



VILLAGE OF SPRING GREEN, WISCONSIN
FINANCIAL STATEMENTS
Including Independent Auditor's Report
As of and for the year ended December 31, 2023

Johnson Block & Company, Inc.
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Village of Spring Green, Wisconsin
December 31, 2023

Table of Contents

Independent Auditor's Report	1
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Basic Financial Statements

Government-Wide Financial Statements:

Exhibit A-1	Statement of Net Position	4
Exhibit A-2	Statement of Activities.....	6

Fund Financial Statements:

Exhibit A-3	Balance Sheet – Governmental Funds.....	7
Exhibit A-4	Reconciliation of the Governmental Funds Balance Sheet with the Statement of Net Position	8
Exhibit A-5	Statement of Revenues, Expenditures and Changes in Fund Balances -Governmental Funds.....	9
Exhibit A-6	Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities	10
Exhibit A-7	Statement of Net Position – Proprietary Funds	11
Exhibit A-8	Statement of Revenues, Expenses and Changes in Net Position -Proprietary Funds.....	13
Exhibit A-9	Statement of Cash Flows – Proprietary Funds	14
Exhibit A-10	Statement of Fiduciary Net Position	16
Exhibit A-11	Statement of Changes in Fiduciary Net Position	17

Notes to the Basic Financial Statements.....	18
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Required Supplementary Information:

Exhibit B-1	Budgetary Comparison Schedule for the General Fund	54
Exhibit B-2	Wisconsin Retirement System Schedules	55
Exhibit B-3	Local Retiree Life Insurance Fund Schedules	56
Notes to Required Supplementary Information.....		57

Supplementary Information:

Exhibit C-1	Combining Balance Sheet – Nonmajor Governmental Funds.....	62
Exhibit C-2	Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Governmental Funds	63



INDEPENDENT AUDITOR'S REPORT

To the Village Board
Village of Spring Green, Wisconsin

Opinions

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Required Supplementary Information

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and are derived from and relate 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 combining and individual nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

Report of Summarized Comparative Information

We have previously audited the Village's 2022 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information in our report dated October 12, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Johnson Block & Company, Inc.

Johnson Block & Company, Inc.
October 7, 2024

BASIC FINANCIAL STATEMENTS

Exhibit A-1
Village of Spring Green, Wisconsin
Statement of Net Position
December 31, 2023
(With Summarized Financial Information as of December 31, 2022)

	Governmental Activities	Business-Type Activities	Totals	
			2023	2022
ASSETS				
Current assets:				
Cash and investments	\$ 3,771,515	\$ 2,682,169	\$ 6,453,684	\$ 6,855,019
Cash and investments-restricted		176,818	176,818	169,931
Receivables:				
Taxes	1,079,855		1,079,855	1,124,717
Customer		235,107	235,107	226,065
Other governments		6,405	6,405	5,826
Other				6,737
Leases	75,023		75,023	69,458
Special assessments	19,998		19,998	33,875
Prepays				25,182
Internal balances	(16,884)	16,884		
Materials and supplies		9,746	9,746	10,727
Total current assets	4,929,507	3,127,129	8,056,636	8,527,537
Noncurrent assets:				
Lease receivable	1,251,600		1,251,600	1,317,136
Capital assets:				
Property, plant and equipment	12,196,535	11,590,668	23,787,203	22,461,241
Less: accumulated depreciation	(4,299,743)	(5,202,518)	(9,502,261)	(9,563,133)
Net book value of capital assets	7,896,792	6,388,150	14,284,942	12,898,108
Restricted assets:				
Net pension asset				295,867
Total noncurrent assets	9,148,392	6,388,150	15,536,542	14,511,111
Total assets	14,077,899	9,515,279	23,593,178	23,038,648
DEFERRED OUTFLOWS OF RESOURCES				
Deferred pension outflows	582,681	147,679	730,360	577,996
OPEB - group life insurance plan outflows	6,544	2,290	8,834	16,029
Total deferred outflows of resources	589,225	149,969	739,194	594,025
Total assets and deferred outflows of resources	\$ 14,667,124	\$ 9,665,248	\$ 24,332,372	\$ 23,632,673

Exhibit A-1 (Continued)
Village of Spring Green, Wisconsin
Statement of Net Position
December 31, 2023
(With Summarized Financial Information as of December 31, 2022)

	Governmental Activities	Business-Type Activities	Totals	
			2023	2022
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 208,949	\$ 34,216	\$ 243,165	\$ 47,465
Unearned revenue		171,761	171,761	171,762
Due to other governments		21,064	21,064	21,444
Accrued interest	54,044	13,333	67,377	70,794
Current maturities of long-term debt	260,000	60,000	320,000	205,000
Current portion of compensated absences	26,694		26,694	25,082
Total current liabilities	549,687	300,374	850,061	541,547
Long-term liabilities:				
Compensated absences	63,885		63,885	59,857
Net pension liability	156,750	39,729	196,479	
General obligation debt	4,800,000	1,180,000	5,980,000	6,185,000
Debt premium	171,958		171,958	182,993
OPEB - group life insurance plan	16,167	5,656	21,823	48,258
Less: current portion	(286,694)	(60,000)	(346,694)	(230,082)
Total long-term liabilities	4,922,066	1,165,385	6,087,451	6,246,026
Total liabilities	5,471,753	1,465,759	6,937,512	6,787,573
DEFERRED INFLOWS OF RESOURCES				
Deferred pension inflows	329,782	83,583	413,365	697,831
Leases	1,285,658		1,285,658	1,366,911
OPEB - group life insurance plan inflows	26,213	9,171	35,384	17,958
Deferred revenue	1,692,551		1,692,551	1,564,695
Total deferred inflows of resources	3,334,204	92,754	3,426,958	3,647,395
NET POSITION				
Net investment in capital assets	4,582,165	5,208,150	9,790,315	8,258,481
Restricted for:				
DNR replacement fund		176,818	176,818	169,931
Prairie Sanitary District improvements		39,506	39,506	34,991
TIF expenditures	114,128		114,128	87,113
Library	59,762		59,762	85,992
Economic development	5,748		5,748	5,748
Net pension asset				295,867
Other	1,032,093		1,032,093	870,949
Unrestricted	67,271	2,682,261	2,749,532	3,388,633
Total net position	5,861,167	8,106,735	13,967,902	13,197,705
Total liabilities, deferred inflows of resources, and net position	\$ 14,667,124	\$ 9,665,248	\$ 24,332,372	\$ 23,632,673

Exhibit A-2
Village of Spring Green, Wisconsin
Statement of Activities
For the Year Ended December 31, 2023
(With Summarized Financial Information for the Year Ended December 31, 2022)

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Position			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Totals	
							2023	2022
Primary Government:								
Governmental activities:								
General government	\$ 218,834	\$ 118,353	\$	\$	\$ (100,481)	\$	\$ (100,481)	\$ (57,081)
Public safety	769,807	27,415	27,471		(714,921)		(714,921)	(708,505)
Public works	454,124		143,320		(310,804)		(310,804)	(357,827)
Sanitation	124,819	114,395	1,946		(8,478)		(8,478)	(6,883)
Leisure activities	469,149	137,395	51,442	5,196	(275,116)		(275,116)	(208,682)
Conservation and economic development	23,149				(23,149)		(23,149)	(47,523)
Interest and fiscal charges	122,054				(122,054)		(122,054)	(126,338)
Total governmental activities	<u>2,181,936</u>	<u>397,558</u>	<u>224,179</u>	<u>5,196</u>	<u>(1,555,003)</u>		<u>(1,555,003)</u>	<u>(1,512,839)</u>
Business-type activities:								
Water utility	276,879	537,206				260,327	260,327	251,988
Sewer utility	516,530	531,696				15,166	15,166	15,690
Total business-type activities	<u>793,409</u>	<u>1,068,902</u>				<u>275,493</u>	<u>275,493</u>	<u>267,678</u>
Total primary government	<u>\$ 2,975,345</u>	<u>\$ 1,466,460</u>	<u>\$ 224,179</u>	<u>\$ 5,196</u>	<u>(1,555,003)</u>	<u>275,493</u>	<u>(1,279,510)</u>	<u>(1,245,161)</u>
General revenues:								
Property taxes								
General purposes					713,812		713,812	688,673
Capital projects					429,186		429,186	443,921
Debt service					135,207		135,207	133,406
Tax increments					170,686		170,686	242,294
Other taxes					3,939		3,939	4,378
Federal and state aid not restricted for specific purposes					144,223		144,223	143,771
Interest and investment earnings					203,735	89,168	292,903	93,978
Unrealized gain/(loss) on investments					144,426		144,426	(140,925)
(Loss) on sale of fixed assets					(3,433)		(3,433)	(22,500)
Miscellaneous					18,758		18,758	12,361
Transfers					59,401	(59,401)		
Total general revenues and transfers					<u>2,019,940</u>	<u>29,767</u>	<u>2,049,707</u>	<u>1,599,357</u>
Changes in net position					<u>464,937</u>	<u>305,260</u>	<u>770,197</u>	<u>354,196</u>
Net position - beginning of year					<u>5,396,230</u>	<u>7,801,475</u>	<u>13,197,705</u>	<u>12,843,509</u>
Net position - end of year					<u>\$ 5,861,167</u>	<u>\$ 8,106,735</u>	<u>\$ 13,967,902</u>	<u>\$ 13,197,705</u>

Exhibit A-3
Village of Spring Green, Wisconsin
Balance Sheet
Governmental Funds
December 31, 2023
(With Summarized Financial Information as of December 31, 2022)

	General	Capital Improvements Fund	Lamb Fund	Other Governmental Funds	Totals	
					2023	2022
ASSETS						
Cash and investments	\$ 1,635,767	\$ 852,054	\$ 903,681	\$ 380,013	\$ 3,771,515	\$ 4,091,367
Receivables:						
Taxes	167,676	503,447		408,732	1,079,855	1,124,717
Other						6,737
Special assessments	19,998				19,998	33,875
Leases	1,249,171			77,452	1,326,623	1,386,594
Prepays						8,394
Total assets	\$ 3,072,612	\$ 1,355,501	\$ 903,681	\$ 866,197	\$ 6,197,991	\$ 6,651,684
LIABILITIES						
Accounts payable	\$ 12,032	\$ 189,995	\$	\$ 6,922	\$ 208,949	\$ 34,330
Due to other funds	16,884				16,884	18,048
Total liabilities	28,916	189,995		6,922	225,833	52,378
DEFERRED INFLOWS OF RESOURCES						
Leases	1,209,551			76,107	1,285,658	1,366,911
Deferred revenues	794,794	503,447		479,521	1,777,762	1,666,892
Total deferred inflows of resources	2,004,345	503,447		555,628	3,063,420	3,033,803
FUND BALANCE						
Nonspendable	39,620			68,011	107,631	92,803
Restricted	5,748		903,681	235,636	1,145,065	985,076
Assigned		662,059			662,059	1,650,836
Unassigned	993,983				993,983	836,788
Total fund balance	1,039,351	662,059	903,681	303,647	2,908,738	3,565,503
Total liabilities, deferred inflows of resources, and fund balance	\$ 3,072,612	\$ 1,355,501	\$ 903,681	\$ 866,197	\$ 6,197,991	\$ 6,651,684

Exhibit A-4
Village of Spring Green, Wisconsin
Reconciliation of the Governmental Funds Balance Sheet
with the Statement of Net Position
December 31, 2023
(With Summarized Financial Information as of December 31, 2022)

	<u>2023</u>	<u>2022</u>
Total fund balances-governmental funds:	\$ 2,908,738	\$ 3,565,503
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 fund statements. Amounts reported for governmental activities in the statement of net position:		
Governmental capital assets	12,196,535	10,870,573
Governmental accumulated depreciation	<u>(4,299,743)</u>	<u>(4,005,567)</u>
	7,896,792	6,865,006
The net pension asset is not a current financial resource and is, therefore, not reported in the fund statements		244,643
Pension and OPEB deferred outflows of resources and deferred inflows of resources are actuarially determined by the defined benefit pension plan. These items are reflected in the statement of net position and are being amortized with pension and OPEB expense in the statement of activities. The deferred outflows of resources and deferred inflows of resources are not financial resources or uses and therefore are not reported in the fund statements.		
Deferred outflows of resources	589,225	489,975
Deferred inflows of resources	(355,995)	(590,512)
Other long-term assets that are not available to pay for current-period expenditures and therefore are deferred inflows in the fund statements.		
Special assessments	25,810	39,243
Subsequent year tax equivalent from utility	59,401	62,954
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds statements. Long-term liabilities reported in the statement of net position that are not reported in the funds balance sheet are:		
General obligation debt	(4,800,000)	(4,945,000)
Accrued interest	(54,044)	(56,461)
Debt premium	(171,958)	(182,993)
OPEB - group life insurance plan	(16,167)	(36,271)
Net pension liability	(156,750)	
Compensated absences	<u>(63,885)</u>	<u>(59,857)</u>
Net position-governmental activities	<u>\$ 5,861,167</u>	<u>\$ 5,396,230</u>

Exhibit A-5
Village of Spring Green, Wisconsin
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2023
(With Summarized Financial Information for the Year Ended December 31, 2022)

	General	Capital Improvements Fund	Lamb Fund	Other Governmental Funds	Totals	
					2023	2022
REVENUES						
Taxes	\$ 612,753	\$ 429,186	\$	\$ 410,890	\$ 1,452,829	\$ 1,512,672
Intergovernmental	338,739			131,355	470,094	438,687
Licenses and permits	6,189			16,555	22,744	44,420
Public charges for services	152,017				152,017	149,361
Special assessments	14,355				14,355	19,176
Fines and forfeitures	5,440				5,440	3,717
Interest/investment income	146,006	34,587	156,751	9,893	347,237	71,312
Miscellaneous	106,973	5,196		27,454	139,623	177,798
Total revenues	1,382,472	468,969	156,751	596,147	2,604,339	2,417,143
EXPENDITURES						
Current:						
General government	182,169			5,691	187,860	185,867
Public safety	636,356				636,356	682,018
Public works	197,690				197,690	205,759
Sanitation	124,608				124,608	118,941
Leisure activities	120,532			287,217	407,749	358,780
Conservation & economic development	6,301			14,850	21,151	45,651
Capital outlay:						
General government		3,934			3,934	
Public safety		86,608			86,608	94,616
Public works		1,323,601			1,323,601	215,345
Economic development				1,998	1,998	1,871
Leisure activities		53,632			53,632	161,363
Debt service:						
Principal				145,000	145,000	80,000
Interest and fiscal charges				135,506	135,506	138,706
Total expenditures	1,267,656	1,467,775		590,262	3,325,693	2,288,917
Excess (deficiency) of revenues over expenditures	114,816	(998,806)	156,751	5,885	(721,354)	128,226
OTHER FINANCING SOURCES (USES)						
Proceeds from sale of fixed assets		1,635			1,635	2,337
Transfers in	62,954			896	63,850	71,337
Transfers out			(509)	(387)	(896)	(287)
Unrealized (loss) on investments						(140,925)
Total other financing sources (uses)	62,954	1,635	(509)	509	64,589	(67,538)
Net change in fund balances	177,770	(997,171)	156,242	6,394	(656,765)	60,688
Fund balance - beginning of year	861,581	1,659,230	747,439	297,253	3,565,503	3,504,815
Fund balance - end of year	\$ 1,039,351	\$ 662,059	\$ 903,681	\$ 303,647	\$ 2,908,738	\$ 3,565,503

Exhibit A-6
Village of Spring Green, Wisconsin
Reconciliation of Statement of Revenues, Expenditures and Changes
in Fund Balance of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2023
(With Summarized Financial Information for the Year Ended December 31, 2022)

	<u>2023</u>	<u>2022</u>
Net change in fund balances-total governmental funds	\$ (656,765)	\$ 60,688
Amounts reported for governmental activities in the statement of activities are different because:		
The acquisition of capital assets are reported in the governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation in the statement of activities.		
Capital outlay reported in governmental fund statements	1,355,756	284,998
Depreciation expenses reported in the statement of activities	<u>(316,069)</u>	<u>(295,771)</u>
Amount by which capital outlays are greater (less) than depreciation in the current period	1,039,687	(10,773)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase (decrease) net position.		
	(7,901)	(31,037)
Vested employee benefits and OPEB are reported in the governmental funds when amounts are paid. The statement of activities reports the amount earned during the year.		
Change in compensated absences	(4,028)	(10,177)
Change in OPEB - group life insurance plan liability and related deferred outflows and inflows of resources	1,885	(3,570)
In governmental funds, special assessment collections are reflected as revenue when received. In the statement of activities, revenue is recognized when assessed.		
Amount assessed is greater (less) than collected by:	(13,433)	(17,658)
In governmental funds, the current year utility tax equivalent is deferred and recognized as revenue in the subsequent year. In the statement of activities, this amount is recognized as a transfer in the year accrued.		
Prior year utility tax equivalent recognized as revenue in current year in the governmental funds	(62,954)	(71,050)
Current year utility tax equivalent recognized as a transfer in for the statement of activities	<u>59,401</u>	<u>62,954</u>
	(3,553)	(8,096)
In governmental funds, interest payments on outstanding debt are reported as an expenditure when paid. In the statement of activities, interest is reported as incurred.		
The amount of interest paid in the current period	135,506	138,706
The amount of interest accrued during the current period	<u>(133,089)</u>	<u>(137,373)</u>
Interest paid is greater (less) than interest expensed by:	2,417	1,333
Repayment of principal on long-term debt is reported in the governmental funds as an expenditure, but is reported as a reduction in long-term debt in the statement of net position and does not affect the statement of activities		
The amount of long-term debt principal payments in the current year is:	145,000	80,000
Debt premiums are reported in the governmental funds as revenues when those amounts are received. However, the premium is shown in the statement of net position and allocated over the life of the debt issue in the statement of activities		
Amount of debt premium amortized during the current year	11,035	11,035
Pension expense reported in the governmental funds represents current year required contributions into the defined benefit pension plan. Pension expense in the statement of activities is actuarially determined by the defined benefit pension plan as the difference between the net pension liability from the prior year to the current year, with some adjustments.		
Difference between the required contributions into the defined benefit plan and the actuarially determined change in net pension liability between years, with adjustments	<u>(49,407)</u>	<u>56,577</u>
Change in net position-governmental activities	<u>\$ 464,937</u>	<u>\$ 128,322</u>

Exhibit A-7
Village of Spring Green, Wisconsin
Statement of Net Position
Proprietary Funds
December 31, 2023
(With Summarized Financial Information as of December 31, 2022)

	Water Utility	Sewer Utility	Totals	
			2023	2022
ASSETS				
Current assets:				
Cash and investments	\$ 1,087,354	\$ 1,594,815	\$ 2,682,169	\$ 2,763,652
Restricted cash:				
Replacement fund		176,818	176,818	169,931
Receivables:				
Customers	87,487	147,620	235,107	226,065
Due from other governmental units		6,405	6,405	5,826
Due from other funds	7,586	9,298	16,884	18,048
Prepays				16,788
Materials and supplies	9,746		9,746	10,727
Total current assets	1,192,173	1,934,956	3,127,129	3,211,037
Noncurrent assets:				
Capital assets:				
Property and plant, net of accumulated depreciation	3,058,308	3,329,842	6,388,150	6,033,102
Restricted assets:				
Net pension asset				51,224
Total noncurrent assets	3,058,308	3,329,842	6,388,150	6,084,326
Total assets	4,250,481	5,264,798	9,515,279	9,295,363
DEFERRED OUTFLOWS OF RESOURCES				
Deferred pension outflows	65,075	82,604	147,679	100,068
OPEB - group life insurance plan outflows	1,143	1,147	2,290	3,982
Total deferred outflows of resources	66,218	83,751	149,969	104,050
Total assets and deferred outflows of resources	\$ 4,316,699	\$ 5,348,549	\$ 9,665,248	\$ 9,399,413

Exhibit A-7 (Continued)
Village of Spring Green, Wisconsin
Statement of Net Position
Proprietary Funds
December 31, 2023
(With Summarized Financial Information as of December 31, 2022)

	Water Utility	Sewer Utility	Totals	
			2023	2022
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 19,763	\$ 14,453	\$ 34,216	\$ 13,135
Unearned revenue	171,761		171,761	171,762
Due to other governments		21,064	21,064	21,444
Accrued interest	5,661	7,672	13,333	14,333
Current maturities of long-term debt	25,000	35,000	60,000	60,000
Total current liabilities	222,185	78,189	300,374	280,674
Long-term liabilities:				
OPEB - group life insurance plan	2,824	2,832	5,656	11,987
Net pension liability	17,507	22,222	39,729	
General obligation debt	500,000	680,000	1,180,000	1,240,000
Less: current portion	(25,000)	(35,000)	(60,000)	(60,000)
Total long-term liabilities	495,331	670,054	1,165,385	1,191,987
Total liabilities	717,516	748,243	1,465,759	1,472,661
DEFERRED INFLOWS OF RESOURCES				
Deferred pension inflows	36,831	46,752	83,583	120,816
OPEB - group life insurance plan inflows	4,578	4,593	9,171	4,461
Total deferred inflows of resources	41,409	51,345	92,754	125,277
NET POSITION				
Net investment in capital assets	2,558,308	2,649,842	5,208,150	4,793,102
Restricted for:				
DNR replacement fund		176,818	176,818	169,931
Prairie Sanitary District improvements		39,506	39,506	34,991
Net pension asset				51,224
Unrestricted	999,466	1,682,795	2,682,261	2,752,227
Total net position	3,557,774	4,548,961	8,106,735	7,801,475
Total liabilities, deferred inflows of resources, and net position	\$ 4,316,699	\$ 5,348,549	\$ 9,665,248	\$ 9,399,413

Exhibit A-8
Village of Spring Green, Wisconsin
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2023
(With Summarized Financial Information for the Year Ended December 31, 2022)

	Water Utility	Sewer Utility	Totals	
			2023	2022
OPERATING REVENUES				
Sales of water	\$ 530,806	\$	\$ 530,806	\$ 503,214
Sewage service charge		527,279	527,279	530,851
Other	6,400	4,417	10,817	10,080
Total operating revenues	537,206	531,696	1,068,902	1,044,145
OPERATING EXPENSES				
Operation and maintenance	143,718	265,051	408,769	399,419
Depreciation	115,680	226,818	342,498	333,157
Taxes	3,310	5,431	8,741	8,091
Total operating expenses	262,708	497,300	760,008	740,667
Operating income (loss)	274,498	34,396	308,894	303,478
NONOPERATING REVENUES (EXPENSES)				
Interest income	24,186	64,982	89,168	21,150
Interest expense	(14,171)	(19,230)	(33,401)	(35,800)
Net nonoperating revenues (expenses)	10,015	45,752	55,767	(14,650)
Income before contributions and transfers	284,513	80,148	364,661	288,828
Transfer of tax equivalent	(59,401)		(59,401)	(62,954)
Change in net position	225,112	80,148	305,260	225,874
Net position - beginning of year	3,332,662	4,468,813	7,801,475	7,575,601
Net position - end of year	\$ 3,557,774	\$ 4,548,961	\$ 8,106,735	\$ 7,801,475

Exhibit A-9
Village of Spring Green, Wisconsin
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2023
(With Summarized Financial Information for the Year Ended December 31, 2022)

	Enterprise Funds		Totals	
	Water Utility	Sewer Utility	2023	2022
CASH FLOWS FROM (USED BY) OPERATING ACTIVITIES				
Received from customers	\$ 534,167	\$ 525,693	\$ 1,059,860	\$ 1,048,045
Payments to employees	(57,302)	(72,651)	(129,953)	(121,039)
Payments for employee benefits	(30,528)	(39,094)	(69,622)	(60,872)
Payments to suppliers	(26,700)	(139,768)	(166,468)	(214,175)
Net cash flows from operating activities	419,637	274,180	693,817	651,959
CASH FLOWS (USED BY) NONCAPITAL FINANCING ACTIVITIES				
Paid to municipality for tax equivalent	(59,401)		(59,401)	(62,954)
Net cash flows (used by) noncapital financing activities:	(59,401)		(59,401)	(62,954)
CASH FLOWS (USED BY) CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(454,012)	(263,651)	(717,663)	(235,443)
Grant proceeds				85,882
Transfer of unearned grant proceeds from sewer utility to water utility	85,880	(85,881)	(1)	
Proceeds from disposal of capital assets	9,417	4,468	13,885	4,134
Principal payments on long-term debt	(25,000)	(35,000)	(60,000)	(60,000)
Interest paid	(14,588)	(19,813)	(34,401)	(36,801)
Net cash flows (used by) capital and related financing activities	(398,303)	(399,877)	(798,180)	(242,228)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	24,186	64,982	89,168	21,150
Net cash flows from investing activities	24,186	64,982	89,168	21,150
Net change in cash and cash equivalents	(13,881)	(60,715)	(74,596)	367,927
Cash and cash equivalents - beginning of year	1,101,235	1,832,348	2,933,583	2,565,656
Cash and cash equivalents - end of year	<u>\$ 1,087,354</u>	<u>\$ 1,771,633</u>	<u>\$ 2,858,987</u>	<u>\$ 2,933,583</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENTS OF NET POSITION ACCOUNTS				
Cash and investments	\$ 1,087,354	\$ 1,594,815	\$ 2,682,169	\$ 2,763,652
Replacement fund		176,818	176,818	169,931
Cash and cash equivalents	<u>\$ 1,087,354</u>	<u>\$ 1,771,633</u>	<u>\$ 2,858,987</u>	<u>\$ 2,933,583</u>

Exhibit A-9 (Continued)
Village of Spring Green, Wisconsin
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2023
(With Summarized Financial Information for the Year Ended December 31, 2022)

	Enterprise Funds		Totals	
	Water Utility	Sewer Utility	2023	2022
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating income (loss)	\$ 274,498	\$ 34,396	\$ 308,894	\$ 303,478
Noncash items in operating income:				
Depreciation expense	121,912	226,818	348,730	339,099
Pension expense	1,627	4,482	6,109	(12,018)
Life insurance expense	66	5	71	541
Changes in assets and liabilities:				
Customer accounts receivable	(3,039)	(6,003)	(9,042)	3,900
Prepays	8,394	8,394	16,788	20,782
Due from other funds	465	699	1,164	(4,598)
Due from other governments		(579)	(579)	(660)
Inventories	981		981	1,765
Accounts payable	14,733	6,348	21,081	(1,138)
Due to other governments		(380)	(380)	808
Net cash provided by operating activities	<u>\$ 419,637</u>	<u>\$ 274,180</u>	<u>\$ 693,817</u>	<u>\$ 651,959</u>

Exhibit A-10
Village of Spring Green, Wisconsin
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2023
(With Summarized Financial Information as of December 31, 2022)

	<u>Custodial Fund</u>		
	Tax Collection		Totals
	Fund	2023	2022
ASSETS			
Cash and investments	\$ 755,703	\$ 755,703	\$ 719,356
Taxes receivable	2,052,279	2,052,279	1,832,659
Total assets	<u>\$ 2,807,982</u>	<u>\$ 2,807,982</u>	<u>\$ 2,552,015</u>
LIABILITIES			
Due to other governmental units	<u>\$ 2,807,982</u>	<u>\$ 2,807,982</u>	<u>\$ 2,552,015</u>
NET POSITION			
Restricted			
Total liabilities and net position	<u>\$ 2,807,982</u>	<u>\$ 2,807,982</u>	<u>\$ 2,552,015</u>

Exhibit A-11
Village of Spring Green, Wisconsin
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2023
(With Summarized Financial Information for the Year Ended December 31, 2022)

	<u>Custodial Fund</u>		
	Tax Collection		Totals
	Fund	2023	2022
ADDITIONS			
Property tax collections for other governments	\$ 1,763,479	\$ 1,763,479	\$ 1,830,882
DEDUCTIONS			
Property tax collections paid or owed to other governments	1,763,479	1,763,479	1,830,882
Net increase (decrease) in fiduciary net position			
Net position - beginning of year			
Net position - end of year	\$	\$	\$

NOTES TO THE BASIC FINANCIAL STATEMENTS

Village of Spring Green
Index to Notes to the Basic Financial Statements
December 31, 2023

Note 1.	<u>Summary of Significant Accounting Policies</u>	18
A.	Reporting Entity	18
B.	Government-Wide and Fund Financial Statements.....	18 – 20
C.	Measurement Focus, Basis of Accounting, and Financial Statement Presentation	21 – 22
D.	Cash and Cash Equivalents/Investments	22
E.	Receivables	22 – 23
F.	Inventories	23
G.	Restricted Assets.....	24
H.	Capital Assets	24
I.	Unearned Revenue.....	25
J.	Compensated Absences	25
K.	Long-Term Obligations	25
L.	Claims and Judgments	25
M.	Equity Classifications	26 – 27
N.	Risk Management	27
O.	Encumbrances.....	28
P.	Regulation of Municipal Utilities.....	28
Q.	Nature of Operation	28
R.	Summarized Comparative Data	28
S.	Interfund Transfers and Transactions	28
T.	Income Tax	28
U.	Pensions	28
V.	Other Postemployment Benefits	29
W.	Deferred Outflows and Inflows of Resources.....	29
X.	Change in Accounting Principle	29
Note 2.	<u>Explanation of Certain Differences Between Governmental Fund Statements and Government-Wide Statements</u>	30
Note 3.	<u>Cash and Investments</u>	30 – 33
Note 4.	<u>Capital Assets</u>	34 – 35
Note 5.	<u>Long-Term Obligations</u>	36 – 37
Note 6.	<u>Leases</u>	37
Note 7.	<u>Defined Benefit Pension Plan</u>	38 – 43
Note 8.	<u>Other Postemployment Benefits – Multiple-Employer Life Insurance Plan</u>	43 – 47
Note 9.	<u>Deferred Inflows of Resources</u>	47
Note 10.	<u>Joint Ventures</u>	48
Note 11.	<u>Golf Course</u>	48
Note 12.	<u>Tax Incremental District</u>	48 – 49
Note 13.	<u>DNR Replacement Fund</u>	49
Note 14.	<u>Interfund Receivables/Payables and Transfers</u>	49 – 50
Note 15.	<u>Concentration of Risk</u>	50
Note 16.	<u>Net Position</u>	51
Note 17.	<u>Governmental Fund Balances</u>	52
Note 18.	<u>Tax Levy Limit</u>	52
Note 19.	<u>Effect of New Accounting Standard on Current Period Financial Statements</u>	52
Note 20.	<u>Commitments/Subsequent Events</u>	53

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

This report includes all of the funds and account groups of the Village of Spring Green, Wisconsin. The reporting entity for the Village consists of (a) the primary government, (b) organizations for which the primary government is financially accountable and (c) 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 or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government.

Excluded from the reporting entity:

Spring Green Fire District

The financial statements exclude the accounts of the Spring Green Fire District, because the district has a separately elected governing body, is legally separate, and is fiscally independent.

Spring Green Golf Club

The financial statements exclude the accounts of the Spring Green Golf Club, because it is a legally separate entity with its own officers and is fiscally independent.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

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

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

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements (Continued)

Fund Financial Statements

Financial statements of the reporting entity 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 equity, revenues, and expenditure/expenses.

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.

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

Major Governmental Funds:

The Village reports the following major governmental funds:

General Fund – Accounts for the Village’s primary operating activities. It is used to account for all financial resources except those required to be accounted for in another fund.

Capital Improvements Fund – Accounts for financial resources to be used for the acquisition or construction of equipment and/or major capital facilities.

Lamb Fund – Accounts for the activity of the Lamb Endowment Fund. This fund helps support the Spring Green Community Library.

Major Enterprise Funds:

The Village reports the following major enterprise funds:

Sewer Utility – Accounts for operation of the sewer system.

Water Utility – Accounts for operation of the water system.

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements (Continued)

Nonmajor Governmental Funds:

The Village reports the following nonmajor governmental funds:

Debt Service Fund – Accounts for all financial resources restricted, committed or assigned to expenditure for principal and interest.

TIF #6 Capital Projects Fund – Accounts for the activity of tax incremental district No. 6, including the payment of long-term debt principal, interest, and related costs.

Special Revenue Funds – Accounts for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

- Skateboard Park Fund
- Post Office Fund
- Zoning/Building Permit Fund
- Library Fund
- Steepes/Amesbury

Permanent Funds – Accounts for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the Village's programs.

- Bossard Fund
- Amesbury Fund
- Van Slyke Fund
- Pension Fund

Fiduciary Funds (Not included in Government-Wide Statements):

Fiduciary funds consist of pension (and other employee benefit) trust funds, private-purpose trust funds, investment trust funds, and custodial funds. Fiduciary funds should be used only to report resources held for individuals, private organizations, or other governments. A fund is presented as a fiduciary fund when all of the following criteria are met: a) the government controls the assets that finance the activity, b) assets are not generated from the government's own-source revenues or from government-mandated or voluntary nonexchange transactions, c) assets are administered through a qualifying trust or the government does not have administrative involvement and the assets are not generated from the government's delivery of goods or services to the beneficiaries, or the assets are for the benefit of entities that are not part of the government's reporting entity.

The Village reports the following fiduciary fund:

Custodial Funds – used to account for assets held by the Village in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units. The Village accounts for tax collections payable to overlying taxing jurisdictions in the Tax Collection Fund.

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide statement of net position and the 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 of resources. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

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

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

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 of resources. 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 the resources and the amounts are available. Amounts owed to the Village which are not available are recorded as receivables and deferred inflows of resources. Resources (typically cash) received before all eligibility requirements have been met are reported as assets and offset by unearned revenue (a liability) unless only a time requirement has not been met. In that case, deferred inflows of resources are reported rather than a liability.

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 deferred inflows of resources.

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.

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The Village reports deferred inflows of resources on its governmental funds balance sheet. Deferred inflows of resources arise from taxes levied in the current year, which are for subsequent year's operations. For governmental fund financial statements, deferred inflows of resources arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, the deferred inflows of resources are removed from the balance sheet and revenue is recognized.

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

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

The preparation of financial statements in conformity with U.S. 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.

D. Cash and Cash Equivalents/Investments

The Village has pooled the cash resources of its funds in order to maximize investment opportunities. Each fund's portion of total cash and investments is reported as cash and cash equivalents/investments by the Village's individual major funds, and in the aggregate for nonmajor and custodial funds.

All deposits of the Village are made in board designated official depositories and are secured as required by State Statute. The Village may designate, as an official depository, any bank or savings association. Also, the Village may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

Investments with remaining maturities at the time of purchase of one year or less are stated at amortized cost, which approximates fair value. Investments with a maturity of more than one year at acquisition and nonmoney market investments are carried at fair value as determined by quoted market prices.

E. 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 in the accompanying agency fund balance sheet.

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Receivables (Continued)

Property tax calendar - 2023 tax roll:

Lien date and levy date	December 2023
Tax bills mailed	December 2023
Payment in full, or	January 31, 2024
First installment due	January 31, 2024
Second installment due	July 31, 2024
Personal property taxes in full	January 31, 2024

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 Village and the utilities because they have the right by law to place 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 government-wide financial statements as "internal balances."

In the governmental fund financial statements, advances to other funds are offset equally by nonspendable fund balance which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation.

Lease Receivable

The Village's lease receivables are measured at the present value of lease payments expected to be received during the lease term.

Deferred inflows of resources are recorded for the leases. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

Leases – in the governmental funds, when the year-end receivable balance exceeds the deferred inflow of resources, the difference is presented as nonspendable fund balance.

F. Inventories

Inventories of governmental fund types consist of expendable supplies held for consumption. Such items, which are not material, are considered expenditures when purchased and, accordingly, are not reflected on the Balance Sheet- Governmental Funds.

Inventories of proprietary fund types are valued at cost using the first-in, first-out method and are charged as expenses or are capitalized when used.

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. 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.

H. Capital Assets

Government-Wide Statements

In the government-wide financial statements, fixed assets are accounted for as capital assets. Capital assets are defined by the government as assets with an initial cost of more than \$2,000 for machinery and equipment, \$2,500 for vehicles, \$12,500 for improvements to land, \$25,000 for buildings and related improvements, and \$100,000 for infrastructure and an estimated useful life of two (2) years or more. All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable. Donated capital assets are reported at acquisition value.

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

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

	<u>Years</u>
Buildings	20-40
Machinery and Equipment	5-10
Land improvements	10-30
Vehicles	5-10
Utility System	31-48
Infrastructure	20-40

Fund Financial Statements

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

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Unearned Revenue

The Village reports unearned revenue on its Statement of Net Position – Proprietary Funds. Unearned revenue arises when resources are received before the Village has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when the Village has a legal claim to the resources, the unearned revenue is removed from the statement of net position and revenue is recognized.

J. 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, or are payable with expendable available resources.

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

K. 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 bonds payable and accrued compensated absences.

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

L. Claims and Judgments

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental funds. If they are not to be liquidated with expendable available financial resources, no liability is recognized in the governmental fund statements. The related expenditure is recognized when the liability is liquidated. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred. There were no significant claims or judgments at year-end.

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. 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 of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital 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 position that do not meet the definition of "restricted" or "net investment in capital assets."

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

Fund Statements

The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable – includes amounts that are not in a spendable form (such as inventory) or are required to be maintained intact.
- Restricted – includes amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government) through constitutional provisions, or by enabling legislation.
- Committed – includes amounts constrained to specific purposes by the Village Board, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the Village Board takes the same highest level action to remove or change the constraint.
- Assigned – includes amounts the Village Board intends to use for a specific purpose; intent can be expressed by the Village Board or by an official or body to which the governing body delegates the authority. All remaining positive spendable amounts in governmental funds, other than the general fund, that are neither restricted nor committed may be assigned. Assignments may take place after the end of the reporting period.
- 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 fund balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Equity Classifications (Continued)

The Village Board of the Village of Spring Green, as the Village's highest level of decision-making authority, may commit fund balance for specific purposes pursuant to constraints imposed by formal actions taken, such as a majority vote or resolution. These committed amounts cannot be used for any other purposes unless the Village Board removes or changes the specific use through the same type of formal action taken to establish the commitment. Village Board action to commit fund balance needs to occur within the calendar year, no later than December 31st; however, the amount can be determined subsequent to the release of the financial statements. At the time of adoption of this policy, the Village does not have any reserves that meet this component of fund balance.

Amounts that are constrained by the Village's intent to be used for specific purposes, but are neither restricted nor committed, should be reported as assigned fund balance. Village policy delegates the authority to assign amounts to be used for specific purposes to the Clerk/Treasurer for the purpose of reporting these amounts in the annual financial statements. Any funds set aside as assigned fund balance must be reported to the Village Board at their next regular meeting. The Board has the authority to remove or change the assignment of the funds with a simple majority vote.

The Board has the authority to set aside funds for the intended use of a specific purpose. Any funds set aside as assigned fund balance requires a simple majority vote and must be recorded in the minutes. The same action is required to change or remove the assignment.

Unassigned fund balance is the residual amount of fund balance in the general fund. It represents the resources available for future spending. An appropriate level of unassigned fund balance should be maintained in the general fund in order to cover unexpected expenditures and revenue shortfalls.

Unassigned fund balance may be accessed in the event of unexpected expenditures up to the minimum established level upon approval of a budget revision by the Village Board. In the event of projected revenue shortfalls, it is the responsibility of the Clerk/Treasurer to report the projections to the Board.

The fund balance policy establishes a minimum unassigned fund balance equal to 30% of total general fund expenditures. In the event that the balance drops below the established minimum level, the Board will develop a plan to replenish the fund balance to the established minimum level in two years.

The Village considers restricted fund balances to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance are available. Similarly, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the Village considers committed amounts to be reduced first, followed by assigned amounts and then unassigned amounts.

N. Risk Management

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omission; injuries to employees; and natural disasters. The Village maintains commercial insurance coverage covering each of these risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Village. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Encumbrances

Encumbrances outstanding represent the estimated amount of expenditures ultimately to result if unperformed contracts and open purchase orders at year-end are fulfilled. Encumbrances outstanding at year-end do not represent liabilities or expenditures. Encumbrance accounting applies only to governmental fund types. The Village does not use encumbrance accounting.

P. Regulation of Municipal Utilities

The Spring Green Water Utility operates under service rules, which are established by the Public Service Commission of Wisconsin. Rates charged are regulated by the Commission. The accounting records of the utility are maintained in accordance with the Uniform System of Accounts prescribed by the Public Service Commission. The Spring Green Sewer Utility is not regulated.

Q. Nature of Operation

The Spring Green Water and Sewer Utilities provide water and sewer service to properties within the Village of Spring Green and are managed by the Village Board.

R. Summarized Comparative Data

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the Village's financial position, operations, and cash flows. However, comparative (i.e., presentations of prior year totals by fund type) data has not been presented in each of the statements since their inclusion would make the statement unduly complex and difficult to read.

S. Interfund Transfers and Transactions

Transfers include the payment in lieu of taxes from the water utility to the general fund. Payments in lieu of taxes are treated as revenues in the general fund.

The general fund pays a fire protection charge to the water utility. In addition, the water and sewer utilities provide basic services to departments in the general fund. Charges for fire protection and basic services are recorded as expenditures in the general fund.

T. Income Tax

Municipal utilities are exempt from income taxes and therefore no income tax liability is recorded by the Spring Green Utilities.

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

U. Pensions

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

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

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

V. Other Postemployment Benefits

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

OPEB Group Life Insurance Plan

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

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

W. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future periods and will not be recognized as an outflow of resources (expenditure) until then. The deferred outflows of resources are for the WRS pension system and OPEB plan.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position which applies to future periods and will not be recognized as an inflow of resource (revenue) until then. The deferred inflows of resources are related to the WRS pension system, OPEB plan, leases, and other amounts described in Note 9.

X. Change in Accounting Principle

Effective January 1, 2023, the Village adopted GASB Statement No. 96, Subscription-Based Information Technology Arrangements. GASB 96 was issued to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs). The Village does not have any material SBITAs requiring disclosure in the financial statements.

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 2 EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS
AND GOVERNMENT-WIDE STATEMENTS

Due to the differences in the measurement focus and basis of accounting used on the government fund statements and government-wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items.

Explanation of Differences between Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances and the Statement of Activities

Differences between the governmental funds' statement of revenues, expenditures and changes in fund balance and the statement of activities fall into one of three broad categories.

- a. Long-term revenue differences arise because governmental funds report revenues only when they are considered "available," whereas the statement of activities reports revenues when earned. Differences in long-term expenses arise because governmental funds report on a modified accrual basis whereas the accrual basis of accounting is used on the statement of activities.
- b. Capital related differences include (1) the difference between proceeds for the sale of capital assets reported on governmental fund statements and the gain or loss on the sale of assets as reported on the statement of activities, and (2) the difference between recording an expenditure for the purchase of capital items in the governmental fund statements, and capitalization and recording depreciation expense on those items as recorded in the statement of activities.
- c. Long-term debt transaction differences occur because long-term debt proceeds are recorded as revenue and both interest and principal payments are recorded as expenditures in the governmental fund statements. In the statement of activities, long-term debt proceeds are recorded as a liability, interest expense is recorded as incurred, and principal payments are recorded as a reduction of liabilities.

NOTE 3 CASH AND INVESTMENTS

At December 31, 2023, cash and investments included the following:

Deposits with financial institutions	\$ 6,631,709
Mutual fund	746,311
Deferred annuity contracts	7,965
Petty cash	220
Total cash and investments	<u>\$ 7,386,205</u>

Cash and investments as of December 31, 2023 are classified in the accompanying financial statements as follows:

Exhibit A-1:	
Cash and investments	\$ 6,453,684
Cash and investments-restricted	176,818
Exhibit A-10:	
Cash and investments	755,703
Total cash and investments	<u>\$ 7,386,205</u>

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 3

CASH AND INVESTMENTS (CONTINUED)

Investments Authorized by Wisconsin State Statutes

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

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

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

The Village's investment policy states that to the extent possible, the Village will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the Village will not directly invest securities maturing more than three years from the date of purchase.

Information about the sensitivity of the fair values of the Village's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Village's investments by maturity:

Investment Type	Amount	Remaining Maturity			
		0-12 months	13-24 months	25-36 months	37-48 months
Certificates of deposit	\$ 52,939	\$ 5,000	\$ 37,939	\$	\$ 10,000
Mutual fund	746,311	746,311			
Totals	\$ 799,250	\$ 751,311	\$ 37,939	\$	\$ 10,000

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 3

CASH AND INVESTMENTS (CONTINUED)

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law limits investments in commercial paper, corporate bonds and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The Village's investment policy limits investments to those allowed in Wisconsin State Statutes. The policy further states that Village funds will not be invested in derivative type investments. At December 31, 2023, the Village's mutual fund investment was rated (5) Stars by Morningstar.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Village would not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial risk for investments is the risk that, in the event of failure of the counterparty (e.g. broker-dealer) to a transaction, the Village would not be able to recover the value of its investment of collateral securities that are in possession of another party. The Village's investment policy limits deposits in financial institutions to the amount of the Federal Depositary Insurance Corporation (FDIC). Amounts exceeding this level must be collateralized by the financial institution or approved by the Village board.

Federal Deposit Insurance Corporation (FDIC) Insurance

The insurance coverage of public unit accounts depends upon the type of deposit and the location of the insured depository institution. All time and savings deposits owned by a public unit and held by the public unit's official custodian in an insured depository institution within the State in which the public unit is located are added together and insured up to \$250,000. Separately, all demand deposits owned by a public unit and held by the public unit's official custodian in an insured depository institution within the State in which the public unit is located are added together and insured up to \$250,000. For the purpose of these rules, the term 'time and savings deposits' includes NOW accounts and money market deposit accounts but does not include interest bearing demand deposit accounts. The term 'demand deposits' means both interest-bearing and noninterest-bearing deposits that are payable on demand and for which the depository institution does not reserve the right to require advance notice of an intended withdrawal.

Collateralization of Public Unit Deposits

Depending on applicable state or federal law, public unit deposits may be secured by collateral or assets of the bank. In the event of the failure of the bank, the FDIC will honor the collateralization agreement if the agreement is valid and enforceable under applicable law. The FDIC does not guarantee, however, that the collateral will be sufficient to cover the amount of the uninsured funds. As such, although it does not increase the insurance coverage of the public unit deposits, collateralization provides an avenue of recovery in the event of the failure of an insured bank.

Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses may be significant to individual organizations.

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 3

CASH AND INVESTMENTS (CONTINUED)

As of December 31, 2023, \$96,177 of the Village's deposits with financial institutions were in excess of federal depository insurance limits and uncollateralized. All of this amount would be insured by the Wisconsin Guarantee Fund provided funds are available at the time of any potential loss.

Fluctuating cash flows during the year due to tax collections, receipt of state aids and proceeds from borrowing may have resulted in balances temporarily exceeding insured amounts at the balance sheet date.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. Government securities and investments in mutual funds are excluded from this risk. The Village places no limit on the amount the Village may invest in any one issuer.

Fair Value Measurement

Financial assets required to be measured on a recurring basis are classified under a three-tier hierarchy for fair value investments. Fair value is the amount that would be received to sell an asset, or paid to settle a liability, in an orderly transaction between market participants at the measurements date.

The Village uses the following hierarchical disclosure framework:

Level 1 – Measurement based upon quoted prices for identical assets in an active market as of the reporting date.

Level 2 – Measurement based upon marketplace inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in inactive markets, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Measurement based on the Village's assumptions about a hypothetical marketplace because observable market inputs are not available as of the reporting date.

The Village uses appropriate valuation techniques based on the available inputs to measure the fair values of its assets and liabilities. When available, the Village measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs have the lowest priority.

	Assets at Fair Value as of December 31, 2023	
	Fair Value	Level 1
Mutual fund	\$ 746,311	\$ 746,311

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 4

CAPITAL ASSETS

A) Governmental Activities

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

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities:				
<i>Capital assets not being depreciated:</i>				
Construction work in progress	\$ 84,390	\$	\$ (84,390)	\$
Total capital assets not being depreciated	<u>84,390</u>	<u></u>	<u>(84,390)</u>	<u></u>
<i>Capital assets, being depreciated:</i>				
Buildings	3,453,066	33,170		3,486,236
Machinery and Equipment	467,106	71,209	(22,815)	515,500
Land Improvements	492,085	1,317,012		1,809,097
Vehicles	215,782	18,755	(6,979)	227,558
Infrastructure	6,158,144			6,158,144
Total capital assets, being depreciated	<u>10,786,183</u>	<u>1,440,146</u>	<u>(29,794)</u>	<u>12,196,535</u>
Total capital assets	<u>10,870,573</u>	<u>1,440,146</u>	<u>(114,184)</u>	<u>12,196,535</u>
Less accumulated depreciation:				
Buildings	(2,063,707)	(81,373)		(2,145,080)
Machinery and equipment	(320,948)	(30,833)	14,914	(336,867)
Land improvements	(271,030)	(22,466)		(293,496)
Vehicles	(127,981)	(24,646)	6,979	(145,648)
Infrastructure	(1,221,901)	(156,751)		(1,378,652)
Total accumulated depreciation	<u>(4,005,567)</u>	<u>(316,069)</u>	<u>21,893</u>	<u>(4,299,743)</u>
Total net capital assets	<u>\$ 6,865,006</u>	<u>\$ 1,124,077</u>	<u>\$ (92,291)</u>	<u>\$ 7,896,792</u>

Depreciation expense was charged to functions as follows:

Governmental Activities:

General government	\$ 17,460
Public safety	53,626
Public works, which includes the depreciation of infrastructure	195,524
Leisure activities	49,459
Total governmental activities depreciation expense	<u>\$ 316,069</u>

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 4

CAPITAL ASSETS (CONTINUED)

B) Business Type Activities

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Removals</u>	<u>Salvage</u>	<u>Ending Balance</u>
Business-type Activities:					
<i>Capital assets not being depreciated:</i>					
Intangible plant					
Land and land rights	\$ 53,256	\$	\$	\$	\$ 53,256
Total capital assets not being depreciated	<u>53,256</u>	<u></u>	<u></u>	<u></u>	<u>53,256</u>
<i>Capital assets being depreciated:</i>					
Water:					
Source of supply plant	108,854				108,854
Pumping plant	260,412	8,374	(3,731)		265,055
Water treatment plant	2,740				2,740
Transmission and distribution plant	3,840,692	407,656	(22,848)		4,225,500
General plant	363,511	37,982	(6,979)		394,514
Sewer:					
Collection system and pumping plant	3,723,756	158,969	(47,013)		3,835,712
Treatment and disposal plant	2,648,021	10,880	(6,711)		2,652,190
General plant	589,426	93,802	(44,245)		638,983
Total capital assets, being depreciated	<u>11,537,412</u>	<u>717,663</u>	<u>(131,527)</u>	<u></u>	<u>12,123,548</u>
Total accumulated depreciation	<u>(5,557,566)</u>	<u>(348,730)</u>	<u>131,527</u>	<u>(13,885)</u>	<u>(5,788,654)</u>
Net capital assets being depreciated	<u>5,979,846</u>	<u>368,933</u>	<u></u>	<u>(13,885)</u>	<u>6,334,894</u>
Total net capital assets	<u>\$ 6,033,102</u>	<u>\$ 368,933</u>	<u>\$</u>	<u>\$ (13,885)</u>	<u>\$ 6,388,150</u>

Depreciation expense was charged to functions as follows:

Business-type Activities:	
Water utility	\$ 121,912
Sewer utility	226,818
Total	<u>348,730</u>
Less: allocated from water utility to sewer utility	<u>(6,232)</u>
Depreciation expense per exhibit A-8	<u>\$ 342,498</u>

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 5

LONG-TERM OBLIGATIONS

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

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
<u>Governmental Activities</u>					
General obligation bonds	\$ 4,945,000	\$	\$ (145,000)	\$ 4,800,000	\$ 260,000
Unamortized premium	182,993		(11,035)	171,958	
Other liabilities:					
Compensated absences	59,857	29,110	(25,082)	63,885	26,694
Total governmental activities long-term liabilities	<u>\$ 5,187,850</u>	<u>\$ 29,110</u>	<u>\$ (181,117)</u>	<u>\$ 5,035,843</u>	<u>\$ 286,694</u>
<u>Business-type Activities</u>					
General obligation bonds	\$ 1,240,000	\$	\$ (60,000)	\$ 1,180,000	\$ 60,000
Total business-type activities long-term liabilities	<u>\$ 1,240,000</u>	<u>\$</u>	<u>\$ (60,000)</u>	<u>\$ 1,180,000</u>	<u>\$ 60,000</u>

The compensated absences liability attributed to governmental activities are typically being liquidated in the general fund.

All general obligation notes and bonds payable are backed by the full faith and credit of the Village. Notes and bonds in the governmental funds will be retired by future property tax levies or tax increments. 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.

In accordance with Wisconsin Statutes, total general obligation indebtedness of the Village may not exceed five percent of the equalized value of taxable property within the Village's jurisdiction. The debt limit as of December 31, 2023 was \$12,543,640. Total general obligation debt outstanding at year-end was \$5,980,000.

	Date of Issue	Final Maturity	Interest Rates	Original Amount	Balance 12/31/23
<u>Governmental activities</u>					
General Obligation Bonds	9/19/2019	9/19/2039	2.0 - 4.0%	\$ 5,170,000	\$ 4,800,000
Total governmental activities-general obligation debt					<u>\$ 4,800,000</u>
<u>Business-type activities</u>					
General Obligation Bonds	9/19/2019	9/19/2039	2.0 - 4.0%	\$ 1,420,000	\$ 1,180,000
Total business-type activities-general obligation debt					<u>\$ 1,180,000</u>

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 5

LONG-TERM OBLIGATIONS (CONTINUED)

Debt service requirements to maturity are as follows:

Years	Governmental Activities			Business Type Activities		
	General Obligation Bonds			General Obligation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 260,000	\$ 129,706	\$ 389,706	\$ 60,000	\$ 32,000	\$ 92,000
2025	260,000	119,306	379,306	60,000	29,600	89,600
2026	260,000	108,906	368,906	60,000	27,200	87,200
2027	265,000	98,506	363,506	65,000	24,800	89,800
2028	265,000	87,906	352,906	70,000	22,200	92,200
2029-2033	1,620,000	323,519	1,943,519	360,000	82,806	442,806
2034-2038	1,735,000	138,625	1,873,625	415,000	41,406	456,406
2039	135,000	3,375	138,375	90,000	2,250	92,250
Totals	\$ 4,800,000	\$ 1,009,849	\$ 5,809,849	\$ 1,180,000	\$ 262,262	\$ 1,442,262

NOTE 6

LEASES

Lease Receivable

The Village has entered into lease arrangements where the Village leases a post office building and a tower and land. In the statement of activities, lease revenue for the year ended December 31, 2023 was as follows:

	Year Ending December 31, 2023
Lease-related revenue	
Lease revenue:	
Building	\$ 56,455
Land	34,231
Interest revenue	27,521
Total	<u>\$ 118,207</u>

Aggregate cash flows for the revenue generated by the lease receivable and interest at December 31, 2023 are as follows:

Years	Principal	Interest	Total
2024	\$ 75,023	\$ 25,111	\$ 100,134
2025	76,447	23,687	100,134
2026	80,254	22,213	102,467
2027	81,782	20,685	102,467
2028	84,671	19,126	103,797
2029-2033	465,932	69,799	535,731
2034-2038	322,161	31,598	353,759
2039-2043	140,353	3,017	143,370
Totals	<u>\$ 1,326,623</u>	<u>\$ 215,236</u>	<u>\$ 1,541,859</u>

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 7

DEFINED BENEFIT PENSION PLAN

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, and expected to work at least 1200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

ETF issues a standalone 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 occupations and 62 for elected officials and executive service retirement plan participants, if hired on or before 12/31/2016) are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service.

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

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

The WRS also provides death and disability benefits for employees.

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 7

DEFINED BENEFIT PENSION PLAN (CONTINUED)

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:

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

Contributions. Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers, and 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 \$42,822 in contributions from the employer.

Contribution rates as of December 31, 2023 are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (including teachers, executives and elected officials)	6.80%	6.80%
Protective with Social Security	6.80%	13.20%
Protective without Social Security	6.80%	18.10%

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 7

DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2023, the Village reported a liability (asset) of \$196,479 for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2022, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2021 rolled forward to December 31, 2022. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net pension liability (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, 2022, the Village's proportion was 0.00370876%, which was an increase of 0.00003803% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the Village recognized pension expense of \$99,147.

Pension amounts have been allocated to the proprietary funds and business-type activities. Allocations were based on the proportionate share of current year contributions to the pension plan made by the proprietary funds and business-type activities relative to the total contributions made by the Village.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 312,930	\$ (411,120)
Net differences between projected and actual earnings on pension plan investments	333,772	
Changes in assumptions	38,635	
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,429	(2,245)
Employer contributions subsequent to the measurement date	43,594	
Total	<u>\$ 730,360</u>	<u>\$ (413,365)</u>

\$43,594 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, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ended December 31:	Net Deferred Outflows (Inflows) of Resources
2024	\$ 10,845
2025	56,838
2026	58,099
2027	147,619
Total	<u>\$ 273,401</u>

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 7

DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

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

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

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

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.

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 7

DEFINED BENEFIT PENSION PLAN (CONTINUED)

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 ¹ As of December 31, 2022			
Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return % ²
Public Equity	48	7.6	5.0
Public Fixed Income	25	5.3	2.7
Inflation Sensitive	19	3.6	1.1
Real Estate	8	5.2	2.6
Private Equity/Debt	15	9.6	6.9
Total Core Fund ³	115	7.4	4.8
Variable Fund Asset Class			
U.S. Equities	70	7.2	4.6
International Equities	30	8.1	5.5
Total Variable Fund	100	7.7	5.1

¹ Asset Allocations are managed within established ranges; target percentages may differ from actual monthly allocations.

² New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.5%

³ The investment policy used for the Core Fund involves reducing equity exposure by leveraging lower-volatility assets, such as fixed income securities. This results in an asset allocation beyond 100%. Currently, as asset allocation target of 15% policy leverage is used, subject to an allowable range of up to 20%.

Single Discount rate. A single discount rate of 6.8% was used to measure the total pension liability for the current and prior year. This discount rate is based on the expected rate of return on pension plan investments of 6.80% and a municipal bond rate of 4.05% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2022. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 6.80% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan 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 municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 7

DEFINED BENEFIT PENSION PLAN (CONTINUED)

Sensitivity of the Village of Spring Green'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 percent, 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 percent) or 1-percentage-point higher (7.80 percent) than the current rate:

	1% Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.8%)
Village's proportionate share of the net pension liability (asset)	\$ 652,107	\$ 196,479	\$ (116,954)

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>.

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS – MULTIPLE-EMPLOYER LIFE INSURANCE PLAN

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

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

Additionally, ETF issued a standalone retiree life insurance financial report, which can also be found using the link above.

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

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

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

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS – MULTIPLE-EMPLOYER LIFE INSURANCE PLAN (CONTINUED)

Contribution rates as of December 31, 2023 are:

Coverage Type	Employer Contribution
25% Post Retirement Coverage	20% of Member Contribution

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

Life Insurance		
Employee Contribution Rates*		
For the year ended December 31, 2022		
Attained Age	Basic	Supplemental
Under 30	\$0.05	\$0.05
30-34	0.06	0.06
35-39	0.07	0.07
40-44	0.08	0.08
45-49	0.12	0.12
50-54	0.22	0.22
55-59	0.39	0.39
60-64	0.49	0.49
65-69	0.57	0.57
*Disabled members under age 70 receive a waiver-of-premium benefit.		

During the reporting period, the LRLIF recognized \$144 in contributions from the employer.

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

At December 31, 2023, the Village reported a liability (asset) of \$21,823 for its proportionate share of the net OPEB liability (asset). The net OPEB liability (asset) was measured as of December 31, 2022, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of January 1, 2022 rolled forward to December 31, 2022. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net OPEB liability (asset) was based on the Village's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2022, the Village's proportion was 0.00572800%, which was a decrease of 0.002437% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the Village recognized OPEB revenue of \$1,693.

OPEB amounts have been allocated to the proprietary funds and business-type activities. Allocations were based on the proportionate share of current year contributions to the OPEB plan made by the proprietary fund and business-type activities relative to the total contributions made by the Village.

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS – MULTIPLE-EMPLOYER LIFE INSURANCE PLAN (CONTINUED)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$	\$ (2,136)
Net differences between projected and actual earnings on plan investments	410	
Changes in actuarial assumptions	7,839	(12,881)
Changes in proportion and differences between employer contributions and proportionate share of contributions	467	(20,367)
Employer contributions subsequent to the measurement date	118	
Totals	<u>\$ 8,834</u>	<u>\$ (35,384)</u>

\$118 reported as deferred outflows related to OPEB resulting from the Village employer's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense (revenue) as follows:

Year Ended December 31:	Net Deferred Outflows (Inflows) of Resources
2024	\$ (4,322)
2025	(4,517)
2026	(4,330)
2027	(4,690)
2028	(5,324)
Thereafter	(3,485)
Total	<u>\$ (26,668)</u>

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS – MULTIPLE-EMPLOYER LIFE INSURANCE PLAN (CONTINUED)

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

Actuarial Valuation Date:	January 1, 2022
Measurement Date of Net OPEB Liability (Asset)	December 31, 2022
Experience Study:	January 1, 2018 - December 31, 2020, Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield*:	2.06%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	2.17%
Salary Increases	
Wage Inflation:	3.00%
Seniority/Merit:	0.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table

*Based on the Bond Buyers GO Index.

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

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

Local OPEB Life Insurance Asset Allocation Targets and Expected Returns As of December 31, 2022			
Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return
US Intermediate Credit Bonds	Bloomberg US Interm Credit	50%	2.45%
US Long Credit Bonds	Bloomberg US Long Credit	50%	2.83%
Inflation			2.30%
Long-Term Expected Rate of Return			4.25%

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS – MULTIPLE-EMPLOYER LIFE INSURANCE PLAN (CONTINUED)

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

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

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

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

	1% Decrease to Discount Rate (2.76%)	Current Discount Rate (3.76%)	1% Increase to Discount Rate (4.76%)
Village's proportionate share of the net OPEB liability (asset)	\$ 29,753	\$ 21,823	\$ 15,745

NOTE 9

DEFERRED INFLOWS OF RESOURCES

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes receivable for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. Governmental funds also defer inflow recognition in connection with resources that have been received, but not yet earned. At December 31, 2023 the various components of deferred revenue reported in the governmental funds were as follows:

Property tax receivable	\$ 1,692,551
Special assessments not yet due	25,810
2023 tax equivalent from utility	59,401
Total deferred revenue for government funds	<u>\$ 1,777,762</u>

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 10

JOINT VENTURES

The Village of Spring Green, Wisconsin and the Towns of Spring Green, Troy and Wyoming jointly operate the local fire district, which is called the Spring Green Fire Prevention District, and provides fire protection and ambulance service. The communities share in the operation of the district based on the ratio of equalized values.

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

An unaudited financial report of the Spring Green Fire District is available at the District offices in Spring Green.

The transactions of the district are not reflected in these financial statements. The Village paid \$148,244 to the District in 2023.

NOTE 11

GOLF COURSE

The Village presently owns land being used as a golf course. Per Village resolution, the users of the golf course are to operate and maintain it. The Spring Green Golf Club, Inc. is presently performing this function. The club treasurer maintains an unaudited financial report of the Spring Green Golf Club, Inc. The transactions of the Spring Green Golf Club, Inc. are not reflected in these financial statements.

The Village and the Golf Club have an agreement whereby the Golf Club will reimburse the Village for the cost of a 2005 golf course project. This amount is approximately \$165,000 and is to be paid out of the net income of the Club when the Club has net income. Because of the uncertainty of collection, the Village has not included this amount as a receivable and will recognize any repayments as revenue when received.

NOTE 12

TAX INCREMENTAL DISTRICT

The Village of Spring Green, Wisconsin Tax Incremental Financing District was created under the provisions of Wisconsin Statute Section 66.46. The purpose of that section is to allow a municipality to recover development and improvements costs in a designated area from the property taxes generated on the increased value of the property after the creation date of the Districts. The tax on the increased value is called a tax increment.

Project costs may be incurred up to five years before the District's mandatory termination date. The statutes allow the municipality to collect tax increments until the net project cost has been fully recovered, or for a maximum number of years. Project costs uncollected at the dissolution date are absorbed by the municipality.

	Creation Date	Last Date to Incur Project Cost	Final Dissolution Date
District #6	4/12/17	4/12/33	4/12/38

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 12

TAX INCREMENTAL DISTRICT (CONTINUED)

Following is the cumulative status of the TIF District as of December 31, 2023:

Revenues:	
Tax increment	\$ 691,339
Intergovernmental	343,961
Debt premium	131,181
Interest	5,177
Total revenues	<u>1,171,658</u>
Expenditures:	
Construction	3,598,519
Administrative	3,703
Professional services	81,179
Interest and fiscal charges	379,489
Debt issuance costs	69,640
Total expenditures	<u>4,132,530</u>
Amount to be recovered through future increments	<u>\$ 2,960,872</u>
Cash	\$ (114,128)
Long-term debt outstanding	3,075,000
Amount to be recovered through future increments	<u>\$ 2,960,872</u>

NOTE 13

DNR REPLACEMENT FUND

The Wisconsin Department of Natural Resources required as a condition of the sewer grant that a replacement fund be established and funded on an annual basis. The balance at December 31, 2023 was \$176,818.

NOTE 14

INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS

The following is a schedule of interfund receivables and payables at December 31, 2023:

Receivable Fund	Payable Fund	Amount	Purpose
Proprietary Funds:			
Sewer utility	General	\$ 9,298	Delinquent utility bills on tax roll
Water utility	General	7,586	Delinquent utility bills on tax roll
	Total	<u>\$ 16,884</u>	

For the statement of net position, interfund balances which are owned within the governmental activities or business-type activities are netted and eliminated.

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 14 INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS (CONTINUED)

The following is a schedule of interfund transfers:

<u>Fund Transfer To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Purpose</u>
Governmental Funds:			
Library Fund	Steepes Amesbury Fund	\$ 185	Operating
Library Fund	Lamb Trust Fund	509	Operating
Bossard Fund	Amesbury Trust	202	Operating
General	Water utility	62,954	Tax equivalent
	Total	<u>\$ 63,850</u>	
Proprietary Funds:			
General	Water utility	<u>\$ 59,401</u>	Tax equivalent

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) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations and (3) move fund balances whose purpose has been removed.

NOTE 15 CONCENTRATION OF RISK

Approximately 49% of the sewer utility operating revenues and 22% of water utility operating revenues are provided by one customer.

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 16

NET POSITION

Governmental activities net position at December 31, 2023 includes the following:

Net investment in capital assets:	
Capital assets, net of accumulated depreciation	\$ 7,896,792
Less: related long-term debt outstanding	<u>(3,314,627)</u>
Total net investment in capital assets	<u>4,582,165</u>
Restricted for:	
Skateboard park	419
TIF expenditures	114,128
Library	59,762
Library endowment:	
Expendable	908,681
Non-expendable	58,701
Pension fund	7,965
Economic development	5,748
Post office	15,217
Zoning/Building	41,110
Total restricted	<u>1,211,731</u>
Unrestricted	<u>67,271</u>
Total governmental activities net position	<u><u>\$ 5,861,167</u></u>

Business-type activities and proprietary fund net position at December 31, 2023 includes the following:

Net investment in capital assets	
Capital assets, net of accumulated depreciation	\$ 6,388,150
Less: related long-term debt outstanding	<u>(1,180,000)</u>
Total net investment in capital assets	<u>5,208,150</u>
Restricted for:	
DNR replacement fund	176,818
Improvements within Prairie Sanitary District	39,506
Total restricted	<u>216,324</u>
Unrestricted	<u>2,682,261</u>
Total net position	<u><u>\$ 8,106,735</u></u>

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 17

GOVERNMENTAL FUND BALANCES

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

Nonspendable:	
Library endowments	\$ 58,701
Pension plan	7,965
Leases	40,965
Total nonspendable	<u>\$ 107,631</u>
Restricted:	
General:	
Economic development	\$ 5,748
TIF #6	114,128
Library	59,762
Skateboard park	419
Post office	15,217
Zoning/Building Permit	41,110
Library endowments	908,681
Total restricted	<u>\$ 1,145,065</u>
Assigned:	
Capital improvements	<u>\$ 662,059</u>

NOTE 18

TAX LEVY LIMIT

Wisconsin Act 32 imposes a limit on the property tax levies for all Wisconsin cities, villages, towns and counties. Under 2011 Wisconsin Act 32, in 2011 and all future years, a municipality is allowed to increase its levy over the amount it levied in the prior year by the percentage increase in equalized value from net new construction or zero percent. All of the exceptions and modifications to levy limits that existed under previous law continue to apply.

In addition, as part of Wisconsin's Act 20 (2013), legislation was passed that further limits future tax levies. If the Village adopts a new fee or a fee increase for covered services (which were partly or wholly funded by property tax levy), the Village must reduce its levy limit in the current year by the amount of the new fee or fee increase, less any previous reductions. Covered services include garbage collection, snow plowing, and street sweeping.

NOTE 19 EFFECT OF NEW ACCOUNTING STANDARD ON CURRENT PERIOD FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) has adopted GASB Statement No. 100, *Accounting Changes and Error Corrections*, effective for periods beginning after June 15, 2023 and GASB Statement No. 101, *Compensated Absences*, effective for periods beginning after December 15, 2023. When these become effective, application of these standards may restate prior portions of these financial statements.

Village of Spring Green, Wisconsin
Notes to the Basic Financial Statements
December 31, 2023

NOTE 20

COMMITMENTS/SUBSEQUENT EVENTS

Prior to December 31, 2023, the Village approved electrical upgrades at the municipal pool for approximately \$17,400 and engineering services for proposed well and well house #3 for approximately \$221,000.

Subsequent to December 31, 2023, the Village approved the following:

- Replacing the generator at the wastewater treatment plant for approximately \$32,850.
- Replacing the doors at the municipal pool for approximately \$42,400.
- Repairing Rainbow Road for approximately \$37,000.

REQUIRED SUPPLEMENTARY INFORMATION

Exhibit B-1
Required Supplementary Information
Village of Spring Green, Wisconsin
Budgetary Comparison Schedule for the General Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variances- Positive (Negative)	
	Original	Final		Original to Actual	Final to Actual
REVENUES					
Taxes	\$ 613,114	\$ 613,114	\$ 612,753	\$ (361)	\$ (361)
Intergovernmental	336,385	336,385	338,739	2,354	2,354
Licenses and permits	6,380	6,380	6,189	(191)	(191)
Public charges for services	151,470	151,470	152,017	547	547
Special assessments	14,072	14,072	14,355	283	283
Fines and forfeitures	8,385	8,385	5,440	(2,945)	(2,945)
Interest	21,510	152,000	146,006	124,496	(5,994)
Miscellaneous	112,710	112,710	106,973	(5,737)	(5,737)
Total revenues	1,264,026	1,394,516	1,382,472	118,446	(12,044)
EXPENDITURES					
General government	192,804	192,804	182,169	10,635	10,635
Public safety	704,235	704,235	636,356	67,879	67,879
Public works and sanitation	314,009	322,298	322,298	(8,289)	
Health and human services	750	750		750	750
Leisure activities	111,033	120,532	120,532	(9,499)	
Conservation and economic development	6,649	6,649	6,301	348	348
Total expenditures	1,329,480	1,347,268	1,267,656	61,824	79,612
Excess (deficiency) of revenues over over expenditures	(65,454)	47,248	114,816	180,270	67,568
OTHER FINANCING SOURCES (USES)					
Transfer from water utility - tax equivalent	65,454	65,454	62,954	(2,500)	(2,500)
Net change in fund balances		112,702	177,770	177,770	65,068
Fund balance-beginning of year	861,581	861,581	861,581		
Fund balance-end of year	\$ 861,581	\$ 974,283	\$ 1,039,351	\$ 177,770	\$ 65,068

Exhibit B-2
Village of Spring Green, Wisconsin
Wisconsin Retirement System Schedules
December 31, 2023

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
Last 10 Calendar Years*

Year ended December 31,	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered- employee payroll	Collective net pension liability (asset) as a percentage of its covered- employee payroll	Plan fiduciary net position as a percentage of the total pension liability (asset)
2022	0.00370876%	\$ 196,479	\$ 526,602	37.31%	95.72%
2021	(0.00367073%)	(295,867)	527,672	(56.07%)	(106.02%)
2020	(0.00382673%)	(238,908)	546,067	(43.75%)	(105.26%)
2019	(0.00393768%)	(126,968)	492,767	(25.77%)	(102.96%)
2018	0.00415900%	147,965	539,245	27.44%	96.45%
2017	(0.00419187%)	(124,461)	535,780	(23.23%)	(102.93%)
2016	0.00422394%	34,815	535,782	6.50%	99.12%
2015	0.00429684%	69,823	538,886	12.96%	98.20%
2014	(0.00437258%)	(107,373)	535,231	(20.06%)	(102.74%)

*The proportionate share of the net pension liability (asset) and other amounts presented above for each year were determined as of the calendar year-end that occurred 12 months prior to the financial reporting period.

SCHEDULE OF CONTRIBUTIONS
Last 10 Calendar Years**

Year ended December 31,	Contractually required contributions	Contributions in relation to the contractually required contributions	Contribution deficiency (excess)	Covered- employee payroll	Contributions as a percentage of covered- employee payroll
2023	\$ 43,594	\$ (43,594)		\$ 529,519	8.23%
2022	42,830	(42,830)		526,602	8.13%
2021	42,377	(42,377)		527,672	8.03%
2020	43,563	(43,563)		546,067	7.98%
2019	36,938	(36,938)		492,767	7.50%
2018	42,437	(42,437)		539,245	7.87%
2017	42,749	(42,749)		535,780	7.98%
2016	39,786	(39,786)		535,782	7.43%
2015	40,937	(40,937)		538,886	7.60%

**The contribution and other amounts presented above for each calendar year are based on information that occurred during that calendar year.

Exhibit B-3
Village of Spring Green, Wisconsin
Local Retiree Life Insurance Fund Schedules
December 31, 2023

SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)
Last 10 Calendar Years*

Year ended December 31,	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered- employee payroll	Collective share of the net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability (asset)
2022	0.00572800%	\$ 21,823	\$ 456,000	4.79%	38.81%
2021	0.00816500%	48,258	499,000	9.67%	29.57%
2020	0.01107400%	60,915	475,000	12.82%	31.36%
2019	0.01115800%	47,513	428,000	11.10%	37.58%
2018	0.01303100%	33,624	487,000	6.90%	48.69%
2017	0.12624000%	37,980	530,875	7.15%	44.81%

*The proportionate share of the net OPEB liability (asset) and other amounts presented above for each year were determined as of the calendar year-end that occurred 12 months prior to the financial reporting period.

SCHEDULE OF CONTRIBUTIONS
Last 10 Calendar Years**

Year ended December 31,	Contractually required contributions	Contributions in relation to the contractually required contributions	Contribution deficiency (excess)	Covered- employee payroll	Contributions as a percentage of covered- employee payroll
2023	\$ 118	\$ (118)		\$ 488,000	0.02%
2022	111	(111)		456,000	0.02%
2021	160	(160)		499,000	0.03%
2020	219	(219)		475,000	0.05%
2019	201	(201)		428,000	0.05%
2018	239	(239)		487,000	0.05%

**The contribution and other amounts presented above for each calendar year are based on information that occurred during that calendar year.

Village of Spring Green, Wisconsin
Notes to Required Supplementary Information
December 31, 2023

NOTE 1

BUDGET SCHEDULE

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.C to the financial statements.

The Village budget is adopted in accordance with state law. Budget amounts in the financial statements include appropriations authorized in the original budget resolution and subsequent revisions authorized by the Village board. Such revisions are required by a statutory provision which states that no expenditure can be made from an expired appropriation. The statutes also require publication of these budget revisions. Revisions require a two-thirds vote of the Village Board. Appropriations for the general fund lapse at year end unless specifically carried forward by Board action.

The Village does not utilize encumbrances in its budget process but does take into consideration certain appropriations, which do not lapse on an annual basis.

The Lamb Fund is not legally required to adopt a budget.

NOTE 2

EXCESS EXPENDITURES OVER APPROPRIATIONS

No expenditures exceeded budget appropriations in the general fund for the year ended December 31, 2023.

Village of Spring Green, Wisconsin
Notes to Required Supplementary Information
December 31, 2023

NOTE 3

WISCONSIN RETIREMENT SYSTEM SCHEDULES

Changes in Benefit Terms and Assumptions related to Pension Liabilities (Assets)

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

Changes of assumptions:

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

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

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

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

Village of Spring Green, Wisconsin
Notes to Required Supplementary Information
December 31, 2023

NOTE 3

WISCONSIN RETIREMENT SYSTEM SCHEDULES (CONTINUED)

Significant methods and assumptions used in calculating Wisconsin Retirement System Actuarially Determined Contributions:

	2022	2021	2020	2019	2018
Valuation Date:	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016
Actuarial Cost Method:	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age
Amortization Method:	Level Percent of Payroll-Closed	Level Percent of Payroll-Closed	Level Percent of Payroll-Closed	Level Percent of Payroll-Closed	Level Percent of Payroll-Closed
Amortization Period:	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS
Asset Valuation Method:	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)
Actuarial Assumptions					
Net Investment Rate of Return:	5.40%	5.40%	5.40%	5.50%	5.50%
Weighted based on assumed rate for:					
Pre-retirement:	7.00%	7.00%	7.00%	7.20%	7.20%
Post-retirement:	5.00%	5.00%	5.00%	5.00%	5.00%
Salary Increases					
Wage Inflation:	3.00%	3.00%	3.00%	3.20%	3.20%
Seniority/Merit:	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%
Post-retirement Benefit Adjustments*:	1.90%	1.90%	1.90%	2.10%	2.10%
Retirement Age:	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015 - 2017.	Experience -based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014.	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014.
Mortality:	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).

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

Village of Spring Green, Wisconsin
Notes to Required Supplementary Information
December 31, 2023

NOTE 3

WISCONSIN RETIREMENT SYSTEM SCHEDULES (CONTINUED)

Significant methods and assumptions used in calculating Wisconsin Retirement System Actuarially Determined Contributions:

	2017	2016	2015	2014	2013
Valuation Date:	December 31, 2015	December 31, 2014	December 31, 2013	December 31, 2012	December 31, 2011
Actuarial Cost Method:	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age
Amortization Method:	Level Percent of Payroll-Closed	Level Percent of Payroll-Closed	Level Percent of Payroll-Closed	Level Percent of Payroll-Closed	Level Percent of Payroll-Closed
Amortization Period:	30 Year closed from date of participation in	30 Year closed from date of participation in	30 Year closed from date of participation in	30 Year closed from date of participation in	30 Year closed from date of participation in
Asset Valuation Method:	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)
Actuarial Assumptions					
Net Investment Rate of Return:	5.50%	5.50%	5.50%	5.50%	5.50%
Weighted based on assumed rate for:					
Pre-retirement:	7.20%	7.20%	7.20%	7.20%	7.20%
Post-retirement:	5.00%	5.00%	5.00%	5.00%	5.00%
Salary Increases					
Wage Inflation:	3.20%	3.20%	3.20%	3.20%	3.20%
Seniority/Merit:	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%
Post-retirement Benefit Adjustments*:	2.10%	2.10%	2.10%	2.10%	2.10%
Retirement Age:	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2006 - 2008.
Mortality:	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality	Wisconsin Projected Experience Table - 2005 for women and 90% of the Wisconsin Projected Experience Table - 2005 for men.

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

Village of Spring Green, Wisconsin
Notes to Required Supplementary Information
December 31, 2023

NOTE 4

LOCAL RETIREE LIFE INSURANCE SCHEDULES

Changes in Benefit Terms and Assumptions related to LRLIF OPEB Liabilities (Assets)

Benefit Terms: There were no recent changes in benefit terms.

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

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

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

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

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

SUPPLEMENTARY INFORMATION

Exhibit C-1
Village of Spring Green, Wisconsin
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2023

	Special Revenue Funds					Permanent Funds					Debt	
	Skateboard Park Fund	Post Office Fund	Zoning/ Building Permit Fund	Library Fund	Steepest Amesbury	Bossard Fund	Amesbury Fund	Van Slyke Fund	Pension Fund	TIF #6	Service Fund	Total
ASSETS												
Cash and investments	\$ 419	\$ 15,217	\$ 41,536	\$ 66,258	\$ 5,000	\$ 25,751	\$ 5,000	\$ 27,950	\$ 7,965	\$ 184,917	\$	\$ 380,013
Receivables:												
Taxes				108,148						163,778	136,806	408,732
Leases		77,452										77,452
Total assets	<u>\$ 419</u>	<u>\$ 92,669</u>	<u>\$ 41,536</u>	<u>\$ 174,406</u>	<u>\$ 5,000</u>	<u>\$ 25,751</u>	<u>\$ 5,000</u>	<u>\$ 27,950</u>	<u>\$ 7,965</u>	<u>\$ 348,695</u>	<u>\$ 136,806</u>	<u>\$ 866,197</u>
LIABILITIES												
Accounts payable	\$	\$	\$ 426	\$ 6,496	\$	\$	\$	\$	\$	\$	\$	\$ 6,922
DEFERRED INFLOWS OF RESOURCES												
Leases		76,107										76,107
Deferred revenues				108,148						234,567	136,806	479,521
Total deferred inflows of resources		76,107		108,148						234,567	136,806	555,628
FUND BALANCE												
Nonspendable		1,345				25,751	5,000	27,950	7,965			68,011
Restricted	419	15,217	41,110	59,762	5,000					114,128		235,636
Total fund balance	419	16,562	41,110	59,762	5,000	25,751	5,000	27,950	7,965	114,128		303,647
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 419</u>	<u>\$ 92,669</u>	<u>\$ 41,536</u>	<u>\$ 174,406</u>	<u>\$ 5,000</u>	<u>\$ 25,751</u>	<u>\$ 5,000</u>	<u>\$ 27,950</u>	<u>\$ 7,965</u>	<u>\$ 348,695</u>	<u>\$ 136,806</u>	<u>\$ 866,197</u>

Exhibit C-2
Village of Spring Green, Wisconsin
Combining Statement of Revenues,
Expenditures, and
Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2023

	Special Revenue Funds					Permanent Funds				TIF #6	Debt Service Fund	Total
	Skateboard Park Fund	Post Office Fund	Zoning/ Building Permit Fund	Library Fund	Steepes/ Amesbury	Bossard Fund	Amesbury Fund	Van Slyke Fund	Pension Fund			
REVENUES												
Taxes	\$	\$	\$	\$ 104,998	\$	\$	\$	\$	\$	\$ 170,686	\$ 135,206	\$ 410,890
Intergovernmental				131,355								131,355
Licenses and permits			16,555									16,555
Interest/investment income		1,630		961	185	566	202	866	306	5,177		9,893
Miscellaneous		4,475		22,979								27,454
Total revenues		6,105	16,555	260,293	185	566	202	866	306	175,863	135,206	596,147
EXPENDITURES												
General government		4,141								1,550		5,691
Leisure activities				287,217								287,217
Conservation and development			14,850									14,850
Economic development										1,998		1,998
Debt service:												
Principal										60,000	85,000	145,000
Interest costs										85,300	50,206	135,506
Total expenditures		4,141	14,850	287,217						148,848	135,206	590,262
Excess of revenues over (under) expenditures		1,964	1,705	(26,924)	185	566	202	866	306	27,015		5,885
OTHER FINANCING SOURCES (USES)												
Transfers in				694		202						896
Transfers out					(185)		(202)					(387)
Total other financing sources (uses)				694	(185)	202	(202)					509
Net change in fund balances		1,964	1,705	(26,230)		768		866	306	27,015		6,394
Fund balances, beginning of year	419	14,598	39,405	85,992	5,000	24,983	5,000	27,084	7,659	87,113		297,253
Fund balances, end of year	\$ 419	\$ 16,562	\$ 41,110	\$ 59,762	\$ 5,000	\$ 25,751	\$ 5,000	\$ 27,950	\$ 7,965	\$ 114,128	\$	\$ 303,647