

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.

PRELIMINARY OFFICIAL STATEMENT DATED JUNE 30, 2025

NEW ISSUE
Bank Qualified

Moody's Rated "Aaa"
(See "RATING" herein)

In the opinion of Husch Blackwell LLP, Bond Counsel, assuming continued compliance with the requirements of the Internal Revenue Code of 1986, under existing law interest on the Notes is excludable from gross income and is not an item of tax preference for federal income tax purposes; however, interest on the Notes is taken into account in determining "annual adjusted financial statement income" of applicable corporations (as defined in Section 59(k) of the Code). See "TAX MATTERS" herein for a more detailed discussion of some of the federal income tax consequences of owning the Notes. The interest on the Notes is not exempt from present Wisconsin income or franchise taxes. The Village will designate the Notes as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, 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.

\$9,900,000*
VILLAGE OF FOX POINT
Milwaukee County, Wisconsin
General Obligation Promissory Notes, Series 2025A

Dated: August 4, 2025

Due: April 1, 2026 - 2035

The \$9,900,000* General Obligation Promissory Notes, Series 2025A (the "Notes") will be dated August 4, 2025 and will be in the denomination of \$5,000 each or any multiple thereof. The Notes will mature serially on April 1 of the years 2026 through 2035. Interest on the Notes shall be payable commencing on April 1, 2026 and semiannually thereafter on October 1 and April 1 of each year. Associated Trust Company, National Association, Green Bay, Wisconsin will serve as paying agent for the Notes.

MATURITY SCHEDULE

				CUSIP ⁽¹⁾					CUSIP ⁽¹⁾
(April 1)	Amount*	Rate	Yield	Base 351514	(April 1)	Amount*	Rate	Yield	Base 351514
2026	\$480,000				2031	\$1,040,000			
2027	900,000				2032	1,080,000			
2028	930,000				2033	1,120,000			
2029	960,000				2034	1,170,000			
2030	1,000,000				2035	1,220,000			

The Notes are being issued pursuant to Chapter 67 of the Wisconsin Statutes. The Notes will be general obligations of the Village of Fox Point, Wisconsin (the "Village") for which its full faith and credit and unlimited taxing powers are pledged. The proceeds from the sale of Notes will be used for the public purposes, including paying (i) capital project costs including, but not limited to, the following: municipal building and facility improvements, street improvements, municipal equipment and vehicles, water and sewer system improvements, and North Shore Library construction (collectively, referred to herein as the "Projects") and (ii) the cost of current refunding certain outstanding obligations of the Village. (See "THE FINANCING PLAN" herein.)

The Financial Advisor to the Village is



The Notes maturing on April 1, 2033 and thereafter are subject to call and prior redemption, at the option of the Village, on April 1, 2032 or 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 par plus accrued interest to the date of redemption. All or a portion of the Notes may be issued as one or more term bonds, upon election by the successful bidder. (See "REDEMPTION PROVISIONS" herein.)

The Notes will be issued only as fully registered Notes 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 Notes. 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 Notes will not receive certificates representing their interest in the Notes purchased. (See "BOOK-ENTRY-ONLY SYSTEM" herein.)

The Notes are offered when, as and if issued and delivered to the Underwriter and are subject to approval of legality and certain legal matters by Husch Blackwell LLP, Milwaukee, Wisconsin, Bond Counsel. It is expected that the Notes will be available in definitive form for delivery on or about August 4, 2025.

SALE DATE: JULY 8, 2025

SALE TIME: 10:00 AM (CT)

**Preliminary, subject to change.*

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VILLAGE OF FOX POINT
Milwaukee County, Wisconsin

VILLAGE BOARD

Christine Symchych, President
Elizabeth Aelion, Trustee
Max Barry, Trustee
Mark Freedman, Trustee
David Miller, Trustee
Greg Ollman, Trustee
Jennie Stoltz, Trustee

ADMINISTRATION

Scott Botcher, Village Manager
Kevin Ausman, Assistant Village Manager
Sara Bruckman, Village Clerk/Treasurer
Mary Carthell, Financial Manager
Christopher Freedy, Police Chief
Michael Rakow, Inspector
Scott Brandmeier, Village Engineer/Director of Public Works

PROFESSIONAL SERVICES

Village Attorney:	Eric Larson, Waukesha, Wisconsin
Financial Advisor:	Robert W. Baird & Co. Incorporated, Milwaukee, Wisconsin
Bond Counsel:	Husch Blackwell LLP, Milwaukee, Wisconsin
Paying Agent:	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 Notes 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 Notes 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 Fox Point, 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 Notes 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 Notes 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 Notes 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 NOTES, THE UNDERWRITER MAY OR MAY NOT OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICES OF THE NOTES 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 NOTES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER AFTER THE NOTES ARE RELEASED FOR SALE AND THE NOTES MAY BE OFFERED AND SOLD AT PRICES OTHER THAN THE INITIAL OFFERING PRICES, INCLUDING SALES TO DEALERS WHO MAY SELL THE NOTES INTO INVESTMENT ACCOUNTS.

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Appendix A: Basic Financial Statements and Related Notes for the Year Ended December 31, 2023 and DRAFT

Basic Financial Statements and Related Notes for the Year Ended December 31, 2024

Appendix B: Form of Continuing Disclosure Agreement

Appendix C: Form of Legal Opinion

Appendix D: Official Notice of Sale

SUMMARY

Village:	Village of Fox Point, Milwaukee County, Wisconsin.
Issue:	\$9,900,000* General Obligation Promissory Notes, Series 2025A.
Dated Date	August 4, 2025.
Interest Due:	Commencing April 1, 2026 and on each October 1 and April 1 thereafter. Interest on the Notes will be computed on the basis of a 30-day month and a 360-day year.
Principal Due:	April 1 of the years 2026 through 2035.
Redemption Provisions:	The Notes maturing on and after April 1, 2033 shall be subject to call and prior payment, at the option of the Village, on April 1, 2032 or on any date thereafter at par plus accrued interest. The amounts and maturities of the Notes to be redeemed shall be selected by the Village. If less than the entire principal amount of any maturity is to be redeemed, the Notes 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 other 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 Note to be redeemed at the address shown on the registration books. All or a portion of the Notes may be issued as one or more term bonds, upon election by the successful bidder. (See "REDEMPTION PROVISIONS" herein.)
Security:	The full faith, credit and resources of the Village are pledged to the payment of the principal of and the interest on the Notes as the same become due and, for said purposes, there are levied on all the taxable property in the Village, direct, annual irrepealable taxes in each year and in such amounts which will be sufficient to meet such principal and interest payments when due. Under current law, such taxes may be levied without limitation as to rate or amount.
Purpose:	The proceeds from the sale of Notes will be used for the public purposes, including paying (i) capital project costs including, but not limited to, the following: municipal building and facility improvements, street improvements, municipal equipment and vehicles, water and sewer system improvements, and North Shore Library construction (collectively, referred to herein as the "Projects") and (ii) the cost of current refunding certain outstanding obligations of the Village. (See "THE FINANCING PLAN" herein.)
Tax Status:	Interest on the Notes is excluded from gross income for federal income tax purposes. (See "TAX MATTERS" herein.)
Credit Rating:	This issue has been assigned a "Aaa" rating by Moody's Investors Service, Inc. (See "RATING" herein.)
Bank Qualification:	The Notes shall be designated as "qualified tax-exempt obligations."
Bond Years:	56,017.50 years.
Average Life:	5.658 years.
Record Date:	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 Fox Point, Wisconsin (the "Village" and the "State" respectively) in connection with the sale of the Village's \$9,900,000* General Obligation Promissory Notes, Series 2025A (the "Notes"). The Notes are issued pursuant to the Constitution and laws of the State and the resolutions (the "Resolutions") adopted by the Village Board (the "Village Board") and other proceedings and determinations related thereto.

All summaries of statutes, documents and Resolutions 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 Resolutions, and references herein to the Notes are qualified in their entirety by reference to the form thereof included in the Resolutions. Copies of the Resolutions may be obtained from the Financial Advisor (defined herein) upon request.

THE FINANCING PLAN

A portion of the proceeds from the sale of the Notes will be issued for the purpose of current refunding the following issue (the "2023A Notes"):

<u>Issue</u>	<u>Original Amount</u>	<u>Call Price</u>	<u>Call Date</u>	<u>Maturities to be Refunded</u>	<u>Amount of Principal Refunded*</u>	<u>Balance after Refunding August 11, 2025</u>
General Obligation Promissory Notes, Series 2023A Dated: April 4, 2023	\$4,350,000	100%	8/11/2025	2026	\$4,350,000	\$0

A portion of the proceeds from the sale of the Notes will be deposited in a segregated account and used to current refund the above-described 2023A Notes.

The remaining portion of the proceeds from the sale of the Notes will be used for paying project costs including, but not limited to, the following: municipal building and facility improvements, street improvements, municipal equipment and vehicles, water and sewer system improvements, and North Shore Library construction (collectively, referred to herein as the "Projects").

REDEMPTION PROVISIONS

Optional Redemption

The Notes maturing on April 1, 2033 and thereafter are subject to call and prior redemption on April 1, 2032 or 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 par plus accrued interest to the date of redemption.

Mandatory Redemption

All or a portion of the Notes 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 April 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.

**Preliminary, subject to change.*

ESTIMATED SOURCES AND USES*

Sources of Funds

Par Amount of Notes	\$9,900,000.00
Reoffering Premium	103,757.90
Debt Service Funds on Hand	560,000.00
Grant Funds on Hand	1,600,000.00
Transfer from 2023A Notes Debt Service	87,000.00
Estimated Investment Earnings	837.61
TOTAL	<u>\$12,251,595.51</u>

Uses of Funds

Deposit to Project Fund	7,642,780.67
Deposit to Current Refunding Fund	4,412,833.33
Costs of Issuance (including Underwriter's Discount)	188,325.00
Bid Premium for Deposit to Debt Service Fund	2,806.45
Deposit to Debt Service Fund (Rounding)	4,850.06
TOTAL	<u>\$12,251,595.51</u>

**Preliminary, subject to change.*

CONSTITUTIONAL AND STATUTORY CONSIDERATIONS AND LIMITATIONS CONCERNING THE VILLAGE'S POWER TO INCUR INDEBTEDNESS

The Constitution and laws of the State limit the power of the Village (and other municipalities of the State) to issue obligations and to contract indebtedness. Such constitutional and legislative limitations include the following, in summary form and as generally applicable to the Village.

Purpose

The Village may not borrow money or issue notes or bonds therefore for any purpose except those specified by statute, which include among others the purposes for which the Notes are being issued.

General Obligation Bonds

The principal amount of every sum borrowed by the Village and secured by an issue of bonds may be payable at one time in a single payment or at several times in two or more installments; however, no installment may be made payable later than the termination of twenty years immediately following the date of the bonds. The Village Board of the Village is required to levy a direct, annual, irrevocable tax sufficient in amount to pay the interest on such bonds as it falls due and also to pay and discharge the principal thereof at maturity. Bonds issued by the Village to refinance or refund outstanding notes or bonds issued by the Village may be payable no later than twenty years following the original date of such notes or bonds.

Refunding Bonds

In addition to being authorized to issue bonds, the Village is authorized to borrow money using refunding bonds for refunding existing debt. To evidence such indebtedness, the Village must issue to the lender its refunding bonds (with interest) payable within a period not exceeding twenty years following the initial date of the debt to be refunded. Such refunding bonds constitute a general obligation of the Village. Refunding bonds are not subject to referendum.

Bond or Note Anticipation Notes

In anticipation of issuing general obligation bonds or notes, the Village is authorized to borrow money using bond or note anticipation notes. The bond or note anticipation notes shall in no event be a general obligation of the Village, and do not constitute an indebtedness of the Village, nor a charge against its general credit or taxing power. The bond or note anticipation notes are payable only from (a) proceeds of the bond or note anticipation notes set aside for payment of interest on the bond or note anticipation notes as they become due, and, (b) proceeds to be

derived from the issuance and sale of general obligation bonds or promissory notes which proceeds constitute a special trust fund to be held and expended solely for the payment of the principal of and interest on the bond or note anticipation notes. The maximum term of any bond or note anticipation notes (including any refunding) is five years.

Promissory Notes

In addition to being authorized to issue bonds, the Village is authorized to borrow money using promissory notes for any public purpose. To evidence such indebtedness, the Village must issue to the lender its promissory notes (with interest) payable within a period not exceeding twenty years following the date of said notes. Such notes constitute a general obligation of the Village. Notes may be issued to refinance or refund outstanding promissory notes. However, such notes must be payable within 10 years and no later than twenty years following the original date of such notes.

Debt Limit

The Village has the power to contract indebtedness for purposes specified by statute so long as the principal amount thereof does not exceed five percent of the equalized value of taxable property within the Village. For information with respect to the Village's percent of legal debt incurred, see the caption "INDEBTEDNESS OF THE VILLAGE-Debt Limit," herein.

THE RESOLUTIONS

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

Initial Resolution

By way of a resolution adopted on May 13, 2025 (the "Initial Resolution"), the Village Board authorized the issuance and sale of general obligation promissory notes in an amount not to exceed \$9,900,000 for the public purpose of paying the costs of the Projects and current refunding the 2023A Notes.

Award Resolution

By way of a Resolution to be adopted on July 8, 2025, (the "Award Resolution") the Village Board will accept the bid of the Underwriter for the purchase of the Notes, in accordance with bid specifications, provide the details and form of the Notes, and set out certain covenants with respect thereto. The Award Resolution pledges the full faith, credit and resources of the Village to payments of the principal of and interest on the Notes. Pursuant to the Award Resolution, the amount of direct, annual, irrevocable taxes levied for collection in the years 2026 through 2035 which will be sufficient to meet the principal and interest payments on the Notes when due will be specified. The Award Resolution establishes separate and distinct from all other funds of the Village a debt service fund with respect to payment of principal of and interest on the Notes.

THE VILLAGE

Village Board

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

<u>Name</u>	<u>Expiration of Term</u>
Christine Symchych, President	April, 2026
Elizabeth Aelion, Trustee	April, 2028
Max Barry, Trustee	April, 2028
Mark Freedman, Trustee	April, 2027
David Miller, Trustee	April, 2027
Greg Ollman, Trustee	April, 2026
Jennie Stoltz, Trustee	April, 2026

Source: *The Village*.

Administration

The daily administration, under the supervision of the Village Manager, is handled through the various department heads who are responsible for the day-to-day functions. The present members of the administration and their years of service are listed below.

<u>Name</u>	<u>Title</u>	<u>Years of Service</u>
Scott Botcher	Village Manager	10.5
Kevin Ausman	Assistant Village Manager	3.5
Sara Bruckman	Village Clerk/Treasurer	2.0*
Mary Carthell	Financial Manager	25.0
Christopher Freedy	Police Chief	27.0
Michael Rakow	Inspector	7.5
Scott Brandmeier	Village Engineer/Director of Public Works	19.0

*Ms. Bruckman joined the Village management team in early 2024 after previously serving as Deputy Clerk.

Source: *The Village*.

Employment Relations

<u>Department</u>	<u>Full-Time Employees*</u>
Police Department	17
Department of Public Works	15
Village Hall (includes Clerk's Office, Inspections and Administration)	8
TOTAL	40

*Headcount.

Source: *The Village*.

The Fox Point Professional Policeman's Association Local 302 represents the Village Police Officers with a contract that expired on December 31, 2024. Negotiations are currently underway.

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

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⁽¹⁾.

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.

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

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 may not pay the employees' required contribution. During the fiscal years ended December 31, 2022, December 31, 2023 and December 31, 2024 ("Fiscal Year 2024"), the Village's portion of contributions to WRS (not including any employee contributions) totaled \$299,492, \$336,030 and \$364,776, respectively.

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

As of December 31, 2023, the total pension liability of the WRS was calculated as \$129.2 billion and the fiduciary net position of the WRS was calculated as \$127.7 billion, resulting in a net pension liability of \$1.5 billion.

Under GASB 68, each participating employer in a cost-sharing pension plan must report the employer's proportionate share of the net pension liability or net pension asset of the pension plan. Accordingly, for Fiscal Year 2024, the Village reported a liability of \$374,588 for its proportionate share of the net pension liability of the WRS. The net pension liability was measured as of December 31, 2023 based on the Village's share of contributions to

the pension plan relative to the contributions of all participating employers. The Village's proportion was 0.02519419% of the aggregate WRS net pension liability as of December 31, 2023.

The calculation of the total pension liability and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. Such changes may have a significant impact on the calculation of 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 4 in "Appendix A – DRAFT Basic Financial Statements and Related Notes for the year ended December 31, 2024" attached hereto.

Supplemental Pension

The Village provides supplemental pension benefits through a single-employer defined benefit plan to administrative employees who have terminated their employment with the Village and have satisfied specified eligibility standards.

Other Post Employment Benefits

The Village provides "other post-employment benefits" ("OPEB") (i.e., post-employment benefits, other than pension benefits, owed to its employees and former employees) through a single-employer defined benefit plan to employees who have terminated their employment with the Village and have satisfied specified eligibility standards. Membership of the plan consisted of 5 retirees receiving benefits and 43 active plan members as of December 31, 2023.

OPEB calculations are required to be updated every three years and be prepared in accordance with Statement Nos. 74 and 75 of the Governmental Accounting Standards Board ("GASB 74/75"). A actuarial study for the plan prepared in accordance with GASB 74/75 was most recently completed by Foster & Foster Actuaries and Consultants in May 2025 with an actuarial valuation date of December 31, 2023 (the "Actuarial Report").

Under GASB 74/75, a net OPEB liability (or asset) is calculated as the difference between the plan's total OPEB liability and the plan's fiduciary net position, which terms have similar meanings as under GASB 68 for pension plans.

As of December 31, 2023, the plan's total OPEB liability was \$359,623 and the plan fiduciary net position was \$0, resulting in a net OPEB liability of \$359,623.

The Village also 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 2024, the Village's portion of contributions to the LRLIF totaled \$1,084. For Fiscal Year 2024, the Village reported a liability of \$244,879 for its proportionate share of the net OPEB liability of the LRLIF. The net OPEB liability was measured as of December 31, 2023 based on the Village's share of contributions to the LRLIF relative to the contributions of all participating employers. The Village's proportion was 0.05322700% of the aggregate LRLIF net OPEB liability as of December 31, 2023.

The calculation of the total OPEB liability and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. Such changes may have a significant impact on the calculation of the net OPEB liability of the LRLIF, which may also cause ETF to change the contribution requirements for employers and employees. For more detailed information regarding the LRLIF and such actuarial assumptions, see Note 4 in "Appendix A – DRAFT Basic Financial Statements and Related Notes for the year ended December 31, 2024" attached hereto. The Actuarial Report is available from the Village upon request.

GENERAL INFORMATION

Location

The Village is located in Milwaukee County. The Village is located ten minutes north of the City of Milwaukee. It is bounded on the east by steep bluffs and the sandy shores of Lake Michigan, on the west by the City of Glendale and the Village of River Hills, on the south by the Village of Whitefish Bay, and on the north by the Village of Bayside.

Services

The Village provides a variety of services that include public works, parks and recreation, including the operation of an outdoor swimming pool. Water utility services are provided through the North Shore Water Consortium, library services are provided through the North Shore Library Consortium and public health service, provided through the North Shore Health Department.

In order to improve Medical and Fire Services the Village discontinued the operation of an independent Fire Department. The Villages of Bayside, Brown Deer, Fox Point, River Hills, Shorewood, and Whitefish Bay and the City of Glendale (collectively the "municipalities") entered into an agreement on November 1, 1994 to establish and operate a joint fire and emergency services department referred to as the North Shore Fire Department (the "Department"). Upon inception of this agreement, the Department acquired title to a number of assets, including real estate, vehicles and equipment from the participatory municipalities, in order to commence complete and comprehensive operations.

The Bayside Communications Center provides dispatch services for Bayside, Brown Deer, Fox Point, Glendale, River Hills, the North Shore Fire Department, Shorewood and Whitefish Bay.

The Bayside Communications Center consolidated the two North Shore dispatch centers into one, is located in Bayside, and services the seven North Shore communities for police and fire dispatch services.

The seventeen-member Police Department offers home security surveys, engraving services, a neighborhood watch program and a project reassurance program, specifically designed for the elderly.

Education

The Village is served by the Joint School District Number 2, Villages of Fox Point and Bayside and Maple Dale-Indian Hill School District which provides an excellent educational program for students in four-year-old-kindergarten through the eighth grades. Joint School District Number 2, Villages of Fox Point and Bayside and Maple Dale-Indian Hill School District both operate two elementary schools. The Districts are two of three "feeder" districts for the Nicolet Unified High School District (UHS) which provides an educational program for the ninth through twelfth grades. Higher education can be obtained at Marquette University and the University of Wisconsin-Milwaukee, just a few minutes south of the Village, in addition to the other nearby schools as follows:

Alverno College
Carroll College
Concordia University
Medical College of Wisconsin
Milwaukee Area Technical College
Milwaukee School of Engineering
Mount Mary University
Wisconsin Lutheran College

St. Augustine Preparatory Academy has purchased the former Cardinal Stritch University campus to convert the campus into a K-12 Preparatory school. The new north campus is expected to be open in 2026.

DEMOGRAPHIC AND ECONOMIC INFORMATION

Population

	Milwaukee County	Village of Fox Point
Estimate, 2024	941,139	6,557
Estimate, 2023	937,259	6,717
Estimate, 2022	939,487	6,770
Estimate, 2021	947,241	6,733
Census, 2020	939,489	6,934

Source: Wisconsin Department of Administration, Demographics Services Center and U.S. Census Bureau.

Per Return Adjusted Gross Income

	State of Wisconsin	Milwaukee County	Village of Fox Point*
2023	\$73,001	\$65,614	\$230,506
2022	70,548	63,901	270,240
2021	66,369	57,444	201,104
2020	61,518	52,751	243,594
2019	61,003	54,920	203,869

*The Wisconsin DOR reports very high-income returns show significant year to year fluctuations.

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

Unemployment Rate

	State of Wisconsin	Milwaukee County
April, 2025 ⁽¹⁾	3.3%	4.0%
April, 2024	2.9	3.6
Average, 2024 ⁽¹⁾	3.0%	3.7%
Average, 2023	2.8	3.5
Average, 2022	2.8	3.5
Average, 2021	3.8	5.3
Average, 2020	6.4	8.3

⁽¹⁾Preliminary.

Source: Wisconsin Department of Workforce Development WisConomy.

Building Permits

Year	Valuation
2025*	\$5,237,776
2024	20,843,061
2023	20,975,664
2022	15,488,765
2021	12,427,647

*As of May 21, 2025.

Source: The Village.

Largest Taxpayers

<u>Taxpayer</u>	<u>Type of Business/Property</u>	<u>2024 Assessed Valuation</u>	<u>2024 Equalized Valuation</u>
North Shore Centers Partners	Commercial-retail center	\$35,798,000	\$37,363,532
Porticos LLC	Apartments	33,884,200	35,366,037
Chiswick Apartments, LLC	Apartments	22,992,500	23,998,017
Fox Croft	Apartments	22,490,500	23,474,063
Azura Fox Point, LLC	Memory care facility	10,059,500	10,499,426
Private Individual(s)	Private individual(s)	5,720,500	5,970,671
Private Individual(s)	Private individual(s)	5,587,500	5,831,855
Private Individual(s)	Private individual(s)	5,218,500	5,446,717
Private Individual(s)	Private individual(s)	5,048,500	5,269,283
General Capital Management	Real estate	4,875,000	5,088,195
		<u>\$151,674,700</u>	<u>\$158,307,796</u>

The above taxpayers represent 9.45% of the Village's 2024 Equalized Value (TID IN) (\$1,675,976,100).

Source: *The Village*.

Largest Employers

Because of the Village's proximity to the City of Milwaukee and its surrounding suburbs, many residents commute for employment. Listed below are the largest employers in the Milwaukee metropolitan area.

<u>Name</u>	<u>Type of Business</u>	<u>Number of Employees</u>
Advocate Aurora Health ⁽¹⁾	Health care	32,000
Froedtert Health	Health care	14,871
Milwaukee Public Schools	Education	11,833
U.S. Federal Government ⁽²⁾	Government	10,513
Ascension Wisconsin	Health care	10,300
Northwestern Mutual Life	Insurance	7,550
Roundy's Supermarket	Supermarkets and distribution center	7,500
Medical College of Wisconsin	Medical school/academic/health care	7,343
City of Milwaukee	Government	6,095
Children's Hospital of Wisconsin	Health care	5,860

⁽¹⁾Aurora's employee number includes four hospitals, rehabilitation, homecare and hospice facilities and their corporate office within a seven-county area including the Milwaukee County area. Does not include northern Illinois facilities.

⁽²⁾Milwaukee-Waukesha-West Allis, WI MSA preliminary data as of September 2024.

Source: U.S. Bureau of Labor Statistics November 2024, Milwaukee County official statement dated October 23, 2024, City of Milwaukee official statement dated October 23, 2024 and direct employer contacts.

TAX LEVIES, RATES AND COLLECTIONS

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. Previously, personal property taxes were required to be paid to the town, city or village treasurer in full by January 31. Uncollected personal property taxes owed by an entity that has ceased operations or filed a petition for bankruptcy, or are due on personal property that has been removed from the next assessment roll were formerly collected from each taxing entity in the year following the levy year. The personal property tax 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 tax levies for Village purposes and the tax rate per \$1,000 assessed valuation on all taxable property in the Village for collection years 2021 through 2025:

Collection Year	Village Tax Rate	Village Levy	Uncollected Personal Property Taxes as of December 31 st	Percent of Levy Collected
2025	\$4.93	\$7,598,469	-In Process of Collection -	
2024	4.86	7,499,242	\$5,708	95.62%
2023	6.01	7,473,914	2,158	98.40
2022	5.95	7,371,050	2,553	98.22
2021	5.89	7,226,116	593	100.00

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. Chapter 79, Wis. Stats. includes other revenue sharing programs, which each have their own requirements. 2023 Wisconsin Act 12 ("Act 12") created a supplement to shared revenue, with payments to the Village beginning in 2024. This supplemental shared revenue may be used only for the purposes specified in section 79.037, Wis. Stats. In 2024, the Village is expected to receive approximately \$324,028 in shared revenue under chapter 79, Wis. Stats., an increase from the approximately \$167,014 received in 2023. The Village is currently estimated to receive approximately \$280,572 in shared revenue under Chapter 79, Wis. Stats. in 2025. In future years, the amount of supplemental shared revenue could grow if State sales tax collections grow.

EQUALIZED VALUE BY PROPERTY CLASS

	2024 Equalized Value	Percent of Total
Real Estate		
Residential	\$1,528,770,400	91.22%
Commercial	147,205,700	8.78
Total Real Estate	\$1,675,976,100	100.00%
 Total Personal Property*	 \$0	 0.00%
 Total	 \$1,675,976,100	 100.00%

**Personal property is exempt from taxation as of January 1, 2024. See "TAX LEVIES, RATES AND COLLECTIONS" herein.*

Source: Wisconsin Department of Revenue.

Tax Increment Districts

The Village does not currently have any active Tax Increment Districts ("TIDs").

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ASSESSED TAX RATES

	Levy/Collection Years				
	2024/2025	2023/2024	2022/2023	2021/2022	2020/2021
Village	\$4.93	\$4.86	\$6.01	\$5.95	\$5.89
School Districts:					
Joint School District Number 8, Maple Dale - Indian Hill	7.39	6.99	8.63	8.33	8.35
Joint School District Number 2, Fox Point/Bayside	9.27	8.95	10.76	8.96	8.78
Nicolet Unified High School	4.82	4.71	5.69	4.35	4.59
Milwaukee Area VTAE District	0.83	0.83	0.98	1.03	1.17
Milwaukee Metro. Sewerage District	1.29	1.27	1.49	1.52	1.62
County	4.43	4.42	5.42	4.39	4.71
Gross Tax Rates:					
Joint School District Number 8, Maple Dale - Indian Hill	23.71	25.12	28.22	25.58	26.33
Joint School District Number 2, Fox Point/Bayside	25.59	23.16	30.35	26.22	26.76
State Tax Credit	(2.74)	(0.65)	(2.26)	(2.23)	(2.21)
Milwaukee County Sales Tax Credit	<u>(1.14)</u>	<u>(1.17)</u>	<u>(1.21)</u>	<u>(1.16)</u>	<u>(1.08)</u>
Net Tax Rates:					
Joint School District Number 8, Maple Dale - Indian Hill	<u>19.82</u>	<u>21.34</u>	<u>24.75</u>	<u>22.18</u>	<u>23.04</u>
Joint School District Number 2, Fox Point/Bayside	<u>21.70</u>	<u>23.30</u>	<u>26.88</u>	<u>22.81</u>	<u>23.47</u>
Ratio of Assessed to Equalized Valuation	95.81%	100.61%	91.37%	97.19%	97.75%
Equalized Tax Rates:					
Joint School District Number 8, Maple Dale - Indian Hill	<u>\$18.99</u>	<u>\$21.34</u>	<u>\$27.08</u>	<u>\$21.56</u>	<u>\$22.52</u>
Joint School District Number 2, Fox Point/Bayside	<u>\$20.79</u>	<u>\$23.30</u>	<u>\$29.41</u>	<u>\$22.16</u>	<u>\$22.52</u>

Source: The Village.

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 2020 through 2024. The Village's equalized valuation (TID IN) has increased by 33.68 percent since 2020 with an average annual increase of 7.53 percent.

Year	Assessed Valuation	Equalized Valuation (TID IN)
2024	\$1,602,549,000	\$1,675,976,100
2023	1,602,608,000	1,592,808,900
2022	1,241,930,700	1,359,086,300
2021	1,238,277,800	1,268,599,700
2020	1,226,926,700	1,253,755,800

Source: Wisconsin Department of Revenue.

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

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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, excluding the 2023A Notes to be refunded, as well as debt service on the Notes. The interest on the Notes has been estimated using an average rate 4.02 percent. The bond years are 56,017.50 and the average life is 5.658 years.

	Outstanding Bonds and Notes		The Notes		Total Debt Service Requirements*	Less: Projected Offsetting Revenues ⁽¹⁾	Total Debt Service Requirements*
Year	Principal*	Interest*	Principal*	Interest*			
2025	\$2,520,000	\$723,430			\$3,243,430	(\$1,030,710)	\$2,212,719
2026	2,580,000	442,231	\$480,000	\$434,576	3,936,808	(1,485,496)	2,451,312
2027	2,405,000	373,281	900,000	350,012	4,028,293	(1,420,920)	2,607,372
2028	2,175,000	308,940	930,000	317,987	3,731,927	(1,425,971)	2,305,957
2029	2,060,000	246,540	960,000	284,672	3,551,212	(1,372,520)	2,178,692
2030	1,875,000	187,471	1,000,000	249,382	3,311,853	(1,346,440)	1,965,414
2031	1,620,000	133,298	1,040,000	211,632	3,004,930	(1,323,936)	1,680,994
2032	1,270,000	83,275	1,080,000	171,882	2,605,157	(1,251,159)	1,353,999
2033	845,000	43,300	1,120,000	127,440	2,135,740	(1,139,600)	996,140
2034	660,000	13,200	1,170,000	77,976	1,921,176	(973,380)	947,796
2035	0	0	1,220,000	26,352	1,246,352	(449,504)	796,848
	18,010,000	2,554,966	9,900,000	2,251,911	32,716,877	(13,219,634)	19,497,243
Less: 2025 Payments	(2,520,000)	(723,430)	0	0	(3,243,430)	1,030,710	(2,212,719)
TOTAL	\$15,490,000	\$1,831,536	\$9,900,000	\$2,251,911	\$29,473,448	(\$12,188,924)	\$17,284,524

**Preliminary, subject to change.*

⁽¹⁾The above outstanding debt was issued as general obligation debt of the Village; however, revenues from the Village's water, sewer and storm water utilities are projected to partially offset the total debt service. The actual amount of these offsetting revenues is not guaranteed.

Other Financings

The Village does not borrow for short-term cash flow purposes.

Future Financings

The Village does not anticipate issuing additional general obligation debt in the next twelve months.

Default Record

The Village has no record of default on any prior debt repayment obligations.

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 2025 Principal Payments)	Percent Applicable to Village	Outstanding Debt Chargeable to Village
Milwaukee Area Technical College District	\$81,725,000	1.33%	\$1,086,943
Milwaukee County	327,850,000	1.65	5,409,525
Joint School District Number 2, Villages of Fox Point and Bayside	50,565,000	75.37	38,110,841
Maple Dale-Indian Hill School District	11,505,000	24.89	2,863,595
Nicolet Unified High School District	68,900,000	28.60	19,705,400
Milwaukee Metropolitan Sewerage District	816,871,521	1.68	13,723,442
TOTAL	<u>\$1,357,416,521</u>		<u>\$80,899,746</u>

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

Source: Wisconsin Department of Revenue. Information provided by each municipal entity through publicly available disclosure documents available on EMMA.msrb.org and direct inquiries.

Statistical Summary

The table below reflects direct, overlapping and underlying bonded indebtedness net of all 2025 principal payments.

2024 Equalized Valuation as certified by the Wisconsin Department of Revenue	\$1,675,976,100
Direct Bonded Indebtedness Including the Notes*	\$25,390,000
Direct, Overlapping and Underlying Bonded Indebtedness Including the Notes*	\$106,289,746
Direct Bonded Indebtedness as a Percentage of Equalized Valuation*	1.51%
Direct, Overlapping and Underlying Bonded Indebtedness as a Percentage of Equalized Valuation*	6.34%
Population of Village (2024 Estimate)**	6,557
Direct Bonded Indebtedness Per Capita*	\$3,872.20
Direct, Overlapping and Underlying Bonded Indebtedness Per Capita*	\$16,210.12

*Preliminary, subject to change.

**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. Set forth in the table below is a comparison of the outstanding indebtedness of the Village, as of the closing of the Notes, excluding the 2023A Notes to be refunded, as a percentage of the applicable debt limit.

Equalized Valuation (2024) as certified by Wisconsin Department of Revenue	\$1,675,976,100
Legal Debt Percentage Allowed	<u>5.00%</u>
Legal Debt Limit	\$83,798,805
General Obligation Debt Outstanding Including the Notes*	<u>\$25,390,000</u>
Unused Margin of Indebtedness*	\$58,408,805
Percent of Legal Debt Incurred*	30.30%
Percentage of Legal Debt Available*	69.70%

**Preliminary, subject to change.*

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 Board of Trustees. 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 Village Board meeting in November or December of each year, the Board of Trustees adopts the final budget for the succeeding year and levies taxes based on assessed valuations of property less any increment attributable to TIDs. 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 Board of Trustees. Failure to publish notice of any such alteration within ten days thereafter shall preclude any change in the budget.

**GENERAL FUND SUMMARY
FOR YEARS ENDED DECEMBER 31**

	2025 BUDGET	2024 DRAFT	2023 ACTUAL	2022 ACTUAL	2021 ACTUAL
Revenues					
Taxes	\$6,069,627	\$5,790,240	\$5,776,585	\$5,760,313	\$5,729,082
Intergovernmental	1,115,665	1,085,951	866,037	782,417	714,189
Licenses, Permits and Fees	125,650	108,940	130,522	117,126	137,900
Fines, Forfeitures and penalties	92,000	111,861	68,469	68,001	74,017
Public charges for services	168,350	27,692	25,692	10,540	34,787
Intergovernmental charges for services	0	134,892	111,226	140,426	107,101
Investment income	373,450	333,919	200,314	50,636	3,444
Other financing sources	50,000	130,570	258,323	80,677	87,159
Total revenues	7,994,742	7,724,065	7,437,168	7,010,136	6,887,679
Expenditures					
General Government	1,210,853	1,345,236	1,212,373	1,148,222	1,061,592
Public Safety	4,471,543	4,168,171	4,050,526	3,952,887	3,815,471
Health & Human Services	59,969	58,688	57,500	52,770	48,625
Public Works	1,586,257	1,527,927	1,621,015	1,545,096	1,581,100
Leisure activities (Culture & Recreation)	293,367	282,350	278,984	289,472	279,329
Conservation and Development	61,250	55,592	59,540	55,743	44,455
Total Expenditures	7,683,239	7,437,964	7,279,938	7,044,190	6,830,572
Excess of revenues over (under) expenditures	311,503	286,101	157,230	(34,054)	57,107
Other financing sources (uses)					
Sale of capital assets	15,000	2,947	2,000	1,477	11,127
Operating transfers in	0	267,844	444,558	275,478	225,528
Operating transfers out	(10,182)	(157,373)	(157,476)	(168,065)	(99,854)
Net other financing sources (uses)	4,818	113,418	289,082	108,890	136,801
Revenues and other sources over (under) expenditures and other uses	316,321	399,519	446,312	74,836	193,908
Fund balances - beginning of year	4,736,099	4,336,580	3,890,268	3,815,432	3,621,524
Fund balances - end of year	\$5,052,420	\$4,736,099	\$4,336,580	\$3,890,268	\$3,815,432

The amounts shown for the years ended December 31, 2021 through 2023 are excerpts from statements prepared by Baker Tilly US, LLP, Certified Public Accountants & Consultants, Milwaukee, Wisconsin (the "Auditor"). The amounts shown for the year ended December 31, 2024 are shown on a draft audit basis and the amounts shown for the year ending December 31, 2025 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 at Appendix A to this Official Statement.

Financial Information

A copy of the Village's Basic Financial Statements and Related Notes for the fiscal year ended December 31, 2023 and DRAFT Basic Financial Statements and Related Notes for the fiscal year ended December 31, 2024, 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. The Village expects delivery of the draft audited financial statements and related notes in substantially the form attached hereto, but the financial statements and related notes are subject to further review. 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 Notes, 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.

UNDERWRITING

The Notes 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 Notes to the public initially at the prices which produce the yields set forth on the cover page of this Official Statement plus accrued interest from August 4, 2025, if any, 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 Notes to the public. The Underwriter may offer and sell the Notes to certain dealers (including dealers depositing the Notes 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 Notes at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

TAX MATTERS

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

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

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

Interest on the Notes is not exempt from present Wisconsin income or franchise taxes. No opinion will be rendered by Husch Blackwell LLP as to exemption from state or local income or franchise taxes in any other jurisdiction.

Federal, state or local legislation, administrative pronouncements or court decisions may affect the tax-exempt status of interest on the Notes, gain from the sale or other disposition of the Notes, the market value of the Notes, or the marketability of the Notes, or otherwise prevent the owners of the Notes from realizing the full current benefit of the exclusion from gross income of the interest thereon. For example, federal legislative proposals have been made in recent years that would, among other things, limit the exclusion from gross income of interest on obligations

such as the Notes for higher-income taxpayers. If enacted into law, such proposals could affect the tax exemption of interest on the Notes or the market price for, or marketability of, the Notes. Prospective purchasers of the Notes should consult their own tax advisors regarding such matters.

DESIGNATED AS QUALIFIED TAX-EXEMPT OBLIGATIONS

The Village will designate the Notes 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

In order to assist the Underwriter in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission (the "SEC"), pursuant to the Securities Exchange Act of 1934 (the "Rule"), the Village shall covenant pursuant to the Award Resolution adopted by the Village Board to enter into the undertaking (the "Undertaking") for the benefit of holders including beneficial holders of the Notes 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. **The Undertaking provides that the annual report will be filed not later than 365 days after the end of each fiscal year. The Village's fiscal year ends December 31st.** 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 Agreement to be executed and delivered by the Village at the time the Notes are delivered. Such Continuing Disclosure Agreement will be in substantially the form attached hereto as Appendix B. A failure by the Village to comply with the Undertaking will not constitute an event of default on the Notes (although holders will have the right to obtain specific performance of the obligations 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 Notes in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Notes 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.

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 Notes. The Notes 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 Note certificate will be issued for each maturity of the Notes, 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 an S&P Global 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.

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

To facilitate subsequent transfers, all Notes 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 Notes 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 Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Notes 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 Notes may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Notes, such as redemptions, tenders, defaults, and proposed amendments to the Note documents. For example, Beneficial Owners of Notes may wish to ascertain that the nominee holding the Notes 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 Notes 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 Notes unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the 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 Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Village or the 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 Notes 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, the Agent, or the Village, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Village or the 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 Notes at any time by giving reasonable notice to the Village or the Agent. Under such circumstances, in the event that a successor depository is not obtained, Note 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, Note 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.

RATING

This issue has been assigned a "Aaa" rating by Moody's Investors Service, Inc. ("Moody's"). Such rating reflects only the views of such organization and explanations of the significance of such rating may be obtained from the rating agency furnishing the same. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency, if in the judgment of such rating agency circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Notes.

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

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 Notes, or in any way contesting or affecting the validity of the Notes 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 Notes are subject to the unqualified approving legal opinion of Husch Blackwell LLP, Bond Counsel ("Bond Counsel"). Such opinion will be issued on the basis of the law existing at the time of the issuance of the Notes. A copy of such opinion will accompany the Notes and will be available at the time of the delivery of the Notes.

MUNICIPAL BANKRUPTCY

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

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

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

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

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

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 Notes. 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 Notes. Baird's compensation for serving as financial advisor on the Notes is conditional on the successful closing of the Notes.

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.

Bond Counsel has not assumed responsibility for this Official Statement or participated in its preparation (except with respect to the section entitled "TAX MATTERS") and has not performed any investigation as to its accuracy, completeness or sufficiency.

The execution and delivery of this Official Statement by the Village Clerk/Treasurer 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 Notes. The Village, acting through the Village Clerk/Treasurer, will provide to the Underwriter of the Notes at the time of delivery of the Notes, a certificate confirming that, to the best of its knowledge and belief, the Official Statement with respect to the Notes, together with any supplements thereto, at the time of the adoption of the Award Resolution and at the time of delivery of the Notes, 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 FOX POINT

By/s/ _____
Village Clerk/Treasurer

APPENDIX A

BASIC FINANCIAL STATEMENTS AND RELATED NOTES For year ended December 31, 2023

And

DRAFT for year ended December 31, 2024

**VILLAGE OF FOX POINT
Milwaukee County, Wisconsin**

**Baker Tilly US, LLP
Certified Public Accountants & Consultants
Milwaukee, Wisconsin**

A copy of the Village's Basic Financial Statements and Related Notes for the fiscal year ended December 31, 2023 and DRAFT Basic Financial Statements and Related Notes for the fiscal year ended December 31, 2024 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. The Village expects delivery of the draft audited financial statements and related notes in substantially the form attached hereto, but the financial statements and related notes are subject to further review. 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 Notes, 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.

Village of Fox Point

Financial Statements and
Supplementary Information

December 31, 2023

Village of Fox Point

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Independent Auditors' Report

To the Village Board of
Village of Fox Point

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

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Reporting Required by Government Auditing Standards

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

Baker Tilly US, LLP

Milwaukee, Wisconsin
May 31, 2024

Village of Fox Point

Management's Discussion and Analysis

December 31, 2023

(Unaudited)

The Village of Fox Point (Village) offers the readers of the Village's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended December 31, 2023. The discussion and analysis presents the highlights of financial activities and financial position for the Village. Since the analysis focuses on significant financial issues, major financial activities and resulting changes in financial position, budget changes and variances from the budget and specific issues related to funds and the economic factors currently affecting the Village, please read it in conjunction with the Village's financial statements following this section.

Financial Highlights

- The assets and deferred outflows of resources of the Village exceeded its liabilities and deferred inflows of resources at the close of the fiscal year ended December 31, 2023 by \$36,289,973. Of this amount, the governmental activities net position totaled \$12,897,790, while the business-type activities net position totaled \$23,392,183.
- The Village's total net position increased by \$1,972,081, governmental net position increased by \$1,032,120 and the business-type net position increased by \$939,961.
- As of December 31, 2023, the Village's governmental funds reported combined ending fund balances of \$8,051,218, an increase of \$2,386,521 in comparison with the prior fiscal year. Approximately 54% of this total amount, \$4,372,878, is fund balance that is committed and unassigned and therefore available for spending at the government's discretion.
- As of December 31, 2023, the total unassigned fund balance for the General Fund was \$4,238,131 or 58% of total General Fund expenditures of \$7,279,938.
- As of December 31, 2023, the Village's proprietary funds reported combined total net position of \$23,392,183, an increase of \$939,961 in comparison with the prior fiscal year and a total unrestricted net position of \$3,088,939.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Village's basic financial statements. The Village's basic financial statements comprise three components: (1) Government-wide financial statements, (2) Fund financial statements and (3) Notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Village's finances, in a manner similar to a private-sector business. The government-wide financial statements include a statement of net position and a statement of activities. These statements provide both long-term and short-term information about the Village's overall financial status.

The statement of net position presents information on all of the Village's assets, deferred outflows, deferred inflows and liabilities, with the difference between the two reported as net position. Over time, increase or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

Village of Fox Point

Management's Discussion and Analysis

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(Unaudited)

The statement of activities presents information showing how the Village's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods such as revenues pertaining to uncollected taxes and earned, but unused, vacation leave.

These government-wide financial statements distinguish governmental activities of the Village that are principally supported by taxes and intergovernmental revenues, such as grants, from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, public safety, public works, health and human services, leisure activities and conservation and development. Business-type activities include Water, Sewer and Storm Water Utilities.

The government-wide financial statements are presented on pages 1 – 2 of this report.

Fund Financial Statements

Traditional users of the Village's financial statements will find the fund financial statement presentation to be more familiar. The focus is now on major funds rather than fund types.

The fund financial statements are designed to report information about groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other state and local governments, uses fund accounting to insure and demonstrate compliance with finance-related legal requirements.

Within the basic financial statements, fund financial statements focus on the Village's most significant funds rather than the Village as a whole. Major funds are separately reported while all other funds are combined into a single, aggregated presentation. Individual fund data for nonmajor funds is provided in the form of combined statements in a later section of this report.

All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Unlike the government-wide financial statements, however, the governmental funds financial statements focus on near-term inflows and outflows of spendable resources, as well as, on balances of spendable resources available at the end of the fiscal year. This information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

A budgetary comparison statement is included for the General Fund, which is a major fund. Data from the nonmajor governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these nonmajor funds is provided in the form of combining statements located within the supplementary information following the notes to the financial statements. These statements and schedules demonstrate compliance with the Village's adopted and final revised budget.

Village of Fox Point

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The basic governmental fund financial statements are presented on pages 3 – 6 of this report.

Proprietary Funds - Proprietary funds are generally used to account for services for which the Village charges customers a fee and are reported in the fund financial statements. There are two kinds of proprietary funds. These are enterprise funds and internal service funds. Enterprise funds essentially encompass the same functions reported as business-type activities in the government-wide statements. The Village uses enterprise funds to account for its water, sewer and storm water operations, which provide services to customers external to the Village organization. Internal service funds provide services and charge fees to customers within the Village organization. The Village of Fox Point has no internal service funds.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The Water Utility, Sewer Utility and Storm Water Utility Funds are considered to be major funds and are therefore presented separately within the proprietary fund financial statements.

The basic proprietary fund financial statements can be found on pages 7 – 11 of this report.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the Village government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs. Total assets of the fiduciary funds were \$29,877,010. The basic fiduciary fund financial statement can be found on pages 12 – 13 of this report.

Notes to the Financial Statements - The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 14 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 64 – 65 of this report.

Government-Wide Financial Analysis

Over time, net position may serve as a useful indicator of a government's financial position. The following table reflects the condensed Statement of Net Position. In the case of the Village of Fox Point, assets exceeded liabilities by \$36,289,973.

Village of Fox Point

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Village of Fox Point's Summary of Net Position

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 19,132,098	\$ 18,557,191	\$ 4,582,344	\$ 3,367,123	\$ 23,714,442	\$ 21,924,314
Capital assets	22,906,161	19,769,041	24,142,012	22,738,731	47,048,173	42,507,772
Total assets	42,038,259	38,326,232	28,724,356	26,105,854	70,762,615	64,432,086
Pension/ OPEB deferred outflows	4,748,860	3,929,528	468,209	323,081	5,217,069	4,252,609
Deferred loss on refunding	25,070	34,555	-	-	25,070	34,555
Total deferred outflows	4,773,930	3,964,083	468,209	323,081	5,242,139	4,287,164
Total assets and deferred outflows of resources	\$ 46,812,189	\$ 42,290,315	\$ 29,192,565	\$ 26,428,935	\$ 76,004,754	\$ 68,719,250
Long-term liabilities	\$ 17,308,066	\$ 12,343,118	\$ 3,509,877	\$ 2,605,931	\$ 20,817,943	\$ 14,949,049
Other liabilities	4,230,087	4,341,404	2,043,941	991,020	6,274,028	5,332,424
Total liabilities	21,538,153	16,684,522	5,553,818	3,596,951	27,091,971	20,281,473
Unearned revenues	9,525,306	9,121,636	-	-	9,525,306	9,121,636
Pension/OPEB deferred inflows	2,818,010	4,581,215	246,564	379,762	3,064,574	4,960,977
Deferred gain on refunding	32,930	37,272	-	-	32,930	37,272
Total deferred inflows	12,376,246	13,740,123	246,564	379,762	12,622,810	14,119,885
Net investment in capital assets	12,055,514	11,357,041	20,303,244	19,769,284	30,754,326	29,462,350
Restricted	1,244,611	2,353,817	-	177,518	1,244,611	2,531,335
Unrestricted (deficit)	(402,335)	(1,845,188)	3,088,939	2,505,420	4,291,036	2,324,207
Total net position	12,897,790	11,865,670	23,392,183	22,452,222	36,289,973	34,317,892
Total liabilities, deferred inflows of resources and net position	\$ 46,812,189	\$ 42,290,315	\$ 29,192,565	\$ 26,428,935	\$ 76,004,754	\$ 68,719,250

The largest portion of the Village of Fox Point's net position reflects its net investment in capital assets (e.g., land, buildings, machinery and equipment, infrastructure). The Village of Fox Point uses these capital assets to provide services to citizens and these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Total net position for governmental activities increased by \$1,032,120 during the current fiscal year.

Total net position for business-type activities increased by \$939,961 during the current fiscal year.

Village of Fox Point

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The table below provides a summary of the Village's changes in net position.

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues						
Program revenues:						
Charges for services	\$ 674,194	\$ 702,087	\$ 3,753,106	\$ 3,670,448	\$ 4,427,300	\$ 4,372,535
Operating grants and contributions	671,375	633,404	55,975	-	727,350	633,404
Capital grants and contributions	-	-	203,673	120,320	203,673	120,320
General revenues:						
Property and other taxes	7,535,846	7,436,495	-	-	7,535,846	7,436,495
Intergovernmental revenues	1,777,671	742,082	-	-	1,777,671	742,082
Investment income	398,810	100,132	132,052	30,823	530,862	130,955
Other	582,102	293,983	-	-	582,102	293,983
Total revenues	11,639,998	9,908,183	4,144,806	3,821,591	15,784,804	13,729,774
Expenses:						
General government	1,335,176	1,179,387	-	-	1,335,176	1,179,387
Public safety	5,532,669	4,138,717	-	-	5,532,669	4,138,717
Public works	2,957,227	2,514,370	-	-	2,957,227	2,514,370
Health and human services	57,500	50,338	-	-	57,500	50,338
Culture, education and recreation	523,139	532,960	-	-	523,139	532,960
Conservation and development	57,549	55,743	-	-	57,549	55,743
Interest and fiscal charges	376,493	243,266	-	-	376,493	243,266
Water utility	-	-	1,290,098	1,314,725	1,290,098	1,314,725
Sewer utility	-	-	954,349	1,054,064	954,349	1,054,064
Storm water utility	-	-	728,523	729,303	728,523	729,303
Total expenses	10,839,753	8,714,781	2,972,970	3,098,092	13,812,723	11,812,873
Transfers	231,875	(421,772)	(231,875)	421,772	-	-
Change in net position	1,032,120	771,630	939,961	1,145,271	1,972,081	1,916,901
Net Position, Beginning	11,865,670	11,094,040	22,452,222	21,306,951	34,317,892	32,400,991
Net Position, Ending	<u>\$ 12,897,790</u>	<u>\$ 11,865,670</u>	<u>\$ 23,392,183</u>	<u>\$ 22,452,222</u>	<u>\$ 36,289,973</u>	<u>\$ 34,317,892</u>

The above condensed summary of the Village's governmental and business-type activities for the period ended December 31, 2023 reflects net position increasing by \$1,972,081. The prior period is also included for comparative purposes.

Village of Fox Point

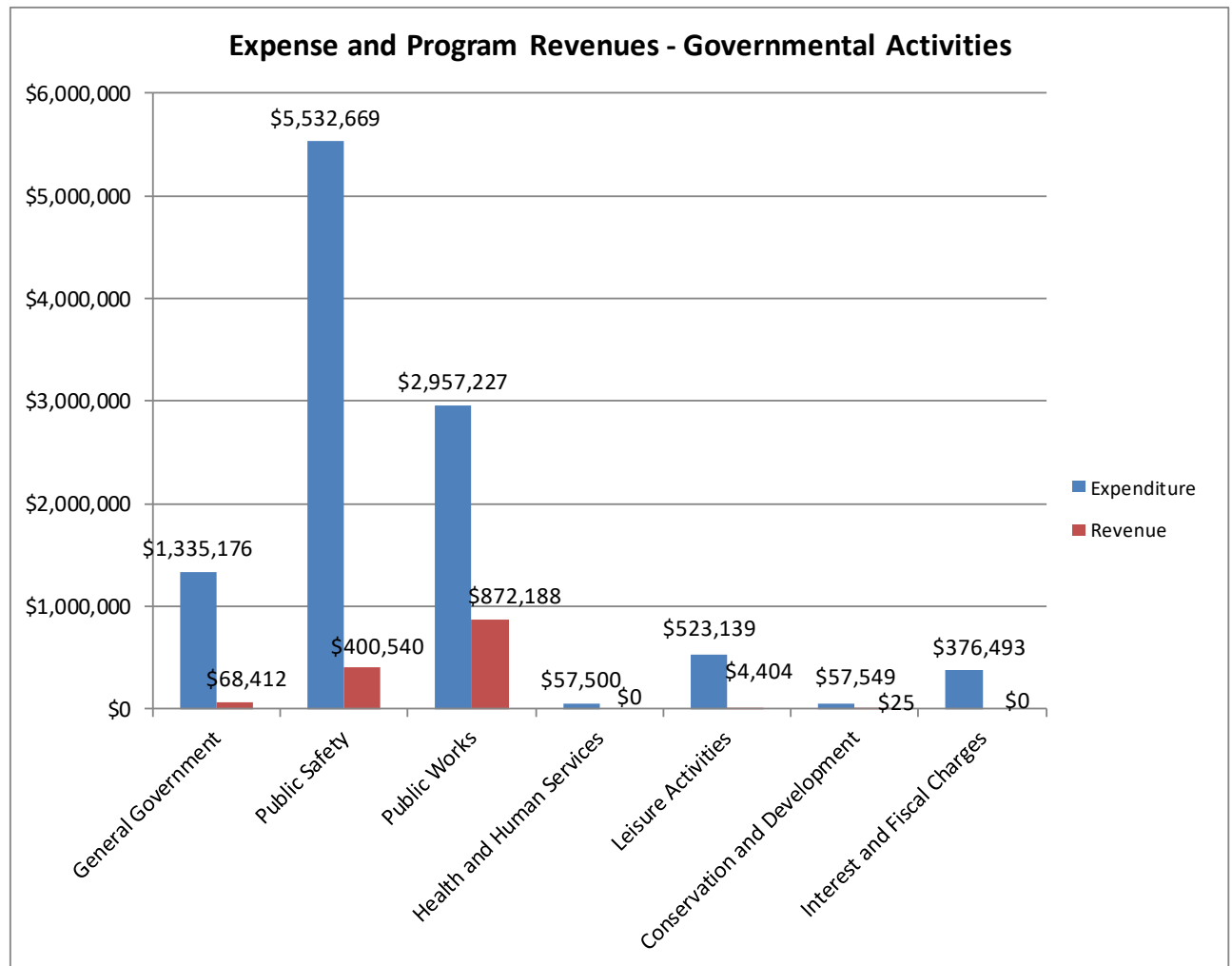
Management's Discussion and Analysis

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Governmental Activities

Governmental activities increased the Village of Fox Point's net position by \$1,032,120.



This graph shows the total 2023 governmental activities cost of \$10,839,753 for this year. Of the total amount, public works accounts for \$2,957,227 of the cost and public safety accounts for \$5,532,669 of the cost. Additional activities expenditures include general government at \$1,335,176, leisure activities at \$523,139, conservation and development at \$57,549 and health and human services at \$57,500. Interest and fiscal charges accounted for \$376,493 of total activity expenses.

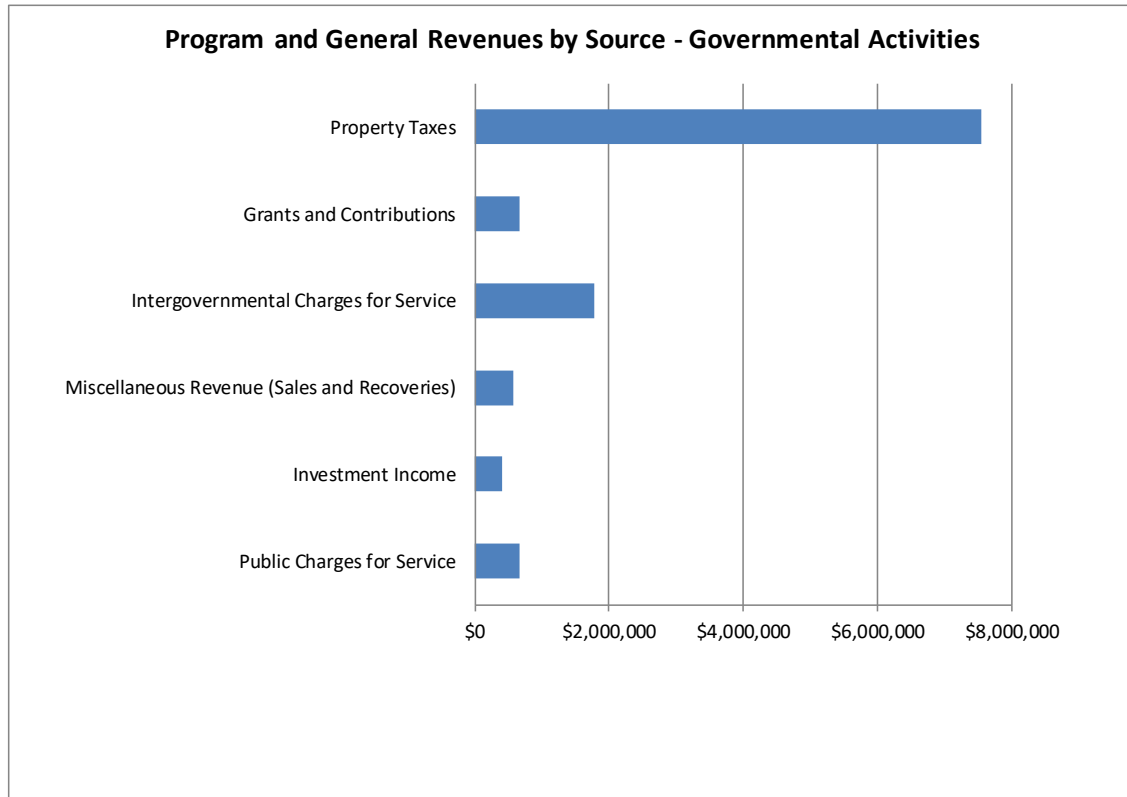
The graph also shows how much of the governmental activities cost is covered by program revenues. The costs that are not covered by program revenue must be covered by taxes, other general revenue or transfers.

Village of Fox Point

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As graphically portrayed above, the Village in 2023 received a significant amount of its revenue – 65% - from property taxes. The Village is also reliant on grants and charges for services to support its governmental operations. These revenue sources each provide 6% of the governmental activities revenue.

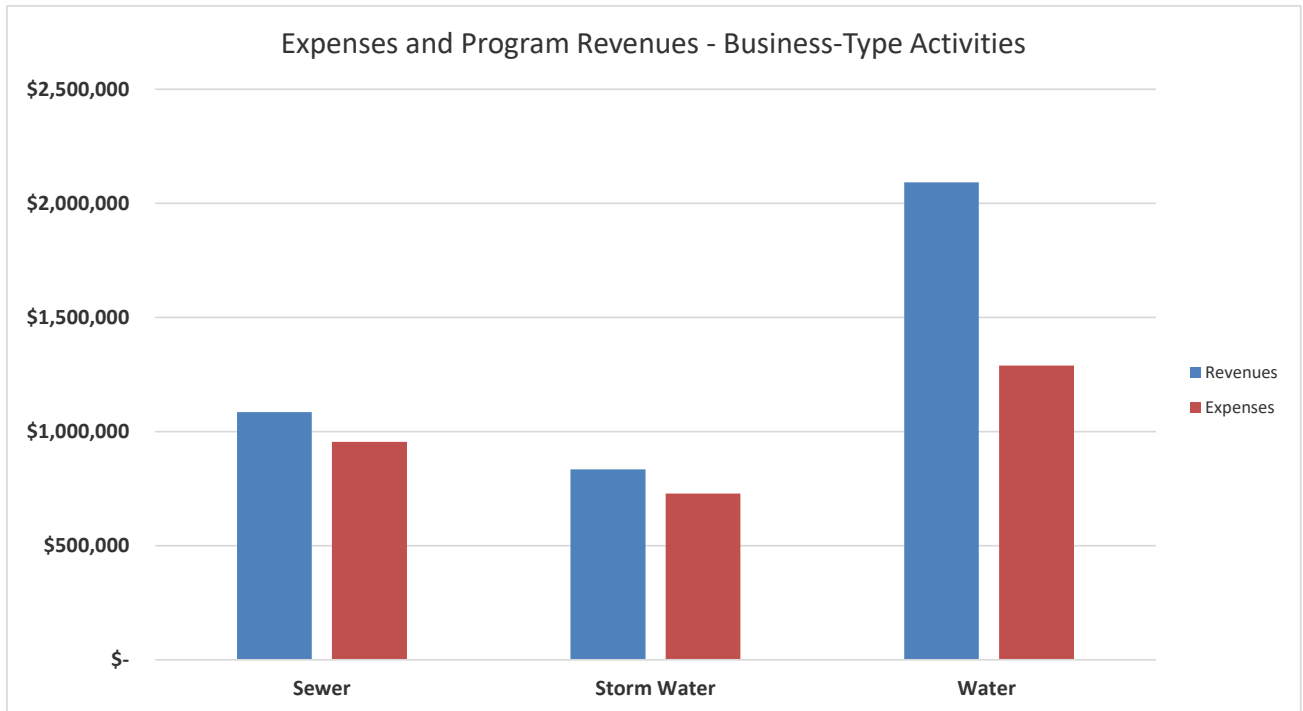
Village of Fox Point

Management's Discussion and Analysis

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Proprietary Funds - Proprietary Funds or Business-type activities increased the Village of Fox Point's net position by \$939,961.



The above graph shows total business-type activities cost of \$2,972,970 for this year. Water expenses comprised \$1,290,098 or 43% of the cost, Sewer expenses accounted for \$954,349 or 32% and Storm Water expenses consisted of \$728,523 or 25% of the cost.

The graph also shows how much of the business-type activities cost is covered by program revenues. Revenue for business-type activities exceeded expenditures by 22%. The additional revenue is the result of the Village's continued effort to gradually build additional cash reserves to permit cash-financing of capital projects in the future.

As shown above, in 2023, the Village's business-type activities – water, sewer and storm water utilities – received the vast majority of its revenue from charges for services. Charges for services totaled \$3,753,106. Interest income, capital grants and contributions and miscellaneous income account for the remaining balance of business-type activities revenue.

Financial Analysis of the Governmental Funds

Governmental Funds - The focus of the Village of Fox Point's governmental funds is to provide information on short-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of a fiscal year.

As of December 31, 2023, the Village of Fox Point's governmental funds – General Fund, Debt Service, Capital Projects Fund and Nonmajor Governmental Funds - reported a combined ending fund balances of \$8,051,218. Of this amount, \$3,678,340 is restricted or nonspendable to indicate that the funds are not available for spending because it has already been restricted to pay for capital projects (\$2,960,007), debt (\$619,884) and prepaid health insurance premiums and delinquent personal property taxes (\$98,449). The fund balance also includes \$4,372,878 that is available for spending at the government's discretion (committed and unassigned fund balance). Of this amount, \$134,747 is committed for use in the Nonmajor Governmental Funds and \$4,238,131 remains unassigned in the general fund. The unassigned fund balance represents 29% of the governmental fund expenditures. Total fund balance represents approximately 56% of the governmental fund expenditures in comparison.

The General Fund is the chief operating fund of the Village of Fox Point. At the end of the 2023 year, unassigned fund balance of the General Fund was \$4,238,131 while the nonspendable General Fund balance was \$98,449. During the 2023 year, the fund balance of the Village of Fox Point's General Fund increased by \$446,312 due to higher-than-expected revenues and lower than expected expenditures in a number of areas.

The Capital Projects Fund provides funding for capital projects relating to Village-owned capital assets and capital equipment. The ending fund balance was \$2,960,007, an increase of \$1,835,574 from the 2022 ending fund balance of \$1,124,433.

The remaining funds are comprised of the Village's Special Revenue Funds (Recycling Fund, Pool Fund, Inspection Fund and Community Development Block Grant Fund (CDBG)) and the Debt Service Fund. The Special Revenue Funds account for grants and fees designated for major Village programs – recycling, municipal pool and inspection services. The Debt Service Fund is used to account for general obligation debt that is supported by property tax revenues. At the end of 2023, the fund balance of the nonmajor funds increased by \$23,502. During 2023, the special revenue funds generated \$539,694 in revenue, primarily from intergovernmental sources (\$58,540), charges for services (\$189,799) and licenses and permit fees (\$291,355). Total expenditures were \$478,518, with the majority - \$170,467 – for inspection services, \$171,232 – for recycling operations and \$127,163 – for pool operations.

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

Unrestricted net position at the end of the year amounted to \$1,608,927 for the Water Utility Fund, \$747,370 for the Sewer Utility Fund and \$732,642 for the Storm Water Utility Fund. The change in net position was an increase of \$646,383 for the Water Utility Fund, an increase of \$131,641 for the Sewer Utility Fund and an increase of \$161,937 for the Storm Water Utility Fund. Other factors concerning the finances of these funds have already been addressed in the discussion of the Village of Fox Point's business-type activities.

Village of Fox Point

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General Fund Budgetary Highlights

The General Fund budget is adopted at the fund level of expenditure. Budget amendments were not made in 2023. The Village's General Fund ended the year with a favorable variance in revenues and a favorable variance in expenditures. Revenues and other financing sources were over budget \$384,092 while expenditures and other financing uses were \$61,828 under the final budget.

Capital Asset and Debt Administration

Capital Assets - The Village of Fox Point's investment in capital assets for its governmental and business type activities as of December 31, 2023 amounted to \$47,048,173 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, construction in progress buildings, improvements other than buildings, machinery and equipment and infrastructure such as roads, storm sewers and bridges. The following table provides a summary of the Village's capital assets. Additional information on the Village of Fox Point's capital assets can be found in Note 3 in the notes to the financial statements.

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land & land improvements	\$ 10,606,337	\$ 7,091,443	\$ 26,561	\$ 26,561	\$ 10,632,898	\$ 7,118,004
Building and system	5,225,587	5,212,717	1,549,406	1,258,149	6,774,993	6,470,866
Machinery & equipment	5,920,229	5,686,760	652,061	652,061	6,572,290	6,338,821
Infrastructure	11,041,181	10,842,006	33,296,889	32,065,356	44,338,070	42,907,362
Construction in progress	195,426	290,463	1,372,943	801,292	1,568,369	1,091,755
Subtotal	32,988,760	29,123,389	36,897,860	34,803,419	69,886,620	63,926,808
Less accumulated depreciation	(10,082,599)	(9,354,348)	(12,755,848)	(12,064,688)	(22,838,447)	(21,419,036)
Total	\$ 22,906,161	\$ 19,769,041	\$ 24,142,012	\$ 22,738,731	\$ 47,048,173	\$ 42,507,772

Long-Term Debt - At the end of the 2023 fiscal year, the Village of Fox Point had total bonded debt outstanding of \$19,383,533. This entire amount is backed by the full faith and credit of the Village.

Village of Fox Point's Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
General obligation bonds and notes	\$ 15,490,303	\$ 12,197,603	\$ 3,893,230	\$ 3,025,397	\$ 19,383,533	\$ 15,223,000
Total	\$ 15,490,303	\$ 12,197,603	\$ 3,893,230	\$ 3,025,397	\$ 19,383,533	\$ 15,223,000

The Village of Fox Point maintains a bond rating of Aaa from Moody's Investor Service.

Wisconsin state statutes limit the amount of general obligation debt a governmental entity may issue to 5% of its equalized valuation. The current debt limitation for the Village of Fox Point is \$79,640,445 of which the Village has used \$19,383,533 or 24.3%.

Additional information on the Village of Fox Point's long-term debt can be found in Note 3 in the notes to the financial statements.

Village of Fox Point

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Economic Factors and Next Year's Budgets and Rates

The Village will continue to monitor tax exempt rates and interest rate sensitivity looking into 2024. If tax exempt bond rates increase to a yet to be determined level, the Village may consider utilizing a richer blend of its unrestricted cash with debt to fund capital projects.

Requests for Information

This financial report is designed to provide a general overview of the Village of Fox Point's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional information should be addressed to the Village's Finance Department, at 7200 N. Santa Monica Blvd., Fox Point, Wisconsin 53217.

Village of Fox Point

Statement of Net Position

December 31, 2023

	Governmental Activities	Business-Type Activities	Total
Assets and Deferred Outflows of Resources			
Assets			
Cash and investments	\$ 5,966,670	\$ 3,205,431	\$ 9,172,101
Taxes receivable	10,859,871	-	10,859,871
Delinquent personal property taxes	12,698	-	12,698
Accounts receivable	688,496	1,031,698	1,720,194
Lease receivable	1,643,192	-	1,643,192
Internal balances	(152,953)	152,953	-
Prepaid items	114,124	-	114,124
Inventories	-	26,393	26,393
Equity in North Shore Water Commission	-	165,869	165,869
Capital assets:			
Land and right of way	5,856,476	26,561	5,883,037
Construction in progress	195,426	1,372,943	1,568,369
Other capital assets	26,936,858	35,498,356	62,435,214
Less accumulated depreciation/amortization	(10,082,599)	(12,755,848)	(22,838,447)
Total assets	42,038,259	28,724,356	70,762,615
Deferred Outflows of Resources			
Deferred loss on refunding	25,070	-	25,070
Pension and OPEB related amounts	4,748,860	468,209	5,217,069
Total deferred outflows of resources	4,773,930	468,209	5,242,139
Liabilities, Deferred inflows of Resources and Net Position			
Liabilities			
Accounts payable and accrued expenses	1,009,010	1,416,346	2,425,356
Due to other governmental units	27,004	-	27,004
Deposits	20,000	-	20,000
Unearned revenues	684,846	-	684,846
Noncurrent liabilities:			
Due within one year	2,489,227	627,595	3,116,822
Due in more than one year	17,308,066	3,509,877	20,817,943
Total liabilities	21,538,153	5,553,818	27,091,971
Deferred Inflows of Resources			
Deferred gain on refunding	32,930	-	32,930
Subsequent years tax levy	7,882,114	-	7,882,114
Pension and OPEB related amounts	2,818,010	246,564	3,064,574
Unearned lease revenue	1,643,192	-	1,643,192
Total deferred inflows of resources	12,376,246	246,564	12,622,810
Net Position			
Net investment in capital assets	12,055,514	20,303,244	30,754,326
Restricted for:			
Debt service	434,598	-	434,598
Capital projects	810,013	-	810,013
Unrestricted (deficit)	(402,335)	3,088,939	4,291,036
Total net position	\$ 12,897,790	\$ 23,392,183	\$ 36,289,973

See notes to financial statements

Village of Fox Point

Statement of Activities

Year Ended December 31, 2023

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 1,335,176	\$ 68,412	\$ -	\$ -	\$ (1,266,764)	\$ -	\$ (1,266,764)
Public safety	5,532,669	357,904	42,636	-	(5,132,129)	-	(5,132,129)
Public works	2,957,227	243,449	628,739	-	(2,085,039)	-	(2,085,039)
Health and human services	57,500	-	-	-	(57,500)	-	(57,500)
Culture, education and recreation	523,139	4,404	-	-	(518,735)	-	(518,735)
Conservation and development	57,549	25	-	-	(57,524)	-	(57,524)
Interest and fiscal charges	376,493	-	-	-	(376,493)	-	(376,493)
Total governmental activities	10,839,753	674,194	671,375	-	(9,494,184)	-	(9,494,184)
Business-type activities:							
Sewer utility	954,349	1,085,645	-	-	-	131,296	131,296
Water utility	1,290,098	1,888,488	-	203,673	-	802,063	802,063
Storm water utility	728,523	778,973	55,975	-	-	106,425	106,425
Total business-type activities	2,972,970	3,753,106	55,975	203,673	-	1,039,784	1,039,784
Total	<u>\$ 13,812,723</u>	<u>\$ 4,427,300</u>	<u>\$ 727,350</u>	<u>\$ 203,673</u>	<u>(9,494,184)</u>	<u>1,039,784</u>	<u>(8,454,400)</u>
General Revenues							
Taxes:							
Property taxes, levied for general purposes					5,714,653	-	5,714,653
Property taxes, levied for debt service					1,759,261	-	1,759,261
Other taxes					61,932	-	61,932
Intergovernmental revenues not restricted to specific programs					1,777,671	-	1,777,671
Investment income					398,810	132,052	530,862
Miscellaneous					582,102	-	582,102
Total general revenues					10,294,429	132,052	10,426,481
Transfers					231,875	(231,875)	-
Change in net position					1,032,120	939,961	1,972,081
Net Position, Beginning					11,865,670	22,452,222	34,317,892
Net Position, Ending					<u>\$ 12,897,790</u>	<u>\$ 23,392,183</u>	<u>\$ 36,289,973</u>

See notes to financial statements

Village of Fox Point

Balance Sheet -
Governmental Funds
December 31, 2023

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Assets					
Cash and investments	\$ 1,895,390	\$ 619,884	\$ 3,297,963	\$ 153,433	\$ 5,966,670
Receivables:					
Taxes	8,713,121	2,146,750	-	-	10,859,871
Delinquent personal property tax	12,698	-	-	-	12,698
Accounts	31,753	-	615,299	41,444	688,496
Lease receivables	1,643,192	-	-	-	1,643,192
Due from other funds	-	-	-	8,724	8,724
Prepaid items	85,751	-	28,373	-	114,124
	<u>12,381,905</u>	<u>2,766,634</u>	<u>3,941,635</u>	<u>203,601</u>	<u>19,293,775</u>
Total assets	\$ 12,381,905	\$ 2,766,634	\$ 3,941,635	\$ 203,601	\$ 19,293,775
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ 85,880	\$ -	\$ 296,782	\$ 59,232	\$ 441,894
Accrued liabilities	372,208	-	-	9,622	381,830
Deposits	20,000	-	-	-	20,000
Due to other funds	161,677	-	-	-	161,677
Due to other governments	27,004	-	-	-	27,004
Unearned revenues	-	-	684,846	-	684,846
	<u>666,769</u>	<u>-</u>	<u>981,628</u>	<u>68,854</u>	<u>1,717,251</u>
Total liabilities	666,769	-	981,628	68,854	1,717,251
Deferred Inflows of Resources					
Unearned revenues	<u>7,378,556</u>	<u>2,146,750</u>	<u>-</u>	<u>-</u>	<u>9,525,306</u>
	<u>7,378,556</u>	<u>2,146,750</u>	<u>-</u>	<u>-</u>	<u>9,525,306</u>
Total deferred inflows of resources	7,378,556	2,146,750	-	-	9,525,306
Fund Balance					
Nonspendable	98,449	-	-	-	98,449
Restricted	-	619,884	2,960,007	-	3,579,891
Committed	-	-	-	134,747	134,747
Unassigned	<u>4,238,131</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,238,131</u>
	<u>4,336,580</u>	<u>619,884</u>	<u>2,960,007</u>	<u>134,747</u>	<u>8,051,218</u>
Total fund balances	4,336,580	619,884	2,960,007	134,747	8,051,218
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 12,381,905</u>	<u>\$ 2,766,634</u>	<u>\$ 3,941,635</u>	<u>\$ 203,601</u>	<u>\$ 19,293,775</u>

See notes to financial statements

Village of Fox Point

Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
December 31, 2023

Total Fund Balances, Governmental Funds	\$ 8,051,218
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Amounts reported for governmental activities in the Statement of Net Position are different because:

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

Land	1,203,921
Land improvements	4,652,555
Construction in progress	195,426
Other capital assets	26,936,858
Less accumulated depreciation	(10,082,599)

Deferred outflows of resources related to pensions and OPEBs do not relate to current financial resources and are not reported in the governmental funds.	4,748,860
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Deferred inflows of resources related to pensions and OPEBs do not relate to current financial resources and are not reported in the governmental funds.	(2,818,010)
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Deferred loss on refunding does not relate to current financial resources and is not reported in the governmental funds.	25,070
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Deferred gain on refunding does not relate to current financial resources and is not reported in the governmental funds.	(32,930)
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Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds.

Bonds and notes payable	(15,490,303)
Compensated absences	(812,410)
Accrued interest	(185,286)
Total OPEB obligation, Health Insurance	(440,804)
Total OPEB obligation, Life Insurance	(203,410)
Net pension liability - WRS	(1,213,092)
Unamortized debt premium	(365,959)
North Shore Fire Department obligations	(1,098,181)
Total pension liability, single-employer plan	<u>(173,134)</u>

Net Position of Governmental Activities	<u>\$ 12,897,790</u>
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Village of Fox Point

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds Year Ended December 31, 2023

	General Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total
Revenues					
Taxes	\$ 5,776,585	\$ 1,759,261	\$ -	\$ -	\$ 7,535,846
Intergovernmental	866,037	-	1,454,032	58,540	2,378,609
Licenses and permits	130,522	-	-	291,355	421,877
Fines, forfeitures and penalties	68,469	-	-	-	68,469
Public charges for services	25,692	-	-	189,799	215,491
Intergovernmental charges for services	111,226	14,101	-	-	125,327
Special assessments	-	-	1,108	-	1,108
Investment income	200,314	45,147	153,349	-	398,810
Miscellaneous revenues	258,323	-	173,532	-	431,855
Total revenues	<u>7,437,168</u>	<u>1,818,509</u>	<u>1,782,021</u>	<u>539,694</u>	<u>11,577,392</u>
Expenditures					
Current:					
General government	1,212,373	-	-	-	1,212,373
Public safety	4,050,526	-	-	170,467	4,220,993
Public works	1,621,015	-	-	171,232	1,792,247
Health and human services	57,500	-	-	-	57,500
Culture, recreation and education	278,984	-	-	127,163	406,147
Conservation and development	59,540	-	-	-	59,540
Capital outlay	-	-	4,814,607	9,656	4,824,263
Debt service:					
Principal	-	1,542,300	-	-	1,542,300
Interest and fiscal charges	-	276,585	43,639	-	320,224
Total expenditures	<u>7,279,938</u>	<u>1,818,885</u>	<u>4,858,246</u>	<u>478,518</u>	<u>14,435,587</u>
Excess (deficiency) of revenues over expenditures	<u>157,230</u>	<u>(376)</u>	<u>(3,076,225)</u>	<u>61,176</u>	<u>(2,858,195)</u>
Other Financing Sources (Uses)					
Transfers in	444,558	20,150	-	157,476	622,184
Transfers out	(157,476)	-	-	(195,150)	(352,626)
Proceeds from sale of capital assets	2,000	-	76,799	-	78,799
Premium on debt issued	-	61,359	-	-	61,359
Debt issued	-	-	4,835,000	-	4,835,000
Total other financing sources (uses)	<u>289,082</u>	<u>81,509</u>	<u>4,911,799</u>	<u>(37,674)</u>	<u>5,244,716</u>
Net change in fund balances	<u>446,312</u>	<u>81,133</u>	<u>1,835,574</u>	<u>23,502</u>	<u>2,386,521</u>
Fund Balances, Beginning	<u>3,890,268</u>	<u>538,751</u>	<u>1,124,433</u>	<u>111,245</u>	<u>5,664,697</u>
Fund Balances, Ending	<u>\$ 4,336,580</u>	<u>\$ 619,884</u>	<u>\$ 2,960,007</u>	<u>\$ 134,747</u>	<u>\$ 8,051,218</u>

See notes to financial statements

Village of Fox Point

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

Net Change in Fund Balances, Total Governmental Funds	\$ 2,386,521
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of net position the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the statement of activities.

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements	4,824,263
Some items reported as capital outlay were not capitalized	(722,698)
Capital assets contributed to storm water	(37,683)
Depreciation is reported in the government-wide financial statements	(854,229)
Net book value of assets retired	(72,533)

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

Debt issued	(4,835,000)
Principal repaid	1,542,300

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

Debt premium on debt issued	(61,359)
Amortization of premium on debt issued	66,837

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

Compensated absences	1,664
North Shore Fire Department obligations	(730,048)
Accrued interest on debt	(117,963)
Net pension liability, WRS	(3,095,481)
Total pension liability, single-employer plan	15,394
Net OPEB liability, Life Insurance	98,598
Total OPEB liability, Health Insurance	46,143
Deferred outflows of resources related to pensions and OPEBs	819,332
Deferred inflows of resources related to pensions and OPEBs	1,763,205
Amortization of deferred loss on refunding	(9,485)
Amortization of deferred gain on refunding	4,342

Change in Net Position of Governmental Activities	\$ <u>1,032,120</u>
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Village of Fox Point

Statement of Net Position -
Proprietary Funds
December 31, 2023

	Business-Type Activities - Enterprise Funds			
	Water Utility	Sewer Utility	Storm Water Utility	Total
Assets				
Current assets:				
Cash and investments	\$ 2,026,337	\$ 587,741	\$ 591,353	\$ 3,205,431
Accounts receivables	630,236	233,891	167,571	1,031,698
Due from other funds	71,777	54,634	26,542	152,953
Inventory	26,393	-	-	26,393
Total current assets	2,754,743	876,266	785,466	4,416,475
Noncurrent assets:				
Restricted assets:				
Capital assets:				
Construction in progress	1,313,382	-	59,561	1,372,943
Property and equipment	18,634,922	8,975,899	7,887,535	35,498,356
Land	26,561	-	-	26,561
Less accumulated depreciation	(7,870,978)	(2,707,201)	(2,177,669)	(12,755,848)
Other assets:				
Equity in North Shore Water Commission	165,869	-	-	165,869
Total noncurrent assets	12,269,756	6,268,698	5,769,427	24,307,881
Total assets	15,024,499	7,144,964	6,554,893	28,724,356
Deferred Outflows of Resources				
Pension related amounts	223,050	150,957	94,202	468,209
Total deferred outflows of resources	223,050	150,957	94,202	468,209

See notes to financial statements

Village of Fox Point

Statement of Net Position -
Proprietary Funds
December 31, 2023

	Business-Type Activities - Enterprise Funds			
	Water Utility	Sewer Utility	Storm Water Utility	Total
Liabilities				
Current liabilities:				
Accounts payable	\$ 1,254,812	\$ 111,779	\$ 3,200	\$ 1,369,791
Accrued wages	7,274	5,193	3,516	15,983
Accrued interest	25,379	294	4,899	30,572
Compensated absences	42,746	33,273	45,476	121,495
Current portion of long-term debt	256,900	73,200	176,000	506,100
Total current liabilities	1,587,111	223,739	233,091	2,043,941
Noncurrent liabilities:				
Long-term debt:				
General obligation bonds payable	2,496,196	149,655	741,279	3,387,130
Unamortized premium	-	1,489	-	1,489
Net pension liability	57,051	37,822	26,385	121,258
Total noncurrent liabilities	2,553,247	188,966	767,664	3,509,877
Total liabilities	4,140,358	412,705	1,000,755	5,553,818
Deferred Inflows of Resources				
Pension related amounts	104,377	78,637	63,550	246,564
Total deferred inflows of resources	104,377	78,637	63,550	246,564
Net Position				
Net investment in capital assets	9,393,887	6,057,209	4,852,148	20,303,244
Restricted for:				
Unrestricted net position	1,608,927	747,370	732,642	3,088,939
Total net position	\$ 11,002,814	\$ 6,804,579	\$ 5,584,790	\$ 23,392,183

See notes to financial statements

Village of Fox Point

Statement of Revenues, Expenses and Changes in Net Position -

Proprietary Funds

Year Ended December 31, 2023

	Business-Type Activities - Enterprise Funds			
	Water Utility	Sewer Utility	Storm Water Utility	Total
Operating Revenues				
Public charges for services	\$ 1,809,325	\$ 1,085,645	\$ 778,973	\$ 3,673,943
Other operating revenues	<u>79,163</u>	<u>-</u>	<u>-</u>	<u>79,163</u>
Total operating revenues	<u>1,888,488</u>	<u>1,085,645</u>	<u>778,973</u>	<u>3,753,106</u>
Operating Expenses				
Operation and maintenance	813,471	846,161	366,446	2,026,078
Depreciation/amortization	369,760	101,744	338,169	809,673
Taxes	<u>15,037</u>	<u>4,533</u>	<u>-</u>	<u>19,570</u>
Total operating expenses	<u>1,198,268</u>	<u>952,438</u>	<u>704,615</u>	<u>2,855,321</u>
Operating income	<u>690,220</u>	<u>133,207</u>	<u>74,358</u>	<u>897,785</u>
Nonoperating Revenues (Expenses)				
Investment income	113,878	345	17,829	132,052
Interest and fiscal charges	(92,205)	(2,749)	(23,908)	(118,862)
Amortization	<u>375</u>	<u>838</u>	<u>-</u>	<u>1,213</u>
Total nonoperating revenues (expenses)	<u>22,048</u>	<u>(1,566)</u>	<u>(6,079)</u>	<u>14,403</u>
Income before contributions and transfers	<u>712,268</u>	<u>131,641</u>	<u>68,279</u>	<u>912,188</u>
Contributions and Transfers				
Capital contributions	203,673	-	93,658	297,331
Transfers out	<u>(269,558)</u>	<u>-</u>	<u>-</u>	<u>(269,558)</u>
Total contributions and transfers	<u>(65,885)</u>	<u>-</u>	<u>93,658</u>	<u>27,773</u>
Change in net position	646,383	131,641	161,937	939,961
Net Position, Beginning	<u>10,356,431</u>	<u>6,672,938</u>	<u>5,422,853</u>	<u>22,452,222</u>
Net Position, Ending	<u>\$ 11,002,814</u>	<u>\$ 6,804,579</u>	<u>\$ 5,584,790</u>	<u>\$ 23,392,183</u>

See notes to financial statements

Village of Fox Point

Statement of Cash Flows -
Proprietary Funds
Year Ended December 31, 2023

	Business-Type Activities - Enterprise Funds			
	Water Utility	Sewer Utility	Storm Water Utility	Total
Cash Flows From Operating Activities				
Received from customers	\$ 1,846,791	\$ 1,115,201	\$ 853,467	\$ 3,815,459
Paid to suppliers for goods and services	(590,869)	(691,432)	(266,714)	(1,549,015)
Paid to employees for services	(306,680)	(151,582)	(104,665)	(562,927)
Net cash flows from operating activities	<u>949,242</u>	<u>272,187</u>	<u>482,088</u>	<u>1,703,517</u>
Cash Flows From Investing Activities				
Investment income	<u>113,878</u>	<u>345</u>	<u>17,829</u>	<u>132,052</u>
Net cash flows from investing activities	<u>113,878</u>	<u>345</u>	<u>17,829</u>	<u>132,052</u>
Cash Flows From Noncapital Financing Activities				
Paid to municipality for tax equivalent	<u>(269,558)</u>	<u>-</u>	<u>-</u>	<u>(269,558)</u>
Net cash flows from noncapital financing activities	<u>(269,558)</u>	<u>-</u>	<u>-</u>	<u>(269,558)</u>
Cash Flows From Capital and Related Financing Activities				
Debt issued	1,355,000	-	-	1,355,000
Debt retired	(167,541)	(109,625)	(210,000)	(487,166)
Interest paid	(79,546)	(3,075)	(29,527)	(112,148)
Special assessments received	4,978	16,777	-	21,755
Acquisition and construction of capital assets	(809,312)	(305,564)	(53,138)	(1,168,014)
Contribution received for construction	<u>-</u>	<u>-</u>	<u>55,975</u>	<u>55,975</u>
Net cash flows from capital and related financing activities	<u>303,579</u>	<u>(401,487)</u>	<u>(236,690)</u>	<u>(334,598)</u>
Net change in cash and cash equivalents	1,097,141	(128,955)	263,227	1,231,413
Cash and Cash Equivalents, Beginning	<u>929,196</u>	<u>716,696</u>	<u>328,126</u>	<u>1,974,018</u>
Cash and Cash Equivalents, Ending	<u>\$ 2,026,337</u>	<u>\$ 587,741</u>	<u>\$ 591,353</u>	<u>\$ 3,205,431</u>

See notes to financial statements

Village of Fox Point

Statement of Cash Flows -
Proprietary Funds
Year Ended December 31, 2023

	Business-Type Activities - Enterprise Funds			
	Water Utility	Sewer Utility	Storm Water Utility	Total
Reconciliation of Operating Income to Net Cash Flows From Operating Activities				
Operating income	\$ 690,220	\$ 133,207	\$ 74,358	\$ 897,785
Adjustments to reconcile operating income to net cash flows from operating activities:				
Depreciation	369,760	101,744	338,169	809,673
Depreciation charged to other funds	12,509	-	-	12,509
Changes in assets and liabilities:				
Accounts receivable	(50,955)	24,079	74,894	48,018
Due from other funds	(3,251)	5,477	(400)	1,826
Inventories	(4,734)	-	-	(4,734)
Compensated absences	(2,537)	(1,151)	(2,655)	(6,343)
Accounts payable	(75,436)	8,340	(7,787)	(74,883)
Other current liabilities	(386)	(127)	(271)	(784)
Pension related deferrals and liabilities/assets	14,052	618	5,780	20,450
Net cash flows from operating activities	<u>\$ 949,242</u>	<u>\$ 272,187</u>	<u>\$ 482,088</u>	<u>\$ 1,703,517</u>
Noncash Capital and Related Financing Activities				
Equity in NSWC	<u>\$ 24,518</u>	<u>\$ -</u>	<u>\$ -</u>	
Amortization premium	<u>\$ 375</u>	<u>\$ 838</u>	<u>\$ -</u>	
Capital assets paid with accounts payable	<u>\$ 1,236,903</u>	<u>\$ -</u>	<u>\$ -</u>	
Capital assets contributed by municipality	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37,683</u>	
Capital assets contributed by State	<u>\$ 203,673</u>	<u>\$ -</u>	<u>\$ -</u>	

See notes to financial statements

Village of Fox Point

Statement of Fiduciary Net Position -
Fiduciary Funds
December 31, 2023

	Custodial Fund Tax Collection Fund
Assets	
Cash and investments	\$ 19,194,221
Tax roll receivable	<u>10,682,789</u>
Total assets	<u>29,877,010</u>
Liabilities	
Accounts payable	1,415
Due to other taxing units	<u>29,875,595</u>
Total liabilities	<u>29,877,010</u>
Net Position	
Total net position	<u><u>\$ -</u></u>

See notes to financial statements

Village of Fox Point

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

	Custodial Fund Tax Collection Fund
Additions	
Tax collections on-behalf of underlying districts	\$ 22,525,579
Deductions	
Tax payments to underlying districts	22,525,579
Change in fiduciary net position	-
Net Position, Beginning	-
Net Position, Ending	\$ -

See notes to financial statements

Village of Fox Point

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December 31, 2023

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Village of Fox Point

Notes to Financial Statements
December 31, 2023

1. Summary of Significant Accounting Policies

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

Reporting Entity

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

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

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

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

Village of Fox Point

Notes to Financial Statements

December 31, 2023

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

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

The Village reports the following major governmental funds:

General Fund

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

Debt Service Fund

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

Capital Projects Fund

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

Enterprise Funds

The Village reports the following major enterprise funds:

Water Utility accounts for operations of the Water system.

Sewer Utility accounts for operations of the Sewer system.

Storm Water Utility accounts for operations of the Storm Water system

The Village reports the following nonmajor governmental funds:

Special Revenue Funds

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

Recycling
Inspection

Pool

In addition, the Village reports the following fund type:

Custodial Fund

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

Tax Collection Fund

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

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

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

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

Proprietary and Fiduciary Funds

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

Village of Fox Point

Notes to Financial Statements
December 31, 2023

The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water, sewer and storm water utilities are charges to customers for sales and services. Special assessments are recorded as receivables and contribution revenue when levied. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

All Financial Statements

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

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

Deposits and Investments

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

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

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

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

Village of Fox Point

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

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

See Note 3 for further information.

Receivables

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

Property tax calendar - 2023 tax roll:

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

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

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

Inventories and Prepaid Items

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

Village of Fox Point

Notes to Financial Statements
December 31, 2023

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

Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties.

Capital Assets

Government-Wide Financial Statements

Capital assets, which include property, plant and equipment (including right-to-use lease assets), are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$2,500 for general capital assets and \$5,000 for infrastructure assets and an estimated useful life in excess of one year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

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

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

Buildings	50-75 Years
Land improvements	20 Years
Machinery and equipment	7-30 Years
Utility system	50 Years
Infrastructure	40 Years
Intangibles	5 Years

Lease assets are typically amortized over the lease term.

Fund Financial Statements

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

Village of Fox Point

Notes to Financial Statements
December 31, 2023

Deferred Outflows of Resources

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

A deferred charge on refunding arises from the advance refunding of debt. The difference between the cost of the securities placed in trust for future payments of the refunded debt and the net carrying value of that debt is deferred and amortized as a component of interest expense over the shorter of the term of the refunding issue or the original term of the refunded debt. The unamortized amount is reported as a deferred outflow of resources in the government-wide and proprietary fund financial statements.

Compensated Absences

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

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

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

Long-Term Obligations

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

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

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

Leases

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

Deferred Inflows of Resources

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

Village of Fox Point

Notes to Financial Statements
December 31, 2023

Equity Classifications

Government-Wide Statements

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

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

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

	Governmental Activities	Business-Type Activities	Adjustment	Total
Net investment in capital assets	\$ 12,055,514	\$ 20,303,244	\$ (1,604,432)	\$ 30,754,326
Unrestricted	(402,335)	3,088,939	1,604,432	4,291,036

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

Fund Statements

Governmental fund balances are displayed as follows:

- a. **Nonspendable** - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. **Restricted** - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. **Committed** - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the Village Board. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Village Board that originally created the commitment.

Village of Fox Point

Notes to Financial Statements

December 31, 2023

- d. **Assigned** - Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The Village Board has, by resolution, adopted a financial policy authorizing the Village Manager to assign amounts for a specific purpose. Assignments may take place after the end of the reporting period.
- e. **Unassigned** - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

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

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

The Village has a formal minimum fund balance policy. That policy is to maintain the Village's General Fund fund balance as of January 1st of each year to be no less than 10% of that year's adopted General Fund operating budget. The General Fund fund balance at year end was \$4,336,580 or approximately 64% of the 2024 General Fund operating budget.

See Note 3 for further information.

Pension

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

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

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

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

Village of Fox Point

Notes to Financial Statements
December 31, 2023

Postemployment Benefits Other Than Pensions (OPEB)

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

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

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

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

Basis for Existing Rates

Water Rates

Current water rates as approved by the PSCW were placed into effect on August 1, 2021.

Sewer Rates

Current sewer rates as approved by the Village Board were placed into effect on January 1, 2013.

Storm Water Rates

Current storm water rates as approved by the Village Board were placed into effect February 1, 2019.

2. Stewardship, Compliance and Accountability

Excess Expenditures and Other Financing Uses Over Budget

<u>Fund</u>	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Excess Expenditures Over Budget</u>
Debt Service Fund	\$ 1,793,512	\$ 1,818,885	\$ 25,373
Special Revenue Fund, Inspection	173,682	345,467	171,785

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

Village of Fox Point

Notes to Financial Statements

December 31, 2023

Limitations on the Village's Tax Levy

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

3. Detailed Notes on All Funds

Deposits and Investments

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

	<u>Carrying Value</u>	<u>Statement Balances</u>	<u>Associated Risks</u>
Deposits	\$ 22,118,748	\$ 20,363,617	Custodial credit
LGIP	6,247,094	6,247,094	Credit
Petty cash	480	-	N/A
Total deposits and investments	<u>\$ 28,366,322</u>	<u>\$ 26,610,711</u>	
Reconciliation to financial statements			
Per statement of net position:			
Unrestricted cash and investments	\$ 9,172,101		
Per statement of net position, fiduciary fund:			
Tax collection	<u>19,194,221</u>		
Total deposits and investments	<u>\$ 28,366,322</u>		

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

Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the nature of this fund, recovery of material principal losses may not be significant to individual municipalities. This coverage has been considered in computing custodial credit risk.

The Village maintains collateral agreements with its banks. At December 31, 2023, the banks had pledged various government securities in the amount of \$23,582,906 to secure the Village's deposits.

Custodial Credit Risk

Deposits

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

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

Village of Fox Point

Notes to Financial Statements
December 31, 2023

Credit Risk

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

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

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

Receivables

All of the receivables on the balance sheet are expected to be collected within one year, except for \$12,698 of delinquent personal property taxes and \$1,637,241 of lease receivables.

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

	<u>Unearned</u>
Property taxes receivable for subsequent year	\$ 7,882,114
Grants received prior to eligibility requirements	684,846
Unearned lease revenue	<u>1,643,192</u>
Total unearned/unavailable revenue for governmental funds	<u>\$ 10,210,152</u>
Unearned revenue included in liabilities	\$ 684,846
Unearned revenue included in deferred inflows	<u>9,525,306</u>
Total unearned revenue for governmental funds	<u>\$ 10,210,152</u>

Village of Fox Point

Notes to Financial Statements

December 31, 2023

Capital Assets

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental Activities				
Capital assets not being depreciated / amortized:				
Land	\$ 1,203,921	\$ -	\$ -	\$ 1,203,921
Right of way	4,652,555	-	-	4,652,555
Construction in progress	<u>290,463</u>	<u>89,146</u>	<u>184,183</u>	<u>195,426</u>
Total capital assets not being depreciated / amortized	<u>6,146,939</u>	<u>89,146</u>	<u>184,183</u>	<u>6,051,902</u>
Capital assets being depreciated / amortized:				
Land improvements	1,234,967	3,514,894	-	4,749,861
Buildings	5,212,717	25,057	12,187	5,225,587
Machinery and equipment	5,566,989	392,231	158,762	5,800,458
Streets	7,642,184	226,737	27,562	7,841,359
Bridges	3,199,822	-	-	3,199,822
Software	<u>119,771</u>	<u>-</u>	<u>-</u>	<u>119,771</u>
Total capital assets being depreciated / amortized	<u>22,976,450</u>	<u>4,158,919</u>	<u>198,511</u>	<u>26,936,858</u>
Total capital assets	<u>29,123,389</u>	<u>4,248,065</u>	<u>382,694</u>	<u>32,988,760</u>
Less accumulated depreciation / amortization for:				
Land improvements	(589,349)	(234,550)	-	(823,899)
Buildings	(1,636,179)	(92,176)	12,187	(1,716,168)
Machinery and equipment	(3,175,084)	(289,853)	102,422	(3,362,515)
Streets	(3,028,686)	(174,496)	11,369	(3,191,813)
Bridges	(841,289)	(58,517)	-	(899,806)
Software	<u>(83,761)</u>	<u>(4,637)</u>	<u>-</u>	<u>(88,398)</u>
Total accumulated depreciation / amortization	<u>(9,354,348)</u>	<u>(854,229)</u>	<u>125,978</u>	<u>(10,082,599)</u>
Net capital assets being depreciated / amortized	<u>13,622,102</u>	<u>3,304,690</u>	<u>72,533</u>	<u>16,854,259</u>
Total governmental activities capital assets, net as reported in the statement of net position	<u>\$ 19,769,041</u>	<u>\$ 3,393,836</u>	<u>\$ 256,716</u>	<u>\$ 22,906,161</u>

Depreciation / amortization expense was charged to functions as follows:

Governmental Activities

General government	\$ 42,121
Public safety	115,561
Public works	675,407
Culture, education and recreation	<u>21,140</u>
Total governmental activities depreciation / amortization expense	<u>\$ 854,229</u>

Village of Fox Point

Notes to Financial Statements

December 31, 2023

Business-Type Activities

	Beginning Balance	Additions	Deletions	Ending Balance
Sewer				
Capital assets being depreciated / amortized:				
Collection system	\$ 8,373,691	\$ 305,564	\$ -	\$ 8,679,255
Treatment and disposal	50,000	-	-	50,000
General	132,381	-	-	132,381
Software	114,263	-	-	114,263
Total capital assets being depreciated / amortized	8,670,335	305,564	-	8,975,899
Less accumulated depreciation / amortization for:				
Sewer capital assets	(2,605,457)	(101,744)	-	(2,707,201)
Total accumulated depreciation / amortization	(2,605,457)	(101,744)	-	(2,707,201)
Net capital assets being depreciated / amortized	6,064,878	203,820	-	6,268,698
Net sewer capital assets	<u>\$ 6,064,878</u>	<u>\$ 203,820</u>	<u>\$ -</u>	<u>\$ 6,268,698</u>
	Beginning Balance	Additions	Deletions	Ending Balance
Water				
Capital assets not being depreciated:				
Land and land rights	\$ 26,561	\$ -	\$ -	\$ 26,561
Construction in progress	801,292	1,234,018	721,928	1,313,382
Total capital assets not being depreciated	827,853	1,234,018	721,928	1,339,943
Capital assets being depreciated:				
Source of supply	278,542	-	-	278,542
Pumping	893,832	-	-	893,832
Water treatment	1,964,799	37,580	2,003	2,000,376
Transmission and distribution	13,186,015	987,797	128,665	14,045,147
General	1,125,768	291,611	354	1,417,025
Total capital assets being depreciated	17,448,956	1,316,988	131,022	18,634,922
Total capital assets	18,276,809	2,551,006	852,950	19,974,865
Less accumulated depreciation for:				
Water capital assets	(7,619,731)	(382,269)	131,022	(7,870,978)
Total accumulated depreciation	(7,619,731)	(382,269)	131,022	(7,870,978)
Net capital assets being depreciated	9,829,225	934,719	-	10,763,944
Net water capital assets	<u>\$ 10,657,078</u>	<u>\$ 2,168,737</u>	<u>\$ 721,928</u>	<u>\$ 12,103,887</u>

Village of Fox Point

Notes to Financial Statements

December 31, 2023

	Beginning Balance	Additions	Deletions	Ending Balance
Storm Water				
Capital assets not being depreciated:				
Construction in progress	\$ -	\$ 59,561	\$ -	\$ 59,561
Total capital assets not being depreciated	-	59,561	-	59,561
Capital assets being depreciated / amortized:				
Storm water system	7,318,477	31,260	-	7,349,737
Software	127,635	-	-	127,635
Equipment	410,163	-	-	410,163
Total capital assets being depreciated / amortized	7,856,275	31,260	-	7,887,535
Total capital assets	7,856,275	90,821	-	7,947,096
Less accumulated depreciation / amortization for:				
Storm water system	(1,633,285)	(302,316)	-	(1,935,601)
Software	(98,799)	(27,344)	-	(126,143)
Equipment	(107,416)	(8,509)	-	(115,925)
Total accumulated depreciation / amortization	(1,839,500)	(338,169)	-	(2,177,669)
Net capital assets being depreciated / amortized	6,016,775	(306,909)	-	5,709,866
Net storm water capital assets	\$ 6,016,775	\$ (247,348)	\$ -	\$ 5,769,427
Business-type activities capital assets, net as reported in the statement of net position	\$ 22,738,731	\$ 2,125,209	\$ 721,928	\$ 24,142,012

Depreciation / amortization expense was charged to functions as follows:

Business-Type Activities

Sewer	\$ 101,744
Water	369,760
Storm water	338,169
Total business-type activities depreciation / amortization expense	\$ 809,673

Depreciation expense is different from additions because of joint metering, salvage cost of removal, internal allocations and cost associated with the disposal of assets.

Village of Fox Point

Notes to Financial Statements
December 31, 2023

Interfund Receivables/Payables and Transfers

Interfund Receivables/Payables

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

Receivable Fund	Payable Fund	Amount
Water utility	General fund	\$ 71,777
Sewer utility	General fund	54,634
Storm water utility	General fund	26,542
Special revenue, recycling fund	General fund	8,724
Total, fund financial statements		161,677
Less fund eliminations		(8,724)
Total internal balances, government-wide statement of net position		<u>\$ 152,953</u>

All amounts are due within one year.

The principal purpose of these interfunds are due to delinquent utility bills collected during the tax collection process of the general fund. All remaining balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

Transfers

The following is a schedule of interfund transfers:

Fund Transferred To	Fund Transferred From	Amount	Principal Purpose
General fund	Water utility	\$ 269,558	Payment in lieu of taxes
General fund	Special revenue, inspection fund	175,000	Transfer surplus funds
Debt service fund	Special revenue, pool fund	20,150	Debt service requirements
Special revenue, pool fund	General fund	157,476	Reimbursement for expenditures
Total, fund financial statements		622,184	
Less fund eliminations		(352,626)	
Less capital assets transferred to storm water utility		(37,683)	
Total transfers, government-wide statement of activities		<u>\$ 231,875</u>	

Fund Transferred To	Fund Transferred From	Amount
Governmental activities	Business-type activities	\$ 269,558
Business-type activities	Governmental activities	(37,683)
Total government-wide financial statements		<u>\$ 231,875</u>

Village of Fox Point

Notes to Financial Statements

December 31, 2023

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

Long-Term Obligations

Long-term obligations activity for the year ended December 31, 2023, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities					
Bonds and notes payable:					
General obligation debt	\$ 12,197,603	\$ 4,835,000	\$ 1,542,300	\$ 15,490,303	\$ 1,658,900
(Discouts)/premiums	<u>371,437</u>	<u>61,359</u>	<u>66,837</u>	<u>365,959</u>	<u>-</u>
Total bonds and notes payable	<u>12,569,040</u>	<u>4,896,359</u>	<u>1,609,137</u>	<u>15,856,262</u>	<u>1,658,900</u>
Other liabilities:					
North Shore Fire Department obligation (NSFD)	368,133	763,876	33,828	1,098,181	17,917
Total OPEB liability, Health Insurance	486,947	-	46,143	440,804	-
Net OPEB liability, Life Insurance	302,008	-	98,598	203,410	-
Total pension liability, single employer plan	188,528	-	15,394	173,134	-
Net pension liability, WRS	-	1,213,092	-	1,213,092	-
Vested compensated absences	<u>814,074</u>	<u>-</u>	<u>1,664</u>	<u>812,410</u>	<u>812,410</u>
Total other liabilities	<u>2,159,690</u>	<u>1,976,968</u>	<u>195,627</u>	<u>3,941,031</u>	<u>830,327</u>
Total governmental activities long-term liabilities	<u>\$ 14,728,730</u>	<u>\$ 6,873,327</u>	<u>\$ 1,804,764</u>	<u>\$ 19,797,293</u>	<u>\$ 2,489,227</u>
Business-Type Activities					
Bonds and notes payable:					
General obligation debt	\$ 3,025,397	\$ 1,355,000	\$ 487,167	\$ 3,893,230	\$ 506,100
(Discouts)/premiums:					
Bond discount	<u>2,702</u>	<u>-</u>	<u>1,213</u>	<u>1,489</u>	<u>-</u>
Total bonds and notes payable	<u>3,028,099</u>	<u>1,355,000</u>	<u>488,380</u>	<u>3,894,719</u>	<u>506,100</u>
Other liabilities:					
Net pension liability, WRS	-	121,258	-	121,258	-
Vested compensated absences	<u>127,838</u>	<u>-</u>	<u>6,343</u>	<u>121,495</u>	<u>121,495</u>
Total other liabilities	<u>127,838</u>	<u>121,258</u>	<u>6,343</u>	<u>242,753</u>	<u>121,495</u>
Total business-type activities long-term liabilities	<u>\$ 3,155,937</u>	<u>\$ 1,476,258</u>	<u>\$ 494,723</u>	<u>\$ 4,137,472</u>	<u>\$ 627,595</u>

In accordance with Wisconsin Statutes, total general obligation indebtedness of the Village may not exceed 5% of the equalized value of taxable property within the Village's jurisdiction. The debt limit as of December 31, 2023, was \$79,640,445. Total general obligation debt outstanding at year end was \$19,383,533.

Village of Fox Point

Notes to Financial Statements

December 31, 2023

General Obligation Debt

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

Governmental Activities					Balance
General Obligation Debt	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	December 31, 2023
2012 G.O. Debt	05/02/12	04/01/27	1.00-2.50%	\$ 2,500,000	\$ 815,000
2015 G.O. Debt	11/03/15	04/01/25	2.00	2,888,050	210,000
2016 G.O. Debt	08/01/16	04/01/26	1.50-1.65	1,901,254	296,254
2016 G.O. Refunding Debt	08/01/16	04/01/32	2.00-2.38	1,949,448	1,259,049
2017 G.O. Debt	08/02/17	04/01/32	1.50-3.0	825,000	360,000
2018 G.O. Debt	07/30/18	04/01/28	2.50-4.00	1,000,000	635,000
2019 G.O. Debt	07/30/19	04/01/29	2.00-4.00	1,615,000	1,255,000
2020 G.O. Debt	08/04/20	04/01/30	1.00-2.00	2,290,000	1,865,000
2021 G.O. Refunding Debt	01/05/21	04/01/26	0.98	427,000	260,000
2021 G.O. Debt	08/02/21	04/01/31	1.05-2.00	2,475,000	2,255,000
2022 G.O. Debt	07/26/22	04/01/32	3.00-4.00	1,525,000	1,445,000
2023 G.O. Debt	04/04/23	04/01/26	4.00	4,350,000	4,350,000
2023 G.O. Debt	08/01/23	04/01/33	4.00	485,000	485,000

Total governmental activities, general obligation debt \$ 15,490,303

Business-Type Activities					Balance
General Obligation Debt	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	December 31, 2023
Sewer 2016 G.O. Refunding	08/01/16	04/01/32	2.00-2.38%	\$ 20,055	\$ 12,855
Water 2016 G.O. Refunding	08/01/16	04/01/32	2.00-2.38	70,496	43,096
Water 2018 G.O. Debt	07/30/18	04/01/28	2.50-4.00	200,000	105,000
Storm Water 2016 G.O. Debt	08/01/16	04/01/26	1.50-1.65	387,279	62,279
Storm Water 2017 G.O. Debt	08/01/17	04/01/32	1.50-3.0	375,000	165,000
Storm Water 2018 G.O. Debt	07/30/18	04/01/28	2.50-4.00	405,000	110,000
Storm Water 2019 G.O. Debt	07/30/19	04/01/29	2.00-4.00	215,000	140,000
Water 2020 G.O. Debt	08/04/20	04/01/30	1.00-2.00	215,000	155,000
Sewer 2021 G.O. Refunding	01/05/21	04/01/26	0.98	349,000	210,000
Storm Water 2021 G.O. Refunding	01/05/21	04/01/26	0.98	230,000	140,000
Water 2021 G.O. Debt	08/02/21	04/01/31	1.05-2.00	700,000	575,000
Water 2022 G.O. Debt	07/26/22	04/01/32	3.00-4.00	560,000	520,000
Storm Water 2022 G.O. Debt	07/26/22	04/01/32	3.00-4.00	325,000	300,000
Water 2023 G.O. Debt	08/01/23	04/01/33	4.00	1,355,000	1,355,000

Total business-type activities, general obligation debt \$ 3,893,230

Village of Fox Point

Notes to Financial Statements

December 31, 2023

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities General Obligation Debt</u>		<u>Business-Type Activities General Obligation Debt</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 1,658,900	\$ 506,521	\$ 506,100	\$ 119,309
2025	1,654,700	375,086	525,300	96,203
2026	6,028,154	246,318	545,379	81,406
2027	1,547,500	120,197	427,500	67,535
2028	1,273,400	87,555	406,600	54,336
2029-2033	3,327,649	131,200	1,482,351	109,059
Total	<u>\$ 15,490,303</u>	<u>\$ 1,466,877</u>	<u>\$ 3,893,230</u>	<u>\$ 527,848</u>

Other Long-Term Obligations

Other long-term obligations at December 31, 2023 consists of the following:

<u>Governmental Activities</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2023</u>
<u>Other Long-Term Obligations</u>					
NSFD debt obligation	05/01/19	05/01/39	.50-2.00%	\$ 60,581	\$ 58,121
NSFD debt obligation	01/22/20	05/01/39	2.00	302,909	276,184
NSFD debt obligation	05/23/23	03/01/43	4.00-5.00	763,876	763,876
Total governmental activities other long-term obligations					<u>\$ 1,098,181</u>

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities Other Long-Term Obligations</u>	
	<u>Principal</u>	<u>Interest</u>
2024	\$ 17,917	\$ 50,967
2025	38,456	40,809
2026	40,204	39,068
2027	41,952	37,243
2028	45,885	35,281
2043-2033	253,023	145,864
2034-2038	300,656	96,138
2039-2043	360,088	36,977
Total	<u>\$ 1,098,181</u>	<u>\$ 482,347</u>

Other Debt Information

Estimated payments of vested compensated absences, net and total pension liabilities and net and total OPEB liabilities are not included in the debt service requirement schedules. The vested compensated absences, net and total pension liabilities and net and total OPEB liabilities attributable to governmental activities will be liquidated primarily by the general and utility funds.

There are a number of limitations and restrictions contained in the various bond indentures and loan agreements. The Village believes it is in compliance with all significant limitations and restrictions, including federal arbitrage regulations.

Village of Fox Point

Notes to Financial Statements
December 31, 2023

Lease Disclosures

Lessor - Lease Receivables

<u>Governmental Activities</u>				Receivable Balance December 31, 2023
<u>Lease Receivables Description</u>	<u>Date of Inception</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	
Telecom Infrastructure T, Inc.	01/01/16	12/31/60	1.25%	\$ 1,643,192
Total governmental activities				<u>\$ 1,643,192</u>

The Village recognized \$4,530 of lease revenue during the fiscal year.

The Village recognized \$28,898 of interest revenue during the fiscal year.

Net Position/Fund Balances

Net position reported on the government-wide statement of net position at December 31, 2023, includes the following:

Governmental Activities

Net investment in capital assets:

Land	\$ 1,203,921
Construction in progress	195,426
Right-of-way	4,652,555
Other capital assets, net of accumulated depreciation/amortization	16,854,259
Less long-term debt outstanding	(15,490,303)
Plus unspent capital related debt proceeds	2,149,994
Plus noncapital debt proceeds	2,863,481
Plus deferred loss on refunding	25,070
Less deferred gain on refunding	(32,930)
Less unamortized premium on long-term debt	<u>(365,959)</u>

Total net investment in capital assets \$ 12,055,514

Village of Fox Point

Notes to Financial Statements
December 31, 2023

Governmental Funds

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

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Fund Balances					
Nonspendable:					
Prepaid items	\$ 85,751	\$ -	\$ -	\$ -	\$ 85,751
Delinquent personal property taxes	<u>12,698</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,698</u>
Subtotal	<u>98,449</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>98,449</u>
Restricted for:					
Debt service	-	619,884	-	-	619,884
Capital projects	<u>-</u>	<u>-</u>	<u>2,960,007</u>	<u>-</u>	<u>2,960,007</u>
Subtotal	<u>-</u>	<u>619,884</u>	<u>2,960,007</u>	<u>-</u>	<u>3,579,891</u>
Committed to:					
Recycling	-	-	-	28,571	28,571
Inspections	<u>-</u>	<u>-</u>	<u>-</u>	<u>106,176</u>	<u>106,176</u>
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>134,747</u>	<u>134,747</u>
Unassigned:	<u>4,238,131</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,238,131</u>
Total fund balances	<u>\$ 4,336,580</u>	<u>\$ 619,884</u>	<u>\$ 2,960,007</u>	<u>\$ 134,747</u>	<u>\$ 8,051,218</u>

Business-Type Activities

Net investment in capital assets:

Land	\$ 26,561
Construction in progress	1,372,943
Other capital assets, net of accumulated depreciation/amortization	22,742,508
Less long-term debt outstanding	(3,893,230)
Plus noncapital debt proceeds	55,951
Less unamortized premium on long-term debt	<u>(1,489)</u>

Total net investment in capital assets \$ 20,303,244

4. Other Information

Employees' Retirement System

Plan Description

The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, expected to work at least 1,200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

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

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

Vesting

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

Benefits Provided

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

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

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

The WRS also provides death and disability benefits for employees.

Village of Fox Point

Notes to Financial Statements
December 31, 2023

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

Contributions

Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for General category employees, including Teachers, Executives and Elected Officials. Starting on January 1, 2016, the Executives and Elected Officials category was merged into the General Employee category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the reporting period, the WRS recognized \$298,256 in contributions from the Village.

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

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

Village of Fox Point

Notes to Financial Statements

December 31, 2023

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

At December 31, 2023, the Village reported a liability of \$1,334,350 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 0.02518733%, which was a decrease of 0.00036925% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the Village recognized pension expense (revenue) of \$643,546.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual experience	\$ 2,125,206	\$ 2,792,043
Changes in assumptions	262,388	-
Net differences between projected and actual earnings on pension plan investments	2,266,753	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	17,009	6,128
Employer contributions subsequent to the measurement date	<u>336,030</u>	<u>-</u>
Total	<u>\$ 5,007,386</u>	<u>\$ 2,798,171</u>

\$336,030 reported as deferred outflows of resources related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Years Ending December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2024	\$ 78,241
2025	388,824
2026	400,092
2027	1,006,028

Village of Fox Point

Notes to Financial Statements
December 31, 2023

Actuarial Assumptions

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

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

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

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

Village of Fox Point

Notes to Financial Statements

December 31, 2023

Long-Term Expected Return on Plan Assets

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

Asset Allocation Targets and Expected Returns* as of December 31, 2022			
Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %**
Public Equity	48	7.6	5
Public Fixed Income	25	5.3	2.7
Inflation Sensitive	19	3.6	1.1
Real Estate	8	5.2	2.6
Private Equity/Debt	15	9.6	6.9
Total Core Fund***	115	7.4	4.8
Variable Fund Asset			
U.S. Equities	70	7.2	4.6
International Equities	30	8.1	5.5
Total Variable Fund	100	7.7	5.1

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

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

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

Village of Fox Point

Notes to Financial Statements
December 31, 2023

Single Discount Rate

A single discount rate of 6.8% was used to measure the total pension liability for the current and prior year. This discount rate is based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 4.05% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal G.O. AA Index" as of December 31, 2022. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the investment rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

	<u>1% Decrease to Discount Rate (5.8%)</u>	<u>Current Discount Rate (6.8%)</u>	<u>1% Increase to Discount Rate (7.8%)</u>
Village's proportionate share of the net pension liability (asset)	\$ 4,428,664	\$ 1,334,350	\$ (794,272)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

At December 31, 2023, the Village reported a payable to the pension plan which represents contractually required contributions outstanding as of the end of the year.

Risk Management

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

Village of Fox Point

Notes to Financial Statements
December 31, 2023

Commitments and Contingencies

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

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

The Village has active construction projects as of December 31, 2023. Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures.

Joint Ventures

North Shore Water Commission

The Village of Fox Point, City of Glendale and the Village of Whitefish Bay jointly operate the local supply and filtration system, which is called the North Shore Water Commission (NSWC) and provides water supply and filtration. The communities share in the operation proportionately based upon water sold to each participant.

The governing body is made up of citizens from each municipality. Local representatives are appointed by the municipalities. The governing body has authority to adopt its own budget and control the financial affairs of the commission.

Debt is repaid with resources of the utility and is secured by the assets and revenues of NSWC. The transactions of the Commission are not reflected in these financial statements. \$271,198 of operating costs represents the Village's share for the North Shore Water Commission which is expected to continue to provide services in the future at similar rates. Financial information of the North Shore Water Commission as of December 31, 2023 is available directly from the NSWC office.

The Village accounts for its share of the operations in the water utility fund. The Village has an equity interest in the NSWC equal to its percentage share of participation. The equity interest is reported in the statement of net position as an asset and the amount of change for the year is reflected on the statement of revenues, expenses and changes in net position.

Village of Fox Point

Notes to Financial Statements
December 31, 2023

North Shore Library

The City of Glendale and the Villages of Fox Point, Bayside and River Hills operate the North Shore Library under a Joint Library Agreement dated January 1, 1985. Under the joint agreement, a Joint Library Board is created to operate the North Shore Library. The Joint Library Board is composed of ten members: five members from Glendale, two members each from Fox Point and Bayside, one member from River Hills and the Superintendent of Schools for the Nicolet School District. The Joint Library Board has the powers to repair, maintain and renew physical assets of the library and to prepare and adopt a budget for the library's operating expenses and a budget for the library's capital improvement expenses. The operating budget must be approved by at least three of the four municipalities. In addition, the Joint Library Board has the power to appoint the Library Director and such other assistants and employees as it deems necessary. Operating and capital expenses are shared proportionately based upon population estimates published in October.

The Village's share of operations in 2023 was \$253,671. The Village believes that the library will continue to provide services in the future at similar rates. The Village does not report an equity interest in the joint venture.

North Shore Fire Department

By agreement dated December 30, 1994, the North Shore Fire Department (NSFD) was created. The NSFD, which provides a unified integrated fire and emergency medical service, began operations on January 1, 1996. The NSFD was created pursuant to the provisions of Wisconsin Statutes 61.65 and 66.30. Participants are the Village of Fox Point, Village of Shorewood, Village of Brown Deer, Village of River Hills, Village of Whitefish Bay, Village of Bayside and City of Glendale. The North Shore Fire Department furnishes fire and emergency medical services. The North Shore Fire Department (NSFD) is operated by a Board of Directors consisting of seven members which includes the Mayor or Village President of each participating municipality. The affirmative vote of a majority of the members of the Board of Directors is required on most matters.

The powers of the Board of Directors include authorizing repair, maintenance and renewal of physical assets and recommending adoption of the department's budget. The capital and operating budget of the department must receive approval of at least five of the seven participating municipalities.

Also established by the agreement is a Joint Fire Commission that has the powers related to appointments, promotions, suspensions, removals, dismissals, reemployment, compensation, rest days, etc. The fiscal agent for the North Shore Fire Department is the Village of Brown Deer. The Village's share of operations in 2023 was \$1,244,917. The Village does not report an equity interest in this joint venture.

Dispatch Services

The Village of Fox Point, River Hills and Bayside jointly operate a dispatch service center under a joint service agreement. Under the joint agreement, the Village of Bayside provides dispatch services to the municipalities. The cost of these services is shared between the communities as agreed upon in the individual agreements. A separate board has not been established to govern the dispatch service activities. Changes to the agreements and to the services provided require the approval of all three Village boards. During 2023, the Village's share of operations was \$313,023. The Village does not report an equity interest in this joint venture.

Village of Fox Point

Notes to Financial Statements
December 31, 2023

Other Postemployment Benefits

General Information about the OPEB Plan

Plan Description

The Village administers a single-employer defined benefit healthcare plan. The plan provides for eligible retirees and their spouses through the Village's healthcare plan which covers both active and retired members. Benefit provisions are established through personnel policy guidelines and collective bargaining agreements. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided

The Village makes the same monthly health insurance contribution on behalf of the retiree as it makes on behalf of all other active employees. The Village contributes 25% of the current year premiums until Medicare is available. Plan members receiving benefits contribute 75% of their premium costs.

Employees Covered by Benefit Terms

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

Inactive plan members or beneficiaries currently receiving benefit payments	10
Active plan members	40
Total	50

Total OPEB Liability

The Village's total OPEB liability of \$440,804 was measured as of December 31, 2021, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Discount rate	4.25%
Healthcare cost trend rates	7.00% decreasing to 6.50%, then decreasing by 0.10% per year down to 4.50% and level thereafter

The discount rate was based on S&P Municipal Bond 20 Year High Grade Index.

Mortality rates were based on the 2020 WRS Experience Tables for Active Employees and Healthy Retirees projected with mortality improvements using the fully generational MP-2021 projection scale from a base year of 2010.

The actuarial assumptions used in the December 31, 2021 valuation were based on the results of an actuarial experience study 2018-2020.

Village of Fox Point

Notes to Financial Statements

December 31, 2023

Changes in the Total OPEB Liability

	Total OPEB Liability
Balances at December 31, 2022	\$ 486,947
Changes for the year:	
Service cost	33,703
Interest	10,886
Changes in assumptions or other inputs	(50,765)
Benefit payments	(39,967)
Net changes	(46,143)
Balances at December 31, 2023	\$ 440,804

Changes of assumptions and other inputs reflect a change in the discount rate from 2.25% in 2021 to 4.25% in 2022.

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

The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.25%) or 1-percentage-point higher (5.25%) than the current discount rate:

	1% Decrease	Discount Rate	1% Increase
Total OPEB liability	\$ 465,609	\$ 440,804	\$ 417,257

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

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$ 436,908	\$ 440,804	\$ 444,022

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

For the year ended December 31, 2023, the Village recognized OPEB expense of \$6,784. 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	\$ 26,635	\$ -
Changes of assumptions or other inputs	46,820	74,282
Total	\$ 73,455	\$ 74,282

Village of Fox Point

Notes to Financial Statements
December 31, 2023

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

<u>Years Ending December 31:</u>	<u>Amount</u>
2024	\$ 2,162
2025	2,162
2026	2,162
2027	2,162
2028	2,162
Thereafter	(11,637)
Total	<u>\$ (827)</u>

Local Retiree Life Insurance Fund (LRLIF)

Plan Description

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

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

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

Benefits Provided

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

Contributions

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

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

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

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

Village of Fox Point

Notes to Financial Statements
December 31, 2023

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

Life Insurance Member Contribution Rates *for the Plan Year

<u>Attained Age</u>	<u>Basic</u>	<u>Supplemental</u>
Under 30	\$0.05	\$0.05
30-34	0.06	0.06
35-39	0.07	0.07
40-44	0.08	0.08
45-49	0.12	0.12
50-54	0.22	0.22
55-59	0.39	0.39
60-64	0.49	0.49
65-69	0.57	0.57

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

During the reporting period, the LRLIF recognized \$1,071 in contributions from the employer.

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

At December 31, 2023, the Village reported a liability of \$203,410 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 benefit 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 0.05339100%, which was an increase of 0.00229300% from its proportion measured as of December 31, 2021.

Village of Fox Point

Notes to Financial Statements

December 31, 2023

For the year ended December 31, 2023, the Village recognized OPEB expense (revenue) of \$17,330.

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

	Deferred Outflow of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 19,907
Net differences between projected and actual earnings on plan investments	3,817	-
Changes in actuarial assumptions	73,081	120,068
Changes in proportion and differences between employer contributions and proportionate share of contributions	18,195	23,118
Employer contributions subsequent to the measurement date	<u>1,097</u>	<u>-</u>
Total	<u>\$ 96,190</u>	<u>\$ 163,093</u>

\$1,097 reported as deferred outflows of resources related to OPEB resulting from the LRLIF Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ending December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2024	\$ (6,088)
2025	(8,072)
2026	(4,728)
2027	(14,842)
2028	(17,327)
Thereafter	(16,943)

Village of Fox Point

Notes to Financial Statements
December 31, 2023

Actuarial Assumptions

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

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

*Based on the Bond Buyers G.O. index

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

Long-Term Expected Return on Plan Assets

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

Village of Fox Point

Notes to Financial Statements
December 31, 2023

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

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

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

Single Discount Rate

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

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

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

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

	1% Decrease to Discount Rate (2.76%)	Current Discount Rate (3.76%)	1% Increase to Discount Rate (4.76%)
Village's proportionate share of the net OPEB liability (asset)	\$ 277,329	\$ 203,410	\$ 146,761

Village of Fox Point

Notes to Financial Statements
December 31, 2023

Single-Employer Defined Benefit Pension Plan

Plan Description

The Village reports a single-employer defined benefit pension plan (the Stipend Plan). Management of the Stipend Plan is vest in the Village Board. No assets have been accumulated in a trust for the payment of these benefits. The plan is administered by the Village and provides active public safety employees that retire on or after January 1, 2002 with a monthly cash benefit ranging from \$200 to \$375 per month. Benefit provisions are established through agreements approved by the Village Board.

At December 31, 2023, the District plan's membership consisted of:

Retirees and beneficiaries	1
Active members	<u>10</u>
Total	<u><u>11</u></u>

The District paid \$6,571 for pension benefits as they came due during the reporting period. The District is funding these benefits on a pay-as-you-go basis.

Changes in Total Pension Liability

The District's change in total pension liability for the fiscal year ended December 31, 2023 was as follows:

	<u>Total Pension Liability</u>
Beginning of Year Balance	\$ 188,528
Service cost	9,014
Interest on total pension liability	4,269
Changes in assumptions or other inputs	(22,106)
Benefit payments	<u>(6,571)</u>
End of Year Balance	<u><u>\$ 173,134</u></u>

Assumptions

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

Measurement Date:	December 31, 2022
Actuarial Valuation Date:	December 31, 2021

Inflation: 2.50%

Salary Changes: 5.8% down to 0.2% in 30 years; includes merit increases plus inflation

Discount Rate: 4.25%

The discount rate was based on S&P Municipal Bond 20 Year High Grade Index.

Village of Fox Point

Notes to Financial Statements

December 31, 2023

Mortality rates were based on the 2020 WRS Experience Tables for Active Employees and Healthy Retirees projected with mortality improvements using the fully generational MP-2021 projection scale from a base year of 2010.

The actuarial assumptions used in the December 31, 2021 valuation were based on the results of an actuarial experience study 2018-2020.

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

The following is a sensitivity analysis of the total pension liability to changes in the discount rate. The table below presents the pension liability of the District calculated using the current discount rate of 4.25% as well as what the total pension liability would be if it were to be calculated using a discount rate that is 1-percentage-point lower (3.25%) or 1-percentage-point higher (5.25%) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Total pension liability	\$ 183,896	\$ 173,134	\$ 162,977

Pension Expense and Deferred Outflows of Resources Related to Pensions

For the year ended December 31, 2023, the Village recognized pension expense of \$5,091.

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

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 12,617	\$ 6,095
Changes in assumptions	18,214	22,933
Employer contributions subsequent to the measurement date	<u>9,207</u>	<u>-</u>
Total	<u>\$ 40,038</u>	<u>\$ 29,028</u>

\$9,207 reported as deferred outflows related to pension resulting from the Stipend Plan's contributions subsequent to the measurement date will be recognized as a reduction of the total pension liability 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>Years ending December 31:</u>	<u>Deferred Outflows of Resources and Deferred Inflows of Resources (Net)</u>
2024	\$ 1,015
2025	1,015
2026	1,015
2027	1,015
2028	1,015
Thereafter	(3,272)

Effect of New Accounting Standards on Current-Period Financial Statements

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

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

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

REQUIRED SUPPLEMENTARY INFORMATION

Village of Fox Point

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

General Fund

Year Ended December 31, 2023

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Taxes	\$ 5,773,653	\$ 5,776,585	\$ 2,932
Intergovernmental	834,025	866,037	32,012
Licenses and permits	125,250	130,522	5,272
Fines, forfeitures and penalties	100,000	68,469	(31,531)
Public charges for services	49,056	25,692	(23,364)
Intergovernmental charges for services	110,000	111,226	1,226
Investment income	55,000	200,314	145,314
Miscellaneous revenues	<u>46,650</u>	<u>258,323</u>	<u>211,673</u>
Total revenues	<u>7,093,634</u>	<u>7,437,168</u>	<u>343,534</u>
Expenditures			
Current:			
General government	1,127,047	1,212,373	(85,326)
Public safety	4,176,894	4,050,526	126,368
Public works	1,630,457	1,621,015	9,442
Health and human services	57,489	57,500	(11)
Culture, recreation and education	279,747	278,984	763
Conservation and development	<u>53,000</u>	<u>59,540</u>	<u>(6,540)</u>
Total expenditures	<u>7,324,634</u>	<u>7,279,938</u>	<u>44,696</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(231,000)</u>	<u>157,230</u>	<u>388,230</u>
Other Financing Sources (Uses)			
Transfers in	405,000	444,558	39,558
Transfers out	(174,608)	(157,476)	17,132
Proceeds from sale of capital assets	<u>1,000</u>	<u>2,000</u>	<u>1,000</u>
Total other financing sources (uses)	<u>231,392</u>	<u>289,082</u>	<u>57,690</u>
Net change in fund balance	<u>\$ 392</u>	<u>446,312</u>	<u>\$ 445,920</u>
Fund Balance, Beginning		<u>3,890,268</u>	
Fund Balance, Ending		<u>\$ 4,336,580</u>	

See notes to required supplementary information

Village of Fox Point

Schedule of Proportionate Share of the Net Pension Liability (Asset) -
 Wisconsin Retirement System
 Year Ended December 31, 2023

WRS Fiscal Year End	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/14	0.02766856%	\$ (679,616)	\$ 3,210,928	21.17%	102.74%
12/31/15	0.02724353%	442,702	3,268,645	13.54%	98.20%
12/31/16	0.02669150%	220,002	3,236,140	6.80%	99.12%
12/31/17	0.02708612%	(804,219)	3,396,748	23.68%	102.93%
12/31/18	0.02730611%	971,465	3,406,954	28.51%	96.45%
12/31/19	0.02738158%	(882,907)	3,403,013	25.94%	102.96%
12/31/20	0.02645525%	(1,651,637)	3,132,860	52.72%	105.26%
12/31/21	0.02555658%	(2,059,907)	3,181,408	64.75%	106.02%
12/31/22	0.02518733%	1,334,350	3,278,971	40.69%	95.72%

Schedule of Employer Contributions - Wisconsin Retirement System
 Year Ended December 31, 2023

Village Fiscal Year End	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/15	\$ 277,668	\$ 277,668	\$ -	\$ 3,268,645	8.49%
12/31/16	233,362	233,362	-	3,236,140	7.21%
12/31/17	268,350	268,350	-	3,396,748	7.90%
12/31/18	272,687	272,687	-	3,406,954	8.00%
12/31/19	265,308	265,308	-	3,403,013	7.80%
12/31/20	294,488	294,488	-	3,132,860	9.40%
12/31/21	292,303	292,303	-	3,181,408	9.19%
12/31/22	299,492	299,492	-	3,278,972	9.13%
12/31/23	336,030	336,030	-	3,419,581	9.83%

See notes to required supplementary information

Village of Fox Point

Schedule of Changes in the Total Pension Liability and Related Ratios -
Supplemental Pension (Stipend) Plan
Year Ended December 31, 2023

	2023	2022	2021	2020	2019	2018
Total Pension Liability						
Service cost	\$ 9,014	\$ 8,958	\$ 8,008	\$ 6,323	\$ 6,683	\$ 6,683
Interest	4,269	4,293	4,919	5,305	4,635	4,432
Difference between expected and actual experience	-	-	-	19,829	-	125,761
Changes in assumptions	(22,106)	(7,619)	6,155	21,587	(4,723)	-
Benefit payments	(6,571)	(6,814)	(8,502)	(6,777)	(5,634)	(4,974)
Net change in total pension liability	(15,394)	(1,182)	10,580	46,267	961	131,902
Total Pension Liability, Beginning	188,528	189,710	179,130	132,863	131,902	-
Total Pension Liability, Ending	<u>\$ 173,134</u>	<u>\$ 188,528</u>	<u>\$ 189,710</u>	<u>\$ 179,130</u>	<u>\$ 132,863</u>	<u>\$ 131,902</u>
Covered-Employee Payroll	\$ 831,546	\$ 831,546	\$ 885,477	\$ 885,477	\$ 774,235	\$ 774,235
Total pension liability as a percentage of covered payroll	20.82%	22.67%	21.42%	20.23%	17.16%	17.04%

See notes to required supplementary information

Village of Fox Point

Schedule of Changes in the Total OPEB Liability and Related Ratios -
Health Insurance
Year Ended December 31, 2023

	2023	2022	2021	2020	2019	2018
Total OPEB Liability						
Service cost	\$ 33,703	\$ 33,559	\$ 30,481	\$ 18,705	\$ 19,418	\$ 19,418
Interest	10,886	11,291	14,286	18,264	16,656	16,876
Difference between expected and actual experience	-	23,756	-	12,719	-	486,994
Changes in assumptions	(50,765)	(28,806)	13,311	62,506	(11,100)	-
Benefit payments	(39,967)	(75,802)	(78,754)	(31,622)	(56,174)	(29,035)
Net change in total OPEB liability	(46,143)	(36,002)	(20,676)	80,572	(31,200)	494,253
Total OPEB Liability, Beginning	486,947	522,949	543,625	463,053	494,253	-
Total OPEB Liability, Ending	<u>\$ 440,804</u>	<u>\$ 486,947</u>	<u>\$ 522,949</u>	<u>\$ 543,625</u>	<u>\$ 463,053</u>	<u>\$ 494,253</u>
Covered-Employee Payroll	\$ 3,057,144	\$ 3,057,144	\$ 2,985,665	\$ 2,985,665	\$ 2,784,095	\$ 2,784,095
Total OPEB liability as a percentage of covered-employee payroll	14.42%	15.93%	17.52%	18.21%	16.63%	17.75%

See notes to required supplementary information

Village of Fox Point

Schedule of Proportionate Share of the Net OPEB Liability -
Local Retiree Life Insurance Fund (LRLIF)
Year Ended December 31, 2023

Plan Fiscal Year End	Proportion of the Net OPEB Liability	Proportionate Share of the Net OPEB Liability	Covered Payroll	Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
12/31/17	0.06120200%	\$ 184,131	\$ 2,573,719	7.15%	44.81%
12/31/18	0.05947700%	153,471	2,879,000	5.33%	48.69%
12/31/19	0.06052900%	257,744	2,847,000	9.05%	37.58%
12/31/20	0.04896200%	269,326	2,720,000	9.90%	31.36%
12/31/21	0.05109800%	302,008	2,832,000	10.66%	29.57%
12/31/22	0.05339100%	203,410	2,912,000	6.99%	38.81%

Schedule of Employer Contributions - Local Retiree Life Insurance Fund (LRLIF)
Year Ended December 31, 2023

Village Fiscal Year End	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/18	\$ 1,162	\$ 1,162	\$ -	\$ 2,573,719	0.05%
12/31/19	1,145	1,145	-	2,879,000	0.04%
12/31/20	965	965	-	2,847,000	0.03%
12/31/21	1,024	1,024	-	2,720,000	0.04%
12/31/22	1,084	1,084	-	2,832,000	0.04%
12/31/23	1,097	1,097	-	2,912,000	0.04%

See notes to required supplementary information

Village of Fox Point

Notes to Required Supplementary Information
Year Ended December 31, 2023

Budgetary Information

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

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

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

Wisconsin Retirement System

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

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

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

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

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

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

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

Village of Fox Point

Notes to Required Supplementary Information
Year Ended December 31, 2023

Local Retiree Life Insurance Fund

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

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

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

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

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

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

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

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

Health Insurance Plan

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

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

Changes in assumptions. There were no changes in assumptions except that the inflation rate changed from 2.00% to 2.50% and the discount rate changed from 2.25% to 4.25%.

Supplemental Pension (Stipend) Plan

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

Accumulation of assets: No assets have been accumulated in a trust that meets the criteria in paragraph 4 of GASB statement No. 73.

Changes in benefit terms: There were no changes of benefit terms.

Changes in assumptions: There were no changes in assumptions except that the inflation rate changed from 2.00% to 2.50% and the discount rate changed from 2.25% to 4.25%.

SUPPLEMENTARY INFORMATION

Village of Fox Point

Detailed Schedule of Revenues and Other Financing Sources - Budget and Actual -

General Fund

Year Ended December 31, 2023

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Taxes			
General property taxes	\$ 5,714,653	\$ 5,714,653	\$ -
Payment in lieu of taxes	24,000	24,489	489
Interest and penalties on taxes	35,000	37,443	2,443
Total taxes	<u>5,773,653</u>	<u>5,776,585</u>	<u>2,932</u>
Intergovernmental			
Federal grants	6,000	6,600	600
State shared revenues	89,966	95,574	5,608
Spending restraint	71,440	71,440	-
Fire insurance tax from state	39,826	42,636	2,810
State aid, streets	566,142	566,212	70
State aid, exempt computer aid	28,151	36,905	8,754
Other State grants	32,500	46,670	14,170
Total intergovernmental	<u>834,025</u>	<u>866,037</u>	<u>32,012</u>
Licenses and Permits			
Beverage licenses	6,100	7,481	1,381
Bicycle licenses	50	50	-
Pet licenses	1,000	1,943	943
Cable TV franchise fee	83,600	73,540	(10,060)
Other permits	34,500	47,508	13,008
Total licenses and permits	<u>125,250</u>	<u>130,522</u>	<u>5,272</u>
Fines, Forfeitures and Penalties			
Court penalties and costs	<u>100,000</u>	<u>68,469</u>	<u>(31,531)</u>
Public Charges for Services			
Miscellaneous service revenues	35,556	9,330	(26,226)
Job orders	11,700	11,787	87
Pavilion rental	1,600	4,370	2,770
Fingerprint fee	200	180	(20)
Administrative warrant fee	-	25	25
Total public charges for services	<u>49,056</u>	<u>25,692</u>	<u>(23,364)</u>
Intergovernmental Charges for Services			
Utility equipment rental	<u>110,000</u>	<u>111,226</u>	<u>1,226</u>
Investment Income			
Investment income	<u>55,000</u>	<u>200,314</u>	<u>145,314</u>

Village of Fox Point

Detailed Schedule of Revenues and Other Financing Sources - Budget and Actual -

General Fund

Year Ended December 31, 2023

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Miscellaneous Revenues			
Insurance recoveries	\$ 15,000	\$ 7,329	\$ (7,671)
Miscellaneous revenues	<u>31,650</u>	<u>250,994</u>	<u>219,344</u>
Total miscellaneous revenues	<u>46,650</u>	<u>258,323</u>	<u>211,673</u>
Other Financing Sources			
Transfer in	405,000	444,558	39,558
Proceeds from sale of capital assets	<u>1,000</u>	<u>2,000</u>	<u>1,000</u>
Total other financing sources	<u>406,000</u>	<u>446,558</u>	<u>40,558</u>
Total revenues and other financing sources	<u><u>\$ 7,499,634</u></u>	<u><u>\$ 7,883,726</u></u>	<u><u>\$ 384,092</u></u>

Village of Fox Point

Schedule of Expenditures and Other Financing Uses - Budget and Actual -

General Fund

Year Ended December 31, 2023

	Original and Final Budget	Actual	Variance With Final Budget
General Government			
Board	\$ 6,550	\$ 10,876	\$ (4,326)
Manager	183,315	188,058	(4,743)
Clerk	180,435	178,623	1,812
Treasurer/financial manager	93,775	92,971	804
Elections	14,782	13,501	1,281
Assessor	44,000	46,239	(2,239)
Legal	72,000	117,539	(45,539)
Judicial	60,985	60,902	83
Municipal court	27,500	23,224	4,276
General buildings and plant	170,467	193,760	(23,293)
Insurance	178,879	285,305	(106,426)
Other general government	4,100	1,375	2,725
Contingency	90,259	-	90,259
Total general government	1,127,047	1,212,373	(85,326)
Public Safety			
Police	2,876,445	2,736,850	139,595
Fire	1,242,107	1,244,917	(2,810)
Other public safety and joint charges	57,542	68,359	(10,817)
Protective inspection	800	400	400
Total public safety	4,176,894	4,050,526	126,368
Public Works			
Village engineer	125,657	132,388	(6,731)
Machinery and equipment	178,000	169,593	8,407
Building and grounds	1,062,590	1,045,869	16,721
DPW fringe benefits	11,060	8,855	2,205
Storm sewer maintenance	850	578	272
Highway and streets	62,700	63,210	(510)
Snow/ice removal	81,000	74,421	6,579
Sanitation	93,000	110,853	(17,853)
Traffic control	14,000	14,388	(388)
Job orders	1,600	860	740
Total public works	1,630,457	1,621,015	9,442
Health and Human Services			
Health department and welfare	57,489	57,500	(11)
Culture, Recreation and Education			
Library	249,947	253,671	(3,724)
Skating rink/shelter	17,550	12,303	5,247
Parks and recreation	6,250	6,091	159
Culture and recreation	6,000	6,919	(919)
Total	279,747	278,984	763
Conservation and Development			
Forestry	53,000	59,540	(6,540)
Other Financing Uses			
Transfers out	174,608	157,476	17,132
Total expenditures and other financing uses	\$ 7,499,242	\$ 7,437,414	\$ 61,828

Village of Fox Point

Combining Balance Sheet -
Nonmajor Governmental Funds
December 31, 2023

	<u>Special Revenue Funds</u>			Total Nonmajor Governmental Funds
	<u>Recycling</u>	<u>Pool</u>	<u>Inspection</u>	
Assets				
Cash and investments	\$ 2,561	\$ 4,376	\$ 146,496	\$ 153,433
Receivables:				
Accounts	41,444	-	-	41,444
Due from other funds	8,724	-	-	8,724
	<u>52,729</u>	<u>4,376</u>	<u>146,496</u>	<u>203,601</u>
Total assets	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ 24,001	\$ -	\$ 35,231	\$ 59,232
Accrued liabilities	157	4,376	5,089	9,622
	<u>24,158</u>	<u>4,376</u>	<u>40,320</u>	<u>68,854</u>
Total liabilities	<u></u>	<u></u>	<u></u>	<u></u>
Fund Balances				
Committed	28,571	-	106,176	134,747
	<u>28,571</u>	<u>-</u>	<u>106,176</u>	<u>134,747</u>
Total fund balances	<u></u>	<u></u>	<u></u>	<u></u>
	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Total liabilities and fund balances	<u>52,729</u>	<u>4,376</u>	<u>146,496</u>	<u>203,601</u>

Village of Fox Point

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

	<u>Special Revenue Funds</u>			Total Nonmajor Governmental Funds
	<u>Recycling</u>	<u>Pool</u>	<u>Inspection</u>	
Revenues				
Intergovernmental	\$ 58,540	\$ -	\$ -	\$ 58,540
Licenses and permits	-	-	291,355	291,355
Public charges for services	189,765	34	-	189,799
	<u>248,305</u>	<u>34</u>	<u>291,355</u>	<u>539,694</u>
Total revenues				
	<u>248,305</u>	<u>34</u>	<u>291,355</u>	<u>539,694</u>
Expenditures				
Current:				
Public safety	-	-	170,467	170,467
Public works	170,691	541	-	171,232
Culture, recreation and education	-	127,163	-	127,163
Capital outlay	-	9,656	-	9,656
	<u>170,691</u>	<u>137,360</u>	<u>170,467</u>	<u>478,518</u>
Total expenditures				
	<u>170,691</u>	<u>137,360</u>	<u>170,467</u>	<u>478,518</u>
Excess (deficiency) of revenues over expenditures	<u>77,614</u>	<u>(137,326)</u>	<u>120,888</u>	<u>61,176</u>
Other Financing Sources (Uses)				
Transfers in	-	157,476	-	157,476
Transfer out	-	(20,150)	(175,000)	(195,150)
	<u>-</u>	<u>137,326</u>	<u>(175,000)</u>	<u>(37,674)</u>
Total other financing sources (uses)				
	<u>-</u>	<u>137,326</u>	<u>(175,000)</u>	<u>(37,674)</u>
Net change in fund balances	77,614	-	(54,112)	23,502
Fund Balances (Deficit), Beginning	<u>(49,043)</u>	<u>-</u>	<u>160,288</u>	<u>111,245</u>
Fund Balances, Ending	<u>\$ 28,571</u>	<u>\$ -</u>	<u>\$ 106,176</u>	<u>\$ 134,747</u>

**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***

Independent Auditors' Report

To the Village Board of
Village of Fox Point

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 (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Village of Fox Point (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 May 31, 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.

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. 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 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*.

The Village'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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

Milwaukee, Wisconsin
May 31, 2024

Village of Fox Point

Schedule of Findings and Responses
Year Ended December 31, 2023

Financial Statement Findings Required to Be Reported in Accordance With Government Auditing Standards

Finding 2023-001: Internal Control Over Financial Reporting

Repeat Finding of 2022-001

Criteria: A system of internal control should be in place that provides reasonable assurance that year-end financial statements are complete and accurate.

Condition: There is a lack of controls over the year-end financial reporting process. We, as your auditors, prepared the Village's financial statements. In addition, a material misstatement in the general ledger was identified during the audit.

Cause: The Village has chosen to have the auditors prepare its annual financial statements.

Effect: The annual financial statements are not available to the Village until they are completed by the auditors.

Recommendation: Many small governments operate with only enough staff to process monthly transactions and reports and rely on outside consultants to handle year-end financial reporting. Management and the Village Board should continue to make a reasonable effort to be knowledgeable about the Village's financial condition and financial reporting requirements.

Management's Response: Although some segregation of duties issues exist due to the limited number of personnel, management believes that certain controls are in place to mitigate these issues, such as the review of bank reconciliations, payroll reports and journal entries by the administrator, other members of management who possess the skills, knowledge and experience related to these processes to identify and correct errors.

Finding 2023-002: Segregation of Duties

Repeat Finding of 2022-002

Criteria: Management is responsible for establishing and maintaining effective internal control over financial reporting, the selection and application of accounting principles and the safeguarding of assets. Proper segregation of duties provides a system of checks and balances on the accounting system and reduces the risk of errors and irregularities, both intentional and unintentional.

Condition: The size of the Village's office staff precludes an adequate segregation of accounting and reporting functions necessary to ensure an adequate internal control system. The Village primarily operates its accounting and reporting functions with one individual.

Cause: The Village has not assigned duties to have appropriate controls in place.

Effect: Errors or irregularities could occur and go unnoticed for an extended time.

Recommendation: Continued monitoring and supervision of the accounting and reporting functions by management and the elected body. Monthly reporting of actual results, both revenues and expenditures, to budget.

Management's Response: Although management does not prepare the financial statements, draft copies of the report is reviewed and approved prior to its issuance by management. This review includes verifying amounts to the general ledger and other documentation such as grant agreements, debt documents, etc. Management does attend annual training sessions which include content relating to current financial reporting requirements and new accounting standards. Currently, management has not implemented controls to evaluate and determine whether the financial statements conform to the requirements of accounting principles generally accepted in the United States of America. As such, management will continue to rely on the auditors to assist in preparing the Village's financial statements.

Village of Fox Point

Financial Statements and
Supplementary Information

December 31, 2024

Village of Fox Point

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Village of Fox Point

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Independent Auditors' Report

To the Village Board of
Village of Fox Point

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 Fox Point (the Village), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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 Fox Point, Wisconsin, as of December 31, 2024 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 1, the Village adopted the provisions of GASB Statement No. 101, effective January 1, 2024. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

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

Supplementary Information

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

Milwaukee, Wisconsin
June XX, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

Village of Fox Point

Management's Discussion and Analysis

December 31, 2024

(Unaudited)

The Village of Fox Point (Village) offers the readers of the Village's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended December 31, 2024. The discussion and analysis presents the highlights of financial activities and financial position for the Village. Since the analysis focuses on significant financial issues, major financial activities and resulting changes in financial position, budget changes and variances from the budget and specific issues related to funds and the economic factors currently affecting the Village, please read it in conjunction with the Village's financial statements following this section.

Financial Highlights

- The assets and deferred outflows of resources of the Village exceeded its liabilities and deferred inflows of resources at the close of the fiscal year ended December 31, 2024 by \$39,499,536. Of this amount, the governmental activities net position totaled \$13,177,012, while the business-type activities net position totaled \$26,322,524.
- The Village's total net position increased by \$3,209,563, governmental net position increased by \$279,222 and the business-type net position increased by \$2,930,341.
- As of December 31, 2024, the Village's governmental funds reported combined ending fund balances of \$5,514,341 a decrease of \$2,536,877 in comparison with the prior fiscal year. Approximately 81% of this total amount, \$4,519,284, is fund balance that is committed and unassigned and therefore available for spending at the government's discretion.
- As of December 31, 2024, the total unassigned fund balance for the General Fund was \$4,626,413 or 62% of total General Fund expenditures of \$7,437,964.
- As of December 31, 2024, the Village's proprietary funds reported combined total net position of \$26,322,524 an increase of \$2,930,341 in comparison with the prior fiscal year and a total unrestricted net position of \$5,312,450.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Village's basic financial statements. The Village's basic financial statements comprise three components: (1) Government-wide financial statements, (2) Fund financial statements and (3) Notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Village's finances, in a manner similar to a private-sector business. The government-wide financial statements include a statement of net position and a statement of activities. These statements provide both long-term and short-term information about the Village's overall financial status.

The statement of net position presents information on all of the Village's assets, deferred outflows, deferred inflows and liabilities, with the difference between the two reported as net position. Over time, increase or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

Village of Fox Point

Management's Discussion and Analysis

December 31, 2024

(Unaudited)

The statement of activities presents information showing how the Village's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods such as revenues pertaining to uncollected taxes and earned, but unused, vacation leave.

These government-wide financial statements distinguish governmental activities of the Village that are principally supported by taxes and intergovernmental revenues, such as grants, from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, public safety, public works, health and human services, leisure activities and conservation and development. Business-type activities include Water, Sewer and Storm Water Utilities.

The government-wide financial statements are presented on pages 1 - 2 of this report.

Fund Financial Statements

Traditional users of the Village's financial statements will find the fund financial statement presentation to be more familiar. The focus is now on major funds rather than fund types.

The fund financial statements are designed to report information about groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other state and local governments, uses fund accounting to insure and demonstrate compliance with finance-related legal requirements.

Within the basic financial statements, fund financial statements focus on the Village's most significant funds rather than the Village as a whole. Major funds are separately reported while all other funds are combined into a single, aggregated presentation. Individual fund data for nonmajor funds is provided in the form of combined statements in a later section of this report.

All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Unlike the government-wide financial statements, however, the governmental funds financial statements focus on near-term inflows and outflows of spendable resources, as well as, on balances of spendable resources available at the end of the fiscal year. This information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

A budgetary comparison statement is included for the General Fund, which is a major fund. Data from the nonmajor governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these nonmajor funds is provided in the form of combining statements located within the supplementary information following the notes to the financial statements. These statements and schedules demonstrate compliance with the Village's adopted and final revised budget.

Village of Fox Point

Management's Discussion and Analysis

December 31, 2024

(Unaudited)

The basic governmental fund financial statements are presented on pages 3 - 6 of this report.

Proprietary Funds - Proprietary funds are generally used to account for services for which the Village charges customers a fee and are reported in the fund financial statements. There are two kinds of proprietary funds. These are enterprise funds and internal service funds. Enterprise funds essentially encompass the same functions reported as business-type activities in the government-wide statements. The Village uses enterprise funds to account for its water, sewer and storm water operations, which provide services to customers external to the Village organization. Internal service funds provide services and charge fees to customers within the Village organization. The Village of Fox Point has no internal service funds.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The Water Utility, Sewer Utility and Storm Water Utility Funds are major funds and are therefore presented separately within the proprietary fund financial statements.

The basic proprietary fund financial statements can be found on pages 7 - 11 of this report.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the Village government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs. Total assets of the fiduciary funds were \$30,695,353. The basic fiduciary fund financial statement can be found on pages 12 - 13 of this report.

Notes to the Financial Statements - The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 14 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 65 - 66 of this report.

Government-Wide Financial Analysis

Over time, net position may serve as a useful indicator of a government's financial position. The following table reflects the condensed Statement of Net Position. In the case of the Village of Fox Point, assets exceeded liabilities by \$39,499,536.

Village of Fox Point

Management's Discussion and Analysis

December 31, 2024

(Unaudited)

Village of Fox Point's Summary of Net Position

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 17,430,578	\$ 19,132,098	\$ 6,018,373	\$ 4,582,344	\$ 23,448,951	\$ 23,714,442
Capital assets	24,188,590	22,906,161	28,280,004	24,142,012	52,468,594	47,048,173
Total assets	41,619,168	42,038,259	34,298,377	28,724,356	75,917,545	70,762,615
Pension/ OPEB deferred outflows	3,278,330	4,748,860	312,745	468,209	3,591,075	5,217,069
Deferred loss on refunding	5,646	25,070	-	-	5,646	25,070
Total deferred outflows	3,283,976	4,773,930	312,745	468,209	3,596,721	5,242,139
Total assets and deferred outflows of resources	\$ 44,903,144	\$ 46,812,189	\$ 34,611,122	\$ 29,192,565	\$ 79,514,266	\$ 76,004,754
Long-term liabilities	\$ 16,424,210	\$ 17,308,066	\$ 6,617,795	\$ 3,509,877	\$ 23,042,005	\$ 20,817,943
Other liabilities	3,607,598	4,230,087	1,499,259	2,043,941	5,106,857	6,274,028
Total liabilities	20,031,808	21,538,153	8,117,054	5,553,818	28,148,862	27,091,971
Unearned revenues	9,538,641	9,525,306	-	-	9,538,641	9,525,306
Pension/OPEB deferred inflows	2,127,096	2,818,010	171,544	246,564	2,298,640	3,064,574
Deferred gain on refunding	28,587	32,930	-	-	28,587	32,930
Total deferred inflows	11,694,324	12,376,246	171,544	246,564	11,865,868	12,622,810
Net investment in capital assets	12,425,778	12,055,514	21,010,074	20,303,244	30,754,326	29,462,350
Restricted	773,493	1,244,611	-	-	773,493	1,244,611
Unrestricted (deficit)	(22,259)	(402,335)	5,312,450	3,088,939	4,291,036	2,324,207
Total net position	13,177,012	12,897,790	26,322,524	23,392,183	35,818,855	33,031,168
Total liabilities, deferred inflows of resources and net position	\$ 44,903,144	\$ 46,812,189	\$ 34,611,122	\$ 29,192,565	\$ 75,833,585	\$ 72,745,949

The largest portion of the Village of Fox Point's net position reflects its net investment in capital assets (e.g., land, buildings, machinery and equipment, infrastructure). The Village of Fox Point uses these capital assets to provide services to citizens and these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Total net position for governmental activities increased by \$279,222 during the current fiscal year.

Total net position for business-type activities increased by \$2,930,341 during the current fiscal year.

Village of Fox Point

Management's Discussion and Analysis

December 31, 2024

(Unaudited)

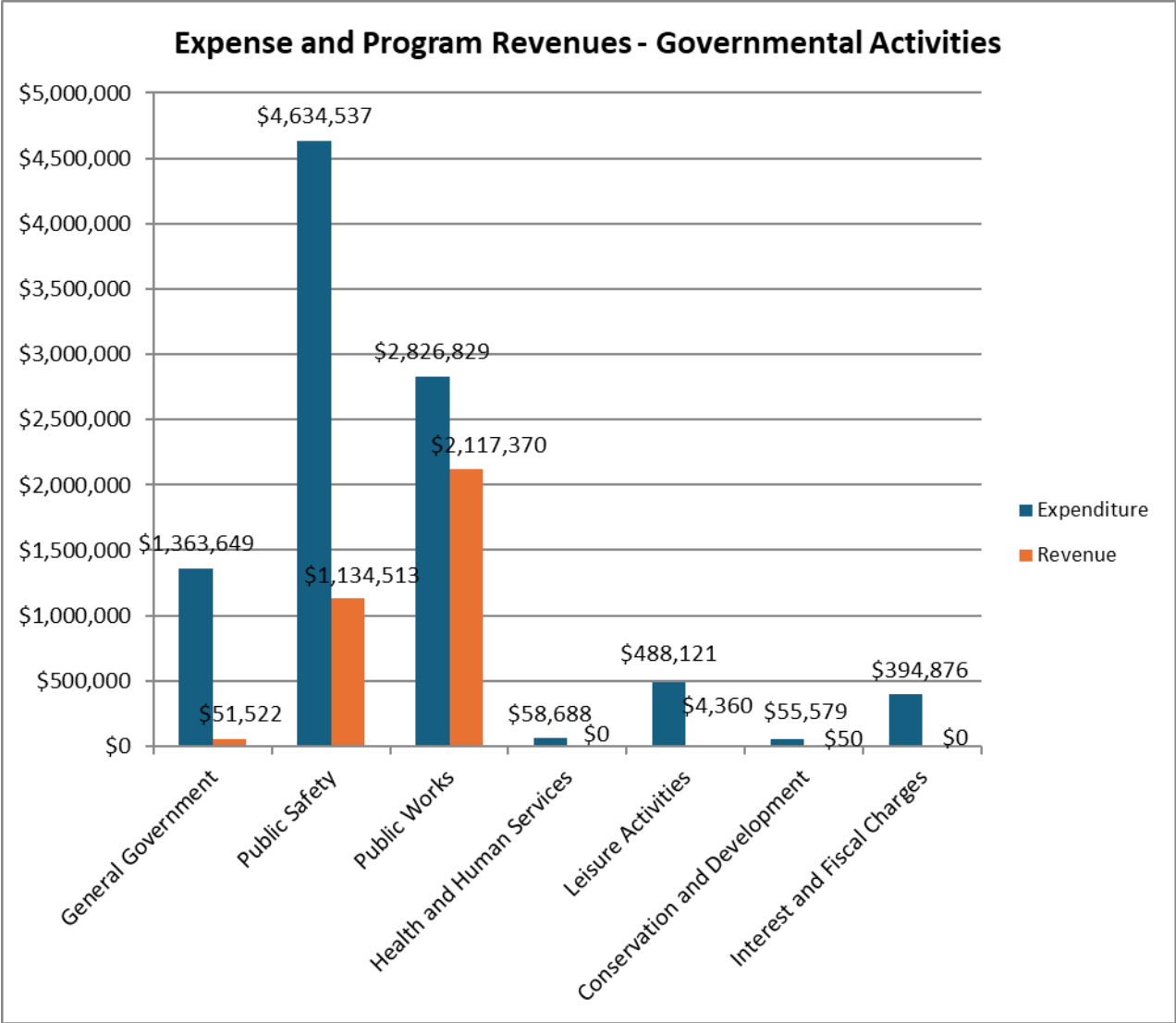
The table below provides a summary of the Village's changes in net position.

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues						
Program revenues:						
Charges for services	\$ 743,473	\$ 674,194	\$ 3,873,970	\$ 3,753,106	\$ 4,617,443	\$ 4,427,300
Operating grants and contributio	1,454,083	671,375	25,565	55,975	1,479,648	727,350
Capital grants and contributions	1,110,259	-	20,445	203,673	1,130,704	203,673
General revenues:						
Property and other taxes	7,936,990	7,535,846	-	-	7,936,990	7,535,846
Intergovernmental revenues	483,532	1,777,671	-	-	483,532	1,777,671
Investment income	412,198	398,810	108,707	132,052	520,905	530,862
Other	254,559	582,102	1,018	-	255,577	582,102
Total revenues	12,395,094	11,639,998	4,029,705	4,144,806	16,424,799	15,784,804
Expenses:						
General government	1,363,649	1,335,176	-	-	1,363,649	1,335,176
Public safety	4,634,537	5,532,669	-	-	4,634,537	5,532,669
Public works	2,826,829	2,957,227	-	-	2,826,829	2,957,227
Health and human services	58,688	57,500	-	-	58,688	57,500
Culture, education and recreation	488,121	523,139	-	-	488,121	523,139
Conservation and development	55,579	57,549	-	-	55,579	57,549
Interest and fiscal charges	394,876	376,493	-	-	394,876	376,493
Water utility	-	-	1,460,006	1,290,098	1,460,006	1,290,098
Sewer utility	-	-	1,057,350	954,349	1,057,350	954,349
Storm water utility	-	-	875,601	728,523	875,601	728,523
Total expenses	9,822,279	10,839,753	3,392,957	2,972,970	13,215,236	13,812,723
Transfers	(2,293,593)	231,875	2,293,593	(231,875)	-	-
Change in net position	279,222	1,032,120	2,930,341	939,961	3,209,563	1,972,081
Net Position, Beginning	12,897,790	11,865,670	23,392,183	22,452,222	36,289,973	34,317,892
Net Position, Ending	<u>\$ 13,177,012</u>	<u>\$ 12,897,790</u>	<u>\$ 26,322,524</u>	<u>\$ 23,392,183</u>	<u>\$ 39,499,536</u>	<u>\$ 36,289,973</u>

The above condensed summary of the Village's governmental and business-type activities for the period ended December 31, 2024 reflects net position increasing by \$3,209,563. The prior period is also included for comparative purposes.

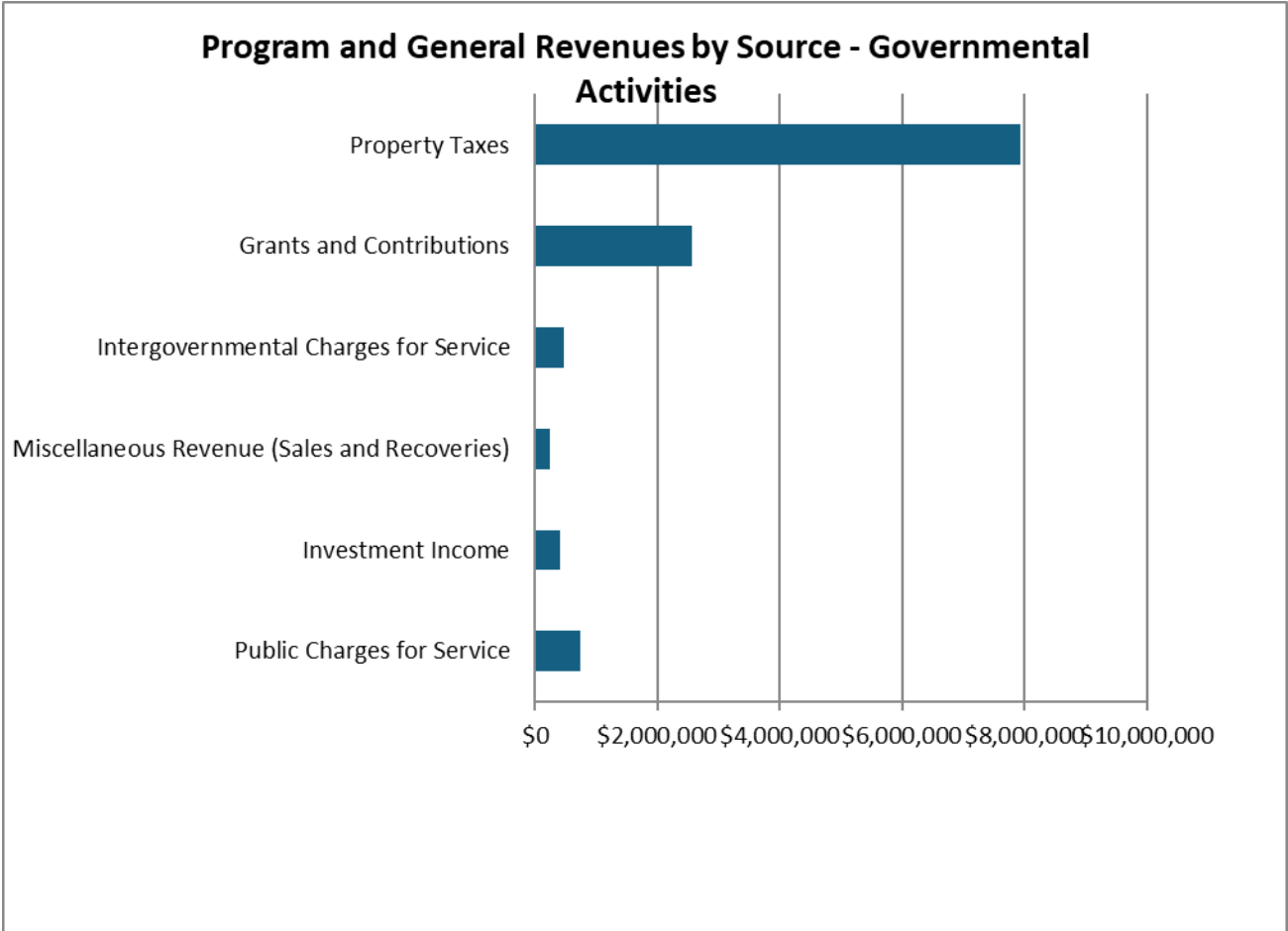
Governmental Activities

Governmental activities increased the Village of Fox Point's net position by \$288,785.



This graph shows the total 2024 governmental activities cost of \$9,822,279 for this year. Of the total amount, public works accounts for \$2,826,829 of the cost and public safety accounts for \$4,634,537 of the cost. Additional activities expenditures in include general government at \$1,363,649, leisure activities at \$488,121, conservation and development at \$55,579 and health and human services at \$58,688. Interest and fiscal charges accounted for \$394,876 of total activity expenses.

The graph also shows how much of the governmental activities cost is covered by program revenues. The costs that are not covered by program revenue must be covered by taxes, other general revenue or transfers.

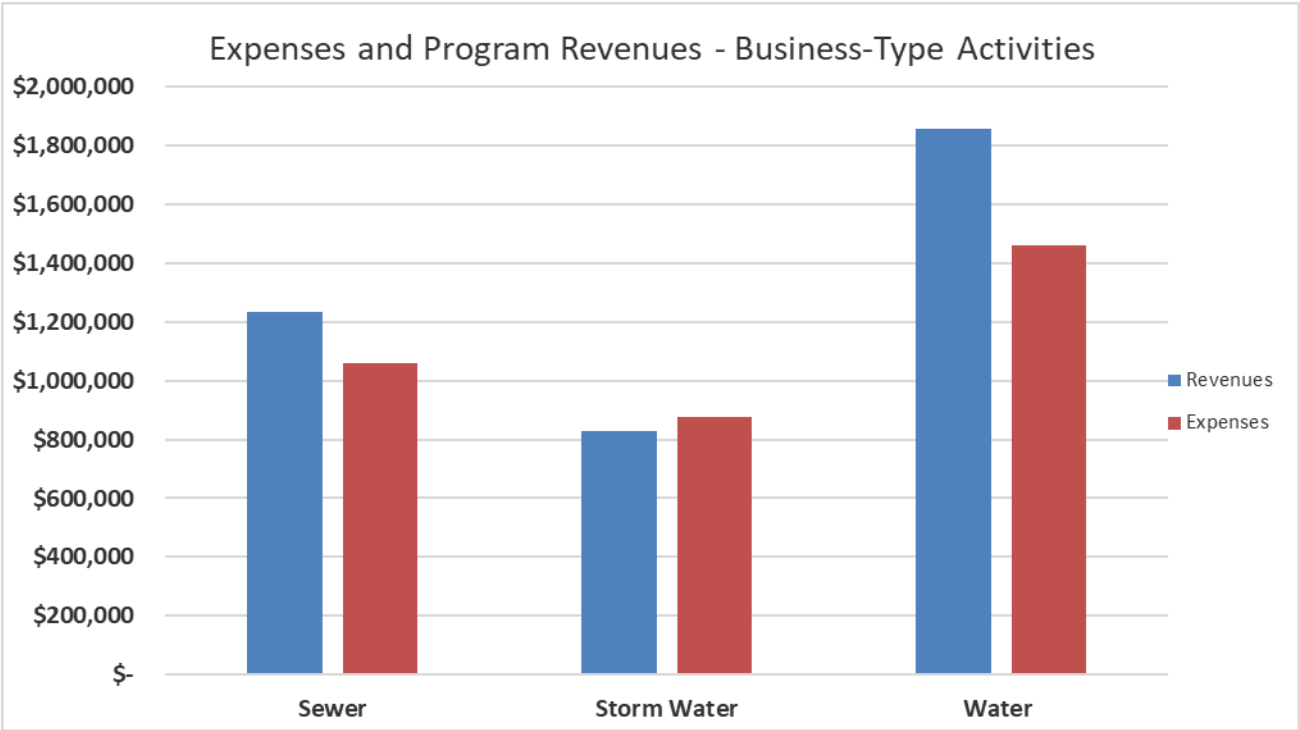


As graphically portrayed above, the Village in 2024 received a significant amount of its revenue -64% - from property taxes. The Village is also reliant on grants and charges for services to support its governmental operations. These revenue sources each provide 6% of the governmental activities revenue.

Village of Fox Point

Management's Discussion and Analysis
December 31, 2024
(Unaudited)

Proprietary Funds - Proprietary Funds or Business-type activities increased the Village of Fox Point's net position by \$2,930,341.



The above graph shows total business-type activities cost of \$3,393,795 for this year. Water expenses comprised \$1,460,006 or 43% of the cost, Sewer expenses accounted for \$1,058,188 or 31% and Storm Water expenses consisted of \$875,601 or 26% of the cost.

The graph also shows how much of the business-type activities cost is covered by program revenues. Revenue for business-type activities exceeded expenditures by 13%. The additional revenue is the result of the Village's continued effort to gradually build additional cash reserves to permit cash-financing of capital projects in the future.

As shown above, in 2024, the Village's business-type activities - water, sewer and storm water utilities - received the vast majority of its revenue from charges for services. Charges for services totaled \$3,779,108. Interest income, capital grants and contributions and miscellaneous income account for the remaining balance of business-type activities revenue.

Village of Fox Point

Management's Discussion and Analysis

December 31, 2024

(Unaudited)

Financial Analysis of the Governmental Funds

Governmental Funds - The focus of the Village of Fox Point's governmental funds is to provide information on short-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of a fiscal year.

As of December 31, 2024, the Village of Fox Point's governmental funds - General Fund, Debt Service, Capital Projects Fund and Nonmajor Governmental Funds - reported a combined ending fund balances of \$5,514,340. Of this amount, \$995,056 is restricted or nonspendable to indicate that the funds are not available for spending because it has already been restricted to pay for debt (\$885,370) and prepaid health insurance premiums and delinquent personal property taxes (\$109,686). The fund balance also includes \$4,519,284 that is available for spending at the government's discretion (committed and unassigned fund balance). Of this amount, \$279,725 is committed for use in the Nonmajor Governmental Funds and \$4,626,413 remains unassigned in the general fund. The unassigned fund balance represents 29% of the governmental fund expenditures. Total fund balance represents approximately 35% of the governmental fund expenditures in comparison.

The General Fund is the chief operating fund of the Village of Fox Point. At the end of the 2024 year, unassigned fund balance of the General Fund was \$4,626,413 while the nonspendable General Fund balance was \$109,686. During the 2024 year, the fund balance of the Village of Fox Point's General Fund increased by \$399,519 due to higher-than-expected revenues and lower than expected expenditures in a number of areas.

The Capital Projects Fund provides funding for capital projects relating to Village-owned capital assets and capital equipment. The ending fund balance was \$(386,854), a decrease of \$3,346,861 from the 2023 ending fund balance of \$2,960,007.

The remaining funds are comprised of the Village's Special Revenue Funds (Recycling Fund, Pool Fund, Inspection Fund and Community Development Block Grant Fund (CDBG)) and the Debt Service Fund. The Special Revenue Funds account for grants and fees designated for major Village programs - recycling, municipal pool and inspection services. The Debt Service Fund is used to account for general obligation debt that is supported by property tax revenues. At the end of 2024, the fund balance of the nonmajor funds increased by \$144,978. During 2024, the special revenue funds generated \$539,319 in revenue, primarily from intergovernmental sources (\$58,625), charges for services (\$191,472) and licenses and permit fees (\$289,222). Total expenditures were \$551,714 with the majority - \$189,122- for inspection services, \$231,645- for recycling operations and \$130,947 - for pool operations.

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

Unrestricted net position at the end of the year amounted to \$1,706,158 for the Water Utility Fund, \$986,704 for the Sewer Utility Fund and \$2,619,588 for the Storm Water Utility Fund. The change in net position was an increase of \$97,231 for the Water Utility Fund, an increase of \$239,334 for the Sewer Utility Fund and an increase of \$1,886,946 for the Storm Water Utility Fund. Other factors concerning the finances of these funds have already been addressed in the discussion of the Village of Fox Point's business-type activities.

Village of Fox Point**Management's Discussion and Analysis**

December 31, 2024

(Unaudited)

General Fund Budgetary Highlights

The General Fund budget is adopted at the fund level of expenditure. Budget amendments were not made in 2024. The Village's General Fund ended the year with a favorable variance in revenues and a favorable variance in expenditures. Revenues and other financing sources were over budget \$124,808 while expenditures and other financing uses were \$61,695 over the final budget.

Capital Asset and Debt Administration

Capital Assets - The Village of Fox Point's investment in capital assets for its governmental and business type activities as of December 31, 2024 amounted to \$52,468,594 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, construction in progress buildings, improvements other than buildings, machinery and equipment and infrastructure such as roads, storm sewers and bridges. The following table provides a summary of the Village's capital assets. Additional information on the Village of Fox Point's capital assets can be found in Note 3 in the notes to the financial statements.

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land & land improvements	\$ 10,911,947	\$ 10,606,337	\$ 26,561	\$ 26,561	\$ 10,938,508	\$ 10,632,898
Building and system	5,225,587	5,225,587	1,549,821	1,549,406	6,775,408	6,774,993
Machinery & equipment	6,270,652	5,920,229	652,061	652,061	6,922,713	6,572,290
Infrastructure	12,549,750	11,041,181	39,497,105	33,296,889	52,046,855	44,338,070
Construction in progress	109,519	195,426	127,760	1,372,943	237,279	1,568,369
Subtotal	35,067,455	32,988,760	41,853,308	36,897,860	76,920,763	69,886,620
Less accumulated depreciation	(10,878,865)	(10,082,599)	(13,573,304)	(12,755,848)	(24,452,169)	(22,838,447)
Total	<u>\$ 24,188,590</u>	<u>\$ 22,906,161</u>	<u>\$ 28,280,004</u>	<u>\$ 24,142,012</u>	<u>\$ 52,468,594</u>	<u>\$ 47,048,173</u>

Long-Term Debt - At the end of the 2024 fiscal year, the Village of Fox Point had total bonded debt outstanding of \$22,358,533. This entire amount is backed by the full faith and credit of the Village.

Village of Fox Point's Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
General obligation bonds and notes	\$ 15,036,403	\$ 15,490,303	\$ 7,322,130	\$ 3,893,230	\$ 22,358,533	\$ 19,383,533
Total	<u>\$ 15,036,403</u>	<u>\$ 15,490,303</u>	<u>\$ 7,322,130</u>	<u>\$ 3,893,230</u>	<u>\$ 22,358,533</u>	<u>\$ 19,383,533</u>

The Village of Fox Point maintains a bond rating of Aaa from Moody's Investor Service.

Wisconsin state statutes limit the amount of general obligation debt a governmental entity may issue to 5% of its equalized valuation. The current debt limitation for the Village of Fox Point is \$83,798,805 of which the Village has used \$22,358,533 or 26.6%.

Additional information on the Village of Fox Point's long-term debt can be found in Note 3 in the notes to the financial statements.

Village of Fox Point

Management's Discussion and Analysis

December 31, 2024

(Unaudited)

Economic Factors and Next Year's Budgets and Rates

The Village will continue to monitor tax exempt rates and interest rate sensitivity looking into 2025. If tax exempt bond rates increase to a yet to be determined level, the Village may consider utilizing a richer blend of its unrestricted cash with debt to fund capital projects.

Requests for Information

This financial report is designed to provide a general overview of the Village of Fox Point's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional information should be addressed to the Village's Finance Department, at 7200 N. Santa Monica Blvd., Fox Point, Wisconsin 53217.

BASIC FINANCIAL STATEMENTS

Village of Fox Point

Statement of Net Position
December 31, 2024

	Governmental Activities	Business-Type Activities	Total
Assets and Deferred Outflows of Resources			
Assets			
Cash and investments	\$ 6,512,367	\$ 4,874,308	\$ 11,386,675
Taxes receivable	8,034,684	-	8,034,684
Delinquent personal property taxes	15,568	-	15,568
Accounts receivable	1,221,501	794,424	2,015,925
Lease receivable	1,637,241	-	1,637,241
Internal balances	(125,317)	125,317	-
Prepaid items	134,534	-	134,534
Inventories	-	31,063	31,063
Equity in North Shore Water Commission	-	193,261	193,261
Capital assets:			
Land and right of way	5,856,476	26,561	5,883,037
Construction in progress	109,519	127,760	237,279
Other capital assets	29,101,460	41,698,987	70,800,447
Less accumulated depreciation/amortization	(10,878,865)	(13,573,304)	(24,452,169)
Total assets	41,619,168	34,298,377	75,917,545
Deferred Outflows of Resources			
Deferred loss on refunding	5,646	-	5,646
Pension and OPEB related amounts	3,278,330	312,745	3,591,075
Total deferred outflows of resources	3,283,976	312,745	3,596,721
Liabilities, Deferred inflows of Resources and Net Position			
Liabilities			
Accounts payable and accrued expenses	1,332,212	730,613	2,062,825
Due to other governmental units	27,004	-	27,004
Deposits	20,000	-	20,000
Noncurrent liabilities:			
Due within one year	2,228,382	768,646	2,997,028
Due in more than one year	16,424,210	6,617,795	23,042,005
Total liabilities	20,031,808	8,117,054	28,148,862
Deferred Inflows of Resources			
Deferred gain on refunding	28,587	-	28,587
Subsequent years tax levy	7,901,400	-	7,901,400
Pension and OPEB related amounts	2,127,096	171,544	2,298,640
Unearned lease revenue	1,637,241	-	1,637,241
Total deferred inflows of resources	11,694,324	171,544	11,865,868
Net Position			
Net investment in capital assets	12,425,778	21,010,074	30,741,107
Restricted for:			
Debt service	773,493	-	773,493
Unrestricted (deficit)	(22,259)	5,312,450	7,984,936
Total net position	\$ 13,177,012	\$ 26,322,524	\$ 39,499,536

See notes to financial statements

Village of Fox Point

Statement of Activities

Year Ended December 31, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 1,363,649	\$ 51,522	\$ -	\$ -	\$ (1,312,127)	\$ -	\$ (1,312,127)
Public safety	4,634,537	399,643	734,870	-	(3,500,024)	-	(3,500,024)
Public works	2,826,829	287,898	719,213	1,110,259	(709,459)	-	(709,459)
Health and human services	58,688	-	-	-	(58,688)	-	(58,688)
Culture, education and recreation	488,121	4,360	-	-	(483,761)	-	(483,761)
Conservation and development	55,579	50	-	-	(55,529)	-	(55,529)
Interest and fiscal charges	394,876	-	-	-	(394,876)	-	(394,876)
Total governmental activities	9,822,279	743,473	1,454,083	1,110,259	(6,514,464)	-	(6,514,464)
Business-type activities:							
Sewer utility	1,057,350	1,186,538	25,565	20,445	-	175,198	175,198
Water utility	1,460,006	1,857,116	-	-	-	397,110	397,110
Storm water utility	875,601	830,316	-	-	-	(45,285)	(45,285)
Total business-type activities	3,392,957	3,873,970	25,565	20,445	-	527,023	527,023
Total	\$ 13,215,236	\$ 4,617,443	\$ 1,479,648	\$ 1,130,704	(6,514,464)	527,023	(5,987,441)
General Revenues							
Taxes:							
Property taxes, levied for general purposes					5,735,364	-	5,735,364
Property taxes, levied for debt service					2,146,750	-	2,146,750
Other taxes					54,876	-	54,876
Intergovernmental revenues not restricted to specific programs					483,532	-	483,532
Investment income					412,198	108,707	520,905
Miscellaneous					254,559	1,018	255,577
Total general revenues					9,087,279	109,725	9,197,004
Transfers					(2,293,593)	2,293,593	-
Change in net position					279,222	2,930,341	3,209,563
Net Position, Beginning					12,897,790	23,392,183	36,289,973
Net Position, Ending					\$ 13,177,012	\$ 26,322,524	\$ 39,499,536

See notes to financial statements

Village of Fox Point

Balance Sheet -
Governmental Funds
December 31, 2024

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Assets					
Cash and investments	\$ 5,094,470	\$ 885,370	\$ 235,153	\$ 297,375	\$ 6,512,368
Receivables:					
Taxes	5,886,549	2,148,135	-	-	8,034,684
Delinquent personal property tax	15,568	-	-	-	15,568
Accounts	45,019	-	1,137,015	39,467	1,221,501
Lease receivables	1,637,241	-	-	-	1,637,241
Due from other funds	-	-	-	7,967	7,967
Prepaid items	94,118	-	40,416	-	134,534
	<u>12,772,965</u>	<u>3,033,505</u>	<u>1,412,584</u>	<u>344,809</u>	<u>17,563,863</u>
Total assets	\$ 12,772,965	\$ 3,033,505	\$ 1,412,584	\$ 344,809	\$ 17,563,863
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ 44,755	\$ -	\$ 689,179	\$ 4,323	\$ 738,257
Accrued liabilities	404,067	-	-	20,210	424,277
Deposits	37,250	-	-	40,550	77,800
Due to other funds	133,284	-	-	-	133,284
Due to other governments	27,004	-	-	-	27,004
	<u>646,360</u>	<u>-</u>	<u>689,179</u>	<u>65,083</u>	<u>1,400,622</u>
Total liabilities	646,360	-	689,179	65,083	1,400,622
Deferred Inflows of Resources					
Unearned revenues	7,390,506	2,148,135	-	-	9,538,641
Unavailable revenues	-	-	1,110,259	-	1,110,259
	<u>7,390,506</u>	<u>2,148,135</u>	<u>1,110,259</u>	<u>-</u>	<u>10,648,900</u>
Total deferred inflows of resources	7,390,506	2,148,135	1,110,259	-	10,648,900
Fund Balance					
Nonspendable	109,686	-	-	-	109,686
Restricted	-	885,370	-	-	885,370
Committed	-	-	-	279,726	279,726
Unassigned (deficit)	4,626,413	-	(386,854)	-	4,239,559
	<u>4,736,099</u>	<u>885,370</u>	<u>(386,854)</u>	<u>279,726</u>	<u>5,514,341</u>
Total fund balances (deficit)	4,736,099	885,370	(386,854)	279,726	5,514,341
Total liabilities, deferred inflows of resources and fund balance (deficit)	\$ 12,772,965	\$ 3,033,505	\$ 1,412,584	\$ 344,809	\$ 17,563,863

See notes to financial statements

Village of Fox Point

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

Total Fund Balances, Governmental Funds \$ 5,514,341

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

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

Land	1,203,921
Land improvements	4,652,555
Construction in progress	109,519
Other capital assets	29,101,460
Less accumulated depreciation	(10,878,865)

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

1,110,259

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

3,278,330

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

(2,127,096)

Deferred loss on refunding does not relate to current financial resources and is not reported in the governmental funds.

5,646

Deferred gain on refunding does not relate to current financial resources and is not reported in the governmental funds.

(28,587)

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

Bonds and notes payable	(15,036,403)
Compensated absences	(819,396)
Accrued interest	(111,878)
Total OPEB obligation, Health Insurance	(359,623)
Total OPEB obligation, Life Insurance	(244,879)
Net pension liability - WRS	(339,274)
Unamortized debt premium	(540,363)
North Shore Fire Department obligations	(1,095,096)
Total pension liability, single-employer plan	(217,559)

Net Position of Governmental Activities \$ 13,177,012

Village of Fox Point

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

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Revenues					
Taxes	\$ 5,790,240	\$ 2,146,750	\$ -	\$ -	\$ 7,936,990
Intergovernmental	1,085,951	-	741,673	58,625	1,886,249
Licenses and permits	108,940	-	-	289,222	398,162
Fines, forfeitures and penalties	111,861	-	-	-	111,861
Public charges for services	27,692	-	-	191,472	219,164
Intergovernmental charges for services	134,892	14,351	-	-	149,243
Investment income	333,919	26,065	52,214	-	412,198
Miscellaneous revenues	130,570	-	25,002	-	155,572
Total revenues	<u>7,724,065</u>	<u>2,187,166</u>	<u>818,889</u>	<u>539,319</u>	<u>11,269,439</u>
Expenditures					
Current:					
General government	1,345,236	-	-	-	1,345,236
Public safety	4,168,171	-	-	189,122	4,357,293
Public works	1,527,927	-	-	232,297	1,760,224
Health and human services	58,688	-	-	-	58,688
Culture, recreation and education	282,350	-	-	130,294	412,644
Conservation and development	55,592	-	-	-	55,592
Capital outlay	-	-	5,367,178	-	5,367,178
Debt service:					
Principal	-	1,658,900	-	-	1,658,900
Interest and fiscal charges	-	512,200	16,022	-	528,222
Total expenditures	<u>7,437,964</u>	<u>2,171,100</u>	<u>5,383,200</u>	<u>551,713</u>	<u>15,543,977</u>
Excess (deficiency) of revenues over expenditures	<u>286,101</u>	<u>16,066</u>	<u>(4,564,311)</u>	<u>(12,394)</u>	<u>(4,274,538)</u>
Other Financing Sources					
Transfers in	267,844	-	-	157,373	425,217
Transfers out	(157,373)	-	-	-	(157,373)
Proceeds from sale of capital assets	2,947	-	12,450	-	15,397
Premium on debt issued	-	249,420	-	-	249,420
Debt issued	-	-	1,205,000	-	1,205,000
Total other financing sources	<u>113,418</u>	<u>249,420</u>	<u>1,217,450</u>	<u>157,373</u>	<u>1,737,661</u>
Net change in fund balances	399,519	265,486	(3,346,861)	144,979	(2,536,877)
Fund Balances, Beginning	<u>4,336,580</u>	<u>619,884</u>	<u>2,960,007</u>	<u>134,747</u>	<u>8,051,218</u>
Fund Balances (deficit), Ending	<u>\$ 4,736,099</u>	<u>\$ 885,370</u>	<u>\$ (386,854)</u>	<u>\$ 279,726</u>	<u>\$ 5,514,341</u>

See notes to financial statements

Village of Fox Point

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

Net Change in Fund Balances, Total Governmental Funds \$ (2,536,877)

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

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

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements	5,367,178
Some items reported as capital outlay were not capitalized	(557,618)
Capital assets contributed to storm water	(2,561,437)
Depreciation is reported in the government-wide financial statements	(911,269)
Net book value of assets retired	(54,426)

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

Project reimbursements	1,110,259
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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 debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Debt issued	(1,205,000)
Principal repaid	1,658,900

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

Debt premium on debt issued	(249,420)
Amortization of premium on debt issued	75,016

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

Compensated absences	(6,986)
North Shore Fire Department obligations	3,085
Accrued interest on debt	73,409
Net pension liability, WRS	873,818
Total pension liability, single-employer plan	(44,425)
Net OPEB liability, Life Insurance	(41,469)
Total OPEB liability, Health Insurance	81,181
Deferred outflows of resources related to pensions and OPEBs	(1,470,530)
Deferred inflows of resources related to pensions and OPEBs	690,914
Amortization of deferred loss on refunding	(19,424)
Amortization of deferred gain on refunding	4,343

Change in Net Position of Governmental Activities \$ 279,222

Village of Fox Point

Statement of Net Position -
 Proprietary Funds
 December 31, 2024

	Business-Type Activities - Enterprise Funds			
	Water Utility	Sewer Utility	Storm Water Utility	Total
Assets and Deferred Outflows of Resources				
Current Assets				
Cash and investments	\$ 1,592,963	\$ 790,399	\$ 2,490,946	\$ 4,874,308
Accounts receivables	347,594	277,364	169,466	794,424
Due from other funds	59,075	39,287	26,955	125,317
Inventory	31,063	-	-	31,063
Total current assets	2,030,695	1,107,050	2,687,367	5,825,112
Noncurrent Assets				
Capital assets:				
Construction in progress	125,060	-	2,700	127,760
Property and equipment	21,564,121	9,608,375	10,526,491	41,698,987
Land	26,561	-	-	26,561
Less accumulated depreciation	(8,140,780)	(2,815,269)	(2,617,255)	(13,573,304)
Other assets:				
Equity in North Shore Water Commission	193,261	-	-	193,261
Total noncurrent assets	13,768,223	6,793,106	7,911,936	28,473,265
Total assets	15,798,918	7,900,156	10,599,303	34,298,377
Deferred Outflows of Resources				
Pension related amounts	153,397	100,443	58,905	312,745
Total deferred outflows of resources	153,397	100,443	58,905	312,745

Village of Fox Point

Statement of Net Position -
 Proprietary Funds
 December 31, 2024

	Business-Type Activities - Enterprise Funds			
	Water Utility	Sewer Utility	Storm Water Utility	Total
Liabilities, Deferred Inflows of Resources and Net Position				
Liabilities				
Current liabilities:				
Accounts payable	\$ 477,303	\$ 117,656	\$ 28,862	\$ 623,821
Accrued wages	9,577	7,051	5,424	22,052
Accrued interest	44,115	10,180	30,445	84,740
Compensated absences	6,138	4,255	3,779	14,172
Current portion of long-term debt	397,000	116,300	227,000	740,300
Total current liabilities	934,133	255,442	295,510	1,485,085
Noncurrent liabilities:				
Long-term debt:				
General obligation bonds payable	3,739,196	678,355	2,164,279	6,581,830
Unamortized premium	-	651	-	651
Net pension liability	15,698	11,474	8,142	35,314
Compensated absences	6,139	4,256	3,779	14,174
Total noncurrent liabilities	3,761,033	694,736	2,176,200	6,631,969
Total liabilities	4,695,166	950,178	2,471,710	8,117,054
Deferred Inflows of Resources				
Pension related amounts	71,029	54,262	46,253	171,544
Total deferred inflows of resources	71,029	54,262	46,253	171,544
Net Position				
Net investment in capital assets	9,479,962	6,009,455	5,520,657	21,010,074
Unrestricted net position	1,706,158	986,704	2,619,588	5,312,450
Total net position	\$ 11,186,120	\$ 6,996,159	\$ 8,140,245	\$ 26,322,524

Village of Fox Point

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

	Business-Type Activities - Enterprise Funds			
	Water Utility	Sewer Utility	Storm Water Utility	Total
Operating Revenues				
Public charges for services	\$ 1,762,254	\$ 1,186,538	\$ 830,316	\$ 3,779,108
Other operating revenues	<u>94,862</u>	<u>1,018</u>	<u>-</u>	<u>95,880</u>
Total operating revenues	<u>1,857,116</u>	<u>1,187,556</u>	<u>830,316</u>	<u>3,874,988</u>
Operating Expenses				
Operation and maintenance	909,399	924,963	365,506	2,199,868
Depreciation/amortization	400,300	108,068	439,586	947,954
Taxes	<u>15,524</u>	<u>4,669</u>	<u>-</u>	<u>20,193</u>
Total operating expenses	<u>1,325,223</u>	<u>1,037,700</u>	<u>805,092</u>	<u>3,168,015</u>
Operating income	<u>531,893</u>	<u>149,856</u>	<u>25,224</u>	<u>706,973</u>
Nonoperating Revenues (Expenses)				
Investment income	54,040	15,364	39,303	108,707
Grants from the state	-	25,565	-	25,565
Grants from local governments	-	20,445	-	20,445
Interest and fiscal charges	(134,783)	(20,488)	(70,509)	(225,780)
Amortization	<u>-</u>	<u>838</u>	<u>-</u>	<u>838</u>
Total nonoperating revenues (expenses)	<u>(80,743)</u>	<u>41,724</u>	<u>(31,206)</u>	<u>(70,225)</u>
Income before contributions and transfers	<u>451,150</u>	<u>191,580</u>	<u>(5,982)</u>	<u>636,748</u>
Contributions and Transfers				
Capital contributions	-	-	2,561,437	2,561,437
Transfers out	<u>(267,844)</u>	<u>-</u>	<u>-</u>	<u>(267,844)</u>
Total contributions and transfers	<u>(267,844)</u>	<u>-</u>	<u>2,561,437</u>	<u>2,293,593</u>
Change in net position	183,306	191,580	2,555,455	2,930,341
Net Position, Beginning	<u>11,002,814</u>	<u>6,804,579</u>	<u>5,584,790</u>	<u>23,392,183</u>
Net Position, Ending	<u>\$ 11,186,120</u>	<u>\$ 6,996,159</u>	<u>\$ 8,140,245</u>	<u>\$ 26,322,524</u>

See notes to financial statements

Village of Fox Point

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

	Business-Type Activities - Enterprise Funds			
	Water Utility	Sewer Utility	Storm Water Utility	Total
Cash Flows From Operating Activities				
Received from customers	\$ 1,961,249	\$ 1,205,440	\$ 828,008	\$ 3,994,697
Paid to suppliers for goods and services	(259,887)	(805,216)	(287,145)	(1,352,248)
Paid to employees for services	(339,372)	(141,653)	(88,951)	(569,976)
Net cash flows from operating activities	<u>1,361,990</u>	<u>258,571</u>	<u>451,912</u>	<u>2,072,473</u>
Cash Flows From Investing Activities				
Investment income	<u>54,040</u>	<u>15,365</u>	<u>39,302</u>	<u>108,707</u>
Net cash flows from investing activities	<u>54,040</u>	<u>15,365</u>	<u>39,302</u>	<u>108,707</u>
Cash Flows From Noncapital Financing Activities				
Paid to municipality for tax equivalent	<u>(267,844)</u>	<u>-</u>	<u>-</u>	<u>(267,844)</u>
Net cash flows from noncapital financing activities	<u>(267,844)</u>	<u>-</u>	<u>-</u>	<u>(267,844)</u>
Cash Flows From Capital and Related Financing Activities				
Debt issued	1,640,000	645,000	1,650,000	3,935,000
Debt retired	(256,900)	(73,200)	(176,000)	(506,100)
Interest paid	(116,047)	(10,602)	(44,963)	(171,612)
Acquisition and construction of capital assets	(3,052,286)	(632,476)	(20,658)	(3,705,420)
Contribution received for construction	<u>203,673</u>	<u>-</u>	<u>-</u>	<u>203,673</u>
Net cash flows from capital and related financing activities	<u>(1,581,560)</u>	<u>(71,278)</u>	<u>1,408,379</u>	<u>(244,459)</u>
Net change in cash and cash equivalents	(433,374)	202,658	1,899,593	1,668,877
Cash and Cash Equivalents, Beginning	<u>2,026,337</u>	<u>587,741</u>	<u>591,353</u>	<u>3,205,431</u>
Cash and Cash Equivalents, Ending	<u>\$ 1,592,963</u>	<u>\$ 790,399</u>	<u>\$ 2,490,946</u>	<u>\$ 4,874,308</u>

See notes to financial statements

Village of Fox Point

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

	Business-Type Activities - Enterprise Funds			
	Water Utility	Sewer Utility	Storm Water Utility	Total
Reconciliation of Operating Income to Net Cash Flows From Operating Activities				
Operating income	\$ 531,893	\$ 149,856	\$ 25,224	\$ 706,973
Nonoperating revenue	-	46,010	-	46,010
Adjustments to reconcile operating income to net cash flows from operating activities:				
Depreciation	400,300	108,068	439,586	947,954
Depreciation charged to other funds	12,462	-	-	12,462
Changes in assets and liabilities:				
Accounts receivable	78,969	(43,473)	(1,895)	33,601
Due from other funds	12,702	15,347	(413)	27,636
Inventories	(4,670)	-	-	(4,670)
Compensated absences	(30,469)	(24,762)	(37,918)	(93,149)
Accounts payable	363,548	5,876	25,663	395,087
Other current liabilities	2,303	1,858	1,908	6,069
Pension related deferrals and liabilities/assets	(5,048)	(209)	(243)	(5,500)
Net cash flows from operating activities	<u>\$ 1,361,990</u>	<u>\$ 258,571</u>	<u>\$ 451,912</u>	<u>\$ 2,072,473</u>
Noncash Capital and Related Financing Activities				
Equity in NSWC	<u>\$ 16,657</u>	<u>\$ -</u>	<u>\$ -</u>	
Amortization premium	<u>\$ -</u>	<u>\$ 838</u>	<u>\$ -</u>	
Capital assets paid with accounts payable	<u>\$ 95,846</u>	<u>\$ -</u>	<u>\$ -</u>	
Capital assets contributed by municipality	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,561,437</u>	

See notes to financial statements

Village of Fox Point

Statement of Fiduciary Net Position -
Fiduciary Funds
December 31, 2024

	<div>Custodial Fund</div> <div>Tax Collection Fund</div>
Assets	
Cash and investments	\$ 17,926,228
Tax roll receivable	<u>12,769,125</u>
Total assets	<u>30,695,353</u>
Liabilities	
Accounts payable	17,118
Due to other taxing units	<u>30,678,235</u>
Total liabilities	<u>30,695,353</u>
Net Position	
Total net position	<u><u>\$ -</u></u>

Village of Fox Point

Statement of Changes in Fiduciary Net Position -
Fiduciary Funds
Year Ended December 31, 2024

	<div>Custodial Fund</div> <div>Tax Collection Fund</div>
Additions	
Tax collections on-behalf of underlying districts	\$ 27,687,399
Deductions	
Tax payments to underlying districts	27,687,399
Change in fiduciary net position	-
Net Position, Beginning	-
Net Position, Ending	\$ -

Village of Fox Point

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December 31, 2024

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Village of Fox Point

Notes to Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies

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

Reporting Entity

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

Government-Wide and Fund Financial Statements

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. This Statement requires that liabilities for compensated absences be recognized in financial statements prepared using the economic resources measurement focus for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This standard was implemented January 1, 2022 and the impact of implementation was not material.

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

Village of Fox Point

Notes to Financial Statements
December 31, 2024

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

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

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

The Village reports the following major governmental funds:

General Fund

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

Debt Service Fund

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

Capital Projects Fund

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

Enterprise Funds

The Village reports the following major enterprise funds:

Water Utility accounts for operations of the Water system.

Sewer Utility accounts for operations of the Sewer system.

Storm Water Utility accounts for operations of the Storm water system

Village of Fox Point

Notes to Financial Statements
December 31, 2024

The Village reports the following nonmajor governmental funds:

Special Revenue Funds

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

Recycling
Inspection

Pool

In addition, the Village reports the following fund type:

Custodial Fund

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

Tax Collection Fund

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

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

Village of Fox Point

Notes to Financial Statements
December 31, 2024

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

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

Proprietary and Fiduciary Funds

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

The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water, sewer and storm water utilities are charges to customers for sales and services. Special assessments are recorded as receivables and contribution revenue when levied. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

All Financial Statements

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

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

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

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

- a. Time deposits in any credit union, bank, savings bank or trust company.
- b. Bonds or securities of any county, city, drainage district, technical college district, village, town or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, a local cultural arts district, the University of Wisconsin Hospitals and Clinics Authority or the Wisconsin Aerospace Authority.
- c. Bonds or securities issued or guaranteed by the federal government.
- d. The local government investment pool.

Village of Fox Point

Notes to Financial Statements
December 31, 2024

- e. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
- f. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
- g. Repurchase agreements with public depositories, with certain conditions.

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

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

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF) and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2024, the fair value of the Village 's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

See Note 3 for further information.

Receivables

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

Property tax calendar - 2024 tax roll:

Lien date and levy date	December 2024
Tax bills mailed	December 2024
Payment in full, or	January 31, 2025
First installment due	January 31, 2025
Second installment due	March 31, 2025
Third installment due	May 31, 2025
Tax sale - 2024 delinquent real estate taxes	October 2027

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

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

Inventories and Prepaid Items

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

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

Capital Assets

Government-Wide Financial Statements

Capital assets, which include property, plant and equipment are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$2,500 general capital assets and \$5,000 for infrastructure assets and an estimated useful life in excess of one year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

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

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

Buildings	50-75 Years
Land improvements	20 Years
Machinery and equipment	7-30 Years
Utility system	50 Years
Infrastructure	40 Years
Intangibles	5 Years

Lease assets are typically amortized over the lease term.

Fund Financial Statements

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

Deferred Outflows of Resources

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

A deferred charge on refunding arises from the advance refunding of debt. The difference between the cost of the securities placed in trust for future payments of the refunded debt and the net carrying value of that debt is deferred and amortized as a component of interest expense over the shorter of the term of the refunding issue or the original term of the refunded debt. The unamortized amount is reported as a deferred outflow of resources in the government-wide and proprietary fund financial statements.

Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts.

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

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2024, are determined on the basis of current salary rates and include salary related payments.

Long-Term Obligations

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

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

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

Leases

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

Deferred Inflows of Resources

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

Equity Classifications**Government-Wide Statements**

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

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

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

	Governmental Activities	Business-Type Activities	Adjustment	Total
Net investment in capital assets	\$ 12,425,778	\$ 21,010,074	\$ (2,694,745)	\$ 30,741,107
Unrestricted	(22,259)	5,312,450	2,694,745	7,984,936

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

Fund Statements

Governmental fund balances are displayed as follows:

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

Village of Fox Point

Notes to Financial Statements
December 31, 2024

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

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

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

The Village has a formal minimum fund balance policy. That policy is to maintain the Village's General Fund fund balance as of January 1st of each year to be no less than 10% of that year's adopted General Fund operating budget. The General Fund fund balance at year end was \$4,736,099 or approximately 62% of the 2025 General Fund operating budget.

See Note 3 for further information.

Pension

For purposes of measuring the total pension liability and deferred outflows or resources related to pension and pension expense, the Village Stipend Plan recognized benefit payments when due and payable in accordance with the benefit terms.

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

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

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

Village of Fox Point

Notes to Financial Statements
December 31, 2024

Postemployment Benefits Other Than Pensions (OPEB)

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

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

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

Information about the fiduciary net position of the LRLIF and additions to/deductions from 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.

Basis for Existing Rates**Water Rates**

Current water rates as approved by the PSCW were placed into effect on August 1, 2021.

Sewer Rates

Current sewer rates as approved by the Village Board were placed into effect on January 1, 2024.

Storm Water Rates

Current storm water rates as approved by the Village Board were placed into effect January 1, 2024.

2. Stewardship, Compliance and Accountability**Excess Expenditures and Other Financing Uses Over Budget**

Fund	Budgeted Expenditures	Actual Expenditures	Excess Expenditures Over Budget
Debt Service Fund	\$ 2,161,101	\$ 2,171,100	\$ 9,999
Capital Projects Fund	4,973,534	5,383,200	409,666
Special Revenue Fund, Inspection	184,554	189,122	4,568
Special Revenue Fund, Pool	102,771	130,946	28,175

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

Village of Fox Point

Notes to Financial Statements
December 31, 2024

Deficit Balances

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

As of December 31, 2024, the following individual funds held a deficit balance:

Fund	Amount	Reason
Capital Projects Fund	\$ 386,854	Excess expenditures over revenues

Fund deficits are anticipated to be funded with future contributions or general tax revenues.

Limitations on the Village's Tax Levy

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

3. Detailed Notes on All Funds

Deposits and Investments

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

	Carrying Value	Statement Balances	Associated Risks
Deposits	\$ 14,444,115	\$ 14,496,827	Custodial credit
LGIP	14,868,308	14,868,308	Credit
Petty cash	480	-	N/A
Total deposits and investments	<u>\$ 29,312,903</u>	<u>\$ 29,365,135</u>	
Reconciliation to financial statements			
Per statement of net position:			
Unrestricted cash and investments	\$ 11,386,675		
Per statement of net position, fiduciary fund:			
Tax collection	<u>17,926,228</u>		
Total deposits and investments	<u>\$ 29,312,903</u>		

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

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

The Village maintains collateral agreements with its banks. At December 31, 2024, the banks had pledged various government securities in the amount of \$23,835,180 to secure the Village's deposits.

Custodial Credit Risk

Deposits

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

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

Credit Risk

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

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

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

Receivables

All of the receivables on the balance sheet are expected to be collected within one year, except for \$15,568 of delinquent personal property taxes and \$1,637,241 of lease receivables.

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

	<u>Unearned</u>	<u>Unavailable</u>
Property taxes receivable for subsequent year	\$ 7,901,400	\$ -
Receivables not collected within 60 days	-	1,110,259
Unearned lease revenue	<u>1,637,241</u>	<u>-</u>
Total unearned/unavailable revenue for governmental funds	<u>\$ 9,538,641</u>	<u>\$ 1,110,259</u>
Unearned revenue included in deferred inflows	<u>\$ 9,538,641</u>	
Total unearned revenue for governmental funds	<u>\$ 9,538,641</u>	

Village of Fox Point

Notes to Financial Statements
December 31, 2024

Capital Assets

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental Activities				
Capital assets not being depreciated / amortized:				
Land	\$ 1,203,921	\$ -	\$ -	\$ 1,203,921
Right of way	4,652,555	-	-	4,652,555
Construction in progress	195,426	109,519	195,426	109,519
Total capital assets not being depreciated / amortized	6,051,902	109,519	195,426	5,965,995
Capital assets being depreciated / amortized:				
Land improvements	4,749,861	305,610	-	5,055,471
Buildings	5,225,587	-	-	5,225,587
Machinery and equipment	5,800,458	520,836	50,642	6,270,652
Streets	7,841,359	1,507,585	118,787	9,230,157
Bridges	3,199,822	-	-	3,199,822
Software	119,771	-	-	119,771
Total capital assets being depreciated / amortized	26,936,858	2,334,031	169,429	29,101,460
Total capital assets	32,988,760	2,443,550	364,855	35,067,455
Less accumulated depreciation / amortization for:				
Land improvements	(823,899)	(266,606)	-	(1,090,505)
Buildings	(1,716,168)	(91,957)	-	(1,808,125)
Machinery and equipment	(3,362,515)	(284,512)	36,452	(3,610,575)
Streets	(3,191,813)	(205,744)	78,551	(3,319,006)
Bridges	(899,806)	(58,518)	-	(958,324)
Software	(88,398)	(3,932)	-	(92,330)
Total accumulated depreciation / amortization	(10,082,599)	(911,269)	115,003	(10,878,865)
Net capital assets being depreciated / amortized	16,854,259	1,422,762	54,426	18,222,595
Total governmental activities capital assets, net as reported in the statement of net position	\$ 22,906,161	\$ 1,532,281	\$ 249,852	\$ 24,188,590

Depreciation / amortization expense was charged to functions as follows:

Governmental Activities

General government	\$ 36,830
Public safety	135,610
Public works	719,316
Culture, education and recreation	19,513
Total governmental activities depreciation / amortization expense	<u>\$ 911,269</u>

Village of Fox Point

Notes to Financial Statements
December 31, 2024

Business-Type Activities

	Beginning Balance	Additions	Deletions	Ending Balance
Sewer				
Capital assets being depreciated / amortized:				
Collection system	\$ 8,679,255	\$ 632,476	\$ -	\$ 9,311,731
Treatment and disposal	50,000	-	-	50,000
General	132,381	-	-	132,381
Software	114,263	-	-	114,263
Total capital assets being depreciated / amortized	8,975,899	632,476	-	9,608,375
Less accumulated depreciation / amortization for:				
Sewer capital assets	(2,707,201)	(108,068)	-	(2,815,269)
Total accumulated depreciation / amortization	(2,707,201)	(108,068)	-	(2,815,269)
Net capital assets being depreciated / amortized	6,268,698	524,408	-	6,793,106
Net sewer capital assets	<u>\$ 6,268,698</u>	<u>\$ 524,408</u>	<u>\$ -</u>	<u>\$ 6,793,106</u>
	Beginning Balance	Additions	Deletions	Ending Balance
Water				
Capital assets not being depreciated:				
Land and land rights	\$ 26,561	\$ -	\$ -	\$ 26,561
Construction in progress	1,313,382	2,700	1,191,022	125,060
Total capital assets not being depreciated	1,339,943	2,700	1,191,022	151,621
Capital assets being depreciated:				
Source of supply	278,542	-	-	278,542
Pumping	893,832	76,561	21,225	949,168
Water treatment	2,000,376	24,238	9,532	2,015,082
Transmission and distribution	14,045,147	2,970,120	111,378	16,903,889
General	1,417,025	1,240	825	1,417,440
Total capital assets being depreciated	18,634,922	3,072,159	142,960	21,564,121
Total capital assets	19,974,865	3,074,859	1,333,982	21,715,742
Less accumulated depreciation for:				
Water capital assets	(7,870,978)	(412,762)	142,960	(8,140,780)
Total accumulated depreciation	(7,870,978)	(412,762)	142,960	(8,140,780)
Net capital assets being depreciated	10,763,944	2,659,397	-	13,423,341
Net water capital assets	<u>\$ 12,103,887</u>	<u>\$ 2,662,097</u>	<u>\$ 1,191,022</u>	<u>\$ 13,574,962</u>

Village of Fox Point

Notes to Financial Statements
December 31, 2024

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Storm Water				
Capital assets not being depreciated:				
Construction in progress	\$ 59,561	\$ 2,700	\$ 59,561	\$ 2,700
Total capital assets not being depreciated	59,561	2,700	59,561	2,700
Capital assets being depreciated / amortized:				
Storm water system	7,349,737	2,638,956	-	9,988,693
Software	127,635	-	-	127,635
Equipment	410,163	-	-	410,163
Total capital assets being depreciated / amortized	7,887,535	2,638,956	-	10,526,491
Total capital assets	7,947,096	2,641,656	59,561	10,529,191
Less accumulated depreciation / amortization for:				
Storm water system	(1,935,601)	(407,874)	-	(2,343,475)
Software	(126,143)	(27,344)	-	(153,487)
Equipment	(115,925)	(4,368)	-	(120,293)
Total accumulated depreciation / amortization	(2,177,669)	(439,586)	-	(2,617,255)
Net capital assets being depreciated / amortized	5,709,866	2,199,370	-	7,909,236
Net storm water capital assets	\$ 5,769,427	\$ 2,202,070	\$ 59,561	\$ 7,911,936
Business-type activities capital assets, net as reported in the statement of net position	\$ 24,142,012	\$ 5,388,575	\$ 1,250,583	\$ 28,280,004

Depreciation / amortization expense was charged to functions as follows:

Business-Type Activities

Sewer	\$ 108,068
Water	400,300
Storm water	<u>439,586</u>
Total business-type activities depreciation / amortization expense	<u>\$ 947,954</u>

Depreciation/amortization expense is different from additions because of joint metering, salvage cost of removal, internal allocations and cost associated with the disposal of assets.

Village of Fox Point

Notes to Financial Statements
December 31, 2024

Interfund Receivables/Payables and Transfers**Interfund Receivables/Payables**

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Water utility	General fund	\$ 59,075
Sewer utility	General fund	39,287
Storm water utility	General fund	26,955
Special revenue, recycling fund	General fund	<u>7,967</u>
Total, fund financial statements		133,284
Less fund eliminations		<u>(7,967)</u>
Total internal balances, government-wide statement of net position		<u>\$ 125,317</u>

All amounts are due within one year.

The principal purpose of these interfunds are due to delinquent utility bills collected during the tax collection process of the general fund. All remaining balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

Transfers

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
General fund	Water utility	\$ 267,844	Payment in lieu of taxes
Special revenue, recycling fund	General fund	26,427	Reimbursement for expenditures
Special revenue, pool fund	General fund	<u>130,946</u>	Reimbursement for expenditures
Total, fund financial statements		425,217	
Less fund eliminations		(157,373)	
Less capital assets transferred to storm water utility		<u>(2,561,437)</u>	
Total transfers, government-wide statement of activities		<u>\$ (2,293,593)</u>	

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>
Governmental activities	Business-type activities	\$ 267,844
Business-type activities	Governmental activities	<u>(2,561,437)</u>
Total government-wide financial statements		<u>\$ (2,293,593)</u>

Village of Fox Point

Notes to Financial Statements
December 31, 2024

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

Long-Term Obligations

Long-term obligations activity for the year ended December 31, 2024, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities					
Bonds and notes payable:					
General obligation debt	\$ 15,490,303	\$ 1,205,000	\$ 1,658,900	\$ 15,036,403	\$ 1,779,700
(Discounts)/Premiums	<u>365,959</u>	<u>249,420</u>	<u>75,016</u>	<u>540,363</u>	<u>-</u>
Total bonds and notes payable	<u>15,856,262</u>	<u>1,454,420</u>	<u>1,733,916</u>	<u>15,576,766</u>	<u>1,779,700</u>
Other liabilities:					
North Shore Fire Department obligation (NSFD)	1,098,181	10,488	13,573	1,095,096	38,984
Total OPEB liability, Health Insurance	440,804	-	81,181	359,623	-
Net OPEB liability, Life Insurance	203,410	41,469	-	244,879	-
Total pension liability, single employer plan	173,134	44,425	-	217,559	-
Net pension liability, WRS	1,213,092	-	873,818	339,274	-
Compensated absences	<u>812,410</u>	<u>6,986</u>	<u>-</u>	<u>819,396</u>	<u>409,698</u>
Total other liabilities	<u>3,941,031</u>	<u>103,368</u>	<u>968,572</u>	<u>3,075,827</u>	<u>448,682</u>
Total governmental activities long-term liabilities	<u>\$ 19,797,293</u>	<u>\$ 1,557,788</u>	<u>\$ 2,702,488</u>	<u>\$ 18,652,593</u>	<u>\$ 2,228,382</u>
Business-Type Activities					
Bonds and notes payable:					
General obligation debt	\$ 3,893,230	\$ 3,935,000	\$ 506,100	\$ 7,322,130	\$ 740,300
(Discounts)/Premiums:					
Bond discount	<u>1,489</u>	<u>-</u>	<u>838</u>	<u>651</u>	<u>-</u>
Total bonds and notes payable	<u>3,894,719</u>	<u>3,935,000</u>	<u>506,938</u>	<u>7,322,781</u>	<u>740,300</u>
Other liabilities:					
Net pension liability, WRS	121,258	-	85,944	35,314	-
Compensated absences	<u>121,495</u>	<u>-</u>	<u>93,149</u>	<u>28,346</u>	<u>14,172</u>
Total other liabilities	<u>242,753</u>	<u>-</u>	<u>179,093</u>	<u>63,660</u>	<u>14,172</u>
Total business-type activities long-term liabilities	<u>\$ 4,137,472</u>	<u>\$ 3,935,000</u>	<u>\$ 686,031</u>	<u>\$ 7,386,441</u>	<u>\$ 754,472</u>

In accordance with Wisconsin Statutes, total general obligation indebtedness of the Village may not exceed 5% of the equalized value of taxable property within the Village's jurisdiction. The debt limit as of December 31, 2024, was \$83,798,805. Total general obligation debt outstanding at year end was \$22,358,533.

Village of Fox Point

Notes to Financial Statements
December 31, 2024

General Obligation Debt

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

<u>Governmental Activities</u>					Balance
General Obligation Debt	Date of	Final	Interest	Original	December 31,
	Issue	Maturity	Rates	Indebtedness	2024
2012 G.O. Debt	05/02/12	04/01/27	1.00-2.50%	\$ 2,500,000	\$ 620,000
2015 G.O. Debt	11/03/15	04/01/25	2.00	2,888,050	105,000
2016 G.O. Debt	08/01/16	04/01/26	1.50-1.65	1,901,254	196,254
2016 G.O. Refunding Debt	08/01/16	04/01/32	2.00-2.38	1,949,448	1,142,149
2017 G.O. Debt	08/02/17	04/01/32	1.50-3.0	825,000	275,000
2018 G.O. Debt	07/30/18	04/01/28	2.50-4.00	1,000,000	515,000
2019 G.O. Debt	07/30/19	04/01/29	2.00-4.00	1,615,000	1,065,000
2020 G.O. Debt	08/04/20	04/01/30	1.00-2.00	2,290,000	1,620,000
2021 G.O. Refunding Debt	01/05/21	04/01/26	0.98	427,000	178,000
2021 G.O. Debt	08/02/21	04/01/31	1.05-2.00	2,475,000	2,055,000
2022 G.O. Debt	07/26/22	04/01/32	3.00-4.00	1,525,000	1,310,000
2023 G.O. Debt	04/04/23	04/01/26	4.00	4,350,000	4,350,000
2023 G.O. Debt	08/01/23	04/01/33	4.00	485,000	400,000
2024 G.O. Debt	08/01/24	04/01/34	4.00-5.00	1,205,000	1,205,000
Total governmental activities, general obligation debt					<u><u>\$ 15,036,403</u></u>

Village of Fox Point

Notes to Financial Statements
December 31, 2024

<u>Business-Type Activities</u>						Balance
<u>General Obligation Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>		<u>December 31, 2024</u>
Sewer 2016 G.O. Refunding	08/01/16	04/01/32	2.00-2.38%	\$ 20,055	\$	11,655
Water 2016 G.O. Refunding	08/01/16	04/01/32	2.00-2.38	70,496		41,196
Water 2018 G.O. Debt	07/30/18	04/01/28	2.50-4.00	200,000		85,000
Storm Water 2016 G.O. Debt	08/01/16	04/01/26	1.50-1.65	387,279		42,279
Storm Water 2017 G.O. Debt	08/01/17	04/01/32	1.50-3.0	375,000		125,000
Storm Water 2018 G.O. Debt	07/30/18	04/01/28	2.50-4.00	405,000		90,000
Storm Water 2019 G.O. Debt	07/30/19	04/01/29	2.00-4.00	215,000		120,000
Water 2020 G.O. Debt	08/04/20	04/01/30	1.00-2.00	215,000		135,000
Sewer 2021 G.O. Refunding	01/05/21	04/01/26	0.98	349,000		94,000
Storm Water 2021 G.O. Refunding	01/05/21	04/01/26	0.98	230,000		138,000
Water 2021 G.O. Debt	08/02/21	04/01/31	1.05-2.00	700,000		510,000
Water 2022 G.O. Debt	07/26/22	04/01/32	3.00-4.00	560,000		470,000
Storm Water 2022 G.O. Debt	07/26/22	04/01/32	3.00-4.00	325,000		270,000
Water 2023 G.O. Debt	08/01/23	04/01/33	4.00	1,355,000		1,255,000
Water 2024 G.O. Debt	08/01/24	04/01/34	4.00-5.00	1,640,000		1,640,000
Sewer 2024 G.O. Debt	08/01/24	04/01/34	4.00-5.00	645,000		645,000
Storm Water 2024 G.O. Debt	08/01/24	04/01/34	4.00-5.00	1,650,000		<u>1,650,000</u>
Total business-type activities, general obligation debt						<u>\$ 7,322,130</u>

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities General Obligation Debt</u>		<u>Business-Type Activities General Obligation Debt</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 1,779,700	\$ 433,019	\$ 740,300	\$ 290,411
2026	6,128,154	291,118	800,379	237,856
2027	1,647,500	160,997	757,500	212,285
2028	1,383,400	124,155	791,600	184,786
2029	1,289,700	91,920	770,300	154,621
2030-2034	<u>2,807,949</u>	<u>141,181</u>	<u>3,462,051</u>	<u>319,363</u>
Total	<u>\$ 15,036,403</u>	<u>\$ 1,242,390</u>	<u>\$ 7,322,130</u>	<u>\$ 1,399,322</u>

Village of Fox Point

Notes to Financial Statements
December 31, 2024

Other Long-Term Obligations

Other Long-Term Obligations at December 31, 2024 consists of the following:

<u>Governmental Activities</u>					Balance
Other Long-Term Obligations	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	December 31, 2024
NSFD debt obligation	05/01/19	05/01/39	.50-2.00%	\$ 60,581	\$ 55,375
NSFD debt obligation	01/22/20	05/01/39	2.00	302,909	265,357
NSFD debt obligation	05/23/23	03/01/43	4.00-5.00	763,876	774,364
Total governmental activities other long-term obligations					<u>\$ 1,095,096</u>

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities</u>	
	<u>Other Long-Term Obligations</u>	
	<u>Principal</u>	<u>Interest</u>
2025	\$ 38,984	\$ 41,370
2026	40,756	39,604
2027	42,528	37,755
2028	46,515	35,766
2029	46,958	33,670
2030-2034	266,686	137,662
2035-2039	314,973	87,058
2040-2050	297,696	24,418
Total	<u>\$ 1,095,096</u>	<u>\$ 437,303</u>

Other Debt Information

Estimated payments of compensated absences, net and total pension liabilities and net and total OPEB liabilities are not included in the debt service requirement schedules. The compensated absences, net and total pension liabilities and net and total OPEB liabilities attributable to governmental activities will be liquidated primarily by the general and utility fund.

There are a number of limitations and restrictions contained in the various bond indentures and loan agreements. The Village believes it is in compliance with all significant limitations and restrictions, including federal arbitrage regulations.

Village of Fox Point

Notes to Financial Statements
December 31, 2024

Lease Disclosures**Lessor - Lease Receivables**

Governmental Activities				Receivable Balance December 31, 2024
Lease Receivables Description	Date of Inception	Final Maturity	Interest Rates	
Telecom Infrastructure T, Inc.	01/01/16	12/31/60	1.25%	\$ 1,637,241
Total governmental activities				<u>\$ 1,637,241</u>

The Village recognized \$5,951 of lease revenue during the fiscal year.

The Village recognized \$28,480 of interest revenue during the fiscal year.

Net Position/Fund Balances

Net position reported on the government-wide statement of net position at December 31, 2024, includes the following:

Governmental Activities

Net investment in capital assets:

Land	\$ 1,203,921
Construction in progress	109,519
Right-of-way	4,652,555
Other capital assets, net of accumulated depreciation/amortization	18,222,595
Less long-term debt outstanding	(15,036,403)
Plus noncapital debt proceeds	3,836,895
Plus deferred loss on refunding	5,646
Less deferred gain on refunding	(28,587)
Less unamortized premium on long-term debt	<u>(540,363)</u>

Total net investment in capital assets \$ 12,425,778

Village of Fox Point

Notes to Financial Statements
December 31, 2024

Governmental Funds

Governmental fund balances reported on the fund financial statements at December 31, 2024, include the following:

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Fund Balances					
Nonspendable:					
Prepaid items	\$ 94,118	\$ -	\$ -	\$ -	\$ 94,118
Delinquent personal property taxes	15,568	-	-	-	15,568
Subtotal	109,686	-	-	-	109,686
Restricted for:					
Debt service	-	885,370	-	-	885,370
Subtotal	-	885,370	-	-	885,370
Committed to:					
Recycling	-	-	-	73,450	73,450
Inspections	-	-	-	206,276	206,276
Subtotal	-	-	-	279,726	279,726
Unassigned (deficit)	4,626,413	-	(386,854)	-	4,239,559
Total fund balances (deficit)	<u>\$ 4,736,099</u>	<u>\$ 885,370</u>	<u>\$ (386,854)</u>	<u>\$ 279,726</u>	<u>\$ 5,514,341</u>

Business-Type Activities

Net investment in capital assets:

Land	\$ 26,561
Construction in progress	127,760
Other capital assets, net of accumulated depreciation/amortization	28,125,683
Less long-term debt outstanding	(7,322,130)
Plus noncapital debt proceeds	52,851
Less unamortized premium on long-term debt	(651)

Total net investment in capital assets \$ 21,010,074

4. Other Information**Employees' Retirement System****Plan Description**

The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, expected to work at least 1,200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

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

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

Vesting

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

Benefits Provided

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

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

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

The WRS also provides death and disability benefits for employees.

Village of Fox Point

Notes to Financial Statements
December 31, 2024

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

Contributions

Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for General category employees, including Teachers, Executives and Elected Officials. Starting on January 1, 2016, the Executives and Elected Officials category was merged into the General Employee category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the reporting period, the WRS recognized \$335,386 in contributions from the Village.

Contribution rates for the plan year reported as of December 31, 2024 are:

Employee Category	Employee	Employer
General (Executives & Elected Officials)	6.80 %	6.80 %
Protective with Social Security	6.80	13.20
Protective without Social Security	6.80	18.10

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

At December 31, 2024, the Village reported a liability of \$374,588 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022 rolled forward to December 31, 2023. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net pension liability was based on the Village's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2023, the Village's proportion was 0.02519419%, which was an increase of 0.00000686% from its proportion measured as of December 31, 2022.

For the year ended December 31, 2024, the Village recognized pension expense (revenue) of \$231,505.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual experience	\$ 1,510,338	\$ 2,000,452
Changes in assumptions	163,272	-
Net differences between projected and actual earnings on pension plan investments	1,305,381	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	12,621	1,958
Employer contributions subsequent to the measurement date	364,776	-
Total	<u>\$ 3,356,388</u>	<u>\$ 2,002,410</u>

\$364,776 reported as deferred outflows of resources related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Years Ending December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2025	\$ 203,948
2026	215,219
2027	821,320
2028	(251,285)

Actuarial Assumptions

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

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

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

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

Village of Fox Point

Notes to Financial Statements
December 31, 2024

Long-Term Expected Return on Plan Assets

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

Asset Allocation Targets and Expected Returns* as of December 31, 2023

Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %**
Public Equity	40	7.3	4.5
Public Fixed Income	27	5.8	3.0
Inflation Sensitive	19	4.4	1.7
Real Estate	8	5.8	3.0
Private Equity/Debt	18	9.6	6.7
Leverage***	(12)	3.7	1.0
Total Core Fund	100	7.4	4.6
Variable Fund Asset			
U.S. Equities	70	6.8	4.0
International Equities	30	7.6	4.8
Total Variable Fund	100	7.3	4.5

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

** *New England Pension Consultants' Long-Term U.S. CPI (Inflation) Forecast: 2.7%*

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

Single Discount Rate

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

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

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

	1% Decrease to Discount Rate (5.8%)	Current Discount Rate (6.8%)	1% Increase to Discount Rate (7.8%)
Village's proportionate share of the net pension liability (asset)	\$ 3,620,581	\$ 374,588	\$ (1,896,769)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

At December 31, 2024, the Village reported a payable to the pension plan which represents contractually required contributions outstanding as of the end of the year.

Risk Management

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

Commitments and Contingencies

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

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

The Village has active construction projects as of December 31, 2024. Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures.

Joint Ventures**North Shore Water Commission**

The Village of Fox Point, City of Glendale and the Village of Whitefish Bay jointly operate the local supply and filtration system, which is called the North Shore Water Commission (NSWC) and provides water supply and filtration. The communities share in the operation proportionately based upon water sold to each participant.

The governing body is made up of citizens from each municipality. Local representatives are appointed by the municipalities. The governing body has authority to adopt its own budget and control the financial affairs of the commission.

Debt is repaid with resources of the utility and is secured by the assets and revenues of NSWC. The transactions of the Commission are not reflected in these financial statements. \$291,934 of operating costs represents the Village's share for the North Shore Water Commission which is expected to continue to provide services in the future at similar rates. Financial information of the North Shore Water Commission as of December 31, 2024 is available directly from the NSWC office.

The Village accounts for its share of the operations in the water utility fund. The Village has an equity interest in the NSWC equal to its percentage share of participation. The equity interest is reported in the statement of net position as an asset and the amount of change for the year is reflected on the statement of revenues, expenses and changes in net position.

North Shore Library

The City of Glendale and the Villages of Fox Point, Bayside and River Hills operate the North Shore Library under a Joint Library Agreement dated January 1, 1985. Under the joint agreement, a Joint Library Board is created to operate the North Shore Library. The Joint Library Board is composed of ten members: five members from Glendale, two members each from Fox Point and Bayside, one member from River Hills and the Superintendent of Schools for the Nicolet School District. The Joint Library Board has the powers to repair, maintain and renew physical assets of the library and to prepare and adopt a budget for the library's operating expenses and a budget for the library's capital improvement expenses. The operating budget must be approved by at least three of the four municipalities. In addition, the Joint Library Board has the power to appoint the Library Director and such other assistants and employees as it deems necessary. Operating and capital expenses are shared proportionately based upon population estimates published in October.

The Village's share of operations in 2024 was \$256,740. The Village believes that the library will continue to provide services in the future at similar rates. The Village does not report an equity interest in the joint venture.

North Shore Fire Department

By agreement dated December 30, 1994, the North Shore Fire Department (NSFD) was created. The NSFD, which provides a unified integrated fire and emergency medical service, began operations on January 1, 1996. The NSFD was created pursuant to the provisions of Wisconsin Statutes 61.65 and 66.30. Participants are the Village of Fox Point, Village of Shorewood, Village of Brown Deer, Village of River Hills, Village of Whitefish Bay, Village of Bayside and City of Glendale. The North Shore Fire Department furnishes fire and emergency medical services. The North Shore Fire Department (NSFD) is operated by a Board of Directors consisting of seven members which includes the Mayor or Village President of each participating municipality. The affirmative vote of a majority of the members of the Board of Directors is required on most matters.

The powers of the Board of Directors include authorizing repair, maintenance and renewal of physical assets and recommending adoption of the department's budget. The capital and operating budget of the department must receive approval of at least five of the seven participating municipalities.

Also established by the agreement is a Joint Fire Commission that has the powers related to appointments, promotions, suspensions, removals, dismissals, reemployment, compensation, rest days, etc. The fiscal agent for the North Shore Fire Department is the Village of Brown Deer. The Village's share of operations in 2024 was \$1,266,993. The Village does not report an equity interest in this joint venture.

Dispatch Services

The Village of Fox Point, River Hills and Bayside jointly operate a dispatch service center under a joint service agreement. Under the joint agreement, the Village of Bayside provides dispatch services to the municipalities. The cost of these services is shared between the communities as agreed upon in the individual agreements. A separate board has not been established to govern the dispatch service activities. Changes to the agreements and to the services provided require the approval of all three Village boards. During 2024, the Village's share of operations was \$316,779. The Village does not report an equity interest in this joint venture.

Other Postemployment Benefits

General Information about the OPEB Plan

Plan Description

The Village administers a single-employer defined benefit healthcare plan. The plan provides for eligible retirees and their spouses through the Village's healthcare plan which covers both active and retired members. Benefit provisions are established through personnel policy guidelines and collective bargaining agreements. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided

The Village makes the same monthly health insurance contribution on behalf of the retiree as it makes on behalf of all other active employees. The Village contributes 25% of the current year premiums until Medicare is available. Plan members receiving benefits contribute 75% of their premium costs.

Employees Covered by Benefit Terms

At December 31, 2024, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	6
Active plan members	43
Total	49

Total OPEB Liability

The Village's total OPEB liability of \$359,623 was measured as of December 31, 2023, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Discount rate	4.00%
Healthcare cost trend rates	7.00% decreasing to 6.50%, then decreasing by 0.10% per year down to 4.50% and level thereafter

The discount rate was based on S&P Municipal Bond 20 Year High Grade Index.

Mortality rates were based on the 2020 WRS Experience Tables for Active Employees and Healthy Retirees projected with mortality improvements using the fully generational MP-2021 projection scale from a base year of 2010.

The actuarial assumptions used in the December 31, 2023 valuation were based on the results of an actuarial experience study 2018-2020.

Village of Fox Point

Notes to Financial Statements
December 31, 2024

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at December 31, 2023	\$ 440,804
Changes for the year:	
Service cost	26,250
Interest	18,244
Differences between expected and actual experience	(47,632)
Changes in assumptions or other inputs	(28,704)
Benefit payments	(49,339)
Net changes	(81,181)
Balance at December 31, 2024	\$ 359,623

Changes of assumptions and other inputs reflect a change in the discount rate from 4.25% in 2022 to 4.00% in 2023.

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

The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.0%) or 1-percentage-point higher (5.0%) than the current discount rate:

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
Total OPEB liability	\$ 379,480	\$ 359,623	\$ 340,640

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

The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.5% decreasing to 4.5%) or 1-percentage-point higher (7.5% decreasing to 5.5%) than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Total OPEB liability	\$ 358,347	\$ 359,623	\$ 360,711

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

For the year ended December 31, 2024, the Village recognized OPEB expense of \$9,622. At December 31, 2024, 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	\$ 22,987	\$ 43,302
Changes of assumptions or other inputs	39,238	91,309
Total	<u>\$ 62,225</u>	<u>\$ 134,611</u>

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

**Years Ending
December 31:**

	Amount
2025	\$ (4,777)
2026	(4,777)
2027	(4,777)
2028	(4,777)
2029	(3,672)
Thereafter	<u>(49,606)</u>
Total	<u>\$ (72,386)</u>

Local Retiree Life Insurance Fund (LRLIF)**Plan Description**

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

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

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

Benefits Provided

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

Village of Fox Point

Notes to Financial Statements
December 31, 2024

Contributions

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

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

Contribution rates for the plan year reported as of December 31, 2024 are:

Coverage Type	Employer Contribution
50% Post Retirement Coverage	40% of member contribution
25% Post Retirement Coverage	20% of member contribution

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

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

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

During the reporting period, the LRLIF recognized \$1,084 in contributions from the employer.

Village of Fox Point

Notes to Financial Statements
December 31, 2024

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

At December 31, 2024, the Village reported a liability of \$244,879 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2023 rolled forward to December 31, 2023. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net OPEB liability was based on the Village's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2023, the Village's proportion was 0.05322700%, which was an decrease of 0.00016400% from its proportion measured as of December 31, 2022.

For the year ended December 31, 2024, the Village recognized OPEB expense (revenue) of \$15,592.

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

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 21,672
Net differences between projected and actual earnings on plan investments	3,308	-
Changes in actuarial assumptions	76,600	96,428
Changes in proportion and differences between employer contributions and proportionate share of contributions	13,862	17,801
Employer contributions subsequent to the measurement date	<u>1,105</u>	<u>-</u>
Total	<u>\$ 94,875</u>	<u>\$ 135,901</u>

Village of Fox Point

Notes to Financial Statements
December 31, 2024

\$1,105 reported as deferred outflows of resources related to OPEB resulting from the LRLIF Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ending December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2025	\$ (4,621)
2026	(1,289)
2027	(11,373)
2028	(13,834)
2029	(13,729)
Thereafter	2,715

Actuarial Assumptions

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

Actuarial Valuation Date:	January 1, 2023
Measurement Date of Net OPEB Liability (Asset)	December 31, 2023
Experience Study:	January 1, 2018-December 31, 2020. Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield*	3.26%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	3.32%
Salary Increases:	
Wage Inflation	3.00%
Seniority/Merit	0.10%-5.6%
Mortality:	2020 WRS Experience Mortality Table

*Based on the Bond Buyers GO 20-Bond Municipal 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, 2023 is based upon a roll-forward of the liability calculated from the January 1, 2023 actuarial valuation.

Long-Term Expected Return on Plan Assets

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

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

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return
U.S. Intermediate Credit Bonds	Bloomberg U.S. Interm Credit	40.00%	2.32%
U.S. Mortgages	Bloomberg U.S. MBS	60.00	2.52
Inflation			2.30
Long-Term Expected Rate of Return			4.25

Single Discount Rate

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

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

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

The following presents the Village's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 3.32%, as well as what the Village's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (2.32%) or 1-percentage-point higher (4.32%) than the current rate:

	1% Decrease to Discount Rate (2.32%)	Current Discount Rate (3.32%)	1% Increase to Discount Rate (4.32%)
Village's proportionate share of the net OPEB liability (asset)	\$ 329,029	\$ 244,879	\$ 180,645

Single-Employer Defined Benefit Pension Plan

Plan Description

The Village reports a single-employer defined benefit pension plan (the Stipend Plan). Management of the Stipend Plan is vested in the Village Board. No assets have been accumulated in a trust for the payment of these benefits. The plan is administered by the Village and provides active public safety employees that retire on or after January 1, 2022 with a monthly cash benefit ranging from \$200 to \$375 per month. Benefit provisions are established through agreements approved by the Village Board.

At December 31, 2024, the Village plan's membership consisted of:

Retirees and beneficiaries	3
Active members	11
Total	14

The Village paid \$9,207 for pension benefits as they came due during the reporting period. The Village is funding these benefits on a pay-as-you-go basis.

Changes in Total Pension Liability

The Village's change in total pension liability for the fiscal year ended December 31, 2024 was as follows:

	Total Pension Liability
Beginning of Year Balance	\$ 173,134
Service cost	6,515
Interest on total pension liability	7,301
Differences between expected and actual experience	27,350
Changes of assumptions or other input	12,466
Benefit payments	(9,207)
End of Year Balance	\$ 217,559

Village of Fox Point

Notes to Financial Statements
December 31, 2024

Assumptions

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

Measurement Date:	December 31, 2023
Actuarial Valuation Date:	December 31, 2023
Inflation:	2.50%
Salary Changes:	5.8% down to 0.2% in 30 years; includes merit increases plus inflation
Discount Rate:	4.00%
Source of Mortality Assumptions:	2020 Annual Wisconsin Retirement System (WRS) Report
Dates of Experience Studies	Experience study conducted in 2021 using WRS experience from 2018-2020

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

The following is a sensitivity analysis of the total pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the current discount rate of 3.5% as well as what the total pension liability would be if it were to be calculated using a discount rate that is 1-percentage-point lower (2.5%) or 1-percentage-point higher (4.5%) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Total pension liability	\$ 231,539	\$ 217,559	\$ 204,576

Pension Expense and Deferred Outflows of Resources Related to Pensions

For the year ended December 31, 2024, the Village recognized pension expense of \$3,566. At December 31, 2024 the Village reported deferred outflows of resources related to pensions from the following source:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 35,678	\$ 5,333
Changes in actuarial assumptions	27,025	20,385
Employer contributions subsequent to the measurement date	14,884	-
Total	<u>\$ 77,587</u>	<u>\$ 25,718</u>

Village of Fox Point

Notes to Financial Statements
December 31, 2024

\$14,884 reported as deferred outflows of resources related to OPEB resulting from the LRLIF Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ending December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2025	\$ 4,634
2026	4,634
2027	4,634
2028	4,634
2029	4,634
Thereafter	13,815

Effect of New Accounting Standards on Current-Period Financial Statements

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

- Statement No. 102, *Certain Risk Disclosures*
- Statement No. 103, *Financial Reporting Model Improvements*
- Statement No. 104, *Disclosure of Certain Capital Assets*

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

REQUIRED SUPPLEMENTARY INFORMATION

Village of Fox Point

Detailed Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
 General Fund
 Year Ended December 31, 2024

	Original and Final Budget	Actual	Variance With Final Budget
Revenues			
Taxes	\$ 5,798,864	\$ 5,790,240	\$ (8,624)
Intergovernmental	1,026,034	1,085,951	59,917
Licenses and permits	134,000	108,940	(25,060)
Fines, forfeitures and penalties	75,000	111,861	36,861
Public charges for services	46,650	27,692	(18,958)
Intergovernmental charges for services	130,500	134,892	4,392
Investment income	375,000	333,919	(41,081)
Miscellaneous revenues	52,500	130,570	78,070
Total revenues	<u>7,638,548</u>	<u>7,724,065</u>	<u>85,517</u>
Expenditures			
Current:			
General government	1,138,662	1,345,236	(206,574)
Public safety	4,336,449	4,168,171	168,278
Public works	1,627,642	1,527,927	99,715
Health and human services	58,673	58,688	(15)
Culture, recreation and education	288,290	282,350	5,940
Conservation and development	57,500	55,592	1,908
Total expenditures	<u>7,507,216</u>	<u>7,437,964</u>	<u>69,252</u>
Excess (deficiency) of revenues over (under) expenditures	<u>131,332</u>	<u>286,101</u>	<u>154,769</u>
Other Financing Sources (Uses)			
Transfers in	230,000	267,844	37,844
Transfers out	(26,427)	(157,373)	(130,946)
Proceeds from sale of capital assets	1,500	2,947	1,447
Total other financing sources (uses)	<u>205,073</u>	<u>113,418</u>	<u>(91,655)</u>
Net change in fund balance	<u>\$ 336,405</u>	<u>399,519</u>	<u>\$ 63,114</u>
Fund Balance, Beginning		<u>4,336,581</u>	
Fund Balance, Ending		<u>\$ 4,736,100</u>	

Village of Fox Point

Schedule of Proportionate Share of the Net Pension Liability (Asset) -
 Wisconsin Retirement System
 Year Ended December 31, 2024

WRS Fiscal Year End	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/14	0.02766856%	\$ (679,616)	\$ 3,210,928	21.17%	102.74%
12/31/15	0.02724353%	442,702	3,268,645	13.54%	98.20%
12/31/16	0.02669150%	220,002	3,236,140	6.80%	99.12%
12/31/17	0.02708612%	(804,219)	3,396,748	23.68%	102.93%
12/31/18	0.02730611%	971,465	3,406,954	28.51%	96.45%
12/31/19	0.02738158%	(882,907)	3,403,013	25.94%	102.96%
12/31/20	0.02645525%	(1,651,637)	3,132,860	52.72%	105.26%
12/31/21	0.02555658%	(2,059,907)	3,181,408	64.75%	106.02%
12/31/22	0.02518733%	1,334,350	3,278,971	40.69%	95.72%
12/31/23	0.02519419%	374,588	3,419,581	10.95%	98.85%

Schedule of Employer Contributions - Wisconsin Retirement System
 Year Ended December 31, 2024

Village Fiscal Year End	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/15	\$ 277,668	\$ 277,668	\$ -	\$ 3,268,645	8.49%
12/31/16	233,362	233,362	-	3,236,140	7.21%
12/31/17	268,350	268,350	-	3,396,748	7.90%
12/31/18	272,687	272,687	-	3,406,954	8.00%
12/31/19	265,308	265,308	-	3,403,013	7.80%
12/31/20	294,488	294,488	-	3,132,860	9.40%
12/31/21	292,303	292,303	-	3,181,408	9.19%
12/31/22	299,492	299,492	-	3,278,972	9.13%
12/31/23	336,030	336,030	-	3,419,581	9.83%
12/31/24	364,776	364,776	-	3,554,396	10.26%

See notes to required supplementary information

Village of Fox Point

Schedule of Changes in the Total Pension Liability and Related Ratios -
 Supplemental Pension (Stipend) Plan
 Year Ended December 31, 2024

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total Pension Liability							
Service cost	\$ 6,515	\$ 9,014	\$ 8,958	\$ 8,008	\$ 6,323	\$ 6,683	\$ 6,683
Interest	7,301	4,269	4,293	4,919	5,305	4,635	4,432
Difference between expected and actual experience	27,350	-	-	-	19,829	-	125,761
Changes in assumptions	12,466	(22,106)	(7,619)	6,155	21,587	(4,723)	-
Benefit payments	(9,207)	(6,571)	(6,814)	(8,502)	(6,777)	(5,634)	(4,974)
	<u>44,425</u>	<u>(15,394)</u>	<u>(1,182)</u>	<u>10,580</u>	<u>46,267</u>	<u>961</u>	<u>131,902</u>
Net change in total pension liability							
	44,425	(15,394)	(1,182)	10,580	46,267	961	131,902
Total Pension Liability, Beginning	<u>173,134</u>	<u>188,528</u>	<u>189,710</u>	<u>179,130</u>	<u>132,863</u>	<u>131,902</u>	<u>-</u>
Total Pension Liability, Ending	<u>\$ 217,559</u>	<u>\$ 173,134</u>	<u>\$ 188,528</u>	<u>\$ 189,710</u>	<u>\$ 179,130</u>	<u>\$ 132,863</u>	<u>\$ 131,902</u>
Covered-Employee Payroll	\$ 883,710	\$ 831,546	\$ 831,546	\$ 885,477	\$ 885,477	\$ 774,235	\$ 774,235
Total pension liability as a percentage of covered payroll	24.62%	20.82%	22.67%	21.42%	20.23%	17.16%	17.04%

See notes to required supplementary information

Village of Fox Point

Schedule of Changes in the Total OPEB Liability and Related Ratios -
Health Insurance
Year Ended December 31, 2024

	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability							
Service cost	\$ 26,250	\$ 33,703	\$ 33,559	\$ 30,481	\$ 18,705	\$ 19,418	\$ 19,418
Interest	18,244	10,886	11,291	14,286	18,264	16,656	16,876
Difference between expected and actual experience	(47,632)	-	23,756	-	12,719	-	486,994
Changes in assumptions	(28,704)	(50,765)	(28,806)	13,311	62,506	(11,100)	-
Benefit payments	(49,339)	(39,967)	(75,802)	(78,754)	(31,622)	(56,174)	(29,035)
Net change in total OPEB liability	(81,181)	(46,143)	(36,002)	(20,676)	80,572	(31,200)	494,253
Total OPEB Liability, Beginning	<u>440,804</u>	<u>486,947</u>	<u>522,949</u>	<u>543,625</u>	<u>463,053</u>	<u>494,253</u>	<u>-</u>
Total OPEB Liability, Ending	<u>\$ 359,623</u>	<u>\$ 440,804</u>	<u>\$ 486,947</u>	<u>\$ 522,949</u>	<u>\$ 543,625</u>	<u>\$ 463,053</u>	<u>\$ 494,253</u>
Covered-Employee Payroll	\$ 3,276,262	\$ 3,057,144	\$ 3,057,144	\$ 2,985,665	\$ 2,985,665	\$ 2,784,095	\$ 2,784,095
Total OPEB liability as a percentage of covered-employee payroll	10.98%	14.42%	15.93%	17.52%	18.21%	16.63%	17.75%

See notes to required supplementary information

Village of Fox Point

Schedule of Proportionate Share of the Net OPEB Liability -
Local Retiree Life Insurance Fund (LRLIF)
Year Ended December 31, 2024

Plan Fiscal Year End	Proportion of the Net OPEB Liability	Proportionate Share of the Net OPEB Liability	Covered Payroll	Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
12/31/17	0.06120200%	\$ 184,131	\$ 2,573,719	7.15%	44.81%
12/31/18	0.05947700%	153,471	2,879,000	5.33%	48.69%
12/31/19	0.06052900%	257,744	2,847,000	9.05%	37.58%
12/31/20	0.04896200%	269,326	2,720,000	9.90%	31.36%
12/31/21	0.05109800%	302,008	2,832,000	10.66%	29.57%
12/31/22	0.05339100%	203,410	2,912,000	6.99%	38.81%
12/31/23	0.05322700%	244,879	2,806,000	8.73%	33.90%

Schedule of Employer Contributions - Local Retiree Life Insurance Fund (LRLIF)
Year Ended December 31, 2024

Village Fiscal Year End	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/18	\$ 1,162	\$ 1,162	\$ -	\$ 2,573,719	0.05%
12/31/19	1,145	1,145	-	2,879,000	0.04%
12/31/20	965	965	-	2,847,000	0.03%
12/31/21	1,024	1,024	-	2,720,000	0.04%
12/31/22	1,084	1,084	-	2,832,000	0.04%
12/31/23	1,097	1,097	-	2,912,000	0.04%
12/31/24	1,105	1,105	-	3,554,396	0.03%

See notes to required supplementary information

Village of Fox Point

Notes to Required Supplementary Information
 Year Ended December 31, 2024

Budgetary Information

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

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

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

Wisconsin Retirement System

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

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

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

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

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

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

Village of Fox Point

Notes to Required Supplementary Information
December 31, 2024

Local Retiree Life Insurance Fund

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

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

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

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

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

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

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

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

Health Insurance Plan

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

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

Changes in assumptions: There were no changes in assumptions except that the discount rate changed from 4.25% to 4.00%.

Supplemental Pension (Stipend) Plan

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

Accumulation of assets: No assets have been accumulated in trust that meets the criteria in paragraph 4 of GASB statement No. 73.

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

Changes in assumptions: There were no changes in assumptions except that the discount rate changed from 4.25% to 4.00%.

SUPPLEMENTARY INFORMATION

Village of Fox Point

Detailed Schedule of Revenues and Other Financing Sources - Budget and Actual -

General Fund

Year Ended December 31, 2024

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Taxes			
General property taxes	\$ 5,735,364	\$ 5,735,364	\$ -
Payment in lieu of taxes	25,000	26,232	1,232
Interest and penalties on taxes	38,500	28,644	(9,856)
Total taxes	<u>5,798,864</u>	<u>5,790,240</u>	<u>(8,624)</u>
Intergovernmental			
Federal grants	7,200	6,200	(1,000)
State shared revenues	269,245	324,028	54,783
Spending restraint	49,428	-	(49,428)
Fire insurance tax from state	42,636	50,024	7,388
State aid, streets	570,000	627,886	57,886
State aid, exempt computer aid	44,025	36,905	(7,120)
Other State grants	43,500	40,908	(2,592)
Total intergovernmental	<u>1,026,034</u>	<u>1,085,951</u>	<u>59,917</u>
Licenses and Permits			
Beverage licenses	6,500	5,354	(1,146)
Bicycle licenses	50	10	(40)
Pet licenses	1,000	1,256	256
Cable TV franchise fee	84,600	69,240	(15,360)
Other permits	41,850	33,080	(8,770)
Total licenses and permits	<u>134,000</u>	<u>108,940</u>	<u>(25,060)</u>
Fines, Forfeitures and Penalties			
Court penalties and costs	<u>75,000</u>	<u>111,861</u>	<u>36,861</u>
Public Charges for Services			
Miscellaneous service revenues	28,300	10,322	(17,978)
Job orders	15,700	12,900	(2,800)
Pavilion rental	2,400	4,360	1,960
Fingerprint fee	200	60	(140)
Administrative warrant fee	50	50	-
Total public charges for services	<u>46,650</u>	<u>27,692</u>	<u>(18,958)</u>
Intergovernmental Charges for Services			
Utility equipment rental	<u>130,500</u>	<u>134,892</u>	<u>4,392</u>
Investment Income			
Investment income	<u>375,000</u>	<u>333,919</u>	<u>(41,081)</u>

Village of Fox Point

Detailed Schedule of Revenues and Other Financing Sources - Budget and Actual -
 General Fund
 Year Ended December 31, 2024

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Miscellaneous Revenues			
Insurance recoveries	\$ 7,500	\$ 48,461	\$ 40,961
Miscellaneous revenues	<u>45,000</u>	<u>82,109</u>	<u>37,109</u>
Total miscellaneous revenues	<u>52,500</u>	<u>130,570</u>	<u>78,070</u>
Other Financing Sources			
Transfer in	230,000	267,844	37,844
Proceeds from sale of capital assets	<u>1,500</u>	<u>2,947</u>	<u>1,447</u>
Total other financing sources	<u>231,500</u>	<u>270,791</u>	<u>39,291</u>
Total revenues and other financing sources	<u><u>\$ 7,870,048</u></u>	<u><u>\$ 7,994,856</u></u>	<u><u>\$ 124,808</u></u>

Village of Fox Point

Schedule of Expenditures and Other Financing Uses - Budget and Actual -

General Fund

Year Ended December 31, 2024

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
General Government			
Board	\$ 7,400	\$ 2,168	\$ 5,232
Manager	189,005	197,952	(8,947)
Clerk	177,737	183,714	(5,977)
Treasurer/financial manager	91,372	127,634	(36,262)
Elections	26,064	32,022	(5,958)
Assessor	34,100	35,015	(915)
Legal	80,000	119,353	(39,353)
Judicial	63,952	64,053	(101)
Municipal court	21,000	33,556	(12,556)
General buildings and plant	171,207	256,750	(85,543)
Insurance	274,125	291,926	(17,801)
Other general government	2,700	1,093	1,607
Total general government	<u>1,138,662</u>	<u>1,345,236</u>	<u>(206,574)</u>
Public Safety			
Police	2,987,534	2,812,545	174,989
Fire	1,259,605	1,266,993	(7,388)
Other public safety and joint charges	88,510	87,883	627
Protective inspection	800	750	50
Total public safety	<u>4,336,449</u>	<u>4,168,171</u>	<u>168,278</u>
Public Works			
Village engineer	109,804	116,283	(6,479)
Machinery and equipment	196,200	170,956	25,244
Building and grounds	1,019,538	945,697	73,841
DPW fringe benefits	11,000	12,173	(1,173)
Storm sewer maintenance	700	583	117
Highway and streets	67,700	92,935	(25,235)
Snow/ice removal	83,000	63,262	19,738
Sanitation	122,100	110,588	11,512
Traffic control	16,000	14,552	1,448
Job orders	1,600	898	702
Total public works	<u>1,627,642</u>	<u>1,527,927</u>	<u>99,715</u>
Health and Human Services			
Health department and welfare	<u>58,673</u>	<u>58,688</u>	<u>(15)</u>
Culture, Recreation and Education			
Library	256,740	256,740	-
Skating rink/shelter	18,600	13,460	5,140
Parks and recreation	5,750	5,642	108
Culture and recreation	7,200	6,508	692
Total	<u>288,290</u>	<u>282,350</u>	<u>5,940</u>
Conservation and Development			
Forestry	<u>57,500</u>	<u>55,592</u>	<u>1,908</u>
Other Financing Uses			
Transfers out	<u>26,427</u>	<u>157,373</u>	<u>(130,946)</u>
Total expenditures and other financing uses	<u>\$ 7,533,643</u>	<u>\$ 7,595,337</u>	<u>\$ (61,694)</u>

Village of Fox Point

Combining Balance Sheet -
Nonmajor Governmental Funds
December 31, 2024

	<u>Special Revenue Funds</u>			<u>Total Nonmajor Governmental Funds</u>
	<u>Recycling</u>	<u>Pool</u>	<u>Inspection</u>	
Assets				
Cash and investments	\$ 37,730	\$ 6,692	\$ 252,953	\$ 297,375
Receivables:				
Accounts	39,467	-	-	39,467
Due from other funds	7,967	-	-	7,967
	<u>85,164</u>	<u>6,692</u>	<u>252,953</u>	<u>344,809</u>
Total assets				
	<u>\$ 85,164</u>	<u>\$ 6,692</u>	<u>\$ 252,953</u>	<u>\$ 344,809</u>
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ 3,616	\$ 78	\$ 629	\$ 4,323
Accrued liabilities	8,098	6,614	5,498	20,210
Deposits	-	-	40,550	40,550
	<u>11,714</u>	<u>6,692</u>	<u>46,677</u>	<u>65,083</u>
Total liabilities				
	<u>11,714</u>	<u>6,692</u>	<u>46,677</u>	<u>65,083</u>
Fund Balances				
Committed	73,450	-	206,276	279,726
	<u>73,450</u>	<u>-</u>	<u>206,276</u>	<u>279,726</u>
Total fund balances				
	<u>73,450</u>	<u>-</u>	<u>206,276</u>	<u>279,726</u>
Total liabilities and fund balances				
	<u>\$ 85,164</u>	<u>\$ 6,692</u>	<u>\$ 252,953</u>	<u>\$ 344,809</u>

Village of Fox Point

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
 Nonmajor Governmental Funds
 Year Ended December 31, 2024

	<u>Special Revenue Funds</u>			Total Nonmajor Governmental Funds
	<u>Recycling</u>	<u>Pool</u>	<u>Inspection</u>	
Revenues				
Intergovernmental	\$ 58,625	\$ -	\$ -	\$ 58,625
Licenses and permits	-	-	289,222	289,222
Public charges for services	191,472	-	-	191,472
	<u>250,097</u>	<u>-</u>	<u>289,222</u>	<u>539,319</u>
Expenditures				
Current:				
Public safety	-	-	189,122	189,122
Public works	231,645	652	-	232,297
Culture, recreation and education	-	130,294	-	130,294
	<u>231,645</u>	<u>130,946</u>	<u>189,122</u>	<u>551,713</u>
Excess (deficiency) of revenues over expenditures	<u>18,452</u>	<u>(130,946)</u>	<u>100,100</u>	<u>(12,394)</u>
Other Financing Sources				
Transfers in	<u>26,427</u>	<u>130,946</u>	<u>-</u>	<u>157,373</u>
Total other financing sources	<u>26,427</u>	<u>130,946</u>	<u>-</u>	<u>157,373</u>
Net change in fund balances	44,879	-	100,100	144,979
Fund Balances, Beginning	<u>28,571</u>	<u>-</u>	<u>106,176</u>	<u>134,747</u>
Fund Balances, Ending	<u><u>\$ 73,450</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 206,276</u></u>	<u><u>\$ 279,726</u></u>

APPENDIX B

FORM OF CONTINUING DISCLOSURE AGREEMENT

\$9,900,000*
Village of Fox Point
Milwaukee County, Wisconsin
General Obligation Promissory Notes, Series 2025A

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the “Continuing Disclosure Agreement”) is executed and delivered by the Village of Fox Point, Milwaukee County, Wisconsin (the “Village”), in connection with the issuance of \$9,900,000* General Obligation Promissory Notes, Series 2025A (the “Notes”). The Notes are being issued pursuant to the Resolutions adopted by the Village Board on May 13, 2025 and July 8, 2025 (the “Resolutions”). The Village covenants and agrees as follows:

Section 1. Purpose of Continuing Disclosure Agreement. This Continuing Disclosure Agreement is being executed and delivered by the Village for the benefit of the Noteholders and in order to assist the Participating Underwriters in complying with S.E.C. Rule 15c2-12(b)(5).

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

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

“Audited Financial Statements” shall mean the Village’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 Village intends to continue to prepare in substantially the same form.

“Dissemination Agent” shall mean any Dissemination Agent designated in writing by the Village which has filed with the Village a written acceptance of such designation.

“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” shall mean the fiscal year of the Village, currently ending on December 31 of each year.

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

* Preliminary; subject to change

“MSRB” shall mean the Municipal Securities Rulemaking Board located at 1300 I Street NW, Suite 1000, Washington, D.C. 20005.

“National Repository” shall mean any Nationally Recognized Municipal Securities Information Repository for purposes of the Rule. The sole National Repository is the MSRB, through the operation of EMMA, as provided in Section 3(e) hereof.

“Noteholder” shall mean the registered owner or any beneficial owner of any of the Notes.

“Official Statement” shall mean the final official statement dated July ___, 2025 delivered in connection with the Notes, which is available from the MSRB.

“Participating Underwriter” shall mean the original underwriter of the Notes required to comply with the Rule in connection with offering of the Notes.

“Repository” shall mean each National Repository and each State Repository.

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

“State Repository” shall mean any public or private repository or entity designated by the State as a state repository for the purpose of the Rule. As of the date of this Continuing Disclosure Agreement, there is no State Repository.

“Village Contact” shall mean the Village Clerk of the Village, 7200 North Santa Monica Boulevard, Fox Point, Wisconsin 53217.

Section 3. Provision of Annual Reports.

(a) The Village shall, or shall cause the Dissemination Agent to, not later than 365 days after the end of the Village’s Fiscal Year in each year, commencing with the Fiscal Year ending December 31, 2025, provide to each Repository an Annual Report which is consistent with the requirements of Section 4 of this Continuing Disclosure Agreement. Not later than fifteen (15) Business Days prior to said date, the Village shall provide the Annual Report to the Dissemination Agent, if any. In each case, 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 Continuing Disclosure Agreement; provided that the Audited Financial Statements of the Village may be submitted separately from the balance of the Annual Report and that, if Audited Financial Statements are not available within 365 days after the end of the Fiscal Year, unaudited financial information will be provided, and Audited Financial Statements will be submitted to each Repository as soon as available by the Village.

(b) If the Village is unable or fails to provide an Annual Report to the Repositories by the date required above, the Village shall, in a timely manner, send a notice of that fact to the National Repositories, the MSRB and any State Repository.

(c) The Village shall determine each year prior to the date for providing the Annual Report, the name and address of each National Repository and each State Repository, if any.

- (d) The Dissemination Agent, if any, shall:
- (1) determine each year prior to the date for providing the Annual Report the name and address of each National Repository and each State Repository, if any; and
 - (2) file a report with the Village certifying that the Annual Report has been provided pursuant to this Continuing Disclosure Agreement, stating the date it was provided, and listing all the Repositories to which it was provided.

(e) The Securities and Exchange Commission has approved the submission of continuing disclosure filings with the Electronic Municipal Market Access (“EMMA”) system established by the MSRB until EMMA shall no longer be the sole National Repository recognized by the Securities and Exchange Commission for purposes of the Rule. All continuing disclosure filings under this Continuing Disclosure Agreement may thereafter be filed solely by transmitting such filings to EMMA at www.emma.msrb.org.

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

Equalized Valuations
Indebtedness of the Village
Debt Limit
Tax Levies, Rates and Collections

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues with respect to which the Village is an “obligated person” (as defined by the Rule), which have been filed with each of the Repositories or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The Village shall clearly identify each such other document so incorporated by reference

Section 5. Reporting of Significant Events.

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

- (1) Principal and interest payment delinquencies;
- (2) Nonpayment 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 Notes, or other material events affecting the tax status of the Notes;
- (7) Modifications to the rights of holders of the Notes, if material;
- (8) Note calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution or sale of property securing repayment of the Notes, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership or similar event of the Village;
- (13) The consummation of a merger, consolidation, or acquisition involving the Village or the sale of all or substantially all of the assets of the Village, 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 such actions, other than pursuant to its terms, if material;
- (14) Appointment of a successor or additional trustee, or the change of the name of a trustee, if material;
- (15) Incurrence of a Financial Obligation of the Village, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Village, any of which affect security holders, if material; and
- (16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Village, any of which reflect financial difficulties.

(b) The Village shall file a notice of the occurrence of any of the Listed Events in a timely manner not in excess of ten business days after the occurrence of the event with the MSRB in an electronic format as prescribed by the MSRB and accompanied by identifying information as prescribed by the MSRB.

Section 6. Termination of Reporting Obligation. The Village's obligations under this Continuing Disclosure Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Notes.

Section 7. Village Contact/Dissemination Agent. Information may be obtained from the Village Contact. The Village may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Continuing Disclosure Agreement, and may

discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Continuing Disclosure Agreement, the Village may amend this Continuing Disclosure Agreement, and any provision of this Continuing Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule.

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

Section 10. Default. In the event of a failure of the Village to comply with any provision of this Continuing Disclosure Agreement, any Noteholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Village to comply with its obligations under this Continuing Disclosure Agreement. A default under this Continuing Disclosure Agreement shall not be deemed an Event of Default under the Resolutions, and the sole remedy under this Continuing Disclosure Agreement in the event of any failure of the Village to comply with this Continuing Disclosure Agreement shall be an action to compel performance.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent, if any, shall have only such duties as are specifically set forth in this Continuing Disclosure Agreement, and the Village agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the Village under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Notes.

Section 12. Beneficiaries. This Continuing Disclosure Agreement shall inure solely to the benefit of the Village, the Dissemination Agent, if any, the Participating Underwriters, and the Noteholders from time to time of the Notes, and shall create no rights in any other person or entity.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, we have executed this Continuing Disclosure Agreement in our official capacities effective August 4, 2025.

**VILLAGE OF FOX POINT,
MILWAUKEE COUNTY, WISCONSIN**

[SEAL]

By: _____
Christine Symchych, Village President

By: _____
Sara Bruckman, Village Clerk

APPENDIX C

FORM OF LEGAL OPINION

August 4, 2025

\$9,900,000*
Village of Fox Point
Milwaukee County, Wisconsin
General Obligation Promissory Notes, Series 2025A

We have acted as bond counsel in connection with the issuance by the Village of Fox Point, Milwaukee County, Wisconsin (the “Village”), of its \$9,900,000* General Obligation Promissory Notes, Series 2025A, dated August 4, 2025 (the “Notes”). We have examined the law and a certified copy of the proceedings of record of the Village preliminary to and in connection with the issuance of the Notes, as well as other documents and records which we have deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certificates of officers of the Village and other public officials furnished to us, without undertaking to verify the same by independent investigation. The rights of the owners of the Notes and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights heretofore or hereafter enacted and that their enforcement may be subject to the exercise of judicial discretion in accordance with general principles of equity.

Based on the foregoing, we are of the opinion and hereby certify that, as of the date hereof:

1. The Notes are valid and binding general obligations of the Village, payable from a nonrepealable, direct annual tax levied upon all the taxable property of the Village for the express purpose of paying interest on the Notes as it falls due and also to pay and discharge the principal thereof at maturity.

2. The interest on the Notes is excludable for federal income tax purposes from the gross income of the owners of the Notes. The interest on the Notes is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Internal Revenue Code of 1986, as amended (the “Code”) on individuals; however, interest on the Notes is taken into account in determining “annual adjusted financial statement income” of applicable corporations (as defined in Section 59(k) of the Code). The Code contains requirements that must be satisfied subsequent to the issuance of the Notes in order for interest on the Notes to be or continue to be excludable from gross income for federal income tax purposes. Failure to comply with certain of those requirements could cause the interest on the Notes to be included in gross income retroactively to the date of issuance of the Notes. The Village has agreed to comply with all of those requirements. The opinion set forth in the first

* Preliminary; subject to change

sentence of this paragraph is subject to the condition that the Village comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the Notes.

3. The Village has properly designated the Notes as “qualified tax-exempt obligations” under Section 265 of the Code.

Very truly yours,

HUSCH BLACKWELL LLP

APPENDIX D

OFFICIAL NOTICE OF SALE

FOR

VILLAGE OF FOX POINT
Milwaukee County, Wisconsin

\$9,900,000 General Obligation Promissory Notes, Series 2025A

Sale Data:

Bids Taken : Tuesday, July 8, 2025
10:00 a.m. Central Time

Place: Robert W. Baird & Co.
Public Finance Department
777 East Wisconsin Avenue, 25th Floor
Milwaukee, Wisconsin 53202

Attention: Ms. Danielle Olson
Phone: (414) 298-2657
Fax: (414) 298-7354

Bids will be accepted electronically via
PARITY

OFFICIAL NOTICE OF SALE

\$9,900,000*
VILLAGE OF FOX POINT
MILWAUKEE COUNTY, WISCONSIN
GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2025A
DATED: AUGUST 4, 2025

Date, Time and Place. SEALED AND ELECTRONIC BIDS will be received by the Village Clerk/Treasurer, Village of Fox Point, Milwaukee County, Wisconsin (the "Village") for all but not part of its \$9,900,000* General Obligation Promissory Notes, Series 2025A (the "Notes"), in the office of Robert W. Baird & Co. Incorporated, Public Finance Department, 25th Floor, 777 East Wisconsin Avenue, Milwaukee, Wisconsin 53202, the Village's financial advisor, until 10:00 a.m. (Central Time) on:

July 8, 2025

at which time the bids will be publicly opened and read. The bids should be directed to the Village Clerk/Treasurer and plainly marked "Bid for Village of Fox Point General Obligation Promissory Notes, Series 2025A". Bids may be submitted electronically via PARITY®, as described below, as long as the good faith check, required below, has been received by the Village or its financial advisor at or before the time of opening of the bids or the bidder complies with the federal wire transfer deposit provisions discussed below. Bid forms are available from Baird upon request. A meeting of the Village Board will be held on July 8, 2025 for the purpose of taking action on such bids as may be received.

Terms of the Notes. The Notes will be dated August 4, 2025 and will mature on April 1 of each year, in the years and principal amounts as follows:

<u>Year</u>	<u>Amount</u> [*]
2026	\$ 480,000
2027	900,000
2028	930,000
2029	960,000
2030	1,000,000
2031	1,040,000
2032	1,080,000
2033	1,120,000
2034	1,170,000
2035	1,220,000

Interest is payable semi-annually on April 1 and October 1 of each year, commencing on April 1, 2026.

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

Optional Redemption. The Notes maturing on April 1, 2033 and thereafter are subject to call and prior redemption, at the option of the Village, on April 1, 2032 or any date thereafter, in whole or in

^{*} Preliminary; subject to change

part, and if in part, from maturities selected by the Village and by lot within each maturity at par plus accrued interest to the date of redemption.

Registration; Paying Agent. The Notes will be issued as fully registered Notes 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 will act as securities depository of the Notes. A single Note certificate for each maturity will be issued to DTC and immobilized in its custody. Individual purchases will be made in book-entry form only pursuant to the rules and procedures established between DTC and its participants, in the principal amount of \$5,000 and integral multiples thereof. Individual purchasers will not receive certificates evidencing their ownership of the Notes purchased. The successful bidder shall be required to deposit the Note certificates with DTC as a condition to delivery of the Notes. Associated Trust Company, National Association, as the Village's paying agent for the Notes, will make payments of principal and interest on the Notes on the dates set forth above to DTC or its nominee in next-day funds. Transfer of said payments to participants of DTC will be the responsibility of DTC; transfer of said 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 said 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 said payments to beneficial owners of the Notes.

In the event that the securities depository relationship with DTC for the Notes is terminated and the Village Board does not appoint a successor depository, the Village Board will prepare, authenticate and deliver, at its expense, fully registered certificate Notes in the denominations of \$5,000 or any integral multiple thereof in the aggregate principal amount of Notes of the same interest rate or rates then outstanding to the beneficial owners of the Notes.

Security and Purpose. The Notes are general obligations of the Village. The principal of and interest on the Notes will be payable from ad valorem taxes, which shall be levied without limitation as to rate or amount upon all of the taxable property located in the Village. The Notes shall be issued for the following purposes:

- (a) capital improvement projects including but not limited to municipal building and facility improvements, street improvements, municipal equipment and vehicles, water and sewer system improvements, and North Shore Library construction;
- (b) the cost of current refunding certain outstanding obligations of the Village; and
- (c) professional and financing fees.

Bank Qualified. The Village will designate the Notes as "qualified tax-exempt obligations" under the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986.

Electronic Bidding. Electronic bids may be submitted via PARITY®, in accordance with this 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 conflict with any instructions or directions set forth in PARITY®, this 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 Robert W. Baird & Co. Incorporated, 25th Floor, 777 East Wisconsin Avenue, Milwaukee, Wisconsin 53202 or PARITY®, 1359 Broadway, 2nd Floor, New York, New York 10018, telephone (212) 849-5021. The Village and Robert W. Baird & Co. Incorporated assume no responsibility or liability for bids submitted through PARITY®.

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. All electronic bids shall be deemed to incorporate the provisions of this Official Notice of Sale and the form of Official Bid Form.

Bid Specifications; Award. 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 interest rates may be bid. All Notes of the same maturity shall bear the same interest rate. No bid for less than \$9,900,000 or 100.00% of the principal amount of the Notes will be considered. No bid for more than \$10,098,000 or 102.00% of the principal amount of the Notes will be considered. The Notes shall be awarded to a responsible bidder whose proposal results in the lowest true interest cost to the Village (the "Purchaser"). The Village's computation of the interest rate of each bid, in accordance with customary practice, will be controlling. In the event of a tie, the Notes will be awarded by lot.

Good Faith Deposit. A Good Faith Deposit ("Deposit") in the form of a cashier's check payable to the Village Clerk/Treasurer in the amount of \$198,000 is required for each bid to be considered. If a check is used, it must accompany each bid. In the alternative, a Deposit in the amount of \$198,000 shall be made by the winning bidder by federal wire transfer as directed by the Village Clerk/Treasurer to be received by the Village no later than 1:00 p.m. prevailing Central Time on the day of the bid opening (July 8, 2025) as a guarantee of good faith on the part of the bidder to be forfeited as liquidated damages if such bid is accepted and the bidder fails to take up and pay for the Notes.

Rating; Insurance. The Village has applied for a rating on the Notes from Moody's Investors Service and will pay the costs associated with obtaining such rating. If the Notes qualify for insurance, the purchase of any such insurance policy shall be at the sole option and expense of the Purchaser. Any increased costs of issuance of the Notes resulting from such purchase of insurance shall be paid by the Purchaser, except that, if the Village has requested and received a rating on the Notes from a rating agency, the Village will pay that rating fee. Any other rating agency fees shall be the responsibility of the Purchaser.

Transcript of Proceedings. The successful bidder will be furnished without cost, the unqualified approving legal opinion of Husch Blackwell LLP, Bond Counsel. A transcript of the proceedings relative to the issuance of the Notes (including a certificate stating that there is no litigation pending or threatened affecting the validity of or the security for the Notes and a Continuing Disclosure Agreement) shall be furnished to the successful bidder without cost. CUSIP numbers will appear on the typewritten Notes. The successful bidder will be responsible for the cost of obtaining CUSIP numbers.

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

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

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

- (1) The Village shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential investors;

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

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

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

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

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

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

The Village acknowledges that in making the representation set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-price rule, if applicable to the Notes, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Notes to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing the issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Notes, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the

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

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

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

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

(A) report the prices at which it sells to the public the unsold Notes of each maturity allocated to it, whether or not the Closing Date has occurred until either all securities of that maturity allocated to it have been sold or it is notified by the winning bidder that the 10% test has been satisfied as to the Notes of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Village or Bond Counsel; 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 or selling group agreement relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group and each broker dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Notes to the public to require each broker-dealer that is a party to such third-party distribution agreement to:

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

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

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

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

Final Official Statement. Upon the sale of the Notes, the Village will publish a Final Official Statement in substantially the same form as the Preliminary Official Statement.

Continuing Disclosure. In order to assist bidders in complying with S.E.C. Rule 15c2-12(b)(5), the Village will undertake, pursuant to the Award Resolution and a Continuing Disclosure Agreement, to provide annual reports and notices of certain events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Final Official Statement.

Purchaser as Agent. The Village shall designate the successful bidder as its agent for purposes of distributing copies of the Final Official Statement to each Participating Underwriter, if any. Each underwriter executing and delivering an Official Bid Form with respect to the Notes agrees thereby that if its bid is accepted by the Village (i) it shall accept such designation and (ii) it shall enter into a contractual relationship with all Participating Underwriters of the Notes, if any, for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.

The successful bidder agrees to supply to the Village all necessary pricing information and any Participating Underwriter identification necessary to complete the Final Official Statement within 24 hours after the award of the Notes. The Purchaser will be provided an electronic copy of the Final Official Statement.

Irregularities. The Village Board reserves the right to reject any and all bids and to waive any and all irregularities.

Information. Additional information may be obtained by addressing inquiries to: Robert W. Baird & Co. Incorporated, 777 East Wisconsin Avenue, 25th Floor, Milwaukee, Wisconsin, 53202, Attention: Danielle Olson (414) 298-2657 or:

Sara Bruckman, Village Clerk/Treasurer
Village of Fox Point
7200 North Santa Monica Boulevard
Fox Point, Wisconsin 53217
(414) 351-8900