



Village of Elm Grove, Wisconsin  
Financial Statements  
For the Year Ending December 31, 2024



# **Village of Elm Grove**

Elm Grove, Wisconsin

Financial Statements

Including Independent Auditor's Report

As of and for the Year Ended  
December 31, 2024

Brian Lahey

Prepared by

Finance Director

Village of Elm Grove  
Financial Statements  
As of and For the Year Ended December 31, 2024

Table of Contents  
**INTRODUCTORY SECTION**

Directory of Officials	1
Organizational Chart	2

**FINANCIAL SECTION**

Independent Auditors' Report	3-5
Management's Discussion and Analysis	6-15

**BASIC FINANCIAL STATEMENTS**

Government-Wide Financial Statements	
Statement of Net Position	16
Statement of Activities	17
Fund Financial Statements	
Balance Sheet - Governmental Funds	18
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	19
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to Statement of Activities	20
Statement of Fiduciary Net Position - Custodial Tax Collection Fund	21
Statement of Changes in Fiduciary Net Position - Custodial Tax Collection Fund	22
Notes to Financial Statements	23-57

**REQUIRED SUPPLEMENTARY INFORMATION**

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual	
General Fund	58
Sewer Fund	59
Tax Increment District #2	60
Schedules of Proportionate Share of Net Pension Liability (Asset) and Employer Contributions - Wisconsin Retirement System	61
Notes to Required Supplementary Information	62

**COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES**

Non-major Governmental Funds	
Combining Balance Sheet	63
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance	64
Budgetary Comparison Schedules	
General Fund - Revenues (non-GAAP)	65-66
General Fund - Expenditures (non-GAAP)	67-70

Village of Elm Grove  
Financial Statements  
As of and For the Year Ended December 31, 2024

Table of Contents (Continued)

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

Debt Service Fund	71
Five Year Capital Projects Fund	72
Library Fund	73
Emergency Medical Service Fund	74
Stormwater Operations Fund	75
Donation Fund	76
Library Gift Fund	77
ARPA Fund	78
Tax Increment District #3	79
Transportation Fund	80

## **INTRODUCTORY SECTION**

# Village of Elm Grove, Wisconsin

Directory of Officials  
For the Year Ended December 31, 2024

## Elected Officials

<u>Name</u>	<u>Title</u>	<u>Term</u>
James Koleski	Village President	April 2025
John Schindler	Village Trustee	April 2026
Jennifer Stuckert	Village Trustee	April 2026
Kristina Sayas	Village Trustee	April 2025
Thomas Shepherd	Village Trustee	April 2025
Thomas Castile	Village Trustee	April 2025
Shawn Hillmann	Village Trustee	April 2026
W. Timothy Steinle	Municipal Judge	April 2027

## Administrators

<u>Name</u>	<u>Title</u>	<u>Term</u>
Thomas Harrigan	Village Manager/ Treasurer	Appointed
Logan Kein	Recreation Manager	Appointed
Jason Hennen	Chief of Police	Appointed
Katherine Gehl	Zoning Administrator/ Assistant Village Manager	Appointed
Brian Lahey	Finance Director	Appointed
Sarah Muench	Library Director	Appointed
Richard Paul Jr.	Director of Public Works	Appointed
Jon Robinson	Director of Emergency Medical Services	Appointed
Brian Naylor	Fire Chief	Appointed
Katie Panella	Village Clerk/Deputy Treasurer	Appointed
Jeffrey Thornton	Assessor	Appointed
Hector de la Mora	Village Attorney	Contracted
SafeBuilt	Building Inspector	Contracted
Ruekert & Mielke	Village Engineering	Contracted

### Officials Issuing Report:

Thomas Harrigan	Village Manager
Brian Lahey	Finance Director

### Report Prepared by:

Brian Lahey	Finance Director
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# Village of Elm Grove

**Citizens of Elm Grove**

Municipal Judge (elected)

Village Attorney (Contracted)

Village Board (elected)  
 1 President  
 6 Village Trustees  
 The Board functions through 6 standing committees: Administrative, Finance/Licensing, Legislative, Public Works, Public Safety, and Recreation

Board of Review  
 1 President  
 6 Trustees  
 1 Village Clerk

Board of Appeals  
 5 Members  
 2 Alternates

Planning Commission  
 5 Citizens  
 1 Trustee  
 Village President

Standing Committees  
 Administration; Finance, Legislative, Public Works/Utility, Public Safety, Recreation

Library Board  
 6 Citizens  
 1 Trustee

1 Zoning Administrator/ Assistant Village Manager

Village Manager  
 Treasurer;  
 Civil Defense Director

Building Board  
 8 Citizens  
 1 Trustee

Fire & Police Commission  
 5 Citizens

Library  
 1 Director  
 1 Assistant Director  
 1 Adult Services Coord.  
 2 Librarians (PT)  
 4 Library Assistants (PT)  
 7 Library Pages (PT)

Recreation Department  
 1 Manager (FT)  
 Seasonal employees  
 Contracted Instructors

Emergency Medical Services  
 Paid on Call Paramedic Service  
 30-35 members

Department of Public Works  
 1 Director  
 1 Superintendent/Forester  
 1 Foreman  
 1 Fleet Maintenance Supervisor  
 4 Laborers/Equipment Operators  
 4 Laborers (seasonal)

Police Department  
 1 Chief  
 1 Assistant Chief  
 1 Lieutenant  
 3 Sergeants  
 2 Detective  
 10 Patrol Officers  
 6 Dispatchers  
 1.1 Adm Asst/Court Clerk  
 1 Information System Mgr

Fire Department  
 Paid on Call  
 1 Chief (PT)  
 35-45 members

Inspector (Contracted)

1 Village Assessor

General Office Staff  
 1 Village Clerk/Deputy Treasurer  
 1 Finance Director  
 1 Deputy Village Clerk/Finance Specialist  
 1 Administrative Assistants (PT)

1 Building Maintenance  
 Building Cleaning Services  
 (Contracted)

## **FINANCIAL SECTION**

## Independent Auditors' Report

To the Village Board of  
Village of Elm Grove

### Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Village of Elm Grove (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, each major fund and the aggregate remaining fund information of the Village, as of December 31, 2024 and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of 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 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.

Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, are members of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. Baker Tilly US, LLP is a licensed CPA firm that provides assurance services to its clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms.

In performing an audit in accordance with GAAS, we:

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

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

### **Required Supplementary Information**

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

### **Supplementary Information**

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

## Other Information

Management is responsible for the other information included in the financial statements. The other information comprises the Introductory Section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

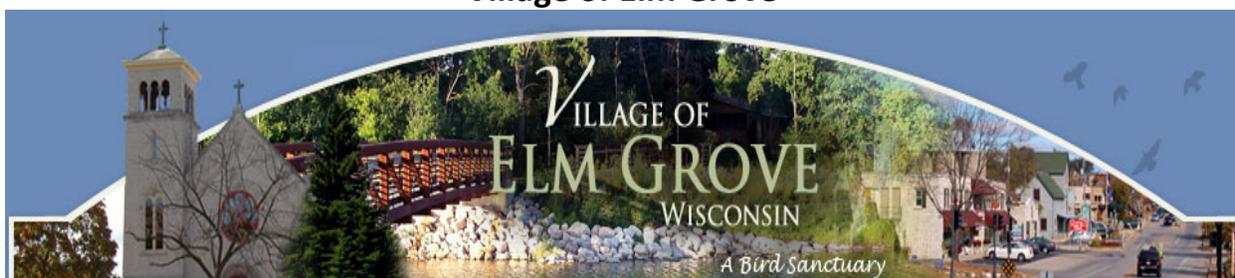
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

*Baker Tilly US, LLP*

Milwaukee, Wisconsin  
June 13, 2025

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

## Village of Elm Grove



### **Management's Discussion and Analysis (Unaudited) As of and for the Year Ended December 31, 2024**

As management of the Village of Elm Grove, we offer readers of the Village of Elm Grove's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended December 31, 2024. A comparison with prior year data is also presented.

#### **FINANCIAL HIGHLIGHTS**

- The assets of the Village of Elm Grove exceeded its liabilities as of December 31, 2024 by \$34.7 million.
- As of December 31, 2024 the Village's governmental funds reported combined ending fund balance of \$6,245,270.
- The Village's tax increment district #2, implemented for stormwater management, had an increment value as of January 1, 2023 of \$54,417,700 over its 2004 base year which generated 2024 revenues of \$711,421.
- The Village also amended tax increment district #2 in 2023 to support the underwood creek daylighting project with tax increment funding.
- Included in the general operating fund balance is unassigned fund balance of \$2.2 million which is equal to 27% of total general fund expenditures. These funds are available for future Village needs including working capital.
- The Village's credit rating was upgraded to Aa1 by Moody's during their rate review prior to the 2019 general obligation issuance and reconfirmed during 2023.
- Tax increment district #3 was approved in 2023 to facilitate the development of Caroline Heights, 237 multi-family apartments and 21 single-family homes in a former large tax-exempt parcel. Final occupancy at the multi-family apartments is expected in 2025.
- The development of Caroline Heights also brought municipal water to within the Village boundary providing future benefits for the community which mainly obtains water through private wells.
- The tax increment district #3, had an increment value as of January 1, 2023 of \$6,115,100 over its 2022 base year which generated 2024 revenues of \$79,945.

## OVERVIEW OF THE FINANCIAL STATEMENTS

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

**Government-wide financial statements** are designed to provide readers with a broad overview of the Village's finances, in a manner similar to a private sector business.

- The statement of net position presents information on all of the Village's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference between the four is reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.
- The statement of activities presents information showing how the Village's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., sick pay benefits and other long-term liabilities.)

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the Village include general government, public safety, health and sanitation, highway and transportation, library and park and recreation. The Village does not operate any business-type activities.

**Fund financial statements** are groupings of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into two categories: governmental funds and fiduciary funds.

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

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

The Village currently has 13 individual governmental funds and 1 custodial fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Sewer Fund, TID #2 Fund, Debt Service Fund, and the 5 Year Capital Project Fund which are considered to be major funds.

Data from the other eight funds are combined into a single, aggregate presentation under the heading "Nonmajor Governmental Funds." Individual fund data for each of these non-major governmental funds is provided in the form of "combining statements" elsewhere in this report. In 2022, the Village created Tax Increment District #3 to facilitate development of a large parcel of property near the downtown for 237 multi-family and 21 single family lots. This property was previously tax exempt.

- *Custodial funds* are used to account for resources held for the benefit of parties outside the government. Custodial funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Village's operations.

#### **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

The Village's total net position, net of related debt, exceeded liabilities by \$34,664,770 at the close of 2024. The largest segment of net position is the Village's investment in capital assets. The Village reports land, land improvements, building, equipment, intangible assets, and infrastructure. Beginning in 2015 the Village implemented GASB 68 recognizing the Village's share of future pension obligations as a participant in the multi-employer Wisconsin Retirement System. This pension system is one of the strongest in the nation.

**Village of Elm Grove's Net Position**

	<b>Governmental Activities</b>	
	<b>2024</b>	<b>2023</b>
Current & other assets	\$ 19,139,991	\$ 20,502,552
Capital assets	31,564,561	30,153,189
Total assets	50,704,552	50,655,741
Deferred outflows of resources		
Advanced refunding of debt	41,529	83,058
Related to pensions	3,661,373	5,414,051
Total deferred outflows of resources	3,702,902	5,497,109
Long term general obligation liabilities outstanding	4,252,478	5,571,237
Net pension liability	407,851	1,446,520
Other liabilities	1,203,525	1,870,472
Total liabilities	5,863,854	8,888,229
Deferred inflows of resources		
Deferred amounts related to pension	2,179,683	3,027,927
Unearned revenues	11,699,147	11,649,212
Total deferred inflows of resources	13,878,830	14,677,139
Net position:		
Net investment in capital assets	27,627,616	25,201,670
Restricted- other	981,253	1,005,620
Unrestricted	6,055,901	6,380,192
Total net position	\$ 34,664,770	\$ 32,587,482

Net position increased by \$2,077,288 or 6.37% in 2024. This can be attributed to an increase in the Village's investment in capital assets. In another year of unstable economic conditions the Village maintained its strong financial position and provided its residents and businesses with the same high level of service. The Village's general obligation debt is \$3,919,025 as compared to \$4,956,187 in 2023. The largest portion of debt payments are funded by utility fees from the stormwater fund and tax increment from the Village's tax increment district #2 with the final debt payment in 2025. The Village made principal payments during 2024 of \$1,037,162. The Village levied \$377,437 to fund the 2024 debt payments.

Long term debt also includes a liability for health insurance for a police officer injured on duty and retired under the State of Wisconsin duty disability plan. The Village had a contractual obligation to provide the former employee and his family with health and dental insurance coverage until they reach Medicare eligibility at the same cost as current employees. Sadly, this former employee passed away at the end of 2024. Resulting in the reduction of the long-term liability of \$220,334 in the government-wide statements. The expense of this obligation is recognized annually in the operating expense of the fund statements.

During 2024 capital expenditures included upgrades to police and fire equipment, public works equipment, computer equipment, a newly created pedestrian pathway, and road paving.

**Village of Elm Grove Change in Net Position**

	Governmental Activities	
	2024	2023
<b>Revenues</b>		
<u>Program revenues</u>		
Charges for services	\$ 4,228,070	\$ 4,440,923
Operating grants and contributions	722,525	842,979
Capital grants and contributions	230,108	896,950
 <u>General revenues</u>		
Taxes	7,649,890	7,497,240
Taxes generated from TID increment	791,366	616,982
Intergovernmental revenue not restricted to specific programs	354,677	235,648
Investment income	704,158	629,244
Other	314,034	333,101
Total revenue	14,994,828	15,493,067
 <b>Expenses</b>		
General Government	2,123,405	2,104,795
Public Safety	4,541,039	4,928,855
Highway and Transportation	3,253,047	1,461,532
Health and Sanitation	1,638,419	3,709,848
Library	569,249	561,546
Parks and recreation	555,176	539,877
Interest and fiscal charges	237,205	227,654
Total Expenses	12,917,540	13,534,107
 Increase in net position	 2,077,288	 1,958,960
 Net position beginning	 32,587,482	 30,628,522
 Net position ending	 \$ 34,664,770	 \$ 32,587,482

**GOVERNMENTAL ACTIVITIES**

Governmental activities increased the Village’s net position by \$2,077,288. The tax revenue for 2024, excluding TID #2 and #3, increased \$232,595 or 3.10%. The Village continues to work to control the levy through careful management and a willingness to evaluate services, personnel and procedures while maintaining its high standard of living. Taxes, without the TID, accounted for 51.46% of the Village’s total revenue as compared to 48.39% in 2023.

The Village contracts for refuse and recycling services and supports that service with a user fee. The Village also maintains a sewer fund and has partially supported sewer expenditures with tax levy dollars. In 2022 the Village shifted part of those levy dollars to a newly created transportation fund to dedicate funds for infrastructure improvements related to roads, pedestrian pathways and bridges. The sewer user fee was proportionally increased to offset the transferred levy dollars. The Village also supports its stormwater fund and associated debt from a large flood mitigation project done in 2005 with a stormwater utility fee to all property owners. The final payment on that debt will be made in 2025.

In 2024, the Village expended approximately \$250,000 of its remaining funding received through the American Rescue Plan Act of 2021 (ARPA). These funds were used for capital improvements of Village property, including an update to the new VoIP telephone system. The Village also expended the additional funding through specialized grants made available through the State of Wisconsin ARPA funding for its Emergency Medical Service department to provide a market adjustment to our employees who provide paramedic level service under a voluntary Paid on Call program.

Overall total charges for services decreased approximately \$215,000 in 2024 and increased \$832,300 in 2023. Charges for services come mainly from permits, licenses, sewer, storm water, recreation, garbage, and public safety fines. Permit revenue saw a large increase this year as permits were issued for the Caroline Heights multi-family development as part of tax increment district #3. The Village contracts with Milwaukee Metropolitan Sewerage District for sewer treatment and is charged annually for user fees and a capital charge based on equalized property values. The Village tax levy included \$348,000 in 2024 for a portion of the capital charge. All other sewer expenses including maintenance of Village sewerage flow system are covered by a user fee. The Village contracts for garbage/recycling collection and annually sets a user fee to cover these costs plus the cost of services provided by the Village for yard waste. The recreation department continues to evaluate recreational needs in the community and facilitates as needed. The Village evaluates the fees charged for specific services and programs with the goal of setting fees at a level that will proportionally recoup the costs of services.

Investment income for 2023 and 2024 was substantially higher than previous years. The Village invests in certificates of deposit at various term lengths through local banks. The Village also invested in the State of Wisconsin Local Government Investment Pool which continuously provides a marketable interest rate in a secure, flexible investment tool. During 2013 the Village chose to advance funds to build a limited water system within its TID #2 district to assist development. These funds are being paid back to the general fund, plus 3% interest, through tax increments on a commercial parcel within the district. 2023 generated \$8,000 of interest revenue to the general fund for its advancement and, in 2024 generated \$5,800. TID #2 also received advancements from the Sewer and Debt Service Funds and paid market interest in the amount of \$69,500 in 2023 and \$70,650 in 2024. Other income for 2023 and 2024 includes lease revenue from a cell tower (village owned) and cable franchise fees. Investment earnings in 2023 and 2024 also reflect the interest on the cell tower lease under accounting standard- GASB 87- Leases.

The Village continues to control expenses and looks for operating efficiencies in an environment of increasing general costs and rising health insurance costs. Expense in the government wide statements reflect a decrease of \$134,234 in 2024, for the Village's share of pension liability and corresponding deferred outflows and inflows of resources. As noted earlier the Village participates in the State of Wisconsin Employee Retirement System, one of the nation's strongest. The Village annually records its share of the pension system asset or liability in its government-wide statements. As of December 31, 2024 the Village recognizes a liability of \$407,851 as compared to \$1,446,520 in its 2023 statement. This system is constantly evaluated and adjustments made as necessary to maintain its integrity. Public safety costs increased due the change in pension liability. Public Safety expenses also reflect the associated inspection services incurred for the building permits issued on the multi-family development stated earlier. The Village contracts with an outside service for inspections which allows flexibility and limits overhead. The Village continues to use a Health Reimbursement Account Plan (HRA) with a high deductible health plan in an effort to control health costs.

## FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

As of December 31, 2024 the Village of Elm Grove's governmental funds reported combined ending fund balances of \$6.245 million, a decrease of \$744,000 from the \$6.989 million balance in 2023. The decrease is due to the \$1,178,150 of new debt issued in 2023 versus no new debt issuances in 2024

## GENERAL FUND BUDGETARY HIGHLIGHTS

The year-end results of operations compared to the 2024 budget for the Village of Elm Grove were within budgeted amounts. The general fund ended with a positive increase to fund balance \$227,238 compared to \$322,007 in 2023. The Village had budgeted a decrease of \$39,500 in fund balance compared to a budgeted increase of \$179,300 in 2023. The Village policy is 15%-25% of subsequent year's expenditure budget in unassigned fund balance. At year-end 2024, the Village had approximately 27% of unassigned fund balance compared to 24% in 2023.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### *Capital Assets*

#### Village of Elm Grove's Capital Assets

(net of depreciation)

	Governmental Activities	
	2024	2023
Land	\$ 8,462,507	\$ 8,462,507
Land Improvements	919,099	946,951
Buildings and Improvements	3,149,835	3,044,889
Intangibles	75,751	100,178
Machinery and Equipment	3,022,640	3,144,395
Construction in Progress	1,793,622	296,148
Infrastructure	14,141,107	14,158,121
	<u>\$ 31,564,561</u>	<u>\$ 30,153,189</u>

The Village's investment in capital assets for its governmental activities as of December 31, 2024 amounts to \$31.56 million (net of accumulated depreciation) compared to \$30.15 million in 2023. The Village capitalized an additional \$2.79 million in assets and had depreciation expense of \$1.38 million compared to an additional \$2.40 million in assets and had depreciation expense of \$1.35 million in 2023.

**Long-term Debt**

At the end of 2024 the Village of Elm Grove had total general obligation debt outstanding of \$3.9 million compared to \$4.9 million in 2023. There was no new debt issued in 2024 compared to \$1,178,150 in 2023, through the State of Wisconsin Trust Fund Loan Program. Under state statutes the Village has the authority to borrow 5% of its equalized value or \$87.3 million. Current outstanding debt represents .22% of the Village’s equalized value of \$1.746 billion compared to .31%/\$1.611 billion in 2023. Prior to the issuance of 2019 general obligation bonds Moody’s upgraded the Village’s bond rating to Aa1 from Aa2.

**Village of Elm Grove's Outstanding Debt**

	<b>Governmental Activities</b>	
	<b>2024</b>	<b>2023</b>
General Obligation Bonds		
Stormwater Project GO Bonds	885,000	1,725,000
Capital Project GO Bonds	1,875,000	1,975,000
State Trust Fund Loan-WI 2019	39,503	78,037
State Trust Fund Loan-WI 2023	950,237	1,000,000
State Trust Fund Loan-WI 2023	169,285	178,150
Total G.O. Debt	<u>\$ 3,919,025</u>	<u>\$ 4,956,187</u>

As was noted earlier, debt obligations for the stormwater bonds (flood mitigation) are funded through storm water fees and payment by the TID. The capital project general obligation bonds and state trust fund loans will be supported by the general tax levy with equal payments over the 5-20 year term.

In the government-wide financial statements, long-term debt previously included an accrual of \$220,334 for future health benefits for a police officer injured in the line of duty. The officer had retired under the State of Wisconsin Duty Disability Program, under which the Village was contractually obligated to provide health insurance coverage for the officer and their family until Medicare eligibility. This liability, calculated using a projected 5% annual increase in future health premium costs, was presented at its present value. The Village continues to use a health reimbursement arrangement and make plan design adjustments in response to employee needs and market conditions. With the passing of the officer, this specific liability has been reduced to zero. Annual cost liabilities are recorded as operating expenditures in the fund statements.

The Village has reviewed its liability under GASB 75 for post-retirement benefits other than pension and found the liability to be immaterial. The Village allows public safety employees who retire under the Wisconsin Retirement Program to remain on its group insurance plan but at their own cost. The Village’s only liability would be from an implicit rate subsidy until a public safety employee reaches Medicare age. Past history indicates that this benefit is not used due to the high cost to a retiree. In the past ten years no one has utilized this benefit. With the availability of the health marketplace the Village does not anticipate retired officers using this benefit. This benefit will be reviewed each year and recorded if a material change is identified. The Village also participates in the State of Wisconsin life insurance program and has a share of the liability to provide benefits to retirees. Review of this obligation was found to be immaterial and is not included in these statements.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The Village of Elm Grove is a small community comprised of 3.26 square miles with a population of approximately 6,513 (2020 Census). Located just west of the City of Milwaukee allows residents access to big city opportunities and a small-town environment. The Village provides residents and businesses with 24 hour public safety services through a full-time police force and paid on call fire and paramedic emergency medical department. In 2023 the Village is expanded its police force to 18 which includes a school resource officer financially supported by the school district. The Village also has a well maintained road system, sanitary sewer system, public library, park facilities and recreation activities.

Elm Grove is a fully-developed community with equalized valuation of over \$1.746 billion in 2024. Residential properties comprise 90.8% of real property values. The average assessed value of a single-family residence in Elm Grove is \$629,744 substantially higher than state and surrounding municipality averages. The Village continues to see increasing housing values and demand for residential properties. Investment in residential properties continues through remodeling or as in an increasing trend of existing homes torn down and new homes built. This trend is expected to continue.

The Village's 2025 operating and capital budgets continue to provide for the same level of services and provide funding of these operations with a stable tax levy. The 2025 budget included a levy increase of 1.04% or \$79,810. The budget includes employee contributions of \$297,586 to the Wisconsin Retirement System, health insurance premium sharing with employees paying 15% of premium cost, a renewal of the health insurance plan with our current provider reflects a 0% premium increase compared to 9.8% in 2023. The Village health plan is designed to improve consumerism with high deductibles and co-insurance contributions. The Village will again fund the health reimbursement plan to assist employees with out of pocket costs. The Village has continually found this to have premium cost savings as compared to a standard health insurance plan. The budget includes \$544,000 of expenditures for its own local library and \$591,527 for paramedic level paid on call emergency medical service. Capital expenditures of \$703,870 will be funded through its capital fund as the Village continues to invest in its infrastructure and equipment. Beginning in 2022 the Village set up a separate Transportation Capital Fund to address its aging road system, allocating \$550,000 of tax levy dollars annually. As most municipalities are facing aging road infrastructure the Village felt it was important to specifically allocate funds for this need. The Transportation budget for 2025 includes \$605,000 for road paving and \$900,000 for pedestrian pathways.

The Village continues investigating a number of larger capital projects which will enhance the Village for future years and continue to make the Village of Elm Grove a desirable place to live in southeast Wisconsin. In 2025, The village has two large debt borrowings totaling an estimated \$20,690,000. One taxable issuance of \$8,665,000 will honor the village's develop incentive obligation associated with the Caroline Heights development in TID #3. The second issuance of non-taxable \$12,025,000 will be used for the underwood creek daylighting project, pedestrian pathways, refinancing of existing debt, and other capital expenditures. The village has historically retained a conservative posture towards issuing debt, this approach remains the same moving into 2025. The larger debt issuances are being driven largely by anomalous developments and capital projects. It is important to note that the debt repayment on the taxable G.O. issuance will be paid for by tax increment from TID #3 when it becomes available and not funded by the levy. Similarly, a substantial portion of the non-taxable G.O. issuance will be paid for by the remaining tax increment from TID #2.

Tax increment district #2 value will provide an estimated tax increment of \$588,000 in 2025 which will be used for the TIF share of debt obligation, to pay back funds advanced from the debt service fund, the general fund, and the sewer fund.

During 2022, the Village Board approved Tax Increment District #3 which will provide tax incremental financing assistance to a developer to build 237 apartments. In addition, 21 single family homes are also planned on this roughly thirty-acre parcel, which has been determined to be blighted for purposes of creating TID #3 near the downtown area. The tax increment financing assistance provided to Caroline Heights will equal \$23,256,625. The financing will consist of a developer incentive grant in the amount of \$8,466,000 anticipated to be paid in 2025. As well as interest and a Municipal Revenue Obligation (“Pay As You Go”) in the amount of \$9,800,000. The total financing includes interest and administrative costs and \$865,845 for the expansion of municipal water in the downtown. The developer has extended municipal water from the city of Wauwatosa to their project site. This will provide the Village with an opportunity to expand the municipal water into the downtown commercial district and surrounding areas, providing this Lake Michigan water source. Construction began at the site in late 2023 and the district is expected to generate a 2025 increment of \$176,000.

At its April 2022 general election, citizens voted on a referendum to limit public works project expenditures to less than \$1 million dollars unless approved by a majority vote through a referendum. On December 16, 2024 the village board amended the public works project expenditure limit and increased the referendum requirement cap to \$2.5 million dollars. The Village continues to work within this limit and plans to take projects to the citizens for referendum as required.

#### **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Village of Elm Grove’s finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Village of Elm Grove, 13600 Juneau Boulevard Elm Grove, WI 53122.

General information relating to the Village of Elm Grove, Wisconsin, and a copy of this report can be found at the Village’s website, [www.elmgrovetwi.org](http://www.elmgrovetwi.org).

## **BASIC FINANCIAL STATEMENTS**

VILLAGE OF ELM GROVE

Statement of Net Position  
As of December 31, 2024

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and Investments	\$ 12,365,735
Receivables	
Taxes	5,962,533
Delinquent Personal Property Taxes	3,486
Accounts	422,729
Allowance for Doubtful Accounts	(73,279)
Leases	423,837
Due from Other Governments	7,960
Prepays	26,990
Non-Current Assets	
Capital Assets	
Land	8,462,507
Construction in Progress	1,793,622
Other Capital Assets, Net of Depreciation	21,308,432
Total Assets	<u>50,704,552</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Amounts on Advanced Refunding of Debt	41,529
Deferred Amounts Related to Pensions	3,661,373
Total Deferred Outflows of Resources	<u>3,702,902</u>
<b>LIABILITIES</b>	
Current Liabilities	
Accounts Payable and Accrued Liabilities	1,094,078
Developer Deposits	52,209
Unearned Revenue	57,238
Current Portion of Long-Term Obligations	1,310,309
Total Current Liabilities	<u>2,513,834</u>
Non-Current Liabilities	
Net Pension Liability	407,851
Non-Current Portion of Long-Term Obligations	2,942,169
Total Non- Current Liabilities	<u>3,350,020</u>
Total Liabilities	<u>5,863,854</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred Amounts Related to Pension	2,179,683
Unearned Revenue Related to Leases	423,837
Unearned Revenue	11,275,310
Total Deferred Inflows of Resources	<u>13,878,830</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	27,627,616
Restricted for:	
Restricted for Debt service	817,719
Restricted for Donor Specified Purpose	98,238
Restricted for Library	52,147
Restricted for State Act 102 Funding	13,149
Unrestricted	<u>6,055,901</u>
<b>Total Net Position</b>	<u>\$ 34,664,770</u>

See accompanying notes to the financial statements.

## VILLAGE OF ELM GROVE

### Statement of Activities For the Year Ended December 31, 2024

<u>Functions/Programs</u>	<u>Program Revenues</u>				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants & contributions	Capital Grants & Contributions	
Governmental Activities					
General Government	\$ 2,123,405	\$ 61,767	\$ -	\$ 204,577	\$ (1,857,061)
Public Safety	4,541,039	732,795	231,273	3,595	(3,573,376)
Health and Sanitation	3,253,047	3,217,310	8,662	-	(27,075)
Public Works	1,638,419	-	435,000	21,936	(1,181,483)
Library	569,249	9,204	47,590	-	(512,455)
Park and Recreation	555,176	206,994	-	-	(348,182)
Interest and Fiscal Charges	237,205	-	-	-	(237,205)
	<u>\$ 12,917,540</u>	<u>\$ 4,228,070</u>	<u>\$ 722,525</u>	<u>\$ 230,108</u>	<u>(7,736,837)</u>
General Revenues:					
Taxes					
Property Taxes, Levied for General Purposes					7,649,890
Property taxes, Other (TID #2 & TID #3)					791,366
Intergovernmental Revenues not Restricted to Specific Purpose					354,677
Investment Income					704,158
Other					314,034
Total General Revenues					<u>9,814,125</u>
<b>Change in Net Position</b>					2,077,288
Net Position at Beginning of the Year					<u>32,587,482</u>
<b>Net Position at Year End</b>					<u>\$ 34,664,770</u>

See accompanying notes to financial statements.

VILLAGE OF ELM GROVE

Governmental Funds  
Balance Sheet  
As of December 31, 2024

	General Fund	Special Revenue		Debt Service Fund	Capital Projects	Nonmajor Governmental Funds	Totals
		Sewer Fund	TID #2 Fund		Five Year Capital Fund		
<b>ASSETS</b>							
Cash and Investments	\$ 5,371,712	\$ 2,293,600	\$ -	\$ 163,302	\$ 2,669,789	\$ 1,867,332	\$ 12,365,735
Receivables							
Taxes	3,280,038	864,963	348,666	160,418	223,473	1,084,975	5,962,533
Delinquent Personal Property Tax	3,486	-	-	-	-	-	3,486
Accounts	120,078	103,400	-	-	-	199,251	422,729
Allowance for Doubtful Accounts	-	-	-	-	-	(73,279)	(73,279)
Lease	423,837	-	-	-	-	-	423,837
Due from Other Governments	-	7,960	-	-	-	-	7,960
Due from Other Funds	210,650	-	-	-	-	-	210,650
Advance to Other Funds	204,768	811,679	-	850,000	-	-	1,866,447
Prepays	26,990	-	-	-	-	-	26,990
<b>Total Assets</b>	<b>\$ 9,641,559</b>	<b>\$ 4,081,602</b>	<b>\$ 348,666</b>	<b>\$ 1,173,720</b>	<b>\$ 2,893,262</b>	<b>\$ 3,078,279</b>	<b>\$ 21,217,088</b>
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)</b>							
Liabilities							
Accounts Payable	\$ 193,820	\$ 208,759	\$ 78,406	\$ -	\$ 84,283	\$ 145,555	\$ 710,823
Accrued Liabilities	268,187	-	-	-	-	43,979	312,166
Developer Deposits	52,209	-	-	-	-	-	52,209
Unearned Revenues	57,238	-	-	-	-	-	57,238
Due to Other Funds	-	-	210,650	-	-	-	210,650
Advance from Other Funds	-	-	1,866,447	-	-	-	1,866,447
Total Liabilities	571,454	208,759	2,155,503	-	84,283	189,534	3,209,533
Deferred Inflows of Resources							
Unearned Revenues	6,010,473	1,959,245	619,252	284,912	396,901	2,004,527	11,275,310
Unearned Revenues Related to Leases	423,837	-	-	-	-	-	423,837
Unavailable Revenues	-	-	-	-	-	63,138	63,138
Total Deferred Inflows of Resources	6,434,310	1,959,245	619,252	284,912	396,901	2,067,665	11,762,285
Fund Balance (Deficit)							
Nonspendable	235,244	811,679	-	-	-	-	1,046,923
Restricted	-	-	-	888,808	-	163,534	1,052,342
Committed	-	1,101,919	-	-	2,412,078	657,546	4,171,543
Assigned	227,509	-	-	-	-	-	227,509
Unassigned (Deficit)	2,173,042	-	(2,426,089)	-	-	-	(253,047)
Total Fund Balance (Deficit)	2,635,795	1,913,598	(2,426,089)	888,808	2,412,078	821,080	6,245,270
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance (Deficit)</b>	<b>\$ 9,641,559</b>	<b>\$ 4,081,602</b>	<b>\$ 348,666</b>	<b>\$ 1,173,720</b>	<b>\$ 2,893,262</b>	<b>\$ 3,078,279</b>	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental funds are not financial resources and therefore the funds are not reported in the funds (see Note II.A)	31,564,561
The Village's proportionate share of the Wisconsin Retirement System pension plan is not an available resource; therefore it is not reported in the fund financial statements	
Deferred outflows of resources	3,661,373
Net pension liability	(407,851)
Deferred inflows of resources	(2,179,683)
Some receivables that are not currently available are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements (See Note II.A)	63,138
A deferred charge on refunding represents a consumption of net position that applies to a future period and, therefore, is not reported in the funds (see Note II.A)	41,529
Some liabilities, including long-term debt, are not due and payable in the current period and therefore are not reported in the funds (See Note II.A)	(4,323,567)
<b>Net Position of Governmental Activities</b>	<b>\$ 34,664,770</b>

VILLAGE OF ELM GROVE

Governmental Funds  
Statement of Revenues, Expenditures and Changes in Fund Balance  
For the Year Ended December 31, 2024

	General Fund	Special Revenue		Debt Service Fund	Capital Projects	Nonmajor Governmental Funds	Totals
		Sewer Fund	TID #2 Fund		Five Year Capital Fund		
<b>Revenues</b>							
Taxes	\$ 5,103,330	\$ 348,000	\$ 711,421	\$ 268,690	\$ 469,000	\$ 1,540,815	\$ 8,441,256
Intergovernmental Revenues	927,338	-	20,822	-	68,201	321,160	1,337,521
Licenses and Permits	449,348	-	-	-	-	-	449,348
Fines, Forfeitures and Penalties	158,745	-	-	-	-	-	158,745
Public Charges for Services	1,003,021	1,926,163	-	-	18,000	630,546	3,577,730
Commercial Revenues	507,392	104,895	-	47,794	121,571	236,539	1,018,191
Total Revenues	<u>8,149,174</u>	<u>2,379,058</u>	<u>732,243</u>	<u>316,484</u>	<u>676,772</u>	<u>2,729,060</u>	<u>14,982,791</u>
<b>Expenditures</b>							
Current							
General Government	1,718,484	-	80,509	400	-	63,261	1,862,654
Public Safety	3,995,978	-	-	-	-	603,859	4,599,837
Health and Sanitation	742,172	2,059,966	-	-	-	242,321	3,044,459
Public Works	1,108,087	-	-	-	-	-	1,108,087
Library	-	-	-	-	-	568,017	568,017
Park and Recreation	341,912	-	-	-	-	5,268	347,180
Capital Outlay	-	36,801	504,615	-	619,787	1,804,978	2,966,181
Debt Service							
Principal	-	-	-	1,037,162	-	-	1,037,162
Interest	-	-	76,432	124,219	-	-	200,651
Total Expenditures	<u>7,906,633</u>	<u>2,096,767</u>	<u>661,556</u>	<u>1,161,781</u>	<u>619,787</u>	<u>3,287,704</u>	<u>15,734,228</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>242,541</u>	<u>282,291</u>	<u>70,687</u>	<u>(845,297)</u>	<u>56,985</u>	<u>(558,644)</u>	<u>(751,437)</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Proceeds from Sale of Capital Assets	-	-	-	-	7,819	-	7,819
Transfers In	4,267	2,065	-	892,690	116,037	168,225	1,183,284
Transfers Out	(19,570)	(100,000)	(505,157)	(40,000)	-	(518,557)	(1,183,284)
Total Other Financing Sources (Uses)	<u>(15,303)</u>	<u>(97,935)</u>	<u>(505,157)</u>	<u>852,690</u>	<u>123,856</u>	<u>(350,332)</u>	<u>7,819</u>
Net change in Fund Balance	227,238	184,356	(434,470)	7,393	180,841	(908,976)	(743,618)
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR	<u>2,408,557</u>	<u>1,729,242</u>	<u>(1,991,619)</u>	<u>881,415</u>	<u>2,231,237</u>	<u>1,730,056</u>	<u>6,988,888</u>
<b>FUND BALANCES (DEFICIT) - END OF YEAR</b>	<u>\$ 2,635,795</u>	<u>\$ 1,913,598</u>	<u>\$ (2,426,089)</u>	<u>\$ 888,808</u>	<u>\$ 2,412,078</u>	<u>\$ 821,080</u>	<u>\$ 6,245,270</u>

See accompanying notes to financial statements.

## VILLAGE OF ELM GROVE

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

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Net Change in Fund Balances-Total Governmental Funds	\$ (743,618)
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Amounts recorded for governmental activities in the statement of activities are different because

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

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide statements	2,966,181
Capital assets reported as current expenditures but capitalized	7,935
Some items reported as capital outlay were not capitalized	(179,979)
Depreciation is reported in the government-wide statements	(1,378,158)
Net book value of assets retired	(4,609)

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

Receivable for Capital Project Reimbursement	(30,211)
Public Safety Emergency Medical Service Fees	42,247

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

Principal retired	1,037,162
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Governmental funds report premiums and discounts associated with the issuance of long-term debt as other financing sources and uses but these items are amortized over the life of the debt issue on the statement of activities.

Amortization of premiums	18,941
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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.

Interest accrued	(13,965)
Net pension liability, deferred outflows related to pensions, and deferred inflows related to pensions	134,235
Amortization of Loss on Refunding Debt	(41,529)
Compensated Absences	42,322
Benefit Agreements	220,334

Change in Net Position of Statement of Activities	\$ 2,077,288
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See accompanying notes to financial statements.

VILLAGE OF ELM GROVE

STATEMENT OF FIDUCIARY NET POSITION  
As of December 31, 2024

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	<u>Custodial Fund</u>
	Tax Collection Fund
<b>ASSETS</b>	
Cash and Investments	\$ 5,974,900
Taxes Receivable	7,699,015
Total Assets	<u>13,673,915</u>
<b>LIABILITIES</b>	
Due to Other Taxing Units	<u>13,673,915</u>
<b>NET POSITION</b>	
Total Net Position	<u><u>\$ -</u></u>

See accompanying notes to financial statements.

VILLAGE OF ELM GROVE

Statement of Changes in Fiduciary Net Position  
For the Year Ended December 31, 2024

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	<u>Custodial Fund</u> Tax Collection Fund
<b>ADDITIONS</b>	
Collections for Other Taxing Units	<u>\$ 9,167,429</u>
<b>DEDUCTIONS</b>	
Payments to Other Taxing Units	<u>(9,167,429)</u>
<b>Change in Net Position</b>	-
Net Position at Beginning of the Year	<u>-</u>
<b>Net Position at End of Year</b>	<u><u>\$ -</u></u>

## VILLAGE OF ELM GROVE

### INDEX TO NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

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Note		
I	Summary of Significant Accounting Policies	
	A. Reporting Entity	24
	B. Government-Wide and Fund Financial Statements	24
	C. Measurement Focus, Basis of Accounting and Financial Statement Presentation	27
	D. Assets/Deferred Outflows of Resources, Liabilities/Deferred Inflows of Resources and Net Position or Equity	28
	1. Deposits and Investments	28
	2. Receivables	29
	3. Leases	31
	4. Prepaids	31
	5. Capital Assets	31
	6. Deferred Outflows of Resources	32
	7. Compensated Absences	33
	8. Long-Term Obligations	33
	9. Deferred Inflows of Resources	34
	10. Equity Classifications	34
	11. Pension	36
II	Reconciliation of Government-Wide and Fund Financial Statements	
	A. Explanations of Certain Differences Between the Governmental Fund Balance Sheet and the Statement of Net Position	37
III	Stewardship, Compliance, and Accountability	
	A. Excess Expenditures over Appropriations	38
	B. Limitations on the Village's Tax Levy	38
	C. Deficit Fund Balances	38
	D. Budgetary Information	39
IV	Detailed Notes on all Funds	
	A. Deposits and Investments	40
	B. Receivables	42
	C. Capital Assets	43
	D. Transfers, Advances, and Interfund Receivables/Payables	44
	E. Long-term Obligations	46
	F. Lease Disclosures	48
	G. Net Position/Fund Balance	48
V	Other Information	
	A. Employees' Retirement System	50
	B. Risk Management	56
	C. Commitments and Contingencies	56
	D. Municipal Revenue Obligation	57
	E. Effect of New Accounting Standards on Current-Period Financial Statements	57

## VILLAGE OF ELM GROVE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

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#### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

##### **A. REPORTING ENTITY**

This report includes all the funds of the Village of Elm Grove (the "Village"). The reporting entity for the Village consists of the primary government and its component units. Component units are reported using one of three methods, discrete presentation, blended, or fiduciary. Generally, component units should be discretely presented in a separate column in the financial statements. A Component unit should be reported as part of the preliminary government using the blending method if it meets any one of the following criteria: (1) the primary government and the component unit have substantively the same governing body and a financial benefit or burden relationship exists, (2) the primary government and the component unit have substantively the same governing body and management of the primary government has operational responsibility for the component unit, (3) the component unit serves or benefits, exclusively or almost exclusively, the primary government rather than its citizens, or (4) the total debt of the component unit will be paid entirely or almost entirely from resources of the primary government. The Village has not identified any organizations that meet these criteria.

##### **B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. This Statement requires that liabilities for compensated absences be recognized in financial statements prepared using the economic resources measurement focus for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This standard was implemented January 1, 2024. The impact of implementation was not material.

##### ***Government-Wide Financial Statements***

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

**VILLAGE OF ELM GROVE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2024

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**NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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***B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS*** (continued)

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

***Fund Financial Statements***

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

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

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

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

**VILLAGE OF ELM GROVE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2024

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**NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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**B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS** (continued)

**Fund Financial Statements** (continued)

The Village reports the following major governmental funds:

- General Fund – accounts for the Village’s primary operating activities. It is used to account for and report all financial resources except those accounted for and reported in another fund.
- Sewer Fund – Special Revenue Fund - accounts for the Village’s sanitary sewer activities. It is used to account for and report the proceeds of specific revenue source that are legally restricted or committed to expenditures for specified purposes (other than debt service or capital projects).
- Tax Increment District (TID) #2 Fund – Special Revenue Fund – used to account for and report grants and local revenues legally restricted or committed to supporting expenditures outlined in the TID project plan.
- Debt Service Fund – used to account for and report financial resources that are restricted, committed, or assigned to expenditure for the payment of general long-term debt principal, interest, and related costs other than TID debt.
- Five Year Capital Fund – Capital Projects Fund – used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

The Village reports the following non-major governmental funds:

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

- Library Fund
- Emergency Medical Services (EMS) Fund
- Stormwater Operations Fund
- Donation Fund
- Library Gift Fund
- ARPA Fund
- Tax Increment District #3

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

- Transportation Fund

**VILLAGE OF ELM GROVE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2024

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**NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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***B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)***

***Fund Financial Statements*** (continued)

In addition, the Village reports the following fiduciary fund type:

Custodial fund are used to account for and report assets held by the Village in a trustee capacity or as a custodian for individuals, private organizations, and/or other governmental units.

Tax Collection Fund

***C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION***

***Government-Wide Financial Statements***

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

***Fund Financial Statements***

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

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

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2024

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**NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

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

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

Fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note. The Village utilizes a custodial fund for tax collections for other entities.

***All Financial Statements***

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

***D. ASSETS/DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES/DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY***

***1. Deposits and Investments***

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

- a. Time deposits in any credit union, bank, savings bank, trust company.
- b. Bonds or securities of any county, village, drainage district, technical college district, village, town, or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, a local cultural arts district, the University of Wisconsin Hospitals and Clinics Authority, or the Wisconsin Aerospace Authority.
- c. Bonds or securities issued or guaranteed by the federal government.
- d. The local government investment pool.
- e. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2024

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NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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**D. ASSETS/DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES/DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY** (continued)

**1. Deposits and Investments** (continued)

- f. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
- g. Repurchase agreements with public depositories, with certain conditions.

The Village has adopted an investment policy. That policy follows state statutes for allowable investments. The Village's investment policy does not address custodial credit risk, credit risk, interest rate risk or concentration of credit risk. All funds throughout the year and at year end were invested in locally approved banks, the LGIP, and agencies of the US government.

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

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

See Note IV.A. For further information.

**2. Receivables**

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

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2024

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NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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**D. ASSETS/DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES/DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY** (continued)

**2. Receivables** (continued)

Property tax calendar – 2024 tax roll:

Lien date and levy date	December 2024
Tax bills mailed	December 2024
Payment in full, or	January 31, 2025
First installment due	January 31, 2025
Second installment due to County	July 31, 2025
Tax settlement:	
First settlement	January 15, 2025
Second settlement	February 20, 2025
Final settlement	August 20, 2025
Tax deed by County – 2024	
Delinquent real estate taxes	October 2027

Sewer service charges and stormwater utility fees are billed to residential customers, at rates established by the Village Board on the Village tax roll as a special charge and, therefore, collected in advance of services provided. The amount to finance the subsequent year's operation is recorded as unearned revenue. Sewer service charges and stormwater utility fees are billed to commercial customers at rates established by the Village Board on a quarterly basis on March 31, June 30, September 30 and December 31. All delinquent commercial accounts receivable balances at the time of the property tax lien date are placed on the customer's tax bill and collected through the normal tax collection process.

Garbage/rubbish removal charges are billed to residential customers, at rates established by the Village Board on the Village tax roll as a special charge and, therefore, collected in advance of services provided. The amount to finance the subsequent year's operation is recorded as unearned revenue.

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

**VILLAGE OF ELM GROVE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2024

---

**NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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***D. ASSETS/DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES/DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (continued)***

***3. Leases***

The Village is a lessor for a cellular tower site with a primary lease on the land and subleases for 3 additional tenants. The Village recognizes a lease receivable and deferred inflow of resources based on the criteria dictated in GASB Statement No 87- Leases. The Village measure the lease receivable at the present value of payments expected to be received during the lease term. During the lease term, the lease receivable is reduced by the principal portion of the lease payments received. Deferred inflows related to these leases are initially measured as the amount of the lease receivable adjusted for lease payments received. Lease revenue is recognized over the term of the lease at the current year lease rate

The Village uses an estimated incremental borrowing rate as the discount rate for these agreements as no explicit interest rate is provided. The lease term on the primary lease will terminate in 2027 and at that time will need to be renegotiated. The Village is recognizing the lease revenue which escalates on an annual basis and will monitor changes in circumstance that would require re-measurement of the lease receivable and deferred inflows of resources.

***4. Prepaids***

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

***5. Capital Assets***

***Government-Wide Statements***

In the government-wide financial statements, fixed assets are accounted for as capital assets. The government defines capital assets as assets with an initial cost of more than \$5,000 for general capital assets and \$10,000 for infrastructure assets, and an estimated useful life in excess of one year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2024

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NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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**D. ASSETS/DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES/DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY** (continued)

**5. Capital Assets** (continued)

**Government-Wide Statements** (continued)

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

Buildings	20-50 Years
Land Improvements	10-50 Years
Machinery and Equipment	3-20 Years
Infrastructure	25-60 Years
Intangible Assets	3-8 Years

**Fund Financial Statements**

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

**6. Deferred Outflows of Resources**

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

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

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2024

---

**NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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***D. ASSETS/DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES/DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (continued)***

***7. Compensated Absences***

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Compensated absences are accrued when incurred in the government-wide statements.

***Sick Leave***

Sick leave is earned at the rate of 8 hours for each month of service up to a maximum of 1,440 hours for eligible Village employees. Employees having unused accumulated sick leave at retirement, resignation or termination are compensated at varying percentages of the accumulated total, to a maximum of 240 or 480 hours based on longevity, position and current wage rates. The current amount of accumulated sick pay earned at December 31, 2024 for all Village employees that would be due upon termination totals \$163,686.

***Vacation***

Vacation pay is earned by Village employees based upon longevity of employment and specific departmental benefit schedules. Employees having unused vacation at retirement, resignation or termination are compensated for the unused vacation pay at current wage rates. The amount of unused vacation pay earned at December 31, 2024 for all Village employees is \$104,291.

***Compensatory Time***

Overtime may be accumulated up to sixty (60) hours which may then be taken off as compensatory time. Compensatory time earned in excess of sixty (60) hours shall be paid out as overtime for the pay period in which it is earned. Compensatory time may be taken off in consecutive hours, not to exceed forty (40) hours and is paid out at current wage rates. The amount of unused compensatory pay earned at December 31, 2024 for all Village employees is \$6,027.

***8. Long-Term Obligations***

All long-term obligations to be repaid from governmental resources are reported as liabilities in the government-wide statements. The long-term obligations consist of notes and bonds payable, accrued compensated absences and benefit agreements payable. The Village offers limited post-retirement benefits to police employees under current contract obligation. The amount of these benefits is considered immaterial and is not recorded in the financial statements.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2024

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NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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***D. ASSETS/DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES/DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY*** (continued)

***8. Long-Term Obligations*** (continued)

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debt, (plus any premiums), are reported as other financing sources and payments of principal and interest are reported as expenditures.

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

***9. Deferred Inflows of Resources***

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

***10. Equity Classifications***

***Government-Wide Statements***

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

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

When 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 ELM GROVE

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2024

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NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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***D. ASSETS/DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES/DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY*** (continued)

***10. Equity Classifications*** (continued)

***Fund Statements***

Governmental fund equity is classified as fund balance and displayed as follows:

- a. Nonspendable- Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. Restricted- Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. Committed- Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision-making authority. Fund balance amounts are committed through a formal resolution of the Village Board. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Village Board that originally created the commitment.
- d. Assigned- Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The Village Board has, by resolution, adopted a financial policy authorizing the Village Manager and the Finance Director to assign amounts for a specific purpose. Assignments may take place after the end of the reporting period.
- e. Unassigned- Includes residual positive fund balance within the general fund which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2024

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NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

---

***D. ASSETS/DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES/DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY*** (continued)

***10. Equity Classifications*** (continued)

***Fund Statements*** (continued)

The Village has adopted a formal fund balance policy. The Village considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents / contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the Village would first use committed, then assigned and lastly unassigned amounts of fund balance when expenditures are made. The fund balance policy also identifies a targeted unassigned general fund balance of 15-25% of general fund expenditures and total unassigned fund balance of not more than 30%. The policy provides for steps that will be undertaken if the year end balances are not within the desired range, and identifies funds the Village will operate, and minimum review periods for the overall policy. The unassigned fund balance at December 31, 2024 is 27%, slightly higher than the targeted level.

***11. 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.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2024

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**NOTE II - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

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**A. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL  
FUND BALANCE SHEET AND THE STATEMENT OF NET POSITION**

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

Land and improvements	\$ 8,462,507
Construction in progress	1,793,622
Capital assets being depreciated	46,642,536
Accumulated depreciation	<u>(25,334,103)</u>
Combined adjustments for long-term liabilities	<u>\$ 31,564,561</u>

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

Unavailable ambulance billings	<u>\$ 63,138</u>
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A deferred charge on refunding represents a consumption of net position that applies to a future period and, therefore, is not reported in the funds.

Deferred charges on refunding	<u>\$ 41,529</u>
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Long-term liabilities applicable to the Village's governmental activities are not due and payable in the current period, and accordingly, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities—both current and long-term—are reported in the statement of net position.

Bonds and notes payable	\$ 3,919,025
Unamortized premium on bonds	59,449
Compensated absences	274,004
Accrued interest	<u>71,089</u>
Combined adjustments for long-term liabilities	<u>\$ 4,323,567</u>

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2024

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**NOTE III - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

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**A. EXCESS EXPENDITURES OVER APPROPRIATIONS**

<u>Fund</u>	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Excess Expenditures Over Budget</u>
Five Year Capital Fund	\$ 618,520	\$ 619,787	\$ 1,267
Library Gift Fund	44,650	44,651	1
TIF #3 Fund	60,250	63,156	2,906

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

**B. LIMITATIONS ON THE VILLAGE’S TAX LEVY**

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

**C. DEFICIT FUND BALANCES**

The Special Revenue Fund – TID #2 had a deficit balance of \$2,426,089. This deficit balance is comprised of three parts; the initial TID project advance of \$850,000 from the Debt Service Fund and the sewer fund of \$811,679 and an advance from the General Fund of \$204,768 for a limited municipal water system which was an additional project for a new commercial development. The advance from the General Fund was transferred from the Water Project Fund during 2015 as the project is now complete and future tax increments are being used to repay the advance. TID #2 will repay these advances along with interest in future years. This tax increment district was amended in 2023 to assist with funding a stormwater project which will daylight a buried section of Underwood Creek in the downtown commercial district. The amendment extended the life by three years until 2034 and projections indicate it will provide sufficient increment along with a contribution from the stormwater fund to fund this project and payback the advances. The project is planned to begin in late 2024 and construction phase estimated late 2025.

**VILLAGE OF ELM GROVE**

**NOTES TO FINANCIAL STATEMENTS**  
As of and for the Year Ended December 31, 2024

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**NOTE III - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

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***D. BUDGETARY INFORMATION***

Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund as described in Note I. B. The budgeted amounts presented include any amendments made. The Village may authorize transfers of budgeted amounts within departments. Transfers between funds and changes to the overall budget must be approved by a two-thirds board action.

A budget has been adopted for the General Fund, Special Revenue Funds, Debt Service Fund, and Capital Project Funds. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds.

All annual appropriations lapse at year-end except for certain non-lapsing funds specifically designated by the board. Budgetary control is exercised at the total fund level for all funds.

**VILLAGE OF ELM GROVE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2024

**NOTE IV – DETAILED NOTES ON ALL FUNDS**

**A. DEPOSITS AND INVESTMENTS**

The Village’s cash and investments at year end were comprised of the following:

	<u>Carrying Value</u>	<u>Bank Balance</u>	<u>Associated Risks</u>
Cash on Hand	\$ 260	\$ -	N/A
Demand Deposits	6,882,748	1,449,652	Custodial Credit
Money Market Accounts	2,225,520	2,225,520	Custodial Credit
LGIP	<u>9,232,107</u>	<u>9,232,107</u>	Credit
Total Cash and Investments	<u>\$ 18,340,635</u>	<u>\$ 12,907,279</u>	
Reconciliation to financial statements			
Per statement of net position			
Cash and investments	\$ 12,365,735		
Per statement of fiduciary net position-			
Custodial Fund	<u>5,974,900</u>		
Total Cash and Investments	<u>\$ 18,340,635</u>		

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

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

PMA Financial Network, Inc. is the administrator for the Wisconsin Investment Series Cooperative (WISC). The investment manager for WISC is PMA Financial Network, Inc. The WISC is not registered with the Securities and Exchange Commission, but invests its funds in accordance with applicable Wisconsin statutes. The WISC has the characteristics of a mutual fund and accordingly, reports the value of its underlying assets at fair value. At December 31, 2024, the Village’s share of the WISC’s assets was substantially equal to the amount reported above.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2024

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**NOTE IV – DETAILED NOTES ON ALL FUNDS**

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**A. DEPOSITS AND INVESTMENTS** (continued)

**1. Custodial Credit Risk**

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

As of December 31, 2024 \$2,269,794 of the Village's total bank balances were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 1,070,142
Uninsured and collateral held by the pledging financial instituion	<u>1,199,652</u>
Total	<u>\$ 2,269,794</u>

**2. Credit Risk**

Credit risk is the risk that an issuer or other counterparty to an investment will fulfill its obligation. The Village had investments in the external Wisconsin Local Government Investment Pool which is not rated.

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

**VILLAGE OF ELM GROVE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2024

**NOTE IV – DETAILED NOTES ON ALL FUNDS**

**B. RECEIVABLES**

Receivables as of year-end for the Village’s funds, including an allowance for uncollectible accounts, are detailed on the governmental fund balance sheet and the statement of net position. At this time all are expected to be collected within one year, except for delinquent personal property taxes.

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

	<u>Unearned</u>	<u>Unavailable</u>
Property taxes and user fees receivable for subsequent year	\$ 11,275,310	\$ -
Subsequent period prepayments	57,238	-
Revenue from lease obligations	423,837	-
Other receivables not currently available	-	63,138
Total Unearned / Unavailable Revenue for Governmental Funds	<u>\$ 11,756,385</u>	<u>\$ 63,138</u>
Unearned revenues included in liabilities	\$ 57,238	
Unearned revenues included in deferred inflows	<u>11,699,147</u>	
Total Unearned Revenues in Governmental Funds	<u>\$ 11,756,385</u>	

**VILLAGE OF ELM GROVE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2024

**NOTE IV – DETAILED NOTES ON ALL FUNDS**

**C. CAPITAL ASSETS**

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

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Capital Assets not being Depreciated:</u>				
Land and Improvements	\$ 8,462,507	\$ -	\$ -	\$ 8,462,507
Construction in Progress	296,148	1,507,207	(9,733)	1,793,622
Total Capital Assets not being Depreciated	<u>8,758,655</u>	<u>1,507,207</u>	<u>(9,733)</u>	<u>10,256,129</u>
<u>Other Capital Assets</u>				
Intangible Assets	\$ 256,295	\$ -	\$ -	\$ 256,295
Land Improvements	1,341,973	43,073	-	1,385,046
Buildings and Improvements	7,341,265	259,758	-	7,601,023
Machinery and Equipment	8,005,371	343,886	(86,488)	8,262,768
Infrastructure	28,487,455	649,947	-	29,137,402
Total Capital Assets being Depreciated	<u>45,432,359</u>	<u>1,296,664</u>	<u>(86,488)</u>	<u>46,642,535</u>
Total Capital Assets	<u>\$ 54,191,014</u>	<u>\$ 2,803,870</u>	<u>\$ (96,221)</u>	<u>\$ 56,898,664</u>
<u>Less Accumulated Depreciation</u>				
Intangible Assets	\$ (156,118)	\$ (24,427)	\$ -	\$ (180,544)
Land Improvements	(395,023)	(70,924)	-	(465,947)
Buildings and Improvements	(4,296,375)	(154,814)	-	(4,451,189)
Machinery and Equipment	(4,860,976)	(461,032)	81,879	(5,240,129)
Infrastructure	(14,329,334)	(666,961)	-	(14,996,295)
Total Accumulated Depreciation	<u>(24,037,824)</u>	<u>(1,378,158)</u>	<u>81,879</u>	<u>(25,334,103)</u>
Net Capital Assets	<u>\$ 30,153,189</u>	<u>\$ 1,425,713</u>	<u>\$ (14,342)</u>	<u>\$ 31,564,561</u>

Depreciation Expense was charged to functions as follows:

General Government	\$ 231,811
Public Safety	218,462
Health and Sanitation	222,663
Highway and Transportaiton	479,755
Library	10,411
Park and Recreation	215,056
Total Depreciation Expense	<u>\$ 1,378,158</u>

**VILLAGE OF ELM GROVE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2024

**NOTE IV – DETAILED NOTES ON ALL FUNDS**

***D. TRANSFERS, ADVANCES, AND INTERFUND RECEIVABLES/PAYABLES***

For the statement of net position, interfund balances which are owed within the governmental activities are netted and eliminated. The principal reason for interfund amounts relate to a time lag between the dates the transactions are recorded and the dates payments are made between funds.

***Transfers***

The following is a schedule of interfund transfers during the year ended December 31, 2024:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
EMS Fund	ARPA Fund	\$ 10,720	Operations
Capital Fund	ARPA Fund	116,037	Building
Debt Service Fund	Stormwater Fund	391,800	Debt service
Debt Service Fund	TID #2 Fund	500,890	Debt service
Sewer Fund	General Fund	2,065	Operations
Stormwater Fund	Sewer	100,000	Infrastructure
Stormwater Fund	General Fund	6,805	infrastructure
Transportation Fund	Debt Service Fund	40,000	Infrastructure
Library Fund	General Fund	10,700	Operations
General Fund	TID #2 Fund	<u>4,267</u>	TIF Administration
Total-Fund Financial Statements		1,183,284	
Less: Fund Elimination		<u>(1,183,284)</u>	
Total - Government-Wide Financial Statements		<u>\$ -</u>	

The transfers above were authorized in the 2024 budget.

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

***Advances***

The Village advanced funds to the TID #2 Special Revenue Fund for a repayment of debt obligations associated with the TID stormwater management project in 2006. These funds were advanced from the debt service and sewer fund and are being repaid with future increments and interest at the Village’s average rate earned on funds invested in the LGIP annually. For 2024, interest of \$70,659 at a rate of 5.22% was charged.

**VILLAGE OF ELM GROVE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2024

**NOTE IV – DETAILED NOTES ON ALL FUNDS**

***D. TRANSFERS, ADVANCES, AND INTERFUND RECEIVABLES/PAYABLES*** (continued)

***Advances*** (continued)

Funds were also advanced from the General Fund for the building of a limited municipal water system for a new commercial development within the TID. The TID #2 Special Revenue Fund will repay this advance from increments generated from the new commercial development, an assisted living facility. Interest of 3% will be paid on the outstanding advance. During 2024, interest of \$5,773 was charged.

As of December 31, 2024 funds advanced were:

TIF #2 Special Revenue Fund		
From Debt Service for stormwater	\$	850,000
From Sewer for stormwater		811,679
From General Fund for water		204,768
Total- Fund Financial Statements		1,866,447
Less: Fund Eliminations		(1,866,447)
Total Advances- Government-Wide Statement of Net Position	\$	-

***Interfund Receivables/Payables***

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

Receivable Fund	Payable Fund	Amount
General Fund	TID #2 Fund	210,650
Total-Fund Financial Statements		210,650
Less: Fund Elimination		(210,650)
Total - Government-Wide Financial Statements		\$ -

The principal purpose of these interfunds is to cover deficit cash. All remaining balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

**VILLAGE OF ELM GROVE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2024

**NOTE IV – DETAILED NOTES ON ALL FUNDS**

**E. LONG-TERM OBLIGATIONS**

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

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
<b>Governmental Activities</b>					
<b>Bonds/Notes Payable</b>					
General obligation debt	\$ 3,700,000	\$ -	\$ (940,000)	\$ 2,760,000	\$ 990,000
General obligation notes from direct placement or direct borrowings	1,256,187	-	(97,162)	1,159,025	75,282
Unamortized premium	78,390	-	(18,941)	59,449	-
Total bonds/notes payable	<u>5,034,577</u>	<u>-</u>	<u>(1,056,103)</u>	<u>3,978,474</u>	<u>1,065,282</u>
<b>Other Liabilities</b>					
Compensated absences #	316,326	-	(42,322)	274,004	245,027
Benefit agreements payable	220,334	-	(220,334)	-	-
Net pension liability	1,446,520	-	(1,038,669)	407,851	-
Total Governmental Activities - Long-Term Liabilities	<u>\$ 7,017,757</u>	<u>\$ -</u>	<u>\$ (2,357,428)</u>	<u>\$ 4,660,329</u>	<u>\$ 1,310,309</u>

# The change in the compensated absences liability is presented as a net change.

**General Obligation Debt**

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

In accordance with Wisconsin Statutes, total general obligation indebtedness of the Village may not exceed 5% of the equalized value of taxable property within the Village's jurisdiction. The debt limit as of December 31, 2024, was \$87,338,535. Total general obligation debt outstanding at year end was \$3,919,025.

Type	Date of Issue	Interest Rate	Principal Due	Interest Payable	Original Indebtedness	Balance 12/31/2024
<b>General Obligation</b>						
Refunding Bonds- Stormwater	2012	1.0-2.25%	8/1/12-25	2/1 & 8/1	\$ 9,450,000	\$ 885,000
Capital Project Bonds	2019	2%-3%	3/1/20-29	3/1 & 9/1	2,355,000	1,875,000
State Trust Fund Loan - Direct	2020	4.50%	3/15/20-26	3/15	190,000	39,503
State Trust Fund Loan - Direct	2023	5.25%	3/15/24-43	3/15	1,000,000	950,237
State Trust Fund Loan - Direct	2023	5.25%	3/15/24-43	3/15	178,150	169,285
						<u>\$ 3,919,025</u>

**VILLAGE OF ELM GROVE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2024

**NOTE IV – DETAILED NOTES ON ALL FUNDS**

**E. LONG-TERM OBLIGATIONS** (continued)

Debt service requirements to maturity on general obligation notes are as follows:

Year	General Obligation Notes			General Obligation Notes from Direct Borrowings and Direct Placements		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 990,000	\$ 64,782	\$ 1,054,782	\$ 75,282	\$ 59,762	\$ 135,044
2026	105,000	41,719	146,719	37,657	56,896	94,553
2027	110,000	38,494	148,494	39,634	54,919	94,553
2028	115,000	35,119	150,119	41,571	52,984	94,555
2029	115,000	31,669	146,669	43,898	50,656	94,554
2030-2034	630,000	118,026	748,026	256,443	216,325	472,768
2035-2039	695,000	43,204	738,204	331,240	141,531	472,771
2040-2043	-	-	-	333,300	44,916	378,216
	<u>\$ 2,760,000</u>	<u>\$ 373,013</u>	<u>\$ 3,133,013</u>	<u>\$ 1,159,025</u>	<u>\$ 677,989</u>	<u>\$ 1,837,014</u>

**Other Debt Information**

The Village’s outstanding from direct borrowings and/or direct placements related to governmental activities of \$1,159,025 contain a provision that in an event of default, outstanding amounts become immediately due and payable.

**VILLAGE OF ELM GROVE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2024

**NOTE IV – DETAILED NOTES ON ALL FUNDS**

**F. LEASE DISCLOSURES**

The Village has a lease agreement with a company that has a cell tower on the Village grounds. The company then leases space on the tower to multiple cellular phone companies and the Village receives an identified percentage of each lease. There are five providers on the tower. The primary lease term ends on June 22, 2027. The revenue on the leases is recorded in the general fund and supports general operations. During 2024 the Village recognized lease revenue of \$147,427 and interest of \$18,355.

<u>Lease Receivable Description</u>	<u>Date of Inception</u>	<u>Maturity</u>	<u>Interest Rate</u>	<u>Receivable Balance</u>
Sprint- Wall Street Cell Tower	6/22/1997	6/22/2027	3%	\$ 116,434
Verizon-Wall Street Cell Tower	5/1/1999	6/22/2027	3%	116,582
AT&T-Wall Street Cell Tower	10/15/1997	6/22/2027	3%	94,530
US Cellular Wall Street Cell Tower	10/1/2000	6/22/2027	3%	79,209
Dish Network WallStreet Cell Tower	6/1/2023	6/22/2027	3%	17,082
				<u>\$ 423,837</u>

**G. NET POSITION/FUND BALANCE**

Net Position reported on the Government-Wide Statement of Net Position at December 31, 2024 includes the following:

Net investment in capital assets	
Land	\$ 8,462,507
Construction in progress	1,793,622
Other capital assets, net of accumulated depreciation	21,308,432
Less: related long-term debt outstanding, less unspent portion	(3,919,025)
Add: deferred charges on refunding	41,529
Less: unamortized premium	<u>(59,449)</u>
Total net investment in capital assets	27,627,616
Restricted for debt service	817,719
Restricted for donor specified purpose	98,238
Restricted for library	52,147
Restricted for State Act 102 funding	13,149
Unrestricted	<u>6,055,901</u>
Total Governmental Activities Net Position	<u>\$ 34,664,770</u>

**VILLAGE OF ELM GROVE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2024

**NOTE IV – DETAILED NOTES ON ALL FUNDS**

**G. NET POSITION/FUND BALANCE (continued)**

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

**Nonspendable**

General Fund

Prepaid Items	\$ 26,990
Unpaid Prior Year Personal Property Taxes	3,486
Advance to TID #2 and #3	204,768

Sewer Fund

Advance to TIF #2	\$ 811,679
	\$ 1,046,923

**Restricted**

Debt Service Fund

Debt service	888,808
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Special Revenue Funds

Library	52,147
EMS-Donor Specified	44,690
EMS-State ACT 102 funding	13,149
Library Gift-Donor Specified	53,548
	\$ 1,052,342

**Committed**

Capital Projects Fund

Capital Projects	\$ 2,412,078
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Sewer Fund

Sewer Operations and Infrastructure	1,101,919
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Special Revenue Funds

Stormwater	222,022
Donations	126,743
Emergency Medical Service	53,971
Transportation Fund	254,810
	\$ 4,171,543

**Assigned**

General Fund

Donor Specific Purpose	\$ 14,296
Funds for Fire Department Events	13,213
2025 Budget Appropriation	200,000
	\$ 227,509

**Unassigned (Deficit)**

General Fund	\$ 2,173,042
TID # 2 (deficit)	(2,426,089)
	\$ (253,047)

**Total Government Fund Balance**

\$ 6,245,270

## VILLAGE OF ELM GROVE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

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#### NOTE V – OTHER INFORMATION

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##### A. EMPLOYEES' RETIREMENT SYSTEM

###### General Information about the Pension Plan

**Plan description.** The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, expected to work at least 1,200 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 (ACFR), which can be found at <http://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

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

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

**Benefits provided.** Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and State executive participants) are entitled to receive an unreduced retirement benefit. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor.

Final average earnings is the average of the participant's three highest years' earnings. Creditable service is the creditable current and prior service expressed in years or decimal equivalents of partial years for which a participant receives earnings and makes contributions as required. The formula factor is a standard percentage based on employment category.

Employees may retire at age 55 (50 for protective occupation employees) and receive reduced benefits. Employees terminating covered employment before becoming eligible for a retirement benefit may withdraw their contributions and forfeit all rights to any subsequent benefits.

The WRS also provides death and disability benefits for employees.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2024

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NOTE V – OTHER INFORMATION

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A. *EMPLOYEES' RETIREMENT SYSTEM* (continued)

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

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

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

During the reporting period, the WRS recognized \$365,363 in contributions from the Village.

**VILLAGE OF ELM GROVE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2024

**NOTE V – OTHER INFORMATION**

**A. EMPLOYEES' RETIREMENT SYSTEM** (continued)

Contribution rates for the plan year reported as of December 31, 2024 are:

Employee Category	Employee	Employer
General (Executives & Elected Officials)	6.80%	6.80%
Protective with Social Security	6.80%	13.20%
Protective without Social Security	6.80%	18.10%

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

At December 31, 2024, the Village reported a liability of \$407,851 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 .02743139%, which was an increase of .00012673% from its proportion measured as of December 31, 2022.

For the year ended December 31, 2024, the Village recognized pension expense of \$233,785.

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	\$ 1,644,453	\$ (2,178,088)
Changes in assumptions	177,770	-
Net differences between project and actual earnings on pension plan	1,421,297	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	39	(1,595)
Employer contributions subsequent to the measurement date	417,814	-
Total	\$ 3,661,373	\$ (2,179,683)

**VILLAGE OF ELM GROVE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2024

**NOTE V – OTHER INFORMATION**

**A. EMPLOYEES’ RETIREMENT SYSTEM** (continued)

\$417,814 reported as deferred outflows related to pension resulting from the WRS Employer’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ended December 31,	Amortization of deferred inflows and outflows
2025	\$ 217,567
2026	228,463
2027	891,691
2028	(273,845)

**Actuarial assumptions.** The total pension liability in the December 31, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial valuation date	December 31, 2022
Measurement date of net pension liability	December 31, 2023
Experience Study	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial cost method	Entry Age Normal
Asset valuation method	Fair Value
Long-term expected rate of return	6.8%
Discount rate	6.8%
Salary increases	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality	2020 WRS Experience Mortality Table
Post-retirement adjustments*	1.7%

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

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2024

NOTE V – OTHER INFORMATION

A. EMPLOYEES’ RETIREMENT SYSTEM (continued)

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 arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Allocation Targets and Expected Returns <sup>1</sup>						
As of December 31, 2023						
Core Fund Asset Class	Asset Allocation %		Long-Term Expected		Long-Term Expected	
			Nominal Rate of		Real Rate of Return	
			Return %		% <sup>2</sup>	
Public Equity	40	%	7.3	%	4.5	%
Public Fixed Income	27		5.8		3.0	
Inflation Sensitive	19		4.4		1.7	
Real Estate	8		5.8		3.0	
Private Equity/Debt	18		9.6		6.7	
Leverage <sup>3</sup>	(12)		3.7		1.0	
Total Core Fund	<u>100</u>	%	7.4	%	4.6	%
<b>Variable Fund Asset</b>						
U.S. Equities	70	%	6.8	%	4.0	%
International Equities	30		7.6		4.8	
Total Variable Fund	<u>100</u>	%	7.3	%	4.5	%

<sup>1</sup>Asset Allocations are managed within established ranges; target percentages may differ from actual monthly allocations

<sup>2</sup>New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.7%

<sup>3</sup>The investment policy used for the Core Fund involves reducing equity exposure by leveraging lower-volatility assets, such as fixed income securities. Currently, an asset allocation target of 12% policy leverage is used, subject to an allowable range of up to 20%

**VILLAGE OF ELM GROVE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2024

**NOTE V – OTHER INFORMATION**

**A. EMPLOYEES’ RETIREMENT SYSTEM** (continued)

**Single discount rate.** A single discount rate of 6.8 percent was used to measure the total pension liability for the current and prior year. This single discount rate was based on the expected rate of return on pension plan investments of 6.80% and a municipal bond rate of 3.77%. (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index’s “20-year Municipal GO AA Index” as of December 31, 2023. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.) Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the Village’s proportionate share of the net pension liability (asset) to changes in the discount rate** The following presents the Village’s proportionate share of the net pension liability (asset) calculated using the discount rate of 6.8%, as well as what the Village’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.80 percent) or 1-percentage-point higher (7.80 percent) than the current rate:

	1% Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.80%)
Village’s proportionate share of the net pension liability (asset)	\$3,942,082	\$404,851	(\$2,065,199)

**Pension plan fiduciary net position.** Detailed information about the pension plan’s fiduciary net position is available in separately issued financial statements available at [etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements](http://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements).

At December 31, 2024, the Village reported a payable to the pension plan of \$68,317 which represents contractually required contributions outstanding as of the end of the year.

## VILLAGE OF ELM GROVE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

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#### NOTE V – OTHER INFORMATION

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##### ***B. RISK MANAGEMENT***

The Village is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. The Village uses a high deductible plan for health insurance. The Village purchases commercial insurance for all other risks. Settled claims have not exceeded the commercial coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year.

##### ***Self-Insurance***

The Village uses a high deductible plan for its health insurance and funds the deductibles, co-insurance and a portion of co-pays through a health reimbursement account. This method allows the Village to self-fund the first dollars of health care for each insured on an annual basis. For 2024, the liability was limited to \$7,900 for employees with single coverage and \$15,800 for family coverage. The health reimbursement account is structured that the Village only reimburses for cost incurred and the Village maintains the plan not the individual. The costs are budgeted and expensed annually. Claims must be submitted within 120 days of year end. For 2024, the Village had a potential liability of \$619,000 and incurred claims of approximately \$98,650. For 2023, the Village had a potential liability of \$500,000 and incurred claims of \$140,100. The Village changed plan designs in 2017 receiving a substantial premium reduction but assuming more initial costs through the HRA. Historically the industry average has been less than 25% usage of total liability. The Village has used this type of plan since 2004 providing annual premium savings and overall health cost savings.

##### ***C. COMMITMENTS AND CONTINGENCIES***

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

From time to time the Village is party to various pending claims and legal proceedings. These legal actions and claims are defended by the Village's various insurance carriers, since claims brought against the Village are covered by insurance policies. In the opinion of Village management, any legal actions and claims or other proceedings known to exist at December 31, 2024 are not likely to have a material adverse impact on the Village's financial position.

## VILLAGE OF ELM GROVE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2024

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#### NOTE V – OTHER INFORMATION

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##### ***D. MUNICIPAL REVENUE OBLIGATION***

In 2014, through its tax incremental financing district, the Village issued a promissory note to a developer for certain costs identified in the building of an assisted living facility on a former commercial property site. The note is issued as a PayGo obligation to be paid solely from tax increments collected from this developed parcel and only after repayment of Village funds for infrastructure improvements made in conjunction with this development.

The first payment of this obligation was made during 2016 and payments are scheduled through the year 2025. The total obligation was \$617,975 plus interest of 5.335%. The balance as of December 31, 2024 was \$19,997 it is expected that the Village will have increment available to make annual payments of this obligation. Since the amount of future payments is contingent on the collection of future TID increments, the obligation is not reported as a liability in the accompanying statements.

In 2022, tax incremental financing district #3 was created. Part of this district's project plan consists of a \$9,800,000 municipal revenue obligation (MRO). This obligation is only payable if tax increment is generated and available after village obligations. As of December 31, 2024 there was \$55,210 of tax increment remaining to go towards this MRO.

##### ***E. EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS***

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

- *Statement No. 102, Certain Risk Disclosures*
- *Statement No. 103, Financial Reporting Model Improvements*
- *Statement No. 104, Disclosure of Certain Capital Assets*

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

**REQUIRED SUPPLEMENTARY INFORMATION**

VILLAGE OF ELM GROVE

**General Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget to Actual (Non-GAAP)**  
**For the Year Ended December 31, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 5,103,330	\$ 5,103,330	\$ 5,103,330	\$ -
Intergovernmental	909,120	909,120	926,338	17,218
Licenses and Permits	292,275	452,275	449,348	(2,927)
Fines, Forfeitures and Penalties	155,000	155,000	158,745	3,745
Public Charges for Service	996,570	996,570	1,002,818	6,248
Commercial Revenues	431,900	481,900	496,071	14,171
<b>Total Revenues</b>	<u>7,888,195</u>	<u>8,098,195</u>	<u>8,136,650</u>	<u>38,455</u>
<b>EXPENDITURES</b>				
Current				
General Government	1,555,295	1,597,295	1,587,399	9,896
Municipal Court	116,920	118,435	117,188	1,247
Police	2,814,800	2,909,700	2,802,927	106,773
Dispatch	568,325	580,325	570,984	9,341
Fire	363,920	365,405	350,885	14,520
Inspections	157,350	256,850	258,288	(1,438)
Health and Sanitation	756,850	758,940	742,172	16,768
Highway and Transportation	867,225	966,175	961,777	4,398
Forestry	168,945	171,555	146,310	25,245
Park and Recreation	337,815	344,345	341,912	2,433
Contingency	335,000	53,350	-	53,350
<b>Total Expenditures</b>	<u>8,042,445</u>	<u>8,122,375</u>	<u>7,879,842</u>	<u>242,533</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(154,250)</u>	<u>(24,180)</u>	<u>256,808</u>	<u>280,988</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	4,250	4,250	4,267	17
Transfers Out	-	(19,570)	(19,570)	-
<b>Net Change in Fund Balance on Budgetary Basis</b>	<u>\$ (150,000)</u>	<u>\$ (39,500)</u>	241,505	<u>\$ 281,005</u>
<b>ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING</b>				
Revenues Credited to Designated Accounts				
Intergovernmental Revenue			1,000	
Donations			203	
Commercial Revenue			11,321	
			<u>12,524</u>	
Expenditures Charged to Designated Accounts				
General Government			13,897	
Public Safety			12,894	
			<u>26,791</u>	
<b>Net Change in Fund Balance - GAAP</b>			227,238	
FUND BALANCE - Beginning of Year			<u>2,408,557</u>	
<b>FUND BALANCE- END OF YEAR</b>			<u>\$ 2,635,795</u>	

See independent auditors' report and notes to required supplementary information.

VILLAGE OF ELM GROVE

Special Revenue - Sewer Fund  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget to Actual  
 For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 348,000	\$ 348,000	\$ 348,000	\$ -
Public Charges for Services - User Fees	1,847,000	1,926,000	1,926,163	163
Commercial Revenues				
Investment Income	75,000	105,000	104,895	(105)
Total Revenues	<u>2,270,000</u>	<u>2,379,000</u>	<u>2,379,058</u>	<u>58</u>
<b>EXPENDITURES</b>				
Current - Health and Sanitation				
Metropolitan Sewer and Capital Cost Recovery Charges	1,778,400	1,867,900	1,867,813	87
Inspection and Engineering	15,000	15,000	6,616	8,384
Legal, Audit, and Insurance	27,000	27,000	26,469	531
Administrative	60,000	62,065	68,644	(6,579)
Miscellaneous	2,300	2,300	2,065	235
Infrastructure Repair and Maintenance	107,600	107,600	88,359	19,241
Capital Outlay	150,000	37,000	36,801	199
Total Expenditures	<u>2,140,300</u>	<u>2,118,865</u>	<u>2,096,767</u>	<u>22,098</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>129,700</u>	<u>260,135</u>	<u>282,291</u>	<u>22,156</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer In - General Fund	-	2,065	2,065	-
Transfer Out - Stormwater	<u>(100,000)</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ 29,700</u>	<u>\$ 160,135</u>	<u>184,356</u>	<u>\$ 22,156</u>
FUND BALANCE - Beginning of Year			<u>1,729,242</u>	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 1,913,598</u>	

See independent auditors' report and notes to required supplementary information.

VILLAGE OF ELM GROVE

Special Revenue - Tax Increment District #2  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget to Actual  
 For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes - TID Increment	\$ 732,685	\$ 732,685	\$ 711,421	\$ (21,264)
Intergovernmental Revenues	20,822	20,822	20,822	-
Other Financing Source - Debt	4,615,000	115,000	-	(115,000)
Total Revenues	<u>5,368,507</u>	<u>868,507</u>	<u>732,243</u>	<u>(136,264)</u>
<b>EXPENDITURES</b>				
Current - General Government				
Administrative	9,000	9,000	1,725	7,275
Developer Incentive	78,434	78,434	78,784	(350)
Interest on Advances	104,591	104,591	76,432	28,159
Capital Expenditures	4,500,000	505,000	504,615	385
Total Expenditures	<u>4,692,025</u>	<u>697,025</u>	<u>661,556</u>	<u>35,469</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>676,482</u>	<u>171,482</u>	<u>70,687</u>	<u>(100,795)</u>
<b>OTHER FINANCING USES</b>				
Transfer Out - General Fund	(4,267)	(4,267)	(4,267)	-
Transfer Out - Debt Service Fund	(560,891)	(500,891)	(500,890)	(1)
Total Other Financing Uses	<u>(565,158)</u>	<u>(505,158)</u>	<u>(505,157)</u>	<u>(1)</u>
<b>Net Change in Fund Balance</b>	<u>\$ 111,324</u>	<u>\$ (333,676)</u>	<u>\$ (434,470)</u>	<u>\$ (100,796)</u>
FUND BALANCE (DEFICIT) - Beginning of Year			<u>(1,991,619)</u>	
<b>FUND BALANCE (DEFICIT) - END OF YEAR</b>			<u>\$ (2,426,089)</u>	

See independent auditors' report and notes to required supplementary information.

**VILLAGE OF ELM GROVE**

**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)  
WISCONSIN RETIREMENT SYSTEM  
For the Year Ended December 31, 2024**

WRS Fiscal Year End	Proportion of Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/2014	0.02600506%	\$ (638,755)	\$ 2,926,697	21.83%	102.74%
12/31/2015	0.02564330%	\$ 416,699	\$ 3,034,482	13.73%	98.20%
12/31/2016	0.02568735%	\$ 211,725	\$ 3,195,495	6.63%	99.12%
12/31/2017	0.02628226%	\$ (780,351)	\$ 3,172,314	24.60%	102.93%
12/31/2018	0.02681855%	\$ 954,119	\$ 3,236,257	29.48%	101.00%
12/31/2019	0.02705426%	\$ (872,352)	\$ 3,364,713	25.93%	102.96%
12/31/2020	0.02715060%	\$ (1,695,049)	\$ 3,419,776	49.57%	105.26%
12/31/2021	0.02716573%	\$ (2,189,607)	\$ 3,449,523	63.48%	106.02%
12/31/2022	0.02730466%	\$ 1,446,520	\$ 3,489,580	41.45%	95.72%
12/31/2023	0.02743139%	\$ 407,851	\$ 3,701,779	11.02%	98.85%

**SCHEDULE OF EMPLOYER CONTRIBUTIONS - WISCONSIN RETIREMENT SYSTEM  
For the Year Ended December 31, 2024**

Village Fiscal Year End	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2015	\$ 242,202	\$ 242,202	\$ -	\$ 3,034,482	7.98%
12/31/2016	\$ 255,257	\$ 255,257	\$ -	\$ 3,195,495	7.99%
12/31/2017	\$ 278,623	\$ 278,623	\$ -	\$ 3,172,314	8.78%
12/31/2018	\$ 285,004	\$ 285,004	\$ -	\$ 3,236,257	8.81%
12/31/2019	\$ 293,080	\$ 293,080	\$ -	\$ 3,364,714	8.71%
12/31/2020	\$ 310,083	\$ 310,083	\$ -	\$ 3,419,776	9.07%
12/31/2021	\$ 317,570	\$ 317,570	\$ -	\$ 3,449,523	9.21%
12/31/2022	\$ 330,758	\$ 330,758	\$ -	\$ 3,489,580	9.48%
12/31/2023	\$ 368,020	\$ 368,020	\$ -	\$ 3,701,779	9.94%
12/31/2024	\$ 417,813	\$ 417,813	\$ -	\$ 3,975,888	10.51%

See independent auditors' report and notes to required supplementary information.

## VILLAGE OF ELM GROVE

### NOTES TO REQUIRED SUPPLEMENTARY INFORMATION As of and for the Year Ended December 31, 2024

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#### NOTE I – WISCONSIN RETIREMENT SYSTEM

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

*Changes in benefit terms.*

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

*Changes in Assumptions.*

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

- Lowering the long-term expected rate of return from 7.0% to 6.8%
- Lowering the discount rate from 7.0% to 6.8%
- Lowering the price inflation rate from 2.5% to 2.4%
- Lowering the 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.

See independent auditors' report

**COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES**

VILLAGE OF ELM GROVE

Nonmajor Governmental Funds  
 Combining Balance Sheet  
 As of December 31, 2024

	Special Revenue Funds						Capital Project Fund	Total	
	Library Fund	EMS Fund	Stormwater Operations Fund	Donation Fund	ARPA Fund	Library Gift Fund	TIF #3 Fund		Transportation Fund
<b>ASSETS</b>									
Cash and Temporary Investments	\$ 260,095	\$ 280,337	\$ 453,583	\$ 127,000	\$ -	\$ 54,894	\$ 136,354	\$ 555,069	\$ 1,867,332
Receivables									
Taxes	250,555	193,139	227,047	-	-	-	104,560	309,674	1,084,975
Accounts	-	157,403	41,848	-	-	-	-	-	199,251
Allowance for Doubtful Accounts	-	(73,279)	-	-	-	-	-	-	(73,279)
<b>TOTAL ASSETS</b>	<b>\$ 510,650</b>	<b>\$ 557,600</b>	<b>\$ 722,478</b>	<b>\$ 127,000</b>	<b>\$ -</b>	<b>\$ 54,894</b>	<b>\$ 240,914</b>	<b>\$ 864,743</b>	<b>\$ 3,078,279</b>
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>									
Liabilities									
Accounts Payable	\$ 5,237	\$ 3,912	\$ 19,660	\$ 257	\$ -	\$ 1,346	\$ 55,210	\$ 59,933	\$ 145,555
Accrued Liabilities	8,266	35,713	-	-	-	-	-	-	43,979
Total Liabilities	<u>13,503</u>	<u>39,625</u>	<u>19,660</u>	<u>257</u>	<u>-</u>	<u>1,346</u>	<u>55,210</u>	<u>59,933</u>	<u>189,534</u>
Deferred Inflows of Resources									
Unearned revenues	445,000	343,027	480,796	-	-	-	185,704	550,000	2,004,527
Unavailable revenues	-	63,138	-	-	-	-	-	-	63,138
Total Deferred Inflows of Resources	<u>445,000</u>	<u>406,165</u>	<u>480,796</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>185,704</u>	<u>550,000</u>	<u>2,067,665</u>
Fund Balances									
Restricted	52,147	57,839	-	-	-	53,548	-	-	163,534
Committed	-	53,971	222,022	126,743	-	-	-	254,810	657,546
Total Fund Balances	<u>52,147</u>	<u>111,810</u>	<u>222,022</u>	<u>126,743</u>	<u>-</u>	<u>53,548</u>	<u>-</u>	<u>254,810</u>	<u>821,080</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>	<b>\$ 510,650</b>	<b>\$ 557,600</b>	<b>\$ 722,478</b>	<b>\$ 127,000</b>	<b>\$ -</b>	<b>\$ 54,894</b>	<b>\$ 240,914</b>	<b>\$ 864,743</b>	<b>\$ 3,078,279</b>

VILLAGE OF ELM GROVE

Nonmajor Governmental Funds  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
 For the Year Ended December 31, 2024

	Special Revenue Funds							Capital Project Fund	Total
	Library Fund	EMS Fund	Stormwater Operations Fund	Donation Fund	ARPA Fund	Library Gift Fund	TIF #3 Fund	Transportation Fund	
<b>REVENUES</b>									
Taxes	\$ 437,220	\$ 303,150	\$ 170,500	\$ -	\$ -	\$ -	\$ 79,945	\$ 550,000	\$ 1,540,815
Intergovernmental Revenues	47,260	7,126	-	-	214,297	330	-	52,147	321,160
Public Charges for Services	9,204	121,925	499,417	-	-	-	-	-	630,546
Commercial Revenues	10,437	21,923	10,630	85,178	13,288	46,734	-	48,349	236,539
Total Revenues	<u>504,121</u>	<u>454,124</u>	<u>680,547</u>	<u>85,178</u>	<u>227,585</u>	<u>47,064</u>	<u>79,945</u>	<u>650,496</u>	<u>2,729,060</u>
<b>EXPENDITURES</b>									
Current									
General Government	-	-	-	105	-	-	63,156	-	63,261
Public Safety	-	580,587	-	23,272	-	-	-	-	603,859
Health and Sanitation	-	-	242,321	-	-	-	-	-	242,321
Park and Recreation	-	-	-	5,268	-	-	-	-	5,268
Library	523,366	-	-	-	-	44,651	-	-	568,017
Capital Outlay	-	-	271,760	-	122,471	-	-	1,410,747	1,804,978
Total Expenditures	<u>523,366</u>	<u>580,587</u>	<u>514,081</u>	<u>28,645</u>	<u>122,471</u>	<u>44,651</u>	<u>63,156</u>	<u>1,410,747</u>	<u>3,287,704</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(19,245)</u>	<u>(126,463)</u>	<u>166,466</u>	<u>56,533</u>	<u>105,114</u>	<u>2,413</u>	<u>16,789</u>	<u>(760,251)</u>	<u>(558,644)</u>
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfer In	10,700	10,720	106,805	-	-	-	-	40,000	168,225
Transfer Out	-	-	(391,800)	-	(126,757)	-	-	-	(518,557)
Total Other Financing Sources (Uses)	<u>10,700</u>	<u>10,720</u>	<u>(284,995)</u>	<u>-</u>	<u>(126,757)</u>	<u>-</u>	<u>-</u>	<u>40,000</u>	<u>(350,332)</u>
<b>Net Change in Fund Balance</b>	(8,545)	(115,743)	(118,529)	56,533	(21,643)	2,413	16,789	(720,251)	(908,976)
FUND BALANCES (DEFICITS) - Beginning of Year	<u>60,692</u>	<u>227,553</u>	<u>340,551</u>	<u>70,210</u>	<u>21,643</u>	<u>51,135</u>	<u>(16,789)</u>	<u>975,061</u>	<u>1,730,056</u>
<b>FUND BALANCES (DEFICITS) - END OF YEAR</b>	<u>\$ 52,147</u>	<u>\$ 111,810</u>	<u>\$ 222,022</u>	<u>\$ 126,743</u>	<u>\$ -</u>	<u>\$ 53,548</u>	<u>\$ -</u>	<u>\$ 254,810</u>	<u>\$ 821,080</u>

**VILLAGE OF ELM GROVE**  
**GENERAL FUND-REVENUES AND TRANSFERS (Non-GAAP)**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>TAXES</b>				
Property taxes	\$ 5,103,330	\$ 5,103,330	\$ 5,103,330	\$ -
	<u>5,103,330</u>	<u>5,103,330</u>	<u>5,103,330</u>	<u>-</u>
<b>INTERGOVERNMENTAL REVENUES</b>				
State Shared Revenues	257,392	257,392	257,387	(5)
Expenditure Restraint	22,890	22,890	22,889	(1)
Fire Insurance Dues	53,615	53,615	58,708	5,093
State and Federal Aids				
Transportation Aids	375,000	375,000	375,000	-
Exempt Computer Aid	10,000	10,000	10,000	-
Personal Property Tax Aid	18,563	18,563	18,563	-
Video Service Aid	20,410	20,410	20,410	-
Public Safety Grants	-	-	5,419	5,419
Miscellaneous State Aid	1,000	1,000	-	(1,000)
Other Government Entities-Elmbrook School SRO	138,250	138,250	149,300	11,050
Other Government Entities-Waukesha County-Recycling	12,000	12,000	8,662	(3,338)
	<u>909,120</u>	<u>909,120</u>	<u>926,338</u>	<u>17,218</u>
<b>LICENSES AND PERMITS</b>				
Licenses	19,275	19,275	16,909	(2,366)
Cable TV Franchise Fees	38,000	38,000	34,398	(3,602)
Permits	235,000	395,000	398,041	3,041
	<u>292,275</u>	<u>452,275</u>	<u>449,348</u>	<u>(2,927)</u>
<b>FINES, FORFEITURES AND PENALTIES</b>				
Court Fines	155,000	155,000	158,745	3,745
	<u>155,000</u>	<u>155,000</u>	<u>158,745</u>	<u>3,745</u>
<b>PUBLIC CHARGES FOR SERVICES</b>				
General Government	4,000	4,000	6,556	2,556
Protection of Persons and Property	19,360	19,360	15,538	(3,822)
Public Works				
Solid Waste User Charge	756,000	756,000	755,280	(720)
Miscellaneous Public Works	7,560	7,560	18,450	10,890
	<u>786,920</u>	<u>786,920</u>	<u>795,824</u>	<u>8,904</u>

**VILLAGE OF ELM GROVE**  
**GENERAL FUND-REVENUES AND TRANSFERS (Non-GAAP)**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Recreation Activities				
Swim Team	\$ 14,250	\$ 14,250	\$ 14,805	\$ 555
Swimming Lessons	18,000	18,000	15,715	(2,285)
Swimming Fees	58,000	58,000	49,350	(8,650)
Pool Rental	8,800	8,800	9,200	400
Tennis Team	3,800	3,800	852	(2,948)
Tennis Lessons	8,000	8,000	4,140	(3,860)
Tennis Fees	7,000	7,000	4,268	(2,732)
Summer Recreation and Children's Activities	26,500	26,500	42,841	16,341
Baseball	14,000	14,000	14,870	870
Aerobic/Exercise	10,500	10,500	11,488	988
Concession Sales	2,100	2,100	2,130	30
Picnic Reservations	13,000	13,000	13,393	393
Beer Garden	9,000	9,000	12,175	3,175
Adult Programs	8,500	8,500	5,455	(3,045)
Shared Programs	1,500	1,500	479	(1,021)
4th of July	6,500	6,500	5,808	(692)
Miscellaneous Recreation	200	200	25	(175)
Recreation Activities Subtotal	<u>209,650</u>	<u>209,650</u>	<u>206,994</u>	<u>(2,656)</u>
Public Charges for Services	<u>996,570</u>	<u>996,570</u>	<u>1,002,818</u>	<u>6,248</u>
<b>COMMERCIAL REVENUES</b>				
Investment Income	270,500	320,500	320,227	(273)
Cell Tower Interest on Lease	-	-	-	-
Cell Tower Lease Revenue	157,000	157,000	164,523	7,523
Miscellaneous Revenue	4,400	4,400	11,321	6,921
	<u>431,900</u>	<u>481,900</u>	<u>496,071</u>	<u>14,171</u>
<b>OTHER FINANCING SOURCES</b>				
Transfer In - TID Fund	4,250	4,250	4,267	17
	<u>4,250</u>	<u>4,250</u>	<u>4,267</u>	<u>17</u>
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<u>\$ 7,892,445</u>	<u>\$ 8,102,445</u>	8,140,917	<u>\$ 38,472</u>
<b>ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>				
Revenues Credited to Designated Accounts				
Intergovernmental Revenue			1,000	
Donations			203	
Commercial Revenue			<u>11,321</u>	
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>			<u>\$ 8,153,441</u>	

VILLAGE OF ELM GROVE

GENERAL FUND-EXPENDITURES AND TRANSFERS (Non-GAAP)  
 Budgetary Comparison Schedule  
 For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>CURRENT</b>				
General Government				
Salaries and Wages	\$ 536,000	\$ 551,930	\$ 560,562	\$ (8,632)
Fringe Benefits	210,800	213,120	201,416	11,704
Legal	50,000	50,000	66,788	(16,788)
Attorney's Retainer	12,500	12,500	14,376	(1,876)
Election	19,800	19,800	25,410	(5,610)
Office Supplies	3,500	3,500	6,403	(2,903)
Printing, Publishing, and Postage	14,300	14,300	10,879	3,421
Utilities	97,000	97,000	86,762	10,238
Contracted Services				
Tax Roll Preparation	12,000	12,000	6,458	5,542
Weights and Measures	750	750	788	(38)
Audit and Accounting	16,000	16,000	13,500	2,500
Payroll Service	7,400	7,400	8,321	(921)
Assessor Services	6,000	6,000	1,566	4,434
Elmbrook Humane Society	8,925	8,925	8,925	-
Wildlife Management	1,500	1,500	-	1,500
Computer Maintenance	118,000	118,000	111,124	6,876
Office Equipment Maintenance	7,500	7,500	9,521	(2,021)
Building Cleaning	30,000	30,000	25,344	4,656
Internet Expense	64,100	64,100	62,464	1,636
Recruitment	-	23,750	23,706	44
Zoning Administrative	3,500	3,500	1,395	2,105
GIS Expense	15,000	15,000	14,670	330
Insurance	258,500	258,500	254,517	3,983
Training, Dues, Memberships	13,600	13,600	12,589	1,011
License Expense	1,000	1,000	3,231	(2,231)
Community Relations	2,620	2,620	2,679	(59)
Building Maintenance	40,000	40,000	46,015	(6,015)
Miscellaneous	5,000	5,000	7,990	(2,990)
	<u>1,555,295</u>	<u>1,597,295</u>	<u>1,587,399</u>	<u>9,896</u>
Municipal Court				
Salaries and Wages	62,620	63,945	63,327	618
Fringe Benefits	8,800	8,990	8,640	350
Office Supplies and Operating Expenses	3,000	3,000	1,410	1,590
Miscellaneous	1,000	1,000	487	513
Judicial Education	1,500	1,500	900	600
Legal	40,000	40,000	42,424	(2,424)
	<u>116,920</u>	<u>118,435</u>	<u>117,188</u>	<u>1,247</u>
	<u>1,672,215</u>	<u>1,715,730</u>	<u>1,704,587</u>	<u>11,143</u>

VILLAGE OF ELM GROVE

GENERAL FUND-EXPENDITURES AND TRANSFERS (Non-GAAP)  
 Budgetary Comparison Schedule  
 For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>CURRENT (continued)</b>				
Public Safety				
Police Department				
Salaries and Wages	\$ 1,855,000	\$ 1,932,800	\$ 1,879,365	\$ 53,435
Fringe Benefits	856,100	873,200	824,050	49,150
Uniform/Mileage	8,500	8,500	10,516	(2,016)
Equipment Maintenance	58,700	58,700	51,219	7,481
Memberships and Training	17,500	17,500	17,102	398
Police Investigation, Joint Teams, Prevention	13,000	13,000	12,323	677
Office Equipment, Supplies and Miscellaneous	6,000	6,000	8,352	(2,352)
	<u>2,814,800</u>	<u>2,909,700</u>	<u>2,802,927</u>	<u>106,773</u>
Dispatch Department				
Salaries and Wages	349,250	359,730	350,233	9,497
Fringe Benefits	131,775	133,295	135,642	(2,347)
Communications Maintenance	82,600	82,600	78,576	4,024
Memberships and Training	2,500	2,500	4,400	(1,900)
Sundry	2,200	2,200	2,133	67
	<u>568,325</u>	<u>580,325</u>	<u>570,984</u>	<u>9,341</u>
Fire Department				
Wages and Paid on Call	271,350	272,565	243,712	28,853
Fringe Benefits	36,200	36,470	34,052	2,418
Special Response Team	2,470	2,470	2,470	-
Fire Drill Payments	10,200	10,200	10,307	(107)
Equipment and Operating	31,200	31,200	48,326	(17,126)
Communications Maintenance	7,250	7,250	6,426	824
Memberships, Training, Prevention	5,250	5,250	5,592	(342)
	<u>363,920</u>	<u>365,405</u>	<u>350,885</u>	<u>14,520</u>
Inspection				
Building	115,500	165,500	167,347	(1,847)
Electrical	24,675	47,175	47,028	147
Plumbing	14,175	41,175	40,896	279
Special	3,000	3,000	3,017	(17)
	<u>157,350</u>	<u>256,850</u>	<u>258,288</u>	<u>(1,438)</u>
Total Public Safety	<u>3,904,395</u>	<u>4,112,280</u>	<u>3,983,084</u>	<u>129,196</u>

VILLAGE OF ELM GROVE

GENERAL FUND-EXPENDITURES AND TRANSFERS (Non-GAAP)  
 Budgetary Comparison Schedule  
 For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>CURRENT (continued)</b>				
Health and Sanitation				
Salaries and Wages	\$ 60,750	\$ 62,575	\$ 56,665	\$ 5,910
Fringe Benefits	20,900	21,165	16,831	4,334
Waste Collection	385,200	385,200	368,126	17,074
Recycling Collection	250,000	250,000	241,937	8,063
Brush Disposal	40,000	40,000	58,613	(18,613)
	<u>756,850</u>	<u>758,940</u>	<u>742,172</u>	<u>16,768</u>
Public Works				
Highway and Transportation				
Salaries and Wages	435,000	495,550	495,628	(78)
Fringe Benefits	154,275	176,175	176,514	(339)
Utilities	20,700	20,700	23,814	(3,114)
Pavement Maintenance	35,000	35,000	36,173	(1,173)
Snow and Ice Control	53,500	53,500	51,467	2,033
Building and Ground Maintenance	5,000	5,000	8,946	(3,946)
Traffic Control	38,250	38,250	37,792	458
Equipment Maintenance	101,500	118,000	117,985	15
Sundry	16,000	16,000	7,668	8,332
Engineering	8,000	8,000	5,790	2,210
	<u>867,225</u>	<u>966,175</u>	<u>961,777</u>	<u>4,398</u>
Forestry				
Salaries and Wages	76,050	78,330	71,427	6,903
Fringe Benefits	37,395	37,725	34,127	3,598
Forestry Tree Care	36,000	36,000	25,719	10,281
Diseased Tree Treatment	5,500	5,500	-	5,500
Landscaping	12,500	12,500	13,244	(744)
Miscellaneous	1,500	1,500	1,793	(293)
	<u>168,945</u>	<u>171,555</u>	<u>146,310</u>	<u>25,245</u>
Total Public Works	<u>1,036,170</u>	<u>1,137,730</u>	<u>1,108,087</u>	<u>29,643</u>

VILLAGE OF ELM GROVE

GENERAL FUND-EXPENDITURES AND TRANSFERS (Non-GAAP)  
 Budgetary Comparison Schedule  
 For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>CURRENT (continued)</b>				
Park and Recreation				
Salaries and Wages	\$ 190,000	\$ 195,700	\$ 176,001	\$ 19,699
Fringe Benefits	27,660	28,490	26,936	1,554
Instructor Fees	12,000	12,000	20,282	(8,282)
Operating Expenses and Utilities	24,640	24,640	23,075	1,565
Pool Expenses	17,000	17,000	29,393	(12,393)
Printing and Miscellaneous	8,000	8,000	9,638	(1,638)
Baseball Program	8,000	8,000	10,643	(2,643)
Swimming Program	2,750	2,750	710	2,040
Tennis Program	2,765	2,765	1,952	813
Concessions	1,000	1,000	671	329
4th of July	21,500	21,500	18,632	2,868
Software, Fees and Training	15,500	15,500	18,001	(2,501)
Recreation Program Expense	7,000	7,000	5,978	1,022
	<u>337,815</u>	<u>344,345</u>	<u>341,912</u>	<u>2,433</u>
Contingency	<u>335,000</u>	<u>53,350</u>	<u>-</u>	<u>53,350</u>
<b>TOTAL CURRENT</b>	<u>8,042,445</u>	<u>8,122,375</u>	<u>7,879,842</u>	<u>242,533</u>
Other Financing Uses				
Transfer Out - Sewer Fund	-	2,065	2,065	-
Transfer Out - Stormwater Fund	-	6,805	6,805	-
Transfer Out - Library Fund	-	<u>10,700</u>	<u>10,700</u>	-
	-	<u>19,570</u>	<u>19,570</u>	-
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES ON BUDGETARY BASIS</b>	<u>\$ 8,042,445</u>	<u>\$ 8,141,945</u>	<u>7,899,412</u>	<u>\$ 242,533</u>
<b>ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>				
Expenditures Charged to Designated Accounts				
General Government			13,897	
Public Safety			<u>12,894</u>	
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>			<u>\$ 7,926,203</u>	

## DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources for, and the payments of, the Village's general obligation long-term debt principal and interest.

VILLAGE OF ELM GROVE

Debt Service Fund  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget to Actual  
 For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property taxes	\$ 268,691	\$ 268,691	\$ 268,690	\$ (1)
Commercial Revenue				
Investment income	44,000	44,000	47,794	3,794
Total Revenue	<u>312,691</u>	<u>312,691</u>	<u>316,484</u>	<u>3,793</u>
<b>EXPENDITURES</b>				
Debt service				
Principal	1,037,162	1,037,162	1,037,162	-
Interest	184,620	124,620	124,219	401
Miscellaneous Bond Fees	-	-	400	(400)
Total Expenditures	<u>1,221,782</u>	<u>1,161,782</u>	<u>1,161,781</u>	<u>1</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(909,091)</u>	<u>(849,091)</u>	<u>(845,297)</u>	<u>3,794</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer In - Stormwater fund	391,800	391,800	391,800	-
Transfer In - TID # 2	560,891	500,891	500,890	(1)
Transfer Out - Transportation Fund	(40,000)	(40,000)	(40,000)	-
Total Other Financing Sources (Uses)	<u>912,691</u>	<u>852,691</u>	<u>852,690</u>	<u>(1)</u>
<b>Net Change in Fund Balance</b>	<u>\$ 3,600</u>	<u>\$ 3,600</u>	7,393	<u>\$ 3,793</u>
FUND BALANCE - Beginning of Year			<u>881,415</u>	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 888,808</u>	

## CAPITAL PROJECT FUND

The Capital Project Fund is used to account for and report financial resources that are restricted, committed, or assigned to be used for the acquisition or construction of major capital facilities, equipment, or projects.

VILLAGE OF ELM GROVE

Capital Projects Fund - Five Year Capital  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget to Actual  
 For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 469,000	\$ 469,000	\$ 469,000	\$ -
Intergovernmental Revenue	65,000	65,000	68,201	3,201
Public Charges for Service	18,000	18,000	18,000	-
Commercial Revenues				
Miscellaneous Revenue	5,000	5,000	1,000	(4,000)
Investment Income	75,000	75,000	120,571	45,571
Total Revenues	<u>632,000</u>	<u>632,000</u>	<u>676,772</u>	<u>44,772</u>
<b>EXPENDITURES</b>				
Capital Outlay				
Equipment	260,800	260,800	261,495	(695)
Building and land Improvements	332,720	332,720	335,919	(3,199)
Other	25,000	25,000	22,373	2,627
Total Expenditures	<u>618,520</u>	<u>618,520</u>	<u>619,787</u>	<u>(1,267)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>13,480</u>	<u>13,480</u>	<u>56,985</u>	<u>43,505</u>
<b>OTHER FINANCING SOURCES</b>				
Proceeds from Sale of Capital Assets	17,500	17,500	7,819	(9,681)
Transfer In - ARPA Fund	-	116,000	116,037	37
Total Other Financing Sources	<u>17,500</u>	<u>133,500</u>	<u>123,856</u>	<u>(9,644)</u>
<b>Net Change in Fund Balance</b>	<u>\$ 30,980</u>	<u>\$ 146,980</u>	180,841	<u>\$ 33,861</u>
FUND BALANCE - Beginning of Year			<u>2,231,237</u>	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 2,412,078</u>	

# NONMAJOR FUNDS

## Special Revenue Funds

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

### **Library Fund**

This fund is used to account for the activities of the Village's public library.

### **EMS Fund (Emergency Medical Services)**

This fund is used to account for the activities of the Village's emergency medical service.

### **Stormwater Operations Fund**

This fund is used to account for the activities of the Village's stormwater operations.

### **Donation Fund**

This fund is used to record donations received for specific future projects.

### **Library Gift Fund**

This fund accounts for donations received for the Village's library and the expenditure of those funds.

### **ARPA Fund**

This fund accounts for ARPA grant revenues and related expenditures of those funds.

### **Tax Increment District #3**

This fund is used to record revenues and expenditures of the district

VILLAGE OF ELM GROVE

Special Revenue Fund - Library Fund  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget to Actual  
 For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 437,220	\$ 437,220	\$ 437,220	\$ -
Intergovernmental Revenues	46,000	46,000	47,260	1,260
Public Charges for Services	9,000	9,000	9,204	204
Commercial Revenues				
Investment Income	12,000	12,000	10,437	(1,563)
Total Revenues	<u>504,220</u>	<u>504,220</u>	<u>504,121</u>	<u>(99)</u>
<b>EXPENDITURES</b>				
Current - library				
Salaries and Wages	369,500	378,840	358,571	20,269
Fringe Benefits	70,225	71,585	62,670	8,915
New Material and Book Service	67,345	67,345	64,036	3,309
Supplies and Equipment Maintenance	35,400	35,400	35,800	(400)
Miscellaneous	3,150	3,150	2,289	861
Total Expenditures	<u>545,620</u>	<u>556,320</u>	<u>523,366</u>	<u>32,954</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(41,400)</u>	<u>(52,100)</u>	<u>(19,245)</u>	<u>32,855</u>
<b>OTHER FINANCING SOURCES</b>				
Transfer In - General Fund	-	10,700	10,700	-
<b>Net Change in Fund Balance</b>	<u>\$ (41,400)</u>	<u>\$ (41,400)</u>	<u>(8,545)</u>	<u>\$ 32,855</u>
FUND BALANCE - Beginning of Year			<u>60,692</u>	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 52,147</u>	

VILLAGE OF ELM GROVE

Special Revenue Fund - Emergency Medical Service (EMS) Fund  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget to Actual (Non-GAAP)  
 For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 303,150	\$ 303,150	\$ 303,150	\$ -
Public Charges for Services	185,000	125,000	121,925	(3,075)
Commercial Revenues				
Investment Income	18,000	18,000	21,923	3,923
Total Revenues	<u>506,150</u>	<u>446,150</u>	<u>446,998</u>	<u>848</u>
<b>EXPENDITURES</b>				
Current - Public Safety				
Ambulance				
Wages and Paid on Call	491,100	491,100	489,903	1,197
Fringe Benefits	53,000	53,000	51,104	1,896
EMT Training	4,600	4,600	1,640	2,960
Uniforms	1,000	1,000	1,180	(180)
Medical Supplies	16,000	16,000	11,406	4,594
Ambulance Maintenance	7,000	7,000	1,326	5,674
Ambulance Communications	1,500	1,500	1,327	173
Ambulance Billing Fees	13,250	13,250	7,182	6,068
Miscellaneous	8,700	8,700	7,978	722
Total Expenditures	<u>596,150</u>	<u>596,150</u>	<u>573,046</u>	<u>23,104</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(90,000)</u>	<u>(150,000)</u>	<u>(126,048)</u>	<u>23,952</u>
<b>OTHER FINANCING SOURCES</b>				
Transfer in- ARPA Fund	-	10,750	10,720	30
<b>Net Change in Fund Balance (Budgetary Basis)</b>	<u>\$ (90,000)</u>	<u>\$ (139,250)</u>	<u>(115,328)</u>	<u>\$ 23,982</u>
<b>ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>				
Revenues credited to designated accounts				
Intergovernmental revenue			<u>7,126</u>	
			<u>7,126</u>	
Expenditures Charged to Designated Accounts				
Miscellaneous			<u>(7,541)</u>	
			<u>(7,541)</u>	
<b>Net Change in Fund Balance</b>			<u>(115,743)</u>	
FUND BALANCE - Beginning of Year			<u>227,553</u>	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 111,810</u>	

VILLAGE OF ELM GROVE

Special Revenue Fund - Stormwater Operations Fund  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget to Actual  
 For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 170,500	\$ 170,500	\$ 170,500	\$ -
Public Charges for Services	478,470	478,470	499,417	20,947
Commercial Revenues				
Investment Income	15,000	15,000	10,630	(4,370)
Total Revenues	<u>663,970</u>	<u>663,970</u>	<u>680,547</u>	<u>16,577</u>
<b>EXPENDITURES</b>				
Current - Health and Sanitation				
Infrastructure Repair and Maintenance	102,000	102,000	78,513	23,487
Administrative	198,000	204,805	142,153	62,652
Inspection, Engineering, Audit	19,150	19,150	21,655	(2,505)
Capital Outlay	10,000	285,000	271,760	13,240
Total Expenditures	<u>329,150</u>	<u>610,955</u>	<u>514,081</u>	<u>96,874</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>334,820</u>	<u>53,015</u>	<u>166,466</u>	<u>113,451</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer In - Sewer Fund	100,000	100,000	100,000	-
Transfer In - General Fund	-	6,805	6,805	-
Transfer Out- Debt Service	<u>(391,800)</u>	<u>(391,800)</u>	<u>(391,800)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(291,800)</u>	<u>(284,995)</u>	<u>(284,995)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ 43,020</u>	<u>\$ (231,980)</u>	<u>(118,529)</u>	<u>\$ 113,451</u>
FUND BALANCE - Beginning of Year			<u>340,551</u>	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 222,022</u>	

VILLAGE OF ELM GROVE

Special Revenue Fund - Donation Fund  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget to Actual  
 For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Commercial Revenues				
Donations	\$ -	\$ 85,000	\$ 81,957	\$ (3,043)
Investment Income	-	3,250	3,221	(29)
Total Revenues	-	88,250	85,178	(3,072)
<b>EXPENDITURES</b>				
Current				
General Government	-	100	105	(5)
Public Safety	-	23,250	23,272	(22)
Parks and Recreation	-	5,300	5,268	32
Total Expenditures	-	28,650	28,645	5
<b>Net Change in Fund Balance</b>	<b>\$ -</b>	<b>\$ 59,600</b>	<b>56,533</b>	<b>\$ (3,067)</b>
FUND BALANCE - Beginning of Year			70,210	
<b>FUND BALANCE - END OF YEAR</b>			<b>\$ 126,743</b>	

VILLAGE OF ELM GROVE

Special Revenue Fund - Library Gift Fund  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget to Actual  
 For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernment Revenue				
Grant Funds	\$ -	\$ 330	\$ 330	\$ -
Commercial Revenues				
Donations	-	44,000	43,921	(79)
Investment Income	-	2,800	2,813	13
Total Revenues	-	47,130	47,064	(66)
<b>EXPENDITURES</b>				
Current				
Library Materials	-	44,650	44,651	(1)
Total Expenditures	-	44,650	44,651	(1)
<b>Net Change in Fund Balance</b>	\$ -	\$ 2,480	2,413	\$ (67)
FUND BALANCE - Beginning of Year			51,135	
<b>FUND BALANCE - END OF YEAR</b>			\$ 53,548	

VILLAGE OF ELM GROVE

Special Revenue Fund - ARPA Fund  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget to Actual  
 For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental Revenues				
State and Federal Aids	\$ -	\$ 214,000	\$ 214,297	\$ 297
Commercial Revenues				
Investment Income	3,000	13,000	13,288	288
Total Revenues	<u>3,000</u>	<u>227,000</u>	<u>227,585</u>	<u>585</u>
<b>EXPENDITURES</b>				
Capital Outlay	228,500	122,500	122,471	29
Total Expenditures	<u>228,500</u>	<u>122,500</u>	<u>122,471</u>	<u>29</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(228,500)</u>	<u>104,500</u>	<u>105,114</u>	<u>614</u>
<b>OTHER FINANCING USES</b>				
Transfer Out - Capital Fund	-	(116,000)	(116,037)	(37)
Transfer Out - EMS Fund	-	(11,000)	(10,720)	280
Total Other Financing Uses	<u>-</u>	<u>(127,000)</u>	<u>(126,757)</u>	<u>243</u>
<b>Net Change in Fund Balance</b>	<u>\$ (225,500)</u>	<u>\$ (22,500)</u>	<u>\$ (21,643)</u>	<u>\$ 1,442</u>
FUND BALANCE - Beginning of Year			<u>21,643</u>	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ -</u>	

VILLAGE OF ELM GROVE

Special Revenue - Tax Increment District #3  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget to Actual  
 For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes - TID Increment	\$ 79,000	\$ 79,000	\$ 79,945	\$ 945
Total Revenues	<u>79,000</u>	<u>79,000</u>	<u>79,945</u>	<u>945</u>
<b>EXPENDITURES</b>				
Current - General Government				
Administrative	5,000	5,000	7,946	(2,946)
Village Municipal Water Extension	53,500	-	-	-
Developer Incentive	-	55,250	55,210	40
Total Expenditures	<u>58,500</u>	<u>60,250</u>	<u>63,156</u>	<u>(2,906)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>20,500</u>	<u>18,750</u>	<u>16,789</u>	<u>(1,961)</u>
<b>Net Change in Fund Balance</b>	<u>\$ 20,500</u>	<u>\$ 18,750</u>	<u>\$ 16,789</u>	<u>\$ (1,961)</u>
FUND BALANCE (DEFICIT) - Beginning of Year			<u>(16,789)</u>	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ -</u>	

VILLAGE OF ELM GROVE

Special Revenue Fund - Transportation Fund  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget to Actual  
 For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 550,000	\$ 550,000	\$ 550,000	\$ -
Intergovernmental Revenues	-	-	52,147	52,147
Commercial Revenues				
Investment income	50,000	50,000	48,349	(1,651)
Total Revenues	<u>600,000</u>	<u>600,000</u>	<u>650,496</u>	<u>50,496</u>
<b>EXPENDITURES</b>				
Current				
Capital Outlay	<u>1,455,000</u>	<u>1,455,000</u>	<u>1,410,747</u>	<u>44,253</u>
Total Expenditures	<u>1,455,000</u>	<u>1,455,000</u>	<u>1,410,747</u>	<u>44,253</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(855,000)</u>	<u>(855,000)</u>	<u>(760,251)</u>	<u>94,749</u>
<b>OTHER FINANCING SOURCES</b>				
Transfer In - Debt Service Fund	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>	<u>-</u>
Total Other Financing Sources	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ (815,000)</u>	<u>\$ (815,000)</u>	<u>(720,251)</u>	<u>\$ 94,749</u>
FUND BALANCE - Beginning of Year			<u>975,061</u>	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 254,810</u>	