

PRELIMINARY OFFICIAL STATEMENT DATED MAY 6, 2024

NEW ISSUE  
Bank Qualified

Non-Rated  
(See "RATING" herein)

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

**\$975,000\***  
**VILLAGE OF ROTHSCHILD**  
**Marathon County, Wisconsin**  
**Water and Sewer System Revenue Bonds**

Dated: June 3, 2024

Due: May 1, 2025 - 2039

The \$975,000\* Water and Sewer System Revenue Bonds (the "Bonds") will be dated June 3, 2024, will be in the denomination of \$5,000 each or any multiple thereof, and will mature serially on May 1 of the years 2025 through 2039. Interest on the Bonds shall be payable commencing on May 1, 2025 and semi-annually thereafter on November 1 and May 1 of each year. Associated Trust Company, National Association, Green Bay, Wisconsin, will serve as paying agent for the Bonds.

**MATURITY SCHEDULE\***

CUSIP (1)					CUSIP (1)				
Base					Base				
(May 1)	Amount*	Rate	Yield	778775	(May 1)	Amount*	Rate	Yield	778775
2025	\$40,000				2033	\$70,000			
2026	45,000				2034	75,000			
2027	50,000				2035	75,000			
2028	50,000				2036	75,000			
2029	50,000				2037	85,000			
2030	60,000				2038	85,000			
2031	60,000				2039	90,000			
2032	65,000								

The Bonds are being issued by the Village of Rothschild, Wisconsin (the "Village"), pursuant to Section 66.0621 of the Wisconsin Statutes. The proceeds from the sale of the Bonds will be used for the public purpose of paying the cost of extensions, improvements and additions to the Village's water system and sewer system, including related equipment acquisition.

The Bonds maturing on May 1, 2033 and thereafter are subject to call and prior redemption, at the option of the Village on May 1, 2032 or on any date thereafter, in whole or in part, and if in part, from maturities selected by the Village and by lot within each maturity at a price of par plus accrued interest to the date of redemption. All or a portion of the Bonds may be issued as one or more term bonds, upon election by the successful bidder. (See "REDEMPTION PROVISIONS" herein.)

The Financial Advisor to the Village is:



The Bonds will be issued only as fully registered Bonds and will be registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as the securities depository of the Bonds. Individual purchases will be made in book-entry form only in denominations of \$5,000 principal amount or any integral multiple thereof. Purchasers of the Bonds will not receive certificates representing their interest in the Bonds purchased. (See "BOOK-ENTRY-ONLY SYSTEM" herein.)

The Bonds are not general obligations of the Village and are payable from and secured by a pledge of income and revenue of the Water System and Sewer System. (See "SECURITY FOR THE BONDS" herein.)

*The Village's Bonds are offered when, as and if issued subject to the approval of legality by Quarles & Brady LLP, Milwaukee, Wisconsin, Bond Counsel. Quarles & Brady LLP will also act as Disclosure Counsel for the Village. The anticipated settlement date for the Bonds is on or about June 3, 2024.*

**SALE DATE: MAY 13, 2024**

**SALE TIME: 10:30 A.M. (CT)**

\*Preliminary, subject to change

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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), except for the omission of certain information described in the rule, but is subject to revision, amendment, and completion in a Final Official Statement.

**Village of Rothschild  
(Marathon County, Wisconsin)**

**VILLAGE BOARD**

George O. Peterson, Village President  
Deb Ehster, Trustee  
Dan Helgeson, Trustee  
Dan Mortensen, Trustee  
Bill Schremp, Trustee  
Sam Stroik, Trustee  
Rex Zemke, Trustee

**UTILITIES STAFF**

Ryan VanDeWalle, Village Administrator  
Elizabeth Felkner, Village Clerk  
Melanie Wiskow, Village Treasurer/Water Utility Clerk  
Timothy D. Vergara, P.E., Administrator of Public Works

**ADMINISTRATION**

Ryan VanDeWalle, Village Administrator  
Melanie Wiskow, Finance Director/Village Treasurer  
Elizabeth Felkner, Village Clerk

**PROFESSIONAL SERVICES**

<b>Village Attorney:</b>	Shane J. VanderWaal, Wausau, Wisconsin
<b>Financial Advisor:</b>	Robert W. Baird & Co. Incorporated, Milwaukee, Wisconsin
<b>Bond Counsel:</b>	Quarles & Brady LLP, Milwaukee, Wisconsin
<b>Disclosure Counsel:</b>	Quarles & Brady LLP, Milwaukee, Wisconsin
<b>Paying Agent:</b>	Associated Trust Company, National Association, Green Bay, Wisconsin

## REGARDING USE OF THIS OFFICIAL STATEMENT

This Official Statement is being distributed in connection with the sale of the Bonds referred to in this Official Statement and may not be used, in whole or in part, for any other purpose. No dealer, broker, salesman or other person is authorized to make any representations concerning the Bonds other than those contained in this Official Statement, and if given or made, such other information or representations may not be relied upon as statements of the Village of Rothschild, Wisconsin (the "Village"). This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful to make such an offer, solicitation or sale.

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, this document, as the same may be supplemented or amended by the Village, from time to time (collectively, the "Official Statement"), may be treated as a final Official Statement with respect to the Bonds described herein that is deemed final by the Village as of the date hereof (or of any such supplement or amendment).

Unless otherwise indicated, the Village is the source of the information contained in this Official Statement. Certain information in this Official Statement has been obtained by the Village or on its behalf from The Depository Trust Company and other non-Village sources that the Village believes to be reliable. No representation or warranty is made, however, as to the accuracy or completeness of such information. Nothing contained in this Official Statement is a promise of or representation by Robert W. Baird & Co. Incorporated (the "Financial Advisor"). The Financial Advisor has provided the following sentence for inclusion in this Official Statement. The Financial Advisor has reviewed and the Underwriter will review the information in this Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Financial Advisor and the Underwriter do not guarantee the accuracy or completeness of such information. The information and opinions expressed in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale made under this Official Statement shall, under any circumstances, create any implication that there has been no change in the financial condition or operations of the Village or other information in this Official Statement, since the date of this Official Statement.

This Official Statement contains statements that are "forward-looking statements" as that term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. When used in this Official Statement, the words "estimate," "intend," "project" or "projection," "expect" and similar expressions are intended to identify forward-looking statements. Forward-looking statements are subject to risks and uncertainties, some of which are discussed herein, that could cause actual results to differ materially from those contemplated in such forward-looking statements. Investors and prospective investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date of this Official Statement.

This Official Statement should be considered in its entirety. No one factor should be considered more or less important than any other by reason of its position in this Official Statement. Where statutes, ordinances, reports or other documents are referred to in this Official Statement, reference should be made to those documents for more complete information regarding their subject matter.

The Bonds will not be registered under the Securities Act of 1933, as amended, or the securities laws of any state of the United States, and will not be listed on any stock or other securities exchange. Neither the Securities and Exchange Commission nor any other federal, state, municipal or other governmental entity shall have passed upon the accuracy or adequacy of this Official Statement.

**IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITER MAY OR MAY NOT OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICES OF THE BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME WITHOUT NOTICE. THE PRICES AND OTHER TERMS RESPECTING THE OFFERING AND SALE OF THE BONDS MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER AFTER THE BONDS ARE RELEASED FOR SALE AND THE BONDS MAY BE OFFERED AND SOLD AT PRICES OTHER THAN THE INITIAL OFFERING PRICES, INCLUDING SALES TO DEALERS WHO MAY SELL THE BONDS INTO INVESTMENT ACCOUNTS.**

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## SUMMARY

<b>Village:</b>	Village of Rothschild, Marathon County, Wisconsin (the "Village").
<b>Issue:</b>	\$975,000* Water and Sewer System Revenue Bonds (the "Bonds").
<b>Dated Date:</b>	June 3, 2024.
<b>Interest Due:</b>	Commencing May 1, 2025 and on each November 1 and May 1 thereafter. Interest on the Bonds will be computed on the basis of a 30-day month and a 360-day year.
<b>Principal Due:</b>	May 1, 2025 through 2039.
<b>Redemption Provision:</b>	The Bonds maturing on and after May 1, 2033 shall be subject to call and prior payment, at the option of the Village, on May 1, 2032 or on any date thereafter at a price of par plus accrued interest. The amounts and maturities of the Bonds to be redeemed shall be selected by the Village. If less than the entire principal amount of any maturity is to be redeemed, the Bonds of that maturity which are to be redeemed shall be selected by lot. Notice of such call shall be given by sending a notice thereof by registered or certified mail, facsimile or electronic transmission, overnight express delivery, or in any manner required by DTC not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books. All or a portion of the Bonds may be issued as one or more term bonds, upon election by the successful bidder. (See "REDEMPTION PROVISIONS" herein.)
<b>Security:</b>	The Bonds are not general obligations of the Village and are payable only out of the Special Redemption Fund, to which the net revenues of the Water System and Sewer System are pledged. <i>All capitalized terms not otherwise defined herein shall have the meanings set forth in Appendix B hereto.</i> The Bonds shall be issued on a parity basis with the Village's outstanding Water and Sewer System Revenue Bonds, Series 2017A, dated June 14, 2017, Water and Sewer System Revenue Bonds, Series 2017B, dated December 13, 2017, Water and Sewer System Revenue Bonds, dated November 30, 2020, Water and Sewer System Revenue Refunding Bonds, dated February 1, 2022 and Water and Sewer System Revenue Bonds, dated December 5, 2022 (collectively, the "Prior Bonds"). (See "SECURITY FOR THE BONDS" herein.)
<b>Purpose:</b>	The proceeds from the sale of the Bonds will be used for the public purpose of paying the cost of extensions, improvements and additions to the Village's water system and sewer system, including related equipment acquisition.
<b>Tax Status:</b>	Interest on the Bonds is excludable from gross income for federal income tax purposes. (See "TAX EXEMPTION" herein.)
<b>Bank Qualification:</b>	The Bonds will be designated as "qualified tax-exempt obligations."
<b>Credit Rating:</b>	The Village has not requested that a rating be assigned to this issue. (See "RATING" herein.)
<b>Bond years:</b>	8,693.33 years.
<b>Average Life:</b>	8.916 years.
<b>Record Date:</b>	The 15th day of the calendar month next preceding each interest payment date.

\*Preliminary, subject to change.

Information set forth on this page is qualified by the entire Official Statement. A full review of the entire Official Statement should be made by potential investors.

## INTRODUCTORY STATEMENT

This Official Statement presents certain information relating to the Village of Rothschild, Wisconsin (the "Village" and the "State", respectively) in connection with the sale of the Village's \$975,000\* Water and Sewer System Revenue Bonds (the "Bonds"). The Bonds are issued pursuant to the Constitution and laws of the State and the authorizing resolution adopted by the Village Board (the "Bond Resolution") and other proceedings and determinations related thereto.

The definitions of certain capitalized terms used and not otherwise defined in this Official Statement, *unless the content hereof clearly indicates otherwise, shall have the same meanings as set forth in Appendix B*. All summaries of statutes, documents and the Bond Resolution contained in this Official Statement are subject to all the provisions of, and are qualified in their entirety by reference to such statutes, documents and the Bond Resolution, and references herein to the Bonds are qualified in their entirety by reference to the form thereof included in the Bond Resolution. A copy of the executed Bond Resolution may be obtained from the Financial Advisor (defined herein) upon request. The form of the Bond Resolution is attached hereto as Appendix B.

*\*Preliminary, subject to change.*

## REDEMPTION PROVISIONS

### **Optional Redemption**

The Bonds maturing on May 1, 2033 and thereafter are subject to call and prior redemption, at the option of the Village, on May 1, 2032 or on any date thereafter, in whole or in part, and if in part, from maturities selected by the Village and by lot within each maturity at a price of par plus accrued interest to the date of redemption.

### **Mandatory Redemption**

All or a portion of the Bonds may be issued as one or more term bonds, upon election by the successful bidder as provided in the Official Notice of Sale.

Such term bonds shall be subject to mandatory sinking fund redemption. Such term bonds shall have a stated maturity or maturities of May 1, in such years as determined by the successful bidder. The term bonds shall be subject to mandatory sinking fund redemption and final payment(s) at maturity of 100% of the principal amount thereof, plus accrued interest to the redemption date or dates and in amounts consistent with the maturity schedule on the cover of this Official Statement.

## ESTIMATED SOURCES AND USES\*

### **Sources of Funds**

Par Amount of Bonds	\$975,000.00
Transfer from Prior Bonds Reserve Fund	349,609.17
Reoffering Premium	44,368.05
Total Sources of Funds	<u>\$1,368,977.22</u>

### **Uses of Funds**

Deposit to Improvement Fund	\$856,155.95
Deposit to Debt Service Reserve Fund	427,324.17
Cost of Issuance (including Underwriter's Discount)	85,497.10
Total Uses of Funds	<u>\$1,368,977.22</u>

*\*Preliminary, subject to change.*

## **THE RESOLUTIONS**

The following is a summary of certain provisions of the resolutions adopted by the Village Board pursuant to the procedures prescribed by Wisconsin Statutes. Reference is made to the resolutions for a complete recital of their terms.

### **Set Sale Resolution**

By way of a resolution adopted on April 22, 2024, the Village Board provided for the sale of water system and sewer system revenue bonds in an amount of approximately \$975,000 for the public purpose of paying the cost of extensions, improvements and additions to the Village's Water System and Sewer System, including related equipment acquisition.

### **Bond Resolution**

By way of the Bond Resolution to be adopted on May 13, 2024, the Village Board will authorize the issuance of the Bonds, accept the bid (or reject all bids) submitted by the Underwriter (defined herein) for the purchase of the Bonds, in accordance with bid specifications, provide the details and form of the Bonds and set out certain covenants with respect thereto.

The sections below summarize certain provisions and covenants in the Bond Resolution. Reference should be made to the form of Bond Resolution attached as Appendix B hereto for a complete discussion of such provisions and covenants.

## **SECURITY FOR THE BONDS**

### **Security and Source of Payment**

The Bonds are not general obligations of the Village but are payable only from and secured by a pledge of income and revenue of the System.

The Village pledges a first lien on the revenues of the Water System and Sewer System for payment of principal of and interest on the Bonds after payment of operation and maintenance expenses on a parity with the Water and Sewer System Revenue Bonds, Series 2017A, dated June 14, 2017 (the "2017A Bonds"), the Water and Sewer System Revenue Bonds, Series 2017B, dated December 13, 2017 (the "2017B Bonds"), the Water and Sewer System Revenue Bonds, dated November 30, 2020 (the "2020 Bonds"), the Water and Sewer System Revenue Refunding Bonds, dated February 1, 2022 (the "February 2022 Bonds") and the Water and Sewer System Revenue Bonds, dated December 5, 2022 (the "December 2022 Bonds") (collectively, the "Prior Bonds").

### **Reserve Account**

The Village covenants to establish and maintain a Reserve Account in an amount equal to the least of (a) the amount required to be on deposit in the Reserve Account prior to the issuance of the Bonds, plus the amount to be permitted to be deposited therein from proceeds of the Bonds pursuant to the Code and the Regulations; (b) the maximum annual outstanding debt service on the Bonds, the 2020 Bonds, the February 2022 Bonds and the December 2022 Bonds in any Bond Year; and (c) 125% of average annual outstanding debt service on the Bonds, the 2020 Bonds, the February 2022 Bonds and the December 2022 Bonds. Upon issuance of the Bonds, an amount necessary to make the amount on deposit in the Reserve Account equal to the reserve requirement will be deposited in the Reserve Account. The 2017A Bonds and the 2017B Bonds are not secured by a Reserve Account.

### **Rate Covenant**

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

### **Additional Bonds Test**

The Village reserves the right and privilege to issue additional revenue bonds, from time to time, payable from Water System and Sewer System revenues and ranking on a parity with the Bonds (the "Parity Bonds"). Before such additional parity bonds are issued, the Village must demonstrate that either (i) The net revenues for the last completed fiscal year preceding the issuance of such additional obligations must have been at least equal to one and one-quarter (1.25) times the average combined annual interest and principal requirements on all Bonds and Parity Bonds then outstanding payable from the revenues of the Water System and Sewer System (other than Bonds and Parity Bonds being refunded), and the obligations so proposed to be issued, for any succeeding fiscal year in which there shall be a principal maturity on such outstanding bonds; provided, however, that if prior to the authorization of such additional obligations the Village shall have adopted and put into effect a revised schedule of rates, then the net revenues of the Water System and Sewer System for the last completed fiscal year which would, as calculated by an independent consulting engineer or independent certified public accountant employed for that purpose, have resulted from such rates had they been in effect for such period may be used in lieu of the actual net revenues for the last completed fiscal year; or (ii) An independent certified public accountant, municipal advisor or consulting professional engineer provides a calculation setting forth for each of the three fiscal years commencing with the fiscal year following that in which the projects financed by such additional obligations are to be completed, the projected net revenues and the maximum annual interest and principal requirements on all bonds outstanding payable from the gross revenues of the Water System and Sewer System and on the obligations then to be issued (the "Maximum Annual Debt Service Requirement"); and demonstrating that for each such fiscal year the projected net revenues will be in an amount not less than 125% of such Maximum Annual Debt Service Requirement.

Unless waived by the Prior Bonds, while the Prior Bonds are outstanding, additional revenue bonds may be issued on a parity only if the conditions set forth in the resolutions authorizing the Prior Bonds are satisfied which conditions include a requirement that the net revenues of the system during the fiscal year next preceding the issuance of such additional revenue bonds be equal to at least 1.25 times the maximum combined annual amount that will be required in any fiscal year for principal and interest on all outstanding bonds then proposed to be issued.

### **Additional Security (Service to the Village)**

The Village is to pay the reasonable cost and value of any services rendered to the Village by the Water and Sewer System equal to 1.25 times the annual debt service requirements on the Bonds and the Prior Bonds. Such payment by the Village is subject to annual appropriation by the Village Board and other conditions set forth in the Bond Resolution.

## **GENERAL COVENANTS REGARDING OPERATION OF THE SYSTEM**

In the Bond Resolution, the Village covenants, among other things, as follows:

### **General Operations**

The Village will faithfully and punctually perform all duties with reference to the Water System and Sewer System required by the Constitution and the Statutes of the State of Wisconsin, including making and collection of service rates as referenced above; and will segregate the income and revenues of the Water System and Sewer System and apply such income and revenues to the respective funds referred to in the Bond Resolution. The Village covenants to pay the reasonable cost and value of service rendered it by the Water System and Sewer System; not to dispose of the Water System and Sewer System or any part thereof in any manner until all of the Bonds, the Prior Bonds and any Parity Bonds have been paid, or provision made therefor, except unnecessary property may be sold provided the proceeds are paid into the Special Redemption Fund as an additional deposit or applied to the acquisition or construction of capital facilities, but such payment of proceeds shall not reduce the amounts otherwise required to be paid into said fund; to cause the improvements to the Water System and Sewer System to be made as expeditiously as reasonably possible; and to prepare a budget not less than 60 days prior to the end of each fiscal year.



The Village agrees to keep separate books and accounts relating to the Water and Sewer System and to cause such books and accounts to be audited annually by independent certified public accountants. The audit report shall include, among other things, the operating statement, a balance sheet, comments relative to compliance with the requirements of the Bond Resolution and recommendations for improvements therein, a list of insurance policies in force, the number of connections, and certain operating statistics.

### **Insurance**

The Village covenants to carry insurance such as is usual and customary for comparable systems.

## **THE WATER SYSTEM**

The Rothschild Water Utility (the "Water System") was organized in 1935. The Water System operates under service rules and rates, which are established by the Public Service Commission of Wisconsin ("PSCW"). The Water System is operated by the Water Utility Commission (the "Commission") which consists of seven members. The Commission is the policy making body of the Water System, overseeing all projects and programs, reviewing and approving the budget and determining Water System projects. Water System operations are directed by the Administrator of Public Works.

The Water System consists of four wells with electric pumping equipment and a water distribution system. In addition, the Water System owns two steel elevated storage tanks with a total storage capacity of 600,000 gallons.

The Water System includes other related appurtenances including 158,526 feet of various types of 6"-16" water mains; 1,265 feet of various types of 3/4"-10" water pipe, 1,401 utility-owned meters; and 218 hydrants.

### **History of Water Customers**

Customers served by the Water System at December 31 of each year:

<u>Year</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Public</u>	<u>Multifamily</u>	<u>Total*</u>
2023	1,144	161	34	26	21	1,386
2022	1,141	166	34	26	17	1,384
2021	1,138	170	41	29	16	1,394
2020	1,138	158	38	18	16	1,368
2019	1,114	163	34	19	16	1,346

*\*Excludes fire protection services.*

*Source: Public Service Commission of Wisconsin Reports.*

### **History of Water Billings by Customer Type**

<u>Year</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Public</u>	<u>Multifamily</u>	<u>Other Services</u>	<u>Total*</u>
2023	\$353,466	\$182,365	\$356,044	\$37,741	\$42,572	\$363,687	\$1,335,875
2022	323,733	165,555	323,716	30,181	32,835	361,321	1,237,341
2021	323,309	168,094	353,041	28,384	35,039	360,054	1,267,921
2020	324,255	186,000	328,270	16,526	35,586	353,459	1,244,096
2019	299,616	217,760	304,678	23,944	33,180	357,625	1,236,803

*\*Includes all charges, including fire protection services.*

*Source: Public Service Commission of Wisconsin Reports.*

### **History of Water Sales**

<u>Year</u>	<u>No. of Customers*</u>	<u>Gallons Sold (in 000's)**</u>	<u>Total Billings**</u>
2023	1,386	156,604	\$1,335,875
2022	1,384	179,875	1,237,341
2021	1,394	179,071	1,267,921
2020	1,368	190,547	1,244,096
2019	1,346	188,343	1,236,803

\*Excludes fire protection services.

\*\*Includes all charges, including fire protection services.

Source: Public Service Commission of Wisconsin.

### **2023 Largest Water Users**

**Total Water System 2023 Gallons Sold (000) 156,604**  
**Total Water System 2023 Billings \$1,335,875\***

<u>Customer</u>	<u>Gallons Sold (in 000's)</u>	<u>Billings</u>	<u>% of Total Billings</u>
Domtar Paper Company	23,601	\$93,323.78	6.99%
Borregaard <sup>(1)</sup>	16,683	67,158.81	5.03
Wausau Tile	14,400	70,687.72	5.29
Sterling Water	6,257	26,705.44	2.00
Creek Hotels <sup>(2)</sup>	3,552	21,723.06	1.63
Cedar Creek Senior Housing	3,240	20,510.72	1.54
BBL Creske <sup>(3)</sup>	3,097	18,714.84	1.40
Central Wisconsin Finishing	2,890	15,444.01	1.16
Sai Om Hotel LLC	2,367	13,451.03	1.01
Imperial Industries	2,210	18,526.87	1.39

\*Includes all charges, including fire protection services.

<sup>(1)</sup>Formerly known as Lignotech.

<sup>(2)</sup>Formerly known as Holiday Inn/Green Mill.

<sup>(3)</sup>Formerly known as TC Lodging.

Source: The Village.

### **Pumping Statistics**

<u>Year</u>	<u>Total Gallons Pumped (000)</u>	<u>Maximum Month and Gallons (000)</u>	<u>Average Daily Pumpage (000)</u>	<u>Maximum Daily Pumpage (000)</u>	<u>Minimum Daily Pumpage (000)</u>
2023	227,773	May (29,360)	624	1,776 (June 8)	302 (December 26)
2022	207,346	August (21,545)	568	1,025(August 2)	296 (November 25)
2021	217,465	August (24,872)	596	1,636 (August 31)	382 (December 27)
2020	203,913	May (26,734)	559	1,389 (June 3)	127 (January 3)
2019	211,266	August (24,041)	579	1,010 (August 9)	313 (December 26)

Source: Public Service Commission of Wisconsin Reports.

## **WATER RATES AND CHARGES**

The Water System operates under service rules established by the PSCW. Rates charged are regulated by the PSCW and the accounting records are maintained in accordance with the Uniform System of Accounting prescribed by the PSCW. The service rates shown in the sections below are excerpts from the current PSCW rate order effective October 1, 2023.

### **Minimum Quarterly Charge**

3/4" meter	\$31.38	4" meter	\$233.66
1" meter	41.85	6" meter	415.00
1 ¼" meter	52.32	8" meter	627.73
1 ½" meter	62.77	10" meter	910.20
2" meter	94.15	12" meter	1,192.69
3" meter	153.45		

### **Water Volume Charges**

First 400,000 gallons	\$5.17	Per 1000 gallons used per quarter
Next 600,000 gallons	4.59	Per 1000 gallons used per quarter
Over 1,000,000 gallons	3.73	Per 1000 gallons used per quarter

### **Public Fire Protection Service – Quarterly Charge**

3/4" meter	\$6.98	4" meter	\$174.37
1" meter	17.44	6" meter	348.74
1 ¼" meter	24.41	8" meter	554.49
1 ½" meter	34.87	10" meter	829.99
2" meter	55.79	12" meter	1,108.99
3" meter	104.62		

### **Billing**

Bills for water service are rendered quarterly and become due and payable upon issuance following the period for which service is rendered. A late payment charge of 3% but not less than \$0.50 will be added to bills not paid within 20 days of issuance. This one time late payment charge will be applied only to any unpaid balance for the current billing period's usage. Unless payment or satisfactory arrangement for payment is made within the 10 days after written notice is given, service may be disconnected pursuant to Chapter PSC 185, Wisconsin Adm. Code.

Average Bill for Residential Service in 2023.

Average Monthly Usage	Average
<u>In Gallons</u>	<u>Monthly Bill</u>
8,218	\$73.56

## **THE SEWER SYSTEM**

The Village owns and maintains all aspects of the Sewer System responsible for distributing sanitary waste to the treatment facility. The Village contracts with Rib Mountain Metropolitan Sewerage District (the "RMMSD") for treatment.

The RMMSD, while located in the Village of Rib Mountain, is not part of the government of the Village of Rib Mountain. Instead it is a single purpose municipal corporation whose sole duty is to be a regional waste water treatment facility in accordance with Chapter 200 of the Wisconsin Statutes. This facility was built in 1985 to treat the sanitary waste from the Village of Weston, the Village of Rothschild, the Village of Kronenwetter, City of Mosinee and the Village of Rib Mountain. The RMMSD is governed by a five-member commission.

### **History of Usage and Total Billings**

<u>Year</u>	<u>Total Usage in Gallons (000)</u>	<u>Total Billings</u>
2023	89,422	\$605,100
2022	87,265	482,446
2021	90,605	491,887
2020	90,652	477,286
2019	92,178	484,119

Source: The Village.

### **History of Sewer Connections by Customer Type**

<u>Year</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Public Authority<sup>(1)</sup></u>	<u>Total</u>
2023	4,609	584	116	60	5,444
2022	4,597	596	116	60	5,432
2021	4,615	586	116	55	5,432
2020	4,589	585	120	58	5,352
2019	4,602	603	122	54	5,381

<sup>(1)</sup>Includes public authority and interdepartmental service.

Source: The Village.

### **2023 Largest Sewer Users**

**Total Sewer System 2023 Gallons Sold (000): 89,422**  
**Total Sewer System 2023 Billings: \$605,100\***

<u>Customer</u>	<u>Gallons Sold (in 000's)</u>	<u>Billings</u>	<u>% of Total Billings</u>
Sterling Water	3,388	\$18,287.82	3.02%
Domtar Paper Company	2,951	18,005.04	2.98
Creek Hotels <sup>(1)</sup>	3,070	17,078.39	2.82
BBL Creske <sup>(2)</sup>	3,095	16,463.75	2.72
Central Wisconsin Finishing	2,890	15,792.77	2.61
Sai Om Hotel LLC <sup>(3)</sup>	2,367	12,811.21	2.12
Cedar Creek Senior Housing	1,925	10,559.79	1.75
OWS LLC	1,237	7,153.07	1.18
Krueger Floral	1,215	6,862.77	1.13
Imperial Industries	1,136	6,642.17	1.10

\*Includes all charges, including fire protection services.

<sup>(1)</sup> Formerly known as Holiday Inn/Green Mill.

<sup>(2)</sup> Formerly known as T.C. Lodging.

<sup>(3)</sup> Formerly known as Stoney Creek Hospitality Corp.

Source: The Village.

## **SEWER RATES**

The Village Board establishes rates for the Sewer System, which are not subject to prior approval by the PSCW. The service rates shown below became effective October 1, 2023.

General Service – Metered

<u>Meter Size</u>	<u>Monthly Service Charge</u>	<u>Monthly Base Charge</u>
3/4" – 12"		\$40.95

### **Volume Charge**

\$7.85 per 1,000 gallons of water used

Average Bill for Residential Service

Average Monthly Usage  
In Gallons  
3,028

Average  
Monthly Bill  
\$29.57

**EXISTING AND PROJECTED WATER AND  
SEWER SYSTEM REVENUE INDEBTEDNESS**

Year	Outstanding Debt		The Bonds*		Total Debt Service Requirements*
	Principal	Interest	Principal*	Interest*	
2024	\$270,569	\$124,227			\$394,796
2025	256,213	117,376	\$40,000	\$69,524	483,114
2026	256,870	110,889	45,000	46,370	459,128
2027	277,538	104,164	50,000	43,520	475,222
2028	288,219	96,702	50,000	40,520	475,441
2029	303,912	88,403	50,000	37,520	479,835
2030	309,618	79,766	60,000	34,220	483,603
2031	310,336	71,041	60,000	30,620	471,997
2032	326,067	62,103	65,000	26,870	480,040
2033	336,812	52,752	70,000	23,348	482,912
2034	342,570	43,062	75,000	20,093	480,725
2035	178,342	35,733	75,000	16,725	305,800
2036	179,128	30,440	75,000	13,358	297,926
2037	184,928	24,664	85,000	9,766	304,358
2038	145,000	19,150	85,000	5,949	255,099
2039	145,000	13,925	90,000	2,021	250,946
2040	155,000	8,506	--	--	163,506
2041	60,000	4,275	--	--	64,275
2042	60,000	1,425	--	--	61,425
	4,386,123	1,088,605	975,000	420,420	6,870,148
Less: 2024 Sinking Funds	(270,569)	(124,227)	0	0	(394,796)
TOTAL	<u>\$4,115,554</u>	<u>\$964,378</u>	<u>\$975,000</u>	<u>\$420,420</u>	<u>\$6,475,352</u>

**Future Financing**

Concurrently with the Bonds, the Village plans to issue \$2,045,000 General Obligation Promissory Notes, dated June 3, 2024 and \$1,065,000\* Taxable General Obligation Promissory Notes, dated June 3, 2024 (collectively, the "Concurrent Notes"). The Village may pursue a general obligation borrowing of approximately \$1,200,000 in late 2024 to finance acquisition of a ladder truck. The Village is also pursuing a project to remove PFAS from water wells, which project is expected to have a cost of approximately \$6,700,000. The Village is exploring sources of funding for the project, which may include a loan through the State of Wisconsin Safe Drinking Water Fund program for any amounts not covered by grants or other available funds. Other than the preceding, the Village currently does not expect to issue any additional obligations over the next twelve months.

\*Preliminary, subject to change.

**WATER SYSTEM & SEWER SYSTEM  
COVERAGE ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31**

**Combined Statement of Revenues**

Water & Sewer System

	Projected			Audited Financials				
	2026	2025	2024	2023	2022	2021	2020	2019
	Projected <sup>(2)</sup>	Projected <sup>(2)</sup>	Projected <sup>(2)</sup>	Actual	Actual	Actual	Actual	Actual
OPERATING REVENUES								
Water Operating Revenues	\$1,591,862	\$1,545,497	\$1,500,483	\$1,389,336	\$1,283,540	\$1,320,816	\$1,295,872	\$1,292,604
Sewer Operating Revenues	1,078,179	1,046,776	1,016,287	628,478	525,145	496,292	502,625	505,514
Water Investment Income	89,116	86,520	84,000	107,210	28,684	3,602	8,039	21,075
Sewer Investment Income	15,914	15,450	15,000	12,130	2,601	589	2,382	8,035
TOTAL OPERATING REVENUES	\$2,775,070	\$2,694,243	\$2,615,770	\$2,137,154	\$1,839,970	\$1,821,299	\$1,808,918	\$1,827,228
OPERATING EXPENSES <sup>(1)</sup>								
Water Operating Expenses	\$1,038,057	\$1,007,822	\$978,468	\$629,906	\$875,172	\$627,321	\$734,235	\$679,833
Sewer Operating Expenses	1,006,318	977,008	948,551	541,999	471,823	454,389	318,210	407,948
TOTAL OPERATING EXPENSES	\$2,044,374	\$1,984,830	\$1,927,019	\$1,171,905	\$1,346,995	\$1,081,710	\$1,052,445	\$1,087,781
Net Revenues Available for Debt Service (Combined)	\$730,696	\$709,414	\$688,751	\$965,249	\$492,975	\$739,589	\$756,473	\$739,447
<b><u>Annual Rate Covenant Test</u></b>								
Annual Debt Service	\$459,128	\$483,114	\$394,796	\$392,672	\$354,251	\$359,942	\$282,030	\$281,611
Coverage Ratio	1.59	1.47	1.74	2.46	1.39	2.05	2.68	2.63
<b><u>Additional Bonds Test</u></b>								
Maximum Annual Debt Service	\$483,114	\$483,114	\$483,114	\$483,114				
Coverage Ratio	1.51	1.47	1.43	2.00				

<sup>(1)</sup> Less depreciation, debt service, tax equivalents and capital expenditures.

<sup>(2)</sup> Source: The Village.

The debt service coverage ratios on this page are calculated using the Village's projections for future net revenues of the Water System and Sewer System. No guarantee can be given that the net revenues in future years will be the same as projected, and future net revenues may be materially different.

## UNDERWRITING

The Bonds have been purchased at a public sale by a group of Underwriters for whom \_\_\_\_\_ is acting as Managing Underwriter (the "Underwriter"). The Underwriter intends to offer the Bonds to the public initially at the prices which produce the yields set forth on the cover of this Official Statement plus accrued interest from June 3, 2024, which prices may subsequently change without any requirement of prior notice. The Underwriter reserves the right to join with dealers and other underwriters in offering the Bonds to the public. The Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) at prices lower than the public offering prices. In connection with this offering, the Underwriter may over allocate or effect transactions which stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

## RATING

The Village has not requested that a rating be assigned to the Bonds. The Village's outstanding Water and Sewer System revenue debt is not rated.

## TAX EXEMPTION

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

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

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

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

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

### **Original Issue Discount**

To the extent that the initial public offering price of certain of the Bonds is less than the principal amount payable at maturity, such Bonds ("Discounted Bonds") will be considered to be issued with original issue discount. The original issue discount is the excess of the stated redemption price at maturity of a Discounted Bond over the initial offering price to the public, excluding underwriters or other intermediaries, at which price a substantial amount of such Discounted Bonds were sold (issue price). With respect to a taxpayer who purchases a Discounted Bond in the

initial public offering at the issue price and who holds such Discounted Bond to maturity, the full amount of original issue discount will constitute interest that is not includible in the gross income of the owner of such Discounted Bond for federal income tax purposes and such owner will not, subject to the caveats and provisions herein described, realize taxable capital gain upon payment of such Discounted Bond upon maturity.

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

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

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

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

### **Bond Premium**

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

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

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



## DESIGNATION AS QUALIFIED TAX-EXEMPT OBLIGATIONS

The Village shall designate the Bonds as "qualified tax-exempt obligations" for purposes of Section 265 of the Code, relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

## CONTINUING DISCLOSURE

The Village shall covenant pursuant to the Bond Resolution adopted by the Village Board to enter into an undertaking (the "Undertaking") under Rule 15c2-12 promulgated by the Securities and Exchange Commission (the "SEC"), pursuant to the Securities Exchange Act of 1934 (the "Rule"), for the benefit of holders including beneficial holders of the Bonds to provide certain financial information and operating data relating to the Village annually to the Municipal Securities Rulemaking Board (the "MSRB"), and to provide notices of the occurrence of certain events enumerated in the Rule electronically or in the manner otherwise prescribed by the MSRB to the MSRB. **The Undertaking provides that the annual report will be filed not later than 270 days after the end of each fiscal year. The Village's fiscal year ends December 31<sup>st</sup>.** The details and terms of the Undertaking, as well as the information to be contained in the annual report or the notices of material events, are set forth in the Continuing Disclosure Certificate to be executed and delivered by the Village at the time the Bonds are delivered. Such Certificate will be in substantially the form attached hereto as Appendix D. A failure by the Village to comply with the Undertaking will not constitute an event of default on the Bonds (although holders will have the right to obtain specific performance of the Bonds under the Undertaking). Nevertheless, such a failure must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

The Village is required to file its continuing disclosure information using the Electronic Municipal Market Access ("EMMA") system. Investors will be able to access continuing disclosure information filed with the MSRB at [www.emma.msrb.org](http://www.emma.msrb.org).

In the previous five years, the Village has not failed to comply in all material respects with any previous undertakings under the Rule.

## BOOK-ENTRY-ONLY SYSTEM

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds. The Bonds 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 Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

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).

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("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 Bonds 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 Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds 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 Bonds 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 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds 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.

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 the Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds 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.

Redemption notices shall be sent to DTC. If less than all of the Bonds 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.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds 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 the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds 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 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 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 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.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to Village or Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

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, Bond certificates will be printed and delivered to DTC.

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.

## **FINANCIAL ADVISOR**

Robert W. Baird & Co. Incorporated, Milwaukee, Wisconsin, has been retained as financial advisor (the "Financial Advisor" or "Baird") in connection with the issuance of the Bonds. In preparing this Official Statement, the Financial Advisor has relied upon the Village, and other sources, having access to relevant data to provide accurate information for this Official Statement. To the best of the Financial Advisor's knowledge, the information contained in this Official Statement is true and accurate. However, the Financial Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of such information.

The Financial Advisor's duties, responsibilities, and fees in connection with this issuance arise solely from the services for which it is engaged to perform as financial advisor on the Bonds. Baird's compensation for serving as financial advisor on the Bonds is conditional on the successful closing of the Bonds.

## **LITIGATION**

There is no controversy or litigation of any nature now pending or, to the knowledge of the Village, threatened, restraining or enjoining the issuance, sale, execution or delivery of the Bonds, or in any way contesting or affecting the validity of the Bonds or any proceedings of the Village taken with respect to the issuance or sale thereof.

## **LEGAL MATTERS**

Legal matters incident to the authorization and issuance of the Bonds are subject to the unqualified approving legal opinion of Quarles & Brady LLP, Bond Counsel. Such opinion will be issued on the basis of the law existing at the time of the issuance of the Bonds. A copy of such opinion will be available at the time of the delivery of the Bonds.

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

Quarles & Brady LLP from time to time serves as counsel to the Financial Advisor with respect to issuers other than the Village and transactions other than the issuance of the Bonds.

## **MUNICIPAL BANKRUPTCY**

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

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

Nevertheless, there can be no assurance (a) that State law will not change in the future, while the Bonds are outstanding, in a way that would allow the Village to file for bankruptcy relief under Chapter 9 of the Bankruptcy Code; or (b) even absent such a change in State law, that an executive order or other executive action could not effectively authorize the Village to file for relief under Chapter 9. If, in the future, the Village were to file a bankruptcy case under Chapter 9, the relevant bankruptcy court would need to consider whether the Village could properly do so, which would involve questions regarding State law authority as well as other questions such as whether the Village is a municipality for bankruptcy purposes. If the relevant bankruptcy court concluded that the Village could properly file a bankruptcy case, and that determination was not reversed, vacated, or otherwise substantially altered on appeal, then the rights of holders of the Bonds could be modified in bankruptcy proceedings. Such modifications

could be adverse to holders of the Bonds, and there could ultimately be no assurance that holders of the Bonds would be paid in full or in part on the Bonds. Further, under such circumstances, there could be no assurance that the Bonds would not be treated as general, unsecured debt by a bankruptcy court, meaning that claims of holders of the Bonds could be viewed as having no priority (a) over claims of other creditors of the Village; (b) to any particular assets of the Village, or (c) to revenues otherwise designated for payment to holders of the Bonds.

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

### **MISCELLANEOUS**

Any statement made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized.

The execution and delivery of this Official Statement by its Village Clerk has been duly authorized by the Village.

In accordance with the Rule, the Preliminary Official Statement is deemed final except for the omission of certain information described in the Rule.

### **AUTHORIZATION**

This Official Statement has been approved for distribution to prospective purchasers and the Underwriter of the Bonds. The Village, acting through its Village President and Village Clerk, will provide at the time of delivery of the Bonds, a certificate confirming that, to the best of its knowledge and belief, the Official Statement with respect to the Bonds, together with any supplements thereto, at the time of the adoption of the Bond Resolution and at the time of delivery of the Bonds, was true and correct in all material respects and did not at any time contain an untrue statement of a material fact or omit to state a material fact required to be stated, where necessary to make the statements in light of the circumstances under which they were made, not misleading.

### **VILLAGE OF ROTHSCHILD**

By /s/ \_\_\_\_\_  
Village Clerk

## **APPENDIX A**

### **VILLAGE OF ROTHSCILD**

### **MARATHON COUNTY, WISCONSIN**

## THE VILLAGE

### **Village Board**

The Village Board consists of a seven-member board with a President and six trustees elected for two-year terms. The present members and expiration of their respective terms are as follows:

<u>Name</u>	<u>Term Expiration</u>
George O. Peterson, Village President	April, 2025
Deb Ehster, Trustee	April, 2026
Dan Helgeson, Trustee	April, 2026
Dan Mortensen, Trustee	April, 2025
Bill Schremp, Trustee	April, 2026
Sam Stroik, Trustee	April, 2025
Rex Zemke, Trustee	April, 2025

Source: The Village.

### **Administration**

<u>Name</u>	<u>Title</u>	<u>Years of Service</u>
Ryan VanDeWalle	Village Administrator	2*
Melanie Wiskow	Finance Director/Village Treasurer	5
Elizabeth Felkner	Village Clerk	9

\*Ryan VanDeWalle previously served as the Administrative Coordinator for Buffalo County for 11 months.

Source: The Village.

### **Employment Relations**

<u>Department</u>	<u>Number of Employees*</u>
General Government	15
Police Department	14
Parks & Recreation	1
Public Works	7
Wastewater/Water	2
TOTAL	39

\*Headcount.

Source: The Village.

### **Labor Contracts**

The employees listed below are represented by the following labor organization:

<u>Organization</u>	<u>Employee Group Represented</u>	<u>Contract Expiration</u>
Wisconsin Professional Police Officers Association	Police Officers	December 31, 2027

The Village considers its relationship with the employee group to be excellent.

Source: The Village.

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, after significant changes were made to the law in 2011, very limited rights to collectively bargain with municipal employers. MERA was amended by 2011 Wisconsin Act 10 (the "Act") and by 2011 Wisconsin Act 32.

As a result of the 2011 amendments to MERA, the Village is prohibited from bargaining collectively with municipal employees, other than public safety employees 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 the 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, other than public safety employees and transit employees, including binding interest arbitration. Strikes by any municipal employee or labor organization are expressly prohibited. Furthermore, if strikes do occur, they may be enjoined by the courts. Additionally, because the only legal subject of bargaining is total base wages, all bargaining over items such as just cause, benefits, and terms of conditions of employment are prohibited and cannot be included in a collective bargaining agreement. Impasse resolution for public safety employees and transit employees is subject to final and binding arbitration procedures, which do not include a right to strike. Interest arbitration is available for transit employees if certain conditions are met.

### **Pension Plan**

All eligible employees in the Village are covered under the Wisconsin Retirement System ("WRS") established under Chapter 40 of the Wisconsin Statutes. 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 ("Chapter 40"). 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 years ended December 31, 2021 ("Fiscal Year 2021"), December 31, 2022 ("Fiscal Year 2022") and December 31, 2023 ("Fiscal Year 2023") the Village's portion of the contributions to WRS (not including any employee contributions) totaled \$171,541, \$174,139 and \$172,785, 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, 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.

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 2023, the Village reported a liability of \$869,098 for its proportionate share of the net pension liability of the WRS. The net pension liability was measured as of December 31, 2022 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 0.01640519% of the aggregate WRS net pension liability as of December 31, 2022.

The calculation of the total pension liability and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. Such changes may have a significant impact on the calculation of the net pension liability of the WRS, which may also cause the ETF Board to change the contribution requirements for employers and employees.

For more detailed information regarding the WRS and such actuarial assumptions, see Note 3.G. in "Appendix A – Basic Financial Statements and Related Notes for the year ended December 31, 2023" attached hereto.

### **Other Post Employment Benefits**

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

For Fiscal Year 2023, the Village's portion of contributions to the LRLIF totaled \$524. For Fiscal Year 2023, the Village reported a liability of \$103,989 for its proportionate share of the net OPEB liability of the LRLIF. The net OPEB liability was measured as of December 31, 2022 based on the Village's share of contributions to the LRLIF relative to the contributions of all participating employers. The Village's proportion was 0.02729500% of the aggregate LRLIF net OPEB liability as of December 31, 2022.

The calculation of the total OPEB liability and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. Such changes may have a significant impact on the calculation of the net OPEB liability of the LRLIF, which may also cause ETF to change the contribution requirements for employers and employees. For more detailed information regarding the LRLIF and such actuarial assumptions, see Note 3.H. in "Appendix A - Basic Financial Statements and Related Notes for the year ended December 31, 2023" attached hereto.

## **GENERAL INFORMATION**

### **Location**

The Village is accessible via Interstate State Highway 39, U.S. Highway 51 and State Highway 29 in Marathon County. The Village encompasses approximately seven square miles and lies approximately five miles south of the City of Wausau, Wisconsin.

### **Education**

D.C. Everest Area School District (the "District") offers a comprehensive program for students in pre-kindergarten through the twelfth grade. Education is obtained through the facilities of one senior high school, one junior high school, one middle school, six elementary schools, two charter schools, an administration building, a field house and environmental center. The District has a 2023-24 enrollment of 5,794 FTE students and employs a staff of 735.03 FTE people. The District has a 2022 estimated population of 35,970\*.

*\*Source: U.S. Census Bureau.*

### **Post-Secondary Education**

Opportunities for post-secondary education are available nearby at UW-Stevens Point at Wausau, a two-year campus of the University of Wisconsin System. The University of Wisconsin-Stevens Point is a four-year institution that offers various undergraduate and graduate level degrees. Northcentral Technical College provides vocational, technical and adult education programs.



## DEMOGRAPHIC AND ECONOMIC INFORMATION

### **Population**

	Marathon County	Village of Rothschild
Estimate, 2023	139,197	5,656
Estimate, 2022	139,205	5,581
Estimate, 2021	138,934	5,391
Census, 2020	138,013	5,567
Estimate, 2019	136,517	5,349

Source: Wisconsin Department of Administration, Demographic Services Center.

### **Per Return Adjusted Gross Income**

	State of Wisconsin	Marathon County	Village of Rothschild
2022	\$70,548	\$71,952	\$61,374
2021	66,369	67,121	58,377
2020	61,518	63,637	53,383
2019	61,003	62,278	55,716
2018	59,423	59,993	52,558

Source: Wisconsin Department of Revenue, Division of Research and Policy.

### **Unemployment Rate**

	State of Wisconsin	Marathon County
March, 2024 <sup>(1)</sup>	3.5%	3.2%
March, 2023	3.1	2.7
Average, 2023 <sup>(1)</sup>	3.0%	2.7%
Average, 2022	2.9	2.5
Average, 2021	3.9	3.1
Average, 2020	6.4	5.1
Average, 2019	3.2	2.8

<sup>(1)</sup>Preliminary.

Source: Wisconsin Department of Workforce Development WisConomy.

### **Building Permits**

Year	Number of Permits	Valuation
2024*	18	\$396,034
2023	73	9,953,011
2022	81	9,517,217
2021	80	10,584,479
2020	88	13,804,497
2019	67	18,564,849

\*As of April 11, 2024.

Source: The Village.

### **Largest Employers**

Due to its proximity to the City of Wausau, many area residents commute for employment. The largest employers in the City of Wausau are Aspirus Wausau Hospital with 1,948 employees, Kolbe & Kolbe Millwork, a window manufacturer with 1,400 employees, Wausau School District with 1,272 employees, UMR, an insurance company with 1,200 employees and Apogee Linetec, an architectural aluminum finishing company with 1,070 employees.

Source: City of Wausau official statement dated August 17, 2023.

The largest employers listed below are in the Village.

Employer	Type of Business	Number of Employees
DC Everest Area School District	Education	735 <sup>(1)</sup>
Domtar Paper Co. LLC	Paper manufacturer	400
Imperial Industries Inc.	Building materials manufacturer	300
Wausau Tile Inc.	Tile manufacturer	300
Siemens Water Technologies	Water treatment equipment	199
Krueger Wholesale	Wholesale florist	165
Schuetz Metals Inc.	Metal goods manufacturer	159
Pick'n Save	Grocery store	150
Wausau Homes, Inc.	Pre-fabricated metal buildings	100
Grand Lodge Water Park	Hotel	100

<sup>(1)</sup>735.03 FTE employees.

Source: Data Axle Genie ([www.salesgenie.com](http://www.salesgenie.com)), IndustrySelect by MNI and the Department of Public Instruction.

### **Largest Taxpayers**

Taxpayers	Type of Business	2023 Assessed Valuation	2023 Equalized Valuation
Cedar Creek Partners	Commercial	\$10,169,800	\$13,297,200
Wausau Tile Inc.	Tile manufacturer	9,268,300	12,257,600
Domtar Paper Co. LLC	Fine paper manufacturer	7,452,600	9,841,300
BBL Creske	Hotel	7,041,500	9,298,300
Store Master Funding VI LLC	Retail	6,073,400	8,020,000
Creek Hotels Inc	Hotel	5,824,800	7,691,700
Schuetz Metals Inc.	Metal goods manufacturer	5,592,000	7,384,300
Wausau Homes	Prefabricated metal buildings	5,561,500	7,343,800
Imperial Industries	Metal bulk storage manufacturer	5,245,500	6,926,800
Krueger Wholesale Florist	Wholesale Retail	4,271,200	5,640,100
TOTAL		<u>\$66,500,600</u>	<u>\$87,701,100</u>

The above taxpayers represent 12.84% of the Village's 2023 Equalized Value (TID-IN) (\$682,928,100).

Source: The Village.

## TAX LEVIES, RATES AND COLLECTIONS

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. Real property taxes may be paid in full by January 31 or in two equal installments payable by January 31 and July 31. Municipalities also have the option of adopting payment plans which allow taxpayers to pay their real property taxes and special assessments in three or more 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. Any amounts paid after July 31 are paid to the county treasurer. For municipalities which have not adopted an installment payment plan, the town, city or village treasurer settles with other taxing jurisdictions for collections through the preceding month on January 15 and February 20. For municipalities which have adopted an installment payment plan, the town, city or village treasurer settles with other taxing jurisdictions for collections through the preceding month on January 15, February 20 and the 15th day of each month following a month in which an installment payment is due. 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. The 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. Since, in practice, all delinquent real property taxes are withheld from the county's share of taxes, the Village receives 100 percent of the real property taxes it levies for real property taxes. See "LEVY LIMITS" herein for information on additional limitations on Village tax levies.

Set forth below are the taxes levied, the tax rate per \$1,000 assessed value and the collections on all taxable property within the Village. The rates set forth are for the collection years 2020 through 2024.

<u>Levy/Collection Year</u>	<u>Village Tax Rate</u>	<u>Total Village Levy*</u>	<u>Uncollected Taxes as of August 20<sup>th</sup> of each Year</u>	<u>Percent of Levy Collected</u>
2023/2024	\$7.49	\$3,865,647	-In Process of collection-	
2022/2023	7.19	3,739,317	-0-	100.0%
2021/2022	6.84	3,551,543	-0-	100.0
2020/2021	8.27	3,448,563	-0-	100.0
2019/2020	8.06	3,369,793	-0-	100.0

*\*Levy amounts exclude Tax Increment.*

*Source: The Village.*

## 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 to begin 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 \$353,000 in shared revenue and supplemental shared revenue from the State, an increase from the approximately \$200,000 received in 2023. In future years, the amount of supplemental shared revenue could grow if state sales tax collections grow.

## ASSESSED AND EQUALIZED TAX RATES

	Levy Year/Collection Year				
	2023/2024	2022/2023	2021/2022	2020/2021	2019/2020
The Village	\$7.49	\$7.19	\$6.84	\$8.27	\$8.06
D.C. Everest Area School District	9.81	10.34	9.63	12.30	11.93
Northcentral Technical College District	1.48	1.35	1.24	1.60	1.51
Marathon County	5.25	4.80	4.64	5.71	5.56
Gross Tax Rate	24.03	23.68	22.35	27.88	27.06
State Tax Credit	(2.14)	(1.66)	(1.66)	(2.07)	(2.06)
Net Tax Rate	21.89	22.02	20.69	25.81	25.00
Ratio of Equalized to Assessed Valuation	75.73%	87.07%	96.93%	78.87%	84.35%
Equalized Tax Rates	\$16.58	\$19.17	\$20.05	\$20.36	\$21.09

Source: The Village.

## 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 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 Bonds will be authorized pursuant to Section 66.0621 of the Wisconsin Statutes and may be subject to the special provisions described above.

## ASSESSED AND EQUALIZED VALUATIONS

All equalized valuations of property in the State of Wisconsin are determined by the State of Wisconsin, Department of Revenue, Supervisor of Assessments Office. Equalized valuations are the State's estimate of full market value. The State determines assessed valuations of all manufacturing property in the State. Assessed valuations of residential and commercial property are determined by local assessors.

Set forth in the table below are the assessed and equalized valuations of property located within the Village for the years 2019 through 2023. The Village's equalized valuation (TID IN) has increased by 37.78 percent since 2019 with an average annual increase of 8.34 percent.

Year	Assessed Valuation	Equalized Valuation (TID IN)	Equalized Valuation (TID OUT)
2023	\$516,393,100	\$682,928,100	\$651,379,900
2022	520,374,500	600,340,500	574,711,400
2021	519,568,100	533,275,000	523,346,900
2020	416,696,700	528,470,600	514,074,100
2019	418,101,300	495,672,700	482,799,700

Source: Wisconsin Department of Revenue.

**Equalized Value by Property Class**

Equalized Value by class of property in the Village (TID-IN) for 2023 is as follows:

	2023 Equalized Value	Percent of Total
Real Estate		
Residential	\$453,375,700	66.39%
Commercial	151,378,400	22.17
Manufacturing	53,111,900	7.78
Agricultural, Undeveloped, Ag Forest, Forest, Other	1,885,300	0.28
Total Real Estate	\$659,751,300	96.61%
Total Personal Property	23,176,800	3.39
Total	\$682,928,100	100.00%

Source: Wisconsin Department of Revenue.

**Tax Increment Districts**

The Village created a Tax Incremental District ("TIDs") under Wisconsin Statutes Section 66.1105. TID valuations totaling \$31,548,200 have been excluded from the Village's tax base for 2023.

TID #	Base Year	Base Value	2023 Value	Increment
002	2013	\$44,864,400	\$76,412,600	\$31,548,200
				\$31,548,200

Source: Wisconsin Department of Revenue.

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## INDEBTEDNESS OF THE VILLAGE

### Direct Indebtedness

Set forth below is the direct general obligation indebtedness of the Village, including principal and interest payments due on existing debt, as well as debt service on the Concurrent Notes (as defined below). Interest on the Tax-Exempt Notes has been estimated using an average rate of 4.37 percent. For the Tax-Exempt Notes, the bond years are 11,067.39 years and the average life is 5.412 years. Interest on the Taxable Notes has been estimated using an average rate of 5.30 percent. For the Taxable Bonds, the bond years are 6,087.83 years and the average life is 5.716 years.

Year	Outstanding Bonds and Notes		Tax-Exempt Notes		Taxable Notes*		Total Debt Service Requirements*	Less: Projected Service Revenues <sup>(1)*</sup>	Total Net Debt Service Requirements*
	Principal	Interest	Principal*	Interest*	Principal*	Interest*			
2024	\$1,105,000	\$331,549					\$1,436,549	(\$235,700)	\$1,200,849
2025	995,000	302,374	\$175,000	\$107,687	\$70,000	\$68,291	1,718,352	(404,491)	1,313,861
2026	1,015,000	274,474	245,000	75,175	90,000	50,111	1,749,759	(406,261)	1,343,499
2027	1,025,000	245,999	175,000	65,550	95,000	45,196	1,651,745	(386,421)	1,265,324
2028	1,055,000	218,099	180,000	58,450	100,000	40,112	1,651,661	(391,437)	1,260,224
2029	1,085,000	191,274	190,000	51,050	105,000	34,792	1,657,116	(390,930)	1,266,186
2030	1,090,000	165,649	200,000	43,250	110,000	29,197	1,638,095	(385,009)	1,253,086
2031	850,000	141,288	205,000	35,150	115,000	23,313	1,369,750	(383,494)	986,256
2032	865,000	116,910	215,000	26,105	120,000	17,126	1,360,141	(376,369)	983,771
2033	645,000	96,590	225,000	15,985	125,000	10,614	1,118,189	(373,858)	744,331
2034	660,000	80,428	235,000	5,405	135,000	3,638	1,119,471	(375,757)	743,714
2035	730,000	62,903	--	--	--	--	792,903	(295,025)	497,878
2036	730,000	44,129	--	--	--	--	774,129	(277,125)	497,004
2037	485,000	28,073	--	--	--	--	513,073	(131,038)	382,035
2038	470,000	15,078	--	--	--	--	485,078	(111,925)	373,153
2039	220,000	6,590	--	--	--	--	226,590	--	226,590
2040	225,000	2,250	--	--	--	--	227,250	--	227,250
	13,250,000	2,323,653	2,045,000	483,807	1,065,000	322,389	19,489,849	(4,924,839)	14,565,010
Less: 2024 Sinking Funds	(1,105,000)	(331,549)	0	0	0	0	(1,436,549)	235,700	(1,200,849)
<b>TOTAL</b>	<b>\$12,145,000</b>	<b>\$1,992,104</b>	<b>\$2,045,000</b>	<b>\$483,807</b>	<b>\$1,065,000</b>	<b>\$322,389</b>	<b>\$18,053,300</b>	<b>(\$4,689,139)</b>	<b>\$13,364,162</b>

*\*Preliminary, subject to change.*

*<sup>(1)</sup> The above outstanding debt was issued as general obligation debt; however TID #2, water and sewer revenues are projected to partially offset the total debt service. The actual amount of these offsetting revenues is not guaranteed. Under State law, the Village is required to levy an amount sufficient to meet the debt service on its outstanding general obligation debt, but such levy may be abated by the use of such offsetting revenues, if and to the extent available.*

### **Future Financings**

Concurrently with the Bond, the Village plans to issue \$2,045,000 General Obligation Promissory Notes, dated June 3, 2024 (the "Tax-Exempt Notes") and \$1,065,000\* Taxable General Obligation Promissory Notes, dated June 3, 2024 (the "Taxable Notes, and collectively with the Tax-Exempt Notes, the "Concurrent Notes"). The Village may pursue a general obligation borrowing of approximately \$1,200,000 in late 2024 to finance acquisition of a ladder truck. The Village is also pursuing a project to remove PFAS from water wells, which project is expected to have a cost of approximately \$6,700,000. The Village is exploring sources of funding for the project, which may include a loan through the State of Wisconsin Safe Drinking Water Fund program for any amounts not covered by grants or other available funds. Other than the preceding, the Village currently does not expect to issue any additional obligations over the next twelve months.

*\*Preliminary, subject to change.*

### **Other Financings**

The following issues are not general obligation debt of the Village:

- Water and Sewer System Revenue Bonds, Series 2017A, dated June 14, 2017 totaling \$254,437 in principal, due May 1, 2025 through 2037.
- Water and Sewer System Revenue Bonds, Series 2017B, dated December 13, 2017 totaling \$271,117 in principal due May 1, 2025 through 2037.
- Water and Sewer System Revenue Bonds, dated November 30, 2020 totaling \$1,330,000 in principal due May 1, 2025 through 2040.
- Water and Sewer System Revenue Refunding Bonds, dated February 1, 2022 totaling \$1,520,000 in principal due May 1, 2025 through 2034.
- Water and Sewer System Revenue Bonds, dated December 5, 2022 totaling \$740,000 in principal due May 1, 2025 through 2042.
- Water and Sewer System Revenue Bonds, dated June 3, 2024 totaling \$975,000<sup>(1)</sup> in principal due May 1, 2025 through 2039.

<sup>(1)</sup> *This issue. Preliminary, subject to change.*

### **Default Record**

The Village has no record of failure to make a payment of principal and interest on its debt in the past five years.

### **Overlapping and Underlying Indebtedness**

Set forth below is information relating to the outstanding overlapping and underlying indebtedness of the Village.

Entity	Amount of Debt (Less 2024 Principal Amounts)	Percent Applicable to Village	Outstanding Debt Chargeable to Village
Northcentral Technical College District*	\$46,330,000	2.68%	\$1,241,644
Marathon County	93,785,000	4.29	4,023,377
DC Everest Area School District	67,460,000	16.50	11,130,900
Rib Mountain Metro Sewerage District	2,875,513	16.52	475,035
TOTAL	<u>\$210,450,513</u>		<u>\$16,870,956</u>

*\*Northcentral Technical College District ("Northcentral") anticipates the issuance of \$13,500,000 General Obligation Promissory Notes, Series 2024A in May 2024. This amount is included in the figure shown above. Northcentral borrows annually pursuant to its capital improvement plans and plans to borrow \$13,500,000 annually beginning in Fiscal Year 2025-26. This is a preliminary projection and is subject to change.*

*Source: Wisconsin Department of Revenue. Information provided by each municipal entity through publicly available disclosure documents available on [EMMA.msrb.org](https://emma.msrb.org) and the Wisconsin Department of Public Instruction.*

NOTE: This summary may not reflect all of the Village's outstanding overlapping and underlying indebtedness.



### **Statistical Summary**

The table below reflects direct, overlapping and underlying bonded indebtedness net of all 2024 principal payments.

Equalized Valuation (2023) as certified by Wisconsin Department of Revenue	\$682,928,100
Direct Indebtedness (including the Concurrent Notes)	\$15,255,000
Direct and Overlapping Indebtedness (including the Concurrent Notes)*	\$32,125,956
Direct Indebtedness as a Percentage of Equalized Valuation (including the Concurrent Notes)*	2.23%
Direct and Overlapping Indebtedness as a Percentage of Equalized Valuation*	4.70%
Population of Village (2023 Estimate) <sup>(1)</sup>	5,656
Direct Indebtedness Per Capita*	\$2,697.14
Direct and Overlapping Indebtedness Per Capita*	\$5,679.98

*\*Preliminary, subject to change.*

*<sup>(1)</sup>Source: Wisconsin Department of Administration, Demographic Services Center.*

### **Debt Limit**

As described under the caption "CONSTITUTIONAL AND STATUTORY CONSIDERATIONS AND LIMITATIONS CONCERNING THE VILLAGE'S POWER TO INCUR INDEBTEDNESS--Debt Limit," the total indebtedness of the Village may not exceed five percent of the equalized value of property in the Village. The table below reflects direct bonded indebtedness, as of the date of the closing of the Concurrent Notes and is a comparison of the outstanding indebtedness of the Village as a percentage of the applicable debt limit.

Equalized Valuation (2023) as certified by Wisconsin Department of Revenue	\$682,928,100
Legal Debt Percentage Allowed <sup>(1)</sup>	<u>5.00%</u>
Legal Debt Limit	\$34,146,405
General Obligation Debt Outstanding (including the Concurrent Notes)*	<u>\$15,255,000</u>
Unused Margin of Indebtedness*	\$18,891,405
Percent of Legal Debt Incurred*	44.68%
Percentage of Legal Debt Available*	55.32%

*\*Preliminary, subject to change.*

*<sup>(1)</sup> The Village has adopted a debt management policy, which establishes a targeted maximum amount of general obligation debt of 3.75% of the Village's equalized valuation.*

## **FINANCIAL INFORMATION**

The financial operations of the Village are conducted primarily through its general fund. Most taxes and non-tax revenues (such as license fees, fines and costs and user's fees) are paid into the general fund and current operating expenditures are made from the general fund pursuant to appropriations made by the Village Board. Taxes levied for debt service are paid directly into the debt service fund and debt service expenditures are made from that fund.

### **Budgeting Process**

The Village is required by State law to annually formulate a budget and to hold public hearings thereon prior to the determination of the amounts to be financed, in whole or in part, by general property taxes, funds on hand or estimated revenues from other sources. The budget must list all existing indebtedness of the Village and all anticipated revenues from all sources during the ensuing year and must also list all proposed appropriations for each department, activity and reserve account of the Village during the ensuing year. The budget must show actual revenues and expenditures for the preceding year, actual revenues and expenditures for not less than the first six months of the current year and estimated revenues and expenditures for the balance of the current year.

As part of the budgeting process, public hearings are held on the proposed budget, at which time any resident or taxpayer in the Village may be heard. At an annual Board meeting in November or December of each year, the Village Board adopts the final budget for the succeeding year and levies taxes based on assessed valuations of property less any increment attributable to Tax Increment Districts. The amount of taxes so levied and the amounts of the various appropriations in the final budget (after any alterations made pursuant to public hearings) may not be changed unless authorized by a vote of two-thirds of the entire membership of the Village Board. Failure to publish notice of any such alteration within ten days thereafter shall preclude any change in the budget.

### **Financial Statements**

A copy of the Village's Basic Financial Statements and Related Notes for the fiscal year ended December 31, 2023, including the accompanying independent auditor's report, is included as Appendix A to this Official Statement. Potential purchasers should read such financial statements in their entirety for more complete information concerning the Village's financial position. Such financial statements have been audited by the Auditor (defined herein), 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, assessment, procedures or evaluation with respect to such financial statements since the date thereof or relating to this Official Statement, nor has the Village requested that the Auditor consent to the use of such financial statements in this Official Statement. Although the inclusion of the financial statements in this Official Statement is not intended to demonstrate the fiscal condition of the Village since the date of the financial statements, in connection with the issuance of the Bonds, the Village represents that there has 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.

**GENERAL FUND SUMMARY  
YEARS ENDED DECEMBER 31**

	BUDGET 2024	ACTUAL 2023	ACTUAL 2022	ACTUAL 2021	ACTUAL 2020
<b>Revenues</b>					
Taxes	\$2,750,890	\$2,548,201	\$2,607,693	\$2,596,908	\$2,647,526
Special assessments	0	0	3,742	203	102
Intergovernmental	2,419,738	2,874,781	2,147,786	2,413,092	2,011,982
Licenses and permits	63,380	73,065	72,606	87,839	85,791
Fines and forfeits	172,400	163,373	148,597	106,343	94,779
Public charges for services	169,990	196,694	177,243	149,492	82,598
Intergovernmental charges	21,500	36,136	6,961	0	0
Interdepartmental charges	0	13,000	13,000	13,000	13,000
Miscellaneous	250,100	466,675	223,619	138,535	171,168
<b>Total revenues</b>	<b>5,847,998</b>	<b>6,371,925</b>	<b>5,401,247</b>	<b>5,505,412</b>	<b>5,106,946</b>
<b>Expenditures</b>					
General government	947,779	1,030,737	932,440	792,874	812,568
Public safety	2,926,450	2,778,441	2,367,765	2,438,693	2,277,441
Public works	1,751,584	1,584,325	1,544,428	1,785,972	1,552,900
Health and human services	0	4,980	4,720	4,880	4,910
Culture and recreation	397,535	1,012,532	263,464	294,027	195,289
Conservation and development	62,006	139,926	114,815	107,740	106,342
Capital outlay	0	0	18,935	13,798	20,618
<b>Total expenditures</b>	<b>6,085,354</b>	<b>6,550,941</b>	<b>5,246,567</b>	<b>5,437,984</b>	<b>4,970,068</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(237,356)</b>	<b>(179,016)</b>	<b>154,680</b>	<b>67,428</b>	<b>136,878</b>
<b>Other financing sources (uses)</b>					
Proceeds from sale of capital assets	0	6,788	63,673	144,346	0
Operating transfers in	0	194,435	227,963	228,140	231,398
Operating transfers (out)	0	(58,490)	(27,728)	(569,146)	(373,129)
<b>Net other financing sources (uses)</b>	<b>0</b>	<b>142,733</b>	<b>263,908</b>	<b>(196,660)</b>	<b>(141,731)</b>
<b>Excess (deficiency) of revenues and other sources over (under) expenditures and other uses</b>	<b>(237,356)</b>	<b>(36,283)</b>	<b>418,588</b>	<b>(129,232)</b>	<b>(4,853)</b>
<b>Fund balances - beginning of year</b>	<b>5,585,935</b>	<b>5,622,218</b>	<b>5,203,630</b>	<b>5,332,862</b>	<b>5,337,715</b>
<b>Fund balances - end of year</b>	<b>\$5,348,579</b>	<b>5,585,935</b>	<b>5,622,218</b>	<b>5,203,630</b>	<b>\$5,332,862</b>

The amounts shown for the year ended December 31, 2020 through December 31, 2023 are excerpts from the audit reports for the Village which have been prepared by Clifton Larson Allen LLP, Green Bay, Wisconsin (the "Auditor"). The amounts shown for the year ending December 31, 2024 are shown on a budgetary basis, as provided by the Village. The comparative statement of revenues and expenditures should be read in conjunction with the other financial statements and notes thereto appearing in Appendix A to this Official Statement.

## **APPENDIX B**

### **FORM OF BOND RESOLUTION**

RESOLUTION NO. \_\_\_\_\_

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF  
\$975,000 WATER AND SEWER SYSTEM REVENUE BONDS  
OF THE VILLAGE OF ROTHSCHILD, MARATHON COUNTY, WISCONSIN,  
AND PROVIDING FOR THE PAYMENT OF THE BONDS AND  
OTHER DETAILS WITH RESPECT TO THE BONDS

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

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

WHEREAS, pursuant to a resolution adopted on May 22, 2017 (the "2017A Resolution"), the Village has heretofore issued its Water and Sewer System Revenue Bonds, Series 2017A, dated June 14, 2017 (the "2017A Bonds"), which are payable from the Revenues of the System; and

WHEREAS, pursuant to a resolution adopted on November 27, 2017 (the "2017B Resolution"), the Village has heretofore issued its Water and Sewer System Revenue Bonds, Series 2017B, dated December 13, 2017 (the "2017B Bonds"), which are payable from the Revenues of the System on a parity with the 2017A Bonds; and

WHEREAS, pursuant to a resolution adopted on November 9, 2020 (the "2020 Resolution"), the Village has heretofore issued its Water and Sewer System Revenue Bonds, dated November 30, 2020 (the "2020 Bonds"), which are payable from the Revenues of the System on a parity with the 2017A Bonds and the 2017B Bonds; and

WHEREAS, pursuant to a resolution adopted on December 13, 2021 (the "2021 Resolution"), the Village has heretofore issued its Water and Sewer System Revenue Refunding Bonds, dated February 1, 2022 (the "February 2022 Bonds"), which are payable from the Revenues of the System on a parity with the 2017A Bonds, the 2017B Bonds and the 2020 Bonds; and

WHEREAS, pursuant to a resolution adopted on November 14, 2022 (the "2022 Resolution"), the Village has heretofore issued its Water and Sewer System Revenue Bonds, dated December 5, 2022 (the "December 2022 Bonds"), which are payable from the Revenues of the System on a parity with the 2017A Bonds, the 2017B Bonds, the 2020 Bonds and the February 2022 Bonds; and

WHEREAS, the 2017A Bonds, the 2017B Bonds, the 2020 Bonds, the February 2022 Bonds and the December 2022 Bonds shall collectively be referred to herein as the "Prior Bonds"; and

WHEREAS, the 2017A Resolution, the 2017B Resolution, the 2020 Resolution, the 2021 Resolution and the 2022 Resolution shall collectively be referred to herein as the "Prior Resolutions"; and

WHEREAS, the Village has determined that certain additions, improvements and extensions to the System, including related equipment acquisition (collectively, the "Project") are necessary to adequately supply the needs of the Village and the residents thereof; and

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

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

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

WHEREAS, pursuant to a resolution adopted on April 22, 2024, the Village has directed Robert W. Baird & Co. Incorporated ("Baird") to take the steps necessary to sell Water and Sewer System Revenue Bonds (the "Bonds") to pay the cost of the Project; and

WHEREAS, Baird, in consultation with the officials of the Village, prepared an Official Notice of Sale (a copy of which is attached hereto as Exhibit A and incorporated herein by this reference) setting forth the details of and the bid requirements for the Bonds and indicating that the Bonds would be offered for public sale on May 13, 2024; and

WHEREAS, the Village Clerk (in consultation with Baird) caused a form of notice of the sale to be published and/or announced and caused the Official Notice of Sale to be distributed to potential bidders offering the Bonds for public sale on May 13, 2024; and

WHEREAS, the Village has duly received bids for the Bonds as described on the Bid Tabulation attached hereto as Exhibit B and incorporated herein by this reference (the "Bid Tabulation"); and

WHEREAS, it has been determined that the bid proposal (the "Proposal") submitted by the financial institution listed first on the Bid Tabulation fully complies with the bid requirements set forth in the Official Notice of Sale and is deemed to be the most advantageous to the Village. Baird has recommended that the Village accept the Proposal. A copy of said Proposal submitted by such institution (the "Purchaser") is attached hereto as Exhibit C and incorporated herein by this reference.

NOW, THEREFORE, the Village Board of the Village of Rothschild, Marathon County, Wisconsin, do resolve that:

Section 1A. Ratification of the Official Notice of Sale and Offering Materials. The Village Board of the Village hereby ratifies and approves the details of the Bonds set forth in Exhibit A attached hereto as and for the details of the Bonds. The Official Notice of Sale and any other offering materials prepared and circulated by Baird are hereby ratified and approved in all respects. All actions taken by officers of the Village and Baird in connection with the preparation and distribution of the Official Notice of Sale, and any other offering materials are hereby ratified and approved in all respects.

Section 1B. Authorization of Bonds. For the purpose of paying the cost of the Project, the Village shall borrow on the credit of the Revenues of the System the sum of \$975,000. Negotiable, fully-registered bonds of the Village, in the denomination of \$5,000, or any whole multiple thereof, shall be issued in evidence thereof. The Bonds shall be designated "Water and Sewer System Revenue Bonds", shall be numbered R-1 and upward and shall be dated June 3, 2024. The Bonds shall bear interest at the rates per annum set forth in the Proposal and shall mature on May 1 of each year, in the years and principal amounts as set forth on the Pricing Summary attached hereto as Exhibit D-1 and incorporated herein by this reference.

Interest on the Bonds shall be payable semi-annually on May 1 and November 1 of each year, commencing May 1, 2025. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board.

The schedule of principal and interest payments due on the Bonds is set forth on the Debt Service Schedule attached hereto as Exhibit D-2 and incorporated herein by this reference (the "Schedule").

The Bonds maturing on May 1, 2033 and thereafter shall be subject to redemption prior to maturity, at the option of the Village, on May 1, 2032 or on any date thereafter. Said Bonds shall be redeemable as a whole or in part, and if 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. [The Proposal specifies that the Bonds are subject to mandatory redemption. The terms of such mandatory redemption are set forth on an attachment hereto as Exhibit MRP and incorporated herein by this reference. Upon the optional redemption of any of the Bonds subject to mandatory redemption, the principal amount of such Bonds so redeemed shall be credited against the mandatory redemption payments established in Exhibit MRP for such Bonds in such manner as the Village shall direct.]

The schedule of maturities is found to be such that the amount of annual debt service payments is reasonable in accordance with prudent municipal utility practices.

Section 1C. Security for the Bonds. The Bonds, together with interest thereon, shall not constitute an indebtedness of the Village nor a charge against its general credit or taxing power.

The Bonds, together with interest thereon, shall be payable only out of the Special Redemption Fund, and shall be a valid claim of the registered owner or owners thereof only against the Special Redemption Fund and the Revenues of the System pledged to such fund on a parity with the pledge granted to the owners of the Prior Bonds. Sufficient Revenues are hereby pledged to said Special Redemption Fund, and shall be used for no other purpose than to pay the principal of, premium, if any, and interest on the Bonds, the Prior Bonds and any Parity Bonds as the same becomes due.

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

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

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

"Bond Year" means the one-year period ending on December 31 of each calendar year.

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

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

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

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

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

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

"Reserve Requirement" means an amount, determined as of the date of issuance of the Bonds, equal to the least of (a) the amount required to be on deposit in the Reserve Account prior to the issuance of the Bonds, plus the amount permitted to be deposited therein from proceeds of the Bonds pursuant to Section 148(d)(1) of the Code and Regulations; (b) the maximum annual outstanding debt service on the Bonds, the 2020 Bonds, the February 2022 Bonds and the December 2022 Bonds in any Bond Year; and (c) 125% of average annual outstanding debt service on the Bonds, the 2020 Bonds, the February 2022 Bonds and the December 2022 Bonds.



If Parity Bonds which are to be secured by the Reserve Account are issued, the Reserve Requirement shall mean an amount, determined as of the date of issuance of the Parity Bonds, equal to the least of (a) the amount required to be on deposit in the Reserve Account prior to the issuance of such Parity Bonds, plus the amount permitted to be deposited therein from proceeds of the Parity Bonds pursuant to Section 148(d)(1) of the Code and Regulations; (b) the maximum annual outstanding debt service on outstanding obligations secured by the Reserve Account and the Parity Bonds to be issued in any Bond Year; and (c) 125% of average annual outstanding debt service on the outstanding obligations secured by the Reserve Account and the Parity Bonds to be issued.

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

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

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

Section 4. Income and Revenue Funds. When the Bonds shall have been delivered in whole or in part, the Revenues shall be set aside into the Water System Revenue Fund and Sewer System Revenue Fund, respectively, and shall be transferred into the following separate and special funds, which were created by a resolution adopted on June 23, 2014, continued by the Prior Resolutions and are hereby continued and shall be used and applied as described below:

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

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

- Revenues of the Water System and Sewer System in amounts sufficient to pay the principal of and interest on the Bonds, the Prior Bonds and Parity Bonds and to meet debt service

reserve requirements shall be set aside into the "Water System and Sewer System Revenue Bond and Interest Special Redemption Fund" (the "Special Redemption Fund") to be applied to the payment of the principal and interest on the Bonds, the Prior Bonds and Parity Bonds. The monies standing in the Special Redemption Fund are irrevocably pledged to the payment of principal of and interest on the Bonds, the Prior Bonds and Parity Bonds.

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

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

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

Money in the Operation and Maintenance Funds shall be used to pay Operation and Maintenance Expenses as the same come due; money not immediately required for Operation and Maintenance Expenses shall be used first to remedy any deficiency in the Special Redemption Fund and next to accumulate a reserve in the Operation and Maintenance Funds equal to estimated Operation and Maintenance Expenses for one month. Any money then available and remaining in the respective Operation and Maintenance Funds may be transferred to the Water System Surplus Fund or the Sewer System Surplus Fund, which funds are hereby continued.

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

It is the express intent and determination of the Village Board that the amount of Revenues to be set aside and paid into the Special Redemption Fund (including the Reserve Account) shall in any event be sufficient to pay principal of and interest on the Bonds, the Prior Bonds and Parity Bonds and to meet the Reserve Requirement, and the Village shall each Fiscal Year deposit at least sufficient Revenues in the Special Redemption Fund to pay promptly all principal and interest falling due on the Bonds, the Prior Bonds and Parity Bonds and to meet the Reserve Requirement.

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

The minimum amounts to be so deposited for debt service on the Bonds, in addition to all amounts to be deposited to pay debt service on the Prior Bonds, are set forth on Exhibit D-2.

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

To additionally secure the payment of principal of and interest on the Bonds, the 2020 Bonds, the February 2022 Bonds, the December 2022 Bonds and any Parity Bonds secured by the Reserve Account, the Debt Service Reserve Account (the "Reserve Account") is hereby continued. The Village shall, upon the issuance of the Bonds, deposit an amount necessary to make the amount on deposit in the Reserve Account equal to the Reserve Requirement into the Reserve Account and an amount equal to the Reserve Requirement shall be maintained in the Reserve Account. The Reserve Account does not secure the 2017A Bonds or the 2017B Bonds.

The Village covenants and agrees that at any time that the Reserve Account is drawn on and the amount in the Reserve Account shall be less than the Reserve Requirement, an amount equal to one-twelfth of the Reserve Requirement will be paid monthly into the Reserve Account from those funds in the Special Redemption Fund, the Operation and Maintenance Funds, the Depreciation Funds and the Surplus Funds which are in excess of the minimum amounts required by the preceding paragraphs to be paid therein until the Reserve Requirement will again have accumulated in the Reserve Account. No such payments need be made into the Reserve Account at such times as the monies in the Reserve Account are equal to the highest remaining annual debt service requirement on the Bonds, the 2020 Bonds, the February 2022 Bonds, the December 2022 Bonds and any Parity Bonds secured by the Reserve Account in any Bond Year. If at any time the amount on deposit in the Reserve Account exceeds the Reserve Requirement, the excess shall be transferred to the Special Redemption Fund and used to pay principal and interest on the Bonds, the 2020 Bonds, the February 2022 Bonds, the December 2022 Bonds and any Parity Bonds secured by the Reserve Account. If for any reason there shall be insufficient funds on

hand in the Special Redemption Fund to meet principal or interest becoming due on the Bonds, the 2020 Bonds, the February 2022 Bonds, the December 2022 Bonds or Parity Bonds secured by the Reserve Account, then all sums then held in the Reserve Account shall be used to pay the portion of interest or principal on such Bonds, the 2020 Bonds, the February 2022 Bonds, the December 2022 Bonds or Parity Bonds becoming due as to which there would otherwise be default, and thereupon the payments required by this paragraph shall again be made into the Reserve Account until an amount equal to the Reserve Requirement is on deposit in the Reserve Account.

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

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

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

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

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

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

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

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

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

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

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

expiration date of the policy; and (7) the volume of water used as the basis for computing the service charge; and

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

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

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

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

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

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

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

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

Section 8. Sale of Bonds. The bid of the Purchaser for the purchase price set forth in the Proposal be and it hereby is accepted and the President and Village Clerk are authorized and directed to execute an acceptance of the offer of said successful bidder on behalf of the Village. The good faith deposit of the Purchaser shall be applied as directed in the Official Notice of Sale until the closing of the bond issue, and any good faith deposits submitted by unsuccessful bidders shall be promptly returned. The officers of the Village are authorized and directed to do any and all acts necessary to conclude delivery of the Bonds to the Purchaser, upon receipt of the purchase price, as soon after adoption of this Resolution as is convenient.

Section 9. Application of Bond Proceeds. All accrued interest received from the sale of the Bonds shall be deposited into the Special Redemption Fund. An amount of proceeds of the Bonds necessary to make the amount on deposit in the Reserve Account equal to the Reserve Requirement shall be deposited in the Reserve Account. The balance of the proceeds, less the expenses incurred in authorizing, issuing and delivering the Bonds, shall be deposited in a special fund designated as "Water and Sewer System Improvement Fund." Said special fund shall be adequately secured and used solely for the purpose of meeting costs of extending, adding to and improving the System, as described in the preamble hereof. The balance remaining in said Improvement Fund after paying said costs shall be transferred to the Special Redemption Fund for use in payment of principal of and interest on the Bonds.

Section 10. Amendment to Resolution. After the issuance of any of the Bonds, no change or alteration of any kind in the provisions of this Resolution may be made until all of the Bonds have been paid in full as to both principal and interest, or discharged as herein provided, except:

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

b. This Resolution may be amended, in any respect, with the written consent of the owners of not less than two-thirds of the principal amount of the Bonds then outstanding,

exclusive of Bonds held by the Village; provided, however, that no amendment shall permit any change in the pledge of Revenues derived from the System, or in the maturity of any Bond issued hereunder, or a reduction in the rate of interest on any Bond, or in the amount of the principal obligation thereof, or in the amount of the redemption premium payable in the case of redemption thereof, or change the terms upon which the Bonds may be redeemed or make any other modification in the terms of the payment of such principal or interest without the written consent of the owner of each such Bond to which the change is applicable.

Section 11. Defeasance. When all Bonds have been discharged, all pledges, liens, covenants and other rights granted to the owners thereof by this Resolution shall cease. The Village may discharge all Bonds due on any date by depositing into a special account on or before that date a sum sufficient to pay the same in full; or if any Bonds should not be paid when due, it may nevertheless be discharged by depositing into a special account a sum sufficient to pay it in full with interest accrued from the due date to the date of such deposit. The Village, at its option, may also discharge all Bonds called for redemption on any date when they are prepayable according to their terms, by depositing into a special account on or before that date a sum sufficient to pay them in full, with the required redemption premium, if any, provided that notice of redemption has been duly given as required by this Resolution. The Village, at its option, may also discharge all Bonds of said issue at any time by irrevocably depositing in escrow with a suitable bank or trust company a sum of cash and/or bonds or securities issued or guaranteed as to principal and interest of the U.S. Government, or of a commission, board or other instrumentality of the U.S. Government, maturing on the dates and bearing interest at the rates required to provide funds sufficient to pay when due the interest to accrue on each of said Bonds to its maturity or, at the Village's option, if said Bond is prepayable to any prior date upon which it may be called for redemption, and to pay and redeem the principal amount of each such Bond at maturity, or at the Village's option, if said Bond is prepayable, at its earliest redemption date, with the premium required for such redemption, if any, provided that notice of the redemption of all prepayable Bonds on such date has been duly given or provided for. Upon such payment or deposit, in the amount and manner provided by this Section, all liability of the Village with respect to the Bonds shall cease, terminate and be completely discharged, and the owners thereof shall be entitled only to payment out of the money so deposited.

Section 12. Investments and Arbitrage. Monies accumulated in any of the funds and accounts referred to in Sections 4 and 9 hereof which are not immediately needed for the respective purposes thereof, may be invested in legal investments subject to the provisions of Sec. 66.0603(1m), Wisconsin Statutes, until needed. All income derived from such investments shall be credited to the fund or account from which the investment was made; provided, however, that at any time that the Reserve Requirement is on deposit in the Reserve Account, any income derived from investment of the Reserve Account shall be deposited into the Special Redemption Fund and used to pay principal and interest on the Bonds. A separate banking account is not required for each of the funds and accounts established under this Resolution; however, the monies in each fund or account shall be accounted for separately by the Village and used only for the respective purposes thereof. The proceeds of the Bonds shall be used solely for the purposes for which they are issued but may be temporarily invested until needed in legal investments. No such investment shall be made in such a manner as would cause the Bonds to



be "arbitrage bonds" within the meaning of Section 148 of the Code or the Regulations of the Commissioner of Internal Revenue thereunder (the "Regulations").

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

Section 13. Resolution a Contract. The provisions of this Resolution shall constitute a contract between the Village and the owner or owners of the Bonds, and after issuance of any of the Bonds no change or alteration of any kind in the provisions of this Resolution may be made, except as provided in Section 10, until all of the Bonds have been paid in full as to both principal and interest. The owner or owners of any of the Bonds shall have the right in addition to all other rights, by mandamus or other suit or action in any court of competent jurisdiction, to enforce such owner's or owners' rights against the Village, the governing body thereof, and any and all officers and agents thereof including, but without limitation, the right to require the Village, its governing body and any other authorized body, to fix and collect rates and charges fully adequate to carry out all of the provisions and agreements contained in this Resolution.

Section 14. Utilization of The Depository Trust Company Book-Entry-Only System. In order to make the Bonds eligible for the services provided by The Depository Trust Company, New York, New York ("DTC"), the Village agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations, which the Village Clerk or other authorized representative of the Village is authorized and directed to execute and deliver to DTC on behalf of the Village to the extent an effective Blanket Issuer Letter of Representations is not presently on file in the Village Clerk's office.

Section 15. Payment of the Bonds; Fiscal Agent. The principal of and interest on the Bonds shall be paid by Associated Trust Company, National Association, Green Bay, Wisconsin, which is hereby appointed as the Village registrar and fiscal agent pursuant to the provisions of Section 67.10(2), Wisconsin Statutes (the "Fiscal Agent"). The Village hereby authorizes the President and Village Clerk or other appropriate officers of the Village to enter a Fiscal Agency Agreement between the Village and the Fiscal Agent. Such contract may provide, among other things, for the performance by the Fiscal Agent of the functions listed in Wis. Stats. Sec. 67.10(2)(a) to (j), where applicable, with respect to the Bonds.

Section 16. Persons Treated as Owners; Transfer of Bonds. The Village shall cause books for the registration and for the transfer of the Bonds to be kept by the Fiscal Agent. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of either principal or interest on any Bond shall be made only to the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

Any Bond may be transferred by the registered owner thereof by surrender of the Bond at the office of the Fiscal Agent, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing. Upon such

transfer, the President and Village Clerk shall execute and deliver in the name of the transferee or transferees a new Bond or Bonds of a like aggregate principal amount, series and maturity and the Fiscal Agent shall record the name of each transferee in the registration book. No registration shall be made to bearer. The Fiscal Agent shall cancel any Bond surrendered for transfer.

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

Section 17. Record Date. The fifteenth day of each calendar month next preceding each interest payment date shall be the record date for the Bonds (the "Record Date"). Payment of interest on the Bonds on any interest payment date shall be made to the registered owners of the Bonds as they appear on the registration book of the Village at the close of business on the Record Date.

Section 18. Compliance with Federal Tax Laws. (a) The Village represents and covenants that the projects financed by the Bonds and the ownership, management and use of the projects will not cause the Bonds to be "private activity bonds" within the meaning of Section 141 of the Code. The Village further covenants that it shall comply with the provisions of the Code to the extent necessary to maintain the tax-exempt status of the interest on the Bonds including, if applicable, the rebate requirements of Section 148(f) of the Code. The Village further covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Bonds) if taking, permitting or omitting to take such action would cause any of the Bonds to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause interest on the Bonds to be included in the gross income of the recipients thereof for federal income tax purposes. The Village Clerk or other officer of the Village charged with the responsibility of issuing the Bonds shall provide an appropriate certificate of the Village certifying that the Village can and covenanting that it will comply with the provisions of the Code and Regulations.

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

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

Section 19. Designation as Qualified Tax-Exempt Obligations. The Bonds are hereby designated as "qualified tax-exempt obligations" for purposes of Section 265 of the Code, relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

Section 20. Official Statement. The Village Board hereby approves the Preliminary Official Statement with respect to the Bonds and deems the Preliminary Official Statement as "final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule"). All actions taken by officers of the Village in connection with the preparation of such Preliminary Official Statement and any addenda to it or Final Official Statement are hereby ratified and approved. In connection with the closing of the Bonds, the appropriate Village official shall certify the Preliminary Official Statement and any addenda or Final Official Statement. The Village Clerk shall cause copies of the Preliminary Official Statement and any addenda or Final Official Statement to be distributed to the Purchaser.

Section 21. Undertaking to Provide Continuing Disclosure. The Village hereby covenants and agrees, for the benefit of the owners of the Bonds, to enter into a written undertaking (the "Undertaking") to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events. The Undertaking shall be enforceable by the owners of the Bonds or by the Purchaser on behalf of such owners (provided that the rights of the owners and the Purchaser to enforce the Undertaking shall be limited to a right to obtain specific performance of the obligations thereunder and any failure by the Village to comply with the provisions of the Undertaking shall not be an event of default with respect to the Bonds).

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

Section 22. Record Book. The Village Clerk shall provide and keep the transcript of proceedings as a separate record book (the "Record Book") and shall record a full and correct statement of every step or proceeding had or taken in the course of authorizing and issuing the Bonds in the Record Book.

Section 23. Bond Insurance. If the Purchaser determines to obtain municipal bond insurance with respect to the Bonds, the officers of the Village are authorized to take all actions necessary to obtain such municipal bond insurance. The President and Village Clerk are authorized to agree to such additional provisions as the bond insurer may reasonably request and which are acceptable to the President and Village Clerk including provisions regarding restrictions on investment of Bond proceeds, the payment procedure under the municipal bond insurance policy, the rights of the bond insurer in the event of default and payment of the Bonds by the bond insurer and notices to be given to the bond insurer. In addition, any reference required by the bond insurer to the municipal bond insurance policy shall be made in the form of Bond provided herein.

Section 24. Execution of the Bonds; Closing; Professional Services. The Bonds shall be issued in printed form, executed on behalf of the Village by the manual or facsimile signatures of the President and Village Clerk, authenticated, if required, by the Fiscal Agent, sealed with its official or corporate seal, if any, or a facsimile thereof, and delivered to the Purchaser upon

payment to the Village of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Bonds may be imprinted on the Bonds in lieu of the manual signature of the officer but, unless the Village has contracted with a fiscal agent to authenticate the Bonds, at least one of the signatures appearing on each Bond shall be a manual signature. In the event that either of the officers whose signatures appear on the Bonds shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and directed to do all acts and execute and deliver the Bonds and all such documents, certificates and acknowledgements as may be necessary and convenient to effectuate the Closing. The Village hereby authorizes the officers and agents of the Village to enter into, on its behalf, agreements and contracts in conjunction with the Bonds, including but not limited to agreements and contracts for legal, trust, fiscal agency, disclosure and continuing disclosure, and rebate calculation services. Any such contract heretofore entered into in conjunction with the issuance of the Bonds is hereby ratified and approved in all respects.

Section 25. Conflicting Ordinances or Resolutions. All prior ordinances, resolutions (other than the Prior Resolutions), rules, or orders, or parts thereof heretofore enacted, adopted or entered, in conflict with the provisions of this Resolution, are hereby repealed and this Resolution shall be in effect from and after its passage. In case of any conflict between this Resolution and the Prior Resolutions, then the Prior Resolutions shall control so long as any bonds authorized by such resolutions are outstanding.

Adopted, approved and recorded May 13, 2024.

\_\_\_\_\_  
George O. Peterson  
President

ATTEST:

\_\_\_\_\_  
Elizabeth Felkner  
Village Clerk

(SEAL)

EXHIBIT A

Official Notice of Sale

To be provided by Robert W. Baird & Co. Incorporated and incorporated into the Resolution.

(See Attached)

DRAFT

EXHIBIT B

Bid Tabulation

To be provided by Robert W. Baird & Co. Incorporated and incorporated into the Resolution.

(See Attached)

DRAFT

EXHIBIT C

Winning Bid

To be provided by Robert W. Baird & Co. Incorporated and incorporated into the Resolution.

(See Attached)

DRAFT

EXHIBIT D-1

Pricing Summary

To be provided by Robert W. Baird & Co. Incorporated and incorporated into the Resolution.

(See Attached)

DRAFT



EXHIBIT D-2

Debt Service Schedule

To be provided by Robert W. Baird & Co. Incorporated and incorporated into the Resolution.

(See Attached)

DRAFT

[SCHEDULE MRP

Mandatory Redemption Provision

The Bonds maturing in the years \_\_\_\_\_, \_\_\_\_\_ and \_\_\_\_\_ (the “Term Bonds”) are subject to mandatory redemption prior to maturity by lot (as selected by the Depository) at a redemption price equal to One Hundred Percent (100%) of the principal amount to be redeemed plus accrued interest to the date of redemption, from special redemption fund deposits which are required to be made in amounts sufficient to redeem on May 1 of each year the respective amount of Term Bonds specified below:

For the Term Bonds Maturing on May 1, 20\_\_\_\_\_

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____ (maturity)

For the Term Bonds Maturing on May 1, 20\_\_\_\_\_

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____ (maturity)

For the Term Bonds Maturing on May 1, 20\_\_\_\_\_

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____ (maturity)]

EXHIBIT E

(Form of Bond)

REGISTERED UNITED STATES OF AMERICA DOLLARS  
STATE OF WISCONSIN  
MARATHON COUNTY  
NO. R-\_\_\_\_ VILLAGE OF ROTHSCHILD \$\_\_\_\_\_  
WATER AND SEWER SYSTEM REVENUE BOND.

MATURITY DATE: ORIGINAL DATE OF ISSUE: INTEREST RATE: CUSIP:  
May 1, 20\_\_\_\_ June 3, 2024 \_\_\_\_% \_\_\_\_\_

DEPOSITORY OR ITS NOMINEE NAME: CEDE & CO.

PRINCIPAL AMOUNT: \_\_\_\_\_ THOUSAND DOLLARS  
(\$ \_\_\_\_\_)

FOR VALUE RECEIVED, the Village of Rothschild, Marathon County, Wisconsin (the "Village"), hereby acknowledges itself to owe and promises to pay to the Depository or its Nominee Name (the "Depository") identified above (or to registered assigns), solely from the fund hereinafter specified, on the maturity date identified above, the principal amount identified above, and to pay interest thereon at the rate of interest per annum identified above, all subject to the provisions set forth herein regarding redemption prior to maturity. Interest is payable semi-annually on May 1 and November 1 of each year commencing on May 1, 2025 until the aforesaid principal amount is paid in full. Both the principal of and interest on this Bond are payable to the registered owner in lawful money of the United States. Interest payable on any interest payment date shall be paid by wire transfer to the Depository in whose name this Bond is registered on the Bond Register maintained by Associated Trust Company, National Association, Green Bay, Wisconsin (the "Fiscal Agent") or any successor thereto at the close of business on the 15th day of the calendar month next preceding the semi-annual interest payment date (the "Record Date"). This Bond is payable as to principal upon presentation and surrender hereof at the office of the Fiscal Agent.

The Bonds maturing on May 1, 2033 and thereafter are subject to redemption prior to maturity, at the option of the Village, on May 1, 2032 or on any date thereafter. Said Bonds are redeemable as a whole or in part, and if in part, from maturities selected by the Village and within each maturity, by lot (as selected by the Depository), at the principal amount thereof, plus accrued interest to the date of redemption.

The Bonds are subject to mandatory redemption by lot as provided in the Resolution referenced below at the redemption price of par plus accrued interest to the date of redemption and without premium.

In the event the Bonds are redeemed prior to maturity, as long as the Bonds are in book-entry-only form, official notice of the redemption will be given by mailing a notice by registered or certified mail, overnight express delivery, facsimile transmission, electronic transmission or in any other manner required by the Depository, to the Depository not less than thirty (30) days nor more than sixty (60) days prior to the redemption date. If less than all of the Bonds of a maturity are to be called for redemption, the Bonds of such maturity to be redeemed will be selected by lot. Such notice will include but not be limited to the following: the designation, date and maturities of the Bonds called for redemption, CUSIP numbers, and the date of redemption. Any notice provided as described herein shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. The Bonds shall cease to bear interest on the specified redemption date provided that federal or other immediately available funds sufficient for such redemption are on deposit at the office of the Depository at that time. Upon such deposit of funds for redemption the Bonds shall no longer be deemed to be outstanding.

This Bond is one of an issue aggregating \$975,000, issued for the purpose of paying the cost of additions, improvements and extensions to the Village's Water System and Sewer System, including related equipment acquisition, pursuant to Article XI, Section 3, of the Wisconsin Constitution, Section 66.0621, Wisconsin Statutes, acts supplementary thereto and a Resolution adopted on May 13, 2024, and entitled: "Resolution Authorizing the Issuance and Sale of \$975,000 Water and Sewer System Revenue Bonds of the Village of Rothschild, Marathon County, Wisconsin and Providing for the Payment of the Bonds and Other Details with Respect to the Bonds" (the "Resolution") and is payable only from the revenues of said Water System and Sewer System. Such revenues have been set aside and pledged as a special fund for that purpose and identified as "Special Redemption Fund", created by a resolution adopted on June 23, 2014. The Bonds are issued on a parity with the Water and Sewer System Revenue Bonds, Series 2017A, dated June 14, 2017, the Water and Sewer System Revenue Bonds, Series 2017B, dated December 13, 2017, the Water and Sewer System Revenue Bonds, dated November 30, 2020, the Water and Sewer System Revenue Refunding Bonds, dated February 1, 2022 and the Water and Sewer System Revenue Bonds, dated December 5, 2022. This Bond does not constitute an indebtedness of the Village within the meaning of any constitutional or statutory debt limitation or provision.

This Bond has been designated by the Village Board as a "qualified tax-exempt obligation" pursuant to the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

This Bond is transferable only upon the books of the Village kept for that purpose at the office of the Fiscal Agent, only in the event that the Depository does not continue to act as depository for the Bonds, and the Village appoints another depository, upon surrender of the

Bond to the Fiscal Agent, by the registered owner in person or his duly authorized attorney, together with a written instrument of transfer (which may be endorsed hereon) satisfactory to the Fiscal Agent duly executed by the registered owner or his duly authorized attorney. Thereupon a new fully registered Bond in the same aggregate principal amount shall be issued to the new depository in exchange therefor and upon the payment of a charge sufficient to reimburse the Village for any tax, fee or other governmental charge required to be paid with respect to such registration. The Fiscal Agent shall not be obliged to make any transfer of the Bonds (i) after the Record Date, (ii) during the fifteen (15) calendar days preceding the date of any publication of notice of any proposed redemption of the Bonds, or (iii) with respect to any particular Bond, after such Bond has been called for redemption. The Fiscal Agent and Village may treat and consider the Depository in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes whatsoever. The Bonds are issuable solely as negotiable, fully-registered Bonds without coupons in the denomination of \$5,000 or any integral multiple thereof.

This Bond shall not be valid or obligatory for any purpose until the Certificate of Authentication hereon shall have been signed by the Fiscal Agent.

It is hereby certified, recited and declared that all conditions, things and acts required by law to exist, happen, and be performed precedent to and in the issuance of this Bond have existed, have happened and have been performed in due time, form and manner as required by law; and that sufficient of the income and revenue to be received by said Village from its Water System and Sewer System has been pledged to and will be set aside into a special fund for the payment of the principal of and interest on this Bond.

IN WITNESS WHEREOF, the Village of Rothschild, Marathon County, Wisconsin, by its governing body, has caused this Bond to be executed for it and in its name by the manual or facsimile signatures of its duly qualified President and Village Clerk; and to be sealed with its official or corporate seal, if any, all as of the original date of issue specified above.

VILLAGE OF ROTHSCCHILD,  
MARATHON COUNTY, WISCONSIN

(SEAL)

By: \_\_\_\_\_  
George O. Peterson  
President

By: \_\_\_\_\_  
Elizabeth Felkner  
Village Clerk

Date of Authentication: \_\_\_\_\_, 20\_\_.

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the issue authorized by the within-mentioned Resolution of the Village of Rothschild, Marathon County, Wisconsin.

ASSOCIATED TRUST COMPANY, NATIONAL  
ASSOCIATION, GREEN BAY, WISCONSIN

By \_\_\_\_\_  
Authorized Signatory

DRAFT

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

\_\_\_\_\_  
(Name and Address of Assignee)

\_\_\_\_\_  
(Social Security or other Identifying Number of Assignee)

the within Bond and all rights thereunder and hereby irrevocably constitutes and appoints \_\_\_\_\_, Legal Representative, to transfer said Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_  
(e.g. Bank, Trust Company  
or Securities Firm)

\_\_\_\_\_  
(Depository or Nominee Name)

NOTICE: This signature must correspond with the name of the Depository or Nominee Name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

\_\_\_\_\_  
(Authorized Officer)



## **APPENDIX C**

### **BASIC FINANCIAL STATEMENTS AND RELATED NOTES**

**For year ended December 31, 2023**

**VILLAGE OF ROTHSCILD**

**MARATHON COUNTY, WISCONSIN**

**Clifton Larson Allen LLP  
Green Bay, Wisconsin**

A copy of the Village's Basic Financial Statements and Related Notes for the fiscal year ended December 31, 2023, including the accompanying independent auditor's report, is included as Appendix A to this Official Statement. Potential purchasers should read such 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, assessment, procedures or evaluation with respect to such financial statements since the date thereof or relating to this Official Statement, nor has the Village requested that the Auditor consent to the use of such financial statements in this Official Statement. Although the inclusion of the financial statements in this Official Statement is not intended to demonstrate the fiscal condition of the Village since the date of the financial statements, in connection with the issuance of the Bonds, the Village represents that there has 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.

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## INDEPENDENT AUDITORS' REPORT

Village Board  
Village of Rothschild, Wisconsin

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Rothschild, Wisconsin, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Village of Rothschild's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Rothschild, as of December 31, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 of Rothschild and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### **Responsibilities of Management for the Financial Statements**

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

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

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

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Village of Rothschild'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 Village of Rothschild'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 schedules relating to pensions and other postemployment benefits be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

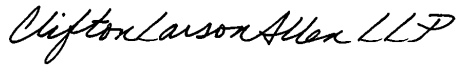
Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required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

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Rothschild's basic financial statements. The financial information listed in the table of contents as supplementary information 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 GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2024, on our consideration of the Village of Rothschild's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village of Rothschild's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Village of Rothschild's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Green Bay, Wisconsin  
March 29, 2024

## **BASIC FINANCIAL STATEMENTS**



**VILLAGE OF ROTHSCHILD, WISCONSIN**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2023**

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Investments	\$ 8,821,621	\$ 68,713	\$ 8,890,334
Receivables:			
Taxes and Special Charges	2,739,737	-	2,739,737
Delinquent Taxes	444	-	444
Accounts	753,531	422,119	1,175,650
Loans	97,912	-	97,912
Leases	343,110	325,421	668,531
Internal Balances	115,570	(115,570)	-
Inventories and Prepaid Items	45,527	38,648	84,175
Restricted Assets:			
Cash and Investments	397,297	969,746	1,367,043
Capital Assets, Nondepreciable	1,763,335	838,349	2,601,684
Capital Assets, Depreciable	17,642,223	11,941,206	29,583,429
Total Assets	<u>32,720,307</u>	<u>14,488,632</u>	<u>47,208,939</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension Related Amounts	3,031,725	178,730	3,210,455
Other Postemployment Related Amounts	56,025	3,290	59,315
Total Deferred Outflows of Resources	<u>3,087,750</u>	<u>182,020</u>	<u>3,269,770</u>
<b>LIABILITIES</b>			
Accounts Payable	462,621	83,188	545,809
Accrued and Other Current Liabilities	96,334	7,469	103,803
Due to Other Governments	1,194	-	1,194
Accrued Interest Payable	95,304	41,080	136,384
Special Deposits	366,611	-	366,611
Long-Term Obligations:			
Due within One Year	980,000	395,569	1,375,569
Due in More than One Year	10,624,148	6,384,310	17,008,458
Net Pension Liability	820,911	48,187	869,098
Other Postemployment Benefits	98,221	5,768	103,989
Total Liabilities	<u>13,545,344</u>	<u>6,965,571</u>	<u>20,510,915</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes and Special Charges			
Levied for Subsequent Year	4,346,746	-	4,346,746
Leases Receivable	343,110	325,421	668,531
Pension Related Amounts	1,737,039	101,964	1,839,003
Other Postemployment Related Amounts	102,406	6,014	108,420
Total Deferred Inflows of Resources	<u>6,529,301</u>	<u>433,399</u>	<u>6,962,700</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	11,559,552	6,799,491	18,359,043
Restricted:			
Debt Retirement	-	79,047	79,047
Tourism Promotion and Development	351,774	-	351,774
Tax Incremental District	369,816	-	369,816
Unrestricted	3,452,270	393,144	3,845,414
Total Net Position	<u>\$ 15,733,412</u>	<u>\$ 7,271,682</u>	<u>\$ 23,005,094</u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF ROTHSCHILD, WISCONSIN**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2023**

Functions/Programs	Expenses	Program Revenues		Capital Grants and Contributions
		Charges for Services	Operating Grants and Contributions	
Governmental Activities:				
General Government	\$ 953,784	\$ 292,546	\$ -	\$ -
Public Safety	3,003,105	42,647	13,613	-
Public Works	2,878,515	91,194	517,887	-
Health and Human Services	4,980	-	-	-
Culture and Recreation	910,004	283,345	-	562,564
Conservation and Development	449,025	-	-	-
Interest and Fiscal Charges	245,836	-	-	-
Total Governmental Activities	<u>8,445,249</u>	<u>709,732</u>	<u>531,500</u>	<u>562,564</u>
Business-Type Activities:				
Water Utility	1,070,746	1,389,336	-	-
Sewer Utility	617,857	628,478	-	-
Total Business-Type Activities	<u>1,688,603</u>	<u>2,017,814</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 10,133,852</u>	<u>\$ 2,727,546</u>	<u>\$ 531,500</u>	<u>\$ 562,564</u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF ROTHSCHILD, WISCONSIN  
STATEMENT OF ACTIVITIES (CONTINUED)  
YEAR ENDED DECEMBER 31, 2023**

Functions/Programs	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
<b>Governmental Activities:</b>			
General Government	\$ (661,238)	\$ -	\$ (661,238)
Public Safety	(2,946,845)	-	(2,946,845)
Public Works	(2,269,434)	-	(2,269,434)
Health and Human Services	(4,980)	-	(4,980)
Culture and Recreation	(64,095)	-	(64,095)
Conservation and Development	(449,025)	-	(449,025)
Interest and Fiscal Charges	(245,836)	-	(245,836)
Total Governmental Activities	(6,641,453)	-	(6,641,453)
<b>Business-Type Activities:</b>			
Water Utility	-	318,590	318,590
Sewer Utility	-	10,621	10,621
Total Business-Type Activities	-	329,211	329,211
<b>Total</b>	<b>(6,641,453)</b>	<b>329,211</b>	<b>(6,312,242)</b>
<b>GENERAL REVENUES AND TRANSFERS</b>			
<b>General Revenues:</b>			
Taxes:			
Property Taxes	3,578,641	-	3,578,641
Tax Increments	366,261	-	366,261
Other Taxes	654,004	-	654,004
Federal and State Grants and Other			
Contributions not Restricted to			
Specific Functions	1,814,038	-	1,814,038
Interest and Investment Earnings	398,093	119,340	517,433
Miscellaneous	156,279	-	156,279
Gain on Sale of Assets	1,383	-	1,383
Transfers	194,335	(194,335)	-
Total General Revenues and Transfers	7,163,034	(74,995)	7,088,039
<b>CHANGE IN NET POSITION</b>	<b>521,581</b>	<b>254,216</b>	<b>775,797</b>
Net Position - January 1	15,211,831	7,017,466	22,229,297
<b>NET POSITION - DECEMBER 31</b>	<b>\$ 15,733,412</b>	<b>\$ 7,271,682</b>	<b>\$ 23,005,094</b>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF ROTHSCHILD, WISCONSIN**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2023**

	General	Debt Service	Capital Projects	Other Governmental Funds	Total
<b>ASSETS</b>					
Cash and Investments	\$ 7,117,380	\$ -	\$ 862,430	\$ 767,168	\$ 8,746,978
Restricted Cash and Investments	-	-	397,297	-	397,297
Receivables:					
Taxes and Special Charges	689,717	1,258,008	-	792,012	2,739,737
Delinquent Taxes	444	-	-	-	444
Accounts	619,888	-	-	133,643	753,531
Loans	-	-	-	97,912	97,912
Lease	343,110	-	-	-	343,110
Due from Other Funds	118,924	-	-	-	118,924
Prepaid Items	45,527	-	-	-	45,527
Total Assets	<u>\$ 8,934,990</u>	<u>\$ 1,258,008</u>	<u>\$ 1,259,727</u>	<u>\$ 1,790,735</u>	<u>\$ 13,243,460</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts Payable	\$ 247,668	\$ -	\$ 202,876	\$ 3,800	\$ 454,344
Accrued and Other Current Liabilities	93,746	-	-	2,588	96,334
Due to Other Governments	1,194	-	-	-	1,194
Special Deposits	209,876	-	-	-	209,876
Unearned Revenues	156,735	-	-	-	156,735
Total Liabilities	<u>709,219</u>	<u>-</u>	<u>202,876</u>	<u>6,388</u>	<u>918,483</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Property Taxes and Special Charges Levied for Subsequent Year	2,296,726	1,258,008	-	792,012	4,346,746
Loans Receivable	-	-	-	97,912	97,912
Leases Receivable	343,110	-	-	-	343,110
Total Deferred Inflows of Resources	<u>2,639,836</u>	<u>1,258,008</u>	<u>-</u>	<u>889,924</u>	<u>4,787,768</u>
<b>FUND BALANCES</b>					
Nonspendable	45,527	-	-	-	45,527
Restricted	-	-	318,587	721,590	1,040,177
Assigned	-	-	738,264	172,833	911,097
Unassigned	5,540,408	-	-	-	5,540,408
Total Fund Balances	<u>5,585,935</u>	<u>-</u>	<u>1,056,851</u>	<u>894,423</u>	<u>7,537,209</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 8,934,990</u>	<u>\$ 1,258,008</u>	<u>\$ 1,259,727</u>	<u>\$ 1,790,735</u>	<u>\$ 13,243,460</u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF ROTHSCILD, WISCONSIN  
BALANCE SHEET (CONTINUED)  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2023**

**RECONCILIATION TO THE STATEMENT OF NET POSITION**

Total Fund Balances as Shown on Previous Page	\$ 7,537,209
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	19,405,558
Other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.	97,912
Net position of the internal service fund is reported in the Statement of Net Position as governmental activities.	63,012
Some deferred outflows and inflows of resources reflect changes in long-term liabilities and are not reported in the funds.	
Deferred Outflows Related to Pensions	3,031,725
Deferred Inflows Related to Pensions	(1,737,039)
Deferred Outflows Related to Other Postemployment Benefits	56,025
Deferred Inflows Related to Other Postemployment Benefits	(102,406)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds and Notes Payable	(11,065,000)
Debt Premium	(223,715)
Compensated Absences	(315,433)
Net Pension Liability	(820,911)
Other Postemployment Benefit	(98,221)
Accrued Interest on Long-Term Obligations	(95,304)
Net Position of Governmental Activities as Reported on the Statement of Net Position	<u>\$ 15,733,412</u>

*See accompanying Notes to Basic Financial Statements.*

**VILLAGE OF ROTHSCHILD, WISCONSIN**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**(CONTINUED)**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED DECEMBER 31, 2023**

	General	Debt Service	Capital Projects	Other Governmental Funds	Total
<b>REVENUES</b>					
Taxes	\$ 2,548,201	\$ 1,153,462	\$ -	\$ 897,291	\$ 4,598,954
Special Assessments	-	-	-	-	-
Intergovernmental	2,874,781	-	-	33,321	2,908,102
Licenses and Permits	73,065	-	-	-	73,065
Fines and Forfeits	163,373	-	-	-	163,373
Public Charges for Services	196,694	-	-	159,694	356,388
Intergovernmental Charges for Services	36,136	-	-	53,562	89,698
Miscellaneous	466,675	347	68,905	42,513	578,440
Total Revenues	6,371,925	1,153,809	68,905	1,186,381	8,781,020
<b>EXPENDITURES</b>					
Current:					
General Government	1,030,737	-	-	239	1,030,976
Public Safety	2,778,441	-	-	-	2,778,441
Public Works	1,584,325	-	2,500	140,933	1,727,758
Health and Human Services	4,980	-	-	-	4,980
Culture and Recreation	1,012,532	-	-	243,390	1,255,922
Conservation and Development	139,926	-	-	308,387	448,313
Debt Service:					
Principal	-	955,000	-	25,000	980,000
Interest and Fiscal Charges	-	255,620	-	22,825	278,445
Capital Outlay	-	-	1,601,699	-	1,601,699
Total Expenditures	6,550,941	1,210,620	1,604,199	740,774	10,106,534
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(179,016)	(56,811)	(1,535,294)	445,607	(1,325,514)
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from Sale of Capital Assets	6,788	-	-	-	6,788
Transfers In	194,435	17,562	-	40,928	252,925
Transfers Out	(58,490)	-	(100)	-	(58,590)
Total Other Financing Sources (Uses)	142,733	17,562	(100)	40,928	201,123
<b>NET CHANGE IN FUND BALANCES</b>	(36,283)	(39,249)	(1,535,394)	486,535	(1,124,391)
Fund Balances - January 1	5,622,218	39,249	2,592,245	407,888	8,661,600
<b>FUND BALANCES - DECEMBER 31</b>	<u>\$ 5,585,935</u>	<u>\$ -</u>	<u>\$ 1,056,851</u>	<u>\$ 894,423</u>	<u>\$ 7,537,209</u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF ROTHSCILD, WISCONSIN**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**(CONTINUED)**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED DECEMBER 31, 2023**

**RECONCILIATION TO THE STATEMENT OF ACTIVITIES**

Net Change in Fund Balances as Shown on Previous Page \$ (1,124,391)

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital Assets Reported as Expenditures in Governmental Fund Statements	2,181,609
Depreciation Expense Reported in the Statement of Activities	(1,243,548)

Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the Statement of Activities when earned.	(15,756)
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Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	
Principal Repaid	980,000

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

Accrued Interest on Long-Term Debt	(12,789)
Amortization of Debt Premium	45,398
Compensated Absences	(45,628)
Net Pension Asset	(2,039,560)
Deferred Outflows of Resources Related to Pensions	660,815
Deferred Inflows of Resources Related to Pensions	1,135,746
Other Postemployment Benefits	106,753
Deferred Outflows of Resources Related to Other Postemployment Benefits	(32,707)
Deferred Inflows of Resources Related to Other Postemployment Benefits	(82,045)

An internal service fund is used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service fund is reported with governmental activities.	7,684
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Change in Net Position of Governmental Activities as Reported in the Statement of Activities	\$ 521,581
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*See accompanying Notes to Basic Financial Statements.*

**VILLAGE OF ROTHSCHILD, WISCONSIN  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL – GENERAL FUND  
YEAR ENDED DECEMBER 31, 2023**

	Budget			Variance Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>REVENUES</b>				
Taxes	\$ 2,492,193	\$ 2,549,198	\$ 2,548,201	\$ (997)
Intergovernmental	2,386,283	2,386,283	2,874,781	488,498
Licenses and Permits	65,340	65,340	73,065	7,725
Fines and Forfeits	120,100	120,100	163,373	43,273
Public Charges for Services	113,390	113,390	196,694	83,304
Intergovernmental Charges for Services	-	-	36,136	36,136
Interdepartmental Charges for Services	11,000	11,000	13,000	2,000
Miscellaneous	129,100	129,100	466,675	337,575
Total Revenues	5,317,406	5,374,411	6,371,925	997,514
<b>EXPENDITURES</b>				
Current:				
General Government	905,386	905,386	1,030,737	(125,351)
Public Safety	2,586,275	2,586,275	2,778,441	(192,166)
Public Works	1,730,053	1,730,053	1,584,325	145,728
Health and Human Services	5,000	5,000	4,980	20
Culture and Recreation	490,661	490,661	1,012,532	(521,871)
Conservation and Development	178,395	178,395	139,926	38,469
Total Expenditures	5,895,770	5,895,770	6,550,941	(655,171)
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(578,364)	(521,359)	(179,016)	342,343
<b>OTHER FINANCING SOURCES</b>				
Proceeds from Sale of Capital Assets	-	-	6,788	6,788
Transfers In	200,000	200,000	194,435	(5,565)
Transfers Out	-	-	(58,490)	(58,490)
Total Other Financing Sources	200,000	200,000	142,733	(57,267)
<b>NET CHANGE IN FUND BALANCE</b>	(378,364)	(321,359)	(36,283)	285,076
Fund Balance - January 1	5,622,218	5,622,218	5,622,218	-
<b>FUND BALANCE - DECEMBER 31</b>	<u>\$ 5,243,854</u>	<u>\$ 5,300,859</u>	<u>\$ 5,585,935</u>	<u>\$ 285,076</u>

See accompanying Notes to Basic Financial Statements.



**VILLAGE OF ROTHSCHILD, WISCONSIN  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
DECEMBER 31, 2023**

	Enterprise Funds			Governmental Activities - Internal Service Fund
	Water Utility	Sewer Utility	Total	
<b>ASSETS</b>				
Current Assets:				
Cash and Investments	\$ -	\$ 68,713	\$ 68,713	\$ 74,643
Receivables:				
Customer Accounts	217,427	204,692	422,119	-
Leases	325,421	-	325,421	-
Inventories	38,648	-	38,648	-
Total Current Assets	581,496	273,405	854,901	74,643
Noncurrent Assets:				
Restricted Assets:				
Cash and Investments	703,754	265,992	969,746	-
Capital Assets:				
Nondepreciable	632,169	206,180	838,349	-
Depreciable	10,425,177	1,516,029	11,941,206	-
Total Capital Assets	11,057,346	1,722,209	12,779,555	-
Total Assets	12,342,596	2,261,606	14,604,202	74,643
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension Related Amounts	148,346	30,384	178,730	-
Other Postemployment Related Amounts	2,730	560	3,290	-
Total Deferred Outflows of Resources	151,076	30,944	182,020	-
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable	22,608	60,580	83,188	8,277
Accrued and Other Current Liabilities	7,469	-	7,469	-
Due to Other Funds	118,924	-	118,924	-
Accrued Interest	15,234	8,896	24,130	-
Current Portion of Long-Term Debt Payable from Restricted Assets:	115,000	83,419	198,419	-
Current Portion of Long-Term Debt	197,150	-	197,150	-
Accrued Interest	16,950	-	16,950	-
Total Current Liabilities	493,335	152,895	646,230	8,277
Long-Term Obligations, Less Current Portion:				
General Obligation Debt	1,765,000	295,000	2,060,000	-
Revenue Bonds	2,944,437	1,171,116	4,115,553	-
Debt Premium	145,508	24,792	170,300	-
Compensated Absences	38,457	-	38,457	-
Net Pension Liability	39,995	8,192	48,187	-
Other Postemployment Benefits	4,787	981	5,768	-
Total Long-Term Liabilities	4,938,184	1,500,081	6,438,265	-
Total Liabilities	5,431,519	1,652,976	7,084,495	8,277

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF ROTHSCHILD, WISCONSIN  
STATEMENT OF NET POSITION (CONTINUED)  
PROPRIETARY FUNDS  
DECEMBER 31, 2023**

	Enterprise Funds			Governmental Activities - Internal Service Fund
	Water Utility	Sewer Utility	Total	
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Leases Receivable	\$ 325,421	\$ -	\$ 325,421	\$ -
Pension Related Amounts	84,630	17,334	101,964	-
Other Postemployment Related Amounts	4,991	1,023	6,014	-
Total Deferred Inflows of Resources	<u>415,042</u>	<u>18,357</u>	<u>433,399</u>	<u>-</u>
<b>NET POSITION</b>				
Net Investment in Capital Assets	6,420,101	379,390	6,799,491	-
Restricted	79,047	-	79,047	-
Unrestricted	<u>147,963</u>	<u>241,827</u>	<u>389,790</u>	<u>66,366</u>
Total Net Position	<u>\$ 6,647,111</u>	<u>\$ 621,217</u>	7,268,328	<u>\$ 66,366</u>
Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds			<u>3,354</u>	
Net Position of Business-Type Activities as Reported on the Statement of Net Position			<u>\$ 7,271,682</u>	

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF ROTHSCHILD, WISCONSIN**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**YEAR ENDED DECEMBER 31, 2023**

	Enterprise Funds			Governmental Activities - Internal Service Fund
	Water Utility	Sewer Utility	Total	
<b>OPERATING REVENUES</b>				
Charges for Services	\$ 1,343,876	\$ 624,279	\$ 1,968,155	\$ 39,109
Other	45,460	4,199	49,659	-
Total Operating Revenues	1,389,336	628,478	2,017,814	39,109
<b>OPERATING EXPENSES</b>				
Operation and Maintenance	629,906	541,999	1,171,905	33,582
Depreciation	318,125	34,845	352,970	-
Total Operating Expenses	948,031	576,844	1,524,875	33,582
<b>OPERATING INCOME</b>	441,305	51,634	492,939	5,527
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest Income	107,210	12,130	119,340	2,804
Interest and Fiscal Charges	(123,302)	(41,073)	(164,375)	-
Total Nonoperating Revenues (Expenses)	(16,092)	(28,943)	(45,035)	2,804
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	425,213	22,691	447,904	8,331
Transfers Out	(194,335)	-	(194,335)	-
<b>CHANGE IN NET POSITION</b>	230,878	22,691	253,569	8,331
Net Position - January 1	6,416,233	598,526	7,014,759	58,035
<b>NET POSITION - DECEMBER 31</b>	<u>\$ 6,647,111</u>	<u>\$ 621,217</u>	<u>\$ 7,268,328</u>	<u>\$ 66,366</u>
Change in Net Position, Per Above			\$ 253,569	
Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds			647	
Change in Net Position of Business-Type Activities as Reported on the Statement of Activities			<u>\$ 254,216</u>	

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF ROTHSCHILD, WISCONSIN**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**YEAR ENDED DECEMBER 31, 2023**

	Enterprise Funds		
	Water Utility	Sewer Utility	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Received from Customers	\$ 1,374,254	\$ 533,006	\$ 1,907,260
Cash Paid for Employee Wages and Benefits	(271,035)	(43,969)	(315,004)
Cash Paid to Suppliers	(377,207)	(502,013)	(879,220)
Net Cash Provided (Used) by Operating Activities	726,012	(12,976)	713,036
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfer Out	(75,411)	-	(75,411)
Net Cash Used by Noncapital Financing Activities	(75,411)	-	(75,411)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition of Capital Assets	(969,696)	(369,285)	(1,338,981)
Principal Paid on Long-Term Debt	(306,836)	(83,100)	(389,936)
Interest Paid on Long-Term Debt	(145,393)	(44,144)	(189,537)
Net Cash Used by Capital and Related Financing Activities	(1,421,925)	(496,529)	(1,918,454)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest Received	107,210	12,130	119,340
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	(664,114)	(497,375)	(1,161,489)
Cash and Cash Equivalents - January 1	1,367,868	832,080	2,199,948
<b>CASH AND CASH EQUIVALENTS - DECEMBER 31</b>	<u>\$ 703,754</u>	<u>\$ 334,705</u>	<u>\$ 1,038,459</u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF ROTHSCILD, WISCONSIN  
STATEMENT OF CASH FLOWS (CONTINUED)  
PROPRIETARY FUNDS  
YEAR ENDED DECEMBER 31, 2023**

	Governmental Activities - <u>Internal Service Fund</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash Received from Customers	\$ 39,109
Cash Paid for Employee Wages and Benefits	-
Cash Paid to Suppliers	<u>(33,106)</u>
Net Cash Provided by Operating Activities	6,003
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Transfer In (Out)	<u>-</u>
Net Cash Used by Noncapital Financing Activities	-
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Acquisition of Capital Assets	-
Principal Paid on Long-Term Debt	-
Interest Paid on Long-Term Debt	<u>-</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest Received	<u>2,804</u>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	8,807
Cash and Cash Equivalents - January 1	<u>65,836</u>
<b>CASH AND CASH EQUIVALENTS - DECEMBER 31</b>	<u><u>\$ 74,643</u></u>

*See accompanying Notes to Basic Financial Statements.*

**VILLAGE OF ROTHSCILD, WISCONSIN  
STATEMENT OF CASH FLOWS (CONTINUED)  
PROPRIETARY FUNDS  
YEAR ENDED DECEMBER 31, 2023**

	Enterprise Funds		
	Water Utility	Sewer Utility	Total
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating Income	\$ 441,305	\$ 51,634	\$ 492,939
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:			
Depreciation	318,125	34,845	352,970
Depreciation Charged to Sewer Utility	15,763	(15,763)	-
Change in Liability (Asset) and Deferred Outflows and Inflows of Resources:			
Change in WRS Asset/Liability	85,612	20,375	105,987
Change in WRS Deferred Outflow	(57,976)	(6,733)	(64,709)
Change in WRS Deferred Inflow	(22,905)	(11,386)	(34,291)
Change in OPEB Liability	(4,573)	(940)	(5,513)
Change in OPEB Deferred Outflow	1,322	272	1,594
Change in OPEB Deferred Inflow	4,061	832	4,893
Change in Operating Assets and Liabilities:			
Accounts Receivables	(15,082)	(95,472)	(110,554)
Inventories	(13,048)	-	(13,048)
Accounts Payable	(33,763)	9,360	(24,403)
Accrued and Other Current Liabilities	544	-	544
Compensated Absences	6,627	-	6,627
Net Cash Provided (Used) by Operating Activities	<u>\$ 726,012</u>	<u>\$ (12,976)</u>	<u>\$ 713,036</u>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION</b>			
Cash and Cash Equivalents in Current Assets	\$ -	\$ 68,713	\$ 68,713
Cash and Cash Equivalents in Restricted Assets	703,754	265,992	969,746
Total Cash and Cash Equivalents	<u>\$ 703,754</u>	<u>\$ 334,705</u>	<u>\$ 1,038,459</u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF ROTHSCHILD, WISCONSIN  
STATEMENT OF CASH FLOWS (CONTINUED)  
PROPRIETARY FUNDS  
YEAR ENDED DECEMBER 31, 2023**

Governmental  
Activities -  
Internal Service Fund

**RECONCILIATION OF OPERATING INCOME TO  
NET CASH PROVIDED BY OPERATING ACTIVITIES**

Operating Income	\$ 5,527
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation	-
Depreciation Charged to Sewer Utility	-
Change in Liability (Asset) and Deferred Outflows and Inflows of Resources:	
Change in WRS Asset/Liability	-
Change in WRS Deferred Outflow	-
Change in WRS Deferred Inflow	-
Change in OPEB Liability	-
Change in OPEB Deferred Outflow	-
Change in OPEB Deferred Inflow	-
Change in Operating Assets and Liabilities:	
Accounts Receivables	-
Inventories	-
Accounts Payable	476
Accrued and Other Current Liabilities	-
Compensated Absences	-
Net Cash Provided by Operating Activities	<u>\$ 6,003</u>

**RECONCILIATION OF CASH AND CASH  
EQUIVALENTS TO THE STATEMENT OF  
NET POSITION**

Cash and Cash Equivalents in Current Assets	\$ 74,643
Cash and Cash Equivalents in Restricted Assets	-
Total Cash and Cash Equivalents	<u>\$ 74,643</u>

*See accompanying Notes to Basic Financial Statements.*

**VILLAGE OF ROTHSCHILD, WISCONSIN  
STATEMENT OF NET POSITION  
FIDUCIARY FUND  
DECEMBER 31, 2023**

	<u>Tax Collection Custodial Fund</u>
<b>ASSETS</b>	
Cash and Investments	\$ 2,976,960
Taxes Receivable	<u>5,166,281</u>
Total Assets	<u>8,143,241</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property Taxes Levied for Subsequent Year	<u>8,143,241</u>
<b>NET POSITION</b>	
Restricted for Other Governments	<u><u>\$ -</u></u>

*See accompanying Notes to Basic Financial Statements.*



**VILLAGE OF ROTHSCHILD, WISCONSIN  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUND  
DECEMBER 31, 2023**

	<u>Tax Collection Custodial Fund</u>
<b>ADDITIONS</b>	
Taxes and Special Charges Collected	\$ 8,212,279
<b>DEDUCTIONS</b>	
Payments to Other Districts	<u>8,212,279</u>
<b>CHANGE IN NET POSITION</b>	-
Net Position - January 1	<u>-</u>
<b>NET POSITION - DECEMBER 31</b>	<u><u>\$ -</u></u>

*See accompanying Notes to Basic Financial Statements.*

**VILLAGE OF ROTHSCHILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. Reporting Entity**

The Village is a municipal corporation governed by an elected seven member board. In accordance with U.S. GAAP, the basic financial statements are required to include the Village and any separate component units that have a significant operational or financial relationship with the Village. The Village has not identified any component units that are required to be included in the basic financial statements in accordance with standards.

**B. Joint Venture**

Riverside Fire District (RFD)

On January 1, 2017, the Village of Rothschild and City of Schofield merged their fire departments. The merged fire department is known as the Riverside Fire District (RFD). RFD provides fire and EMS services to the citizens of both communities and the communities share in the annual operation of the fire department.

RFD is governed by a five member board, with two members appointed each by the City of Schofield mayor and Village of Rothschild president and the final member appointed by the board. The governing body has the authority to adopt an annual budget and oversee financial operations. In year 2021 and thereafter, the budget contribution to RFD will be allocated to each municipality based on a financing formula which allocates 50% of the contribution to each of the following two factors: 1) equalized value excluding land and 2) five year rolling average for fire/EMS calls. In 2023, the Village of Rothschild and City of Schofield's contributions were \$388,382 and \$221,610, respectively.

The Village accounts for its share of RFD operations in the general fund. The Village of Rothschild does not have an equity interest in RFD. The Village of Rothschild administers all RFD funds as fiscal agent. Financial information related to RFD as of December 31, 2023 is available from the Village of Rothschild. Separate financial statements can be obtained from the Riverside Fire District, 211 Grand Avenue, Rothschild, WI 54474.

**VILLAGE OF ROTHSCILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which are primarily supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental, proprietary, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Governmental funds include general, special revenue, debt service and capital projects funds. Proprietary funds include enterprise and internal service funds. Major individual governmental and individual enterprise funds are reported as separate columns in the fund financial statements.

The Village reports the following major governmental funds:

**General Fund**

This is the Village's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

**Debt Service Fund**

This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of government funds.

**Capital Projects Fund**

This fund accounts for the acquisition or construction of major capital facilities other than those financed by proprietary fund types.

The Village reports the following major enterprise funds:

**Water Utility Fund**

This fund accounts for the operations of the Village's water utility.

**VILLAGE OF ROTHSCHILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Government-Wide and Fund Financial Statements (Continued)**

**Sewer Utility Fund**

This fund accounts for the operations of the Village's sewer utility.

Additionally, the Village reports the following fund types:

- An *Internal Service Fund* accounts for dental insurance benefits provided to employees of the Village, on a cost reimbursement basis.
- A *Custodial Fund* – The fund accounts for property taxes and specials collected on behalf of other governments.

**D. Measurement Focus and Basis of Accounting**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Revenues susceptible to accrual include intergovernmental grants, intergovernmental charges for services, public charges for services and interest. Other revenues such as licenses and permits, fines and forfeits and miscellaneous revenues are recognized when received in cash or when measurable and available.

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

**VILLAGE OF ROTHSCILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Measurement Focus and Basis of Accounting (Continued)**

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, and fees and fines, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Village's proprietary funds are charges to customers for services. Operating expenses for proprietary funds include the costs of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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.

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance**

**1. Cash and Investments**

Cash and investments are combined in the financial statements. Cash deposits consist of demand and time deposits with financial institutions and are carried at cost. Investments are stated at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. For purposes of the statement of cash flows, all cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less from date of acquisition are considered to be cash equivalents.

**2. Property Taxes and Special Charges Receivable**

Property taxes and special charges consist of taxes on real estate and personal property and user charges assessed against Village properties. They are levied during December of the prior year and become an enforceable lien on property the following January 1. Property taxes are payable in various options depending on the type and amount. Personal property taxes and special charges are payable on or before January 31 in full. Real estate taxes are payable in full by January 31 or in two equal installments on or before January 31 and July 31. Real estate taxes not paid by January 31 are purchased by the County as part of the February tax settlement. Delinquent personal property taxes remain the collection responsibility of the Village. Special charges not paid by January 31 are held in trust by the County and remitted to the Village, including interest, when collected by the County.

**VILLAGE OF ROTHSCHILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)**

**2. Property Taxes and Special Charges Receivable (Continued)**

In addition to its levy, the Village also levies and collects taxes for the School District of DC Everest, Marathon County, and North Central Technical College.

**3. Special Assessments**

Assessments against property owners for public improvements are generally not subject to full settlement in the year levied. Special assessments not paid are placed on a property owner's property tax bill on an installment basis.

**4. Loans Receivable**

The Village provided a loan to a local business to finance façade improvements. The Village recorded a loan receivable and expenditure when the loan was made and the funds disbursed. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material to the basic financial statements. In the governmental funds, the Village records a deferred inflow of resources for the net amount of the receivable. As the loans are repaid, revenue is recognized.

**5. Leases Receivable**

Lessor

The Village determines if an arrangement is a lease at inception. Leases are included in lease receivables and deferred inflows of resources in the statement of net position and fund financial statements.

Lease receivables represent the Village's claim to receive lease payments over the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease receivables are recognized at commencement date based on the present value of expected lease payments over the lease term. Interest revenue is recognized ratably over the contract term.

Deferred inflows of resources related to leases are recognized at the commencement date based on the initial measurement of the lease receivable, plus any payments received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The deferred inflows related to leases are recognized as lease revenue in a systematic and rational manner over the lease term.

**VILLAGE OF ROTHSCHILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)**

**5. Leases Receivable (Continued)**

Lessor (Continued)

Amounts to be received under residual value guarantees that are not fixed in substance are recognized as receivable and an inflow of resources if (a) a guarantee payment is required and (b) the amount can be reasonably estimated. Amounts received for the exercise price of a purchase option or penalty for lease termination are recognized as a receivable and an inflow of resources when those options are exercised.

The Village recognizes payments received for short-term leases with a lease term of 12 months or less, including options to extend, as revenue as the payments are received. These leases are not included as lease receivables or deferred inflows on the statements of net position and fund financial statements.

The individual lease contract do not provide information about the discount rate implicit in the lease. Therefore, the Village has elected to use their incremental borrowing rate to calculate the present value of expected lease payments.

The Village accounts for contracts both lease and nonlease components as separate contracts when possible. In cases where the contract does not provide separate price information for lease and nonlease components, and it is impractical to estimate the price of such components, the Village treats the components as single lease unit.

**6. Interfund Receivables and Payables**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" and "due to other funds" in the fund financial statements

The amount reported on the statement of net position for internal balances represents the residual balance outstanding between the governmental and business-type activities.

**7. Inventories**

Inventories are recorded at cost, which approximates market, using the first-in, first-out method. Inventories consist of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are consumed rather than when purchased.

**VILLAGE OF ROTHSCHILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)**

**8. Prepaid Items**

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items and are expensed in the periods benefited. Prepaid items of governmental funds in the fund financial statements are classified as nonspendable fund balance to indicate that they do not represent spendable available financial resources.

**9. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets, except land and land improvements are defined by the Village as assets with an initial, individual costs of \$5,000 or higher and an estimated useful life in excess of a year. All land and land improvement assets are capitalized. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the Village are depreciated using the straight-line method over the following estimated useful lives:

Assets	Governmental Activities	Business-Type Activities
Land Improvements	10 - 100 Years	-
Buildings and Improvements	40 - 100 Years	30 - 40 Years
Machinery and Equipment	5 - 100 Years	3 - 40 Years
Infrastructure	75 Years	15 - 100 Years

**10. Compensated Absences**

It is the Village's policy to permit employees to accumulate earned but unused vacation and sick leave benefits in accordance with employee handbook policies. All vacation and sick leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds in the fund financial statements only if they have matured, for example, as a result of employee resignations and retirements.



**VILLAGE OF ROTHSCHILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)**

**11. Deferred Outflows/Inflows of Resources**

Deferred outflows of resources are a consumption of net position by the government that is applicable to a future reporting period. Deferred inflows of resources are an acquisition of net position by the government that is applicable to a future reporting period. The recognition of those outflows and inflows as expenses or expenditures and revenues are deferred until the future periods to which the outflows and inflows are applicable.

Governmental funds may report deferred inflows of resources for unavailable revenues. The Village reports unavailable revenues for property taxes, loans and leases receivables. These inflows are recognized as revenues in the government-wide financial statements.

**12. Long-Term Obligations**

In the government-wide financial statements, and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**VILLAGE OF ROTHSCHILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)**

**13. Pensions**

The fiduciary net position of the Wisconsin Retirement System (WRS) have been determined using the flow of economic resources measurement focus and accrual basis of accounting.

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

Information about the fiduciary net position of the 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 the WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**14. Other Postemployment Benefits Other Than Pensions (OPEB)**

The fiduciary net position of the Local Retiree Life Insurance Fund (LRLIF) has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other postemployment benefits, OPEB expense (revenue), and information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIF's fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments (including refunds of member contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

VILLAGE OF ROTHSCHILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)**

**15. Fund Equity**

Governmental Fund Financial Statements

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- **Nonspendable Fund Balance.** Amounts that are not in spendable form (such as inventory, prepaid items, or long-term receivables) or are legally or contractually required to remain intact.
- **Restricted Fund Balance.** Amounts that are constrained for specific purposes by external parties (such as grantor or bondholders), through constitutional provisions, or by enabling legislation.
- **Committed Fund Balance.** Amounts that are constrained for specific purposes by action of the Village Board. These constraints can only be removed or changed by the Village Board using the same action that was used to create them.
- **Assigned Fund Balance.** Amounts that are constrained for specific purposes by action of Village management. The Village Board has not authorized a specific employee to assign fund balance. Residual amounts in any governmental fund, other than the General Fund, are also reported as assigned.
- **Unassigned Fund Balance.** Amounts that are available for any purpose. Positive unassigned amounts are only reported in the General Fund.

The Village has not adopted a fund balance spend-down policy regarding the order in which fund balance will be utilized. When a policy does not specify the spend-down policy, GASB Statement No. 54 indicates that restricted funds would be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

VILLAGE OF ROTHSCHILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)**

**15. Fund Equity (Continued)**

Government-Wide and Proprietary Fund Statements

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

- **Net Investment in Capital Assets.** Amount of capital assets, net of accumulated depreciation, and capital related deferred outflows of resources less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and any capital related deferred inflows of resources.
- **Restricted Net Position.** Amount of net position that is subject to restrictions that are imposed 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.
- **Unrestricted Net Position.** Net position that is neither classified as restricted nor as net investment in capital assets.

**F. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**VILLAGE OF ROTHSCILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 2 STEWARDSHIP AND COMPLIANCE**

**A. Budgets and Budgetary Accounting**

The Village follows these procedures in establishing the budgetary data reflected in the basic financial statements:

1. In August of each year, all department heads of the Village submit appropriations so that a budget may be prepared. Prior to October 15, Village management submits to the Village Board a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. After submission to the governing body, public hearings are held to obtain taxpayer comments. Following the public hearings, the proposed budget, including authorized additions and deletions, is legally enacted by Village Board action.
2. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds. Budget is defined as the originally approved budget plus or minus approved amendments. Individual amendments throughout the year were not material in relation to the original budget. Budget appropriations not expended during the year are closed to fund balance unless authorized by the governing body to be forwarded into the succeeding year's budget.
3. During the year, formal budgetary integration is employed as a management control device for the governmental funds adopting a budget.
4. Expenditures may not exceed appropriations provided in detailed budget accounts maintained for each activity or department of the Village. Amendments to the budget during the year require initial approval by management and are subsequently authorized by the Village Board.
5. Encumbrance accounting is not used by the Village to record commitments related to unperformed contracts for goods or services.

The Village's total General Fund expenditures for the year ended December 31, 2023, exceeded budget by \$655,171.

**VILLAGE OF ROTHSCILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 2 STEWARDSHIP AND COMPLIANCE (CONTINUED)**

**B. Excess of Expenditures Over Budget Appropriations**

The following expenditure accounts of the general fund had actual expenditures in excess of budget appropriations for the year ended December 31, 2023 as follows:

Fund	Excess Expenditures
General:	
General Government:	
Village Board	\$ 191
Administration	14,688
Treasurer	9,603
Assessment of Property	1,796
Village Hall	158,397
Weston Agreements	420
Uncollectible Taxes	9,999
Public Safety	
Police Department	25,580
Fire Department	166,821
Public Works:	
Garage	67,944
Street Lighting	7,737
Culture and Recreation:	
Parks	535,768
Conservation and Development:	
Economic Development	784

**C. Property Tax Levy Limit**

Wisconsin State Statutes provide for a limit on the property tax levies for all Wisconsin cities, villages, towns and counties. For the 2023 and 2024 budget years, Wisconsin Statutes limit the increase in the maximum allowable tax levy to the change in the Village's January 1 equalized value as a result of net new construction. The actual limit for the Village for the 2023 budget was 1.08%. The actual limit for the Village for the 2024 budget was 0.60%. Debt service for debt authorized after July 1, 2005 is exempt from the levy limit. In addition, Wisconsin statutes allow the limit to be adjusted for the increase in debt service authorized prior to July 1, 2005 and in certain other situations.

**VILLAGE OF ROTHSCILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS**

**A. Cash and Investments**

The Village maintains various cash and investment accounts, including pooled funds that are available for use by all funds. Each fund's portion of these accounts is displayed on the financial statements as "Cash and Investments".

Invested cash consists of deposits and investments that are restricted by Wisconsin Statutes to the following:

Time deposits; repurchase agreements; securities issued by federal, state and local governmental entities; statutorily authorized commercial paper and corporate securities; and the Wisconsin local government investment pool.

The carrying amount of the Village's cash and investments totaled \$13,234,337 on December 31, 2023 as summarized below:

Petty Cash and Cash on Hand	\$ 1,210
Deposits with Financial Institutions	9,587,026
Investments:	
Wisconsin Local Government Investment Pool	10,858
Wisconsin Investment Series Cooperative	3,635,243
Total	<u>\$ 13,234,337</u>

Reconciliation to the Basic Financial Statements:

Government-Wide Statement of Net Position:	
Cash and Investments	\$ 8,890,334
Restricted Cash and Investments	1,367,043
Fiduciary Fund Statement of Net Position:	
Cash and Investments:	
Tax Collection Custodial Fund	2,976,960
Total	<u>\$ 13,234,337</u>

**Fair Value Measurements**

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 observable inputs; Level 3 inputs are significant unobservable inputs. The Village currently has no investments that are subject to fair value measurement.

Deposits and investments of the Village are subject to various risks. Presented below is a discussion of the Village's deposits and investments and the related risks.

**VILLAGE OF ROTHSCILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Cash and Investments (Continued)**

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Wisconsin statutes require repurchase agreements to be fully collateralized by bonds or securities issued or guaranteed by the federal government or its instrumentalities. The Village does not have an additional custodial credit policy.

Deposits with financial institutions within the state of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for the combined amount of all time and savings deposits and \$250,000 for interest-bearing and noninterest-bearing demand deposits per official custodian per insured depository institution. Deposits with financial institutions located outside the state of Wisconsin are insured by the FDIC in the amount of \$250,000 for the combined amount of all deposit accounts per official custodian per depository institution. Deposits with credit unions are insured by the National Credit Union Share Insurance Fund (NCUSIF) in the amount of \$250,000 per credit union member. Also, the State of Wisconsin has a State Guarantee Fund which provides a maximum of \$400,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available. This coverage has been considered in determining custodial credit risk.

As of December 31, 2023, none of the Village's deposits with financial institutions were in excess of federal and state depository insurance limits.

Investment in Wisconsin's Investment Series Cooperation

The District has investments in the Wisconsin Investment Series Cooperative (WISC) of \$3,635,243 at year-end consisting of \$3,001,612 invested in the Investment Series. The Investment Series requires a 14 day minimum investment period and one business day withdrawal notice, and the average dollar weighted maturity is one hundred twenty (120) days or less. The Investment Series and Cash management Series have received a credit rating of AA by a national recognized statistical rating organization.

WISC is organized by and operated exclusively for Wisconsin public schools, technical colleges, and municipal entities. WISC is not registered with the Securities and Exchange Commission, but operates under Wisconsin International Cooperative Statute, Wisconsin Statute, Section 66.0301. WISC is governed by the Wisconsin Investment Series Cooperative Commission in accordance with the terms of the Intergovernmental Cooperation Agreement. WISC invests District funds in accordance with Wisconsin law. WISC investments are valued at amortized cost, which approximates market value.



**VILLAGE OF ROTHSCILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Cash and Investments (Continued)**

Investment in Wisconsin Local Government Investment Pool

The Village has investments in the Wisconsin local government investment pool of \$10,858 at year-end. The Wisconsin local government investment pool (LGIP) is part of the State Investment Fund (SIF) and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2023, the fair value of the Village's share of the LGIP's assets was substantially equal to the carrying value.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin statutes limit investments in securities to the top two ratings assigned by nationally recognized statistical rating organizations. The Village does not have an additional credit risk policy. The WISC Cash Management and Investment Series have been rated AAA by S&P Global. The Wisconsin local government investment pool is not rated.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Village does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. As of June 30, 2023, the Wisconsin local government investment pool had a weighted average maturity of 28 days.

**VILLAGE OF ROTHSCILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**B. Restricted Assets**

Restricted assets on December 31, 2023 totaled \$1,367,043 and consisted of cash and investments held for the following purposes:

Funds	Amount	Purpose
<b>Capital Projects Fund:</b>		
Unspent Debt Proceeds	\$ 397,297	To be used for capital improvements
<b>Enterprise Funds:</b>		
<b>Water Utility:</b>		
Revenue Bond Reserve Fund	240,763	To reserve additional funds for debt retirement; to be used if sufficient funds are not available in the revenue bond special redemption fund.
Revenue Bond Special Redemption Fund	76,173	To be used for subsequent year payments of principal and interest on water and sewer revenue bonds.
Revenue Bond Reserve Fund	96,310	To reserve additional funds for debt retirement; to be used if sufficient funds are not available in the revenue bond special redemption fund.
Unspent Debt Proceeds	290,508	To be used for water system improvements.
Total Water Utility	<u>703,754</u>	
<b>Sewer Utility:</b>		
Revenue Bond Reserve Fund	33,774	To reserve additional funds for debt retirement; to be used if sufficient funds are not available in the revenue bond special redemption fund.
Unspent Debt Proceeds	232,218	To be used for sewer system improvements.
Total Sewer Utility	<u>265,992</u>	
Total	<u><u>\$ 1,367,043</u></u>	

**VILLAGE OF ROTHSCILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Capital Assets**

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Nondepreciable:				
Land	\$ 798,828	\$ 184,384	\$ -	\$ 983,212
Construction in Progress	758,379	678,360	656,616	780,123
Total Capital Assets, Nondepreciable	1,557,207	862,744	656,616	1,763,335
Capital Assets, Depreciable:				
Land Improvements	685,918	-	-	685,918
Buildings and Improvements	7,685,112	-	-	7,685,112
Machinery and Equipment	3,518,302	13,424	13,537	3,518,189
Infrastructure	24,329,451	1,962,057	-	26,291,508
Subtotals	36,218,783	1,975,481	13,537	38,180,727
Less Accumulated Depreciation for:				
Land Improvements	191,376	31,938	-	223,314
Buildings and Improvements	3,335,533	202,899	-	3,538,432
Machinery and Equipment	2,286,399	251,433	13,537	2,524,295
Infrastructure	13,495,185	757,278	-	14,252,463
Subtotals	19,308,493	1,243,548	13,537	20,538,504
Total Capital Assets, Depreciable, Net	16,910,290	731,933	-	17,642,223
Governmental Activities Capital Assets, Net	<u>\$ 18,467,497</u>	<u>\$ 1,594,677</u>	<u>\$ 656,616</u>	19,405,558
Less: Capital Related Debt				7,531,413
Less: Debt Premium				169,704
Less: Capital Related Accounts Payable				<u>144,889</u>
Net Investment in Capital Assets				<u>\$ 11,559,552</u>

**VILLAGE OF ROTHSCILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Capital Assets (Continued)**

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
Capital Assets, Nondepreciable:				
Land	\$ 126,316	\$ -	\$ -	\$ 126,316
Construction in Progress	306,907	405,126	-	712,033
Total Capital Assets, Nondepreciable	433,223	405,126	-	838,349
Capital Assets, Depreciable:				
Buildings and Improvements	3,366,150	-	-	3,366,150
Machinery and Equipment	2,149,054	38,686	-	2,187,740
Infrastructure	10,478,203	897,299	92,336	11,283,166
Subtotals	15,993,407	935,985	92,336	16,837,056
Less Accumulated Depreciation for:				
Buildings and Improvements	1,325,548	25,395	-	1,350,943
Machinery and Equipment	1,269,633	133,597	11,636	1,391,594
Infrastructure	2,040,035	193,978	80,700	2,153,313
Subtotals	4,635,216	352,970	92,336	4,895,850
Total Capital Assets, Depreciable, Net	11,358,191	583,015	-	11,941,206
Business-Type Activities: Capital Assets, Net	<u>\$ 11,791,414</u>	<u>\$ 988,141</u>	<u>\$ -</u>	12,779,555
Less: Capital Related Debt				5,807,633
Less: Debt Premium				170,300
Less: Capital Related Accounts Payable				2,131
Net Investment in Capital Assets				<u>\$ 6,799,491</u>

Depreciation expense was charged to functions of the Village as follows:

Governmental Activities:	
General Government	\$ 66,702
Public Safety	31,830
Public Works	995,853
Culture and Recreation	144,892
Conservation and Development	4,271
Total Depreciation Expense - Governmental Activities	<u>\$ 1,243,548</u>
Business-Type Activities:	
Water Utility	\$ 318,125
Sewer Utility	34,845
Total Depreciation Expense - Business-Type Activities	<u>\$ 352,970</u>

**VILLAGE OF ROTHSCILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**D. Leases Receivable**

A summary of the Village's lease terms and interest rates is as follows:

Tower rental lease. Annual installments ranging from \$40,600 to \$58,956 including interest at 0.17%, due dates in 2030.

Building facility lease. Quarterly installments of \$2,500 including interest at 0.17%, due dates in 2025.

For the year ended December 31, 2023, the Village received \$80,031 in lease revenue and \$14,370 in interest on the lease receivable.

Total future minimum lease payments to be received under lease agreements are as follows:

<u>Year Ended December 31,</u>	<u>Governmental Activities</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2024	\$ 85,088	\$ 12,730	\$ 97,818
2025	90,384	10,987	101,371
2026	86,818	9,248	96,066
2027	92,441	7,468	99,909
2028	98,331	5,573	103,904
2029-2032	215,469	4,974	220,443
Total	<u>\$ 668,531</u>	<u>\$ 50,980</u>	<u>\$ 719,511</u>

**E. Interfund Receivable, Payables, and Transfers**

Interfund receivables and payables between individual funds of the Village, as reported in the fund financial statements, as of December 31, 2023 are detailed below:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Cash Advances to Finance Operating Cash Deficits:		
Governmental Funds:		
General Fund	\$ 118,924	\$ -
Business-Type Activities Fund:		
Water Utility	-	118,924
Totals	<u>\$ 118,924</u>	<u>\$ 118,924</u>

**VILLAGE OF ROTHSCILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Interfund Receivable, Payables, and Transfers (Continued)**

Interfund transfers for the year ended December 31, 2023 were as follows:

Fund	Transfer In	Transfer Out
General	\$ 194,435	\$ 58,490
Debt Service	17,562	-
Capital Projects	-	100
Recycling Fund	40,928	-
Water Utility	-	194,335
Total	<u>\$ 252,925</u>	<u>\$ 252,925</u>

Interfund transfers were made for the following purposes:

Tax Equivalent Payment Made by Water Utility to General Fund	\$ 194,335
Funds Transferred to the Debt Service Fund from the General Fund	17,562
Funds Transferred to Recycling Fund from the General Fund	40,928
Funds Transferred to the General Fund from Capital Projects	100
Total	<u>\$ 252,925</u>

**F. Long-Term Obligations**

The following is a summary of changes in long-term obligations of the Village for the year ended December 31, 2023:

	Beginning Balance	Issued	Retired	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
General Obligation Debt:					
Bonds	\$ 7,785,000	\$ -	\$ 400,000	\$ 7,385,000	\$ 415,000
Notes	4,260,000	-	580,000	3,680,000	565,000
Total General Obligation Debt	12,045,000	-	980,000	11,065,000	980,000
Debt Premium	269,113	-	45,398	223,715	-
Compensated Absences	269,805	45,628	-	315,433	-
Governmental Activities Long-Term Obligations	<u>\$ 12,583,918</u>	<u>\$ 45,628</u>	<u>\$ 1,025,398</u>	<u>\$ 11,604,148</u>	<u>\$ 980,000</u>
<b>Business-Type Activities:</b>					
General Obligation Debt:					
Bonds	\$ 2,310,000	\$ -	\$ 125,000	\$ 2,185,000	\$ 125,000
From Direct Borrowings:					
Revenue Bonds	4,651,058	-	264,936	4,386,122	270,569
Debt Premium	196,645	-	26,345	170,300	-
Compensated Absences	31,830	6,627	-	38,457	-
Business-Type Activities Long-Term Obligations	<u>\$ 7,314,533</u>	<u>\$ 6,627</u>	<u>\$ 416,281</u>	<u>\$ 6,779,879</u>	<u>\$ 395,569</u>

Total interest paid during the year on long-term debt totaled \$467,982.

**VILLAGE OF ROTHSCILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Long-Term Obligations (Continued)**

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/23
General Obligation Notes	07/16/14	03/01/24	2.00% - 3.00%	\$ 1,815,000	\$ 255,000
General Obligation Bonds	06/02/16	03/01/36	2.00% - 2.625%	2,950,000	2,305,000
General Obligation Bonds	06/28/18	03/01/38	3.00% - 3.50%	5,110,000	4,050,000
General Obligation Bonds	11/30/20	09/01/40	1.0% - 2.0%	3,750,000	3,215,000
General Obligation Notes	11/30/20	03/01/40	1.0% - 2.0%	2,190,000	1,715,000
General Obligation Notes	12/05/22	03/01/32	4.0% - 5.0%	1,915,000	1,710,000
Total Outstanding General Obligation Debt					<u>\$ 13,250,000</u>

Annual principal and interest maturities of the outstanding general obligation debt of \$13,250,000 on December 31, 2023 are detailed below:

Year Ended December 31,	Governmental Activities		Business-Type Activities		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 980,000	\$ 272,849	\$ 125,000	\$ 58,701	\$ 1,105,000	\$ 331,550
2025	845,000	247,124	150,000	55,251	995,000	302,375
2026	860,000	223,074	155,000	51,401	1,015,000	274,475
2027	885,000	198,324	140,000	47,676	1,025,000	246,000
2028	915,000	173,974	140,000	44,126	1,055,000	218,100
2029-2033	3,790,000	550,029	745,000	161,682	4,535,000	711,711
2034-2038	2,345,000	185,538	730,000	45,063	3,075,000	230,601
2039-2040	445,000	8,840	-	-	445,000	8,840
Total	<u>\$ 11,065,000</u>	<u>\$ 1,859,752</u>	<u>\$ 2,185,000</u>	<u>\$ 463,899</u>	<u>\$ 13,250,000</u>	<u>\$ 2,323,651</u>

For governmental activities, the other long-term liabilities are generally funded by the general fund.

Legal Margin for New Debt

The Village's legal margin for creation of additional general obligation debt on December 31, 2023 was \$20,896,405 as follows:

Equalized Valuation of the Village	\$ 682,928,100
Statutory Limitation Percentage	(x) 5%
General Obligation Debt Limitation, Per Section 67.03 of the Wisconsin Statutes	34,146,405
Total Outstanding General Obligation Debt	
Total Outstanding General Obligation Debt	13,250,000
Application to Debt Limitation	<u>\$ 20,896,405</u>

**VILLAGE OF ROTHSCILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Long-Term Obligations (Continued)**

Revenue Bonds

Revenue bonds outstanding on December 31, 2023 totaled \$4,386,122 and were comprised of the following issues:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/23
Safe Drinking Water Revenue Bond	06/14/17	05/01/37	1.87%	\$ 359,131	\$ 271,587
Clean Water Fund Revenue Bond	12/13/17	05/01/37	1.76%	384,595	289,535
Revenue Bond	11/30/20	05/01/40	0.50% - 3.00%	1,500,000	1,370,000
Revenue Bond	02/01/22	05/01/34	3.00%	1,855,000	1,690,000
Revenue Bond	12/05/22	05/01/42	4.75% - 5.00%	790,000	765,000
Total Outstanding Revenue Bonds					<u>\$ 4,386,122</u>

Annual principal and interest maturities of the outstanding revenue bonds of \$4,386,122 on December 31, 2023 are detailed below:

<u>Year Ended December 31,</u>	Business-Type Activities		
	Direct Borrowing Revenue Bonds		
	Principal	Interest	Total
2024	\$ 270,569	\$ 124,827	\$ 395,396
2025	256,213	117,376	373,589
2026	256,870	110,889	367,759
2027	277,538	104,164	381,702
2028	288,219	96,702	384,921
2029-2033	1,586,745	354,066	1,940,811
2038-2037	1,029,968	153,048	1,183,016
2039-2042	420,000	28,131	448,131
Total	<u>\$ 4,386,122</u>	<u>\$ 1,089,203</u>	<u>\$ 5,475,325</u>

The Village has outstanding revenue bonds from direct borrowings related to business type activities of \$4,386,122 which contain a provision that in an event of default, the unpaid balance shall, at the option of the lender, without notice, mature and become immediately payable.

Utility Revenues Pledged

The Village has pledged future water and sewer customer revenues, net of specified operating expenses, to repay the water and sewer system revenue bonds. Proceeds from the bonds provided financing for the construction or acquisition of capital assets used with the systems. The bonds are payable solely from water and sewer customer net revenues and are payable through 2042. The total principal and interest remaining to be paid on the bonds is \$5,457,325. Principal and interest paid for the current year and total customer net revenues were \$392,671 and \$965,249, respectively.



**VILLAGE OF ROTHSCHILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Pension Plan**

**1. Plan Description**

The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, expected to work at least 1200 hours a year (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 WRS Financial Report (ACFR), which can be found at <https://eff.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.

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.

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

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

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

The WRS also provides death and disability benefits for employees.

**VILLAGE OF ROTHSCILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Pension Plan (Continued)**

**2. Postretirement Adjustments**

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

Year	Core Fund Adjustment (%)	Variable Fund Adjustment (%)
2013	-9.6%	9.0%
2014	4.7%	25.0%
2015	2.9%	2.0%
2016	0.5%	-5.0%
2017	2.0%	4.0%
2018	2.4%	17.0%
2019	0.0%	-10.0%
2020	1.7%	21.0%
2021	5.1%	13.0%
2022	7.4%	15.0%

**3. 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 year ending December 31, 2023, the WRS recognized \$172,785 in contributions from the employer.

**VILLAGE OF ROTHSCHILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Pension Plan (Continued)**

**3. Contributions (Continued)**

Contribution rates as the current reporting period are:

Employee Category	Employee	Employer
General (Including Teachers, Executives, and Elected Officials)	6.80%	6.80%
Protective with Social Security	6.80%	13.20%
Protective without Social Security	6.80%	18.10%

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

At December 31, 2023, the Village reported a liability of \$869,098 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021 rolled forward to December 31, 2022. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net pension liability was based on the Village's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2022, the Village's proportion was 0.01640519%, which was an increase of 0.00056871% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the Village recognized pension expense of \$439,534.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 1,384,203	\$ 1,818,533
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	1,476,399	-
Changes in Assumptions	170,900	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	6,168	20,470
Employer Contributions Subsequent to the Measurement Date	172,785	-
Total	<u>\$ 3,210,455</u>	<u>\$ 1,839,003</u>

**VILLAGE OF ROTHSCHILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Pension Plan (Continued)**

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

\$172,785 reported as deferred outflows related to pension resulting from the Village's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ended December 31,</u>	<u>Expense</u>
2024	\$ 48,207
2025	247,134
2026	251,877
2027	651,449
Total	<u>\$ 1,198,667</u>

**5. Actuarial Assumptions**

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

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

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

**VILLAGE OF ROTHSCILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Pension Plan (Continued)**

**5. Actuarial Assumptions (Continued)**

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2015 to December 31, 2020. The total pension liability for December 31, 2022 is based upon a roll-forward of the liability calculated from the December 31, 2021 actuarial valuation.

**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:

	Current Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
<u>Core Fund Asset Class</u>			
Public Equity	48.0%	7.6%	5.0%
Public Fixed Income	25.0%	5.3%	2.7%
Inflation Sensitive	19.0%	3.6%	1.1%
Real Estate	8.0%	5.2%	2.6%
Private Equity/Debt	15.0%	9.6%	6.9%
Cash	-15.0%	N/A	N/A
Total Core Fund	100.0%	7.4%	4.8%
<u>Variable Fund Asset Class</u>			
U.S. Equities	70%	7.2%	4.6%
International Equities	30%	8.1%	5.5%
Total Variable Fund	100%	7.7%	5.1%

New England Pension Consultants Long-Term U.S. CPI (Inflation) Forecast: 2.5%

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

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, as asset allocation target of 15% policy leverage is used, subject to an allowable range of up to 20%.

**VILLAGE OF ROTHSCILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Pension Plan (Continued)**

**5. Actuarial Assumptions (Continued)**

**Single Discount Rate.** A single discount rate of 6.80% was used to measure the total pension liability for the current and prior year. This single discount rate is based on the expected rate of return on pension plan investments of 6.80% and a Municipal bond rate of 4.05% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2022. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 6.80% 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 members 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.

**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:

	1% Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.80%)
Village's Proportionate Share of the Net Pension Liability (Asset)	\$ 2,884,509	\$ 869,098	\$ (517,331)

**Pension Plan Fiduciary Net Position.** Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <http://etf.wi.gov/publications/cafr.htm>.

**6. Payables to the Pension Plan**

At December 31, 2023, the Village reported a payable of \$-0- for the outstanding amount of contributions to the pension plan for the year ended December 31, 2023.

**VILLAGE OF ROTHSCHILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Other Postemployment Benefits**

Local Retiree Life Insurance Fund

Plan Description

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

OPEB Plan Fiduciary Net Position

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

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

Benefits Provided

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

Contributions

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

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

Contributions

Contribution rates as of December 31, 2023 are:

<u>Coverage Type</u>	<u>Employer Contribution</u>
50% Postretirement Coverage	40% of Employee Contribution
25% Postretirement Coverage	20% of Employee Contribution

**VILLAGE OF ROTHSCHILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Other Postemployment Benefits (Continued)**

Local Retiree Life Insurance Fund (Continued)

Contributions (Continued)

Member contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating members must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The member contribution rates in effect for the year ended December 31, 2022 are listed below:

Life Insurance Member Contribution Rates For the Year Ended December 31, 2022		
Attained Age	Basic	Supplemental
Under 30	\$0.05	\$0.05
30 - 34	0.06	0.06
35 - 39	0.07	0.07
40 - 44	0.08	0.08
45 - 49	0.12	0.12
50 - 54	0.22	0.22
55 - 59	0.39	0.39
60 - 64	0.49	0.49
65 - 69	0.57	0.57

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

During the year ended December 31, 2023, the LRLIF recognized \$524 in contributions from the employer.

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

At December 31, 2023, the Village reported a liability of \$103,989 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2022 rolled forward to December 31, 2022. No material changes in assumptions or benefits terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net OPEB liability was based on the Village's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2022, the Village's proportion was 0.02729500%, which was a decrease of 0.00929400% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the Village recognized OPEB expense of \$9,519.



**VILLAGE OF ROTHSCILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Other Postemployment Benefits (Continued)**

Local Retiree Life Insurance Fund (Continued)

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 10,178
Net Differences Between Projected and Actual Earnings on OPEB Plan Investments	1,950	-
Changes in Assumptions	37,361	61,382
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	20,004	36,860
Total	<u>\$ 59,315</u>	<u>\$ 108,420</u>

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

<u>Year Ended December 31,</u>	<u>Expense</u>
2024	\$ (3,008)
2025	(3,815)
2026	(3,337)
2027	(9,366)
2028	(14,405)
Thereafter	(15,174)
Total	<u>\$ (49,105)</u>

**VILLAGE OF ROTHSCHILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Other Postemployment Benefits (Continued)**

Local Retiree Life Insurance Fund (Continued)

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

**Actuarial Assumptions.** The total OPEB liability in the January 1, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Valuation Date:	January 1, 2022
Measurement Date of Net OPEB Liability (Asset):	December 31, 2022
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield*:	3.72%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	3.76%
Salary Increases:	
Wage Inflation	3.00%
Seniority/Merit	0.1% - 5.6%
Mortality:	2020 WRS Experience Study Mortality Table

\*Based on the Bond Buyers GO Index

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

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

**VILLAGE OF ROTHSCILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Other Postemployment Benefits (Continued)**

Local Retiree Life Insurance Fund (Continued)

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

<u>Asset Class</u>	<u>Index</u>	<u>Target Allocation</u>	<u>Long-Term Expected Geometric Real Rate of Return %</u>
U.S. Intermediate Credit Bonds	Bloomberg US Interim Credit	50%	2.45%
U.S. Mortgages	Bloomberg US MBS	50%	2.83%
Inflation			2.30%
Long-Term Expected Rate of Return			4.25%

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

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

**VILLAGE OF ROTHSCHILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Other Postemployment Benefits (Continued)**

Local Retiree Life Insurance Fund (Continued)

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

**Sensitivity of the Village's Proportionate Share of Net OPEB Liability (Asset) to Changes in the Discount Rate.** The following presents the Village's proportionate share of the net OPEB liability calculated using the discount rate of 3.76%, as well as what the Village's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.76%) or 1-percentage-point higher (4.76%) than the current rate:

	1% Decrease to Discount Rate (2.76%)	Current Discount Rate (3.76%)	1% Increase to Discount Rate (4.76%)
Village's Proportionate Share of the Net OPEB Liability	\$ 141,778	\$ 103,989	\$ 75,028

Payable to the OPEB Plan

At December 31, 2023, the Village reported a payable of \$-0- for the outstanding amount of contribution to the Plan required for the year ended December 31, 2023.

**I. Fund Equity**

Nonspendable Fund Balance

In the fund financial statements, portions of the governmental fund balances are amounts that cannot be spent because they are either 1) not in spendable form or 2) legally or contractually required to be maintained intact. At December 31, 2023, nonspendable general fund balance was as follows:

General Fund:

Nonspendable:

Prepaid Items	\$ 45,527
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**VILLAGE OF ROTHSCHILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**I. Fund Equity (Continued)**

Restricted Fund Balance

In the fund financial statements, portions of governmental fund balances are not available for appropriation or are legally restricted for use for a specific purpose. At December 31, 2023, restricted fund balance was as follows:

Room Tax Special Revenue Fund:

Restricted for:

Tourism Promotion and Development	\$ 351,774
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Capital Projects Funds:

Restricted for:

Future Capital Projects	318,587
Tax Incremental District	369,816
Total Restricted Fund Balance	\$ 1,040,177

Assigned Fund Balance

Portions of governmental fund balances have been assigned to represent tentative management plans that are subject to change. At December 31, 2023, fund balance was assigned as follows:

Special Revenue Funds:

Assigned for:

Aquatic Center	\$ 105,553
Facade Grant	67,280
Total Special Revenue Funds	172,833

Capital Project Funds:

Assigned for:

Capital Improvements	738,264
Total Assigned Fund Balance	\$ 911,097

Minimum General Fund Balance Policy

The Village has also adopted a minimum fund balance policy of 20% to 25% of subsequent year budgeted expenditures for the general fund. The minimum fund balance is maintained for cash flow and working capital purposes. The minimum fund balance amount is calculated as follows:

2024 General Fund Budget Appropriations	\$	6,085,354
Minimum Fund Balance %		(x) 20 - 25%
Minimum Fund Balance Amount		\$1,217,071 - \$1,521,339

The Village's unassigned general fund balance of \$5,540,408 is above the minimum fund balance amount.

**VILLAGE OF ROTHSCILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 4 OTHER INFORMATION**

**A. Tax Incremental Financing Districts**

The Village has established a separate capital projects fund for Tax Incremental Financing District (TIF) No. 2 which was created by the Village in accordance with Section 66.1105 of the Wisconsin Statutes. At the time the District was created, the property tax base within the District was "frozen" and increment taxes resulting from increases to the property tax base are used to finance District improvements, including principal and interest on long-term debt issued by the Village to finance such improvements. The Statutes allow eligible project costs to be incurred up to five years prior to the maximum termination date. The Village's District is still eligible to incur project costs.

Since creation of the above District, the Village has provided various financing sources to the TIF. The foregoing amounts are not recorded as liabilities in the TIF capital project fund but can be recovered by the Village from any future excess tax increment revenues. As of December 31, 2023, the Village can recover \$335,185 from future excess tax increment revenues of the following:

	Recoverable Costs
TIF No. 2	\$ 335,185

The intent of the Village is to recover the above amounts from future TIF surplus funds, if any, prior to termination of the District. Unless terminated by the Village prior thereto, the TIF has a statutory termination year as follows:

	Termination Year
TIF No. 2	1/28/2040

**VILLAGE OF ROTHSCHILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**B. Tax Abatements**

The Village has created a tax incremental financing district (the District) in accordance with Wisconsin State Statute 66.1105, Tax Increment Law. As part of the project plan for the District, the Village entered into agreements with developers for a creation of tax base within the District. The agreements require the Village to make annual repayments of property taxes collected within the District to the developers, based upon the terms of the agreements. As tax abatements, those developer payments and the related property tax revenues are not reported as revenues or expenditures in the financial statements.

For the year ended December 31, 2023, the Village abated property taxes totaling \$159,592 under this program, including the following tax abatement agreements that each exceeded 10% of the total amount abated:

- A property tax abatement of \$115,560 to a developer for 72.41% within Tax Incremental District No. 2
- A property tax abatement of \$36,294 to a developer for 24.74% within Tax Incremental District No. 2
- A property tax abatement of \$7,738 to a developer for 4.85% within Tax Incremental District No. 2

**C. Revenue Sharing Agreement**

On August 12, 1993, the Village of Rothschild and the Village of Weston (formerly Township of Weston) entered into agreement in settlement of various legal actions filed as a result of the Village of Rothschild annexation of portions of Weston. One of the conditions of this agreement requires the Village of Rothschild to share a percentage of its special utility shared revenue received from the State of Wisconsin. This revenue is a legal benefit to the Village of Rothschild by virtue of having an electric power plant within its boundaries. Prior to annexation, the power plant was within the boundaries of Weston. The Village of Rothschild has agreed to share the State allocation with the Village of Weston as follows:

Year	Village of Weston Allocation
Through 2024	10%
Thereafter	0%

**VILLAGE OF ROTHSCILD, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**D. Risk Management**

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The Village completes an annual review of its insurance coverage to ensure adequate coverage. Settled claims have not exceeded this commercial coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year.

**Dental Self-Insurance Fund**

Village employees and employee dependents are eligible for dental benefits from a dental self-insurance fund. Funding is provided by charges to Village departments and employees. Fund expenses consist of payments to a third-party administrator for dental claims and administrative fees. On December 31, 2023, the fund has available \$66,366 for future unreported medical claims.

The claims liability of \$8,277 reported in the fund at December 31, 2023, is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the basic financial statements indicates that it is probable that a liability has been incurred at the date of the basic financial statements and the amount of the loss can be reasonably estimated. Changes in the fund's claims liability amount are as follows:

	Liability January 1	Current Year Claims and Changes in Estimates	Claims Payments	Liability December 31
2023	\$ 7,801	\$ 33,582	\$ 33,106	\$ 8,277
2022	11,606	27,401	31,206	7,801

**E. Contingencies**

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



## **REQUIRED SUPPLEMENTARY INFORMATION**

**VILLAGE OF ROTHSCILD, WISCONSIN  
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)  
WISCONSIN RETIREMENT SYSTEM  
LAST TEN FISCAL YEARS**

Measurement Period Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
12/31/14	0.01241573%	\$ (304,880)	\$ 1,372,456	22.21%	102.74%
12/31/15	0.01217082%	197,773	1,437,322	13.76%	98.20%
12/31/16	0.01245814%	102,685	1,597,635	6.43%	99.12%
12/31/17	0.01286405%	(381,948)	1,545,618	24.71%	102.93%
12/31/18	0.01350551%	480,483	1,679,016	28.62%	96.45%
12/31/19	0.01382421%	(445,755)	1,778,585	-25.06%	102.96%
12/31/20	0.01489379%	(929,839)	2,008,035	-46.31%	105.26%
12/31/21	0.01583648%	(1,276,449)	2,133,975	-59.82%	106.02%
12/31/22	0.01640519%	869,098	2,077,065	41.84%	95.72%

**SCHEDULE OF CONTRIBUTIONS  
WISCONSIN RETIREMENT SYSTEM  
LAST TEN FISCAL YEARS**

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll (Fiscal Year)	Contributions as a Percentage of Covered Payroll
12/31/15	\$ 115,631	\$ 115,631	\$ -	\$ 1,437,322	8.04%
12/31/16	127,830	127,830	-	1,597,635	8.00%
12/31/17	131,236	131,236	-	1,545,618	8.49%
12/31/18	142,505	142,505	-	1,679,016	8.49%
12/31/19	140,049	140,049	-	1,676,974	8.35%
12/31/20	144,415	144,415	-	1,894,129	7.62%
12/31/21	171,541	171,541	-	1,870,573	9.17%
12/31/22	174,139	174,139	-	1,981,264	8.79%
12/31/23	172,785	172,785	-	2,540,954	6.80%

See accompanying Notes to Required Supplementary Information.

**VILLAGE OF ROTHSCILD, WISCONSIN**  
**SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)**  
**LOCAL RETIREE LIFE INSURANCE FUND**  
**LAST TEN FISCAL YEARS**

Plan Fiscal Year Ending	Proportion of the Net OPEB Liability (Asset)	Proportionate Share of the Net OPEB Liability (Asset)	Covered-Employee Payroll	Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered-Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
12/31/17	0.02501900%	\$ 75,272	\$ 1,545,618	4.87%	44.81%
12/31/18	0.02586570%	73,945	1,679,016	4.40%	48.69%
12/31/19	0.03077600%	131,051	1,778,585	7.37%	37.58%
12/31/20	0.03316200%	182,415	1,941,000	9.40%	31.36%
12/31/21	0.03658900%	216,255	1,847,000	11.71%	29.57%
12/31/22	0.02729500%	103,989	1,880,000	5.53%	38.81%

**SCHEDULE OF CONTRIBUTIONS**  
**LOCAL RETIREE LIFE INSURANCE FUND**  
**LAST TEN FISCAL YEARS**

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
12/31/18	\$ 553	\$ 553	\$ -	\$ 1,679,016	0.03%
12/31/19	605	605	-	1,778,585	0.03%
12/31/20	678	678	-	1,894,129	0.04%
12/31/21	737	737	-	1,870,573	0.04%
12/31/22	502	502	-	1,981,264	0.03%
12/31/23	524	524	-	2,540,954	0.02%

See accompanying Notes to Required Supplementary Information.

**VILLAGE OF ROTHSCILD, WISCONSIN  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2023**

**NOTE 1 WISCONSIN RETIREMENT SYSTEM**

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

*Changes of Assumptions:*

Based on a three-year experience study conducted in 2021 covering January 1, 2019 through December 31, 2020, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year ended December 31, 2021, including the following:

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

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

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

The Village is required to present the last 10 fiscal years of data; however accounting standards allow the presentation of as many years as are available until 10 fiscal years are presented.

**NOTE 2 OTHER POSTEMPLOYMENT BENEFITS – LOCAL RETIREE LIFE INSURANCE FUND**

*Changes of Benefit Terms.* There were no changes of benefit terms for any participating employer in LRLIF.

*Changes of Assumptions:*

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

**VILLAGE OF ROTHSCHILD, WISCONSIN  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2023**

**NOTE 2 OTHER POSTEMPLOYMENT BENEFITS – LOCAL RETIREE LIFE INSURANCE FUND  
(CONTINUED)**

*Changes of Assumptions (Continued):*

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

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

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

- Lowering the long-term expected rate of return from 5.00% to 4.25%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table

The Village is required to present the last 10 fiscal years of data; however accounting standards allow the presentation of as many years as are available until 10 fiscal years are presented.

## **SUPPLEMENTARY INFORMATION**

**VILLAGE OF ROTHSCILD, WISCONSIN  
GENERAL FUND  
DETAILED COMPARISON OF BUDGETED AND ACTUAL REVENUES  
YEAR ENDED DECEMBER 31, 2023**

	Budget			Variance Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>Taxes:</b>				
General Property	\$ 2,236,864	\$ 2,293,869	\$ 2,293,877	\$ 8
Room Tax	249,179	249,179	249,179	-
Managed Forest Lands	150	150	1,183	1,033
Payment in Lieu of Taxes	6,000	6,000	6,146	146
Interest and Taxes	-	-	48	48
Total Taxes	2,492,193	2,549,198	2,548,201	(997)
<b>Intergovernmental:</b>				
State Shared Taxes	1,486,751	1,486,751	1,493,117	6,366
Tax-Exempt Computer Aid	11,341	11,341	11,341	-
Fire Insurance Dues	21,835	21,835	24,195	2,360
Law Enforcement	53,600	53,600	113,613	60,013
General Transportation Aids	517,520	517,520	517,887	367
High Voltage Transmission Line Impact	19,591	19,591	19,591	-
Other	275,645	275,645	695,037	419,392
Total Intergovernmental	2,386,283	2,386,283	2,874,781	488,498
<b>Licenses and Permits:</b>				
<b>Licenses:</b>				
Liquor and Malt Beverage Operators, Cigarette, and Other Licenses	11,100	11,100	13,170	2,070
Weights and Measures	10,780	10,780	10,370	(410)
Dog and Cat	2,100	2,100	2,025	(75)
Other Licenses	6,000	6,000	7,774	1,774
Other Licenses	660	660	870	210
<b>Permits:</b>				
Building Permits	30,200	30,200	34,242	4,042
Boat Launch Permits	4,500	4,500	4,614	114
Total Licenses and Permits	65,340	65,340	73,065	7,725
<b>Fines and Forfeits:</b>				
Law and Ordinance Violations	120,000	120,000	161,014	41,014
Court Fees and Forfeitures	100	100	2,359	2,259
Total Fines and Forfeits	120,100	120,100	163,373	43,273

**VILLAGE OF ROTHSCHILD, WISCONSIN  
GENERAL FUND  
DETAILED COMPARISON OF BUDGETED AND ACTUAL REVENUES (CONTINUED)  
YEAR ENDED DECEMBER 31, 2023**

	Budget			Variance Final Budget - Positive (Negative)
	Original	Final	Actual	
Public Charges for Services:				
General Government Fees	\$ 1,090	\$ 1,090	\$ 967	\$ (123)
Clerk's Fees	6,000	6,000	5,738	(262)
License Publication Fees	800	800	1,162	362
Police Department	9,000	9,000	42,324	33,324
Ambulance Fees	-	-	323	323
Street Department	500	500	4,550	4,050
Security Charges	1,000	1,000	6,567	5,567
Community Center	6,000	6,000	11,075	5,075
Rental of Park Buildings	89,000	89,000	124,078	35,078
Engineering Construction Costs	-	-	(90)	(90)
Total Public Charges for Services	113,390	113,390	196,694	83,304
Intergovernmental Charges for Services:				
Trail Improvements	-	-	36,136	36,136
Interdepartmental Charges for Services:				
Charges to Water Utility	11,000	11,000	13,000	2,000
Miscellaneous:				
Interest on Investments	60,100	60,100	348,515	288,415
Rental and Lease Income	59,000	59,000	67,958	8,958
Insurance Recoveries and Dividends	10,000	10,000	13,306	3,306
Donations	-	-	475	475
Other	-	-	36,421	36,421
Total Miscellaneous	129,100	129,100	466,675	337,575
Total Revenues	<u>\$ 5,317,406</u>	<u>\$ 5,374,411</u>	<u>\$ 6,371,925</u>	<u>\$ 997,514</u>



**VILLAGE OF ROTHSCHILD, WISCONSIN  
GENERAL FUND  
DETAILED COMPARISON OF BUDGETED AND ACTUAL EXPENDITURES  
YEAR ENDED DECEMBER 31, 2023**

	Budget			Variance Final Budget - Positive (Negative)
	Original	Final	Actual	
Current:				
General Government:				
Village Board	\$ 55,621	\$ 55,621	\$ 55,812	\$ (191)
Justice Court	74,902	74,902	73,311	1,591
Administration	139,140	139,140	153,828	(14,688)
Clerk	122,335	122,335	115,379	6,956
Treasurer	57,322	57,322	66,925	(9,603)
Legal	43,000	43,000	15,376	27,624
Assessment of Property	18,000	18,000	19,796	(1,796)
Elections	35,613	35,613	14,070	21,543
Technology	26,000	26,000	23,273	2,727
Village Hall	136,978	136,978	295,375	(158,397)
Insurance and Bonds	77,500	77,500	68,198	9,302
Weston Agreements	118,975	118,975	119,395	(420)
Uncollectible Taxes	-	-	9,999	(9,999)
Total General Government	905,386	905,386	1,030,737	(125,351)
Public Safety:				
Police Department	1,907,436	1,907,436	1,933,016	(25,580)
Fire Department	285,835	285,835	452,656	(166,821)
Ambulance	388,382	388,382	388,382	-
Crossing Guards	4,622	4,622	4,387	235
Total Public Safety	2,586,275	2,586,275	2,778,441	(192,166)
Public Works:				
Street Administration	86,524	86,524	70,629	15,895
Garage	193,420	193,420	261,364	(67,944)
Machinery	207,000	207,000	158,313	48,687
Street Maintenance	693,911	693,911	630,070	63,841
Snow and Ice	155,748	155,748	132,472	23,276
Street Lighting	105,000	105,000	112,737	(7,737)
Sidewalks	17,000	17,000	3,807	13,193
Curb and Gutter	17,500	17,500	-	17,500
Storm Sewers	34,250	34,250	18,902	15,348
Solid Waste Disposal	219,700	219,700	196,031	23,669
Total Public Works	1,730,053	1,730,053	1,584,325	145,728

**VILLAGE OF ROTHSCILD, WISCONSIN  
GENERAL FUND  
DETAILED COMPARISON OF BUDGETED AND ACTUAL EXPENDITURES (CONTINUED)  
YEAR ENDED DECEMBER 31, 2023**

	Budget			Variance Final Budget - Positive (Negative)
	Original	Final	Actual	
Current (Continued):				
Health and Human Services:				
Animal and Insect Control	\$ 5,000	\$ 5,000	\$ 4,980	\$ 20
Culture and Recreation:				
Pavilion	88,738	88,738	84,229	4,509
Boat Launch	13,500	13,500	12,753	747
Parks	376,341	376,341	912,109	(535,768)
Recreation Programs	12,082	12,082	3,441	8,641
Total Culture and Recreation	490,661	490,661	1,012,532	(521,871)
Conservation and Development::				
Forestry	67,675	67,675	41,015	26,660
Zoning	103,970	103,970	92,377	11,593
Community Contributions	5,750	5,750	4,750	1,000
Economic Development	1,000	1,000	1,784	(784)
Total Conservation and Development	178,395	178,395	139,926	38,469
Total Expenditures	<u>\$ 5,895,770</u>	<u>\$ 5,895,770</u>	<u>\$ 6,550,941</u>	<u>\$ (655,171)</u>

**VILLAGE OF ROTHSCILD, WISCONSIN  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2023**

	Special Revenue				Capital Projects	
	Room Tax	Aquatic Center	Façade Grant	Recycling Fund	TIF No. 2	Total
<b>ASSETS</b>						
Cash and Investments	\$ 222,201	\$ 107,820	\$ 67,280	\$ 51	\$ 369,816	\$ 767,168
Receivables:						
Taxes and Special Charges	-	91,892	-	127,144	572,976	792,012
Accounts	133,643	-	-	-	-	133,643
Loans	-	-	97,912	-	-	97,912
Total Assets	<u>\$ 355,844</u>	<u>\$ 199,712</u>	<u>\$ 165,192</u>	<u>\$ 127,195</u>	<u>\$ 942,792</u>	<u>\$ 1,790,735</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts Payable	\$ 1,482	\$ 2,267	\$ -	\$ 51	\$ -	\$ 3,800
Accrued and Other Current Liabilities	2,588	-	-	-	-	2,588
Total Liabilities	<u>4,070</u>	<u>2,267</u>	<u>-</u>	<u>51</u>	<u>-</u>	<u>6,388</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Property Taxes and Special Charges						
Levied for Subsequent Year	-	91,892	-	127,144	572,976	792,012
Loans Receivable	-	-	97,912	-	-	97,912
Total Deferred Inflows of Resources	<u>-</u>	<u>91,892</u>	<u>97,912</u>	<u>127,144</u>	<u>572,976</u>	<u>889,924</u>
<b>FUND BALANCES</b>						
Restricted	351,774	-	-	-	369,816	721,590
Assigned	-	105,553	67,280	-	-	172,833
Total Fund Balances	<u>351,774</u>	<u>105,553</u>	<u>67,280</u>	<u>-</u>	<u>369,816</u>	<u>894,423</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 355,844</u>	<u>\$ 199,712</u>	<u>\$ 165,192</u>	<u>\$ 127,195</u>	<u>\$ 942,792</u>	<u>\$ 1,790,735</u>

**VILLAGE OF ROTHSCILD, WISCONSIN**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**YEAR ENDED DECEMBER 31, 2023**

	Special Revenue				Capital Projects	
	Room Tax	Aquatic Center	Facade Grant	Recycling Fund	TIF No. 2	Total
<b>REVENUES</b>						
Taxes	\$ 398,679	\$ 117,698	\$ -	\$ 14,653	\$ 366,261	\$ 897,291
Intergovernmental	-	-	-	11,708	21,613	33,321
Public Charges for Services	-	67,934	15,755	73,644	2,361	159,694
Intergovernmental Charges for Services	-	53,562	-	-	-	53,562
Miscellaneous	-	12,443	1,065	-	29,005	42,513
Total Revenues	398,679	251,637	16,820	100,005	419,240	1,186,381
<b>EXPENDITURES</b>						
Current:						
General Government	-	-	-	-	239	239
Public Works	-	-	-	140,933	-	140,933
Culture and Recreation	-	243,390	-	-	-	243,390
Conservation and Development	283,594	-	-	-	24,793	308,387
Debt Service:						
Principal	-	-	-	-	25,000	25,000
Interest and Fiscal Charges	-	-	-	-	22,825	22,825
Total Expenditures	283,594	243,390	-	140,933	72,857	740,774
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	115,085	8,247	16,820	(40,928)	346,383	445,607
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers In	-	-	-	40,928	-	40,928
<b>NET CHANGE IN FUND BALANCES</b>	115,085	8,247	16,820	-	346,383	486,535
Fund Balances - January 1	236,689	97,306	50,460	-	23,433	407,888
<b>FUND BALANCES - DECEMBER 31</b>	<u>\$ 351,774</u>	<u>\$ 105,553</u>	<u>\$ 67,280</u>	<u>\$ -</u>	<u>\$ 369,816</u>	<u>\$ 894,423</u>

**ADDITIONAL INDEPENDENT AUDITORS' REPORT  
FOR BASIC FINANCIAL STATEMENTS**



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Village Board  
Village of Rothschild, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Rothschild, Wisconsin (the Village) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated March 29, 2024.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Village's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness yet important enough to merit attention by those charged with governance. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and responses as items 2023-001 and 2023-002, that we consider to be significant deficiencies.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Village's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Village of Rothschild's, Wisconsin's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Village's response to the findings identified in our audit and described in the accompanying schedule of findings and responses. The Village's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Green Bay, Wisconsin  
March 29, 2024

**VILLAGE OF ROTHSCHILD, WISCONSIN  
SCHEDULE OF FINDINGS AND RESPONSES  
YEAR ENDED DECEMBER 31, 2023**

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***Internal Control over Financial Reporting***

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**FINDING NO.**

2023-001                      Preparation of Annual Financial Report

Type of Finding:            Significant Deficiency in Internal Control over Financial Reporting

Condition:                    The Village engages CliftonLarsonAllen LLP (CLA) to assist in preparing its financial statements and accompanying disclosures. However, as independent auditors, CLA cannot be considered part of the Village's internal control system. As part of its internal control over the preparation of its financial statements, including disclosures, the Village has implemented a comprehensive review procedure to ensure that the financial statements, including disclosures, are complete and accurate. Such review procedures should be performed by an individual possessing a thorough understanding of accounting principles generally accepted in the United States of America and knowledge of the Village's activities and operations.

Criteria or Specific Requirement:                    The preparation and review of the annual financial report, by staff with expertise in financial reporting is an internal control intended to prevent, detect and correct a potential omission or misstatement in the financial statements or notes.

Effect:                         Without our involvement, the Village may not be able to completely prepare an annual financial report in accordance with accounting principles generally accepted in the United States of America.

Cause:                         Village management has determined that the additional costs associated with training staff to become experienced in applicable accounting principles and note disclosures outweigh the derived benefits.

Recommendation:           We recommend the Village continue reviewing the annual financial report. While it may not be cost beneficial to train additional staff to completely prepare the report, a thorough review of this information by appropriate staff of the Village is necessary to obtain a complete and adequate understanding of the Village's annual financial report.

Management Response:           Management believes that the cost for additional staff time and training to prepare year-end closing entries and reports outweighs the benefits to be received. Management has reviewed and approved the annual financial report prior to issuance.



**VILLAGE OF ROTHSCHILD, WISCONSIN  
SCHEDULE OF FINDINGS AND RESPONSES  
YEAR ENDED DECEMBER 31, 2023**

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***Internal Control over Financial Reporting (Continued)***

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**FINDING NO.**

2023-002	Adjustments to the Village's Financial Records
Type of Finding:	Significant Deficiency in Internal Control over Financial Reporting
Condition:	As part of our audit, we proposed adjusting journal entries to the Village's financial statements.
Criteria or Specific Requirement:	Adjusting journal entries proposed by the auditors are considered to be an internal control deficiency.
Effect:	Year-end financial records prepared by the Village may contain material misstatements.
Cause:	While Village staff maintains financial records which accurately report revenues and expenditures throughout the year, preparing year-end adjusting and closing entries requires additional expertise that would entail additional training and staff time to develop.
Recommendation:	We recommend the County designate an individual to obtain additional training in order to prepare the adjusting and closing entries. We are available to assist the individual in obtaining the understanding to prepare these entries.
Management Response:	Management will continue to review year-end adjusting and closing entries prepared by CLA, including supporting documentation prior to approval and posting to the Village records.

## **APPENDIX D**

### **FORM OF CONTINUING DISCLOSURE CERTIFICATE**

## CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the Village of Rothschild, Marathon County, Wisconsin (the "Issuer") in connection with the issuance of \$975,000 Water and Sewer System Revenue Bonds, dated June 3, 2024 (the "Securities"). The Securities are being issued pursuant to a resolution adopted on May 13, 2024 (the "Resolution") and delivered to \_\_\_\_\_ (the "Purchaser") on the date hereof. Pursuant to the Resolution, the Issuer has covenanted and agreed to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events. In addition, the Issuer hereby specifically covenants and agrees as follows:

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

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

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

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

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

"Final Official Statement" means the Final Official Statement dated May 13, 2024 delivered in connection with the Securities, which is available from the MSRB.

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

"Fiscal Year" means the fiscal year of the Issuer.

"Governing Body" means the Village Board of the Issuer or such other body as may hereafter be the chief legislative body of the Issuer.

"Issuer" means the Village of Rothschild, Marathon County, Wisconsin, which is the obligated person with respect to the Securities.

"Issuer Contact" means the Village Administrator of the Issuer who can be contacted at Village Hall, 211 Grand Avenue, Rothschild, Wisconsin 54474, phone (715) 359-3660, fax (715) 359-7218.

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

"MSRB" means the Municipal Securities Rulemaking Board.

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

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

"SEC" means the Securities and Exchange Commission.

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

(a) The Issuer shall, not later than 270 days after the end of the Fiscal Year, commencing with the year ending December 31, 2023, provide the MSRB with an Annual Report filed in accordance with Section 1(b) of this Disclosure Certificate and which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the Audited Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report and that, if Audited Financial Statements are not available within 270 days after the end of the Fiscal Year, unaudited financial information will be provided, and Audited Financial Statements will be submitted to the MSRB when and if available.

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

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

1. APPENDIX A - TAX LEVIES, RATES AND COLLECTIONS
2. APPENDIX A - ASSESSED AND EQUALIZED VALUATIONS
3. APPENDIX A - INDEBTEDNESS OF THE VILLAGE - Direct Indebtedness

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

Section 5. Reporting of Listed Events.

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

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Securities, or other material events affecting the tax status of the Securities;
7. Modification to rights of holders of the Securities, if material;
8. Securities calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution or sale of property securing repayment of the Securities, if material;
11. Rating changes;

12. Bankruptcy, insolvency, receivership or similar event of the Issuer;
13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect holders of the Securities, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

IN WITNESS WHEREOF, we have executed this Certificate in our official capacities effective the 3rd day of June, 2024.

(SEAL)

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George O. Peterson  
President

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Elizabeth Felkner  
Village Clerk



## **APPENDIX E**

### **FORM OF LEGAL OPINION**

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

June 3, 2024

Re: Village of Rothschild, Wisconsin ("Issuer")  
\$975,000 Water and Sewer System Revenue Bonds,  
dated June 3, 2024 ("Bonds")

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

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

The Bonds are issued pursuant to Section 66.0621, Wisconsin Statutes, and a resolution adopted by the Village Board on May 13, 2024 (the "Bond Resolution"). Pursuant to the Bond Resolution, the Bonds are issued on a parity with the Issuer's outstanding Water and Sewer System Revenue Bonds, Series 2017A, dated June 14, 2017, Water and Sewer System Revenue Bonds, Series 2017B, dated December 13, 2017, Water and Sewer System Revenue Bonds, dated November 30, 2020, Water and Sewer System Revenue Refunding Bonds, dated February 1, 2022 and Water and Sewer System Revenue Bonds, dated December 5, 2022 (collectively, the "Prior Bonds"). The Issuer covenanted in the Bond Resolution that revenues of the Water System and Sewer System (collectively, the "System") which are deposited in the Special Redemption Fund provided by the Bond Resolution (the "Revenues") shall at all times be sufficient to pay the principal of and interest on the Prior Bonds and the Bonds as the same falls due.

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

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2025	\$40,000	____%
2026	45,000	____
2027	50,000	____
2028	50,000	____
2029	50,000	____
2030	60,000	____
2031	60,000	____
2032	65,000	____
2033	70,000	____
2034	75,000	____
2035	75,000	____
2036	75,000	____

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2037	\$85,000	____%
2038	85,000	____
2039	90,000	____

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

The Bonds maturing on May 1, 2033 and thereafter are subject to redemption prior to maturity, at the option of the Issuer, on May 1, 2032 or on any date thereafter. Said Bonds are redeemable as a whole or in part, and if in part, from maturities selected by the Issuer, and within each maturity by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

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

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

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

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

retroactively to the date of issuance of the Bonds. The Issuer has agreed to comply with all of those requirements. The opinion set forth in the first sentence of this paragraph is subject to the condition that the Issuer comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

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

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

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

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

QUARLES & BRADY LLP

**APPENDIX F**  
**OFFICIAL NOTICE OF SALE AND BID FORM**  
**FOR**  
**VILLAGE OF ROTHSCCHILD, WISCONSIN**

**\$975,000\* Water and Sewer System Revenue Bonds**

**Sale Data:**

**SALE DATE AND TIME:**

Monday, May 13, 2024  
10:30 A.M. (Central Time)

**PLACE:**

Robert W. Baird & Co.  
Public Finance Department  
777 East Wisconsin Avenue, 25th Floor  
Milwaukee, Wisconsin 53202

Attention: Ms. Katherine Voss  
Phone: (414) 765-3827

Bids will also be accepted electronically via PARITY.

*\*Preliminary, subject to change.*

OFFICIAL NOTICE OF SALE

\$975,000\*

VILLAGE OF ROTHSCHILD  
MARATHON COUNTY, WISCONSIN  
WATER AND SEWER SYSTEM REVENUE BONDS  
DATED JUNE 3, 2024 (THE "BONDS")

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NOTICE IS HEREBY GIVEN that bids will be received by the Village Board of the Village of Rothschild, Marathon County, Wisconsin (the "Village") for the purchase of all but no part of its Bonds electronically via PARITY (as described below) or at the offices of the Village's financial advisor, Robert W. Baird & Co. Incorporated, Public Finance Department, 25th Floor, 777 East Wisconsin Avenue, Milwaukee, Wisconsin 53202 ("Baird"), Attention: Ms. Katherine Voss, Vice President, until 10:30 a.m. (Central Time) on:

May 13, 2024

at which time the bids will be publicly opened and read. Bids may be mailed or delivered to Baird at the address set forth above or submitted electronically via PARITY, as described below. Signed bids, without final price or coupons, may be submitted to Baird prior to the time of sale. The bidder shall be responsible for submitting to Baird the final bid price and coupons, by telephone (414) 765-3827 for inclusion in the submitted bid. Bids which are mailed or delivered should be plainly marked "Bid for Village of Rothschild Water and Sewer System Revenue Bonds". A meeting of the Village Board will be held on said date for the purpose of taking action on such bids as may be received. Bids will only be considered by the Village Board if the required good faith deposit has been received in accordance with the requirements set forth below.

Dates and Maturities: The Bonds will be dated June 3, 2024 and will mature on May 1 of each year, in the years and principal amounts as follows:

<u>Year</u>	<u>Principal Amount*</u>
2025	\$40,000
2026	45,000
2027	50,000
2028	50,000
2029	50,000
2030	60,000
2031	60,000
2032	65,000

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\* Preliminary, subject to change. The Village reserves the right, after bids are opened and prior to the award, to increase or reduce the principal amount of the Bonds offered for sale. Any such increase or reduction will be made in multiples of \$5,000 in any maturity. In the event the principal amount is increased or reduced, any premium offered or any discount taken by the successful bidder will be increased or reduced by a percentage equal to the percentage by which the principal amount of the Bonds is increased or reduced.

<u>Year</u>	<u>Principal Amount*</u>
2033	\$70,000
2034	75,000
2035	75,000
2036	75,000
2037	85,000
2038	85,000
2039	90,000

Interest: Interest on the Bonds will be payable semi-annually on May 1 and November 1 of each year, commencing on May 1, 2025 to the registered owners of the Bonds appearing of record in the bond register as of the close of business on the 15th day of the calendar month next preceding each interest payment date. 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 MSRB.

Optional Redemption: The Bonds maturing on May 1, 2033 and thereafter will be subject to redemption prior to maturity, at the option of the Village, on May 1, 2032 or on any date thereafter. Said Bonds will be redeemable as a whole or in part, and if 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.

Term Bonds at Bidder's Option: Bids for the Bonds may contain a maturity schedule providing for any combination of serial bonds and term bonds, subject to mandatory redemption, so long as the amount of principal maturing or subject to mandatory redemption in each year conforms to the maturity schedule set forth above.

Mandatory Redemption: Any term bonds specified shall be subject to mandatory sinking fund redemption in part prior to their scheduled maturity dates on May 1 of certain years, as more fully described in the Dates and Maturities section herein, at a price of par plus accrued interest to the date of redemption.

Security and Purpose: The Bonds shall in no event be general obligations of the Village, and do not constitute an indebtedness of the Village, nor a charge against its general credit or taxing power. The Bonds are payable only out of the Special Redemption Fund described in the resolution authorizing the Bonds, and shall be a valid claim of any holder thereof only against said Special Redemption Fund and the revenues of the Water System and Sewer System pledged to such fund, on a parity with the pledge of revenues granted with respect to the Village's Water and Sewer System Revenue Bonds, Series 2017A, dated June 14, 2017, the Water and Sewer

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\* Preliminary, subject to change. The Village reserves the right, after bids are opened and prior to the award, to increase or reduce the principal amount of the Bonds offered for sale. Any such increase or reduction will be made in multiples of \$5,000 in any maturity. In the event the principal amount is increased or reduced, any premium offered or any discount taken by the successful bidder will be increased or reduced by a percentage equal to the percentage by which the principal amount of the Bonds is increased or reduced.

System Revenue Bonds, Series 2017B, dated December 13, 2017, the Water and Sewer System Revenue Bonds, dated November 30, 2020, the Water and Sewer System Revenue Refunding Bonds, dated February 1, 2022 and the Water and Sewer System Revenue Bonds, dated December 5, 2022. The Bonds will be issued for the public purpose of paying the cost of additions, improvements and extensions to the Village's Water and Sewer System, including related equipment acquisition.

Registration: The Bonds will be issued as fully-registered Bonds without coupons and, when issued, will be registered only in the name of CEDE & CO., as nominee for The Depository Trust Company, New York, New York ("DTC").

DTC Book Entry Only System: UTILIZATION OF DTC IS REQUIRED. BIDS FOR THE BONDS MAY NOT PROVIDE FOR THE BONDS TO BE ISSUED ON A NON-DTC BASIS. DTC will act as securities depository of the Bonds. A single Bond certificate for each maturity will be issued to DTC and immobilized in its custody. Individual purchases may be made in book-entry form only pursuant to the rules and procedures established between DTC and its participants, in the denomination of \$5,000 or any integral multiple thereof. Individual purchasers will not receive certificates evidencing their ownership of the Bonds purchased. The successful bidder shall be required to deposit the Bond certificates with DTC as a condition to delivery of the Bonds. The Village will make payments of principal and interest on the Bonds to DTC or its nominee as registered owner of the Bonds in same-day funds. Transfer of those payments to participants of DTC will be the responsibility of DTC; transfer of the payments to beneficial owners by DTC participants will be the responsibility of such participants and other nominees of beneficial owners all as required by DTC rules and procedures. No assurance can be given by the Village that DTC, its participants and other nominees of beneficial owners will make prompt transfer of the payments as required by DTC rules and procedures. The Village assumes no liability for failures of DTC, its participants or other nominees to promptly transfer payments to beneficial owners of the Bonds.

Depository: In the event that the securities depository relationship with DTC for the Bonds is terminated and the Village does not appoint a successor depository, the Village will prepare, authenticate and deliver, at its expense, fully-registered certificated Bonds in the denomination of \$5,000 or any integral multiple thereof in the aggregate principal amount of Bonds of the same maturities and with the same interest rate or rates then outstanding to the beneficial owners of the Bonds.

Fiscal Agent: The Bonds shall be distributed to the owners in fully-registered form in the denomination of \$5,000 or any integral multiple thereof by Associated Trust Company, National Association, Green Bay, Wisconsin, the Village's fiscal agent with respect to the Bonds (the "Fiscal Agent"). The Bonds shall be payable as to interest by check or draft of the Fiscal Agent mailed to the registered owners whose names appear on the books of the Fiscal Agent at the close of business on the 15th day of the calendar month next preceding each interest payment date and as to principal by presentation of the Bonds at the office of the Fiscal Agent. The Village will pay all costs relating to the registration of the Bonds.



Designation as Qualified Tax-Exempt Obligations: The Bonds will be designated "qualified tax-exempt obligations" pursuant to the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. The Village Clerk or other officer of the Village charged with the responsibility for issuing the Bonds, shall provide an appropriate certificate of the Village as of the date of delivery and payment for the Bonds confirming the "qualified" status.

Bid Specifications: Bids will be received on an interest rate basis in integral multiples of One-Twentieth ( $1/20$ ) or One-Eighth ( $1/8$ ) of One Percent (1%). Any number of rates may be bid but all Bonds of the same maturity shall bear the same interest rate. No bid for less than One Hundred Percent (100%) of the principal amount of the Bonds (\$975,000) nor more than One Hundred Five Percent (105%) of the principal amount of the Bonds (\$1,023,750) plus accrued interest to the date of delivery will be considered. The Bonds will be awarded to a responsible bidder whose proposal results in the lowest true interest cost to the Village, as calculated prior to any adjustments as described above.

Type of Bid: Bids must be submitted either: (1) to Baird as set forth herein; or (2) electronically via PARITY, in accordance with this Official Notice of Sale, within a one hour period prior to the time of sale, but no bids will be received after the time established above for the opening of bids. If any provisions in this Notice are conflicting with any instructions or directions set forth in PARITY, this Official Notice of Sale shall control. The normal fee for use of PARITY may be obtained from PARITY, and such fee shall be the responsibility of the bidder. For further information about PARITY, potential bidders may contact Baird, 25th Floor, 777 East Wisconsin Avenue, Milwaukee, Wisconsin 53202 or PARITY, c/o i-Deal LLC, 1359 Broadway, 2nd Floor, New York, New York 10018, telephone (212) 849-5021. The Village and Baird assume no responsibility or liability for bids submitted through PARITY. Each bidder shall be solely responsible for making necessary arrangements to access PARITY for purposes of submitting its electronic bid in a timely manner and in compliance with the requirements of the Official Notice of Sale. Neither the Village, its agents nor PARITY shall have any duty or obligation to undertake registration to bid for any prospective bidder or to provide or ensure electronic access to any qualified prospective bidder, and neither the Village, its agents nor PARITY shall be responsible for a bidder's failure to register to bid or for any failure in the proper operation of, or have any liability for any delays or interruptions of or any damages caused by the services of PARITY. The Village is using the services of PARITY solely as a communication mechanism to conduct the electronic bidding for the Bonds, and PARITY is not an agent of the Village.

The Village may regard the electronic transmission of the bid via the electronic service (including information about the purchase price for the Bonds and interest rate or rates to be borne by the Bonds and any other information included in such transmission) as though the same information were submitted on the bid form and executed on behalf of the bidder by a duly authorized signatory. If the bid is accepted by the Village, the terms of the bid form, this Official Notice of Sale, and the information transmitted through the electronic service shall form a contract, and the bidder shall be bound by the terms of such contract.

For information purposes only, bidders are requested to state in their electronic bids the true interest cost to the Village, as described in this Official Notice of Sale and in the written

form of Official Bid Form. All electronic bids shall be deemed to incorporate the provisions of this Official Notice of Sale and the form of Official Bid Form.

Good Faith Deposit: A cashier's check in the amount of \$19,500 may be submitted contemporaneously with the bid or, in the alternative, a deposit in the amount of \$19,500 shall be made by the winning bidder by federal wire transfer as directed by the Village Treasurer to be received by the Village no later than 1:00 p.m. prevailing Central Time on the day of the bid opening (May 13, 2024) as a guarantee of good faith on the part of the bidder to be forfeited as liquidated damages if such bid be accepted and the bidder fails to take up and pay for the Bonds. The good faith deposit will be applied to the purchase price of the Bonds. In the event the successful bidder fails to honor its accepted bid, the good faith deposit will be retained by the Village. No interest shall be allowed on the good faith deposit. Payment for the balance of the purchase price of the Bonds shall be made at the closing. Good faith checks of unsuccessful bidders will be returned by overnight delivery for next day receipt sent not later than the first business day following the sale.

Bond Insurance at Bidder's Option: If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of the bidder, the purchase of any such insurance policy or the issuance of any such commitment shall be at the sole option and expense of the successful bidder. Each bidder shall indicate if it is obtaining bond insurance and shall list the name of the bond insurer on the bidder's Official Bid Form. Any increased costs of issuance of the Bonds resulting from such purchase of insurance shall be paid by the successful bidder except that, if the Village has requested and received a rating on the Bonds from a rating agency, the Village will pay that rating fee. Any other rating agency fees shall be the responsibility of the successful bidder. Failure of the municipal bond insurer to issue the policy after the Bonds have been awarded to the successful bidder shall not constitute cause for failure or refusal by the successful bidder to accept delivery on the Bonds.

Delivery: The Bonds will be delivered in printed form, one Bond per maturity, registered in the name of CEDE & CO., as nominee of DTC, securities depository of the Bonds for the establishment of book-entry accounts at the direction of the successful bidder, within approximately forty-five (45) days after the award. Payment at the time of delivery must be made in federal or other immediately available funds. In the event delivery is not made within forty-five (45) days after the date of the sale of the Bonds, the successful bidder may, prior to tender of the Bonds, at its option, be relieved of its obligation under the contract to purchase the Bonds and its good faith deposit shall be returned, but no interest shall be allowed thereon.

Legality: The successful bidder will be furnished without cost, the unqualified approving legal opinion of Quarles & Brady LLP of Milwaukee, Wisconsin. A transcript of the proceedings relative to the issuance of the Bonds (including an arbitrage certificate and a no-litigation certificate) will be furnished to the successful bidder without cost. A Continuing Disclosure Certificate will be delivered at closing setting forth the details and terms of the Village's undertaking and such Certificate is a condition of closing.

CUSIP Numbers: The Village will assume no obligation for the assignment of CUSIP numbers on the Bonds or for the correctness of any numbers printed thereon. The Village will

permit such numbers to be assigned and printed at the expense of the successful bidder, but neither the failure to print such numbers on any Bonds nor any error with respect thereto will constitute cause for failure or refusal by the successful bidder to accept delivery of the Bonds.

Establishment of Issue Price: (a) The winning bidder shall assist the Village in establishing the issue price of the Bonds and shall execute and deliver to the Village at closing an Underwriter's Certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit A, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the Village and Bond Counsel. All actions to be taken by the Village under this Official Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the Village by the Village's municipal advisor identified herein and any notice or report to be provided to the Village may be provided to the Village's municipal advisor.

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

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

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

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

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

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

The winning bidder shall promptly advise the Village when the underwriter has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

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 the hold-the-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering price rule, as set forth in the retail 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 hold-the-offering-price rule 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 retail distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

(e) If all of the requirements of a "competitive sale" are not satisfied and the underwriter selects the 10% test, the underwriter agrees to promptly report to the Village, Bond Counsel and Baird the prices at which the Bonds have been sold to the public. That reporting obligation shall continue, whether or not the closing date has occurred, until the 10% test has been satisfied as to each maturity of the Bonds or until all of the Bonds of a certain maturity have been sold.

(f) By submitting a bid, each bidder confirms that (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a

member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public, and (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 relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder or such underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public, and (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 or such underwriter and as set forth in the related pricing wires.

(g) Sales of any Bonds to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Official Notice of Sale. Further, for purposes of this Official Notice of Sale:

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

Official Statement: Bidders may obtain a copy of the Preliminary Official Statement by request to the Village's financial advisor prior to the bid opening. By submitting a bid, the successful bidder agrees to supply to the Village within 24 hours after the award of the Bonds all necessary pricing information and any underwriter identification necessary to complete the Preliminary Official Statement. Within seven business days of the award of the Bonds, the successful bidder will be provided with an electronic copy of the Official Statement in pdf format. If the successful bidder is the manager of an underwriting syndicate, the successful bidder shall be responsible for distributing copies of the Official Statement and any addenda to syndicate members.

Certification Regarding Official Statement: The Village will deliver, at closing, a certificate, executed by appropriate officers of the Village acting in their official capacities, to the effect that the facts contained in the Official Statement relating to the Village and the Bonds are true and correct in all material respects, and that the Official Statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The Village also agrees to notify the successful bidder of any material developments impacting the Village or the Bonds of which the Village becomes aware within 60 days after the delivery of the Bonds.

Undertaking to Provide Continuing Disclosure: In order to assist bidders in complying with SEC Rule 15c2-12, as amended, the Village will covenant to undertake (pursuant to a Resolution to be adopted by the Village Board), to provide annual reports and timely notice of certain events for the benefit of holders of the Bonds. The details and terms of the undertaking are set forth in a Continuing Disclosure Certificate to be executed and delivered by the Village, a form of which is included in the Preliminary Official Statement and in the Final Official Statement.

Irregularities: The Village reserves the right to reject any and all bids and to waive any and all irregularities.

Information: Copies of the Preliminary Official Statement and additional information may be obtained by addressing inquiries to: Robert W. Baird & Co. Incorporated; Attention: Ms. Katherine Voss, Vice President, (414) 765-3827 or the undersigned.

Ryan VanDeWalle  
Village Administrator  
Village of Rothschild  
Village Hall  
211 Grand Avenue  
Rothschild, Wisconsin 54474  
Phone: (715) 359-3660

Exhibit A  
(to Official Notice of Sale)

Village of Rothschild, Wisconsin ("Village")  
\$975,000  
Water and Sewer System Revenue Bonds,  
dated June 3, 2024

**UNDERWRITER'S CERTIFICATE**

The undersigned, on behalf of \_\_\_\_\_ (the "Underwriter"), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the "Bonds").

1. ***Reasonably Expected Initial Offering Price.***

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by the Underwriter are the prices listed in Schedule A (the "Expected Offering Prices"). The Expected Offering Prices are the prices for the Maturities of the Bonds used by the Underwriter in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by the Underwriter to purchase the Bonds.

(b) The Underwriter was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by the Underwriter constituted a firm offer to purchase the Bonds.

**[2. *Bond Insurance.***

(a) The Municipal Bond Insurance Policy (the "Bond Insurance Policy") issued by \_\_\_\_\_ (the "Bond Insurer") was essential in marketing the Bonds at the rates and prices at which they were marketed and the absence of the Bond Insurance Policy would have had a material adverse effect on the interest rates at which the Bonds were sold.

(b) In our opinion, the bond insurance premium paid to the Bond Insurer for its Bond Insurance Policy is a reasonable arm's-length charge for the transfer of credit risk which the Bond Insurance Policy represents.

(c) In our opinion, the present value of the bond insurance premium is less than the present value of the interest on the Bonds reasonably expected to be saved as a result of the Bond Insurance Policy. In making this determination present values were computed by using the yield on the Bonds (determined with regard to the bond insurance premium) as the discount rate.]

\_\_\_\_\_. ***Reserve Fund.*** The resolution authorizing the Bonds provides for a reserve account (the "Reserve Fund"). In our opinion, based on our experience with bonds similar to the Bonds and borrowers similar to the Village, (a) the creation of the Reserve Fund and the funding

of the Reserve Fund at the level at which it will be funded was essential in marketing the Bonds at the rates and prices at which they were marketed, (b) the absence of the Reserve Fund would have had a materially adverse effect on the interest rates at which the Bonds were sold and (c) the Reserve Fund is, therefore, reasonably required.

\_\_\_\_. ***Defined Terms.***

(a) "Maturity" means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) "Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) "Sale Date" means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is May 13, 2024.

(d) "Underwriter" means (i) any person that agrees pursuant to a written contract with the Village (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Underwriter's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Village with respect to certain of the representations set forth in the Tax Exemption Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Quarles & Brady LLP, Bond Counsel, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G and other federal income tax advice that it may give to the Village from time to time relating to the Bonds.

[UNDERWRITER]

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

Name: \_\_\_\_\_

Dated: June 3, 2024



SCHEDULE A  
TO  
UNDERWRITER'S CERTIFICATE

EXPECTED OFFERING PRICES

(See Attached)

SCHEDULE B  
TO  
UNDERWRITER'S CERTIFICATE

COPY OF UNDERWRITER'S BID

(See Attached)

**BID FORM**  
**VILLAGE OF ROTHSCCHILD, WISCONSIN**  
**\$975,000\* Water and Sewer System Revenue Bonds**

Mr. George O. Peterson, President  
 and Members of the Village Board  
 VILLAGE OF ROTHSCCHILD  
 211 Grand Avenue  
 Rothschild, WI 54474

Dear Mr. Peterson and Members of the Village Board:

For all but no part of your issue of \$975,000\* Water and Sewer System Revenue Bonds (the "Bonds"), said bid being no less than \$975,000 (100.0% of par), and no more than \$1,023,750 (105.0% of par), we offer to pay a price of \$\_\_\_\_\_. The dated date and delivery date of the Bonds is June 3, 2024. The Bonds shall bear interest as follows:

<u>(May 1)</u>	<u>Rate</u>	<u>(May 1)</u>	<u>Rate</u>
2025	_____ %	2033	_____ %
2026	_____ %	2034	_____ %
2027	_____ %	2035	_____ %
2028	_____ %	2036	_____ %
2029	_____ %	2037	_____ %
2030	_____ %	2038	_____ %
2031	_____ %	2039	_____ %
2032	_____ %		

The Bidder elects to have the following Term Bond(s):

<u>Final Maturity Date</u>	<u>For Years</u>	<u>Amount</u>
May 1, 20__	_____ to _____	\$ _____
May 1, 20__	_____ to _____	\$ _____
May 1, 20__	_____ to _____	\$ _____

This bid is made subject to all the terms and conditions of the Official Notice of Sale heretofore received and the Official Notice of Sale heretofore published, all terms and conditions which are made a part hereof as fully as though set forth in full in this bid.

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

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

**Good Faith Deposit.** A cashier's check in the amount of \$19,500 may be submitted contemporaneously with the bid or, in the alternative, a deposit in the amount of \$19,500 shall be made by the winning bidder by federal wire transfer as directed by the Village Treasurer to be received by the Village no later than 1:00 p.m. prevailing Central Time on the day of the bid opening (May 13, 2024) as a guarantee of good faith on the part of the bidder to be forfeited as liquidated damages if such bid be accepted and the bidder fails to take up and pay for the Bonds.

\_\_\_\_\_  
Managing Underwriter

Direct Contact and Phone Number: \_\_\_\_\_

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

Please attach a list of account members

For your information, but not as a condition of this bid, the above interest rates result in:

Net Interest Cost \$ \_\_\_\_\_ True Interest Rate \_\_\_\_\_ %

The foregoing offer is hereby accepted this 13th day of May, 2024 by the Members of the Village Board and in recognition therefore is signed by the Officers empowered and authorized to make such acceptance.

\_\_\_\_\_  
Village President

\_\_\_\_\_  
Village Clerk

\*Preliminary, subject to change.