\$ 1,500	\$ 1,500
Accrued liabilities	-	-	524	1,454
Unearned revenues	-	1,571,852	-	-
Due to other funds	1,264	-	-	286,311
Advances from other funds	-	-	555,000	665,000
<b>Total liabilities</b>	<b><u>1,264</u></b>	<b><u>1,578,537</u></b>	<b><u>557,024</u></b>	<b><u>954,265</u></b>
<b>Deferred Inflows of Resources</b>				
Unearned revenues	-	-	547,715	106,364
<b>Total deferred inflows of resources</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>547,715</u></b>	<b><u>106,364</u></b>
<b>Fund Balances (Deficit)</b>				
Restricted	-	-	244,167	462,645
Committed	1,627	-	-	-
Unassigned (deficit)	-	-	-	-
<b>Total fund balances (deficit)</b>	<b><u>1,627</u></b>	<b><u>-</u></b>	<b><u>244,167</u></b>	<b><u>462,645</u></b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b><u>\$ 2,891</u></b>	<b><u>\$ 1,578,537</u></b>	<b><u>\$ 1,348,906</u></b>	<b><u>\$ 1,523,274</u></b>

<b>Capital Projects Funds</b>		
<b>TID No. 8 Capital Projects Fund</b>	<b>TID No. 9 Capital Projects Fund</b>	<b>Total Nonmajor Governmental Funds</b>
\$ 1,031,478	\$ -	\$ 1,364,614
-	1,729,749	5,644,850
1,929,667	-	2,583,746
-	-	1,080
-	-	321,142
-	-	2,866
-	2,317,208	2,317,208
<u>\$ 2,961,145</u>	<u>\$ 4,046,957</u>	<u>\$ 12,235,506</u>

\$ 126,714	\$ 13,000	\$ 176,984
2,484	-	4,462
-	-	1,571,852
1,673,981	2,549,966	4,603,001
-	-	1,220,000
<u>1,803,179</u>	<u>2,562,966</u>	<u>7,576,299</u>

<u>1,929,667</u>	<u>-</u>	<u>2,583,746</u>
<u>1,929,667</u>	<u>-</u>	<u>2,583,746</u>

-	1,483,991	2,794,766
-	-	53,695
<u>(771,701)</u>	<u>-</u>	<u>(773,000)</u>
<u>(771,701)</u>	<u>1,483,991</u>	<u>2,075,461</u>

<u>\$ 2,961,145</u>	<u>\$ 4,046,957</u>	<u>\$ 12,235,506</u>
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## Village of Germantown

Combining Statement of Revenues, Expenditures and Changes  
in Fund Balances  
Nonmajor Governmental Funds  
Year Ended December 31, 2022

	<b>Special Revenue Funds</b>			
	<b>Police Impact Fee Fund</b>	<b>Fire Impact Fee Fund</b>	<b>Library Impact Fee Fund</b>	<b>Park and Recreation Impact Fee Fund</b>
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Public charges for services	21,294	42,690	9,835	25,760
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>21,294</u>	<u>42,690</u>	<u>9,835</u>	<u>25,760</u>
<b>Expenditures</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Conservation and development	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>21,294</u>	<u>42,690</u>	<u>9,835</u>	<u>25,760</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	(12,000)	(30,000)	-	-
General obligation debt issued	-	-	-	-
Premium on debt issued	-	-	-	-
Total other financing sources (uses)	<u>(12,000)</u>	<u>(30,000)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	9,294	12,690	9,835	25,760
<b>Fund Balances, Beginning</b>	<u>134,557</u>	<u>101,588</u>	<u>49,291</u>	<u>168,307</u>
<b>Fund Balances (Deficit), Ending</b>	<u>\$ 143,851</u>	<u>\$ 114,278</u>	<u>\$ 59,126</u>	<u>\$ 194,067</u>

**Special Revenue Funds**

<u>Senior Van Replacement Fund</u>	<u>Police Asset Forfeiture Fund</u>	<u>Police Canine Fund</u>	<u>Police Honor Guard</u>	<u>Historic Preservation Fund</u>	<u>Library Fund</u>	<u>Facility Fees Fund</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
2,311	-	-	-	-	-	21,541
-	-	-	-	-	269	-
<u>-</u>	<u>42</u>	<u>7,495</u>	<u>175</u>	<u>-</u>	<u>1,742</u>	<u>-</u>
<u>2,311</u>	<u>42</u>	<u>7,495</u>	<u>175</u>	<u>-</u>	<u>2,011</u>	<u>21,541</u>
-	-	-	-	-	-	-
-	-	63,600	-	-	-	-
-	-	-	-	517	3,788	75,972
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>63,600</u>	<u>-</u>	<u>517</u>	<u>3,788</u>	<u>75,972</u>
<u>2,311</u>	<u>42</u>	<u>(56,105)</u>	<u>175</u>	<u>(517)</u>	<u>(1,777)</u>	<u>(54,431)</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>2,311</u>	<u>42</u>	<u>(56,105)</u>	<u>175</u>	<u>(517)</u>	<u>(1,777)</u>	<u>(54,431)</u>
<u>34,696</u>	<u>1,551</u>	<u>59,492</u>	<u>9,906</u>	<u>361</u>	<u>94,418</u>	<u>53,288</u>
<u>\$ 37,007</u>	<u>\$ 1,593</u>	<u>\$ 3,387</u>	<u>\$ 10,081</u>	<u>\$ (156)</u>	<u>\$ 92,641</u>	<u>\$ (1,143)</u>

## Village of Germantown

Combining Statement of Revenues, Expenditures and Changes  
in Fund Balances  
Nonmajor Governmental Funds  
Year Ended December 31, 2022

	<u>Special Revenue Funds</u>		<u>Capital Project Funds</u>	
	<u>Fire Explorer Fund</u>	<u>ARPA Fund</u>	<u>TID No. 6 Capital Projects Fund</u>	<u>TID No. 7 Capital Projects Fund</u>
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ 512,046	\$ 72,291
Intergovernmental	-	533,661	-	-
Public charges for services	-	-	-	-
Investment income	-	-	363	821
Miscellaneous	1,564	-	-	-
Total revenues	<u>1,564</u>	<u>533,661</u>	<u>512,409</u>	<u>73,112</u>
<b>Expenditures</b>				
Current:				
General government	-	238,932	-	-
Public safety	892	-	-	-
Culture and recreation	-	608	-	-
Conservation and development	-	54,458	73,998	2,533,930
Capital outlay	-	239,663	-	-
Debt service	-	-	-	75,031
Total expenditures	<u>892</u>	<u>533,661</u>	<u>73,998</u>	<u>2,608,961</u>
Excess (deficiency) of revenues over expenditures	<u>672</u>	<u>-</u>	<u>438,411</u>	<u>(2,535,849)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	-	-	(451,513)	(190,350)
General obligation debt issued	-	-	-	3,260,000
Premium on debt issued	-	-	-	18,220
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(451,513)</u>	<u>3,087,870</u>
Net change in fund balances	672	-	(13,102)	552,021
<b>Fund Balances, Beginning</b>	<u>955</u>	<u>-</u>	<u>257,269</u>	<u>(89,376)</u>
<b>Fund Balances (Deficit), Ending</b>	<u>\$ 1,627</u>	<u>\$ -</u>	<u>\$ 244,167</u>	<u>\$ 462,645</u>

<u>Capital Project Funds</u>		
<u>TID No. 8 Capital Projects Fund</u>	<u>TID No. 9 Capital Projects Fund</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 1,712,587	\$ -	\$ 2,296,924
-	-	533,661
-	-	123,431
34,110	-	35,563
-	-	11,018
<u>1,746,697</u>	<u>-</u>	<u>3,000,597</u>
-	-	238,932
-	-	64,492
-	-	80,885
159,329	238,006	3,059,721
3,489,703	5,376	3,734,742
-	3,898	78,929
<u>3,649,032</u>	<u>247,280</u>	<u>7,257,701</u>
<u>(1,902,335)</u>	<u>(247,280)</u>	<u>(4,257,104)</u>
(867,238)	-	(1,551,101)
-	1,720,000	4,980,000
-	11,271	29,491
<u>(867,238)</u>	<u>1,731,271</u>	<u>3,458,390</u>
(2,769,573)	1,483,991	(798,714)
1,997,872	-	2,874,175
<u>\$ (771,701)</u>	<u>\$ 1,483,991</u>	<u>\$ 2,075,461</u>

## Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual - Police Impact Fee Fund  
Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>Revenues</b>			
Public charges for services	\$ 18,800	\$ 21,294	\$ 2,494
Investment income	<u>1,000</u>	<u>-</u>	<u>(1,000)</u>
Total revenues	<u>19,800</u>	<u>21,294</u>	<u>1,494</u>
<b>Other Financing Uses</b>			
Transfers out	<u>(12,000)</u>	<u>(12,000)</u>	<u>-</u>
Total other financing uses	<u>(12,000)</u>	<u>(12,000)</u>	<u>-</u>
Net change in fund balance	7,800	9,294	1,494
<b>Fund Balance, Beginning</b>	<u>134,557</u>	<u>134,557</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 142,357</u>	<u>\$ 143,851</u>	<u>\$ 1,494</u>

## Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual - Fire Impact Fee Fund  
Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>Revenues</b>			
Fire protection fees	\$ 20,260	\$ 42,690	\$ 22,430
Investment income	<u>800</u>	<u>-</u>	<u>(800)</u>
Total revenues	<u>21,060</u>	<u>42,690</u>	<u>21,630</u>
<b>Other Financing Uses</b>			
Transfers out	<u>(30,000)</u>	<u>(30,000)</u>	<u>-</u>
Total other financing uses	<u>(30,000)</u>	<u>(30,000)</u>	<u>-</u>
Net change in fund balance	(8,940)	12,690	21,630
<b>Fund Balance, Beginning</b>	<u>101,588</u>	<u>101,588</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 92,648</u>	<u>\$ 114,278</u>	<u>\$ 21,630</u>



## Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual - Library Impact Fee Fund  
Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>Revenues</b>			
Public charges for services	\$ 16,860	\$ 9,835	\$ (7,025)
Total revenues	<u>16,860</u>	<u>9,835</u>	<u>(7,025)</u>
<b>Other Financing Uses</b>			
Transfers out	<u>(15,000)</u>	<u>-</u>	<u>15,000</u>
Total other financing uses	<u>(15,000)</u>	<u>-</u>	<u>15,000</u>
Net change in fund balance	1,860	9,835	7,975
<b>Fund Balance, Beginning</b>	<u>49,291</u>	<u>49,291</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 51,151</u>	<u>\$ 59,126</u>	<u>\$ 7,975</u>

## Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual - Park and Recreation Impact Fee Fund  
Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>Revenues</b>			
Public charges for services	\$ 44,160	\$ 25,760	\$ (18,400)
Investment income	<u>2,500</u>	<u>-</u>	<u>(2,500)</u>
Total revenues	<u>46,660</u>	<u>25,760</u>	<u>(20,900)</u>
Net change in fund balance	46,660	25,760	(20,900)
<b>Fund Balance, Beginning</b>	<u>168,307</u>	<u>168,307</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 214,967</u>	<u>\$ 194,067</u>	<u>\$ (20,900)</u>

## Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual - Senior Van Replacement Fund  
Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>Revenues</b>			
Public charges for services	\$ 3,000	\$ 2,311	\$ (689)
Investment income	<u>200</u>	<u>-</u>	<u>(200)</u>
Total revenues	<u>3,200</u>	<u>2,311</u>	<u>(889)</u>
Net change in fund balance	3,200	2,311	(889)
<b>Fund Balance, Beginning</b>	<u>34,696</u>	<u>34,696</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 37,896</u>	<u>\$ 37,007</u>	<u>\$ (889)</u>

## Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual - Police Asset Forfeiture Fund  
Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>Revenues</b>			
Investment income	\$ 30	\$ -	\$ (30)
Miscellaneous	<u>-</u>	<u>42</u>	<u>42</u>
Total revenues	<u>30</u>	<u>42</u>	<u>12</u>
Net change in fund balance	30	42	12
<b>Fund Balance, Beginning</b>	<u>1,551</u>	<u>1,551</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 1,581</u>	<u>\$ 1,593</u>	<u>\$ 12</u>

## Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual - Police Canine Fund  
Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>Revenues</b>			
Investment income	\$ 1,500	\$ -	\$ (1,500)
Miscellaneous	<u>10,000</u>	<u>7,495</u>	<u>(2,505)</u>
Total revenues	<u>11,500</u>	<u>7,495</u>	<u>(4,005)</u>
<b>Expenditures</b>			
Current:			
Public safety	<u>5,000</u>	<u>63,600</u>	<u>(58,600)</u>
Total expenditures	<u>5,000</u>	<u>63,600</u>	<u>(58,600)</u>
Net change in fund balance	6,500	(56,105)	(62,605)
<b>Fund Balance, Beginning</b>	<u>59,492</u>	<u>59,492</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 65,992</u>	<u>\$ 3,387</u>	<u>\$ (62,605)</u>

## Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual - Police Honor Guard Fund  
Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>Revenues</b>			
Investment income	\$ 100	\$ -	\$ (100)
Miscellaneous	<u>-</u>	<u>175</u>	<u>175</u>
Total revenues	<u>100</u>	<u>175</u>	<u>75</u>
<b>Expenditures</b>			
Current:			
Public safety	<u>2,000</u>	<u>-</u>	<u>2,000</u>
Total expenditures	<u>2,000</u>	<u>-</u>	<u>2,000</u>
Net change in fund balance	(1,900)	175	2,075
<b>Fund Balance, Beginning</b>	<u>9,906</u>	<u>9,906</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 8,006</u>	<u>\$ 10,081</u>	<u>\$ 2,075</u>

## Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual - Historic Preservation Fund  
Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>Revenues</b>			
Investment income	\$ 5	\$ -	\$ (5)
Miscellaneous	<u>700</u>	<u>-</u>	<u>(700)</u>
Total revenues	705	-	(705)
<b>Expenditures</b>			
Culture and recreation	<u>696</u>	<u>517</u>	<u>179</u>
Net change in fund balance	9	(517)	(526)
<b>Fund Balance, Beginning</b>	<u>361</u>	<u>361</u>	<u>-</u>
<b>Fund Balance, Ending (Deficit)</b>	<u>\$ 370</u>	<u>\$ (156)</u>	<u>\$ (526)</u>

## Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual - Library Fund  
Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>Revenues</b>			
Investment income	\$ 1,000	\$ 269	\$ (731)
Miscellaneous	<u>150</u>	<u>1,742</u>	<u>1,592</u>
Total revenues	<u>1,150</u>	<u>2,011</u>	<u>861</u>
<b>Expenditures</b>			
Current:			
Culture and recreation	<u>500</u>	<u>3,788</u>	<u>(3,288)</u>
Total expenditures	<u>500</u>	<u>3,788</u>	<u>(3,288)</u>
Net change in fund balance	650	(1,777)	(2,427)
<b>Fund Balance, Beginning</b>	<u>94,418</u>	<u>94,418</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 95,068</u>	<u>\$ 92,641</u>	<u>\$ (2,427)</u>



## Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual - Facility Fees Fund  
Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>Revenues</b>			
Public charges for services	\$ 29,000	\$ 21,541	\$ (7,459)
Investment income	<u>2,000</u>	<u>-</u>	<u>(2,000)</u>
Total revenues	<u>31,000</u>	<u>21,541</u>	<u>(9,459)</u>
<b>Expenditures</b>			
Current:			
Culture and recreation	<u>20,000</u>	<u>75,972</u>	<u>(55,972)</u>
Total expenditures	<u>20,000</u>	<u>75,972</u>	<u>(55,972)</u>
Net change in fund balance	11,000	(54,431)	(65,431)
<b>Fund Balance, Beginning</b>	<u>53,288</u>	<u>53,288</u>	<u>-</u>
<b>Fund Balance, Ending (Deficit)</b>	<u>\$ 64,288</u>	<u>\$ (1,143)</u>	<u>\$ (65,431)</u>

## Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual - TID No. 6 Capital Projects Fund  
Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>Revenues</b>			
Taxes	\$ 540,000	\$ 512,046	\$ (27,954)
Intergovernmental	600	-	(600)
Investment income	-	363	363
Total revenues	<u>540,600</u>	<u>512,409</u>	<u>(28,191)</u>
<b>Expenditures</b>			
Current:			
Conservation and development	<u>8,620</u>	<u>73,998</u>	<u>(65,378)</u>
Total expenditures	<u>8,620</u>	<u>73,998</u>	<u>(65,378)</u>
Excess of revenues over expenditures	<u>531,980</u>	<u>438,411</u>	<u>(93,569)</u>
<b>Other Financing Uses</b>			
Transfers out	<u>(451,512)</u>	<u>(451,513)</u>	<u>(1)</u>
Total other financing uses	<u>(451,512)</u>	<u>(451,513)</u>	<u>(1)</u>
Net change in fund balance	80,468	(13,102)	(93,570)
<b>Fund Balance, Beginning</b>	<u>257,269</u>	<u>257,269</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 337,737</u>	<u>\$ 244,167</u>	<u>\$ (93,570)</u>

## Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual - TID No. 7 Capital Projects Fund  
Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>Revenues</b>			
Taxes	\$ 250,000	\$ 72,291	\$ (177,709)
Investment income	<u>-</u>	<u>821</u>	<u>821</u>
Total revenues	<u>250,000</u>	<u>73,112</u>	<u>(176,888)</u>
<b>Expenditures</b>			
Current:			
Conservation and development	2,799,384	2,533,930	265,454
Debt service:			
Debt issuance costs	<u>-</u>	<u>75,031</u>	<u>(75,031)</u>
Total expenditures	<u>2,799,384</u>	<u>2,608,961</u>	<u>190,423</u>
Excess of revenues over expenditures	<u>(2,549,384)</u>	<u>(2,535,849)</u>	<u>13,535</u>
<b>Other Financing Sources (Uses)</b>			
General obligation debt issued	2,500,000	3,260,000	760,000
Premium on debt issued	-	18,220	18,220
Transfers out	<u>(244,750)</u>	<u>(190,350)</u>	<u>54,400</u>
Total other financing sources (uses)	<u>2,255,250</u>	<u>3,087,870</u>	<u>832,620</u>
Net change in fund balance	(294,134)	552,021	846,155
<b>Fund Balance, Beginning</b>	<u>(89,376)</u>	<u>(89,376)</u>	<u>-</u>
<b>Fund Balance (Deficit) - Ending</b>	<u>\$ (383,510)</u>	<u>\$ 462,645</u>	<u>\$ 846,155</u>

## Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual - TID No. 8 Capital Projects Fund  
Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>Revenues</b>			
Taxes	\$ 1,250,000	\$ 1,712,587	\$ 462,587
Investment income	-	34,110	34,110
Total revenues	<u>1,250,000</u>	<u>1,746,697</u>	<u>496,697</u>
<b>Expenditures</b>			
Current:			
Conservation and development	58,735	159,329	(100,594)
Capital outlay	<u>5,640,000</u>	<u>3,489,703</u>	<u>2,150,297</u>
Debt Service:			
Total expenditures	<u>5,698,735</u>	<u>3,649,032</u>	<u>2,049,703</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,448,735)</u>	<u>(1,902,335)</u>	<u>2,546,400</u>
<b>Other Financing Sources (Uses)</b>			
General obligation debt issued	5,100,000	-	(5,100,000)
Transfers out	<u>(559,000)</u>	<u>(867,238)</u>	<u>(308,238)</u>
Total other financing sources (uses)	<u>4,541,000</u>	<u>(867,238)</u>	<u>(5,408,238)</u>
Net change in fund balance	92,265	(2,769,573)	(2,861,838)
<b>Fund Balance, Beginning</b>	<u>1,997,872</u>	<u>1,997,872</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 2,090,137</u>	<u>\$ (771,701)</u>	<u>\$ (2,861,838)</u>

## INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the village, on a cost reimbursement basis.

**Health Insurance Fund** – This fund accounts for operations of the village's self-funded health insurance plan.

**Dental Insurance Fund** – This fund accounts for operations of the village's self-funded dental insurance plan.

## Village of Germantown

Combining Statement of Net Position  
Internal Service Funds  
December 31, 2022

	<u>Health Insurance Fund</u>	<u>Dental Insurance Fund</u>	<u>Total</u>
<b>Assets</b>			
Current assets:			
Cash and investments	\$ 508,586	\$ 33,587	\$ 542,173
Receivables:			
Accounts	6,684	274	6,958
Interest	3,912	-	3,912
Due from other funds	-	50,917	50,917
	<u>519,182</u>	<u>84,778</u>	<u>603,960</u>
Total assets			
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	92,001	2,326	94,327
Due to other funds	22,619	-	22,619
	<u>114,620</u>	<u>2,326</u>	<u>116,946</u>
Total current liabilities			
Total liabilities	<u>114,620</u>	<u>2,326</u>	<u>116,946</u>
<b>Net Position</b>			
Unrestricted	<u>404,562</u>	<u>82,452</u>	<u>487,014</u>
Total net position	<u>\$ 404,562</u>	<u>\$ 82,452</u>	<u>\$ 487,014</u>

## Village of Germantown

Combining Statement of Revenues, Expenses and Changes in Fund Net Position

Internal Service Funds

Year Ended December 31, 2022

	<u>Health Insurance Fund</u>	<u>Dental Insurance Fund</u>	<u>Total</u>
<b>Operating Revenues</b>			
Premiums	\$ 2,149,331	\$ 87,644	\$ 2,236,975
Total operating revenues	<u>2,149,331</u>	<u>87,644</u>	<u>2,236,975</u>
<b>Operating Expenses</b>			
General government	<u>1,835,050</u>	<u>92,333</u>	<u>1,927,383</u>
Total operating expenses	<u>1,835,050</u>	<u>92,333</u>	<u>1,927,383</u>
Operating income (loss)	<u>314,281</u>	<u>(4,689)</u>	<u>309,592</u>
<b>Nonoperating Revenues</b>			
Investment income	<u>10</u>	<u>1</u>	<u>11</u>
Total nonoperating revenues	<u>10</u>	<u>1</u>	<u>11</u>
Change in net position	314,291	(4,688)	309,603
<b>Net Position, Beginning</b>	<u>90,271</u>	<u>87,140</u>	<u>177,411</u>
<b>Net Position, Ending</b>	<u>\$ 404,562</u>	<u>\$ 82,452</u>	<u>\$ 487,014</u>

## Village of Germantown

Combining Statement of Cash Flows  
Internal Service Funds  
Year Ended December 31, 2022

	<b>Health Insurance Fund</b>	<b>Dental Insurance Fund</b>	<b>Total</b>
<b>Cash Flows From Operating Activities</b>			
Received from other funds	\$ 2,148,413	\$ 98,826	\$ 2,247,239
Paid to suppliers for goods and services	<u>(2,239,311)</u>	<u>(94,538)</u>	<u>(2,333,849)</u>
Net cash flows from operating activities	<u>(90,898)</u>	<u>4,288</u>	<u>(86,610)</u>
<b>Cash Flows From Investing Activities</b>			
Investment income	<u>10</u>	<u>1</u>	<u>11</u>
Net cash flows from investing activities	<u>10</u>	<u>1</u>	<u>11</u>
Net change in cash and cash equivalents	(90,888)	4,289	(86,599)
<b>Cash and Cash Equivalents, Beginning</b>	<u>599,474</u>	<u>29,298</u>	<u>628,772</u>
<b>Cash and Cash Equivalents, Ending</b>	<u><u>\$ 508,586</u></u>	<u><u>\$ 33,587</u></u>	<u><u>\$ 542,173</u></u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Flows From Operating Activities</b>			
Operating income (loss)	\$ 314,281	\$ (4,689)	\$ 309,592
Changes in assets and liabilities:			
Accounts receivable	(918)	(72)	(990)
Accounts payable	15,923	(2,205)	13,718
Due to other funds	<u>(420,184)</u>	<u>11,254</u>	<u>(408,930)</u>
Net cash flows from operating activities	<u><u>\$ (90,898)</u></u>	<u><u>\$ 4,288</u></u>	<u><u>\$ (86,610)</u></u>
<b>Noncash Capital and Related Financing Activities</b>			
None			



**STATISTICAL SECTON**

**Village of Germantown, Wisconsin**  
**Statement of Net Position by Component**  
*(Accrual Basis of Accounting)*  
**Last Ten Fiscal Years**

Table 1

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Governmental activities</b>										
Net Investment in Capital Assets	\$ 59,389,835	\$ 58,828,409	\$ 59,461,387	\$ 60,795,354	\$ 61,320,322	\$ 63,517,774	\$ 50,214,659	\$ 51,110,687	\$ 48,328,444	\$ 48,158,074
Restricted	6,064,600	10,384,891	10,350,597	3,583,936	3,769,624	7,099,431	8,427,395	8,078,617	6,359,103	7,624,322
Unrestricted (deficit)	(1,654,758)	(4,827,536)	(1,627,476)	832,027	1,140,960	(3,409,299)	(956,878)	(569,318)	3,089,333	3,269,026
Total governmental activities net position	\$ 63,799,677	\$ 64,385,764	\$ 68,184,508	\$ 65,211,317	\$ 66,230,906	\$ 67,207,906	\$ 57,685,176	\$ 58,619,986	\$ 57,776,880	\$ 59,051,422
<b>Business-type activities</b>										
Net Investment in Capital Assets	\$ 57,104,949	\$ 57,657,469	\$ 57,037,753	\$ 61,295,788	\$ 62,989,153	\$ 65,361,924	\$ 78,049,973	\$ 81,489,275	\$ 83,171,587	\$ 88,124,204
Restricted	639,877	683,237	835,537	645,764	743,773	995,012	843,130	1,039,625	1,239,803	1,791,396
Unrestricted	8,005,572	8,284,532	10,311,120	9,064,837	10,106,271	10,476,978	6,960,330	8,440,543	7,541,666	5,891,376
Total business-type activities net position	\$ 65,750,398	\$ 66,625,238	\$ 68,184,410	\$ 71,006,389	\$ 73,839,197	\$ 76,833,914	\$ 85,853,433	\$ 90,969,443	\$ 91,953,056	\$ 95,806,976
<b>Primary Government</b>										
Net Investment in Capital Assets	\$ 116,394,112	\$ 116,205,203	\$ 116,250,142	\$ 120,306,059	\$ 122,530,058	\$ 127,106,149	\$ 117,112,540	\$ 121,288,574	\$ 119,899,852	\$ 125,014,112
Restricted	6,704,480	11,068,128	11,186,134	4,229,700	4,513,397	8,094,443	9,270,525	9,108,876	7,598,906	9,415,718
Unrestricted	6,451,486	3,737,671	8,932,642	11,681,947	13,026,648	8,841,228	17,155,544	19,191,979	22,231,178	20,428,568
Total primary government net position	\$ 129,550,078	\$ 131,011,002	\$ 136,368,918	\$ 136,217,706	\$ 140,070,103	\$ 144,041,820	\$ 143,538,609	\$ 149,589,429	\$ 149,729,936	\$ 154,858,398

**Village of Germantown, Wisconsin**  
**Changes in Net Position**  
*(Accrual Basis of Accounting)*  
**Last Ten Fiscal Years**

Table 2

<b>Expenses</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Governmental activities</b>										
General government	\$ 1,653,929	\$ 1,723,573	\$ 1,770,668	\$ 1,918,870	\$ 1,938,952	\$ 2,256,248	\$ 2,346,685	\$ 2,274,859	\$ 2,248,710	\$ 3,112,666
Public safety	7,279,873	7,373,151	7,186,673	7,481,578	7,676,429	7,533,662	8,726,125	9,000,638	8,780,094	9,309,120
Public works	5,726,927	5,287,992	5,421,794	7,675,764	6,116,561	6,666,616	6,272,516	6,594,467	6,764,199	6,105,881
Culture and recreation	2,622,495	2,905,723	2,822,020	2,848,306	3,026,746	2,771,168	3,449,790	2,785,669	3,196,023	3,786,339
Conservation and development	757,450	2,090,544	365,437	2,530,367	857,765	866,765	3,512,552	397,732	846,510	3,236,532
Interest & Fiscal charges	1,013,868	751,307	894,302	686,590	616,440	738,532	1,259,148	1,174,644	1,117,353	1,941,603
<b>Total governmental activities expense</b>	<b>\$ 19,054,542</b>	<b>\$ 20,132,290</b>	<b>\$ 18,460,894</b>	<b>\$ 23,141,475</b>	<b>\$ 20,232,893</b>	<b>\$ 20,832,991</b>	<b>\$ 25,566,816</b>	<b>\$ 22,228,009</b>	<b>\$ 22,952,889</b>	<b>\$ 27,492,141</b>
<b>Business-type activities</b>										
Water	\$ 1,972,682	\$ 2,092,364	\$ 1,939,864	\$ 1,966,798	\$ 2,038,214	\$ 2,458,849	\$ 2,489,113	\$ 2,799,258	\$ 3,015,449	\$ 2,963,851
Sewer	5,533,202	5,571,720	6,026,848	6,306,500	6,357,603	6,375,078	6,662,354	6,731,541	7,254,399	6,950,114
<b>Total business-type activities expenses</b>	<b>\$ 7,505,884</b>	<b>\$ 7,664,084</b>	<b>\$ 7,966,712</b>	<b>\$ 8,273,298</b>	<b>\$ 8,395,817</b>	<b>\$ 8,833,927</b>	<b>\$ 9,151,467</b>	<b>\$ 9,530,799</b>	<b>\$ 10,269,848</b>	<b>\$ 9,913,965</b>
<b>Total primary government expenses</b>	<b>\$ 26,560,426</b>	<b>\$ 27,796,374</b>	<b>\$ 26,427,606</b>	<b>\$ 31,414,773</b>	<b>\$ 28,628,710</b>	<b>\$ 29,666,918</b>	<b>\$ 34,718,283</b>	<b>\$ 31,758,808</b>	<b>\$ 33,222,737</b>	<b>\$ 37,406,106</b>
<b>Program Revenues</b>										
<b>Governmental activities</b>										
Charges for Services										
General government	\$ 312,260	\$ 305,520	\$ 320,634	\$ 311,203	\$ 311,761	\$ 315,859	\$ 325,465	\$ 346,151	\$ 368,246	\$ 460,997
Public safety	1,052,083	1,158,225	1,099,257	965,276	1,275,353	1,397,782	1,315,857	1,187,869	1,658,552	1,721,568
Public works	271,587	271,855	223,462	149,461	252,721	200,438	297,828	188,832	300,450	418,564
Culture and recreation	939,005	1,001,646	1,086,100	1,112,829	1,142,084	1,192,086	1,154,392	575,135	897,056	1,062,539
Conservation and development	13,808	14,861	15,662	10,380	18,511	15,495	36,055	21,826	40,480	26,748
Operating grants and contributions	1,458,894	1,466,066	1,519,883	1,457,476	1,576,491	1,699,437	1,702,665	2,161,563	1,937,524	2,444,297
Capital grants and contributions	86,063	111,489	227,012	483,058	576,089	191,928	2,337,668	3,587,224	234,853	3,919,499
<b>Total governmental activities program revenues</b>	<b>\$ 4,133,700</b>	<b>\$ 4,329,662</b>	<b>\$ 4,492,010</b>	<b>\$ 4,489,683</b>	<b>\$ 5,153,010</b>	<b>\$ 5,013,025</b>	<b>\$ 7,169,930</b>	<b>\$ 8,068,600</b>	<b>\$ 5,437,161</b>	<b>\$ 10,054,212</b>
<b>Business-type activities</b>										
Charges for services:										
Water and Sewer	\$ 8,181,716	\$ 8,097,648	\$ 9,368,757	\$ 9,267,041	\$ 9,047,483	\$ 9,022,428	\$ 9,137,423	\$ 9,325,282	\$ 9,448,863	\$ 10,607,319
Capital Grants and contributions	118,335	928,330	349,330	2,288,166	2,622,069	3,176,798	334,058	4,653,886	873,505	3,928,456
<b>Total business-type activities program revenues</b>	<b>\$ 8,300,051</b>	<b>\$ 9,025,978</b>	<b>\$ 9,718,087</b>	<b>\$ 11,555,207</b>	<b>\$ 11,669,552</b>	<b>\$ 12,199,226</b>	<b>\$ 9,471,481</b>	<b>\$ 13,979,168</b>	<b>\$ 10,322,368</b>	<b>\$ 14,535,775</b>
<b>Total primary government program revenues</b>	<b>\$ 12,433,751</b>	<b>\$ 13,355,640</b>	<b>\$ 14,210,097</b>	<b>\$ 16,044,890</b>	<b>\$ 16,822,562</b>	<b>\$ 17,212,251</b>	<b>\$ 16,641,411</b>	<b>\$ 22,047,768</b>	<b>\$ 15,759,529</b>	<b>\$ 24,589,987</b>
<b>Net (Expense) Revenue</b>										
Governmental Activities	\$ (14,920,842)	\$ (15,802,628)	\$ (13,968,884)	\$ (18,651,792)	\$ (15,079,883)	\$ (15,819,966)	\$ (18,396,886)	\$ (14,159,409)	\$ (17,515,728)	\$ (17,437,929)
Business-type Activities	794,167	1,361,894	1,751,375	3,281,909	3,273,735	3,365,299	320,014	4,448,369	52,520	4,621,810
<b>Total Primary government net expense</b>	<b>\$ (14,126,675)</b>	<b>\$ (14,440,734)</b>	<b>\$ (12,217,509)</b>	<b>\$ (15,369,883)</b>	<b>\$ (11,806,148)</b>	<b>\$ (12,454,667)</b>	<b>\$ (18,076,872)</b>	<b>\$ (9,711,040)</b>	<b>\$ (17,463,208)</b>	<b>\$ (12,816,119)</b>
<b>General Revenues and Other Changes in Net Assts</b>										
<b>Governmental Activities:</b>										
Taxes										
Property Taxes	\$ 13,844,967	\$ 12,906,557	\$ 12,825,330	\$ 13,658,505	\$ 14,068,807	\$ 14,350,784	\$ 14,788,438	\$ 13,594,521	\$ 16,209,160	\$ 16,576,441
Intergovernmental revenues	1,001,520	946,067	993,240	1,033,149	1,048,796	1,038,481	1,140,617	1,131,771	1,237,514	1,220,875
Investment income (loss)	65,225	135,166	123,261	120,496	140,275	349,865	661,932	274,353	(41,725)	(26,902)
Other	341,198	1,871,679	568,135	352,951	289,740	475,217	712,568	610,932	141,918	315,747
<b>Total General Revenues Government Activities</b>	<b>\$ 15,252,910</b>	<b>\$ 15,859,469</b>	<b>\$ 14,509,966</b>	<b>\$ 15,165,101</b>	<b>\$ 15,547,618</b>	<b>\$ 16,214,347</b>	<b>\$ 17,303,555</b>	<b>\$ 15,611,577</b>	<b>\$ 17,546,867</b>	<b>\$ 18,086,161</b>
<b>Business-type Activities:</b>										
Investment Income (Loss)	\$ (738)	\$ 42,192	\$ 45,226	\$ 53,570	\$ 72,534	\$ 141,804	\$ 253,039	\$ 147,379	\$ 28,769	\$ (213,829)
Other	-	-	-	-	38,333	70,233	17,067	2,904	28,069	72,249
<b>Total General Revenues Business-type Activities</b>	<b>\$ (738)</b>	<b>\$ 42,192</b>	<b>\$ 45,226</b>	<b>\$ 53,570</b>	<b>\$ 110,867</b>	<b>\$ 212,037</b>	<b>\$ 270,106</b>	<b>\$ 150,283</b>	<b>\$ 56,838</b>	<b>\$ (141,580)</b>
<b>Total Primary Government</b>	<b>\$ 15,252,172</b>	<b>\$ 15,901,661</b>	<b>\$ 14,555,192</b>	<b>\$ 15,218,671</b>	<b>\$ 15,658,485</b>	<b>\$ 16,426,384</b>	<b>\$ 17,573,661</b>	<b>\$ 15,761,860</b>	<b>\$ 17,603,705</b>	<b>\$ 17,944,581</b>
<b>Change in Net Position</b>										
Governmental Activities	\$ 906,773	\$ 586,087	\$ 1,069,235	\$ (2,973,191)	\$ 1,019,589	\$ 977,000	\$ (9,522,730)	\$ 934,810	\$ (843,106)	\$ 1,274,542
Business-type Activities	218,724	874,840	1,268,448	2,821,979	2,832,808	2,994,717	9,019,519	5,116,010	983,613	3,853,920
<b>Total Primary Government</b>	<b>\$ 1,125,497</b>	<b>\$ 1,460,927</b>	<b>\$ 2,337,683</b>	<b>\$ (151,212)</b>	<b>\$ 3,852,397</b>	<b>\$ 3,971,717</b>	<b>\$ (503,211)</b>	<b>\$ 6,050,820</b>	<b>\$ 140,507</b>	<b>\$ 5,128,462</b>

**Village of Germantown, Wisconsin**  
**Fund Balances, Governmental Funds**  
**(Modified Accrual Basis of Accounting)**  
**Last Ten Fiscal Years**

Table 3

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<b>General Fund</b>										
Nonspendable	\$ 67,183	\$ 149,592	\$ 2,248	\$ 16,035	\$ 15,094	\$ 892	\$ 6,350	\$ 4,063	\$ 274,842	\$ 78,175
Assigned - payment in lieu of taxes	574,705	529,246	528,153	513,500	551,794	582,619	615,086	675,875	640,452	626,310
Assigned - subsequent budget	-	-	-	-	-	-	-	-	107,000	-
Assigned - carryovers	202,503	187,608	471,661	332,882	410,381	1,006,787	1,041,618	-	217,200	-
Assigned - tourism	-	-	-	-	-	-	-	-	46,798	137,769
Unassigned	<u>3,271,462</u>	<u>3,403,046</u>	<u>3,926,381</u>	<u>4,454,981</u>	<u>5,175,649</u>	<u>5,902,819</u>	<u>6,764,197</u>	<u>7,985,393</u>	<u>7,435,017</u>	<u>6,772,839</u>
<b>Total general fund</b>	<b>\$ 4,115,853</b>	<b>\$ 4,269,492</b>	<b>\$ 4,928,443</b>	<b>\$ 5,317,398</b>	<b>\$ 6,152,918</b>	<b>\$ 7,493,117</b>	<b>\$ 8,427,251</b>	<b>\$ 8,665,331</b>	<b>\$ 8,721,309</b>	<b>\$ 7,615,093</b>
<b>All Other Governmental Funds</b>										
Nonspendable	\$ -	\$ 770,061	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	6,424,392	10,809,624	9,331,635	4,295,658	5,099,024	7,639,463	9,563,937	8,417,392	4,109,136	29,167,182
Committed	94,394	141,277	185,008	202,586	240,085	236,930	246,867	164,467	160,249	53,695
Assigned	1,023,168	1,252,639	1,863,541	1,558,510	1,103,233	1,204,633	2,024,961	2,572,186	2,184,371	5,604,543
Unassigned (Deficit)	-	-	-	-	(21,313)	(2,247,931)	-	-	(89,376)	(773,000)
<b>Total all other governmental funds</b>	<b>\$ 7,541,954</b>	<b>\$ 12,973,601</b>	<b>\$ 11,380,184</b>	<b>\$ 6,056,754</b>	<b>\$ 6,421,029</b>	<b>\$ 6,833,095</b>	<b>\$ 11,835,765</b>	<b>\$ 11,154,045</b>	<b>\$ 6,364,380</b>	<b>\$ 34,052,420</b>
<b>Total fund balance, governmental funds</b>	<b>\$ 11,657,807</b>	<b>\$ 17,243,093</b>	<b>\$ 16,308,627</b>	<b>\$ 11,374,152</b>	<b>\$ 12,573,947</b>	<b>\$ 14,326,212</b>	<b>\$ 20,263,016</b>	<b>\$ 19,819,376</b>	<b>\$ 15,085,689</b>	<b>\$ 41,667,513</b>

*Note: Fluctuations in all other governmental fund balance, reserved and unreserved amounts, primarily reflect financing, construction in progress and completion of capital projects.*

*Source: Comprehensive Annual Financial Reports*

**Village of Germantown, Wisconsin**  
**Changes in Fund Balances, Total Governmental Funds**  
**(Modified Accrual Basis of Accounting)**  
**Last Ten Fiscal Years**

Table 4

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Revenues</b>										
Taxes	\$ 13,846,626	\$ 12,868,874	\$ 12,814,338	\$ 13,670,499	\$ 14,046,681	\$ 14,355,563	\$ 14,819,885	\$ 13,901,632	\$ 16,209,535	\$ 16,396,682
Special Assessments	309,302	339,950	363,716	514,964	4,685	4,685	4,685	4,685	4,685	75
Intergovernmental	2,436,164	2,364,696	2,462,718	2,473,891	2,472,247	2,619,652	2,737,156	3,992,540	3,160,660	3,535,762
Regulation and compliance	1,033,161	1,174,161	1,095,844	838,034	1,106,195	1,260,905	1,213,418	994,265	1,233,622	1,379,642
Public charges for services	1,627,811	1,691,512	1,721,835	1,821,522	2,118,968	2,048,383	2,126,483	1,353,349	1,944,207	2,253,680
Intergovernmental charges	-	-	-	-	-	-	-	-	140,960	116,065
Investment income (loss)	63,566	133,479	115,493	113,796	129,117	335,595	627,582	254,951	(46,183)	(26,915)
Miscellaneous	200,216	2,059,497	706,697	157,046	306,463	391,515	560,462	399,224	137,770	196,987
<b>Total Revenues</b>	<b>\$ 19,516,846</b>	<b>\$ 20,632,169</b>	<b>\$ 19,280,641</b>	<b>\$ 19,589,752</b>	<b>\$ 20,184,356</b>	<b>\$ 21,016,298</b>	<b>\$ 22,089,671</b>	<b>\$ 20,900,646</b>	<b>\$ 22,785,256</b>	<b>\$ 23,851,978</b>
<b>Expenditures</b>										
General Government	\$ 1,339,722	\$ 1,411,749	\$ 1,388,142	\$ 1,508,556	\$ 1,569,231	\$ 1,788,157	\$ 1,790,207	\$ 1,794,383	\$ 1,905,457	\$ 2,515,252
Public Safety	6,778,485	6,878,681	6,640,969	6,660,795	6,585,299	6,783,189	7,610,502	8,048,380	8,596,049	9,651,729
Public Works	3,506,966	3,542,386	3,484,546	3,446,015	3,495,816	3,337,652	3,768,610	3,674,213	4,046,612	3,648,296
Culture and recreation	2,357,270	2,409,242	2,505,837	2,625,584	2,642,790	2,798,834	2,833,489	2,468,120	2,764,785	3,385,038
Conservation and development	692,834	452,337	422,986	476,696	431,709	889,444	3,457,543	379,071	538,715	3,408,138
Capital Outlay	2,932,305	4,328,230	3,680,393	7,500,467	3,166,307	5,126,579	11,236,855	5,737,627	8,825,313	11,479,297
Debt Service										
Principal	3,808,657	5,477,985	4,545,000	6,560,000	3,855,000	3,910,000	5,150,000	2,740,000	3,525,000	3,520,000
Interest and fiscal charges	722,234	617,882	741,975	670,932	595,302	590,517	638,707	1,176,399	1,191,553	1,252,977
Debt issuance costs	35,536	147,838	58,658	68,698	54,801	127,140	355,064	65,684	67,687	617,223
<b>Total Expenditures</b>	<b>\$ 22,174,009</b>	<b>\$ 25,266,330</b>	<b>\$ 23,468,506</b>	<b>\$ 29,517,743</b>	<b>\$ 22,396,255</b>	<b>\$ 25,351,512</b>	<b>\$ 37,040,977</b>	<b>\$ 26,083,877</b>	<b>\$ 31,461,171</b>	<b>\$ 39,477,950</b>
<b>Excess (Deficiency) of Revenues</b>										
<b>Over Expenditures</b>	<b>\$ (2,657,163)</b>	<b>\$ (4,634,161)</b>	<b>\$ (4,187,865)</b>	<b>\$ (9,927,991)</b>	<b>\$ (2,211,899)</b>	<b>\$ (4,335,214)</b>	<b>\$ (14,951,306)</b>	<b>\$ (5,183,231)</b>	<b>\$ (8,675,915)</b>	<b>\$ (15,625,972)</b>
<b>Other Financing Sources (Uses):</b>										
Proceeds of leases	\$ -	\$ 151,380	\$ -	\$ -	\$ -	\$ 32,384	\$ 223,328	\$ -	\$ -	\$ -
Issuance of general obligation notes	1,905,000	8,050,000	2,655,000	2,670,000	2,805,000	5,275,000	19,325,000	3,875,000	3,165,000	38,485,000
Issuance of refunding debt	-	1,065,000	-	1,665,000	-	-	-	-	-	1,435,000
Premium on long-term debt	-	423,821	70,246	145,016	54,900	197,476	724,696	188,716	136,776	1,661,486
Transfers in	5,874,391	2,634,962	2,589,297	2,893,674	2,640,998	2,544,721	4,321,735	2,100,631	2,073,678	2,277,411
Transfers out	(5,299,686)	(2,105,716)	(2,061,144)	(2,380,174)	(2,089,204)	(1,962,102)	(3,706,649)	(1,424,756)	(1,433,226)	(1,651,101)
<b>Total Other Financing</b>	<b>\$ 2,479,705</b>	<b>\$ 10,219,447</b>	<b>\$ 3,253,399</b>	<b>\$ 4,993,516</b>	<b>\$ 3,411,694</b>	<b>\$ 6,087,479</b>	<b>\$ 20,888,110</b>	<b>\$ 4,739,591</b>	<b>\$ 3,942,228</b>	<b>\$ 42,207,796</b>
<b>Uses</b>										
<b>Net Change in Fund Balances</b>	<b>\$ (177,458)</b>	<b>\$ 5,585,286</b>	<b>\$ (934,466)</b>	<b>\$ (4,934,475)</b>	<b>\$ 1,199,795</b>	<b>\$ 1,752,265</b>	<b>\$ 5,936,804</b>	<b>\$ (443,640)</b>	<b>\$ (4,733,687)</b>	<b>\$ 26,581,824</b>
Debt Service as a percentage of noncapital expenditures	23.29%	28.82%	26.44%	32.53%	22.89%	22.02%	23.02%	15.01%	14.99%	16.79% <sup>(1)</sup>

Note: The village began to report accrual information when it implemented GASB Statement #34 in fiscal year 2003  
2007 includes Governmental activities capitalized infrastructure assets prior to 2003

Total non-capital expenditures include reconciling items found on page 9 of the ACFR

<sup>(1)</sup> Capital Outlay (\$11,479,297) less items not capitalized (\$431,719) \$11,047,578 used to obtain percentage of noncapital expenditures

**Village of Germantown, Wisconsin**  
*Assessed Value and Estimated Actual Value of Taxable Property*  
*Last Ten Fiscal Years*

Table 5

Fiscal Year Ended December 31,	Real Property		Personal Property		Total		Village Total Direct Tax Rate	Ratio of Assessed to Equalized
	Assessed	Equalized Value	Assessed	Equalized Value	Assessed	Equalized Value		
2013	\$ 2,387,341,800	\$ 2,140,736,100	\$ 66,930,800	\$ 61,419,400	\$ 2,454,272,600	\$ 2,202,155,500	0.466	111.45%
2014	2,253,243,300	2,219,153,200	60,869,700	64,198,900	2,314,113,000	2,283,352,100	0.497	101.35%
2015	2,333,948,300	2,351,421,300	57,268,100	54,492,100	2,391,216,400	2,405,913,400	0.510	99.39%
2016	2,426,870,700	2,438,914,100	63,628,000	62,965,700	2,490,498,700	2,501,879,800	0.497	99.55%
2017	2,454,515,300	2,516,333,300	60,932,600	61,146,600	2,515,447,900	2,577,479,900	0.504	97.59%
2018	2,476,606,300	2,658,086,800	35,710,000	40,689,800	2,512,316,300	2,698,776,600	0.515	93.09%
2019	2,759,477,500	2,766,490,000	44,376,500	41,481,400	2,803,854,000	2,807,971,400	0.468	99.85%
2020	2,809,976,700	2,851,806,800	45,792,500	48,985,500	2,855,769,200	2,900,792,300	0.498	98.45%
2021	2,870,840,800	3,110,411,200	44,080,300	47,583,300	2,914,921,100	3,157,994,500	0.457	92.30%
2022	2,914,956,200	3,506,395,700	41,050,500	48,848,200	2,956,006,700	3,555,243,900	0.459	83.14%

All equalized valuations of property in the State of Wisconsin are determined by the State of WI, Department of Revenue, Supervisor of Assessment Office. Equalized valuations are the State's estimate of full market value.

The State determines assessed valuation of all manufacturing property in the State. Assessed valuations of residential and commercial property are determined by local assessors. New and improved residential and commercial property located within the Village are assessed annually by the local assessor. At hearings held each year a taxpayer may appeal the assessments of his property to the Board of Review of the local municipality. The Board of Review consists of local assessors, local officials, and citizen appointees. The assessors do not have a vote on final determinations.

The State's full value law mandates that all assessable property in the State be valued by 100% of market value. Statutes, case law, and administrative rules require that each major class of property (except agricultural property) be kept within 10% of that full value at least once in the past four years. Village wide revaluations are then undertaken

**Village of Germantown, Wisconsin**

Table 6

*Direct and Overlapping Property Tax Rates (per \$1,000 of assessed value), before State School Credits  
Last Ten Fiscal Years*

Fiscal Year Ended December 31,	Village Direct Rates				Overlapping Rates				Total Tax Levy
	Basic	Debt Service	Capital Projects	Total Tax Rate	Germantown School District	Washington County	Milwaukee Area Technical College	State of Wisconsin	
2013	3.77	0.89	0.00	4.66	8.83	2.57	1.91	0.15	18.12
2014	3.99	0.98	0.00	4.97	9.37	2.66	1.25	0.17	18.42
2015	4.02	1.08	0.00	5.10	9.20	2.62	1.27	0.17	18.36
2016	3.94	1.03	0.00	4.97	8.79	2.59	1.27	0.17	18.35
2017	3.92	1.12	0.00	5.04	9.13	2.55	1.29	0.00	17.78
2018	4.00	1.15	0.00	5.15	10.00	2.57	1.32	0.00	19.04
2019	3.64	1.04	0.00	4.68	9.62	2.30	1.18	0.00	17.78
2020	3.70	1.28	0.00	4.98	10.04	2.27	1.17	0.00	18.46
2021	3.64	1.26	0.00	4.90	9.86	2.23	1.09	0.00	18.09
2022	3.63	1.64	0.00	5.27	9.49	2.05	1.03	0.00	17.85

Source: Village of Germantown Finance Department, Assessors Department and Village records

**Village of Germantown, Wisconsin**

*Full Value Rates for Property Taxes expressed in dollars per \$1,000 of equalized value (excluding TIF)  
Last Ten Fiscal Years*

Year Levied Tax Collected	Local	1 Schools	County	2 Other	3 Total Full Value Effective Rate
2013/14	5.19	11.97	2.86	0.84	19.19
2014/15	5.04	10.77	2.69	0.74	17.67
2015/16	5.07	10.40	2.60	0.18	17.24
2016/17	4.94	10.01	2.58	0.18	16.87
2017/18	4.92	10.17	2.49	0.00	17.58
2018/19	4.79	10.54	2.39	0.00	17.72
2019/20	4.68	10.79	2.29	0.00	17.76
2020/21	4.98	11.21	2.27	0.00	18.46
2021/22	4.90	10.52	2.23	0.00	18.09
2022/23	4.59	9.18	1.79	0.00	15.56

- 1 The Schools tax rate reflects the composite rate of all local school districts and the technical college districts
- 2 Includes the state reforestation tax which is apportioned to each county on the basis of its full value Counties, in turn, apportion the tax to the tax districts within their borders on the basis of full value. It also includes any tax increment and taxes levied for special purpose districts such as metropolitan sewerage districts, sanitary districts, and public inland lake protection districts. State property taxes were eliminated in the State's budget starting 2017
- 3 Property tax less state property tax credit (not including lottery credit).

**Village of Germantown, Wisconsin**  
*Principal Property Tax Payers*  
*Current Year and Nine Years Ago*

Table 7

Taxpayer	2022			2013		
	Equalized Value		Percentage Village's Total Equalized Value	Equalized Value		Percentage Village's Total Equalized Value
Exeter Holy Hill LP	\$38,246,798	1	1.08%			
TI Investors of Germantownll	26,516,299	2	0.75%			
Sentinel Germantown LLC	26,019,741	3	0.73%	15,353,800	4	0.70%
Heather Lake LLC	23,069,645	4	0.65%			
Stag Industrial Holdings LLC	20,071,335	5	0.56%			
AGNL Dairy LLC / Gehls	19,383,759	6	0.55%			
Heritage Place Joint Venture	19,001,833	7	0.53%			
Airgas Safety Inc	17,901,235	8	0.50%			
ICHQ LLC	16,935,314	9	0.48%			
Cambridge Major Laboratories	14,779,191	10	0.42%	15,360,800	3	0.70%
The Gables of Germantown LLC				19,768,800	1	0.90%
Meridian Germantown LLC				17,278,600	2	0.78%
Stonehedge Properties				13,292,800	5	0.60%
Gehls Guernsey Farms Inc				13,256,400	6	0.60%
Phylmack LLC				13,105,200	7	0.60%
Waste Management of WI Inc				12,972,000	8	0.59%
Menard Inc				10,629,000	9	0.48%
Compass Prop				9,900,400	10	0.45%
<b>Total</b>	<b>\$ 221,925,150</b>		<b>6.24%</b>	<b>\$ 140,917,800</b>		<b>6.40%</b>

Source: *Village of Germantown Finance Department, Assessors Department and Village records*

a) Total Equalized Value January 1, 2022 = \$ 3,555,243,900  
 b) Total Equalized Value January 1, 2012 = \$ 2,202,155,500



**Village of Germantown, Wisconsin**  
*Property Tax Levies and Collections*  
*Last Ten Fiscal Years*

Table 8

Fiscal Year Ended December 31,	Taxes Levied for the Fiscal Year	Collected within the Fiscal year of the Levy <sup>1</sup>		Collection in Subsequent Years <sup>2</sup>	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2013	\$ 44,480,179	\$ 33,599,277	75.54%	\$ 10,871,870	\$ 44,471,147	99.98%
2014	42,623,918	33,491,084	78.57%	9,076,714	42,567,798	99.87%
2015	43,890,361	33,301,519	75.87%	10,577,270	43,878,789	99.97%
2016	44,292,776	33,949,559	76.65%	10,306,351	44,255,910	99.92%
2017	45,309,491	34,975,793	77.19%	10,333,698	45,288,234	99.95%
2018	47,835,308	36,589,120	76.49%	11,246,188	47,831,749	99.99%
2019	49,860,820	43,632,653	87.51%	6,228,167	49,815,891	99.91%
2020	52,720,273	40,255,818	76.36%	12,464,455	52,672,767	99.91%
2021	52,734,005	35,736,400	67.77%	16,997,605	52,638,462	99.82%
2022	55,335,103	36,560,678	66.07%	18,774,425	54,785,468	99.01%

Source: Village Finance Department

Notes: Amounts collected include Village of Germantown and all other taxing bodies which make up the total levy.

<sup>1</sup> The amount shown is net of the State Tax Credit

<sup>2</sup> Current state law requires counties to pay 100% of the real property taxes levied to cities, villages, towns, school districts and other taxing authorities on or about August 20 of the collection year  
 Personal Property is collected by municipality

**Village of Germantown, Wisconsin**  
**Water & Sewer Utility - Customer Count**  
**Last Ten Fiscal Years**

Table 9

Function/Program	2013	2014	2015	2016*	2017*	2018*	2019*	2020*	2021*	2022*
Water and Sewer										
Number of Water Customers	5,311	5,359	5,440	5,460	5,464	5,477	5,493	5,550	6,257	5,950
Average Daily Water Consumption (gallons)	1,749,041	1,798,090	1,914,348	1,526,655	1,479,211	1,596,058	1,404,405	1,794,811	1,802,378	1,831,030
Number of Sewer Customers	5,552	5,603	5,682	5,696	5,705	5,715	5,734	6,254	5,845	6,079

\* fluctuation in consumption due to large water user with its own water source, periodically uses Village water, in prior years they had a problem with their pumping system and used Village water source as primary.

**Village of Germantown, Wisconsin**  
**Water Utility Customer Summary**  
**Last Ten Fiscal Years**

Table 10

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Number of customers</b>										
Residential	4,727	4,774	4,840	4,857	4,865	4,868	4,878	4,898	4,957	5,294
Res - Multi-Family*	107	107	108	108	108	109	110	141	141	145
Commercial	432	433	451	450	466	455	459	462	465	454
Industrial	22	22	22	22	22	22	23	26	26	24
Public	23	23	19	23	23	23	23	23	25	33
<b>Total</b>	<b>5,311</b>	<b>5,359</b>	<b>5,440</b>	<b>5,460</b>	<b>5,484</b>	<b>5,477</b>	<b>5,493</b>	<b>5,550</b>	<b>5,614</b>	<b>5,950</b>
<b>Gallons (thousands)</b>										
Residential	278,289	264,880	270,293	262,740	255,115	249,242	242,644	248,957	242,287	241,058
Res - Multi-Family*	49,595	49,317	51,143	49,760	49,659	51,029	50,407	77,153	82,109	55,748
Commercial	119,599	106,747	121,561	126,118	128,166	128,235	127,015	117,846	125,878	118,982
Industrial	181,544	227,407	247,368	134,939	96,416	144,840	82,754	203,066	281,292	185,523 **
Public	9,373	7,952	8,372	8,877	10,556	9,215	9,788	8,084	8,447	11,925
<b>Total</b>	<b>638,400</b>	<b>656,303</b>	<b>698,737</b>	<b>582,434</b>	<b>539,912</b>	<b>582,561</b>	<b>512,608</b>	<b>655,106</b>	<b>740,013</b>	<b>613,236</b>

\* New Public Service Commission Required Class Code - Effective 2013 - derived from Commercial

\*\* variations in Industrial water usage due to large use customer that have their own water source, uses Village water for peak demand

**Village of Germantown, Wisconsin**  
**Water Utility Customer Rates**  
**Last Ten Fiscal Years**

Table 11

	2013*	2014**	2015	2016	2017	2018	2019	2020	2021	2022
<b>General Metered Service</b>										
Quarterly Service Charge										
5/8 inch meter	\$ 14.83	\$ 15.27	\$ 15.27	\$ 15.27	\$ 15.27	\$ 15.27	\$ 15.27	\$ 15.27	\$ 15.27	\$ 19.35
3/4 inch meter	14.83	15.27	15.27	15.27	15.27	15.27	15.27	15.27	15.27	19.35
1 inch meter	24.72	25.46	25.46	25.46	25.46	25.46	25.46	25.46	25.46	32.28
1 1/4 inch meter	33.99	35.01	35.01	35.01	35.01	35.01	35.01	35.01	35.01	44.04
1 1/2 inch meter	43.26	44.56	44.56	44.56	44.56	44.56	44.56	44.56	44.56	56.46
2 inch meter	64.89	66.84	66.84	66.84	66.84	66.84	66.84	66.84	66.84	84.69
3 inch meter	108.15	111.39	111.39	111.39	111.39	111.39	111.39	111.39	111.39	141.00
4 inch meter	166.86	171.87	171.87	171.87	171.87	171.87	171.87	171.87	171.87	219.00
6 inch meter	309.00	318.24	318.24	318.24	318.24	318.24	318.24	318.24	318.24	405.00
8 inch meter	475.86	490.14	490.14	490.14	490.14	490.14	490.14	490.14	490.14	621.00
10 inch meter	695.25	716.11	716.11	716.11	716.11	716.11	716.11	716.11	716.11	909.00
12 inch meter	917.73	945.26	945.26	945.26	945.26	945.26	945.26	945.26	945.26	1,200.00
Volume rate (per 1,000 gallons)										
First 100,000 gallons	\$ 2.22	\$ 2.29	\$ 2.29	\$ 2.29	\$ 2.29	\$ 2.29	\$ 2.29	\$ 2.29	\$ 2.29	\$ 4.15
Next 900,000 gallons	1.91	1.97	1.97	1.97	1.97	1.97	1.97	1.97	1.97	3.60
Over 1,000,000 gallons	1.62	1.67	1.67	1.67	1.67	1.67	1.67	1.67	1.67	3.03
<b>Public Fire Protection</b>										
Annual service charge to the Village of Germantown	\$ 521,776	\$ 537,429	\$ 537,429	\$ 537,429	\$ 537,429	\$ 537,429	\$ 537,429	\$ 537,429	\$ 537,429	\$ 537,430
<b>Private Fire Protection</b>										
Quarterly Service Charge										
2 inch or smaller connection	\$ 24.00	\$ 24.00	\$ 24.00	\$ 24.00	\$ 24.00	\$ 24.00	\$ 24.00	\$ 24.00	\$ 24.00	\$ 24.00
3 inch connection	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00
4 inch connection	65.00	65.00	65.00	65.00	65.00	65.00	65.00	65.00	65.00	65.00
6 inch connection	130.00	130.00	130.00	130.00	130.00	130.00	130.00	130.00	130.00	130.00
8 inch connection	220.00	220.00	220.00	220.00	220.00	220.00	220.00	220.00	220.00	220.00
10 inch connection	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00
12 inch connection	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00
14 inch connection	-	-	-	-	-	-	-	-	-	486.00
16 inch connection	-	-	-	-	-	-	-	-	-	600.00

\* 3% Simplified Rate Increase effective 12/15/2013

\*\* 3% Simplified Rate Increase effective 12/15/2014

Source: Village of Germantown Utility Records

**Village of Germantown, Wisconsin**  
**Sewer Utility Customer Summary**  
**Last Ten Fiscal Years**

Table 12

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Number of customers</b>										
Residential	4,473	4,519	4,564	4,574	4,578	4,581	4,590	5,557	5,894	5,388
Commercial	1,026	1,031	1,066	1,070	1,075	1,082	1,090	647	744	417
Industrial	32	32	31	31	31	31	33	22	26	25
Public	21	21	21	21	21	21	21	28	25	32
<b>Total</b>	<b>5,552</b>	<b>5,603</b>	<b>5,682</b>	<b>5,696</b>	<b>5,705</b>	<b>5,715</b>	<b>5,734</b>	<b>6,254</b>	<b>6,689</b>	<b>5,862</b>
<b>Gallons (thousands)</b>										
Residential	263,821	251,582	255,996	249,473	241,242	235,810	228,968	347,640	242,287	295,942
Commercial	159,206	139,755	160,665	161,433	166,929	173,678	173,257	109,593	125,878	132,788
Industrial	216,399	189,970	307,978	272,429	246,822	228,266	242,273	242,319	281,992	247,928
Public	7,264	8,035	8,304	8,022	10,669	7,230	7,178	7,239	8,447	12,322
<b>Total</b>	<b>646,690</b>	<b>589,342</b>	<b>732,943</b>	<b>691,357</b>	<b>665,662</b>	<b>644,984</b>	<b>651,676</b>	<b>706,791</b>	<b>658,604</b>	<b>688,980</b>

Source: Village of Germantown Utility Records

**Village of Germantown, Wisconsin**  
**Sewer Utility Customer Rates**  
**Last Ten Fiscal Years**

Table 13

	2013	2014**	2015	2016	2017	2018	2019	2020	2021	2022
<b>General Metered Service</b>										
Quarterly Service Charge										
5/8 inch meter	\$ 36.37	\$ 40.01	\$ 40.01	\$ 40.01	\$ 40.01	\$ 40.01	\$ 40.01	\$ 40.01	\$ 40.01	\$ 40.01
3/4 inch meter	36.37	40.01	40.01	40.01	40.01	40.01	40.01	40.01	40.01	40.01
1 inch meter	67.29	74.02	74.02	74.02	74.02	74.02	74.02	74.02	74.02	74.02
1 1/2 inch meter	92.75	102.02	102.02	102.02	102.02	102.02	102.02	102.02	102.02	102.02
2 inch meter	120.01	132.02	132.02	132.02	132.02	132.02	132.02	132.02	132.02	132.02
3 inch meter	183.67	202.03	202.03	202.03	202.03	202.03	202.03	202.03	202.03	202.03
4 inch meter	329.14	362.06	362.06	362.06	362.06	362.06	362.06	362.06	362.06	362.06
6 inch meter	538.26	592.08	592.08	592.08	592.08	592.08	592.08	592.08	592.08	592.08
Volume rate (per 1,000 gallons)										
All Classes										
Residential Only	\$ 6.285	\$ 6.913	\$ 6.913	\$ 6.913	\$ 6.913	\$ 6.913	\$ 6.913	\$ 6.913	\$ 6.913	\$ 6.913
Commercial, Industrial, Public	7.856	8.641	8.641	8.641	8.641	8.641	8.641	8.641	8.641	8.641
<b>General Unmetered Service</b>										
Flat rate	\$ 147.93	\$ 162.75	\$ 162.75	\$ 162.75	\$ 162.75	\$ 162.75	\$ 162.75	\$ 162.75	\$ 162.75	\$ 162.75
based on avg. usage (gal.)/qtr.	17,750	17,750	17,750	17,750	17,750	17,750	17,750	17,750	17,750	17,750

\* 15% Rate Increase effective 12/15/2011

\*\* 10% Rate Increase effective 12/15/2014

Source: Village of Germantown Utility Records

Village of Germantown, Wisconsin  
 Ratio of Outstanding Debt  
 Last Ten Fiscal Years

Table 14

Fiscal Year Ended December 31,	Governmental Activities					Business-type Activities		Total Primary Government	Debt per Capita	Population
	General Obligation Bonds	General Obligation Notes	Refunding Bonds	Other Obligations	Lease Liabilities	Water Utility Revenue Bonds	Sewer Utility General Obligation Notes			
2013	\$ 410,000	\$ 10,845,000	\$ 14,272,770	\$ 127,985	\$ -	\$ 1,482,713	\$ -	\$ 27,138,468	\$ 1,370	19,811
2014	5,790,000	11,760,000	12,146,752	-	129,579	1,393,201	-	31,219,532	1,570	19,891
2015	5,765,000	11,540,000	10,528,381	-	97,887	1,302,768	-	29,234,036	1,464	19,972
2016	5,740,000	14,250,000	5,695,028	-	65,933	1,211,390	-	26,962,351	1,348	20,008
2017	5,634,023	15,076,468	3,920,557	-	31,919	1,114,042	-	25,777,009	1,291	19,965
2018	8,117,980	15,336,256	2,663,539	-	31,227	1,015,697	-	27,164,699	1,346	20,183
2019	24,859,045	16,046,449	-	-	151,004	911,329	3,108,110	45,075,937	2,189	20,590
2020	24,815,852	16,139,667	-	-	113,254	800,911	2,912,754	44,782,438	2,141	20,917
2021	24,162,058	17,557,899	-	-	75,503	689,413	2,792,398	45,277,271	2,163	20,934
2022	57,900,077	21,696,320	-	-	-	4,471,810	12,567,252	96,635,459	4,598	21,015

Note: Balances include debt related refundings, discounts, premiums  
 Details regarding the Village's outstanding debt can be found in the notes to the financial statements. Section Note 3 Long Term Obligations  
 Population trend per US Census Bureau.

**Village of Germantown, Wisconsin**  
*Ratio of General Bonded Debt Outstanding Governmental Activities*  
*Last Ten Fiscal years*

Table 15

Fiscal Year Ended December 31,	General Bonded Debt Outstanding		Less:	Total	Percentage of	Equalized Valuation	Net	Population
	General Obligation Bonds	Refunding Bonds	Fund Balance Restricted for Debt Service		Long -Term Debt to Equalized Value		Long-term Debt per Capita	
2013	\$ 410,000	\$ 14,272,770	\$ (2,697,292)	\$ 11,985,478	0.54%	\$ 2,202,155,500	\$ 605	19,811
2014	5,790,000	12,146,752	(1,785,323)	16,151,429	0.71%	2,283,352,100	812	19,891
2015	5,765,000	10,528,381	(769,454)	15,523,927	0.65%	2,405,913,400	777	19,972
2016	5,740,000	5,695,028	(93,069)	11,341,959	0.45%	2,501,879,800	567	20,008
2017	5,634,023	3,920,557	(138,303)	9,416,277	0.37%	2,577,479,900	472	19,965
2018	8,117,980	2,663,539	(247,137)	10,534,382	0.39%	2,698,776,600	522	20,183
2019	24,859,045	-	(307,704)	24,551,341	0.87%	2,807,971,400	1,192	20,590
2020	24,815,852	-	(375,846)	24,440,006	0.84%	2,900,792,300	1,167	20,934
2021	24,162,058	-	(167,466)	23,994,592	0.76%	3,157,994,500	1,140	21,040
2022	57,900,077	-	(183,975)	57,716,102	1.62%	3,555,243,900	2,746	21,015

Note: Details regarding the Village's outstanding debt can be found in the notes to the financial statements.

Source: Population 2013-2019: 2010 U.S. Census  
 Population 2020-2021: 2020 U.S. Census



**Village of Germantown, Wisconsin**  
*Direct and Overlapping Governmental Activities Debt*  
*As of December 31, 2022*

Table 16

<u>Governmental Unit</u>	<u>2022 Equalized Value</u>	<u>Total G.O. Debt Outstanding</u>	<u>Village EV Percentage of District</u>	<u>Village Proportionate Share</u>
Milwaukee Area Technical College	\$ 107,694,969,375	\$ 97,590,000	3.30% <sup>1</sup>	\$ 3,221,657
Germantown School District	4,782,058,725	90,482,246	74.35%	67,269,449
Washington County	<u>20,790,695,300</u>	<u>16,220,567</u>	17.10%	<u>2,773,744</u>
Subtotal, overlapping debt	\$ 133,267,723,400	\$ 204,292,813	2.06% <sup>2</sup>	\$ 73,264,850
Village Direct Debt	\$ 3,555,243,900	<u>\$ 86,125,000</u>	100.00%	<u>\$ 86,125,000</u>
Village Debt to Equalized Value		290,417,813	2.42% <sup>3</sup>	
Total Direct and overlapping debt				\$ 159,389,850
Debt Per Capita Village General Obligation Debt				\$ 4,093 <sup>4</sup>
Debt Per Capita Village Share of Overlapping Debt				<u>3,482</u>
				<u>\$ 7,575</u>

Source: Financial Officers of the overlapping School Districts and Counties, Official Statement dated April 28, 2021.

- <sup>1</sup> Percentage of village equalized value to district equalized value.
- <sup>2</sup> Percentage of village overlapping debt outstanding to village equalized value
- <sup>3</sup> Percentage of village outstanding debt to village equalized
- <sup>4</sup> Population 2021 estimate 21,040 debt per capita

Village of Germantown, Wisconsin

Legal Debt Margin Information

Last Ten Fiscal Years

Legal Debt Margin calculations for Current Fiscal Year										
Equalized Valuation										\$ 3,555,243,900
Debt Limit (5% of current equalized value)										177,762,195
Debt applicable to limit - General obligation debt outstanding										88,710,000
Legal Debt margin										\$ 89,052,195
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Statutory Debt Limit	\$ 110,107,775	\$ 114,167,605	\$ 120,295,670	\$ 125,093,990	\$ 128,873,995	\$ 134,938,830	\$ 140,398,570	\$ 145,039,615	\$ 157,899,725	\$ 177,762,195
Total Net Debt										
Applicable to limit	25,607,985	29,245,000	27,355,000	25,130,000	24,080,000	25,445,000	42,625,000	43,570,000	43,095,000	88,710,000
Unused Debt Limit	\$ 84,499,790	\$ 84,922,605	\$ 92,940,670	\$ 99,963,990	\$ 104,793,995	\$ 109,493,830	\$ 97,773,570	\$ 101,469,615	\$ 114,804,725	\$ 89,052,195
Total Net Debt Applicable to the limit as a percentage of debt limit	23.26%	25.62%	22.74%	20.09%	18.68%	18.86%	30.36%	30.04%	27.29%	49.90%

Fiscal Year Ended December 31,	Water Revenue Bonds								
	Utility Service Charges	Less Operating Expenses	Net Available Revenue	Debt Service			Accreted Value	Coverage Expected	Actual Debt Coverage
				Principal	Interest	Total			
2012	\$ 2,260,951	\$ 1,172,581	\$ 1,088,370	\$ 82,741	\$ 56,653	\$ 139,394	\$ 174,243	1.25	7.81
2013	2,428,842	1,170,210	1,258,632	83,615	53,967	137,582	171,978	1.25	9.15
2014	2,560,579	1,293,026	1,267,553	89,512	51,259	140,771	175,964	1.25	9.00
2015	2,652,039	1,138,846	1,513,193	90,433	48,263	138,696	173,369	1.25	10.91
2016	2,421,804	1,162,583	1,259,221	91,378	45,187	136,565	170,706	1.25	9.22
2017	2,502,002	1,177,808	1,324,194	97,349	42,004	139,353	174,192	1.25	9.50
2018	2,512,691	1,539,529	973,162	98,345	38,535	136,880	171,100	1.25	7.11
2019	2,441,225	1,538,464	902,761	104,368	35,008	139,376	174,220	1.25	6.48
2020	2,594,897	1,768,688	826,209	110,419	31,213	141,632	177,040	1.25	5.83
2021	2,582,257	1,954,084	628,173	111,497	27,145	138,642	173,303	1.25	4.53
2022	3,673,495	1,761,927	1,911,568	243,741	225,182	468,923	586,154	1.25	4.08

Note: Details regarding the village's outstanding debt can be found in the notes to the financial statements, Note 3, Long Term Debt, Revenue Debt. Operating expenses do not include interest on long term debt, depreciation or amortization expense

**Village of Germantown, Wisconsin**  
*Demographic and Economic Indicators*  
*Last Ten Fiscal Years*

Table 19

<b>Fiscal Year Ended December 31,</b>	<b>Estimated Population</b>	<b>Median Household Income</b>	<b>Per Capita Personal Income (thous)</b>	<b>Median Age</b>	<b>School Enrollment</b>	<b>Washington County Unemployment Rate</b>
2012	19,803	\$ 72,000	\$ 35.781	40.2	3,999	6.40%
2013	19,811	73,555	35.690	41.4	3,987	5.10%
2014	19,891	74,865	35.670	41.9	3,909	4.30%
2015	19,972	74,865	36.304	42.0	3,913	3.40%
2016	20,008	75,305	36.668	42.2	3,895	3.10%
2017	19,965	79,553	40.404	42.1	3,915	2.20%
2018	20,183	81,846	42.267	42.1	3,907	2.90%
2019	20,590	81,846	42.267	42.1	3,907	2.90%
2020	20,934	81,846 est	42.267	42.1	3,907	2.90%
2021	21,040	94,563 est	42.267	40.1	3,796	2.20%
2022	21,015	94,278 est	45.183	40.1	3,814	1.70%

Note: Population - Wisconsin Department of Administration, Demographic Services Center estimates, 2010 census

Source: US Bureau of Economic Analysis  
 Wisconsin Department of Workforce Development, Office of Economic Advisors, per capita income  
 School Enrollment - WI Dept of Public Instruction, Head Count & Membership  
<https://apps4.dpi.wi.gov/sfsdw/MembershipFTEReport.aspx>  
 Unemployment - Wisconsin Department of Workforce Development, Division of Workforce Excellence (Washington County) Rates not compiled for individual communities with populations under 25,000, AVG Washington County  
[www.factfinder2.census.gov](http://www.factfinder2.census.gov)  
 2010 Census of Population and Housing, and 2017 American Community Survey (based on a 5 year estimate)  
 US Census Bureau

Principal Employers

Current Year and Nine Years Ago

Employer	2022			2013		
	<sup>2</sup> Employees	Rank	Percentage of Total Village Population	<sup>1</sup> Employees	Rank	Percentage of Total Village Population
MGS Mfg	600	1	2.86%			
Germantown School District	583	2	2.77%	600	1	2.86%
J.W. Speaker Company	500	3	2.38%			0.00%
Gehl's Foods	400	4	1.90%	225	6	1.07%
Ellsworth Adhesives	<sup>3</sup> 359	5	1.71%	225	5	1.07%
GKN Sintered Metals	333	6	1.58%	30	10	0.14%
Moldmakers	300	7	1.43%			
David Frank Landscape	300	8	1.43%	300	4	1.43%
Village of Germantown	275	9	1.31%	319	3	
Wago	270	10	1.28%			0.00%
Walmart			0.00%	500	2	
Rock-Tenn Co.				209	7	0.99%
Great Lakes Packaging				101	8	0.48%
Banner Weld				100	9	0.48%
Total	3,920		18.65% <sup>4</sup>	2,609		12.41% <sup>4</sup>

Source:

<sup>1</sup> Taken from Final Official Statement for General Obligation Promissory Notes and Bonds, Dated February 24, 20

<sup>2</sup> Reference USA, written and telephone survey (April 2021), Wisconsin Manufacturers Register and the Wisconsin Department of Workforce Development

*This does not purport to be a comprehensive list, and is based on available data obtained through a survey of individual employers, as well as identified sources. Some employers do not respond to inquiries for employment data*

<sup>3</sup> Includes full-time, part-time and seasonal employment

<sup>4</sup> Population - Wisconsin Department of Administration, Demographics Services Center  
2012 estimation (19,803) 2021 Estimation (21,040)

**Village of Germantown, Wisconsin**

Table 21

*Full-time Equivalent Village Government Employees by Function/Program  
Last Ten Fiscal Years*

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government	5.70	5.70	5.70	5.70	5.70	5.70	6.70	6.70	6.70	6.70
Public Safety	57.35	57.35	57.35	57.35	61.35	63.35	69.35	69.35	72.50	73.50
Public Works	17.16	17.16	17.16	17.16	18.16	18.16	18.16	18.16	17.00	17.00
Culture & Recreation	23.50	23.50	23.50	23.75	23.75	23.75	23.75	23.75	23.75	23.75
Conservation & Development	1.90	1.90	1.90	1.90	1.90	1.90	2.90	2.90	2.90	2.90
Water	8.30	8.30	8.30	8.30	8.30	9.05	9.05	9.05	9.05	9.05
Sewer	<u>7.82</u>	<u>7.82</u>	<u>7.82</u>	<u>7.82</u>	<u>7.82</u>	<u>8.12</u>	<u>8.12</u>	<u>8.12</u>	<u>8.12</u>	<u>8.12</u>
Total*	121.73	121.73	121.73	121.98	126.98	130.03	138.03	138.03	140.02	141.02
Total # of W2's	426	434	467	467	422	435	424	424	375	526

Source:

*Village of Germantown \* Total count equals regular full time and part time personnel, does not include seasonal, recreation programs or Paid on Call Fire & Rescue*

*Utility FTE counts from 2010-2016 were updated in 2017 to reflect salary budget worksheets.*

**Village of Germantown, Wisconsin**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**

Table 22

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Public Safety</b>										
<b>Police</b>										
Number of Sworn Officers	31	31	31	31	32	33	33	33	33	34
Number of Citations	3,150	2,539	2,888	2,538	2,201	2,108	2,039	2,039	2,042	2,682
<b>Fire</b>										
Number of Employees - Full Time	4	4	4	4	8	10	16	16	16	16
Number of Employees - Part Time	4	4	4	4	1	1	-	-	-	-
Number of Employees - Paid on Call	35	35	38	35	29	23	23	23	23	23
<b>Public Works</b>										
Street Surfacing/Sealcoating (miles)	2.77	1.83	1.03	6.00	9.00	0.36	4.50	4.50	4.50	1.54
Asphalt Resurface/Repairs (miles)	0.10	0.75	0.42	3.86	2.49	2.00	5.02	5.02	5.02	3.46
<b>Culture &amp; Recreation</b>										
Parks	12	12	12	12	12	12	12	12	12	12
Acreage	514.50	514.50	514.50	514.50	514.50	514.50	514.50	514.50	514.50	514.50
Library										
Volumes in Collection	175,186	154,917*	155,249	149,086	145,823	147,515	148,123	148,123	148,123	145,000
Volumes in Collection - Digital					215,158	203,411	244,739	244,739	244,739	245,344
<b>Water and Sewer</b>										
Number of Water Customers	5,311	5,359	5,440	5,460	5,464	5,477	5,493	5,493	5,493	5,677
Average Daily Water Consumption (gallons)	1,749,041	1,798,090	1,914,348	1,526,655	1,479,211	1,596,058	1,404,405	1,404,405	1,404,405	1,701,898
Number of Sewer Customers	5,552	5,603	5,682	5,696	5,705	5,715	5,734	5,734	5,734	5,862

Note: Starting in 2017, Digital Library material volume was added

\* 2014 Library Collections - removed more volumes than usual, back issues of magazine, video's, more than half of books on cassette

**Village of Germantown, Wisconsin**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal Years**

Table 23

Function/Program	2012	2013	2014	2015	2016	2017	2018*	2019	2020	2021	2022
Public Safety											
Police Stations	1	1	1	1	1	1	1	1	1	1	1
Fire Stations	2	2	2	2	2	2	1	1	1	1	1
Public Works											
Miles of Road (miles)	129.58	129.58	129.58	129.69	130.07	130.70	132.65	132.65	132.65	133.42	140.16
Sidewalks (miles)	19.76	20.38	20.38	20.48	21.25	22.05	22.86	23.66	24.47	24.47	24.47
Culture & Recreation											
Parks	12	12	12	12	12	12	12	12	12	12	12
Playgrounds	7	7	7	7	7	7	7	7	7	7	7
Tennis Courts	13	13	13	13	13	13	13	13	13	13	13
Spraygrounds	1	1	1	1	1	1	1	1	1	1	1
Senior Center	1	1	1	1	1	1	1	1	1	1	1
Library	1	1	1	1	1	1	1	1	1	1	1
Water											
Water Mains (miles)	89.15	89.07	89.60	89.60	91.77	92.45	94.60	96.89	96.89	96.89	117.07
Fire Hydrants	1,301	1,301	1,308	1,308	1,327	1,335	1,357	1,383	1,383	1,383	1,425
Sewer											
Sanitary Sewer (miles)	90.50	93.00	96.00	97.62	99.16	101.83	103.21	105.23	105.23	105.23	109.93

Source: Village of Germantown Department Directors and capital asset inventory records

Note: 2012 Fire Hydrant count increase due to the reconciliation of hydrants reported to the GIS System

\* Starting in 2018, Village consolidated Services into Fire Station II, and "Fire Station I" will be available for other Village Uses



**Village of Germantown, Wisconsin**  
**Building Permits**  
**Last Ten Fiscal Years**

Table 24

Type	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b><u>No. of All Building Permits</u></b>										
Including additions & remodeling	598	607	554	623	654	745	639	1,537	2,144	2,064
Valuation	\$ 34,817,008	\$ 55,636,764	\$ 53,736,810	\$ 28,781,279	\$ 101,801,123	\$ 93,333,788	\$ 63,063,116	\$ 40,709,300	\$ 76,387,591	\$ 110,084,144
<b><u>New Single Family Homes</u></b>										
No. of building permits	54	60	40	38	53	15	14	47	80	41
Valuation	\$ 13,640,425	\$ 14,212,683	\$ 8,660,736	\$ 8,595,327	\$ 9,401,508	\$ 4,628,865	\$ 5,839,608	\$ 16,429,820	\$ 35,980,555	\$ 20,573,021
<b><u>New Multiple Family Buildings</u></b>										
No. of building permits	9	2	-	-	2	2	3	1	-	-
No. of units	18	4	-	-	127	43	94	2	-	-
Valuation	\$ 3,022,250	\$ 1,080,000	\$ -	\$ -	\$ 34,042,000	\$ 4,336,000	\$ 7,990,000	\$ 300,000	\$ -	\$ -
<b><u>New Commercial/Industrial Buildings</u></b>										
No. of building permits	1	4	6	2	-	6	7	13	2	9
Valuation	\$ 3,100,000	\$ 18,548,000	\$ 9,421,000	\$ 1,662,700	\$ -	\$ 48,286,000	\$ 30,476,729	\$ 23,948,368	\$ 5,061,397	\$ 48,437,210

**FORM OF LEGAL OPINION**

(See following pages)

ATTORNEYS AT LAW

Telephone (414) 375-2630  
Fax (414) 375-2631LEGAL OPINION

We have served as bond counsel with regard to:

\$3,215,000  
VILLAGE OF GERMANTOWN  
WASHINGTON COUNTY, WISCONSIN  
GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2024A  
DATED JUNE 5, 2024

We hereby certify that we have examined a transcript of proceedings of the Village Board of the Village of Germantown relative to the authorization, issuance and sale of the aforesaid Notes. We have also examined the law and such other documents furnished to us as we deem necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon the transcript of proceedings and other certifications furnished to us without undertaking to verify the same by independent investigation.

The Notes are numbered 1 and upward; are in the denomination of \$5,000 or any integral multiple thereof; bear interest at the rates set forth below; and mature serially on March 1 of each year, in the years and principal amounts as follows:

<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2025	\$ 50,000	—.%
2026	350,000	—.
2027	350,000	—.
2028	350,000	—.
2029	350,000	—.
2030	350,000	—.
2031	350,000	—.
2032	350,000	—.
2033	355,000	—.
2034	360,000	—.

Interest is payable semi-annually on March 1 and September 1 of each year commencing on March 1, 2025.

At the option of the Village, the Notes maturing on March 1, 2032, and thereafter are subject to redemption prior to maturity on March 1, 2031 or on any date thereafter. Said Notes are redeemable as a whole or in part, from maturities selected by the Village and within each maturity by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

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

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Notes (except to the extent, if any, stated in the Official Statement), and we express no opinion relating thereto (excepting only the matters set forth as our opinion in the Official Statement).

Based on our examinations, we are of the opinion, as of the date hereof and under existing law, as follows:

1. The Notes are valid and binding general obligations of the Village.
2. All taxable property in the territory of the Village is subject to ad valorem taxation without limitation as to rate or amount to pay the Notes. The Village is required by law to include in its annual tax levy the principal and interest coming due on the Notes except to the extent the necessary funds have been irrevocably deposited into the debt service fund account established for the payment of the principal of and interest on the Notes.
3. The interest on the Notes is excludable from gross income for federal income tax purposes. The interest on the Notes is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, interest on the Notes is taken into account in determining "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on Applicable Corporations (as defined in Section 59(k) of the Code). The opinion set forth in the first sentence of this paragraph is subject to the condition that the Village comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Notes in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Village has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of interest on the Notes in gross income for federal income tax purposes to be retroactive to the date of issuance of the Notes. We express no opinion regarding other federal tax consequences arising with respect to the Notes.

It is to be understood that the rights of the holders of the Notes and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that enforcement of the Notes may also be subject to the exercise of judicial discretion in appropriate cases.

### BOOK-ENTRY-ONLY SYSTEM

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

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

**FORM OF CONTINUING DISCLOSURE CERTIFICATE**

(See following pages)

## CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the Village of Germantown, Washington County, Wisconsin (the “Issuer”) in connection with the issuance of \$3,215,000 General Obligation Promissory Notes, Series 2024A, dated June 5, 2024 (the “Securities”). The Securities are being issued pursuant to a Resolution, dated April 15, 2024 (the “Resolution”). The Issuer covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the holders and beneficial owners of the Securities and in order to assist the Participating Underwriters in complying with S.E.C. Rule 15c2-12(b)(5).

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

“Annual Report” shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Financial Obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

“National Repository” shall mean the Municipal Securities Rulemaking Board electronically through the Electronic Municipal Market Access system, available at [www.emma.msrb.org](http://www.emma.msrb.org), or such other website as may be determined from time to time by the Securities and Exchange Commission.

“Obligated Person” shall mean any person, including an issuer of municipal securities, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Securities.

“Participating Underwriter” shall mean any of the original underwriters of the Securities required to comply with the Rule in connection with the offering of the Securities.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time including any official interpretations thereof.



Section 3. Provision of Annual Reports.

(a) The Issuer shall, not later than October 1 of each year, commencing October 1, 2024, provide to the National Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report.

(b) Documents provided to the National Repository shall be accompanied by identifying information as prescribed by the National Repository.

(c) The Issuer shall determine each year prior to providing the Annual Report the electronic address of the National Repository.

(d) If the Issuer is unable or fails to provide to the National Repository an Annual Report by the date required in subsection (a), the Issuer shall send in a timely manner a notice of that fact to the National Repository in the format prescribed by the National Repository.

Section 4. Content of Annual Reports. The Issuer's Annual Report shall contain or incorporate by reference the following:

(a) The Issuer's audited financial statements. The financial statements will be prepared in accordance with Generally Accepted Accounting Principles. If audited financial statements are not available by October 1, unaudited financial information will be provided, and audited financial statements will be submitted to the National Repository when and if available.

(b) Updates of the following sections of the final official statement:

- (1) The Issuer – Employees; Pensions
- (2) Tax Levies and Collections
- (3) Valuations – Current Property Valuations
- (4) Debt – Direct Debt
- (5) Debt – Debt Limit

Any or all of the items listed above may be incorporated by reference from documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to the National Repository or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. (Currently located at 1300 I Street NW, Suite 1000, Washington, DC 20005, (202) 838-1500.) The Issuer shall clearly identify each document so incorporated by reference.

Section 5. Reporting of “Listed” Events.

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

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Securities or other material events affecting the tax status of the Securities;
- (7) Modification to rights of holders of the Securities, if material;
- (8) Bond calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the Securities, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership or similar event of the Obligated Person;
- (13) The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (15) Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies,

priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; and

- (16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

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

(b) Whenever the Issuer obtains knowledge of the occurrence of a Listed Event, the Issuer shall as soon as possible determine under applicable legal standards if such event would constitute material information, within the meaning of the Rule, for holders or beneficial owners of the Securities, provided, that any event under subsection (a) (1), (3), (4), (5), (8) (tender offers only), (9), (11), (12) or (16) will always be deemed to be material.

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

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

Section 7. Dissemination Agent. The Issuer may, from time to time, appoint or engage a dissemination agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such agent, with or without appointing a successor dissemination agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule.

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

Section 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any holder or beneficial owner of the Securities may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate. The sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance

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

Date: June \_\_, 2024

VILLAGE OF GERMANTOWN  
WASHINGTON COUNTY, WISCONSIN

By \_\_\_\_\_  
Donna Ott,  
Village Clerk

(SEAL)

**NOTICE OF SALE**

**\$3,215,000\* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2024A  
VILLAGE OF GERMANTOWN, WISCONSIN**

Bids for the purchase of \$3,215,000\* General Obligation Promissory Notes, Series 2024A (the "Notes") of the Village of Germantown, Wisconsin (the "Village") will be received at the offices of Ehlers and Associates, Inc. ("Ehlers"), 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, municipal advisors to the Village, until 10:00 A.M., Central Time, and **ELECTRONIC PROPOSALS** will be received via [bondsale@ehlers-inc.com](mailto:bondsale@ehlers-inc.com) or **PARITY**, in the manner described below, until 10:00 A.M. Central Time, on May 15, 2024, at which time they will be opened, read and tabulated. **The Village Board adopted a resolution on April 15, 2024 (the "Parameters Resolution"), which authorized the Finance Director or the Administrator (each an "Authorized Officer") to accept a bid for the Notes if the parameters and conditions set forth in the Parameters Resolution are satisfied. If the parameters and conditions set forth in the Parameters Resolution are not met through the competitive bids received on May 15, 2024, neither the Finance Director nor the Administrator will have the authority to accept a bid for the Notes, and all bids for the Notes will be rejected.**

**AUTHORITY; PURPOSE; SECURITY**

The Notes are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the Village, for the purpose of paying the costs of 2024 capital improvements including Village building and street improvements and equipment acquisition. The Notes are general obligations of the Village, and all the taxable property in the Village is subject to the levy of a tax to pay the principal of and interest on the Notes as they become due which tax may, under current law, be levied without limitation as to rate or amount.

**DATES AND MATURITIES**

The Notes will be dated June 5, 2024, will be issued as fully registered Notes in the denomination of \$5,000 each, or any integral multiple thereof, and will mature on March 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2025	\$50,000	2029	\$350,000	2033	\$355,000
2026	350,000	2030	350,000	2034	360,000
2027	350,000	2031	350,000		
2028	350,000	2032	350,000		

**ADJUSTMENT OPTION**

The Village reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of \$5,000 each, up to a maximum of \$25,000 per maturity in 2025 and up to a maximum of \$175,000 per maturity for maturities in the year 2026-2034. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

**TERM BOND OPTION**

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

## **INTEREST PAYMENT DATES AND RATES**

Interest will be payable on March 1 and September 1 of each year, commencing March 1, 2025, to the registered owners of the Notes appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board. All Notes of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

## **BOOK-ENTRY-ONLY FORMAT**

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

## **PAYING AGENT**

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

## **OPTIONAL REDEMPTION**

At the option of the Village, the Notes maturing on or after March 1, 2032 shall be subject to optional redemption prior to maturity on March 1, 2031 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

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

Notice of redemption shall be sent by mail not more than 60 days and not less than 30 days prior to the date fixed for redemption to the registered owner of each Note to be redeemed at the address shown on the registration books.

## **DELIVERY**

On or about June 5, 2024, the Notes will be delivered without cost to the winning bidder at DTC. On the day of closing, the Village will furnish to the winning bidder the opinion of bond counsel hereinafter described, an arbitrage certification, and certificates verifying that no litigation in any manner questioning the validity of the Notes is then pending or, to the best knowledge of officers of the Village, threatened. Payment for the Notes must be received by the Village at its designated depository on the date of closing in immediately available funds.

## LEGAL OPINION

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

## STATEMENT REGARDING COUNSEL PARTICIPATION

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

## SUBMISSION OF BIDS

Bids must not be for less than \$3,182,850, nor more than \$3,440,050, plus accrued interest on the principal sum of \$3,215,000 from date of original issue of the Notes to date of delivery. Prior to the time established above for the opening of bids, interested parties may submit a bid as follows:

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

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

**A good faith deposit ("Deposit") in the amount of \$64,300 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids.** The Village reserves the right to award the Notes to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the Village may award the Notes to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the Village as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith.

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

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

## **AWARD**

The Notes will be awarded to the bidder offering the lowest interest rate to be determined on a True Interest Cost (TIC) basis. The Village's computation of the interest rate of each bid, in accordance with customary practice, will be controlling. In the event of a tie, the sale of the Notes will be awarded by lot. The Village reserves the right to reject any and all bids and to waive any informality in any bid. **The Bonds will not be awarded if the TIC (computed taking the purchaser's compensation into account) exceeds 5.00% or if the other conditions set forth in the Parameters Resolution are not satisfied.**

## **BOND INSURANCE**

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

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

## **CUSIP NUMBERS**

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

## **NON-QUALIFIED TAX-EXEMPT OBLIGATIONS**

The Notes shall not be designated as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

## **CONTINUING DISCLOSURE**

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

## **NEW ISSUE PRICING**

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

#### **PRELIMINARY OFFICIAL STATEMENT**

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

Information for bidders and bid forms may be obtained from Ehlers at 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, Telephone (651) 697-8500.

By Order of the Board of Trustees

Donna Ott, Village Clerk  
Village of Germantown, Wisconsin

# BID FORM

Village of Germantown, Wisconsin (the "Village")

May 15, 2024

RE: \$3,215,000\* General Obligation Promissory Notes, Series 2024A (the "Notes")

DATED: June 5, 2024

For all or none of the above Notes, in accordance with the Notice of Sale and terms of the Global Book-Entry System (unless otherwise specified by the Purchaser) as stated in this Official Statement, we will pay you \$\_\_\_\_\_ (not less than \$3,182,850, nor more than \$3,440,050) plus accrued interest to date of delivery for fully registered Notes bearing interest rates and maturing in the stated years as follows:

_____ % due	2025	_____ % due	2029	_____ % due	2033
_____ % due	2026	_____ % due	2030	_____ % due	2034
_____ % due	2027	_____ % due	2031		
_____ % due	2028	_____ % due	2032		

The Village reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of \$5,000 each, up to a maximum of \$25,000 per maturity in 2025 and up to a maximum of \$175,000 per maturity for maturities in the year 2026-2034. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

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

**A good faith deposit ("Deposit") in the amount of \$64,300 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids.** The Village reserves the right to award the Notes to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the Village may award the Notes to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the Village as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith. We agree to the conditions and duties of Ehlers and Associates, Inc., as escrow holder of the Deposit, pursuant to the Notice of Sale. This bid is for prompt acceptance and is conditional upon delivery of said Notes to The Depository Trust Company, New York, New York, in accordance with the Notice of Sale. Delivery is anticipated to be on or about June 5, 2024.

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

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

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

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

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

Account Manager: \_\_\_\_\_ By: \_\_\_\_\_

Account Members:

**Award will be on a true interest cost basis.** According to our computations (the correct computation being controlling in the award), the total dollar interest cost (including any discount or less any premium) computed from June 5, 2024 of the above bid is \$\_\_\_\_\_ and the true interest cost (TIC) is \_\_\_\_\_%.

The foregoing offer is hereby accepted by and on behalf of the Village of Germantown, Wisconsin, on May 15, 2024.

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

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