

PRELIMINARY OFFICIAL STATEMENT DATED APRIL 23, 2024

In the opinion of Quarles & Brady LLP, Bond Counsel, assuming continued compliance with the requirements of the Internal Revenue Code of 1986, as amended, under existing law interest on the Notes is excludable from gross income and is not an item of tax preference for federal income tax purposes; however, interest on the Notes is taken into account in determining "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on Applicable Corporations (as defined in Section 59(k) of the Code) for taxable years beginning after December 31, 2022. See "TAX EXEMPTION" herein for a more detailed discussion of some of the federal income tax consequences of owning the Notes. The interest on the Notes is not exempt from present Wisconsin income or franchise taxes.

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

New Issue

Non-Rated

VILLAGE OF TREMPEALEAU, WISCONSIN (Trempealeau County)

\$3,595,000* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2024A

BID OPENING: May 2, 2024, 10:00 A.M., C.T.

CONSIDERATION: May 2, 2024, 7:00 P.M., C.T.

PURPOSE/AUTHORITY/SECURITY: The \$3,595,000* General Obligation Promissory Notes, Series 2024A (the "Notes") are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the Village of Trempealeau, Wisconsin (the "Village"), for public purposes, including paying the cost of the Parkland Development project and a new Village Park and to effect a current refunding certain outstanding general obligations of the Village as more fully described herein. The Notes are general obligations of the Village, and all the taxable property in the Village is subject to the levy of a tax to pay the principal of and interest on the Notes as they become due which tax may, under current law, be levied without limitation as to rate or amount. Delivery is subject to receipt of an approving legal opinion of Quarles & Brady LLP, Milwaukee, Wisconsin.

DATE OF NOTES: May 30, 2024

MATURITY: May 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2025	\$35,000	2032	\$165,000	2039	\$240,000
2026	100,000	2033	175,000	2040	250,000
2027	120,000	2034	180,000	2041	260,000
2028	145,000	2035	185,000	2042	280,000
2029	145,000	2036	190,000	2043	215,000
2030	155,000	2037	200,000	2044	180,000
2031	165,000	2038	210,000		

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

TERM BONDS: See "Term Bond Option" herein.

INTEREST: May 1, 2025 and semiannually thereafter.

OPTIONAL REDEMPTION: Notes maturing on May 1, 2033 and thereafter are subject to call for prior optional redemption on May 1, 2032 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

MINIMUM BID: \$3,550,063.

GOOD FAITH DEPOSIT: A good faith deposit in the amount of \$71,900 shall be made by the winning bidder by wire transfer of funds.

PAYING AGENT: Bond Trust Services Corporation.

BOND COUNSEL: Quarles & Brady LLP.

MUNICIPAL ADVISOR: Ehlers and Associates, Inc.

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

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

REPRESENTATIONS

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

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

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

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

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

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

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

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

CLOSING CERTIFICATES

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

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VILLAGE OF TREMPEALEAU BOARD OF TRUSTEES

		<u>Term Expires</u>
Jeff Barry	Village President	April 2025
Glenn Brommerich	Trustee	April 2025
Lee Medema	Trustee	April 2025
Peg Sieger	Trustee	April 2025
Kit Locke	Trustee	April 2026
Bridgette Turner	Trustee	April 2026
Amy Werner	Trustee	April 2026

ADMINISTRATION

Isaac Pooler, Administrator/Finance Director

Kathy Peterson, Clerk/Deputy Treasurer

PROFESSIONAL SERVICES

Kostner, Koslo & Brovold LLC, Village Attorney, Arcadia, Wisconsin

Quarles & Brady LLP, Bond Counsel, Milwaukee, Wisconsin

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

INTRODUCTORY STATEMENT

This Preliminary Official Statement contains certain information regarding the Village of Trempealeau, Wisconsin (the "Village") and the issuance of its \$3,595,000* General Obligation Promissory Notes, Series 2024A (the "Notes"). Any descriptions or summaries of the Notes, statutes, or documents included herein are not intended to be complete and are qualified in their entirety by reference to such statutes and documents and the form of the Notes to be included in the resolution authorizing the issuance and sale of the Notes ("Award Resolution") to be adopted by the Board of Trustees on May 2, 2024.

Inquiries may be directed to Ehlers and Associates, Inc. ("Ehlers" or the "Municipal Advisor"), Roseville, Minnesota, (651) 697-8500, the Village's municipal advisor. A copy of this Preliminary Official Statement may be downloaded from Ehlers' web site at www.ehlers-inc.com by connecting to the Bond Sales link and following the directions at the top of the site.

THE NOTES

GENERAL

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

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

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

*Preliminary, subject to change.

OPTIONAL REDEMPTION

At the option of the Village, the Notes maturing on or after May 1, 2033 shall be subject to optional redemption prior to maturity on May 1, 2032 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

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

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

AUTHORITY; PURPOSE

The Notes are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the Village, for public purposes, including paying the cost of the Parkland Development project and a new Village Park and to effect a current refunding the Village's \$730,000 General Obligation Promissory Note (the "2023 Note") as follows:

Issue Being Refunded	Date of Refunded Issue	Call Date	Call Price	Maturity Being Refunded	Interest Rate	Principal to be Refunded
2023 Note	7/3/23	5/31/24	Par	2024	5.30%	<u>\$730,000</u>
Total 2023 Note Being Refunded						<u>\$730,000</u>

A portion of the proceeds of the Notes will be used to call and prepay the maturity described above and to pay all or most of the costs of issuance.

ESTIMATED SOURCES AND USES*

Sources	
Par Amount of Notes	\$3,595,000
Unspent 2023 Note Proceeds	172,632
TID 2 Admin Costs	<u>3,431</u>
Total Sources	\$3,771,063
Uses	
Estimated Underwriter's Discount	\$44,938
Costs of Issuance	55,900
Deposit to Construction Fund	2,903,554
Deposit to Current Refunding Fund	766,111
Rounding Amount	<u>560</u>
Total Uses	\$3,771,063

*Preliminary, subject to change.

SECURITY

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

RATING

None of the outstanding indebtedness of the Village is currently rated, and the Village has not requested a rating on the Notes.

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

CONTINUING DISCLOSURE

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

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

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

The Village failed to timely file a notice of the incurrence of a financial obligation in August of 2022. Except to the extent that the preceding is deemed to be material, the Village believes it has not failed to comply in the previous five years in all material respects with its prior undertakings under the Rule. The Village has reviewed its continuing disclosure responsibilities, including the two new material events, to help ensure compliance in the future. Ehlers is currently engaged as dissemination agent for the Village.

LEGAL OPINION

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

STATEMENT REGARDING COUNSEL PARTICIPATION

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

TAX EXEMPTION

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

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

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

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

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

ORIGINAL ISSUE DISCOUNT

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

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

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

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

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

BOND PREMIUM

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

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

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

QUALIFIED TAX-EXEMPT OBLIGATIONS

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

MUNICIPAL ADVISOR

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

MUNICIPAL ADVISOR AFFILIATED COMPANIES

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

INDEPENDENT AUDITORS

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

RISK FACTORS

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

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

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

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

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

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

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

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

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

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

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

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

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

VALUATIONS

WISCONSIN PROPERTY VALUATIONS; PROPERTY TAXES

Equalized Value

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

Assessed Value

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

CURRENT PROPERTY VALUATIONS

2023 Equalized Value	\$203,562,400
2023 Equalized Value Reduced by Tax Increment Valuation	\$197,704,300
2023 Assessed Value	\$201,323,300

2023 EQUALIZED VALUE BY CLASSIFICATION

	2023 Equalized Value¹	Percent of Total Equalized Value
Residential	\$178,614,200	87.744%
Commercial	20,124,100	9.886%
Manufacturing	3,627,100	1.782%
Agricultural	28,300	0.014%
Undeveloped	3,500	0.002%
Ag Forest	5,600	0.003%
Personal Property	<u>1,159,600</u>	<u>0.570%</u>
Total	<u><u>\$203,562,400</u></u>	<u><u>100.000%</u></u>

TREND OF VALUATIONS

Year	Assessed Value	Equalized Value¹	Percent Increase/Decrease in Equalized Value
2019	\$121,834,439	\$139,811,400	6.38%
2020	122,672,839	146,061,700	4.47%
2021	125,276,094	154,180,600	5.56%
2022	127,067,394	181,792,500	17.91%
2023	201,323,300	203,562,400	11.98%

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

¹ Includes tax increment valuation.

LARGER TAXPAYERS

Taxpayer	Type of Business/Property	2023 Equalized Value ¹	Percent of Village's Total Equalized Value
Pinewood Storage	Storage Units/Mobile Home Court	\$3,318,001	1.63%
HE Forest Products	Sawmill	2,629,022	1.29%
Aben Properties	Rentals	1,906,776	0.94%
Precision Properties	Builder, Rentals	1,867,949	0.92%
Northpoint Investments	Rentals	1,561,579	0.77%
Jorge Holdings LLC	Rentals	1,195,754	0.59%
Individual	Builder	1,161,781	0.57%
Feyen Rentals	Rentals	1,096,260	0.54%
Trempealeau Rentals	Rentals	939,333	0.46%
CJ Rivertown Investments	Rentals	<u>938,322</u>	<u>0.46%</u>
Total		\$16,614,777	8.16%
Village's Total 2023 Equalized Value ²		\$203,562,400	

Source: The Village.

DEBT

DIRECT DEBT³

General Obligation Debt (see schedules following)

Total General Obligation Debt (includes the Notes)*	<u><u>\$5,417,888</u></u>
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Revenue Debt (see schedules following)

Total revenue debt secured by electric revenues	<u><u>\$2,500,000</u></u>
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Total revenue debt secured by sewer revenues	<u><u>\$795,137</u></u>
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Total revenue debt secured by water revenues	<u><u>\$440,569</u></u>
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*Preliminary, subject to change.

¹ Calculated by dividing the 2023 Assessed Values by the 2023 Aggregate Ratio of assessment for the Village.

² Includes tax increment valuation.

³ Outstanding debt is as of the dated date of the Notes.

DEBT PAYMENT HISTORY

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

FUTURE FINANCING

The Village has current plans to issue approximately \$150,000 general obligation debt for a water utility project in addition to approximately \$40,000 short term borrowing for capital projects. Aside from the preceding, the City has no current plans for additional financing in the next 12 months.

DEBT LIMIT

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

Equalized Value	\$203,562,400
Multiply by 5%	<u>0.05</u>
Statutory Debt Limit	<u>\$10,178,120</u>
Less: General Obligation Debt*	<u>(5,417,888)</u>
Unused Debt Limit*	<u><u>\$4,760,232</u></u>

*Preliminary, subject to change.

Village of Trempealeau, Wisconsin
 Schedule of Bonded Indebtedness
 General Obligation Debt Secured by Taxes
 (As of 05/30/2024)

	State Trust Fund Loan		State Trust Fund Loan		Electric Utility Promissory Note of 2020		Promissory Note of 2021		Promissory Note of 2021	
Dated	10/09/2018		01/02/2019		07/09/2020		04/15/2021		04/15/2021	
Amount	\$17,632		\$156,368		\$281,881		\$30,000		\$40,000	
Maturity	03/15		03/15		08/27		Monthly		04/15	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	0	0	0	0	35,582	4,704	3,581	178	0	0
2025	2,067	374	18,157	3,289	36,511	3,775	6,282	162	8,225	482
2026	2,155	287	18,928	2,517	37,451	2,834	2,175	13	8,463	245
2027	2,246	195	19,733	1,713	72,614	1,870				
2028	2,341	100	20,569	877						
2029										
2030										
2031										
2032										
2033										
2034										
2035										
2036										
2037										
2038										
2039										
2040										
2041										
2042										
2043										
2044										
	8,808	956	77,386	8,396	182,158	13,183	12,039	353	16,687	727

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Village of Trempealeau, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 05/30/2024)

Dated Amount	Promissory Note of 2021		Promissory Note Series 2022B		Community Development Bonds Series 2022A		Promissory Notes Series 2024A		Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
	Dated	Amount	Dated	Amount	Dated	Amount	Dated	Amount						
	04/15/2021	\$37,000	05/10/2022	\$80,100	05/26/2022	\$1,445,000	05/30/2024	\$3,595,000*						
Maturity	06/21		Monthly		05/01		05/01							
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Estimated Interest						
2024	7,400	643	9,118	958	0	24,470	0	0	55,680	30,953	86,633	5,362,208	1.03%	2024
2025	7,400	428	16,006	1,266	60,000	48,115	35,000	203,759	189,647	261,649	451,296	5,172,561	4.53%	2025
2026	7,400	214	16,492	779	60,000	46,465	100,000	140,705	253,064	194,059	447,123	4,919,497	9.20%	2026
2027			16,994	277	65,000	44,746	120,000	136,680	296,587	185,481	482,068	4,622,910	14.67%	2027
2028					65,000	42,878	145,000	132,043	232,910	175,896	408,806	4,390,000	18.97%	2028
2029					70,000	40,853	145,000	126,968	215,000	167,820	382,820	4,175,000	22.94%	2029
2030					70,000	38,753	155,000	121,718	225,000	160,470	385,470	3,950,000	27.09%	2030
2031					70,000	36,583	165,000	116,118	235,000	152,700	387,700	3,715,000	31.43%	2031
2032					75,000	34,263	165,000	110,343	240,000	144,605	384,605	3,475,000	35.86%	2032
2033					75,000	31,863	175,000	104,349	250,000	136,211	386,211	3,225,000	40.47%	2033
2034					80,000	29,303	180,000	98,003	260,000	127,305	387,305	2,965,000	45.27%	2034
2035					85,000	26,498	185,000	91,294	270,000	117,791	387,791	2,695,000	50.26%	2035
2036					85,000	23,608	190,000	84,168	275,000	107,775	382,775	2,420,000	55.33%	2036
2037					90,000	20,565	200,000	76,510	290,000	97,075	387,075	2,130,000	60.69%	2037
2038					90,000	17,370	210,000	68,205	300,000	85,575	385,575	1,830,000	66.22%	2038
2039					95,000	14,086	240,000	58,800	335,000	72,886	407,886	1,495,000	72.41%	2039
2040					100,000	10,400	250,000	48,200	350,000	58,600	408,600	1,145,000	78.87%	2040
2041					105,000	6,300	260,000	36,850	365,000	43,150	408,150	780,000	85.60%	2041
2042					105,000	2,100	280,000	24,630	385,000	26,730	411,730	395,000	92.71%	2042
2043							215,000	13,315	215,000	13,315	228,315	180,000	96.68%	2043
2044							180,000	4,185	180,000	4,185	184,185	0	100.00%	2044
	22,200	1,285	58,610	3,280	1,445,000	539,215	3,595,000	1,796,839	5,417,888	2,364,232	7,782,120			

* Preliminary, subject to change.

**Village of Trempealeau, Wisconsin
Schedule of Bonded Indebtedness
Revenue Debt Secured by Electric Revenues
(As of 05/30/2024)**

**Electric System
Revenue Refunding Bonds
Series 2014A**

Dated	10/15/2014
Amount	\$4,035,000
Maturity	12/01

Calendar Year Ending	Principal	Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2024	190,000	91,431	190,000	91,431	281,431	2,310,000	7.60%	2024
2025	200,000	85,731	200,000	85,731	285,731	2,110,000	15.60%	2025
2026	205,000	79,531	205,000	79,531	284,531	1,905,000	23.80%	2026
2027	210,000	72,869	210,000	72,869	282,869	1,695,000	32.20%	2027
2028	215,000	65,781	215,000	65,781	280,781	1,480,000	40.80%	2028
2029	225,000	58,525	225,000	58,525	283,525	1,255,000	49.80%	2029
2030	235,000	50,200	235,000	50,200	285,200	1,020,000	59.20%	2030
2031	240,000	40,800	240,000	40,800	280,800	780,000	68.80%	2031
2032	250,000	31,200	250,000	31,200	281,200	530,000	78.80%	2032
2033	260,000	21,200	260,000	21,200	281,200	270,000	89.20%	2033
2034	270,000	10,800	270,000	10,800	280,800	0	100.00%	2034
	2,500,000	608,069	2,500,000	608,069	3,108,069			

Village of Trempealeau, Wisconsin
Schedule of Bonded Indebtedness
Revenue Debt Secured by Sewer Revenues
(As of 05/30/2024)

Sewer System Revenue Bonds
Series 2023

Dated Amount	05/24/2023 \$828,756	
Maturity	05/01	
Calendar Year Ending	Principal	Interest
2024	0	8,528
2025	34,340	16,687
2026	35,077	15,943
2027	35,829	15,182
2028	36,598	14,406
2029	37,383	13,612
2030	38,185	12,802
2031	39,004	11,974
2032	39,840	11,128
2033	40,695	10,265
2034	41,568	9,382
2035	42,460	8,481
2036	43,370	7,561
2037	44,301	6,620
2038	45,251	5,660
2039	46,221	4,679
2040	47,213	3,677
2041	48,226	2,653
2042	49,260	1,608
2043	50,317	540
	795,137	181,387

Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
0	8,528	8,528	795,137	.00%	2024
34,340	16,687	51,028	760,797	4.32%	2025
35,077	15,943	51,020	725,720	8.73%	2026
35,829	15,182	51,012	689,890	13.24%	2027
36,598	14,406	51,003	653,293	17.84%	2028
37,383	13,612	50,995	615,910	22.54%	2029
38,185	12,802	50,986	577,725	27.34%	2030
39,004	11,974	50,978	538,721	32.25%	2031
39,840	11,128	50,969	498,881	37.26%	2032
40,695	10,265	50,960	458,186	42.38%	2033
41,568	9,382	50,950	416,618	47.60%	2034
42,460	8,481	50,941	374,158	52.94%	2035
43,370	7,561	50,931	330,788	58.40%	2036
44,301	6,620	50,921	286,488	63.97%	2037
45,251	5,660	50,911	241,237	69.66%	2038
46,221	4,679	50,900	195,015	75.47%	2039
47,213	3,677	50,890	147,802	81.41%	2040
48,226	2,653	50,879	99,577	87.48%	2041
49,260	1,608	50,868	50,317	93.67%	2042
50,317	540	50,856	0	100.00%	2043
795,137	181,387	976,524			

**Village of Trempealeau, Wisconsin
Schedule of Bonded Indebtedness
Revenue Debt Secured by Water Revenues
(As of 05/30/2024)**

**Water System Revenue Bonds
Series 2009**

Dated	11/12/2009
Amount	\$1,397,398
Maturity	05/01

Calendar Year Ending	Principal	Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2024	0	5,877	0	5,877	5,877	440,569	.00%	2024
2025	83,536	10,640	83,536	10,640	94,176	357,033	18.96%	2025
2026	85,765	8,382	85,765	8,382	94,146	271,269	38.43%	2026
2027	88,053	6,063	88,053	6,063	94,116	183,216	58.41%	2027
2028	90,402	3,682	90,402	3,682	94,084	92,814	78.93%	2028
2029	92,814	1,238	92,814	1,238	94,052	0	100.00%	2029
	440,569	35,882	440,569	35,882	476,451			

OVERLAPPING DEBT¹

Taxing District	Equalized Value²	% In Village	Total G.O. Debt³	Village's Proportionate Share
Trempealeau County	\$3,280,107,300	6.2060%	\$74,215,000	\$4,605,783
Galesville-Ettrick-Trempealeau School District	1,154,028,875	17.6393%	15,080,000	2,660,006
Western Technical College District	31,450,531,922	0.6472%	86,110,000	<u>557,304</u>
Village's Share of Total Overlapping Debt				<u><u>\$7,823,093</u></u>

DEBT RATIOS

	G.O. Debt	Debt/Equalized Value \$203,562,400	Debt/ Per Capita 1,885⁴
Total General Obligation Debt*	\$5,417,888	2.66%	\$2,874.21
Village's Share of Total Overlapping Debt	<u>7,823,093</u>	<u>3.84%</u>	<u>\$4,150.18</u>
Total*	\$13,240,981	6.50%	\$7,024.39

*Preliminary, subject to change.

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

² Includes tax increment valuation.

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

⁴ Estimated 2023 population.

TAX LEVIES AND COLLECTIONS

TAX LEVIES AND COLLECTIONS

Tax Year	Levy for Village Purposes Only	% Collected	Levy/Equalized Value Reduced by Tax Increment Valuation in Dollars per \$1,000
2019/20	\$845,665	100%	\$6.18
2020/21	779,397	100%	5.45
2021/22	731,433	100%	4.85
2022/23	913,509	100%	5.14
2023/24	1,046,225	In Process	5.29

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

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

PROPERTY TAX RATES

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

Year Levied/ Year Collected	Schools¹	County	Local	Total
2019/20	\$11.26	\$6.39	\$6.18	\$23.83
2020/21	10.93	6.29	5.45	22.67
2021/22	10.71	5.95	4.85	21.51
2022/23	10.16	5.84	5.14	21.14
2023/24	8.41	5.37	5.29	19.07

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

LEVY LIMITS

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

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

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

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

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

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

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

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

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

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

REVENUE FROM THE STATE

In addition to local property taxes described above, a number of state programs exist which provide revenue to the Village. One such program is commonly known as shared revenue which, pursuant to sec. 79.036, Wis. Stats., provides funding to the Village that can be used for any public purpose. 2023 Wisconsin Act 12 ("Act 12") created a supplement to shared revenue, with payments to the Village beginning in 2024. This supplemental shared revenue may be used only for the purposes specified in section 79.037, Wis. Stats. In 2024, the Village is expected to receive approximately \$61,705 in shared revenue and supplemental shared revenue from the State, an increase from the approximately \$231,501 received in 2023. In future years, the amount of supplemental shared revenue could grow if State sales tax collections grow.

THE ISSUER

VILLAGE GOVERNMENT

The Village was incorporated in 1867 and is governed by a Village President and a six-member Village Board of Trustees. All Council Members are elected to two-year terms. The appointed Administrator/Finance Director and Clerk/Deputy Treasurer are responsible for administrative details and financial records.

EMPLOYEES; PENSIONS

The Village employs a staff of 16 full-time, 11 part-time, and 19 seasonal employees. All eligible employees in the Village are covered under the Wisconsin Retirement System ("WRS") established under Chapter 40 of the Wisconsin Statutes ("Chapter 40"). The WRS is a cost-sharing multiple-employer defined benefit pension plan. The Department of Employee Trust Funds ("ETF") administers the WRS. Required contributions to the WRS are determined by the ETF Board pursuant to an annual actuarial valuation in accordance with Chapter 40 and the ETF's funding policies. The ETF Board has stated that its funding policy is to (i) ensure funds are adequate to pay benefits; (ii) maintain stable and predictable contribution rates for employers and employees; and (iii) maintain inter-generational equity to ensure the cost of the benefits is paid for by the generation that receives the benefits.

Village employees are generally required to contribute half of the actuarially determined contributions, and the Village generally may not pay the employees' required contribution. During the fiscal year ended December 31, 2020 ("Fiscal Year 2020"), the fiscal year ended December 31, 2021 ("Fiscal Year 2021") and the fiscal year ended December 31, 2022 ("Fiscal Year 2022"), the Village's portion of contributions to WRS (not including any employee contributions) totaled \$61,316, \$66,478 and \$77,361 respectively.

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

As of December 31, 2022, the total pension liability of the WRS was calculated as \$123.7 billion and the fiduciary net position of the WRS was calculated as \$118.4 billion, resulting in a net pension liability of \$5.3 billion.

Under GASB 68, each participating employer in a cost-sharing pension plan must report the employer's proportionate share of the net pension liability or net pension asset of the pension plan. Accordingly, for Fiscal Year 2022, the Village reported an asset of \$451,473 for its proportionate share of the net pension asset of the WRS. The net pension asset was measured as of December 31, 2021 based on the Village's share of contributions to the pension plan relative to the contributions of all participating employers. The Village's proportion was 0.00560128% of the aggregate WRS net pension asset as of December 31, 2021.

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

Recognized and Certified Bargaining Units

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

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

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

The Village does not have any bargaining units.

OTHER POST EMPLOYMENT BENEFITS

The Village does not provide any other post employment benefits.

LITIGATION

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

MUNICIPAL BANKRUPTCY

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

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

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

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

FUNDS ON HAND (as of February 29, 2024)

Fund	Total Cash and Investments
Cash-Pooled	\$844,528
Parkland savings	22,813
Electric Bond Redemption Fund-Citizens First Bank	192,629
Electric Bond Redemption Fund-TD Ameritrade	148,216
Water Redemption Fund	78,132
Sewer Capital Fund	512,035
Electric Capital Fund	8,048
Water Capital Fund	8,048
TID #2 Fund	423,981
Library Donations Savings	4,384
Library Investment Fund	96,470
Trempealeau Trust Fund	19,285
General Fund Reserves	124,184
General Fund Committed Fund	19,894
ARPA Fund	<u>2,735</u>
 Total Funds on Hand	 <u><u>\$2,505,383</u></u>

ENTERPRISE FUNDS

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

	2020 Audited	2021 Audited	2022 Audited
Electric			
Total Operating Revenues	\$2,040,802	\$2,018,199	\$2,122,250
Less: Operating Expenses	<u>(1,961,018)</u>	<u>(1,931,342)</u>	<u>(2,037,258)</u>
Operating Income	\$79,784	\$86,857	\$84,992
Plus: Depreciation	290,797	320,830	315,030
Interest Income	<u>8,796</u>	<u>(49)</u>	<u>(7,647)</u>
Revenues Available for Debt Service	<u><u>\$379,377</u></u>	<u><u>\$407,638</u></u>	<u><u>\$392,375</u></u>
Water			
Total Operating Revenues	\$501,564	\$503,399	\$496,780
Less: Operating Expenses	<u>(381,962)</u>	<u>(394,523)</u>	<u>(476,491)</u>
Operating Income	\$119,602	\$108,876	\$20,289
Plus: Depreciation	122,673	123,046	124,182
Interest Income	<u>132</u>	<u>55</u>	<u>40</u>
Revenues Available for Debt Service	<u><u>\$242,407</u></u>	<u><u>\$231,977</u></u>	<u><u>\$144,511</u></u>
Sewer			
Total Operating Revenues	\$508,802	\$534,292	\$648,064
Less: Operating Expenses	<u>(486,703)</u>	<u>(526,553)</u>	<u>(532,275)</u>
Operating Income	\$22,099	\$7,739	\$115,789
Plus: Depreciation	160,294	160,810	186,690
Interest Income	<u>2,225</u>	<u>2,779</u>	<u>3,826</u>
Revenues Available for Debt Service	<u><u>\$184,618</u></u>	<u><u>\$171,328</u></u>	<u><u>\$306,305</u></u>

SUMMARY GENERAL FUND INFORMATION

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

COMBINED STATEMENT	FISCAL YEAR ENDING DECEMBER 31				
	2020 Audited	2021 Audited	2022 Audited	2023 Unaudited ¹	2024 Adopted Budget ²
Revenues					
Property taxes	\$392,382	\$462,010	\$544,674	\$620,508	\$668,355
Intergovernmental	387,726	377,005	352,639	331,245	393,188
Licenses and permits	7,785	11,181	10,846	24,613	11,570
Fines, forfeitures and penalties	2,877	2,985	2,041	13,181	1,200
Public charges for services	45,876	49,583	56,856	49,039	48,300
Special assessments	14,098	2,280	2,907	0	0
Investment income	18,667	15,717	794	6,278	600
Miscellaneous	40,862	78,805	42,105	120,089	39,000
Total Revenues	\$910,273	\$999,566	\$1,012,862	\$1,164,953	\$1,162,213
Expenditures					
Current:					
General government	\$231,872	\$237,602	\$204,960	\$189,328	\$217,934
Public safety	386,224	417,907	470,054	534,156	592,078
Public works	210,605	240,569	246,713	230,868	222,344
Culture, recreation and education	133,852	189,918	155,845	163,345	171,917
Conservation and development	21,736	2,711	4,073	9,494	10,000
Total Expenditures	\$984,289	\$1,088,707	\$1,081,645	\$1,127,191	\$1,214,273
Excess of revenues over (under) expenditures	(\$74,016)	(\$89,141)	(\$68,783)	\$37,762	(\$52,060)
Other Financing Sources (Uses)					
Debt issued	\$0	\$0	\$0	\$84,805	\$0
Transfers in	141,370	143,850	146,360	129,822	141,372
Transfers (out)	(46,668)	(102,917)	(132,124)	(175,116)	(89,312)
Total Other Financing Sources (Uses)	94,702	40,933	14,236	39,511	52,060
Net changes in Fund Balances	\$20,686	(\$48,208)	(\$54,547)	\$77,273	\$0
General Fund Balance January 1	\$623,440	\$644,126	\$595,918	\$541,371	
Prior Period Adjustment	0	0	0	0	
Residual Equity Transfer in (out)	0	0	0	0	
General Fund Balance December 31	\$644,126	\$595,918	\$541,371	\$618,644	
DETAILS OF DECEMBER 31 FUND BALANCE					
Nonspendable	\$494,833	\$293,437	\$160,094	\$5,738	
Restricted	29,670	29,685	49,819	\$21,990	
Committed	0	11,660	22,745	\$19,870	
Unassigned	119,623	261,136	308,713	571,046	
Total	\$644,126	\$595,918	\$541,371	\$618,644	

¹ Unaudited data is as of March 4, 2024.

² The 2024 budget was adopted on December 7, 2023.

GENERAL INFORMATION

LOCATION

The Village, with a 2020 U.S. Census population of 1,843 and a current estimated population of 1,885 comprises an area of 1.6 square miles and is located approximately 15 miles north of LaCrosse, Wisconsin and 100 miles southeast of St. Paul, Minnesota.

LARGER EMPLOYERS¹

Larger employers in the Village include the following:

Firm	Type of Business/Product	Estimated No. of Employees
Elmaro Vineyard	Vineyard- winery	92
Sullivan's Supper Club	Restaurant	50
The Village	Municipal government and services	46
Hawkeye Forest Products	Sawmill and hardwood lumber company	43
Galesville-Ettrick-Trempealeau School District	Secondary and elementary education	40 ²
Trempealeau Hotel	Hotel, restaurant & saloon	40
River Stop LLC	Gas station/convenience store	24
Trempealeau Mountain Golf Club	Golf club	20
Stetzer Accounting Services	Accountants	17
Bumble Bee Day Care Center	Daycare	13

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

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

² Total number of employees reflects Trempealeau Elementary School only.

BUILDING PERMITS¹ (as of March 19, 2024)

	2020	2021	2022	2023	2024
<u>New Single Family Homes</u>					
No. of building permits	7	5	6	3	1
Estimated Valuation	\$1,450,000	\$1,145,400	\$1,482,000	\$1,112,073	\$100,000
<u>New Multiple Family Buildings</u>					
No. of building permits	12	2	1	0	2
Estimated Valuation	\$1,805,000	\$230,000	\$400,000	\$0	\$1,480,000
<u>New Commercial/Industrial</u>					
No. of building permits	0	0	0	3	0
Estimated Valuation	\$0	\$0	\$0	\$1,980,000	\$0
<u>All Building Permits</u> (including additions and remodelings)					
No. of building permits	25	17	25	31	6
Estimated Valuation	\$3,574,263	\$1,877,528	\$2,425,579	\$3,686,823	\$1,630,000

Source: The Village.

¹ The Village does not require valuations to be included as a part of zoning permits. Valuations listed in the table above are estimates relative to the number permits included in the table.

U.S. CENSUS DATA

Population Trend: The Village

2010 U.S. Census Population	1,529
2020 U.S. Census Population	1,843
Percent of Change 2010 - 2020	20.54%
2023 Estimated Population	1,885

Income and Age Statistics

	The Village	Trempealeau County	State of Wisconsin	United States
2022 per capita income	\$35,113	\$34,694	\$40,130	\$41,261
2022 median household income	\$62,115	\$68,474	\$72,458	\$75,149
2022 median family income	\$92,000	\$85,791	\$92,974	\$92,646
2022 median gross rent	\$1,000	\$864	\$992	\$1,268
2022 median value owner occupied units	\$180,600	\$193,700	\$231,400	\$281,900
2022 median age	46.5 yrs.	40.9 yrs.	39.9 yrs.	38.5 yrs.

	State of Wisconsin	United States
Village % of 2022 per capita income	87.50%	85.10%
Village % of 2022 median family income	98.95%	99.30%

Housing Statistics

	<u>The Village</u>		
	2020	2022	Percent of Change
All Housing Units	921	901	-2.17%

Source: 2010 and 2020 Census of Population and Housing, Wisconsin Demographic Services Center and 2022 American Community Survey (Based on a five-year estimate), U.S. Census Bureau (<https://data.census.gov/cedsci>).

EMPLOYMENT/UNEMPLOYMENT DATA

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

Year	<u>Average Employment</u>		<u>Average Unemployment</u>	
	Trempealeau County	Trempealeau County	State of Wisconsin	
2020	14,631	7.1%	6.4%	
2021	14,816	3.8%	3.9%	
2022	14,382	3.1%	2.9%	
2023, December	13,839	3.5%	3.0%	
2024, March			3.5%	

Source: Wisconsin Department of Workforce Development.

FINANCIAL STATEMENTS

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

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

Village of Trempealeau

Financial Statements and
Supplementary Information

December 31, 2022

Village of Trempealeau

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Independent Auditors' Report

To the Village Board of
Village of Trempealeau

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 Trempealeau (the Village), Wisconsin, as of and for the year ended December 31, 2022 and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village as of December 31, 2022 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The 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.

Baker Tilly US, LLP

Eau Claire, Wisconsin
May 2, 2023

Village of Trempealeau

Statement of Net Position
December 31, 2022

	Governmental Activities	Business- Type Activities	Total
Assets and Deferred Outflows of Resources			
Assets			
Cash and investments	\$ 1,512,123	\$ 138,057	\$ 1,650,180
Receivables (net):			
Taxes receivable	1,005,574	-	1,005,574
Accounts	-	454,635	454,635
Notes	64,934	-	64,934
Other	14,818	22,241	37,059
Internal balances	154,532	(154,532)	-
Due from other governments	4,473	-	4,473
Inventories and prepaid items	5,562	211,249	216,811
Restricted assets:			
Cash and investments	49,819	345,944	395,763
Net pension asset	240,806	210,667	451,473
Lease receivable	544,497	-	544,497
Capital assets:			
Land	334,426	152,680	487,106
Construction in progress	179,843	-	179,843
Other capital assets, net of depreciation	<u>4,489,940</u>	<u>8,051,840</u>	<u>12,541,780</u>
Total assets	<u>8,601,347</u>	<u>9,432,781</u>	<u>18,034,128</u>
Deferred Outflows of Resources			
Deferred charge on refunding	-	30,869	30,869
Pension related amounts	<u>462,949</u>	<u>428,730</u>	<u>891,679</u>
Total deferred outflows of resources	<u>462,949</u>	<u>459,599</u>	<u>922,548</u>
Liabilities, Deferred inflows of Resources and Net Position			
Liabilities			
Accounts payable	21,959	128,485	150,444
Accrued liabilities	73,207	17,331	90,538
Deposits	-	4,602	4,602
Accrued interest	38,863	28,512	67,375
Unearned revenues	185,872	-	185,872
Short term notes payable	-	1,059,661	1,059,661
Noncurrent liabilities:			
Due within one year	372,946	350,452	723,398
Due in more than one year	<u>1,771,381</u>	<u>3,355,147</u>	<u>5,126,528</u>
Total liabilities	<u>2,464,228</u>	<u>4,944,190</u>	<u>7,408,418</u>
Deferred Inflows of Resources			
Unearned revenues	1,550,071	-	1,550,071
Pension related amounts	<u>557,689</u>	<u>505,952</u>	<u>1,063,641</u>
Total deferred inflows of resources	<u>2,107,760</u>	<u>505,952</u>	<u>2,613,712</u>

See notes to financial statements

Village of Trempealeau

Statement of Net Position
December 31, 2022

	Governmental Activities	Business- Type Activities	Total
Net Position			
Net investment in capital assets	\$ 4,218,293	\$ 3,760,510	\$ 7,787,888
Restricted for:			
Loan programs	65,014	-	65,014
TIF district, debt service	20,096	191,711	211,807
TIF district, capital projects	744,725	-	744,725
Impact fees, parks	49,819	-	49,819
Net pension asset	240,806	210,667	451,473
Library	134,849	-	134,849
Trempealeau Trust Fund, community betterment	19,168	-	19,168
Unrestricted (deficit)	<u>(1,000,462)</u>	<u>279,350</u>	<u>(530,197)</u>
Total net position	<u>\$ 4,492,308</u>	<u>\$ 4,442,238</u>	<u>\$ 8,934,546</u>

See notes to financial statements

Village of Trempealeau

Statement of Activities

Year Ended December 31, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 239,975	\$ 20,759	\$ 133	\$ -	\$ (219,083)	\$ -	\$ (219,083)
Public safety	468,209	5,355	14,596	-	(448,258)	-	(448,258)
Public works	558,748	9,081	99,209	-	(450,458)	-	(450,458)
Culture, education and recreation	394,696	35,455	98,363	17,218	(243,660)	-	(243,660)
Conservation and development	290,362	-	-	-	(290,362)	-	(290,362)
Interest and fiscal charges	<u>50,523</u>	-	-	-	<u>(50,523)</u>	-	<u>(50,523)</u>
Total governmental activities	<u>2,002,513</u>	<u>70,650</u>	<u>212,301</u>	<u>17,218</u>	<u>(1,702,344)</u>	<u>-</u>	<u>(1,702,344)</u>
Business-type activities:							
Electric utility	2,157,057	2,122,250	-	21,980	-	(12,827)	(12,827)
Water utility	493,202	496,780	-	44,900	-	48,478	48,478
Sewer utility	<u>548,728</u>	<u>648,064</u>	-	<u>1,600</u>	-	<u>100,936</u>	<u>100,936</u>
Total business-type activities	<u>3,198,987</u>	<u>3,267,094</u>	<u>-</u>	<u>68,480</u>	<u>-</u>	<u>136,587</u>	<u>136,587</u>
Total	<u>\$ 5,201,500</u>	<u>\$ 3,337,744</u>	<u>\$ 212,301</u>	<u>\$ 85,698</u>	<u>(1,702,344)</u>	<u>136,587</u>	<u>(1,565,757)</u>
General Revenues							
Taxes:							
Property taxes, levied for general purposes					448,810	-	448,810
Property taxes, levied for debt service					191,019	-	191,019
Property taxes, levied for TIF districts					71,737	-	71,737
Property taxes, levied for the library					91,604	-	91,604
Other taxes					97,130	-	97,130
Intergovernmental revenues not restricted to specific programs					268,949	-	268,949
Investment income (loss)					11,013	(3,781)	7,232
Miscellaneous					<u>45,913</u>	-	<u>45,913</u>
Total general revenues					<u>1,226,175</u>	<u>(3,781)</u>	<u>1,222,394</u>
Transfers					<u>(134,177)</u>	<u>134,177</u>	<u>-</u>
Change in net position					(610,346)	266,983	(343,363)
Net Position, Beginning					<u>5,102,654</u>	<u>4,175,255</u>	<u>9,277,909</u>
Net Position, Ending					<u>\$ 4,492,308</u>	<u>\$ 4,442,238</u>	<u>\$ 8,934,546</u>

See notes to financial statements

Village of Trempealeau

Balance Sheet
 Governmental Funds
 December 31, 2022

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Improvements Fund</u>
Assets			
Cash and investments	\$ 391,857	\$ -	\$ 1,948
Receivables:			
Taxes	527,060	298,689	-
Notes	-	-	-
Other	14,773	-	-
Due from other governments	4,473	-	-
Restricted cash	49,819	-	-
Prepaid items	5,562	-	-
Advances to other funds	154,532	-	-
Lease receivable	<u>544,497</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 1,692,573</u>	<u>\$ 298,689</u>	<u>\$ 1,948</u>
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities			
Accounts payable	\$ 10,364	\$ -	\$ 1,948
Accrued liabilities	69,281	-	-
Unearned revenues	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>79,645</u>	<u>-</u>	<u>1,948</u>
Deferred Inflows of Resources			
Unearned revenues	1,071,557	298,689	-
Unavailable revenues	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>1,071,557</u>	<u>298,689</u>	<u>-</u>
Fund Balances			
Nonspendable	160,094	-	-
Restricted	49,819	-	-
Committed	22,745	-	-
Unassigned	<u>308,713</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>541,371</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,692,573</u>	<u>\$ 298,689</u>	<u>\$ 1,948</u>

See notes to financial statements

<u>TIF #2</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
\$ 751,293	\$ 367,025	\$ 1,512,123
-	179,825	1,005,574
-	64,934	64,934
-	45	14,818
-	-	4,473
-	-	49,819
-	-	5,562
-	-	154,532
-	-	544,497
<u>\$ 751,293</u>	<u>\$ 611,829</u>	<u>\$ 3,356,332</u>

\$ 6,568	\$ 3,079	\$ 21,959
-	3,926	73,207
-	185,872	185,872
<u>6,568</u>	<u>192,877</u>	<u>281,038</u>

-	179,825	1,550,071
-	64,934	64,934
-	244,759	1,615,005

-	-	160,094
744,725	174,193	968,737
-	-	22,745
-	-	308,713
<u>744,725</u>	<u>174,193</u>	<u>1,460,289</u>

<u>\$ 751,293</u>	<u>\$ 611,829</u>	<u>\$ 3,356,332</u>
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Village of Trempealeau

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

Total Fund Balances, Governmental Funds \$ 1,460,289

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	334,426
Construction in progress	179,843
Other capital assets	7,683,438
Less accumulated depreciation	(3,193,498)

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.

Loans receivable	64,934
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The net pension asset does not relate to current financial resources and is not reported in the governmental funds.

240,806

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

462,949

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

(557,689)

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	(2,083,683)
Compensated absences	(43,758)
Accrued interest	(38,863)
Landfill liability	<u>(16,886)</u>

Net Position of Governmental Activities

\$ 4,492,308

Village of Trempealeau

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

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Improvements Fund</u>
Revenues			
Taxes	\$ 544,674	\$ 191,019	\$ -
Intergovernmental	352,639	-	-
Licenses and permits	10,846	-	-
Fines, forfeitures and penalties	2,041	-	-
Public charges for services	56,856	-	-
Special assessments	2,907	-	-
Investment income	794	-	-
Miscellaneous	<u>42,105</u>	<u>-</u>	<u>3,808</u>
Total revenues	<u>1,012,862</u>	<u>191,019</u>	<u>3,808</u>
Expenditures			
Current:			
General government	204,960	-	-
Public safety	470,054	-	-
Public works	246,713	-	-
Culture, recreation and education	155,845	-	-
Conservation and development	4,073	-	-
Capital outlay	-	-	296,585
Debt service:			
Principal	-	172,739	-
Interest and fiscal charges	<u>-</u>	<u>18,279</u>	<u>-</u>
Total expenditures	<u>1,081,645</u>	<u>191,018</u>	<u>296,585</u>
Excess (deficiency) of revenues over expenditures	<u>(68,783)</u>	<u>1</u>	<u>(292,777)</u>
Other Financing Sources (Uses)			
Debt issued	-	-	160,653
Transfers in	146,360	-	132,124
Transfers out	(132,124)	(1)	-
Premium on debt issued	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>14,236</u>	<u>(1)</u>	<u>292,777</u>
Net change in fund balances	(54,547)	-	-
Fund Balances, Beginning	<u>595,918</u>	<u>-</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 541,371</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements

<u>TIF #2</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
\$ -	\$ 163,341	\$ 899,034
-	113,809	466,448
-	-	10,846
-	-	2,041
-	-	56,856
-	-	2,907
9,394	825	11,013
<u>-</u>	<u>31,286</u>	<u>77,199</u>
<u>9,394</u>	<u>309,261</u>	<u>1,526,344</u>
-	-	204,960
-	-	470,054
-	-	246,713
-	175,639	331,484
104,203	4,389	112,665
612,872	47,297	956,754
-	44,056	216,795
<u>-</u>	<u>5,523</u>	<u>23,802</u>
<u>717,075</u>	<u>276,904</u>	<u>2,563,227</u>
<u>(707,681)</u>	<u>32,357</u>	<u>(1,036,883)</u>
1,445,000	-	1,605,653
-	-	278,484
-	-	(132,125)
<u>7,406</u>	<u>-</u>	<u>7,406</u>
<u>1,452,406</u>	<u>-</u>	<u>1,759,418</u>
744,725	32,357	722,535
-	141,836	737,754
<u>\$ 744,725</u>	<u>\$ 174,193</u>	<u>\$ 1,460,289</u>

See notes to financial statements

Village of Trempealeau

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

Net Change in Fund Balances, Total Governmental Funds \$ 722,535

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	956,754
Some items reported as capital outlay were not capitalized	(415,905)
Some items reported as operating expenditures in the fund financial statements but are capitalized in the government-wide statements	12,210
Depreciation is reported in the government-wide financial statements	(300,181)
Net book value of assets retired, less trade-ins	(44,774)
Transfer of capital assets to the business-type activities	(190,915)

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	(1,605,653)
Principal repaid	216,795

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.

Vested compensated absences	10,938
Accrued interest on debt	(34,127)
Landfill liability	(8,111)
Net pension asset (and pension related deferred outflows/ inflows of resources)	<u>70,088</u>

Change in Net Position of Governmental Activities \$ (610,346)

Village of Trempealeau

Statement of Net Position
Proprietary Funds
December 31, 2022

	Business-Type Activities - Enterprise Funds			
	Electric Utility	Water Utility	Sewer Utility	Total
Assets				
Current assets:				
Cash and investments	\$ -	\$ -	\$ 138,057	\$ 138,057
Receivables:				
Accounts	303,354	61,889	89,392	454,635
Other	22,241	-	-	22,241
Inventories and prepaids	209,320	1,929	-	211,249
Restricted assets:				
Redemption account	<u>144,811</u>	<u>60,217</u>	<u>-</u>	<u>205,028</u>
Total current assets	<u>679,726</u>	<u>124,035</u>	<u>227,449</u>	<u>1,031,210</u>
Noncurrent assets:				
Restricted assets:				
Reserve account	140,916	-	-	140,916
Net pension asset	125,090	41,902	43,675	210,667
Capital assets:				
Land	85,009	64,571	3,100	152,680
Utility plant	7,943,662	4,428,499	5,292,662	17,664,823
Less accumulated depreciation	(3,684,670)	(1,980,170)	(3,948,143)	(9,612,983)
Other assets:				
Advances to other funds	<u>-</u>	<u>436,619</u>	<u>-</u>	<u>436,619</u>
Total noncurrent assets	<u>4,610,007</u>	<u>2,991,421</u>	<u>1,391,294</u>	<u>8,992,722</u>
Total assets	<u>5,289,733</u>	<u>3,115,456</u>	<u>1,618,743</u>	<u>10,023,932</u>
Deferred Outflows of Resources				
Deferred charge on refunding	30,869	-	-	30,869
Pension related amounts	<u>245,095</u>	<u>89,022</u>	<u>94,613</u>	<u>428,730</u>
Total deferred outflows of resources	<u>275,964</u>	<u>89,022</u>	<u>94,613</u>	<u>459,599</u>

See notes to financial statements

Village of Trempealeau

Statement of Net Position
 Proprietary Funds
 December 31, 2022

	Business-Type Activities - Enterprise Funds			
	Electric Utility	Water Utility	Sewer Utility	Total
Liabilities				
Current liabilities:				
Accounts payable	\$ 110,861	\$ 11,215	\$ 6,409	\$ 128,485
Accrued liabilities	11,142	4,381	17,003	32,526
Deposits	4,602	-	-	4,602
Short-term notes payable	-	-	1,059,661	1,059,661
Current portion of compensated absences	19,373	7,819	8,049	35,241
Current portion of general obligation loans payable	32,352	-	18,608	50,960
Liabilities payable from restricted assets:				
Current portion of revenue bonds	185,000	79,251	-	264,251
Accrued interest payable	10,658	2,659	-	13,317
Total current liabilities	<u>373,988</u>	<u>105,325</u>	<u>1,109,730</u>	<u>1,589,043</u>
Noncurrent liabilities:				
Long-term debt:				
General obligation debt payable	188,048	-	105,582	293,630
Revenue bonds payable	2,500,000	521,934	-	3,021,934
Unamortized debt discount	(19,765)	-	-	(19,765)
Compensated absences	40,898	9,263	9,187	59,348
Advance from other funds	591,151	-	-	591,151
Total noncurrent liabilities	<u>3,300,332</u>	<u>531,197</u>	<u>114,769</u>	<u>3,946,298</u>
Total liabilities	<u>3,674,320</u>	<u>636,522</u>	<u>1,224,499</u>	<u>5,535,341</u>
Deferred Inflows of Resources				
Pension related amounts	<u>291,630</u>	<u>101,719</u>	<u>112,603</u>	<u>505,952</u>
Total deferred inflows of resources	<u>291,630</u>	<u>101,719</u>	<u>112,603</u>	<u>505,952</u>
Net Position				
Net investment in capital assets	1,685,027	1,911,715	163,768	3,760,510
Restricted for:				
Debt service	134,153	57,558	-	191,711
Pension	125,090	41,902	43,675	210,667
Unrestricted (deficit)	<u>(344,523)</u>	<u>455,062</u>	<u>168,811</u>	<u>279,350</u>
Total net position	<u>\$ 1,599,747</u>	<u>\$ 2,466,237</u>	<u>\$ 376,254</u>	<u>\$ 4,442,238</u>

See notes to financial statements

Village of Trempealeau

Statement of Revenues, Expenses and Changes in Net Position

Proprietary Funds

Year Ended December 31, 2022

	Business-Type Activities - Enterprise Funds			
	Electric Utility	Water Utility	Sewer Utility	Total
Operating Revenues				
Public charges for services	\$ 2,122,250	\$ 496,780	\$ 648,064	\$ 3,267,094
Total operating revenues	<u>2,122,250</u>	<u>496,780</u>	<u>648,064</u>	<u>3,267,094</u>
Operating Expenses				
Operation and maintenance	1,688,716	346,026	334,601	2,369,343
Depreciation	315,030	124,182	186,690	625,902
Taxes	<u>33,512</u>	<u>6,283</u>	<u>10,984</u>	<u>50,779</u>
Total operating expenses	<u>2,037,258</u>	<u>476,491</u>	<u>532,275</u>	<u>3,046,024</u>
Operating income	<u>84,992</u>	<u>20,289</u>	<u>115,789</u>	<u>221,070</u>
Nonoperating Revenues (Expenses)				
Investment income (loss)	(7,647)	40	3,826	(3,781)
Interest expense	(110,076)	(16,711)	(16,453)	(143,240)
Amortization expense	<u>(9,723)</u>	<u>-</u>	<u>-</u>	<u>(9,723)</u>
Total nonoperating revenues (expenses)	<u>(127,446)</u>	<u>(16,671)</u>	<u>(12,627)</u>	<u>(156,744)</u>
Income (loss) before contributions and transfers	<u>(42,454)</u>	<u>3,618</u>	<u>103,162</u>	<u>64,326</u>
Contributions and Transfers				
Capital contributions	111,601	159,140	78,275	349,016
Transfers out	<u>(84,259)</u>	<u>(62,100)</u>	<u>-</u>	<u>(146,359)</u>
Total contributions and transfers	<u>27,342</u>	<u>97,040</u>	<u>78,275</u>	<u>202,657</u>
Change in net position	(15,112)	100,658	181,437	266,983
Net Position, Beginning	<u>1,614,859</u>	<u>2,365,579</u>	<u>194,817</u>	<u>4,175,255</u>
Net Position, Ending	<u>\$ 1,599,747</u>	<u>\$ 2,466,237</u>	<u>\$ 376,254</u>	<u>\$ 4,442,238</u>

See notes to financial statements

Village of Trempealeau

Statement of Cash Flows

Proprietary Funds

Year Ended December 31, 2022

	Business-Type Activities - Enterprise Funds			
	Electric Utility	Water Utility	Sewer Utility	Total
Cash Flows From Operating Activities				
Received from customers	\$ 2,057,923	\$ 506,600	\$ 627,339	\$ 3,191,862
Cash received from Village	31,915	-	-	31,915
Paid to suppliers for goods and services	(1,442,519)	(244,774)	(247,175)	(1,934,468)
Paid to employees for services	(302,659)	(110,001)	(123,054)	(535,714)
Net cash flows from operating activities	<u>344,660</u>	<u>151,825</u>	<u>257,110</u>	<u>753,595</u>
Cash Flows From Investing Activities				
Investment income	(7,647)	40	3,826	(3,781)
Investments purchased	(140,916)	-	-	(140,916)
Investments sold	148,750	-	-	148,750
Net cash flows from investing activities	<u>187</u>	<u>40</u>	<u>3,826</u>	<u>4,053</u>
Cash Flows From Noncapital Financing Activities				
Paid to municipality for tax equivalent	(84,259)	(62,100)	-	(146,359)
Negative cash implicitly financed	283,178	(128,646)	(290,965)	(136,433)
Net cash flows from noncapital financing activities	<u>198,919</u>	<u>(190,746)</u>	<u>(290,965)</u>	<u>(282,792)</u>
Cash Flows From Capital and Related Financing Activities				
Short-term debt issued	-	-	1,059,661	1,059,661
Debt retired	(216,206)	(77,191)	(17,850)	(311,247)
Interest paid	(110,995)	(17,069)	(6,037)	(134,101)
Acquisition and construction of capital assets	(216,092)	(33,792)	(869,288)	(1,119,172)
Contributions received for construction	-	-	1,600	1,600
Net cash flows from capital and related financing activities	<u>(543,293)</u>	<u>(128,052)</u>	<u>168,086</u>	<u>(503,259)</u>
Net change in cash and cash equivalents	473	(166,933)	138,057	(28,403)
Cash and Cash Equivalents, Beginning	<u>144,338</u>	<u>227,150</u>	<u>-</u>	<u>371,488</u>
Cash and Cash Equivalents, Ending	<u>\$ 144,811</u>	<u>\$ 60,217</u>	<u>\$ 138,057</u>	<u>\$ 343,085</u>

See notes to financial statements

Village of Trempealeau

Statement of Cash Flows

Proprietary Funds

Year Ended December 31, 2022

	Business-Type Activities - Enterprise Funds			
	Electric Utility	Water Utility	Sewer Utility	Total
Reconciliation of Operating Income to Net Cash Flows From Operating Activities				
Operating income	\$ 84,992	\$ 20,289	\$ 115,789	\$ 221,070
Adjustments to reconcile operating income to net cash flows from operating activities:				
Depreciation	315,030	124,182	186,690	625,902
Depreciation charged to other funds	-	8,368	(8,368)	-
Changes in assets and liabilities:				
Accounts receivable	(32,962)	1,452	(12,357)	(43,867)
Prepays	818	(679)	-	139
Inventories	(13,274)	-	-	(13,274)
Accounts payable	18,337	8,396	(11,017)	15,716
Other current liabilities	5,042	(3,224)	(6,021)	(4,203)
Customer deposits	550	-	-	550
Pension related deferrals and liability/asset	(33,873)	(6,959)	(7,606)	(48,438)
Net cash flows from operating activities	<u>\$ 344,660</u>	<u>\$ 151,825</u>	<u>\$ 257,110</u>	<u>\$ 753,595</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position, Proprietary Funds				
Cash and investments	\$ -	\$ -	\$ 138,057	\$ 138,057
Restricted cash and investments:				
Redemption account	144,811	60,217	-	205,028
Reserve account	<u>140,916</u>	<u>-</u>	<u>-</u>	<u>140,916</u>
Total cash and investments	285,727	60,217	138,057	484,001
Less noncash equivalents	<u>(140,916)</u>	<u>-</u>	<u>-</u>	<u>(140,916)</u>
Cash and cash equivalents	<u>\$ 144,811</u>	<u>\$ 60,217</u>	<u>\$ 138,057</u>	<u>\$ 343,085</u>
Noncash Capital and Related Financing Activities				
Plant contributed by developer	<u>\$ -</u>	<u>\$ 44,900</u>	<u>\$ -</u>	
Contributions from the Village	<u>\$ 111,601</u>	<u>\$ 114,240</u>	<u>\$ 76,675</u>	
Amortization of debt discount and deferred charge on refunding	<u>\$ (9,723)</u>	<u>\$ -</u>	<u>\$ -</u>	

See notes to financial statements

Village of Trempealeau

Statement of Fiduciary Net Position

Fiduciary Fund

December 31, 2022

	Custodial Fund Tax Collection Fund
Assets	
Cash and investments	\$ 1,592,271
Taxes receivable	<u>1,250,843</u>
Total assets	<u>2,843,114</u>
Liabilities	
Due to other governments	<u>2,843,114</u>
Total liabilities	<u>2,843,114</u>
Net Position	
Total net position	<u><u>\$ -</u></u>

See notes to financial statements

Village of Trempealeau

Statement of Changes in Fiduciary Net Position

Fiduciary Fund

Year Ended December 31, 2022

	<u>Custodial Fund</u> <u>Tax Collection Fund</u>
Additions	
Taxes collected for other governments	\$ 1,724,636
Total additions	<u>1,724,636</u>
Deductions	
Taxes distributed to other governments	<u>1,724,636</u>
Total deductions	<u>1,724,636</u>
Change in fiduciary net position	-
Net Position, Beginning	<u>-</u>
Net Position, Ending	<u><u>\$ -</u></u>

See notes to financial statements

Village of Trempealeau

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December 31, 2022

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Village of Trempealeau

Notes to Financial Statements
December 31, 2022

1. Summary of Significant Accounting Policies

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

Reporting Entity

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

Government-Wide and Fund Financial Statements

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

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

Village of Trempealeau

Notes to Financial Statements
December 31, 2022

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

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

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

The Village reports the following major governmental funds:

General Fund

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

Debt Service Funds

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 Funds

Tax Incremental District (TID) No. 2 Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures outlined in the TID project plan.

Capital Improvements Capital Projects Fund is used to account for financial resources restricted, committed or assigned for the acquisition or construction of equipment and/or major capital facilities.

Enterprise Funds

The Village reports the following major enterprise funds:

Electric Utility accounts for operations of the electric system

Water Utility accounts for operations of the water system

Sewer Utility accounts for operations of the sewer system

Village of Trempealeau

Notes to Financial Statements
December 31, 2022

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).

- Library
- Block Grant
- Trempealeau Trust Fund
- ARPA Grant

Debt Service Fund

Debt Service Funds are 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.

- TIF #1

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 electric, water and sewer utilities and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Village of Trempealeau

Notes to Financial Statements
December 31, 2022

Fund Financial Statements

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

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

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

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

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

Proprietary and Fiduciary Funds

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

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

Village of Trempealeau

Notes to Financial Statements
December 31, 2022

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

Deposits and Investments

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

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

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

The Village has adopted an investment policy. That policy follows the state statute for allowable investments. The policy addresses custodial credit risk, interest rate risk, credit risk and concentration of credit risk as follows:

Custodial credit risk will be minimized by: 1) maintaining a list of financial institutions authorized to provide deposit and investment services and 2) all financial institutions must supply audited financial statements demonstrating compliance with federal and state capital adequacy guidelines.

Interest rate risk will be minimized by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities prior to maturity.

Credit risk will be minimized by: 1) limiting investments to types of securities allowed by state statute and 2) the village board shall by resolution approve public depositories deemed appropriate for use.

Concentration of credit risk will be minimized by diversifying the investment portfolio so that the impact of potential losses from any one type of security or any one individual issuer will be minimized.

Village of Trempealeau

Notes to Financial Statements
December 31, 2022

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on methods and inputs as outlined in Note 3. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances. The difference between the bank statement balance and carrying value is due to outstanding checks and/or deposits in transit.

See Note 3 for further information.

Receivables

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

Property tax calendar - 2022 tax roll:

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

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 electric, water and sewer utilities because they have the right by law to place substantially all delinquent bills on the tax roll.

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

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

It is the Village's policy to record unavailable revenue for the net amount of the receivable balance. As loans are repaid, revenue is recognized. When new loans are made from the repayments, expenditures are recorded. Interest received from loan repayments is recognized as revenue when received in cash. Any unspent loan repayments at year end are presented as restricted fund balance in the fund financial statements.

Village of Trempealeau

Notes to Financial Statements
December 31, 2022

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 FIFO and charged to construction and/or operation and maintenance expense when used.

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

Restricted Assets

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

Capital Assets

Government-Wide Financial Statements

Capital assets, which include property, plant and equipment (including right-to-use lease assets), are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 general capital assets and \$15,000 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	15-75 Years
Land Improvements	15-30 Years
Vehicles and Equipment	3-15 Years
Utility System	5-100 Years
Infrastructure	20-60 Years
Intangibles	3-15 Years

Lease assets are typically amortized over the lease term.

Village of Trempealeau

Notes to Financial Statements
December 31, 2022

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

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, 2022, 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, accrued compensated absences and landfill liability.

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, if significant. 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.

Village of Trempealeau

Notes to Financial Statements
December 31, 2022

Deferred Inflows of Resources

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

Equity Classifications

Government-Wide Statements

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

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

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

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Adjustment</u>	<u>Total</u>
Net investment in capital assets	\$ 4,218,293	\$ 3,760,510	\$ (190,915)	\$ 7,787,888
Unrestricted	(1,000,462)	279,350	190,915	(530,197)

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 Trempealeau

Notes to Financial Statements
December 31, 2022

- 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 Board may take official action to assign amounts. Assignments may take place after the end of the reporting period.
- e. **Unassigned** - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

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

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

See Note 3 for further information.

Pension

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

Basis for Existing Rates

Electric Utility

Electric utility rates were authorized by order 5940-ER-107, which is effective for services rendered on or after May 31, 2019.

Water Utility

Water rates were authorized by order 5940-WQ-100, which is effective for services rendered on or after January 1, 2019.

Sewer Utility

Sewer rates effective for services rendered on or after January 1, 2022 were approved by Village ordinance dated January 6, 2022.

Village of Trempealeau

Notes to Financial Statements
December 31, 2022

2. Stewardship, Compliance and Accountability

Budgetary Information

A budget has been adopted for the general fund, certain special revenue funds, the debt service funds and the capital projects fund. A budget has not been formally adopted for the block grant fund, ARPA grant fund, TIF #2 fund or the Trempealeau Trust Fund. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds.

Excess Expenditures Over Budget

<u>Funds</u>	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Excess Expenditures Over Budget</u>
General Fund	\$ 1,148,134	\$ 1,213,768	\$ 65,634
Capital Improvements	261,935	296,585	34,650

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

Limitations on the Village's Tax Levy

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

Violation of Finance-Related Legal or Contractual Provisions

At December 31, 2022, the Village was not in compliance with the provisions of the electric revenue bond covenants that require cash available to fund one month of operation and maintenance expenses. As of year end, the Village was required to have approximately \$141,000 in cash and investments for this purpose, however \$0 was available.

Village of Trempealeau

Notes to Financial Statements
December 31, 2022

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>Bank and Investment Balances</u>	<u>Associated Risks</u>
Deposits	\$ 3,379,584	\$ 2,819,910	Custodial credit risk
Negotiable certificates of deposits	140,916	140,916	Custodial credit, credit, interest rate and concentration of credit risks
US Treasuries	117,590	117,590	Custodial credit risk, interest rate risk
Petty cash	<u>124</u>	<u>-</u>	N/A
Total deposits and investments	<u>\$ 3,638,214</u>	<u>\$ 3,078,416</u>	

Reconciliation to financial statements

Per statement of net position:

Unrestricted cash and investments \$ 1,650,180

Restricted cash and investments 395,763

Per statement of fiduciary net position,
fiduciary fund:

Custodial fund 1,592,271

Total deposits and investments \$ 3,638,214

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. Deposits in the credit union are insured by the National Credit Union Administration in the amount of \$250,000 for all share draft accounts and \$250,000 for all share certificate and regular share accounts.

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

SIPC membership provides account protection up to a maximum of \$500,000 per customer, of which \$100,000 may be in cash. \$117,590 of the Village's investments are covered by SIPC.

The Village maintains an irrevocable letter of credit, held by the Federal Home Loan Bank of Chicago in the amount of \$1,600,000 to secure the Villages deposits.

Village of Trempealeau

Notes to Financial Statements
December 31, 2022

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

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

- Quoted prices for similar assets in active markets

Investment Type	December 31, 2022			Total
	Level 1	Level 2	Level 3	
Negotiable certificates of deposit	\$ -	\$ 140,916	\$ -	\$ 140,916
US Treasuries	<u>117,590</u>	<u>-</u>	<u>-</u>	<u>117,590</u>
Total	<u>\$ 117,590</u>	<u>\$ 140,916</u>	<u>\$ -</u>	<u>\$ 258,506</u>

Custodial Credit Risk

Deposits

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

As of December 31, 2022, \$222,004 of the Village's total bank balances were exposed to custodial credit risk.

Investments

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

The Village does not have any investments 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 negotiable certificates of deposit held by the Village were not rated.

Concentration of Credit Risk

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

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

Issuer	Investment Type	Percentage of Portfolio
Sallie Mae Bank	Negotiable certificates of deposit	100.00 %

Village of Trempealeau

Notes to Financial Statements
December 31, 2022

Interest Rate Risk

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

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

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
Negotiable certificates of deposit	\$ 140,916	1.62
US Treasuries	<u>117,590</u>	0.08
Total	<u>\$ 258,506</u>	

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

Receivables

All receivables are expected to be collected within one year except \$64,934 in the Block Grant Fund and \$541,606 of long-term lease receivable in the General Fund.

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	\$ 1,005,574	\$ -
Housing loans	-	64,934
Grants received in advance	185,872	-
Lease receivable	<u>544,497</u>	<u>-</u>
Total unearned/unavailable revenue for governmental funds	<u>\$ 1,735,943</u>	<u>\$ 64,934</u>
Unearned revenue included in liabilities	\$ 185,872	
Unearned revenue included in deferred inflows	<u>1,550,071</u>	
Total unearned revenue for governmental funds	<u>\$ 1,735,943</u>	

Restricted Assets

The following represent the balances of the restricted assets:

Long-Term Debt Accounts

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

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

Village of Trempealeau

Notes to Financial Statements
December 31, 2022

Impact Fee Account

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

Net Pension Asset

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

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

	Restricted Assets	Liabilities Payable from Restricted Assets	Restricted Net Position
Bond redemption account	\$ 205,028	\$ 13,317	\$ 191,711
Bond reserve account	140,916	-	n/a
Impact fee account	49,819	-	49,819
Net pension asset	<u>451,473</u>	<u>-</u>	<u>451,473</u>
Total	<u>\$ 847,236</u>	<u>\$ 13,317</u>	<u>\$ 693,003</u>

Capital Assets

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

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 334,426	\$ -	\$ -	\$ 334,426
Construction in progress	<u>-</u>	<u>179,843</u>	<u>-</u>	<u>179,843</u>
Total capital assets not being depreciated	<u>334,426</u>	<u>179,843</u>	<u>-</u>	<u>514,269</u>
Capital assets being depreciated:				
Land improvements	485,775	-	-	485,775
Buildings	3,258,942	-	-	3,258,942
Vehicles and equipment	909,603	237,830	190,932	956,501
Infrastructure	<u>2,934,399</u>	<u>47,821</u>	<u>-</u>	<u>2,982,220</u>
Total capital assets being depreciated	<u>7,588,719</u>	<u>285,651</u>	<u>190,932</u>	<u>7,683,438</u>
Total capital assets	<u>7,923,145</u>	<u>465,494</u>	<u>190,932</u>	<u>8,197,707</u>

Village of Trempealeau

Notes to Financial Statements
December 31, 2022

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Less accumulated depreciation for:				
Land improvements	\$ (100,695)	\$ (20,544)	\$ -	\$ (121,239)
Buildings	(1,121,148)	(76,033)	-	(1,197,181)
Vehicles and equipment	(335,291)	(73,324)	42,808	(365,807)
Infrastructure	<u>(1,378,991)</u>	<u>(130,280)</u>	<u>-</u>	<u>(1,509,271)</u>
Total accumulated depreciation	<u>(2,936,125)</u>	<u>(300,181)</u>	<u>42,808</u>	<u>(3,193,498)</u>
Net capital assets being depreciated	<u>4,652,594</u>	<u>(14,530)</u>	<u>148,124</u>	<u>4,489,940</u>
Total governmental activities capital assets, net of accumulated depreciation	<u>\$ 4,987,020</u>	<u>\$ 165,313</u>	<u>\$ 148,124</u>	<u>\$ 5,004,209</u>

Depreciation expense was charged to functions as follows:

Governmental Activities

General government	\$ 13,757
Public safety	23,432
Public works, which includes depreciation of infrastructure	190,147
Culture, education and recreation	<u>72,845</u>
Total governmental activities depreciation expense	<u>\$ 300,181</u>

Village of Trempealeau

Notes to Financial Statements
December 31, 2022

Business-Type Activities

	Beginning Balance	Additions	Deletions	Ending Balance
Electric				
Capital assets not being depreciated:				
Land and land rights	\$ 85,009	\$ -	\$ -	\$ 85,009
Total capital assets not being depreciated	<u>85,009</u>	<u>-</u>	<u>-</u>	<u>85,009</u>
Capital assets being depreciated:				
Transmission and distribution plant	6,439,877	256,441	57,734	6,638,584
General plant	1,305,078	-	-	1,305,078
Total capital assets being depreciated	<u>7,744,955</u>	<u>256,441</u>	<u>57,734</u>	<u>7,943,662</u>
Total capital assets	<u>7,829,964</u>	<u>256,441</u>	<u>57,734</u>	<u>8,028,671</u>
Less accumulated depreciation for:				
Electric plant	(3,409,006)	(333,398)	57,734	(3,684,670)
Total accumulated depreciation	<u>(3,409,006)</u>	<u>(333,398)</u>	<u>57,734</u>	<u>(3,684,670)</u>
Net capital assets being depreciated	<u>4,335,949</u>	<u>(76,957)</u>	<u>-</u>	<u>4,258,992</u>
Net electric capital assets	<u>\$ 4,420,958</u>	<u>\$ (76,957)</u>	<u>\$ -</u>	<u>\$ 4,344,001</u>
	Beginning Balance	Additions	Deletions	Ending Balance
Water				
Capital assets not being depreciated:				
Land and land rights	\$ 64,571	\$ -	\$ -	\$ 64,571
Construction in progress	14,879	-	14,879	-
Total capital assets not being depreciated	<u>79,450</u>	<u>-</u>	<u>14,879</u>	<u>64,571</u>
Capital assets being depreciated:				
Source of supply plant	468,236	-	-	468,236
General plant	59,565	-	-	59,565
Pumping plant	311,757	46,960	21,179	337,538
Transmission and distribution plant	2,046,331	160,851	8,400	2,198,782
Water treatment plant	1,364,378	-	-	1,364,378
Total capital assets being depreciated	<u>4,250,267</u>	<u>207,811</u>	<u>29,579</u>	<u>4,428,499</u>
Total capital assets	<u>4,329,717</u>	<u>207,811</u>	<u>44,458</u>	<u>4,493,070</u>
Less accumulated depreciation for:				
Water plant	(1,877,199)	(132,550)	29,579	(1,980,170)
Total accumulated depreciation	<u>(1,877,199)</u>	<u>(132,550)</u>	<u>29,579</u>	<u>(1,980,170)</u>
Net capital assets being depreciated	<u>2,373,068</u>	<u>75,261</u>	<u>-</u>	<u>2,448,329</u>
Net water capital assets	<u>\$ 2,452,518</u>	<u>\$ 75,261</u>	<u>\$ 14,879</u>	<u>\$ 2,512,900</u>

Village of Trempealeau

Notes to Financial Statements
December 31, 2022

	Beginning Balance	Additions	Deletions	Ending Balance
Sewer				
Capital assets not being depreciated:				
Land and land rights	\$ 3,100	\$ -	\$ -	\$ 3,100
Construction in progress	<u>437,231</u>	<u>-</u>	<u>437,231</u>	<u>-</u>
Total capital assets not being depreciated	<u>440,331</u>	<u>-</u>	<u>437,231</u>	<u>3,100</u>
Capital assets being depreciated:				
Collection system plant	1,319,542	76,675	-	1,396,217
Pumping equipment	488,674	1,059,866	43,850	1,504,690
Treatment and disposal plant	2,261,860	-	-	2,261,860
General plant	<u>129,895</u>	<u>-</u>	<u>-</u>	<u>129,895</u>
Total capital assets being depreciated	<u>4,199,971</u>	<u>1,136,541</u>	<u>43,850</u>	<u>5,292,662</u>
Total capital assets	<u>4,640,302</u>	<u>1,136,541</u>	<u>481,081</u>	<u>5,295,762</u>
Less accumulated depreciation for:				
Sewer plant	<u>(3,813,671)</u>	<u>(178,322)</u>	<u>43,850</u>	<u>(3,948,143)</u>
Total accumulated depreciation	<u>(3,813,671)</u>	<u>(178,322)</u>	<u>43,850</u>	<u>(3,948,143)</u>
Net capital assets being depreciated	<u>386,300</u>	<u>958,219</u>	<u>-</u>	<u>1,344,519</u>
Net sewer capital assets	<u>\$ 826,631</u>	<u>\$ 958,219</u>	<u>\$ 437,231</u>	<u>\$ 1,347,619</u>
Business-type capital assets, net of accumulated depreciation	<u>\$ 7,700,107</u>	<u>\$ 956,523</u>	<u>\$ 452,110</u>	<u>\$ 8,204,520</u>

Depreciation expense was charged to functions as follows:

Business-Type Activities

Electric	\$ 315,030
Water	124,182
Sewer	<u>186,690</u>
Total business-type activities depreciation expense	<u>\$ 625,902</u>

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

Village of Trempealeau

Notes to Financial Statements
December 31, 2022

Interfund Advances and Transfers

Advances

The following is a schedule of interfund advances:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Amount Not Due Within One Year</u>
General Fund	Electric Utility	\$ 154,532	\$ 154,532
Water Utility	Electric Utility	<u>436,619</u>	436,619
Total, fund financial statements		591,151	
Less fund eliminations		<u>(436,619)</u>	
Total, interfund advances		<u><u>\$ 154,532</u></u>	

The principal purpose of the advances from the general fund and water utility to the electric utility is to cover a deficit in unrestricted cash balances.

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	Electric Utility	\$ 84,259	Property tax equivalent
General Fund	Water Utility	62,100	Property tax equivalent
Capital Improvements	General Fund	132,124	Operating subsidy
General Fund	Debt Service Fund	<u>1</u>	Return of excess funds
Total, fund financial statements		278,484	
Less fund eliminations		(132,125)	
Less transfer of inventory from the governmental activities to the business type activities		(89,621)	
Less transfer of capital assets from the governmental activities to the business type activities		<u>(190,915)</u>	
Total transfers, government-wide statement of activities		<u><u>\$ (134,177)</u></u>	

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

Village of Trempealeau

Notes to Financial Statements
December 31, 2022

Short-Term Debt Activity

The Village issued a short-term promissory note for up to \$1,400,000 to fund the Lakes District sewer renovation project. The promissory note is payable, with interest of 2.8%, on August 4, 2023.

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

	<u>Beginning Balance</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Ending Balance</u>
Note payable	\$ -	\$ 1,059,661	\$ -	\$ 1,059,661
Total	<u>\$ -</u>	<u>\$ 1,059,661</u>	<u>\$ -</u>	<u>\$ 1,059,661</u>

Long-Term Obligations

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities					
Bonds and notes payable:					
General obligation bonds	\$ -	\$ 1,445,000	\$ -	\$ 1,445,000	\$ -
General obligation debt from direct borrowings and direct placements	<u>694,825</u>	<u>160,653</u>	<u>216,795</u>	<u>638,683</u>	<u>330,797</u>
Total bonds and notes payable	<u>694,825</u>	<u>1,605,653</u>	<u>216,795</u>	<u>2,083,683</u>	<u>330,797</u>
Other liabilities:					
Vested compensated absences	54,696	38,948	49,886	43,758	31,949
Landfill liability	<u>8,775</u>	<u>20,400</u>	<u>12,289</u>	<u>16,886</u>	<u>10,200</u>
Total other liabilities	<u>63,471</u>	<u>59,348</u>	<u>62,175</u>	<u>60,644</u>	<u>42,149</u>
Total governmental activities long-term liabilities	<u>\$ 758,296</u>	<u>\$ 1,665,001</u>	<u>\$ 278,970</u>	<u>\$ 2,144,327</u>	<u>\$ 372,946</u>
Business-Type Activities					
Bonds and notes payable:					
General obligation notes from direct borrowings and direct placements	\$ 393,646	\$ -	\$ 49,056	\$ 344,590	\$ 50,960
Revenue bonds	2,870,000	-	185,000	2,685,000	185,000
(Discounts)/Premium	(21,435)	-	(1,670)	(19,765)	-
Revenue debt from direct borrowing and direct placements	<u>678,376</u>	<u>-</u>	<u>77,191</u>	<u>601,185</u>	<u>79,251</u>
Total bonds and notes payable	<u>3,920,587</u>	<u>-</u>	<u>309,577</u>	<u>3,611,010</u>	<u>315,211</u>
Other liabilities:					
Vested compensated absences	<u>78,269</u>	<u>29,186</u>	<u>12,866</u>	<u>94,589</u>	<u>35,241</u>
Total other liabilities	<u>78,269</u>	<u>29,186</u>	<u>12,866</u>	<u>94,589</u>	<u>35,241</u>
Total business-type activities long-term liabilities	<u>\$ 3,998,856</u>	<u>\$ 29,186</u>	<u>\$ 322,443</u>	<u>\$ 3,705,599</u>	<u>\$ 350,452</u>

In accordance with Wisconsin Statutes, total general obligation indebtedness of the Village may not exceed 5% of the equalized value of taxable property within the Village's jurisdiction. The debt limit as of December 31, 2022, was \$9,089,625. Total general obligation debt outstanding at year end was \$2,428,273.

Village of Trempealeau

Notes to Financial Statements
December 31, 2022

General Obligation Debt

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

<u>Governmental Activities</u>					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, 2022</u>
State trust fund loan	9/22/2014	3/15/2024	3.5%	\$ 1,002,500	\$ 252,912
Capital loan	9/7/2018	9/1/2020	2.95%	75,695	37,156
Capital equipment loan	9/27/2018	9/27/2023	3.55%	41,000	6,505
Capital improvement loan	2/7/2019	2/7/2024	3.88%	225,000	97,887
Capital equipment loan	4/15/2021	4/15/2026	2.85%	30,000	20,474
Capital equipment loan	4/15/2021	4/15/2026	2.85%	40,000	32,427
Capital equipment loan	4/15/2021	4/15/2026	2.85%	37,000	30,669
Capital equipment loan	7/7/2022	3/1/2023	2.80%	80,553	80,553
Capital equipment loan	5/10/2022	12/10/2027	3.00%	80,100	80,100
GO community development bond	5/26/2022	5/1/2042	2.75%-4.00%	1,445,000	1,445,000
Total governmental activities, general obligation debt					<u>\$ 2,083,683</u>

<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, 2022</u>
Sewer state trust fund loan	10/9/2018	3/15/2028	4.25%	\$ 174,000	\$ 124,190
Electric bank loan	8/27/2020	8/27/2027	3.54%	281,881	220,400
Total business-type activities, general obligation debt					<u>\$ 344,590</u>

Debt service requirements to maturity are as follows:

<u>Years</u>	Governmental Activities	
	<u>Principal</u>	<u>Interest</u>
2023	\$ -	\$ 70,011
2024	-	48,940
2025	60,000	48,115
2026	60,000	46,465
2027	65,000	44,746
2028-2032	350,000	193,328
2033-2037	415,000	131,835
2038-2042	495,000	50,256
Total	<u>\$ 1,445,000</u>	<u>\$ 633,696</u>

Village of Trempealeau

Notes to Financial Statements
December 31, 2022

<u>Years</u>	<u>Governmental Activities Bonds from Direct Borrowings and Direct Placements</u>		<u>Business-Type Activities General Obligation Bonds From Direct Borrowings And Direct Placements</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 330,797	\$ 17,016	\$ 50,960	\$ 13,212
2024	214,323	8,218	52,903	11,270
2025	37,372	2,451	54,945	9,227
2026	37,494	1,373	57,054	7,119
2027	18,697	334	105,819	4,928
2028-2028	-	-	22,909	976
Total	<u>\$ 638,683</u>	<u>\$ 29,392</u>	<u>\$ 344,590</u>	<u>\$ 46,732</u>

Revenue Debt

Business-type activities revenue bonds are payable only from revenues derived from the operation of the electric and water utilities.

The electric utility has pledged future electric revenues, net of specified operating expenses, to repay revenue bonds issued in 2014. Proceeds from the bonds provided financing for the utility system improvements. The bonds are payable solely from electric revenues and are payable through 2034. Annual principal and interest payments on the bonds are expected to require 71% of net revenues. The total principal and interest remaining to be paid on the bonds is \$3,327,619. Principal and interest paid for the current year and total customer net revenues were \$286,514 and \$392,375, respectively.

The water utility has pledged future water revenues, net of specified operating expenses, to repay revenue bonds issued in 2009. Proceeds from the bonds provided financing for the utility system improvements. The bonds are payable solely from water revenues and are payable through 2029. Annual principal and interest payments on the bonds are expected to require 65% of net revenues. The total principal and interest remaining to be paid on the bonds is \$659,012. Principal and interest paid for the current year and total customer net revenues were \$94,260 and \$144,511, respectively.

Revenue debt payable at December 31, 2022, consists of the following:

Business-Type Activities Revenue Debt

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2022</u>
Water Utility					
Safe drinking water loan from direct borrowing or direct placement	11/12/2009	5/1/2029	2.668%	\$ 1,417,481	\$ <u>601,185</u>
Electric Utility					
Electric revenue bonds	10/15/2014	12/1/2034	1.25 - 4.00%	4,035,000	<u>2,685,000</u>
Total business-type activities, revenue debt					<u>\$ 3,286,185</u>

Village of Trempealeau

Notes to Financial Statements
December 31, 2022

Debt service requirements to maturity are as follows:

<u>Years</u>	Business-Type Activities Revenue Debt	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 185,000	\$ 96,704
2024	190,000	91,431
2025	200,000	85,731
2026	205,000	79,531
2027	210,000	72,869
2028-2032	1,165,000	184,353
2033-2034	<u>530,000</u>	<u>32,000</u>
Total	<u>\$ 2,685,000</u>	<u>\$ 642,619</u>

<u>Years</u>	Business-Type Activities Revenue Debt from Direct Borrowings and Direct Placements	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 79,251	\$ 14,982
2024	81,365	12,840
2025	83,536	10,640
2026	85,765	8,382
2027	88,053	6,063
2028-2029	<u>183,215</u>	<u>4,920</u>
Total	<u>\$ 601,185</u>	<u>\$ 57,827</u>

Other Debt Information

Estimated payments of compensated absences and landfill liabilities are not included in the debt service requirement schedules. The vested compensated absences and landfill liabilities attributable to governmental activities will be liquidated primarily by the general 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, except as disclosed in Note 2.

The Village's outstanding State Trust Fund Loans from direct borrowings related to governmental activities of \$252,912 and business-type activities of \$124,190 contain clauses that any delinquent payments are subject to a penalty of one percent per month and shall be deducted from any state payments that are due to the Village.

The Village's outstanding notes and loans from direct borrowings related to governmental activities of \$385,771 and business-type activities of \$220,400 contain provisions that in an event of default, outstanding amounts become immediately due and payable.

The Village's outstanding debt from direct borrowings or direct placement related to business-type activities of \$601,185 contain provisions that (1) any delinquent payments can be deducted from any state payments that are due to the Village or a special charge may be added to the taxes apportioned to and levied upon the county in which the Village is located and (2) in an event of default, outstanding amounts become immediately due and payable or the interest rate may be increased to the market interest rate and (3) any delinquent payments may be intercepted from the revenue off the utility system.

Village of Trempealeau

Notes to Financial Statements
December 31, 2022

Lease Disclosures

Lessor - Lease Receivables

<u>Governmental Activities</u> <u>Lease Receivables Description</u>	<u>Date of</u> <u>Inception</u>	<u>Final</u> <u>Maturity</u>	<u>Interest Rates</u>	<u>Receivable</u> <u>Balance</u> <u>December 31,</u> <u>2022</u>
Lot rent for cell tower	May 15, 2020	May 15, 2060	.77%	\$ 544,497
Total governmental activities				<u>\$ 544,497</u>

The Village recognized \$2,525 of lease revenue during the fiscal year.

The Village recognized \$5,150 of interest revenue during the fiscal year.

Regulated Leases

The Village maintains certain regulated leases that, in accordance with GASB No. 87, do not recognize a lease receivable or a deferred inflow of resources. Regulated leases are subject to external laws, regulations, or legal rulings. The following summarizes these regulated leases:

In 1999, the Village entered into a 25 year lease with the US Department of the Army. No financial consideration was provided for in the lease. In 2008, the lease was amended to extend the term to 2033. In 2016, the Village entered into a sublease agreement with a Marina through 2033 for the use of this property. The terms of this agreement include annual revenue ranging from \$9,000 to \$15,000, paid in monthly installments. The Village recognized \$9,000 of revenues in the current reporting period.

Future minimum lease payments are as follows:

<u>Years</u>	<u>Amount</u>
2023	\$ 9,000
2024	9,000
2025	9,000
2026	10,750
2027	12,000
2028-2032	60,000
2033	<u>5,000</u>
Total	<u>\$ 114,750</u>

Closure and Postclosure Care Cost

State and federal laws and regulations require the Village to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the Village reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$16,886 reported as landfill closure and postclosure care liability at December 31, 2022, represents the total amount needed by the Village for post closure care costs according to state and federal regulations. Actual cost may be higher due to inflation, changes in technology or changes in regulations.

Village of Trempealeau

Notes to Financial Statements
December 31, 2022

The Village is required by state and federal laws and regulations to provide proof of financial assurance for the postclosure care costs. The Village is in compliance with these requirements and, at December 31, 2022, the Village had landfill maintenance and monitoring costs in the amount of \$12,289. The maintenance and monitoring expenses for long-term care will be budgeted for each year by the Village and the amount averages \$7,100 annually.

Net Position/Fund Balances

Net position reported on the government-wide statement of net position at December 31, 2022, includes the following:

Governmental Activities

Net investment in capital assets:

Land	\$ 334,426
Construction in progress	179,843
Other capital assets, net of accumulated depreciation	4,489,940
Less long-term debt outstanding (excluding unspent capital related debt proceeds)	(2,083,683)
Plus noncapital debt proceeds	371,521
Plus unspent proceeds	735,331
Plus business type activities assets funded with governmental activities debt	<u>190,915</u>
 Total net investment in capital assets	 <u><u>\$ 4,218,293</u></u>

Governmental Funds

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

	<u>General Fund</u>	<u>TIF #2</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Fund Balances				
Nonspendable:				
Advances	\$ 154,532	\$ -	\$ -	\$ 154,532
Prepaid items	<u>5,562</u>	<u>-</u>	<u>-</u>	<u>5,562</u>
Subtotal	<u>160,094</u>	<u>-</u>	<u>-</u>	<u>160,094</u>
Restricted for:				
TIF District, debt service	-	-	20,096	20,096
TIF District, capital projects	-	744,725	-	744,725
Housing loan, grantor restrictions	-	-	80	80
Trempealeau Trust, community betterment	-	-	19,168	19,168
Donor restrictions, library	-	-	102,116	102,116
State statues, library	-	-	32,733	32,733
Impact fees, parks	<u>49,819</u>	<u>-</u>	<u>-</u>	<u>49,819</u>
Subtotal	<u>49,819</u>	<u>744,725</u>	<u>174,193</u>	<u>968,737</u>
Committed to:				
Special projects, room tax	<u>22,745</u>	<u>-</u>	<u>-</u>	<u>22,745</u>
Subtotal	<u>22,745</u>	<u>-</u>	<u>-</u>	<u>22,745</u>
Unassigned:	<u>308,713</u>	<u>-</u>	<u>-</u>	<u>308,713</u>
Total fund balances	<u><u>\$ 541,371</u></u>	<u><u>\$ 744,725</u></u>	<u><u>\$ 174,193</u></u>	<u><u>\$ 1,460,289</u></u>

Village of Trempealeau

Notes to Financial Statements
December 31, 2022

Business-Type Activities

Net investment in capital assets:	
Land	\$ 152,680
Other capital assets, net of accumulated depreciation	8,051,840
Less long-term debt outstanding	(3,630,775)
Plus noncapital debt proceeds	246,426
Less capital related short-term debt outstanding	<u>(1,059,661)</u>
Total net investment in capital assets	<u>\$ 3,760,510</u>

4. Other Information

Employees' Retirement System

Plan Description

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

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

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

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.

Village of Trempealeau

Notes to Financial Statements
December 31, 2022

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.

Post-Retirement Adjustments

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

<u>Year</u>	<u>Core Fund Adjustment %</u>	<u>Variable Fund Adjustment %</u>
2012	(7.0)	(7.0)
2013	(9.6)	9.0
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)
2020	1.7	21.0
2021	5.1	13.0

Village of Trempealeau

Notes to Financial Statements
December 31, 2022

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 \$67,594 in contributions from the Village.

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

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (executives & elected officials)	6.75 %	6.75 %
Protective with Social Security	6.75 %	11.75 %
Protective without Social Security	6.75 %	16.35 %

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

At December 31, 2022, the Village reported an asset of \$451,473 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2021, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2020 rolled forward to December 31, 2021. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net pension asset was based on the Village's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2021, the Village's proportion was 0.00560128%, which was an increase of 0.00008546% from its proportion measured as of December 31, 2020.

For the year ended December 31, 2022, the Village recognized pension expense (revenue) of \$(52,048).

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between projected and actual experience	\$ 729,332	\$ 52,592
Changes in assumptions	84,229	-
Net differences between projected and actual earnings on pension plan investments	-	1,009,984
Changes in proportion and differences between employer contributions and proportionate share of contributions	757	1,065
Employer contributions subsequent to the measurement date	<u>77,361</u>	<u>-</u>
Total	<u>\$ 891,679</u>	<u>\$ 1,063,641</u>

Village of Trempealeau

Notes to Financial Statements
December 31, 2022

\$77,361 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Years Ending December 31:</u>	<u>Deferred Outflows of Resources and Deferred Inflows of Resources (net)</u>
2023	\$ (21,477)
2024	(122,523)
2025	(53,809)
2026	(51,514)

Actuarial Assumptions

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

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

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

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

Village of Trempealeau

Notes to Financial Statements
December 31, 2022

Long-Term Expected Return on Plan Assets

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

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

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

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

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

Village of Trempealeau

Notes to Financial Statements
December 31, 2022

Single Discount Rate

A single discount rate of 6.8% was used to measure the total pension liability, as opposed to a discount rate of 7.0% for the prior year. This single discount rate is based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 1.84% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2021. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the investment rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

	<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)	\$ 320,352	\$ (451,473)	\$ (1,007,044)

Pension Plan Fiduciary Net Position

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

At December 31, 2022, the Village reported a payable to the pension plan which represents contractually required contributions outstanding as of the end of the year.

Risk Management

The Village is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; workers compensation; and health care of its employees. 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 Trempealeau

Notes to Financial Statements
December 31, 2022

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.

Purchased Power Contracts

On August 1, 2011 the Village entered into a contract for the establishment and operation of Great Lakes Utilities (GLU), a municipal electric company formed pursuant to Section 66.0825 of the Wisconsin Statutes. GLU is a separate electric company of Wisconsin municipal electric utilities created to obtain low cost and reliable electric power for its members.

In 2011, the Village entered into a contract with GLU to purchase capacity, energy and renewable credits from Lakewind project for a 20 year term.

On November 1, 2014, the Village entered into a long term full requirements power supply contract with GLU. The contract has an initial term of 25 years and thereafter until terminated with notice as specified in the agreement.

Joint Ventures

The Village of Trempealeau and the Townships of Trempealeau and Caledonia jointly operate the local fire department, which is called the Trempealeau-Caledonia Fire Board (District) and provides fire service.

The governing body is made up of citizens from each community. Local representatives are appointed by the boards. The governing body has authority to adopt its own budget and control the financial affairs of the District. The Village is obligated by the joint venture agreement to remit an amount annually to the District. The Village made a payment to the District of \$52,631 in 2022.

Financial information of the District as of December 31, 2022 is available directly from the District's office.

Debt is being repaid with resources of the District and is secured by the taxing power of the participants. The transactions of the District are not reflected in these financial statements.

The Village does not have an equity interest in the District.

The Village of Trempealeau also participates in the Southern Trempealeau County Solid Waste Commission to jointly provide garbage and recycling service to residents of the Village of Trempealeau, City of Galesville, Village of Melrose and Towns of Caledonia, Gale, Trempealeau and Dodge. The governing body is made up of one member from each community. The Village made payments totaling \$22,712 to the Commission in 2022. During 2004, the Commission notified participants that part of the initial start-up assessment would be returned to the communities over the next five years. The final payment of the initial start-up assessment was received in 2008. Financial information can be obtained from the Village of Trempealeau or other participating communities.

Subsequent Event

In April 2023, the Village signed a contract for a water and sewer extension project in the amount of \$518,779. The project will be paid for using 2022 bond proceeds in TIF District #2.

Village of Trempealeau

Notes to Financial Statements
December 31, 2022

Effect of New Accounting Standards on Current-Period Financial Statements

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

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

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

REQUIRED SUPPLEMENTARY INFORMATION

Village of Trempealeau

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

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues			
Taxes			
Property	\$ 447,810	\$ 448,810	\$ 1,000
Mobile home taxes	65,000	48,404	(16,596)
Public accommodation (room) taxes	18,500	36,568	18,068
Payments in lieu of taxes	<u>9,000</u>	<u>10,892</u>	<u>1,892</u>
Total taxes	<u>540,310</u>	<u>544,674</u>	<u>4,364</u>
Intergovernmental Revenues			
State shared revenues	235,752	237,018	1,266
Fire insurance tax from state	5,843	6,476	633
Federal grants, elections	-	1,200	1,200
State aid, computer exemption	133	264	131
State aid, law enforcement improvement	5,354	8,120	2,766
State aid, connecting streets	99,485	99,209	(276)
Aid in lieu of taxes	<u>-</u>	<u>352</u>	<u>352</u>
Total intergovernmental revenues	<u>346,567</u>	<u>352,639</u>	<u>6,072</u>
Licenses and Permits			
Liquor and malt beverage licenses	3,000	3,060	60
Operators' license	500	555	55
Cigarette licenses	20	50	30
Soda licenses	100	130	30
Dog and cat licenses	700	401	(299)
Building permits	6,000	1,485	(4,515)
Zoning permits and fees	2,000	4,450	2,450
Fireworks permits	100	-	(100)
Other permits	<u>350</u>	<u>715</u>	<u>365</u>
Total licenses and permits	<u>12,770</u>	<u>10,846</u>	<u>(1,924)</u>
Fines, Forfeitures and Penalties			
Court penalties and costs	3,000	1,346	(1,654)
Parking violations	200	40	(160)
Other law and ordinance violations	<u>500</u>	<u>655</u>	<u>155</u>
Total fines, forfeitures and penalties	<u>3,700</u>	<u>2,041</u>	<u>(1,659)</u>
Public Charges for Services			
Clerk's fees	7,500	9,738	2,238
License publication fees	100	175	75
Landfill	3,500	6,174	2,674
Swimming areas	35,000	35,455	455
Parkland development	6,000	2,000	(4,000)
Reimbursement for police services	<u>-</u>	<u>3,314</u>	<u>3,314</u>
Total public charges for services	<u>52,100</u>	<u>56,856</u>	<u>4,756</u>
Special Assessments			
Street improvements	<u>1,255</u>	<u>2,907</u>	<u>1,652</u>

See notes to required supplementary information

Village of Trempealeau

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

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Investment Income			
Investment income	\$ 4,760	\$ 465	\$ (4,295)
Interest on special assessments	<u>100</u>	<u>329</u>	<u>229</u>
Total investment income	<u>4,860</u>	<u>794</u>	<u>(4,066)</u>
Miscellaneous			
Donations	2,000	2,345	345
Rent	11,000	16,456	5,456
Other miscellaneous	<u>32,200</u>	<u>23,304</u>	<u>(8,896)</u>
Total miscellaneous	<u>45,200</u>	<u>42,105</u>	<u>(3,095)</u>
Total revenues	<u>1,006,762</u>	<u>1,012,862</u>	<u>6,100</u>
Expenditures			
General Government			
Village board	4,030	4,554	(524)
Legal	10,000	3,154	6,846
Administrator	32,833	26,372	6,461
Clerk	22,019	20,108	1,911
Treasurer	35,799	40,804	(5,005)
Accounting	20,000	15,093	4,907
Elections	7,591	3,912	3,679
Assessor	8,800	8,500	300
General buildings/plant/hall	45,000	40,304	4,696
Property and liability insurance	15,000	14,960	40
Other general government	<u>13,000</u>	<u>27,199</u>	<u>(14,199)</u>
Total general government	<u>214,072</u>	<u>204,960</u>	<u>9,112</u>
Public Safety			
Police	389,949	409,499	(19,550)
Fire protection	46,160	52,631	(6,471)
EMT	<u>7,924</u>	<u>7,924</u>	<u>-</u>
Total public safety	<u>444,033</u>	<u>470,054</u>	<u>(26,021)</u>
Public Works			
Shop operations	160,483	47,046	113,437
Machinery operation and maintenance	8,500	18,156	(9,656)
Street maintenance	8,000	62,705	(54,705)
Tree and brush removal	6,700	15,360	(8,660)
Snow and ice control	9,000	29,206	(20,206)
Traffic control	1,000	4,067	(3,067)
Street lighting	35,000	31,189	3,811
Refuse and garbage collection	2,200	2,530	(330)
Recycling	22,212	22,712	(500)
Sanitary landfill	7,500	12,289	(4,789)
Weed control	<u>250</u>	<u>1,453</u>	<u>(1,203)</u>
Total public works	<u>260,845</u>	<u>246,713</u>	<u>14,132</u>

See notes to required supplementary information

Village of Trempealeau

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

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Culture, Recreation and Education			
Parks	\$ 12,000	\$ 22,884	\$ (10,884)
Recreation	10,000	10,052	(52)
Celebrations and entertainment	1,500	5,461	(3,961)
Swimming pool	<u>102,699</u>	<u>117,448</u>	<u>(14,749)</u>
Total culture, recreation and education	<u>126,199</u>	<u>155,845</u>	<u>(29,646)</u>
Conservation and Development			
Planning	1,000	801	199
Zoning	2,500	3,012	(512)
Economic development	<u>-</u>	<u>260</u>	<u>(260)</u>
Total conservation and development	<u>3,500</u>	<u>4,073</u>	<u>(573)</u>
Total expenditures	<u>1,048,649</u>	<u>1,081,645</u>	<u>(32,996)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(41,887)</u>	<u>(68,783)</u>	<u>(26,896)</u>
Other Financing Sources (Uses)			
Transfers in	141,372	146,360	4,988
Transfers out	<u>(99,485)</u>	<u>(132,124)</u>	<u>(32,639)</u>
Total other financing sources (uses)	<u>41,887</u>	<u>14,236</u>	<u>(27,651)</u>
Net change in fund balance	-	(54,547)	(54,547)
Fund Balance, Beginning	<u>595,918</u>	<u>595,918</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 595,918</u>	<u>\$ 541,371</u>	<u>\$ (54,547)</u>

See notes to required supplementary information

Village of Trempealeau

Schedule of Employer's Proportionate Share of the Net Pension Asset (Liability)

Wisconsin Retirement System

Year Ended December 31, 2022

WRS Fiscal Year End Date	Proportion of the Net Pension Asset/Liability	Proportionate Share of the Net Pension Asset (Liability)	Covered Payroll	Proportionate Share of the Net Pension Asset/Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/21	0.00560128 %	\$ 451,473	\$ 849,011	53.18 %	106.02 %
12/31/20	0.00551582 %	344,360	783,317	43.96 %	105.26 %
12/30/19	0.00556998 %	179,601	779,645	23.04 %	102.96 %
12/31/18	0.00524998 %	(186,777)	751,857	24.84 %	96.45 %
12/31/17	0.00492193 %	146,137	743,581	19.65 %	102.93 %
12/31/16	0.00444463 %	(36,634)	613,338	5.97 %	99.12 %
12/31/15	0.00427860 %	(69,526)	610,634	11.39 %	98.20 %
12/31/14	0.00409911 %	100,685	546,593	18.42 %	102.74 %

Schedule of Employer Contributions - Wisconsin Retirement System

Year Ended December 31, 2022

Village Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/22	\$ 77,361	\$ 77,361	\$ -	996,784	7.76 %
12/31/21	66,478	66,478	-	849,011	7.83 %
12/30/20	61,316	61,316	-	783,317	7.83 %
12/31/19	58,453	58,453	-	779,800	7.50 %
12/31/18	57,713	57,713	-	751,857	7.68 %
12/31/17	56,848	56,848	-	743,581	7.65 %
12/31/16	43,334	43,334	-	613,338	7.07 %
12/31/15	44,343	44,343	-	610,634	7.26 %

See notes to required supplementary information

Village of Trempealeau

Notes to Required Supplementary Information
Year Ended December 31, 2022

Budgetary Information

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

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

SUPPLEMENTARY INFORMATION

Village of Trempealeau

Combining Balance Sheet
 Nonmajor Governmental Funds
 December 31, 2022

	Special Revenue			
	<u>Library</u>	<u>Block Grant</u>	<u>Trempealeau Trust Fund</u>	<u>ARPA Grant</u>
Assets				
Cash and investments	\$ 184,136	\$ 80	\$ 19,123	\$ 143,590
Receivables:				
Taxes	91,604	-	-	-
Notes	-	64,934	-	-
Other	-	-	45	-
Total assets	<u>\$ 275,740</u>	<u>\$ 65,014</u>	<u>\$ 19,168</u>	<u>\$ 143,590</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Accounts payable	\$ 3,079	\$ -	\$ -	\$ -
Accrued liabilities	3,926	-	-	-
Unearned revenues	<u>42,282</u>	<u>-</u>	<u>-</u>	<u>143,590</u>
Total liabilities	<u>49,287</u>	<u>-</u>	<u>-</u>	<u>143,590</u>
Deferred Inflows of Resources				
Unearned revenues	91,604	-	-	-
Unavailable revenues	<u>-</u>	<u>64,934</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>91,604</u>	<u>64,934</u>	<u>-</u>	<u>-</u>
Fund Balances				
Restricted	<u>134,849</u>	<u>80</u>	<u>19,168</u>	<u>-</u>
Total fund balances	<u>134,849</u>	<u>80</u>	<u>19,168</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 275,740</u>	<u>\$ 65,014</u>	<u>\$ 19,168</u>	<u>\$ 143,590</u>

<u>Debt Service</u>		
<u>TIF #1</u>		<u>Total Nonmajor Governmental Funds</u>
\$ 20,096	\$	367,025
88,221		179,825
-		64,934
<u>-</u>		<u>45</u>
<u>\$ 108,317</u>	<u>\$</u>	<u>611,829</u>

\$ -	\$	3,079
-		3,926
<u>-</u>		<u>185,872</u>
<u>-</u>		<u>192,877</u>
88,221		179,825
<u>-</u>		<u>64,934</u>
<u>88,221</u>		<u>244,759</u>
<u>20,096</u>		<u>174,193</u>
<u>20,096</u>		<u>174,193</u>
<u>\$ 108,317</u>	<u>\$</u>	<u>611,829</u>

Village of Trempealeau

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

	Special Revenue			
	<u>Library</u>	<u>Block Grant</u>	<u>Trempealeau Trust Fund</u>	<u>ARPA Grant</u>
Revenues				
Taxes	\$ 91,604	\$ -	\$ -	\$ -
Intergovernmental	82,295	-	-	30,579
Investment income	717	-	96	-
Miscellaneous	<u>31,286</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>205,902</u>	<u>-</u>	<u>96</u>	<u>30,579</u>
Expenditures				
Current:				
Culture, recreation and education	175,639	-	-	-
Conservation and development	-	-	-	-
Capital outlay	16,718	-	-	30,579
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>192,357</u>	<u>-</u>	<u>-</u>	<u>30,579</u>
Net change in fund balances	13,545	-	96	-
Fund Balances, Beginning	<u>121,304</u>	<u>80</u>	<u>19,072</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 134,849</u>	<u>\$ 80</u>	<u>\$ 19,168</u>	<u>\$ -</u>

<u>Debt Service</u>		Total Nonmajor Governmental Funds	
<u>TIF #1</u>			
\$	71,737	\$	163,341
	935		113,809
	12		825
	<u>-</u>		<u>31,286</u>
	<u>72,684</u>		<u>309,261</u>
	-		175,639
	4,389		4,389
	-		47,297
	44,056		44,056
	<u>5,523</u>		<u>5,523</u>
	<u>53,968</u>		<u>276,904</u>
	18,716		32,357
	<u>1,380</u>		<u>141,836</u>
<u>\$</u>	<u>20,096</u>	<u>\$</u>	<u>174,193</u>

Village of Trempealeau

Detailed Schedule of Operating Revenues and Expenses - Electric
Year Ended December 31, 2022

Operating Revenues

Sales of electricity:

Residential	\$ 1,307,141
Small commercial	457,134
Large power	300,662
Public street lighting	31,915

Total sales of electricity 2,096,852

Other operating revenues:

Forfeited discounts	3,462
Rent from electric property	7,927
Other electric revenues	14,009

Total other operating revenues 25,398

Total operating revenues 2,122,250

Operating Expenses

Operation and maintenance expenses:

Other power supply expenses:

Purchased power	1,070,307
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Total other power supply expenses 1,070,307

Transmission expenses:

Operation supervision and labor	123,422
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Total transmission expenses 123,422

Distribution expenses:

Line and station supplies and expenses	37,472
Meter expenses	14,679
Customer installation expenses	13,894
Maintenance of structures	72,732
Maintenance of lines	63,173
Maintenance of line transformers	2,598
Maintenance of street lighting	6,408
Maintenance of distribution	343
Maintenance of meters	7,767

Total distribution expenses 219,066

Village of Trempealeau

Detailed Schedule of Operating Revenues and Expenses - Electric
Year Ended December 31, 2022

Customer accounts expenses:	
Accounting and collecting labor	\$ 88,971
Supplies and expenses	7,855
Uncollectible accounts	201
	<hr/>
Total customer accounts expenses	97,027
	<hr/>
Administrative and general expenses:	
Administrative and general salaries	4,742
Office supplies and expenses	23,024
Outside services employed	23,732
Property insurance	16,152
Injuries and damages	4,157
Employee pensions and benefits	60,363
Regulatory commission expense	15,973
Miscellaneous general expenses	11,322
Transportation expenses	7,042
Maintenance of general plant	12,387
	<hr/>
Total administrative and general expenses	178,894
	<hr/>
Total operation and maintenance expenses	1,688,716
	<hr/>
Depreciation	315,030
Taxes	33,512
	<hr/>
Total operating expenses	2,037,258
	<hr/>
Operating income	\$ 84,992
	<hr/> <hr/>

Village of Trempealeau

Detailed Schedule of Operating Revenues and Expenses - Water
Year Ended December 31, 2022

Operating Revenues

Sales of water:

Metered sales, residential	\$ 282,168
Metered sales, commercial	58,478
Metered sales, multi-family residential	4,911
Public fire protection	120,143
Other sales to public authorities	<u>22,382</u>
Total sales of water	<u>488,082</u>

Other operating revenues:

Forfeited discounts	918
Other water revenue	<u>7,780</u>
Total other operating revenues	<u>8,698</u>

Total operating revenues 496,780

Operating Expenses

Operation and maintenance expenses:

Pumping expenses:

Fuel or power purchased for pumping	18,951
Operation supplies and expenses	2,082
Maintenance of pumping plant	<u>57,982</u>
Total pumping expenses	<u>79,015</u>

Water treatment expenses:

Chemicals	21,697
Operation supplies and expenses	<u>64,517</u>
Total water treatment expenses	<u>86,214</u>

Transmission and distribution expenses:

Maintenance of reservoirs	1,756
Maintenance of mains	4,704
Maintenance of meters	5,754
Maintenance of hydrants	<u>1,377</u>
Total transmission and distribution expenses	<u>13,591</u>

Village of Trempealeau

Detailed Schedule of Operating Revenues and Expenses - Water
Year Ended December 31, 2022

Customer accounts expenses:	
Meter reading labor	\$ 42
Accounting and collecting labor	55,903
Supplies and expenses	4,502
Uncollectible accounts	18
	<hr/>
Total customer accounts expenses	60,465
	<hr/>
Administrative and general expenses:	
Administrative and general salaries	2,964
Office supplies and expenses	15,635
Outside services employed	12,859
Property insurance	16,866
Employee pensions and benefits	48,065
Miscellaneous general expenses	7,144
Transportation expenses	1,408
Injuries and damages	1,800
	<hr/>
Total administrative and general expenses	106,741
	<hr/>
Total operation and maintenance expenses	346,026
	<hr/>
Depreciation expense	124,182
Taxes	6,283
	<hr/>
Total operating expenses	476,491
	<hr/>
Operating income	\$ 20,289
	<hr/>

Village of Trempealeau

Detailed Schedule of Operating Revenues and Expenses - Sewer
Year Ended December 31, 2022

Operating Revenues

Sewage service:	
Metered sales, residential	\$ 493,421
Metered sales, commercial	91,498
Metered sales, public authority	<u>62,000</u>
Total sales of water	<u>646,919</u>
Other operating revenues:	
Forfeited discounts	<u>1,145</u>
Total other operating revenues	<u>1,145</u>
Total operating revenues	<u>648,064</u>

Operating Expenses

Operation and maintenance expenses:	
Collection, pumping and treatment expenses:	
Power for pumping	51,273
Operating supplies	21,129
Maintenance of pumping equipment	4,034
Maintenance of collection system	72,889
Maintenance of treatment and disposal	1,656
Maintenance of general plant equipment	<u>288</u>
Total collection, pumping and treatment expenses	<u>151,269</u>
Customer accounts expenses:	
Meter reading labor	450
Accounting and collecting labor	62,945
Uncollectible accounts	<u>15</u>
Total customer accounts expenses	<u>63,410</u>
Administrative and general expenses:	
Administrative and general salaries	3,409
Office supplies and expenses	18,298
Outside services employed	18,185
Property insurance	15,160
Employee pensions and benefits	47,372
Miscellaneous general expenses	11,051
Transportation expenses	1,421
Rent	<u>5,026</u>
Total administrative and general expenses	<u>119,922</u>
Total operation and maintenance expenses	334,601
Depreciation expense	186,690
Taxes	<u>10,984</u>
Total operating expenses	<u>532,275</u>
Operating income	<u>\$ 115,789</u>

Village of Trempealeau

Required Bond Disclosures

Year Ended December 31, 2022

Insurance Coverage

Type	Coverage	Expiration
Municipal Property Insurance Company		
Buildings, Personal Property, Inland Marine Floater and Property in the Open	\$ 23,894,647	1/1/2023
Contractors Equipment Equipment	852,590 23,894,647	1/1/2023
Monies and Securities	10,000	
League of Wisconsin Municipalities		
Worker's Compensation, Accident	100,000	each accident
Worker's Compensation, Disease	100,000/500,000	each employee/policy limit
Worker Compensation Increase Limits	2,000,000	limit
Bodily Injury and Property Damage	3,000,000	each occurrence
Personal and Advertising Injury and Law Enforcement	3,000,000	each occurrence
Damages to Rented Premises	500,000	limit
Premises Medical Payments	10,000	limit
Public Officials Errors and Omissions	3,000,000	each occurrence
Automobile Liability, Any Auto	3,000,000	each occurrence
Employee Benefits Liability	3,000,000	each occurrence
Automobile Physical Damage	897,845	replacement cost
Automobile Medical Payments, Owned Autos	10,000	limit
Uninsured Motorists	25,000/50,000	per person/per occurrence
Underinsured Motorists	50,000/100,000	per person/per occurrence
Sewer Backup Extended Coverage	100,000/300,000	per occurrence/annual aggregate

Debt Coverage

	Electric 2022	Water 2022
Net income (loss)	\$ (15,112)	\$ 100,658
Depreciation and amortization	324,753	124,182
Interest expense	110,076	16,711
Property tax equivalent	84,259	62,100
Less capital contributions	(111,601)	(159,140)
 Net defined earnings	 \$ 392,375	 \$ 144,511
Annual Debt Service	\$ 286,514	\$ 94,260
Annual Debt Coverage	1.37	1.53
Required Coverage per Resolution	1.25	1.25

Village of Trempealeau

Required Bond Disclosures

Year Ended December 31, 2022

Number of Customers

	<u>Electric</u>	<u>Water</u>	<u>Sewer</u>
Residential	1,187	757	763
Commercial	234	55	9
Public authority	2	16	-
Multi-family residential	-	4	-
Fire protection	-	3	-
Total	<u>1,423</u>	<u>835</u>	<u>772</u>

FORM OF LEGAL OPINION

(See following pages)

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

May 30, 2024

Re: Village of Trempealeau, Wisconsin ("Issuer")
\$3,595,000 General Obligation Promissory Notes, Series 2024A,
dated May 30, 2024 ("Notes")

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

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

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

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2025	\$ 35,000	___%
2026	100,000	___
2027	120,000	___
2028	145,000	___
2029	145,000	___
2030	155,000	___
2031	165,000	___
2032	165,000	___
2033	175,000	___
2034	180,000	___
2035	185,000	___
2036	190,000	___
2037	200,000	___
2038	210,000	___
2039	240,000	___
2040	250,000	___
2041	260,000	___
2042	280,000	___
2043	215,000	___
2044	180,000	___

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

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

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

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

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

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

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

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

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

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

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

QUARLES & BRADY LLP

BOOK-ENTRY-ONLY SYSTEM

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

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

FORM OF CONTINUING DISCLOSURE CERTIFICATE

(See following pages)

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the Village of Trempealeau, Trempealeau County, Wisconsin (the "Issuer") in connection with the issuance of \$3,595,000 General Obligation Promissory Notes, Series 2024A, dated May 30, 2024 (the "Securities"). The Securities are being issued pursuant to a resolution adopted on May 2, 2024 (the "Resolution") and delivered to _____ (the "Purchaser") on the date hereof. Pursuant to the Resolution, the Issuer has covenanted and agreed to provide continuing disclosure of certain financial information and operating data annually and timely notices of the occurrence of certain events. In addition, the Issuer hereby specifically covenants and agrees as follows:

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

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

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

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

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

"Final Official Statement" means the Final Official Statement dated May 2, 2024 delivered in connection with the Securities, which is available from the MSRB.

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

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

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

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

"Issuer Contact" means the Administrator/Finance Director of the Issuer who can be contacted at 24455 3rd Street, Trempealeau, Wisconsin 54661, phone (608) 534-6434, fax (608) 534-6280.

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

"MSRB" means the Municipal Securities Rulemaking Board.

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

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

"SEC" means the Securities and Exchange Commission.

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

(a) The Issuer shall, not later than 365 days after the end of the Fiscal Year, commencing with the year ending December 31, 2023, provide the MSRB with an Annual Report filed in accordance with Section 1(b) of this Disclosure Certificate and which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the Audited Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report and that, if Audited Financial Statements are not available within 365 days after the end of the Fiscal Year, unaudited financial information will be provided, and Audited Financial Statements will be submitted to the MSRB when and if available.

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

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

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

Section 5. Reporting of Listed Events.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

IN WITNESS WHEREOF, we have executed this Certificate in our official capacities effective the 30th day of May, 2024.

(SEAL)

Jeff Barry
President

Kathy Peterson
Village Clerk/Deputy Treasurer

NOTICE OF SALE

**\$3,595,000* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2024A
VILLAGE OF TREMPLEALEAU, WISCONSIN**

Bids for the purchase of \$3,595,000* General Obligation Promissory Notes, Series 2024A (the "Notes") of the Village of Trempealeau, Wisconsin (the "Village") will be received at the offices of Ehlers and Associates, Inc. ("Ehlers"), 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, municipal advisors to the Village, until 10:00 A.M., Central Time, and **ELECTRONIC PROPOSALS** will be received via bondsale@ehlers-inc.com or **PARITY**, in the manner described below, until 10:00 A.M. Central Time, on May 2, 2024, at which time they will be opened, read and tabulated. The bids will be presented to the Board of Trustees for consideration for award by resolution at a meeting to be held at 7:00 P.M., Central Time, on the same date. The bid offering to purchase the Notes upon the terms specified herein and most favorable to the Village will be accepted unless all bids are rejected.

AUTHORITY; PURPOSE

The Notes are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the Village, for public purposes, including paying the cost of the Parkland Development project and to effect a current refunding certain outstanding general obligations of the Village.

DATES AND MATURITIES

The Notes will be dated May 30, 2024, will be issued as fully registered Notes in the denomination of \$5,000 each, or any integral multiple thereof, and will mature on May 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2025	\$35,000	2032	\$165,000	2039	\$240,000
2026	100,000	2033	175,000	2040	250,000
2027	120,000	2034	180,000	2041	260,000
2028	145,000	2035	185,000	2042	280,000
2029	145,000	2036	190,000	2043	215,000
2030	155,000	2037	200,000	2044	180,000
2031	165,000	2038	210,000		

ADJUSTMENT OPTION

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

TERM BOND OPTION

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

INTEREST PAYMENT DATES AND RATES

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

BOOK-ENTRY-ONLY FORMAT

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

PAYING AGENT

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

OPTIONAL REDEMPTION

At the option of the Village, the Notes maturing on or after May 1, 2033 shall be subject to optional redemption prior to maturity on May 1, 2032 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

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

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

DELIVERY

On or about May 30, 2024, the Notes will be delivered without cost to the winning bidder at DTC. On the day of closing, the Village will furnish to the winning bidder the opinion of bond counsel hereinafter described, an arbitrage certification, and certificates verifying that no litigation in any manner questioning the validity of the Notes is then pending or, to the best knowledge of officers of the Village, threatened. Payment for the Notes must be received by the Village at its designated depository on the date of closing in immediately available funds.

LEGAL OPINION

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

STATEMENT REGARDING COUNSEL PARTICIPATION

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

SUBMISSION OF BIDS

Bids must not be for less than \$3,550,063 plus accrued interest on the principal sum of \$3,595,000 from date of original issue of the Notes to date of delivery. Prior to the time established above for the opening of bids, interested parties may submit a bid as follows:

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

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

A good faith deposit ("Deposit") in the amount of \$71,900 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The Village reserves the right to award the Notes to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the Village may award the Notes to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the Village as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith.

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

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

AWARD

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

BOND INSURANCE

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

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

CUSIP NUMBERS

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

QUALIFIED TAX-EXEMPT OBLIGATIONS

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

CONTINUING DISCLOSURE

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

NEW ISSUE PRICING

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(i) "public" means any person other than an underwriter or a related party,

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

PRELIMINARY OFFICIAL STATEMENT

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

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

By Order of the Board of Trustees

Village of Trempealeau, Wisconsin

BID FORM

The Board of Trustees
Village of Trempealeau, Wisconsin (the "Village")

May 2, 2024

RE: \$3,595,000* General Obligation Promissory Notes, Series 2024A (the "Notes")
DATED: May 30, 2024

For all or none of the above Notes, in accordance with the Notice of Sale and terms of the Global Book-Entry System (unless otherwise specified by the Purchaser) as stated in this Official Statement, we will pay you \$_____ (not less than \$3,550,063) plus accrued interest to date of delivery for fully registered Notes bearing interest rates and maturing in the stated years as follows:

_____ % due	2025	_____ % due	2032	_____ % due	2039
_____ % due	2026	_____ % due	2033	_____ % due	2040
_____ % due	2027	_____ % due	2034	_____ % due	2041
_____ % due	2028	_____ % due	2035	_____ % due	2042
_____ % due	2029	_____ % due	2036	_____ % due	2043
_____ % due	2030	_____ % due	2037	_____ % due	2044
_____ % due	2031	_____ % due	2038		

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

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

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

A good faith deposit ("Deposit") in the amount of \$71,900 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The Village reserves the right to award the Notes to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the Village may award the Notes to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the Village as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith. We agree to the conditions and duties of Ehlers and Associates, Inc., as escrow holder of the Deposit, pursuant to the Notice of Sale. This bid is for prompt acceptance and is conditional upon delivery of said Notes to The Depository Trust Company, New York, New York, in accordance with the Notice of Sale. Delivery is anticipated to be on or about May 30, 2024.

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

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

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

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

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

Account Manager: _____ By: _____
Account Members:

Award will be on a true interest cost basis. According to our computations (the correct computation being controlling in the award), the total dollar interest cost (including any discount or less any premium) computed from May 30, 2024 of the above bid is \$_____ and the true interest cost (TIC) is _____ %.

The foregoing offer is hereby accepted by and on behalf of the Board of Trustees of the Village of Trempealeau, Wisconsin, on May 2, 2024.

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