

**VILLAGE OF WINNECONNE, WISCONSIN**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED DECEMBER 31, 2024**



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## INDEPENDENT AUDITORS' REPORT

Village Board  
Village of Winneconne, Wisconsin

### Report on the Audit of the Financial Statements

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Winneconne, Wisconsin (the Village), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village as of December 31, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof, and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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

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

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

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

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

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

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

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the schedules relating to pension and other postemployment benefits as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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 discussions and analysis that accounting principles generally accepted in the United State 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 for the year ended December 31, 2024 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The financial information listed in the table of contents as supplementary information for the year ended December 31, 2024 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 31, 2024 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended December 31, 2024.

We also previously audited, in accordance with GAAS, the basic financial statements of the Village as of and for the year ended December 31, 2023, (not presented herein), and have issued our report thereon dated June 19, 2024 which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. The financial information listed in the table of contents as supplementary information for the year ended December 31, 2023 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2023 basic financial statements. The information was subjected to the audit procedures applied in the audit of the 2023 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the financial information listed in the table of contents as supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2023.

### **Report on Summarized Comparative Information**

We have previously audited the Village's 2023 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 June 19, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Village Board  
Village of Winneconne, Wisconsin

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated April 24, 2025, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

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

**CliftonLarsonAllen LLP**

Green Bay, Wisconsin  
April 24, 2025

## **BASIC FINANCIAL STATEMENTS**

**VILLAGE OF WINNECONNE, WISCONSIN**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2024**  
**(WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2023)**

	Governmental	Business-Type	Totals	
	Activities	Activities	2024	2023
<b>ASSETS</b>				
Cash and Investments	\$ 3,217,101	\$ 2,273,906	\$ 5,491,007	\$ 4,655,532
Receivables:				
Taxes and Special Charges	1,529,821	206,658	1,736,479	1,795,094
Delinquent Taxes	2,348	-	2,348	318
Accounts	-	564,067	564,067	500,333
Special Assessments	352,064	50,479	402,543	374,683
Loans	53,117	-	53,117	53,117
Leases	-	244,222	244,222	26,127
Due from Other Governments	250,000	-	250,000	-
Inventories and Prepaid Items	14,171	23,795	37,966	43,827
Restricted Assets:				
Cash and Investments	-	463,504	463,504	439,970
Capital Assets, Nondepreciable	2,490,410	15,562	2,505,972	4,945,639
Capital Assets, Depreciable, Net	9,125,376	17,871,141	26,996,517	21,582,057
<b>Total Assets</b>	<b>17,034,408</b>	<b>21,713,334</b>	<b>38,747,742</b>	<b>34,416,697</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Charges on Refunding	-	40,562	40,562	48,674
Pension Related Amounts	659,588	108,541	768,129	1,233,431
Other Postemployment Related Amounts	71,945	11,110	83,055	56,306
<b>Total Deferred Outflows of Resources</b>	<b>731,533</b>	<b>160,213</b>	<b>891,746</b>	<b>1,338,411</b>
<b>LIABILITIES</b>				
Accounts Payable	215,365	278,905	494,270	1,144,867
Accrued and Other Current Liabilities	26,085	5,133	31,218	29,940
Accrued Interest Payable	125,579	58,419	183,998	90,360
Special Deposits	-	5,164	5,164	5,164
Unearned Revenues	150,000	-	150,000	62,722
Long-Term Obligations:				
Due Within One Year	1,520,520	472,605	1,993,125	883,924
Due in More Than One Year	5,763,887	7,691,225	13,455,112	12,719,156
Net Pension Liability	73,737	12,016	85,753	331,960
Other Postemployment Benefits	71,224	10,999	82,223	44,293
<b>Total Liabilities</b>	<b>7,946,397</b>	<b>8,534,466</b>	<b>16,480,863</b>	<b>15,312,386</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes Levied for Subsequent Year	2,465,717	414,047	2,879,764	2,904,940
Leases Related	-	244,222	244,222	26,127
Pension Related Amounts	394,185	64,238	458,423	695,346
Other Postemployment Related Amounts	80,959	12,502	93,461	96,998
<b>Total Deferred Inflows Resources</b>	<b>2,940,861</b>	<b>735,009</b>	<b>3,675,870</b>	<b>3,723,411</b>
<b>NET POSITION</b>				
Net Investment in Capital Assets	4,266,349	9,510,666	13,777,015	12,762,795
Restricted:				
Capital Projects and Development	452,622	-	452,622	169,737
Donations	13,361	-	13,361	5,090
Development Loans Receivable	53,117	-	53,117	53,117
Equipment Replacement	-	463,504	463,504	439,970
Debt Service	479,502	-	479,502	282,430
Unrestricted	1,613,732	2,629,902	4,243,634	3,006,172
<b>Total Net Position</b>	<b>\$ 6,878,683</b>	<b>\$ 12,604,072</b>	<b>\$ 19,482,755</b>	<b>\$ 16,719,311</b>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF WINNECONNE, WISCONSIN**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2024**  
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2023)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>GOVERNMENTAL ACTIVITIES</b>				
General Government	\$ 645,245	\$ 91,918	\$ -	\$ 28,364
Public Safety	886,818	90,940	19,244	24,945
Public Works	1,219,010	229,667	242,050	417,464
Health and Human Services	44,383	22,416	1,979	-
Culture and Recreation	755,639	136,115	229,614	328,913
Conservation and Development	32,024	13,100	-	-
Interest and Fiscal Charges	222,483	-	-	-
Total Governmental Activities	<u>3,805,602</u>	<u>584,156</u>	<u>492,887</u>	<u>799,686</u>
<b>BUSINESS-TYPE ACTIVITIES</b>				
Water Utility	884,817	1,284,535	-	848,627
Sewer Utility	1,010,002	887,630	-	1,253
Stormwater Utility	78,645	313,988	-	2,278
Total Business-Type Activities	<u>1,973,464</u>	<u>2,486,153</u>	<u>-</u>	<u>852,158</u>
Total	<u>\$ 5,779,066</u>	<u>\$ 3,070,309</u>	<u>\$ 492,887</u>	<u>\$ 1,651,844</u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF WINNECONNE, WISCONSIN**  
**STATEMENT OF ACTIVITIES (CONTINUED)**  
**YEAR ENDED DECEMBER 31, 2024**  
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2023)

Functions/Programs	Net (Expense) Revenue and Changes in Net Position			
	Governmental	Business-Type	Totals	
	Activities	Activities	2024	2023
<b>GOVERNMENTAL ACTIVITIES</b>				
General Government	\$ (524,963)	\$ -	\$ (524,963)	\$ (620,888)
Public Safety	(751,689)	-	(751,689)	(735,547)
Public Works	(329,829)	-	(329,829)	(631,286)
Health and Human Services	(19,988)	-	(19,988)	(12,612)
Culture and Recreation	(60,997)	-	(60,997)	(302,636)
Conservation and Development	(18,924)	-	(18,924)	101,396
Interest and Fiscal Charges	(222,483)	-	(222,483)	(167,776)
Total Governmental Activities	(1,928,873)	-	(1,928,873)	(2,369,349)
<b>BUSINESS-TYPE ACTIVITIES</b>				
Water Utility	-	1,248,345	1,248,345	1,151,717
Sewer Utility	-	(121,119)	(121,119)	(153,350)
Stormwater Utility	-	237,621	237,621	268,327
Total Business-Type Activities	-	1,364,847	1,364,847	1,266,694
Total	(1,928,873)	1,364,847	(564,026)	(1,102,655)
<b>GENERAL REVENUES</b>				
Taxes:				
Property Taxes	1,813,169	114,782	1,927,951	1,898,828
Tax Increments	413,378	-	413,378	446,662
Other Taxes	26,241	-	26,241	-
Federal and State Grants and Other				
Contributions Not Restricted to				
Specific Functions	326,517	-	326,517	435,921
Interest and Investment Earnings	285,028	315,168	600,196	227,088
Miscellaneous	19,498	-	19,498	8,934
Gain on Sale of Asset	13,689	-	13,689	4,800
Transfers	204,676	(204,676)	-	-
Total General Revenues and Transfers	3,102,196	225,274	3,327,470	3,022,233
<b>CHANGE IN NET POSITION</b>	1,173,323	1,590,121	2,763,444	1,919,578
Net Position - Beginning of Year	5,705,360	11,013,951	16,719,311	14,799,733
<b>NET POSITION - END OF YEAR</b>	<u>\$ 6,878,683</u>	<u>\$ 12,604,072</u>	<u>\$ 19,482,755</u>	<u>\$ 16,719,311</u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF WINNECONNE, WISCONSIN**  
**BALANCE SHEET —**  
**GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2024**  
**(WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2023)**

<b>ASSETS</b>	General	General Capital Projects	Debt Service
Cash and Investments	\$ 1,372,757	\$ -	\$ 836,475
Receivables:			
Taxes and Special Charges	808,841	-	357,162
Delinquent Taxes	2,348	-	-
Loans	-	-	-
Special Assessments	-	-	352,064
Due from Other Funds	251,946	-	-
Due from Other Governments	-	250,000	-
Inventories and Prepaid Items	14,171	-	-
Total Assets	\$ 2,450,063	\$ 250,000	\$ 1,545,701
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts Payable	\$ 51,737	\$ 145,477	\$ -
Accrued and Other Current Liabilities	26,085	-	-
Due to Other Funds	-	233,908	-
Unearned Revenues	-	150,000	-
Total Liabilities	77,822	529,385	-
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes Levied for Subsequent Year	1,252,016	-	588,556
Grant Receivable	-	250,000	-
Loans Receivable	-	-	-
Special Assessments	-	-	352,064
Total Deferred Inflows of Resources	1,252,016	250,000	940,620
<b>FUND BALANCES</b>			
Nonspendable	14,171	-	-
Restricted	-	-	605,081
Committed	-	-	-
Unassigned	1,106,054	(529,385)	-
Total Fund Balances	1,120,225	(529,385)	605,081
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 2,450,063	\$ 250,000	\$ 1,545,701

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF WINNECONNE, WISCONSIN  
BALANCE SHEET —  
GOVERNMENTAL FUNDS (CONTINUED)  
DECEMBER 31, 2024  
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2023)**

<b>ASSETS</b>	Other Governmental Funds	Totals	
		2024	2023
Cash and Investments	\$ 1,007,869	\$ 3,217,101	\$ 3,512,416
Receivables:			
Taxes and Special Charges	363,818	1,529,821	1,480,363
Delinquent Taxes	-	2,348	318
Loans	53,117	53,117	53,117
Special Assessments	-	352,064	357,382
Due from Other Funds	-	251,946	20,835
Due from Other Governments	-	250,000	-
Inventories and Prepaid Items	-	14,171	20,032
Total Assets	\$ 1,424,804	\$ 5,670,568	\$ 5,444,463
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts Payable	\$ 18,151	\$ 215,365	\$ 397,020
Accrued and Other Current Liabilities	-	26,085	26,707
Due to Other Funds	18,038	251,946	20,835
Unearned Revenues	-	150,000	62,722
Total Liabilities	36,189	643,396	507,284
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes Levied for Subsequent Year	625,145	2,465,717	2,590,209
Grant Receivable	-	250,000	-
Loans Receivable	53,117	53,117	53,117
Special Assessments	-	352,064	357,382
Total Deferred Inflows of Resources	678,262	3,120,898	3,000,708
<b>FUND BALANCES</b>			
Nonspendable	-	14,171	20,032
Restricted	467,216	1,072,297	754,756
Committed	277,956	277,956	239,783
Unassigned	(34,819)	541,850	921,900
Total Fund Balances	710,353	1,906,274	1,936,471
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 1,424,804	\$ 5,670,568	\$ 5,444,463

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF WINNECONNE, WISCONSIN  
RECONCILIATION OF THE BALANCE SHEET — GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
DECEMBER 31, 2024  
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2023)**

	2024	2023
Total fund balances as shown on previous page	\$ 1,906,274	\$ 1,936,471
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	11,615,786	11,134,425
Other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.		
Loans Receivable	53,117	53,117
Special Assessments	352,064	357,382
Grant Receivable	250,000	-
Some deferred outflows and inflows of resources reflect changes in long-term liabilities and are not reported in the funds.		
Deferred Outflows Related to Pensions	659,588	1,068,443
Deferred Inflows Related to Pensions	(394,185)	(602,973)
Deferred Outflows Related to Other Postemployment Benefits	71,945	48,828
Deferred Inflows Related to Other Postemployment Benefits	(80,959)	(84,117)
Long-term assets are not current financial resource; therefore, are not reported in the funds:		
Net Pension Liability	(73,737)	(287,861)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds and Notes Payable	(7,125,856)	(7,665,698)
Premium on Debt	(78,104)	(87,003)
Compensated Absences	(80,447)	(72,871)
Other Postemployment Benefit	(71,224)	(38,411)
Accrued Interest on Long-Term Obligations	(125,579)	(54,372)
<b>Net Position of Governmental Activities as Reported on the Statement of Net Position</b>	<b>\$ 6,878,683</b>	<b>\$ 5,705,360</b>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF WINNECONNE, WISCONSIN**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES —**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED DECEMBER 31, 2024**  
**(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2023)**

	General	General Capital Projects	Debt Service
<b>REVENUES</b>			
Taxes	\$ 1,265,439	\$ -	\$ 573,971
Special Assessments	-	-	138,518
Intergovernmental	661,708	319,500	-
Licenses and Permits	86,770	-	-
Fines and Forfeits	33,528	-	-
Public Charges for Services	161,826	-	-
Intergovernmental Charges for Services	71,556	-	-
Miscellaneous	359,603	17,341	16,271
Total Revenues	2,640,430	336,841	728,760
<b>EXPENDITURES</b>			
Current:			
General Government	546,809	-	-
Public Safety	804,966	15,968	-
Public Works	299,261	-	-
Health and Human Services	42,672	-	-
Culture and Recreation	495,720	-	-
Conservation and Development	22,905	-	-
Debt Service:			
Principal	-	-	437,833
Interest and Fiscal Charges	-	-	137,430
Capital Outlay	-	1,534,087	-
Total Expenditures	2,212,333	1,550,055	575,263
<b>EXCESS OF REVENUES OVER (UNDER)</b>			
<b>EXPENDITURES</b>	428,097	(1,213,214)	153,497
<b>OTHER FINANCING SOURCES</b>			
Long-Term Debt Issued	-	-	-
Capital Contributions	-	34,264	-
Proceeds from Sale of Capital Assets	13,689	-	-
Transfers In	89,894	411,934	114,782
Transfers Out	(400,000)	-	-
Total Other Financing Sources	(296,417)	446,198	114,782
<b>NET CHANGE IN FUND BALANCES</b>	131,680	(767,016)	268,279
Fund Balances - Beginning of Year	988,545	237,631	336,802
<b>FUND BALANCES - END OF YEAR</b>	\$ 1,120,225	\$ (529,385)	\$ 605,081

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF WINNECONNE, WISCONSIN**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES —**  
**GOVERNMENTAL FUNDS (CONTINUED)**  
**YEAR ENDED DECEMBER 31, 2024**  
**(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2023)**

	Other Governmental Funds	Totals	
		2024	2023
<b>REVENUES</b>			
Taxes	\$ 413,378	\$ 2,252,788	\$ 2,178,655
Special Assessments	-	138,518	75,888
Intergovernmental	78,476	1,059,684	768,245
Licenses and Permits	-	86,770	69,624
Fines and Forfeits	-	33,528	28,542
Public Charges for Services	253,445	415,271	554,908
Intergovernmental Charges for Services	-	71,556	81,350
Miscellaneous	51,274	444,489	258,076
Total Revenues	<u>796,573</u>	<u>4,502,604</u>	<u>4,015,288</u>
<b>EXPENDITURES</b>			
Current:			
General Government	-	546,809	612,654
Public Safety	-	820,934	696,294
Public Works	223,646	522,907	580,575
Health and Human Services	-	42,672	35,543
Culture and Recreation	27,416	523,136	494,496
Conservation and Development	9,241	32,146	44,318
Debt Service:			
Principal	102,009	539,842	1,203,932
Interest and Fiscal Charges	22,745	160,175	185,181
Capital Outlay	62,722	1,596,809	991,000
Total Expenditures	<u>447,779</u>	<u>4,785,430</u>	<u>4,843,993</u>
<b>EXCESS OF REVENUES OVER (UNDER)</b>			
<b>EXPENDITURES</b>	348,794	(282,826)	(828,705)
<b>OTHER FINANCING SOURCES</b>			
Long-Term Debt Issued	-	-	950,000
Capital Contributions	-	34,264	
Proceeds from Sale of Capital Assets	-	13,689	4,300
Transfers In	52,437	669,047	1,899,137
Transfers Out	(64,371)	(464,371)	(1,649,000)
Total Other Financing Sources	<u>(11,934)</u>	<u>252,629</u>	<u>1,204,437</u>
<b>NET CHANGE IN FUND BALANCES</b>	336,860	(30,197)	375,732
Fund Balances - Beginning of Year	<u>373,493</u>	<u>1,936,471</u>	<u>1,560,739</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 710,353</u>	<u>\$ 1,906,274</u>	<u>\$ 1,936,471</u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF WINNECONNE, WISCONSIN**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES —**  
**GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2024**  
**(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2023)**

	2024	2023
Net change in fund balances as shown on previous page	\$ (30,197)	\$ 375,732
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital Assets Reported as Expenditures in Governmental Fund Statements	1,013,508	605,389
Depreciation Expense Reported in the Statement of Activities	(532,147)	(511,478)
Net Book Value of Disposals	-	(338)
Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the statement of activities when earned.		
Loans Receivable	-	8,400
Special Assessments	(5,318)	79,243
Grant Receivable	250,000	-
Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal and capital leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Long-Term Debt Issued	-	(950,000)
Principal Repaid	539,842	1,203,795
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:		
Accrued Interest on Long-Term Debt	(71,207)	8,259
Amortization of Premiums	8,899	9,282
Compensated Absences	(7,576)	(23,891)
Net Pension Liability	214,124	(741,950)
Deferred Outflows of Resources Related to Pensions	(408,855)	186,685
Deferred Inflows of Resources Related to Pensions	208,788	466,645
Other Postemployment Benefits	(32,813)	54,325
Deferred Outflows of Resources Related to Other Postemployment Benefits	23,117	(23,416)
Deferred Inflows of Resources Related to Other Postemployment Benefits	3,158	(32,016)
<b>Change in Net Position of Governmental Activities as Reported in the Statement of Activities</b>	<b>\$ 1,173,323</b>	<b>\$ 714,666</b>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF WINNECONNE, WISCONSIN**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES —**  
**BUDGET AND ACTUAL — GENERAL FUND**  
**YEAR ENDED DECEMBER 31, 2024**  
**(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2023)**

	Budget		Actual	Variance	2023 Actual
	Original	Final		Final Budget - Positive (Negative)	
<b>REVENUES</b>					
Taxes	\$ 1,278,017	\$ 1,278,017	\$ 1,265,439	\$ (12,578)	\$ 1,218,154
Intergovernmental	708,290	708,290	661,708	(46,582)	542,821
Licenses and Permits	27,450	27,450	86,770	59,320	69,624
Fines and Forfeits	19,000	19,000	33,528	14,528	28,542
Public Charges for Services	145,725	145,725	161,826	16,101	193,874
Interdepartmental Charges for Services	-	-	71,556	71,556	-
Miscellaneous	140,000	140,000	359,603	219,603	205,544
Total Revenues	<u>2,318,482</u>	<u>2,318,482</u>	<u>2,640,430</u>	<u>321,948</u>	<u>2,339,909</u>
<b>EXPENDITURES</b>					
Current:					
General Government	519,047	519,047	546,809	(27,762)	599,111
Public Safety	732,928	732,928	804,966	(72,038)	688,239
Public Works	342,329	342,329	299,261	43,068	332,216
Health and Human Services	34,135	34,135	42,672	(8,537)	35,543
Culture and Recreation	461,645	461,645	495,720	(34,075)	476,971
Conservation and Development	24,900	24,900	22,905	1,995	21,320
Total Expenditures	<u>2,114,984</u>	<u>2,114,984</u>	<u>2,212,333</u>	<u>(97,349)</u>	<u>2,153,400</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	203,498	203,498	428,097	224,599	186,509
<b>OTHER FINANCING SOURCES</b>					
Proceeds from Sale of Capital Assets	-	-	13,689	13,689	4,300
Transfers In	101,500	101,500	89,894	(11,606)	83,302
Transfers Out	-	(400,000)	(400,000)	-	-
Total Other Financing Sources	<u>101,500</u>	<u>(298,500)</u>	<u>(296,417)</u>	<u>2,083</u>	<u>87,602</u>
<b>NET CHANGE IN FUND BALANCE</b>	304,998	(95,002)	131,680	226,682	274,111
Fund Balance - Beginning of Year	<u>988,545</u>	<u>988,545</u>	<u>988,545</u>	<u>-</u>	<u>714,434</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 1,293,543</u>	<u>\$ 893,543</u>	<u>\$ 1,120,225</u>	<u>\$ 226,682</u>	<u>\$ 988,545</u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF WINNECONNE, WISCONSIN**  
**STATEMENT OF NET POSITION —**  
**PROPRIETARY FUNDS**  
**DECEMBER 31, 2024**  
**(WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2023)**

	Water Utility	Sewer Utility	Non-Major Storm Water Utility	Totals	
				2024	2023
<b>ASSETS</b>					
Current Assets:					
Cash and Investments	\$ 258,296	\$ 1,605,107	\$ 410,503	\$ 2,273,906	\$ 1,143,116
Receivables:					
Taxes and Special Charges	60,347	-	146,311	206,658	314,731
Customer Accounts	341,161	222,906	-	564,067	500,333
Special Assessments	-	50,479	-	50,479	17,301
Due from Other Funds	-	-	-	-	263,237
Leases	244,222	-	-	244,222	26,127
Inventories and Prepaid Items	18,281	5,514	-	23,795	23,795
Total Current Assets	<u>922,307</u>	<u>1,884,006</u>	<u>556,814</u>	<u>3,363,127</u>	<u>2,288,640</u>
Noncurrent Assets:					
Restricted Assets					
Cash and Investments	-	463,504	-	463,504	439,970
Capital Assets:					
Nondepreciable	3,915	11,647	-	15,562	3,174,524
Depreciable, Net	<u>11,311,428</u>	<u>6,315,632</u>	<u>244,081</u>	<u>17,871,141</u>	<u>12,218,747</u>
Total Capital Assets	<u>11,315,343</u>	<u>6,327,279</u>	<u>244,081</u>	<u>17,886,703</u>	<u>15,393,271</u>
Total Assets	12,237,650	8,674,789	800,895	21,713,334	18,121,881
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred Charges on Refunding	32,125	8,437	-	40,562	48,674
Pension Related Amounts	60,607	47,934	-	108,541	164,988
Other Postemployment Related Amounts	<u>6,009</u>	<u>5,101</u>	<u>-</u>	<u>11,110</u>	<u>7,478</u>
Total Deferred Outflows of Resources	<u>98,741</u>	<u>61,472</u>	<u>-</u>	<u>160,213</u>	<u>221,140</u>
<b>LIABILITIES</b>					
Current Liabilities:					
Accounts Payable	264,703	14,202	-	278,905	747,847
Accrued and Other Current Liabilities	2,089	1,973	1,071	5,133	3,233
Due to Other Funds	-	-	-	-	263,237
Accrued Interest Payable	39,135	19,284	-	58,419	35,988
Special Deposits	5,164	-	-	5,164	5,164
Current Portion of General Obligation Debt	101,850	55,400	-	157,250	159,500
Current Portion of Revenue Bonds	<u>196,655</u>	<u>118,700</u>	<u>-</u>	<u>315,355</u>	<u>184,582</u>
Total Current Liabilities	<u>609,596</u>	<u>209,559</u>	<u>1,071</u>	<u>820,226</u>	<u>1,399,551</u>
Long-Term Obligations, Less Current Portion:					
General Obligation Debt	1,110,450	232,800	-	1,343,250	1,500,500
Revenue Bonds	4,068,675	2,279,300	-	6,347,975	3,932,926
Net Pension Liability	6,678	5,338	-	12,016	44,099
Other Postemployment Benefits	<u>5,949</u>	<u>5,050</u>	<u>-</u>	<u>10,999</u>	<u>5,882</u>
Total Long-Term Liabilities	<u>5,191,752</u>	<u>2,522,488</u>	<u>-</u>	<u>7,714,240</u>	<u>5,483,407</u>
Total Liabilities	5,801,348	2,732,047	1,071	8,534,466	6,882,958
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Leases Related	244,222	-	-	244,222	26,127
Special Charges on Subsequent Year Tax Roll	99,444	-	314,603	414,047	314,731
Pension Related Amounts	35,701	28,537	-	64,238	92,373
Other Postemployment Related Amounts	<u>6,762</u>	<u>5,740</u>	<u>-</u>	<u>12,502</u>	<u>12,881</u>
Total Deferred Inflows of Resources	<u>386,129</u>	<u>34,277</u>	<u>314,603</u>	<u>735,009</u>	<u>446,112</u>
<b>NET POSITION</b>					
Net Investment in Capital Assets	5,617,069	3,649,516	244,081	9,510,666	9,137,944
Restricted:					
Equipment Replacement	-	463,504	-	463,504	439,970
Unrestricted	<u>531,845</u>	<u>1,856,917</u>	<u>241,140</u>	<u>2,629,902</u>	<u>1,436,037</u>
Total Net Position	<u>\$ 6,148,914</u>	<u>\$ 5,969,937</u>	<u>\$ 485,221</u>	<u>\$ 12,604,072</u>	<u>\$ 11,013,951</u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF WINNECONNE, WISCONSIN**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION —**  
**PROPRIETARY FUNDS**  
**YEAR ENDED DECEMBER 31, 2024**  
**(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2023)**

	Water Utility	Sewer Utility	Non-Major Stormwater Utility	Totals	
				2024	2023
<b>OPERATING REVENUES</b>					
Charges for Services	\$ 1,208,420	\$ 808,357	\$ 313,988	\$ 2,330,765	\$ 2,161,884
Other	76,115	79,273	-	155,388	150,837
Taxes					
Total Operating Revenues	1,284,535	887,630	313,988	2,486,153	2,312,721
<b>OPERATING EXPENSES</b>					
Operation and Maintenance	334,976	331,767	72,270	739,013	620,200
Administrative and General	133,959	135,565	-	269,524	277,302
Depreciation	259,860	477,396	6,375	743,631	632,058
Total Operating Expenses	728,795	944,728	78,645	1,752,168	1,529,560
<b>OPERATING INCOME (LOSS)</b>	555,740	(57,098)	235,343	733,985	783,161
<b>NONOPERATING REVENUES (EXPENSES)</b>					
General Property Taxes	114,782	-	-	114,782	166,835
Interest Income	-	24,787	-	24,787	23,132
Interest and Fiscal Charges	(139,662)	(81,634)	-	(221,296)	(150,471)
Total Nonoperating Revenues (Expenses)	(24,880)	(56,847)	-	(81,727)	39,496
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	530,860	(113,945)	235,343	652,258	822,657
Capital Contributions	848,627	291,634	2,278	1,142,539	632,392
Transfers Out	(204,676)	-	-	(204,676)	(250,137)
<b>CHANGE IN NET POSITION</b>	1,174,811	177,689	237,621	1,590,121	1,204,912
Net Position - Beginning of Year	4,974,103	5,792,248	247,600	11,013,951	9,809,039
<b>NET POSITION - END OF YEAR</b>	<u>\$ 6,148,914</u>	<u>\$ 5,969,937</u>	<u>\$ 485,221</u>	<u>\$ 12,604,072</u>	<u>\$ 11,013,951</u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF WINNECONNE, WISCONSIN**  
**STATEMENT OF CASH FLOWS —**  
**PROPRIETARY FUNDS**  
**YEAR ENDED DECEMBER 31, 2024**  
**(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2023)**

	Water Utility	Sewer Utility	Non-Major Storm Water Utility	Totals	
				2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Cash Received from Customers	\$ 1,238,680	\$ 869,751	\$ 482,280	\$ 2,590,711	\$ 2,112,222
Cash Paid for Employee Wages and Benefits	(221,980)	(93,843)	(41,881)	(357,704)	(305,765)
Cash Paid to Suppliers	(841,594)	(384,518)	(30,070)	(1,256,182)	(434,996)
Net Cash Provided by Operating Activities	175,106	391,390	410,329	976,825	1,371,461
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Paid to Municipality for Tax Equivalent	(89,894)	-	-	(89,894)	(83,302)
Property Tax Appropriation Received	153,879	-	-	153,879	85,890
Due to/from Other Funds	(378,019)	263,237	-	(114,782)	(368,647)
Net Cash Provided (Used) by Noncapital Financing Activities	(314,034)	263,237	-	(50,797)	(366,059)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Acquisition of Capital Assets	(2,048,459)	(31,231)	-	(2,079,690)	(2,534,016)
Capital Contributions	-	87,629	-	87,629	6,366
Proceeds of Long-Term Debt	2,805,585	-	-	2,805,585	1,604,208
Principal Paid on Long-Term Debt	(250,163)	(169,100)	-	(419,263)	(768,650)
Interest Paid on Long-Term Debt	(109,739)	(81,013)	-	(190,752)	(144,288)
Net Cash Used by Capital and Related Financing Activities	397,224	(193,715)	-	203,509	(1,836,380)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest Received	-	24,787	-	24,787	23,132
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	258,296	485,699	410,329	1,154,324	(807,846)
Cash and Cash Equivalents - Beginning of Year	-	1,582,912	174	1,583,086	2,390,932
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 258,296</u>	<u>\$ 2,068,611</u>	<u>\$ 410,503</u>	<u>\$ 2,737,410</u>	<u>\$ 1,583,086</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>					
Operating Income (Loss)	\$ 555,740	\$ (57,098)	\$ 235,343	\$ 733,985	\$ 783,161
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:					
Depreciation	250,233	487,023	6,375	743,631	632,058
Depreciation Charged to Sewer Utility	9,627	(9,627)	-	-	-
Change in Liability (Asset) and Deferred Outflows and Inflows of Resources:					
Change in Net Pension Asset	(15,535)	(16,548)	-	(32,083)	112,887
Change in Pension Related Deferred Outflow	23,040	33,407	-	56,447	(32,461)
Change in Pension Related Deferred Inflow	(10,828)	(17,307)	-	(28,135)	(69,658)
Change in OPEB Liability	2,986	2,131	-	5,117	(8,159)
Change in OPEB Deferred Outflow	(2,242)	(1,390)	-	(3,632)	3,461
Change in OPEB Deferred Inflow	273	(652)	-	(379)	4,993
Change in Other Deferred Inflows	-	-	(128)	(128)	(128)
Change in Operating Assets and Liabilities:					
Accounts Receivable	(45,855)	(17,879)	-	(63,734)	(64,536)
Taxes and special charges receivable	-	-	168,420	168,420	(135,835)
Inventories and Prepaid Items	-	-	-	-	18,313
Accounts Payable	(593,123)	(11,461)	-	(604,584)	126,849
Accrued Liabilities	790	791	319	1,900	516
Net Cash Provided by Operating Activities	<u>\$ 175,106</u>	<u>\$ 391,390</u>	<u>\$ 410,329</u>	<u>\$ 976,825</u>	<u>\$ 1,371,461</u>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION</b>					
Cash and Cash Equivalents in Current Assets	\$ 258,296	\$ 1,605,107	\$ 410,503	\$ 2,273,906	\$ 1,143,116
Cash and Cash Equivalents in Restricted Assets	-	463,504	-	463,504	439,970
Total Cash and Cash Equivalents	<u>\$ 258,296</u>	<u>\$ 2,068,611</u>	<u>\$ 410,503</u>	<u>\$ 2,737,410</u>	<u>\$ 1,583,086</u>
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Capital Assets Contributed	<u>\$ 848,627</u>	<u>\$ 291,634</u>	<u>\$ 2,278</u>	<u>\$ 1,142,539</u>	<u>\$ 632,392</u>
Capital Related Accounts Payable	<u>\$ 252,769</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF WINNECONNE, WISCONSIN  
STATEMENT OF FIDUCIARY NET POSITION —  
FIDUCIARY FUND  
DECEMBER 31, 2024  
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2023)**

	Tax Collection Custodial Fund	
	2024	2023
<b>ASSETS</b>		
Cash and Investments	\$ 1,408,328	\$ 1,320,813
Taxes Receivable	2,173,787	2,076,226
Total Assets	3,582,115	3,397,039
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property Taxes Levied for Subsequent Year	3,582,115	3,394,039
<b>NET POSITION</b>		
Fiduciary Net Position - Held for Others	\$ -	\$ -

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF WINNECONNE, WISCONSIN**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION —**  
**FIDUCIARY FUND**  
**YEAR ENDED DECEMBER 31, 2024**  
**(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2023)**

	Tax Collection Custodial Fund	
	2024	2023
<b>ADDITIONS</b>		
Property Tax Collections	\$ 3,394,039	\$ 2,899,921
<b>DEDUCTIONS</b>		
Payments to Taxing Jurisdictions	3,394,039	2,899,921
<b>CHANGE IN NET POSITION</b>	-	-
Net Position - Beginning of Year	-	-
<b>NET POSITION - END OF YEAR</b>	\$ -	\$ -

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF WINNECONNE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. Reporting Entity**

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

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

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

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

Separate financial statements are provided for governmental funds and proprietary funds. Governmental funds include general, special revenue, debt service and capital projects funds. Proprietary funds include enterprise funds. The Village has no internal service funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The Village reports the following major governmental funds:

**General Fund**

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

**VILLAGE OF WINNECONNE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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

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

**General Capital Projects Fund**

This fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

**Debt Service Fund**

This fund is used to account for, and the payment of, general long-term debt principal, interest, and related costs.

The Village reports the following major enterprise funds:

**Water Utility Fund**

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

**Sewer Utility Fund**

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

The Village also reports the following fiduciary fund:

**Custodial Fund**

The custodial fund accounts for property taxes and special charges collected on behalf of other governments.

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

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

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

**VILLAGE OF WINNECONNE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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

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

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

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

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

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

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

**VILLAGE OF WINNECONNE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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

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

**1. Cash and Investments**

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

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

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

The Village bills and collects its own property taxes and also levies and collects taxes for the Winneconne Community School District, Winnebago County and Fox Valley Technical College.

**3. Accounts Receivable**

Accounts receivable are recorded at gross amounts with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material to the basic financial statements.

**4. Special Assessments**

Assessments against property owners for public improvements are generally not subject to full settlement in the year levied. Special assessments are placed on tax rolls on an installment basis. Revenue from special assessments recorded in governmental funds is recognized as collections are made or as current installments are placed on tax rolls. (Installments placed on the 2023 tax roll are recognized as revenue in 2024.) Special assessments are subject to collection procedures.

**VILLAGE OF WINNECONNE, WISCONSIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

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

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

**5. Loans Receivable**

The Village has received federal and state grant funds for economic development and housing rehabilitation loan programs and has passed the funds to various businesses and individuals in the form of loans. The Village records a loan receivable and expenditure when the loan has been made and the funds disbursed. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material to the basic financial statements. In the governmental funds, the Village records a deferred inflow of resources for the amount of the receivable. As the loans are repaid, revenue is recognized.

**6. Interfund Receivables and Payables**

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

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

**7. Inventories**

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

Inventories of governmental funds in the fund financial statements are classified as nonspendable fund balance to indicate that they do not represent spendable available financial resources.

**8. Prepaid Items**

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items and are expensed in the periods benefitted.

Prepaid items of governmental funds in the fund financial statements are classified as nonspendable fund balance to indicate that they do not represent spendable available financial resources.

**VILLAGE OF WINNECONNE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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

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

**9. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of \$10,000 or higher and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The Village has not reported general infrastructure assets acquired prior to January 1, 2004.

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

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

<u>Assets</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
	<u>Years</u>	
Buildings and Improvements	15 to 40	25 to 50
Improvements Other Than Buildings	15	3 to 100
Machinery and Equipment	3 to 25	3 to 10
Infrastructure	25 to 100	40

**10. Leases Receivable**

The Village is a lessor for noncancellable leases for cellular tower locations. The Village recognizes a lease receivable and a deferred inflow of resources in the business-type activities in the government-wide and in the proprietary fund financial statements.

At the commencement of a lease, the Village initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the Village determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

**VILLAGE OF WINNECONNE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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

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

**10. Leases Receivable (Continued)**

- The Village uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The Village monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

**11. Compensated Absences**

The liability for compensated absences reported in the government-wide statements consists of leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that has been used for time off but has not yet been paid in cash or settled through noncash means and certain other types of leave.

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

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The category of deferred outflow of resources reported in the statement of net position is related to debt refunding, pensions, and other postemployment benefits. The deferred charge on refunding resulted from the difference between the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Deferred outflows on pension and other postemployment benefits are more fully discussed in Note 3.F. and Note 3.G.

**VILLAGE OF WINNECONNE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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

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

**12. Deferred Outflows/Inflows of Resources (Continued)**

In addition to liabilities, the statement of net position and the governmental funds balance sheet includes a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. In the government-wide financial statements, the Village's deferred inflows of resources reported on the statement of net position relate to pension and other postemployment benefits, which are more fully discussed in Note 3.F. and Note 3.G. The statement of net position and the governmental funds balance sheet also report a deferred inflow of resources related to leases. The lease related deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus any payments received at or before the start of the lease term that relates to future periods, less any lease incentives paid to, or on behalf of the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease.

Under the modified accrual basis of accounting, deferred inflows of resources also include revenues not collected within the availability period after the fiscal year-end. The Village has reported deferred inflows of resources related to unavailable revenues for property taxes. These amounts are deferred and will be recognized as an inflow of resources in the period that amounts become available.

**13. Long-term Obligations**

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

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

**VILLAGE OF WINNECONNE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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

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

**14. Pension**

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,
- Pension Expense (Revenue).

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

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

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

- Net OPEB Liability (Asset),
- Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs, 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 for member contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**16. Fund Equity**

**Governmental Fund Financial Statements**

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

**VILLAGE OF WINNECONNE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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

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

**16. Fund Equity (Continued)**

**Governmental Fund Financial Statements (Continued)**

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

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

**Government-Wide and Proprietary Fund Statements**

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

- **Net Investment in Capital Assets.** Amount of capital assets, net of accumulated depreciation, and capital related deferred outflows of resources less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and any capital related deferred inflows of resources.
- **Restricted Net Position.** Amount of net position that is subject to restrictions that are imposed by 1) external groups, such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position.** Net position that is neither classified as restricted nor as net investment in capital assets.

**VILLAGE OF WINNECONNE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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

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

**16. Fund Equity (Continued)**

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

**E. Use of Estimates**

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

**F. Prior Year Information**

Comparative amounts for the prior year have been presented in the basic financial statements to provide an understanding of changes in the Village's financial position and operations. The comparative amounts may be summarized in total and not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the government's financial statements for the year ended December 31, 2023, from which the summarized information was derived.

**VILLAGE OF WINNECONNE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 2      STEWARDSHIP AND COMPLIANCE**

**A. Budgets and Budgetary Accounting**

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

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

For the fiscal year ending December 31, 2024, actual expenditures of the general fund amounted to \$2,212,333 and exceeded the final budget amounts by \$97,349.

**VILLAGE OF WINNECONNE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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

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

The following expenditure accounts of the governmental funds had actual expenditures in excess of budget appropriations for the year ended December 31, 2024 as follows:

Funds	Excess Expenditures
General Fund	
General Government	\$ 27,762
Public Safety	72,038
Health and Human Services	8,537
Culture and Recreation:	34,075

The above excess expenditures were funded by positive revenue variances of the general fund or by available fund balance.

**C. Deficit Fund Equity**

The following funds had deficit fund balance as of December 31, 2024:

Funds	Deficit Fund Balance
General Capital Projects	\$ 529,385
TID No. 8	34,819

The Village anticipates funding the above deficits from future revenues of the funds.

**D. Property Tax Levy Limit**

Wisconsin state statutes provide for a limit on the property tax levies for all Wisconsin cities, villages, towns, and counties. For the 2024 and 2025 budget years, Wisconsin Statutes limit the increase in the maximum allowable tax levy to the change in the Village's January 1 equalized value as a result of net new construction. The actual limit for the Village for the 2024 budget was 0.314%. The actual limit for the Village for the 2025 budget was 1.028%. Debt service for debt authorized after July 1, 2005 is exempt from the levy limit. In addition, Wisconsin Statutes allow the limit to be adjusted for the increase in debt service authorized prior to July 1, 2005 and in certain other situations.

**VILLAGE OF WINNECONNE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS**

**A. Cash and Investments**

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

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

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

The carrying amount of the Village's cash and investments totaled \$7,362,839 on December 31, 2024 as summarized below:

Petty Cash and Cash on Hand	\$	900
Deposits with Financial Institutions		2,032,375
Investments:		
Wisconsin Local Government Investment Pool		5,329,564
Total		\$ 7,362,839

Reconciliation to the basic financial statements:

Government-Wide Statement of Net Position:		
Cash and Investments	\$	5,491,007
Restricted Cash and Investments		463,504
Fiduciary Fund Statement of Net Position:		
Custodial Fund		1,408,328
Total		\$ 7,362,839

**Fair Value Measurements**

The Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant observable inputs; Level 3 inputs are significant unobservable inputs. The Village currently has no investments that are subject to fair value measurement.

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

**VILLAGE OF WINNECONNE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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

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

**Custodial Credit Risk**

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

Deposits with financial institutions within the State of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for the combined amount of all time and savings deposits and \$250,000 for interest-bearing and noninterest-bearing demand deposits per official custodian per insured depository institution. Deposits with financial institutions located outside the State of Wisconsin are insured by the FDIC in the amount of \$250,000 for the combined amount of all deposit accounts per official custodian per depository institution. Also, the State of Wisconsin has a State Guarantee Fund which provides a maximum of \$1,000,000 per public depository above the amount provided by an agency of the U.S. government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available. This coverage has been considered in determining custodial credit risk.

As of December 31, 2024, \$865,811 of the Village's deposits with financial institutions were in excess of federal and state depository insurance limits. The village has the full uninsured amount collateralized.

**Wisconsin Local Government Investment Pool**

The Village has investments in the Wisconsin Local Government Investment Pool of \$5,329,564 at year-end. The LGIP is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2024, the fair value of the Village's share of the LGIP's assets was substantially equal to the carrying value. As of December 31, 2024 the LGIP had a weighted average maturity of 9 days.

**VILLAGE OF WINNECONNE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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

**B. Restricted Assets**

Restricted assets on December 31, 2024 totaled \$463,504 and consisted of cash and investments held for the following purposes:

Funds	Amount	Purpose
Enterprise Fund:		
Sewer Utility:		
Equipment Replacement Account	<u>\$ 463,504</u>	Funds held for sewer equipment replacement

**C. Capital Assets**

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

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
Capital Assets, Nondepreciable:				
Land	\$ 1,702,856	\$ -	\$ -	\$ 1,702,856
Construction in Progress	68,259	719,295	-	787,554
Total Capital Assets, Nondepreciable	<u>1,771,115</u>	<u>719,295</u>	<u>-</u>	<u>2,490,410</u>
Capital Assets, Depreciable:				
Buildings and Improvements	4,506,237	-	-	4,506,237
Improvements Other Than Buildings	1,673,170	-	-	1,673,170
Machinery and Equipment	1,792,081	145,607	21,202	1,916,486
Infrastructure	7,304,516	148,606	-	7,453,122
Subtotal	<u>15,276,004</u>	<u>294,213</u>	<u>21,202</u>	<u>15,549,015</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	2,021,350	114,866	-	2,136,216
Improvements Other Than Buildings	820,188	79,259	-	899,447
Machinery and Equipment	1,340,143	101,062	21,202	1,420,003
Infrastructure	1,731,013	236,960	-	1,967,973
Subtotal	<u>5,912,694</u>	<u>532,147</u>	<u>21,202</u>	<u>6,423,639</u>
Total Capital Assets, Depreciable, Net	<u>9,363,310</u>	<u>(237,934)</u>	<u>-</u>	<u>9,125,376</u>
Governmental Activities Capital Assets, Net	<u>\$ 11,134,425</u>	<u>\$ 481,361</u>	<u>\$ -</u>	11,615,786
Less: Capital Related Debt				7,125,856
Less: Capital Related Premium				78,104
Less: Capital Related Accounts Payable and Retainage				<u>145,477</u>
Net Investment in Capital Assets				<u>\$ 4,266,349</u>

**VILLAGE OF WINNECONNE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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

**C. Capital Assets (Continued)**

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-Type Activities:</b>				
Capital Assets, Nondepreciable:				
Land	\$ 15,562	\$ -	\$ -	\$ 15,562
Construction in Progress	3,158,962	-	3,158,962	-
Total Capital Assets, Nondepreciable	<u>3,174,524</u>	-	<u>3,158,962</u>	<u>15,562</u>
Capital Assets, Depreciable:				
Buildings and Improvements	6,316,699	-	-	6,316,699
Improvements Other Than Buildings	12,548,947	599,893	167,262	12,981,578
Machinery and Equipment	4,250,619	5,793,825	-	10,044,444
Infrastructure	253,874	2,278	-	256,152
Subtotal	<u>23,370,139</u>	<u>6,395,996</u>	<u>167,262</u>	<u>29,598,873</u>
Less Accumulated Depreciation:	<u>11,151,363</u>	<u>743,631</u>	<u>167,262</u>	<u>11,727,732</u>
Total Capital Assets, Depreciable, Net	<u>12,218,776</u>	<u>5,652,365</u>	<u>-</u>	<u>17,871,141</u>
Business-Type Activities Capital Assets, Net	<u>\$ 15,393,300</u>	<u>\$ 5,652,365</u>	<u>\$ 3,158,962</u>	17,886,703
Less: Capital Related Debt				8,163,830
Less: Capital Related Accounts Payable				252,769
Add: Deferred Charge on Refunding				<u>40,562</u>
Net Investment in Capital Assets				<u>\$ 9,510,666</u>

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

<b>Governmental Activities:</b>	
General Government	\$ 98,925
Public Safety	40,608
Public Works	304,929
Health and Human Services	1,400
Culture and Recreation	86,285
Total Depreciation Expense - Governmental Activities	<u>\$ 532,147</u>
<b>Business-Type Activities:</b>	
Water Utility	\$ 269,487
Sewer Utility	467,769
Total Depreciation Expense - Business-Type Activities	<u>\$ 743,631</u>

**VILLAGE OF WINNECONNE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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

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

The composition of interfund balances as of December 31, 2024 is as follows:

<u>Due To/From Other Funds</u>		<u>Amount</u>
<u>Receivable Fund</u>	<u>Payable Fund</u>	
General Fund	Capital Projects Fund	\$ 233,908
General Fund	Nonmajor Special Revenue Funds	18,038
Total		<u>\$ 251,946</u>

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

Interfund transfers for the year ended December 31, 2024 were as follows:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General	\$ 89,894	\$ 400,000
Debt Service	114,782	-
General Capital Projects	411,934	-
ARPA	-	11,934
TID District No. 3	-	43,409
TID District No. 5	52,437	-
TID District No. 7	-	9,028
Water Utility	-	204,676
Total	<u>\$ 669,047</u>	<u>\$ 669,047</u>

Interfund transfers were made for the following purposes:

Annual Tax Equivalent Payment	\$ 89,894
Financing Capital Projects	411,934
Financing of Debt Service	114,782
TID Approved Cost Sharing	52,437
	<u>\$ 669,047</u>

**VILLAGE OF WINNECONNE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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

**E. Long-Term Obligations**

The following is a summary of changes in long-term obligations of the Village for the year ended December 31, 2024:

	Beginning Balance	Issued	Retired	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
General Obligation Debt:					
Bonds	\$ 6,065,000	\$ -	\$ 435,500	\$ 5,629,500	\$ 462,750
Notes from Direct Borrowings:					
Note	1,048,111	-	23,893	1,024,218	974,311
State Trust Fund Loans	552,587	-	80,449	472,138	83,459
Total General Obligation Debt	7,665,698	-	539,842	7,125,856	1,520,520
Debt Premium	87,003	-	8,899	78,104	-
Compensated Absences	72,871	7,576	-	80,447	-
Governmental Activities Long-Term Obligations	<u>\$ 7,825,572</u>	<u>\$ 7,576</u>	<u>\$ 548,741</u>	<u>\$ 7,284,407</u>	<u>\$ 1,520,520</u>
<b>Business-Type Activities:</b>					
General Obligation Debt:					
Bonds	\$ 1,660,000	\$ -	\$ 159,500	\$ 1,500,500	\$ 157,250
Revenue Bonds	4,117,508	2,805,585	259,763	6,663,330	315,355
Business-Type Activities Long-Term Obligations	<u>\$ 5,777,508</u>	<u>\$ 2,805,585</u>	<u>\$ 419,263</u>	<u>\$ 8,163,830</u>	<u>\$ 472,605</u>

The Village's outstanding state trust fund loans of \$472,138 are subject to a statutory provision that in an event of late or nonpayment, a 1% per month penalty will be charged and the payment will be collected through a reduction in payments from the state of Wisconsin.

The Village's outstanding notes from direct borrowings related to governmental activities of \$1,024,218 contain a provision that in an event of default, outstanding amounts become immediately due if the Village is unable to make payment.

Total interest paid during the year on long-term debt totaled \$349,329.

**General Obligation Debt**

General obligation debt currently outstanding is detailed as follows:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/2024
General Obligation Bonds	10/19/16	2/1/29	.90 - 2.15%	2,070,000	\$ 815,000
State Trust Fund Loan	3/27/17	3/15/33	4.00%	472,834	301,364
State Trust Fund Loan	3/28/17	3/15/27	3.50%	507,500	170,775
General Obligation Bonds	4/10/18	4/1/37	1.90 - 3.80%	3,265,000	2,530,000
General Obligation Bonds	11/17/19	11/1/32	1.60 - 2.30%	920,000	510,000
General Obligation Bonds	7/8/21	4/1/41	2.00 - 2.125%	3,720,000	3,275,000
General Obligation Bonds	1/3/22	3/31/27	1.75%	121,000	74,217
General Obligation Note	12/27/2023	6/27/25	5.25%	950,000	950,000
Total Bonds					<u>\$ 8,626,356</u>

**VILLAGE OF WINNECONNE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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

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

**General Obligation Debt (Continued)**

Annual principal and interest maturities of the outstanding governmental general obligation debt of \$7,125,856 on December 31, 2024 are detailed below:

Year Ending December 31,	Governmental Activities				Totals	
	G.O. Bonds		Direct Borrowings			
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 462,750	\$ 130,478	\$ 1,057,770	\$ 93,963	\$ 1,520,520	\$ 224,441
2026	417,750	120,820	111,259	14,968	529,009	135,788
2027	446,500	110,827	114,868	11,792	561,368	122,619
2028	432,500	100,184	32,013	8,522	464,513	108,706
2029	392,500	90,539	33,317	7,218	425,817	97,757
2030-2034	1,607,500	327,975	147,129	15,010	1,754,629	342,985
2035-2039	1,460,000	121,731	-	-	1,460,000	121,731
2040-2041	410,000	8,394	-	-	410,000	8,394
Total	<u>\$ 5,629,500</u>	<u>\$ 1,010,948</u>	<u>\$ 1,496,356</u>	<u>\$ 151,473</u>	<u>\$ 7,125,856</u>	<u>\$ 1,162,421</u>

Annual principal and interest maturities of the outstanding general obligation debt related to business-type activities of \$1,500,500 on December 31, 2024 are detailed below:

Year Ending December 31,	Business-Type Activities	
	G.O. Bonds	
	Principal	Interest
2025	\$ 157,250	\$ 41,060
2026	162,250	37,909
2027	148,500	34,531
2028	142,500	31,064
2029	142,500	27,614
2030-2034	457,500	92,113
2035-2039	290,000	16,790
	<u>\$ 1,500,500</u>	<u>\$ 281,081</u>

Annual principal and interest maturities of the outstanding general obligation debt related to governmental and business-type activities of \$8,626,356 on December 31, 2024 are summarized below:

Year Ending December 31,	Governmental and Business-Type Activities	
	Totals	
	Principal	Interest
2025	\$ 1,677,770	\$ 265,501
2026	691,259	173,697
2027	709,868	157,150
2028	607,013	139,770
2029	568,317	125,371
2030-2034	2,212,129	435,098
2035-2039	1,750,000	138,521
2040-2041	410,000	8,394
Total	<u>\$ 8,626,356</u>	<u>\$ 1,443,502</u>

**VILLAGE OF WINNECONNE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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

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

**Legal Margin for New Debt**

The Village's legal margin for creation of additional general obligation debt on December 31, 2024, was \$10,741,679 as follows:

Equalized Valuation of the Village	\$ 387,360,700
Statutory Limitation Percentage	<u>(x) 5%</u>
General Obligation Debt Limitation, per Section 67.03 of the Wisconsin Statutes	19,368,035
Net Outstanding General Obligation Debt Applicable to Debt Limitation	<u>8,626,356</u>
Legal Margin for New Debt	<u><u>\$ 10,741,679</u></u>

**Revenue Bonds**

Revenue bonds outstanding on December 31, 2024, totaled \$6,663,330 and were comprised of the following issues:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/2022
Rural Development Authority Revenue Bonds	10/5/10	10/1/40	3.00 %	\$ 3,659,000	\$ 2,398,000
Safe Drinking Water Fund Bond	12/27/23	5/1/42	2.145 %	4,409,793	4,265,330
Total Outstanding Revenue Bonds					<u><u>\$ 6,663,330</u></u>

Annual principal and interest maturities of the outstanding revenue bonds of \$6,663,330 on December 31, 2024 are detailed below:

Year Ending December 31,	Business-Type Activities		
	Principal	Interest	Total
2025	\$ 315,355	\$ 160,508	\$ 475,863
2026	323,173	152,587	475,760
2027	331,282	144,535	475,817
2028	339,383	136,276	475,659
2029	347,879	127,809	475,688
2030-2034	1,873,376	504,245	2,377,621
2035-2039	2,118,642	257,574	2,376,216
2040-2042	1,014,240	31,099	1,045,339
Total	<u><u>\$ 6,663,330</u></u>	<u><u>\$ 1,514,633</u></u>	<u><u>\$ 8,177,963</u></u>

**Utility Revenues Pledged - Sewer**

The Village has pledged future sewer customer revenues, net of specified operating expenses, to repay the sewer system revenue bonds. Proceeds from the bonds provided financing for the construction or acquisition of capital assets used within the systems. The bonds are payable solely from sewer customer net revenues and are payable through 2040. The total principal and interest remaining to be paid on the bonds is \$3,037,005. Principal and interest paid for the current year and total customer net revenues were \$189,841 and \$420,221, respectively.

**VILLAGE OF WINNECONNE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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

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

**Utility Revenues Pledged - Water**

The Village has pledged future water customer revenues, net of specified operating expenses, to repay the water system revenue bonds. Proceeds from the bonds provided financing for the construction or acquisition of capital assets used within the systems. The bonds are payable solely from water customer net revenues and are payable through 2042. The total principal and interest remaining to be paid on the bonds is \$5,140,959. Principal and interest paid for the current year and total customer net revenues were \$214,455 and \$815,088, respectively.

**F. Pension Plan**

**1. Plan Description**

The Wisconsin Retirement System (WRS) is a cost-sharing, multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, expected to work at least 1200 hours a year 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, which can be found at <https://etf.wi.gov/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 December 31, 2021) are entitled to a retirement benefit, based on a formula factor, their final average earnings and creditable service.

**VILLAGE OF WINNECONNE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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

**F. Pension Plan (Continued)**

**1. Plan Description (Continued)**

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.

**2. Postretirement Adjustments**

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

<u>Year Ending December 31,</u>	<u>Core Fund Adjustment (%)</u>	<u>Variable Fund Adjustment (%)</u>
2014	4.70	25.00
2015	2.90	2.00
2016	0.50	(5.00)
2017	2.00	4.00
2018	2.40	17.00
2019	-	(10.00)
2020	1.70	21.00
2021	5.10	13.00
2022	7.40	15.00
2023	1.60	(21.00)

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

**F. Pension Plan (Continued)**

**3. Contributions**

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

During the year ending December 31, 2023, the WRS recognized \$79,280 in contributions from the Village.

Contribution rates for the reporting period are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (Including Executives and Elected Officials)	6.90%	6.90%
Protective with Social Security	6.90%	14.30%
Protective without Social Security	6.90%	19.10%

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

At December 31, 2024, the Village reported a liability of \$85,753 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022 rolled forward to December 31, 2023. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net pension liability was based on the Village's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2023, the Village's proportion was 0.00576770%, which was a decrease of 0.00049842% from its proportion measured as of December 31, 2022.

For the year ended December 31, 2024, the Village recognized pension expense of \$61,481.

**VILLAGE OF WINNECONNE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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

**F. Pension Plan (Continued)**

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

At December 31, 2024, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 345,761	\$ 457,963
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	298,841	-
Changes in Assumptions	37,377	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	6,870	460
Employer Contributions Subsequent to the Measurement Date	79,280	-
Total	\$ 768,129	\$ 458,423

\$79,280 reported as deferred outflows related to pension resulting from the Village's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31,	Expense
2025	\$ 47,952
2026	50,264
2027	189,258
2028	(57,048)
Total	\$ 230,426

**5. Actuarial Assumptions**

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

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NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Pension Plan (Continued)**

**5. Actuarial Assumptions (Continued)**

Actuarial Valuation Date:	December 31, 2022
Measurement Date of Net Pension Liability:	December 31, 2023
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Salary Increases:	
Wage Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality	2020 WRS Experience Mortality Table
Postretirement Adjustments*	1.7%

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

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. The total pension liability for December 31, 2023 is based upon a roll-forward of the liability calculated from the December 31, 2022 actuarial valuation.

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

**VILLAGE OF WINNECONNE, WISCONSIN  
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**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Pension Plan (Continued)**

**5. Actuarial Assumptions (Continued)**

<u>Core Fund Asset Class</u>	<u>Current Asset Allocation %</u>	<u>Long-Term Expected Nominal Rate of Return %</u>	<u>Long-Term Expected Real Rate of Return %</u>
Public Equity	40.0 %	7.3 %	4.5 %
Public Fixed Income	27.0	5.8	3.0
Inflation Sensitive	19.0	4.4	1.7
Real Estate	8.0	5.8	3.0
Private Equity/Debt	18.0	9.6	6.7
Leverage	(12.0)	3.7	1.0
Total Core Fund	<u>100.0 %</u>	7.4	4.6
<u>Variable Fund Asset Class</u>			
U.S. Equities	70.0 %	6.8 %	4.0 %
International Equities	30.0	7.6	4.8
Total Variable Fund	<u>100.0 %</u>	7.3	4.5

New England Pension Consultants Long-Term U.S. CPI (Inflation) Forecast: 2.7%

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

The investment policy used for the Core Fund involves reducing equity exposure by leveraging lower-volatility assets, such as fixed income securities.

Currently, an 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. The discount rate is based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 3.77% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2023. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan members contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. 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 WINNECONNE, WISCONSIN  
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**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Pension Plan (Continued)**

**5. Actuarial Assumptions (Continued)**

**Sensitivity of the Village’s Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate.** The following presents the Village’s proportionate share of the net pension liability calculated using the discount rate of 6.80%, as well as what the Village’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.80%) or 1-percentage-point higher (7.80%) than the current rate:

	1% Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.80%)
Village's Proportionate Share of the Net Pension (Asset) Liability	\$ 828,858	\$ 85,753	\$ (434,226)

**6. Payables to the Pension Plan**

At December 31, 2024, the Village reported a payable of \$11,789 for the outstanding amount of contributions to the pension plan for the year ended December 31, 2024.

**G. Other Postemployment Benefits**

**Local Retiree Life Insurance Fund**

**1. 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 postemployment life insurance benefits for all eligible members.

**2. OPEB Plan Fiduciary Net Position**

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

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

**VILLAGE OF WINNECONNE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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

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

**3. Benefits Provided**

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

**Contributions**

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

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

Contribution rates as of December 31, 2024 are:

Coverage Type	Employer Contribution
50% Postretirement Coverage	40% of Member Contribution
25% Postretirement Coverage	20% of Member Contribution

Member contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating members must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The member contribution rates in effect for the year ended December 31, 2023 are listed below:

Life Insurance Member Contribution Rates For the Year Ended December 31, 2023		
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

During the reporting period, the LRLIF recognized \$258 in contributions from the employer.

**VILLAGE OF WINNECONNE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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

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

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

At December 31, 2024, the Village reported a liability of \$82,223 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, rolled forward to December 31, 2024. No material changes in assumptions or benefits terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net OPEB liability was based on the Village's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2023, the Village's proportion was 0.017872%, which was a decrease of 0.00624600% from its proportion measured as of December 31, 2022.

For the year ended December 31, 2024, the Village recognized OPEB expense of \$8,011.

At December 31, 2024, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 7,277
Net Differences Between Projected and Actual Earnings on OPEB Plan Investments	1,112	-
Changes in Assumptions	25,721	32,377
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	56,222	53,807
Total	\$ 83,055	\$ 93,461

**VILLAGE OF WINNECONNE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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

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

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

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

Year Ending December 31,	Expense
2025	\$ 1,136
2026	2,217
2027	(1,518)
2028	(12,590)
2029	(4,507)
Thereafter	4,856
Total	\$ (10,406)

**5. Actuarial Assumptions**

The total OPEB liability in the January 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Valuation Date:	January 1, 2023
Measurement Date of Net OPEB Liability (Asset):	December 31, 2023
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
20-Year Tax-Exempt Municipal Bond Yield:	3.26%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	3.32%
Salary Increases:	
Wage Inflation	3.00%
Seniority/Merit	0.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table

\*Based on the Bond Buyers GO 20-Bond Municipal index

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. The total OPEB liability for December 31, 2023 is based upon a roll-forward of the liability calculated from the January 1, 2023 actuarial valuation.

**VILLAGE OF WINNECONNE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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

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

**5. Actuarial Assumptions (Continued)**

**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. The target allocation and expected returns are summarized in the following table:

Asset Class	Index	Target Allocation %	Long-Term Expected Geometric Real Rate of Return %
U.S. Intermediate Credit Bonds	Bloomberg US Interim Credit	40.0	2.32
U.S. Mortgages	Bloomberg US	60.0	2.52
Inflation			2.30
Long-Term Expected Rate of Return			4.25

**VILLAGE OF WINNECONNE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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

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

**5. Actuarial Assumptions (Continued)**

**Single Discount Rate.** A single discount rate of 3.32% was used to measure the total OPEB liability for the current year, as opposed to a discount rate of 3.76% for the prior year. The significant change in the discount rate was primarily caused by the decrease in the municipal bond rate from 3.72% as of December 31, 2022 to 3.26% as of December 31, 2023. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive members. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

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

**Sensitivity of the Village's Proportionate Share of Net OPEB Liability to Changes in the Discount Rate.** The following presents the Village's proportionate share of the net OPEB liability calculated using the discount rate of 3.32%, as well as what the Village's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.32%) or 1-percentage-point higher (4.32%) than the current rate:

	1% Decrease to Discount Rate (2.32%)	Current Discount Rate (3.32%)	1% Increase to Discount Rate (4.32%)
Village's Proportionate Share of the Net OPEB Liability (Asset)	\$ 110,478	\$ 82,223	\$ 60,655

**6. Payable to the OPEB Plan**

The Village had no outstanding contribution to the Plan required for the year ended December 31, 2024.

**VILLAGE OF WINNECONNE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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

**H. Fund Equity**

**Nonspendable Fund Balance**

In the fund financial statements, portions of the governmental fund balances are amounts that cannot be spent because they are either 1) not in spendable form or 2) legally or contractually required to be maintained intact. At December 31, 2024, nonspendable fund balance was as follows:

General Fund	
Nonspendable	
Prepays	\$ 14,171

**Restricted Fund Balance**

In the fund financial statements, portions of governmental fund balances are not available for appropriation or are legally restricted for use for a specific purpose. At December 31, 2024, restricted fund balance was as follows:

Debt Service Fund	
Restricted for	
Debt Service Obligations	\$ 605,081
Library Donations Fund:	
Restricted for:	
Library Equipment	13,361
Park Donations Fund:	
Restricted for:	
Park Improvements	1,233
Capital Projects Funds:	
TID No. 5	248,595
TID No. 6	204,027
Total Restricted Fund Balance	\$ 1,072,297

**Committed Fund Balance**

In the fund financial statements, portions of government fund balances are committed by Village Board action. At December 31, 2024, governmental fund balance was committed as follows:

Special Revenue Funds:	
Committed for:	
Community Development	\$ 26,895
Cemetery Care	89,766
Cemetery Expansion	84,152
Solid Waste/Recycling	71,577
Beautification	5,566
Total Special Revenue Funds Committed Fund Balance	\$ 277,956

**VILLAGE OF WINNECONNE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 4 OTHER INFORMATION**

**A. Tax Incremental Financing Districts**

The Village has established separate capital projects funds for Tax Incremental District (TID) No. 5, No. 6, and No. 8, which were created by the Village in accordance with Section 66.1105 of the Wisconsin Statutes. TID No. 3 and No. 7 were terminated by the Village Board in 2023 and were closed funds in 2024. At the time the Districts were created, the property tax base within the Districts were “frozen” and increment taxes resulting from increases to the property tax base are used to finance District improvements, including principal and interest on long-term debt issued by the Village to finance such improvements. The Statutes allow eligible project costs to be incurred up to five years prior to the maximum termination date.

Since creation of the above Districts, the Village has provided various financing sources to the TID. The foregoing amounts are not recorded as liabilities in the TID capital project fund but can be recovered by the Village from any future excess tax increment revenues. As of December 31, 2024, the Village may be able to recover costs from future excess tax increment revenues of the following:

	Recoverable Costs (Excess Increment)
TID No. 5	\$ (248,595)
TID No. 6	88,913
TID No. 8	336,186

TID No. 5 and 6 are eligible to share increment as per an agreement adoption in 2005. The intent of the Village is to recover the above amounts from future TID surplus funds, if any, prior to termination of the respective Districts. Unless terminated by the Village prior thereto, each TID has a statutory termination year as follows:

	Termination Year
TID No. 5	2027
TID No. 6	2027
TID No. 8	2038

In 2025, the Village Board approved the termination of TID No. 5 and No. 6.

**VILLAGE OF WINNECONNE, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**B. Risk Management**

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The Village completes an annual review of its insurance coverage to ensure adequate coverage. Settled claims have not exceeded coverage amounts in any of the last three fiscal years.

**C. Contingencies**

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

**D. Subsequent Event – Debt Issuance**

On February 5, 2025, the Village issued \$2,830,000 of General Obligation Promissory Notes. Of that amount, \$960,000 was issued to refinance a 2023 General Obligation Promissory Note and \$1,870,000 was to reimburse the capital project fund for previous capital projects. The remaining proceeds will be used for future street, sewer, water, and stormwater projects.

**REQUIRED SUPPLEMENTARY INFORMATION**

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

Measurement Period Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
12/31/14	0.00687951%	\$ (168,980)	\$ 820,805	20.59 %	102.74 %
12/31/15	0.00675003%	109,687	828,052	13.25	98.20
12/31/16	0.00666118%	54,904	840,105	6.54	99.12
12/31/17	0.00655489%	(194,622)	812,321	23.96	102.93
12/31/18	0.00658899%	234,414	866,332	27.06	96.45
12/31/19	0.00662881%	(213,743)	895,200	23.88	102.96
12/31/20	0.00675675%	(421,833)	916,552	46.02	105.26
12/31/21	0.00648716%	(522,877)	795,770	65.71	106.02
12/31/22	0.00626612%	331,960	821,926	40.39	95.72
12/31/23	0.00576770%	85,753	789,557	10.86	98.85

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

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll (Fiscal Year)	Contributions as a Percentage of Covered Payroll
12/31/15	\$ 64,130	\$ 64,130	\$ -	\$ 828,052	7.74 %
12/31/16	62,994	62,994	-	840,105	7.50
12/31/17	55,789	55,789	-	812,321	6.87
12/31/18	58,657	58,657	-	866,332	6.77
12/31/19	75,473	75,473	-	895,200	4.37
12/31/20	76,834	76,834	-	916,552	8.38
12/31/21	69,094	69,094	-	795,770	8.68
12/31/22	71,188	71,188	-	821,926	8.66
12/31/23	70,850	70,850	-	789,558	8.97
12/31/24	79,280	79,280	-	833,985	9.51

See Notes to Required Supplementary Information.

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

Plan Fiscal Year Ending	Proportion of the Net OPEB Liability (Asset)	Proportionate Share of the Net OPEB Liability (Asset)	Covered- Employee Payroll	Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered-Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
12/31/17	0.01089400%	\$ 32,776	\$ 458,124	7.15 %	44.81 %
12/31/18	0.01141900%	29,465	255,000	11.55	48.69
12/31/19	0.01251000%	53,270	554,000	9.62	37.58
12/31/20	0.03261600%	179,412	629,000	28.52	31.36
12/31/21	0.01806600%	106,777	527,000	20.26	29.57
12/31/22	0.01162600%	44,293	447,000	9.91	38.81
12/31/23	0.01787200%	82,223	474,000	17.35	33.90

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

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered- Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
12/31/18	\$ 168	\$ 168	\$ -	\$ 458,124	0.04%
12/31/19	220	220	-	255,000	0.09%
12/31/20	306	306	-	554,000	0.06%
12/31/21	360	360	-	629,000	0.06%
12/31/22	369	369	-	527,000	0.07%
12/31/23	148	148	-	474,000	0.03%
12/31/24	258	258	-	539,421	0.05%

See Notes to Required Supplementary Information.

**VILLAGE OF WINNECONNE, WISCONSIN  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2024**

**NOTE 1 PENSION**

**Wisconsin Retirement System**

*Changes in benefit terms:*

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

*Changes in assumptions:*

Based on a three-year experience study conducted in 2021 covering January 1, 2018 through December 31, 2020, the EFT 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.

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

**VILLAGE OF WINNECONNE, WISCONSIN  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2024**

**NOTE 2 OTHER POSTEMPLOYMENT BENEFIT PLAN**

**Local Retiree Life Insurance Fund**

*Changes in Benefit Terms:*

There were no recent changes in benefit terms.

*Changes in Assumptions:*

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

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

## **SUPPLEMENTARY INFORMATION**

**VILLAGE OF WINNECONNE, WISCONSIN  
 COMBINING BALANCE SHEET —  
 NONMAJOR GOVERNMENTAL FUNDS  
 DECEMBER 31, 2024  
 (WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2023)**

	Special Revenue			
	Community Development	Cemetery Care	Cemetery Expansion	Library Donations
<b>ASSETS</b>				
Cash and Investments	\$ 26,895	\$ 89,766	\$ 84,152	\$ 14,339
Receivables:				
Taxes and Special Charges	-	-	-	-
Loans	53,117	-	-	-
<b>Total Assets</b>	<b>\$ 80,012</b>	<b>\$ 89,766</b>	<b>\$ 84,152</b>	<b>\$ 14,339</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ -	\$ -	\$ -	\$ 978
Due to Other Funds	-	-	-	-
Unearned Revenues	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>978</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes Levied for:				
Subsequent Year	-	-	-	-
Loans Receivable	53,117	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>53,117</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>				
Restricted	-	-	-	13,361
Committed	26,895	89,766	84,152	-
Unassigned	-	-	-	-
<b>Total Fund Balances</b>	<b>26,895</b>	<b>89,766</b>	<b>84,152</b>	<b>13,361</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 80,012</b>	<b>\$ 89,766</b>	<b>\$ 84,152</b>	<b>\$ 14,339</b>

**VILLAGE OF WINNECONNE, WISCONSIN  
 COMBINING BALANCE SHEET —  
 NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)  
 DECEMBER 31, 2024  
 (WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2023)**

	Special Revenue				Capital Projects
	ARPA Funds	Solid Waste/ Recycling	Beautification	Park Donations	TID No. 3
<b>ASSETS</b>					
Cash and Investments	\$ -	\$ 202,047	\$ 5,566	\$ 1,233	\$ -
Receivables:					
Taxes and Special Charges	-	135,328	-	-	-
Loans	-	-	-	-	-
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ 337,375</b>	<b>\$ 5,566</b>	<b>\$ 1,233</b>	<b>\$ -</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts Payable	\$ -	\$ 17,173	\$ -	\$ -	\$ -
Due to Other Funds	-	-	-	-	-
Unearned Revenues	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>17,173</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Property Taxes Levied for:					
Subsequent Year	-	248,625	-	-	-
Loans Receivable	-	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>248,625</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>					
Restricted	-	-	-	1,233	-
Committed	-	71,577	5,566	-	-
Unassigned	-	-	-	-	-
<b>Total Fund Balances</b>	<b>-</b>	<b>71,577</b>	<b>5,566</b>	<b>1,233</b>	<b>-</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ -</b>	<b>\$ 337,375</b>	<b>\$ 5,566</b>	<b>\$ 1,233</b>	<b>\$ -</b>

**VILLAGE OF WINNECONNE, WISCONSIN  
 COMBINING BALANCE SHEET —  
 NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)  
 DECEMBER 31, 2024  
 (WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2023)**

	Capital Projects				Totals	
	TID No. 5	TID No. 6	TID No. 7	TID No. 8	2024	2023
<b>ASSETS</b>						
Cash and Investments	\$ 328,547	\$ 255,324	\$ -	\$ -	\$ 1,007,869	\$ 914,990
Receivables:						
Taxes and Special Charges	123,408	79,179	-	25,903	363,818	347,861
Loans	-	-	-	-	53,117	53,117
<b>Total Assets</b>	<b>\$ 451,955</b>	<b>\$ 334,503</b>	<b>\$ -</b>	<b>\$ 25,903</b>	<b>\$ 1,424,804</b>	<b>\$ 1,315,968</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ 18,151	\$ 143,543
Due to Other Funds	-	-	-	18,038	18,038	20,835
Unearned Revenues	-	-	-	-	-	62,722
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,038</b>	<b>36,189</b>	<b>227,100</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Property Taxes Levied for:						
Subsequent Year	203,360	130,476	-	42,684	625,145	662,258
Loans Receivable	-	-	-	-	53,117	53,117
<b>Total Deferred Inflows of Resources</b>	<b>203,360</b>	<b>130,476</b>	<b>-</b>	<b>42,684</b>	<b>678,262</b>	<b>715,375</b>
<b>FUND BALANCES</b>						
Restricted	248,595	204,027	-	-	467,216	180,323
Committed	-	-	-	-	277,956	239,783
Unassigned	-	-	-	(34,819)	(34,819)	(46,613)
<b>Total Fund Balances</b>	<b>248,595</b>	<b>204,027</b>	<b>-</b>	<b>(34,819)</b>	<b>710,353</b>	<b>373,493</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 451,955</b>	<b>\$ 334,503</b>	<b>\$ -</b>	<b>\$ 25,903</b>	<b>\$ 1,424,804</b>	<b>\$ 1,315,968</b>

**VILLAGE OF WINNECONNE, WISCONSIN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES —  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2024  
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2023)**

	Special Revenue			
	Community Development	Cemetery Care	Cemetery Expansion	Library Donations
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Public Charges for Services	-	2,336	1,979	-
Miscellaneous	1,679	8,700	(94)	35,273
Total Revenues	<u>1,679</u>	<u>11,036</u>	<u>1,885</u>	<u>35,273</u>
<b>EXPENDITURES</b>				
Current:				
Public Works	-	-	-	-
Culture and Recreation	-	-	-	27,002
Conservation and Development	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,002</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>1,679</u>	<u>11,036</u>	<u>1,885</u>	<u>8,271</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	1,679	11,036	1,885	8,271
Fund Balances - Beginning of Year	<u>25,216</u>	<u>78,730</u>	<u>82,267</u>	<u>5,090</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 26,895</u>	<u>\$ 89,766</u>	<u>\$ 84,152</u>	<u>\$ 13,361</u>

**VILLAGE OF WINNECONNE, WISCONSIN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES —  
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2024  
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2023)**

	Special Revenue				Capital Projects
	ARPA Funds	Solid Waste/ Recycling	Beautification	Park Donations	TID No. 3
<b>REVENUES</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 53,678
Intergovernmental	62,722	8,592	-	-	1,262
Public Charges for Services	-	249,130	-	-	-
Miscellaneous	-	1,495	350	3,871	-
Total Revenues	<u>62,722</u>	<u>259,217</u>	<u>350</u>	<u>3,871</u>	<u>54,940</u>
<b>EXPENDITURES</b>					
Current:					
Public Works	-	223,646	-	-	-
Culture and Recreation	-	-	414	-	-
Conservation and Development	-	-	-	-	1,938
Debt Service:					
Principal	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
Capital Outlay	62,722	-	-	-	-
Total Expenditures	<u>62,722</u>	<u>223,646</u>	<u>414</u>	<u>-</u>	<u>1,938</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>-</u>	<u>35,571</u>	<u>(64)</u>	<u>3,871</u>	<u>53,002</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	-	-	-	-	-
Transfers Out	(11,934)	-	-	-	(43,409)
Total Other Financing Sources (Uses)	<u>(11,934)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(43,409)</u>
<b>NET CHANGE IN FUND BALANCES</b>	(11,934)	35,571	(64)	3,871	9,593
Fund Balances - Beginning of Year	11,934	36,006	5,630	(2,638)	(9,593)
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ -</u>	<u>\$ 71,577</u>	<u>\$ 5,566</u>	<u>\$ 1,233</u>	<u>\$ -</u>

**VILLAGE OF WINNECONNE, WISCONSIN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES —  
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2024  
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2023)**

	Capital Projects				Totals	
	TID No. 5	TID No. 6	TID No. 7	TID No. 8	2024	2023
<b>REVENUES</b>						
Taxes	\$ 192,757	\$ 125,353	\$ -	\$ 41,590	\$ 413,378	\$ 446,662
Intergovernmental	5,246	311	-	343	78,476	220,067
Public Charges for Services	-	-	-	-	253,445	251,512
Miscellaneous	-	-	-	-	51,274	39,303
Total Revenues	<u>198,003</u>	<u>125,664</u>	<u>-</u>	<u>41,933</u>	<u>796,573</u>	<u>957,544</u>
<b>EXPENDITURES</b>						
Current:						
Public Works	-	-	-	-	223,646	247,801
Culture and Recreation	-	-	-	-	27,416	17,525
Conservation and Development	1,984	1,982	1,502	1,835	9,241	22,998
Debt Service:						
Principal	-	74,660	-	27,349	102,009	779,904
Interest and Fiscal Charges	-	9,559	-	13,186	22,745	38,749
Capital Outlay	-	-	-	-	62,722	189,093
Total Expenditures	<u>1,984</u>	<u>86,201</u>	<u>1,502</u>	<u>42,370</u>	<u>447,779</u>	<u>1,309,613</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>196,019</u>	<u>39,463</u>	<u>(1,502)</u>	<u>(437)</u>	<u>348,794</u>	<u>(352,069)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers In	52,437	-	-	-	52,437	1,649,000
Transfers Out	-	-	(9,028)	-	(64,371)	(1,649,000)
Total Other Financing Sources (Uses)	<u>52,437</u>	<u>-</u>	<u>(9,028)</u>	<u>-</u>	<u>(11,934)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	248,456	39,463	(10,530)	(437)	336,860	(352,069)
Fund Balances - Beginning of Year	<u>139</u>	<u>164,564</u>	<u>10,530</u>	<u>(34,382)</u>	<u>373,493</u>	<u>725,562</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 248,595</u>	<u>\$ 204,027</u>	<u>\$ -</u>	<u>\$ (34,819)</u>	<u>\$ 710,353</u>	<u>\$ 373,493</u>

**VILLAGE OF WINNECONNE, WISCONSIN**  
**STATEMENT OF WATER UTILITY REVENUES, EXPENSES, AND CHANGES**  
**IN OPERATING INCOME —**  
**ENTERPRISE FUND**  
**YEAR ENDED DECEMBER 31, 2024**  
**(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2023)**

	Water	
	2024	2023
<b>OPERATING REVENUES</b>		
Charges for Services:		
Residential	\$ 538,469	\$ 500,735
Multi-Family	28,349	27,114
Commercial	90,772	78,070
Industrial	10,769	9,377
Public Authority	44,488	36,108
Private Fire Protection	7,287	5,916
Public Fire Protection	488,286	441,122
Total Charges for Services	1,208,420	1,098,442
Other Revenues:		
Forfeited Discounts	11,747	8,250
Other Water Revenues	64,368	56,936
Total Other Revenues	76,115	65,186
 Total Operating Revenues	 1,284,535	 1,163,628
<b>OPERATING EXPENSES</b>		
Plant Operation and Maintenance:		
Plant Operation and Maintenance	334,976	281,186
Administrative and General	133,959	131,134
Total Plant Operation and Maintenance	468,935	412,320
Depreciation	259,860	164,520
Total Operating Expenses	728,795	576,840
 <b>OPERATING INCOME</b>	 <b>\$ 555,740</b>	 <b>\$ 586,788</b>

**VILLAGE OF WINNECONNE, WISCONSIN**  
**STATEMENT OF SEWER UTILITY REVENUES, EXPENSES, AND CHANGES**  
**IN OPERATING INCOME —**  
**ENTERPRISE FUND**  
**YEAR ENDED DECEMBER 31, 2024**  
**(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2023)**

	Sewer	
	2024	2023
<b>OPERATING REVENUES</b>		
Charges for Services:		
Residential	\$ 501,596	\$ 516,281
Multi-Family	38,266	39,364
Commercial	104,004	92,685
Industrial	14,720	12,014
Public Authority	149,771	89,110
Total Charges for Services	808,357	749,454
Other Revenues:		
Forfeited Discounts	7,629	6,685
Miscellaneous	71,644	78,966
Total Other Revenues	79,273	85,651
 Total Operating Revenues	 887,630	 835,105
<b>OPERATING EXPENSES</b>		
Plant Operation and Maintenance:		
Operation	272,758	265,520
Maintenance	59,009	43,482
Customer Accounting and Collection	10,732	8,755
Administrative and General	124,833	127,460
Total Plant Operation and Maintenance	467,332	445,217
Depreciation	477,396	461,842
Total Operating Expenses	944,728	907,059
 <b>OPERATING INCOME (LOSS)</b>	 <b>\$ (57,098)</b>	 <b>\$ (71,954)</b>

**VILLAGE OF WINNECONNE, WISCONSIN**  
**STATEMENT OF STORM SEWER UTILITY REVENUES, EXPENSES, AND CHANGES**  
**IN OPERATING INCOME —**  
**ENTERPRISE FUND**  
**YEAR ENDED DECEMBER 31, 2024**  
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2023)

	Storm Sewer	
	2024	2023
<b>OPERATING REVENUES</b>		
Charges for Services:		
Residential	\$ 313,988	\$ 313,988
<b>OPERATING EXPENSES</b>		
Plant Operation and Maintenance:		
Operation	72,270	39,965
Depreciation	6,375	5,696
Total Operating Expenses	78,645	45,661
<b>OPERATING INCOME</b>	\$ 235,343	\$ 268,327

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



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

Village Board  
Village of Winneconne, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Winneconne, Wisconsin (the Village), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated April 24, 2025.

***Report on Internal Control over Financial Reporting***

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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

We consider the deficiency described in the accompanying schedule of findings and responses as item 2024-002 to be a material weakness.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and responses as item 2024-001 to be a significant deficiency.

**Report on Compliance and Other Matters**

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

**Village of Winneconne's Response to Findings**

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

**Purpose of This Report**

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



**CliftonLarsonAllen LLP**

Green Bay, Wisconsin  
April 24, 2025

**VILLAGE OF WINNECONNE, WISCONSIN  
SCHEDULE OF FINDINGS AND RESPONSES  
YEAR ENDED DECEMBER 31, 2024**

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***Internal Control Over Financial Reporting***

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<b>FINDING NO.</b>	<b>CONTROL DEFICIENCIES</b>
<b>2024-001</b>	<b>Preparation of Annual Financial Report</b> Repeat of Finding 2023-001
<b>Type of Finding:</b>	Significant Deficiency in Internal Control Over Financial Reporting
<b>Condition:</b>	Current Village staff maintains accounting records which reflect the Village's financial transactions; however, preparing the Village's annual financial report, including note disclosures, involves the selection and application of specific accounting principles which would require additional experience and knowledge. The Village contracts with us and our knowledge of applicable accounting principles, financial statement format, and note disclosures to assist in the preparation of the annual financial report in an efficient manner.
<b>Criteria:</b>	The preparation and review of the annual financial by staff with expertise in financial reporting is an internal control intended to prevent, detect and correct a potential omission or misstatement in the financial statements or notes.
<b>Cause:</b>	Village management has determined that the additional costs associated with training staff to become experienced in applicable accounting principles and note disclosures outweigh the derived benefits.
<b>Effect:</b>	Without our involvement, the Village may not be able to completely prepare an annual financial report in accordance with accounting principles generally accepted in the United States of America.
<b>Recommendation:</b>	We recommend continued analysis of the cost/benefit of outsourcing the preparation of the Village's annual financial report, and the related internal controls.
<b>Management Response:</b>	Management agrees with this finding and continuing to use the services of its auditor to prepare its annual financial report.

**VILLAGE OF WINNECONNE, WISCONSIN  
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)  
YEAR ENDED DECEMBER 31, 2024**

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

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<b>FINDING NO.</b>	<b>CONTROL DEFICIENCIES</b>
<b>2024-002</b>	<b>Adjustments to the Village's Financial Records</b>
<b>Type of Finding:</b>	Material Weakness in Internal Control Over Financial Reporting
<b>Condition:</b>	As part of our audit, we proposed adjusting journal entries, some of which were material, to the Village's financial statements.
<b>Criteria:</b>	Material adjusting journal entries proposed by the auditors are considered to be an internal control deficiency.
<b>Cause:</b>	While Village staff maintains financial records which accurately report revenues and expenditures throughout the year, preparing year-end adjusting and closing entries requires additional expertise that would entail additional training and staff time to develop.
<b>Effect:</b>	Year-end financial records prepared by the Village may contain material misstatements.
<b>Recommendation:</b>	We recommend the Village designate an individual to obtain additional training in order to prepare the adjusting and closing entries. We are available to assist the individual in obtaining the understanding to prepare these entries.
<b>Management Response:</b>	Management is obtaining additional training and will continue to review previous year's journal entries made during the audit with the goal of reducing adjustments in the future.



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