



**Village of Thiensville
Committee of the Whole
AGENDA**

Date:
Monday, June 1, 2026

LOCATION: 250 Elm Street, Thiensville, WI

Time: 6:00 PM

I. CALL TO ORDER

II. ROLL CALL

President

John Rosing

Administrator

Colleen Landisch-Hansen

Staff

Director of Community Services/Public Works Andy LaFond

Police Chief Curt Kleppin

Deputy Village Clerk/Administrative Coordinator Ben Honeck

Board of Trustees

Jennifer Abraham

Angelina Apostolos

Kristina Eckert

Nick Ernster

David Lange

Dan Weber

III. CITIZENS TO BE HEARD

A. Open to any resident or taxpayer on items not subject to a public hearing: Please be advised per §19.84(2), information will be received from the public. Village policy limits a three (3) minute time period per person, with time extension by the presiding official's discretion or a vote of 2/3 of the Board or Committee; be further advised that there may be limited discussion on the information received, however, no action will be taken under public comments. Written comments on agenda items are encouraged to be sent and addressed to the intended body by noon on the day of the meeting. Comments received timely will be forwarded to all members of the body. If you wish to speak, you must pre-register by emailing the Village Clerk at clandisch@thiensville.gov by 4:00 PM on the day of the meeting or by signing in immediately prior to the meeting.

IV. BUSINESS

A. Presentation by Attorney Joel S. Aziere of Buelow Vetter Regarding the Duties and Responsibilities of Village Trustees (att)

B. Review and Recommendation Regarding Resolution 2026-11 Wisconsin Department of Natural Resources NR 208 - Compliance Maintenance Resolution (att)

C. Review and Recommendation Regarding Acceptance of the 2025 Audited Financial Statements

D. Review and Recommendation Regarding Resolution 2026-12 Resolution for the Line of Succession of Officers for Declaration of Emergency (att)

E. Review and Action Regarding Proclamation Establishing Sunday, October 25, 2026 as Thiensville Trick-Or-Treat (Beggar's Night) for the year 2026 with Hours being from 3:00 PM Until 6:00 PM (att)

F. Review and Recommendation Regarding the Following License Approvals

1. Class A Beer & Class A Liquor Renewal

Item	Name	Agent	Address	License(s)	New or Renewal
a.	Maa Maalika Petroleum INC, Village BP	Basu D. Joshi	146 S Main Street	Class A Beer, Class A Liquor	Renewal
b.	Pigeon Creek Wine & Liquor LLC	Jacob C Shully	144 Green Bay Road	Class A Beer, Class A Liquor	Renewal
c.	Walgreens co., Walgreens	Zachary M Cefalu	278 N Main Street	Class A Beer, Class A Liquor	Renewal

2. Class B Beer & Class B Liquor Renewal

Item	Name	Agent	Address	License(s)	New or Renewal
a.	Chuck's Place	Theodore J Hagen	406 N Main Street	Class B Beer, Class B Liquor	Renewal
b.	Dr. Dawg	Brooke Thomson	105 W Freistadt Road	Class B Beer, Class B Liquor	Renewal
c.	Prime Minister	Vasilike B Triantafillou	517 N Main Street	Class B Beer, Class B Liquor	Renewal
d.	Remington's River Inn	Robert J Ollman	130 S Main Street	Class B Beer, Class B Liquor	Renewal

e.	Shully Catering INC., Shully's Catering	Jacob C Shully	146 Green Bay Road	Class B Beer, Class B Liquor	Renewal
f.	Big Day LLC, Skippy's Burger Bar	Brett T Kucharski	113 Green Bay Road	Class B Beer, Class B Liquor	Renewal

3. Class B Beer & Class C Wine Renewal

Item	Name	Agent	Address	License(s)	New or Renewal
a.	Grace Lutheran Church	William C Beyer	303 Green Bay Road	Class B Beer, Class C Wine	Renewal
b.	Shully's Events LLC, Shully's Cuisine & Events	Jacob C Shully	143 Green Bay Road	Class B Beer, Class C Wine	Renewal
c.	Glaze, LLC	Kristina A Eckert	149 Green Bay Road	Class B Beer, Class C Wine	Renewal

G. Review and Recommendation Regarding the Following Operator's Licenses

1. New

Item	Name	Address	New or Renewal
a.	Daniel Birschbach	Skippy's Burger Bar, 113 Green Bay Road	New
b.	Noah LaBelle	Skippy's Burger Bar, 113 Green Bay Road	New
c.	Isabella Eckert	Glaze LLC, 149 Green Bay Road	New

2. Renewal

Item	Name	Business	New or Renewal
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a.	Heidi Anderson	Chuck's Place, 406 N Main Street	Renewal
b.	Isabella Farina	Remington's River Inn, 130 S Main Street	Renewal
c.	Amy Ollman	Remington's River Inn, 130 S Main Street	Renewal
d.	Emma Sedgwick	Remington's River Inn, 130 S Main Street	Renewal
e.	Sarah Lundberg	Remington's River Inn, 130 S Main Street	Renewal
f.	Macklin Ladd	Remington's River Inn, 130 S Main Street	Renewal
g.	David Olmhausen	Remington's River Inn, 130 S Main Street	Renewal
h.	Basu Joshi	Maa Maalika Petroleum, Village BP, 246 S Main Street	Renewal
i.	Daniel Cenzoll	Maa Maalika Petroleum, Village BP, 246 S Main Street	Renewal
j.	James Harder	Maa Maalika Petroleum, Village BP, 246 S Main Street	Renewal
k.	Gautam Sharma	Maa Maalika Petroleum, Village BP, 246 S Main Street	Renewal
l.	Nikoleta Triantafillou	Prime Minister, 517 N Main Street	Renewal
m.	Markos Lomvardeas	Prime Minister, 517 N Main Street	Renewal
n.	Hattie Johnson	Skippy's Burger Bar, 113 Green Bay Road	Renewal
o.	Katherine Kucharski	Skippy's Burger Bar, 113 Green Bay Road	Renewal
p.	Samantha Luedtke	Skippy's Burger Bar, 113 Green Bay Road	Renewal
q.	Alexander Tarantino	Skippy's Burger Bar, 113 Green Bay Road	Renewal
r.	Cassie Haugen	Skippy's Burger Bar, 113 Green Bay Road	Renewal
s.	Jake Tarantino	Skippy's Burger Bar, 113 Green Bay Road	Renewal
t.	William Beyer	Grace Lutheran Church, 303 Green Bay Road	Renewal

u.	Zachary Cefalu	Walgreens, 278 N Main Street	Renewal
v.	Jonah Stoehr	Walgreens, 278 N Main Street	Renewal
w.	Vasileia Chatziandreou	Walgreens, 278 N Main Street	Renewal
x.	Rob Kos	Downtown Thiensville, PO Box 185	Renewal
y.	Philip Eckert	Glaze LLC, 149 Green Bay Road	Renewal
z.	Megan Waack	Glaze LLC, 149 Green Bay Road	Renewal

V. MISCELLANEOUS BUSINESS BY TRUSTEES AS MAY PROPERLY BE BROUGHT BEFORE THE BOARD

A. Tax Incremental District NO. 2

B. Review Meeting Date Schedule

1. June 15, 2026 - Board of Trustees at 6:00 PM
2. July 20, 2026 - Combined Meeting of Committee of the Whole and Board of Trustees at 6:00 PM
3. August 3, 2026 - Committee of the Whole at 6:00 PM
4. August 17, 2026 - Board of Trustees at 6:00 PM

VI. ADJOURNMENT

Colleen Landisch-Hansen, Village Clerk

May 28, 2026

Please advise the Thiensville Municipal Hall, 250 Elm Street (262-242-3720) at least 24 hours prior to the start of this meeting if you have disabilities and desire special accommodations.



Buelow Vetter
Buikema Olson & Vliet, LLC
The Solution Starts Here.

VILLAGE OF THIENSVILLE

2026 IN-SERVICE

June 1, 2026

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WISCONSIN'S OPEN MEETINGS LAW

I. Policy and Construction.

1. Policy.

“It is declared to be the policy of this state that the public is entitled to the fullest and most complete information regarding the affairs of the government as is compatible with the conduct of governmental business.” (§ 19.81(1), Wis. Stats.)

“All meetings of all state and local governmental bodies shall be publicly held in places reasonably accessible to members of the public and shall be open to all citizens at all times unless otherwise expressly provided by law.” (§ 19.81(2), Wis. Stats.) Challenging during current public health emergency balancing transparency and access by public with promoting health and safety

2. Interpretation.

Every meeting of a governmental body must be preceded by public notice and initially convened in open session.

3. Construction.

The Open Meetings Law is to be liberally construed (any doubts should be resolved in favor of openness). (§ 19.81(4), Wis. Stats.)

II. Definitions.

1. Governmental Body.

“A state or local agency, board, commission, committee, council, department or public body corporate and politic created by constitution, statute, ordinance, rule, or order; a governmental or quasi-governmental corporation . . .; a local exposition district under subch. II of ch. 229; any public purpose corporation, as defined in § 181.79(1); or a formally constituted subunit of any of the foregoing” (§ 19.82(1), Wis. Stats.)

a. What authority created the body?

b. What means were used to create the body?

A “governmental body” does not include any body or committee or subunit of such body which is formed for or meeting for the purpose of collective bargaining. (§ 19.82(1), Wis. Stats.)

- c. Where a municipal common council hears a labor dispute/grievance under a procedure established under a signed contract, the council is engaged in collective bargaining and, is therefore for that purpose not a “governmental body.” 67 Op. Att’y Gen. 276 (1978).
- d. When an individual government official, acting within the scope of properly delegated authority, creates an advisory body, that body is treated as if it had been created directly by the governmental body with authority of that official. *See* 78 [Wis.] Op. Att’y Gen. at 70 (state agency managers); [four additional informal opinions respectively concerning a school superintendent, mayor, town chairperson, and county executive]. Even more specifically on point, this office has previously concluded that, where a school superintendent delegates to members of the school district’s administrative staff advisory functions with which the superintendent has been lawfully charged by the school board, those staff members, for purposes of the open meetings law, are to be treated as if they had been directly charged by the school board to carry out those functions. *See* June 8, 2001, correspondence #010131009 to Joseph F. Paulus. OAG, “Letter to Joe Tylka (June 8, 2005)
- e. Public entities should **use the following factors to determine whether their committees are subject to the Open Meetings Law:**

See State ex rel Krueger v. Appleton Area Sch. Dist., 2017 WI 70:

- i. Does the committee have a defined membership?
- ii. If the group is merely a loosely organized gathering of municipal employees that meets to share knowledge and/or facilitate job duties, it will not qualify for the Open Meetings Law.
- iii. Does the group have the power to take collective action that the members could not take individually?
- iv. Was the committee created by statute, ordinance, rule or order of the Board?

III. Meeting.

“The convening of members of a governmental body for the purpose of exercising the responsibilities, authority, power or duties delegated to or vested in the body.” (§ 19.82(2), Wis. Stats.)

- 1. There must be a purpose to engage in governmental business be it discussion, decision or information gathering. *State ex rel. Newspapers, Inc. v. Showers*, 135 Wis. 2d 77 (1987). Only the Board has authority to engage in governmental

business. Individual Board members have no authority to act or speak on behalf of the Board unless authorized by the Board to do so.

2. The number of members present must be sufficient to determine the present body's course of action regarding the proposal discussed. *Id.*
 - a. "If one-half or more of the members of a governmental body are present, the meeting is rebuttably presumed to be for the purpose of exercising the responsibilities, authority, power or duties delegated to or vested in the body." (§ 19.82(2), Wis. Stats.) A social or chance gathering or conference, which is not intended to avoid the open meetings law is not a "meeting." (§ 19.82(2), Wis. Stats.) cf: attendance at state conference posted
 - b. **Negative Quorum.** A gathering of less than one-half of the members of a governmental body may be a meeting if that group possesses the power to defeat action taken by the governmental body. *Showers, supra.*
 - c. **Walking Quorum.** Even though a limited number of members gathered together may not be able to determine the outcome of a matter, the gathering may nonetheless constitute a "meeting" under the Open Meetings Law if it is one of a series of meetings among separate groups of members, each less than quorum size, who agree, tacitly or explicitly, to act uniformly in sufficient number to reach a quorum. *Showers, supra.* Walking quorum does not require that members "gather" but may be created through one-on-one conversations in person, by telephone or by successive email messages. Walking quorums violate the Open Meetings Law because they may produce a predetermined outcome and render the public meeting a mere formality. Board Policy 0123 B. 6. "I will not have discussions concerning Board business with other Board members outside of noticed meetings to ensure transparency to the community of all Board business and support Wisconsin Open Meeting Law."
3. E-Mails and Electronic Communications as a Meeting.
 - a. Electronic communications under some circumstances may be considered a meeting under the Wisconsin Open Meetings Law.
 - b. A court or any other agency charged with enforcing the open meetings law will determine if the email communication resembles an in-person discussion or if the email is simply written correspondence without an exchange of communications between members of the Board. Factors that would likely be considered by a court or agency include:
 - i. The number of Board members involved in the communications;
 - ii. The number of emails/messages regarding the same subject;

- iii. The timeframe during over which the communications occurred;
 - iv. The “conversational” tone of the interactions; and
 - v. The purpose of the communication.
- c. Recent Decision – *State ex rel. Zecchino v. Dane County*, 2018 WI App 19, 380 Wis. 2d 453
- i. A series of emails between County Board members did not constitute a walking forum, as there was no agreement to take an action, and because the complaint failed to establish that a sufficient number of supervisors engaged in discussions capable of affecting a vote. Most of the emails were one-way messages, with few responses, and the emails dealt with scheduling matters, were communications with constituents or asked for or expressed opinions. NOT conducting Board business.
 - ii. Keeping track of votes does not trigger a walking quorum.
- d. Office of Attorney General – March 5, 2019 guidance:
- i. Issue addressed was whether a town mayor, who has the authority to break tie votes, is able to hold separate meetings with council members to push certain agenda. The OAG found there is the potential for prohibited walking quorums if the members engaged in collective discussion or information gathering outside of the context of a properly noticed meeting and have agreed with each other to act in some uniform fashion.
 - ii. A meeting does not include any social or chance gathering or conference that is not intended to avoid the requirements of the Open Meetings Law.
 - iii. A meeting occurs when a convening of members of the governmental body satisfies two requirements: (1) the purpose is to engage in governmental business (purpose test); and (2) the number of members present must be sufficient to determine the governmental body’s course of action (numbers test).
 - iv. The purpose requirement is met when a board’s members gather to simply hear information on a matter within the body’s realm of authority, and mere attendance at an informational meeting satisfies the purpose requirement. The members need not discuss the matter or even interact, and applies to purely advisory bodies as well.

- v. The numbers requirement is met when there is a quorum (the minimum number of a body's membership necessary to act) or a negative quorum (the minimum number of a body's membership necessary to prevent action).
- vi. Using an agent or surrogate to poll members of governmental bodies cannot circumvent the Open Meetings Law.
- vii. Also, email votes fitting the definition of a walking quorum violate the Open Meetings Law, even if the result of the vote is later ratified at a properly noticed meeting.
- viii. A walking quorum may be found when the members have effectively engaged in collective discussion or information gathering outside of the context of a properly noticed meeting and have agreed with each other to act in some uniform fashion.
- ix. The Attorney General has advised that members of governmental bodies should reduce any possible appearance of impropriety by minimizing inter-member communications.

IV. Open Session.

- 1. "A meeting which is held in a place reasonably accessible to members of the public and open to all citizens at all times." (§ 19.82(3), Wis. Stats.)
- 2. Topics for Discussion.

V. Public Comment During Open Session.

- 1. The Open Meetings Law permits public notice of a meeting of a governmental body to provide for a period of public comment, during which the body may receive information from the public. (§ 19.84(2), Wis. Stats.) During a period of public comment, a governmental body may discuss any matter raised by the public. (§ 19.83(4), Wis. Stats.) However, to avoid "deliberations," limit comments by Board members on subject.
- 2. Governmental bodies are not required to designate a public comment period.
- 3. The Open Meetings Law authorizes only discussion and no other action by the governmental body. A governmental body should refrain from deliberating or taking action on items raised during public comment sessions and, if necessary, should place such matters on future agendas.

4. The public comments section of board meetings does not provide flexibility for Board members to bring up items not specifically designated on the posted meeting notice. Board members are also electors and citizens, and some might ask whether this means that a board member can simply raise issues during the “public comment” section of a board meeting.
5. The Attorney General has specifically noted that the public comments section of meetings is authorized by statute to allow governmental bodies to hear from the constituents they serve, but also noted that these statutes make such an allowance:

“ . . . because citizens do not have access to the body’s process for creating meeting notices. The members of governmental bodies and the officials of the governmental unit are not so limited. They have regular opportunities to suggest meeting subjects to the presiding officer responsible for establishing the agenda.”

VI. Closed Session.

1. The Right to Close a Meeting of a Governmental Body.
 - a. Any meeting of a governmental body, upon motion duly made and carried, may be convened in closed session under one or more of the specific exemptions of § 19.85, Wis. Stats. (§ 19.85(1), Wis. Stats.)
 - b. Only the elected officials may exercise the right to convene into closed session; the public does not have the right or power to close a meeting.
 - c. Even under § 19.85(1)(b), Wis. Stats., an employee cannot close a meeting.
 - i. All meetings are open, unless the governmental body decides to invoke an exemption to the Open Meetings Law.
 - ii. If the governmental body invokes an exemption to the Open Meetings Law, then and only then, does an employee have the right to:
 - (1) Specific, individual notice of the meeting; and
 - (2) The right to require that the governmental body conduct the meeting as an open session.
 - iii. Not all disciplinary meetings of a governmental body require notice to the employee, only those meetings at which evidence is presented or a final decision is made.

- iv. Actual notice to an employee and the right to demand that the meeting be held in open session is only required if there is an “evidentiary hearing” (the taking of testimony and the receipt of evidence) or final action is taken in closed session. *Epping v. City of Neillsville Common Council*, 218 Wis. 2d 516 (Ct. App. 1998).
2. Requirements.
 - a. The chief presiding officer must announce to all present the intention of going into a closed session. (§ 19.85(1), Wis. Stats.)
 - b. The chief presiding officer must state the specific exemption or exemptions, by number, which allow such a closed meeting.
 - c. A motion, with a second and roll call vote as to closing the session, must be recorded by the custodian of records, see, for example, *The Journal Times v. City of Racine Board of Police and Fire Commissioners*, 2014 WL 2197089 (Wis. App.), 2014 WI App 67 (2014)..
 - d. Majority vote required.
 - e. If notice has been given of the intent to reconvene into open session in the announcement for the meeting at which the closed session is held, the chief presiding officer should also announce the estimated time at which the reconvened open session will commence.
 3. Once the governmental body has convened in closed session, it may discuss or consider only those subjects specifically allowed by the statutory exemptions and is limited to matters that the presiding officer has announced would be the subject of the closed session.

VII. Reconvening Into Open Session.

No governmental body may commence a meeting, subsequently convene in closed session and thereafter reconvene again in open session within 12 hours after completion of a closed session, unless public notice of such subsequent open session was given at the same time and in the same manner as the public notice of the meeting convened prior to the closed session. (§ 19.85(2), Wis. Stats.)

VIII. Closed Session Minutes.

1. The Open Meetings Law provides that minutes of all meetings (open and closed) must be prepared. (§ 19.88(3), Wis. Stats.)
2. There is no statutory requirement that the minutes of a closed session (or an open session) be detailed or formal.

3. All actions must be preserved, recorded and open to public inspection.

IX. Taking Action in Closed Session.

1. Governmental bodies can take final action by voting in closed session. Motions and roll call votes of each closed session must be recorded and preserved and open to the public inspection to the extent prescribed by the Public Records Law. The record must show all motions made, who initiated and seconded the motion, how each member voted and all votes taken by the body.
2. Guidelines for determining the appropriateness of voting in closed session:
 - a. The governmental body must have convened itself into a proper closed session.
 - b. The same reason for convening itself into closed session must apply to the need to vote in closed session, i.e., to keep the action in confidence.
 - c. Mere convenience in voting in closed session is impermissible. The better practice is to notice a meeting to convene in open session, adjourn to closed session and then reconvene into open session for action.

X. Confidentiality.

1. Information that is discussed in closed session should not be discussed by anyone present at the closed session outside of the closed session with anyone who was not present at the closed session.
2. Although any action taken in closed session is subject to disclosure the deliberations leading up to the action in the meeting should remain confidential.
3. If discussed outside of the closed session by someone who was present at the closed session with a person who was not in the closed session, all information shared with the Board during the closed session and any documentation regarding the Board's discussion/deliberation may also be subject to disclosure.
4. In addition, if information from one closed session is disclosed but information from another closed session is not, it may lead to speculation that Board had something to hide by not disclosing information from all closed sessions.
5. When the subject of the closed session involves an employee or student, disclosing the information from the closed session may create a possible risk of a claim by the subject of the closed session.

XI. Notice Requirements.

1. Public notice of all meetings (open and closed) must be noticed in the following manner:
 - a. As required by any other statute; and
 - b. To the public; to those news media who have filed a written request for such notice; and to the official newspaper, or if none exists, to the news media most likely to give notice in the area.
 - c. Methods of Providing Notice.
 - i. Direct Public Notice. Post in one or more public places or through sufficient newspaper publications.
 - ii. Notice to the Media. Written or verbal notice to members of the news media.
2. Notice Contents.
 - a. Time
 - b. Date
 - c. Place
 - d. Subject Matter
 - i. The notice must be in a form that is reasonably likely to apprise members of the public and the news media of the subject matter.
 - ii. Practice Point: The Village Board for the Village of West Milwaukee was not required to provide notice of the names of the candidates for Commission vacancies on the Civil Service and Zoning Board of Appeals. *State ex rel. Blonien v. Carl*, No. 98-0911 (Ct. App. 1999) (unpublished decision).
 - e. Matters intended for consideration at a closed session.
3. Notice Time Lines.
 - a. Generally at least 24 hours prior to the commencement of the meeting.
 - b. In an emergency at least 2 hours prior to the commencement of the meeting.
2. Separate Notice.

Separate notice of each meeting must be given to the public at a time and date reasonably proximate to the time and date of the meeting. (§ 19.84(4), Wis. Stats.)

3. Sub-Units of a Parent Body.

Sub-units of a parent body, such as a committee, may meet during the meeting of the parent body during recess, or directly after such meeting to discuss or act on matters that were the subject of the meeting of the parent body without public notice required under § 19.84, Wis. Stats. However, the presiding officer of the parent body must announce the time, place and subject matter of the committee meeting in advance at the meeting of the parent body. (§ 19.85(6), Wis. Stats.)

XII. Miscellaneous Provisions.

1. Who May Attend a Closed Session of a Governmental Body?

Attendance at a closed session is limited to the body, necessary staff and other officers, such as clerk and attorney, and other persons whose presence is necessary for the business at hand. If the meeting is of a subunit such as a committee, then the members of the parent body must be allowed in the closed session, unless rules of the parent body provide otherwise. (§ 19.89, Wis. Stats.)

2. Secret Ballots, Votes and Records.

Unless the statutes specifically authorize, no secret ballot may be utilized to determine any election or other decision, except the election of a body's own officers. (§ 19.88(1), Wis. Stats.)

3. Use of Equipment in Open Session.

The governmental body must make reasonable effort to accommodate any person desiring to record, film or photograph an open meeting. (§ 19.90, Wis. Stats.)

4. Liability for violations of Open Meetings Laws:

a. Wis. Stat. § 19.96:

“Penalty. Any member of a governmental body who knowingly attends a meeting of such body held in violation of this subchapter, or who, in his or her official capacity, otherwise violates this subchapter by some act or omission shall forfeit without reimbursement not less than \$25 nor more than \$300 for each such violation. No member of a governmental body is liable under this subchapter on account of his or her attendance at a meeting held in violation of this subchapter if he or she makes or votes in favor of a motion to prevent the violation from occurring, or if, before the violation

occurs, his or her votes on all relevant motions were inconsistent with all those circumstances which cause the violation."

- b. The Wisconsin Supreme Court has defined "knowingly" as not only positive knowledge of the illegality of a meeting, but also awareness of the high probability of the meeting's illegality or conscious avoidance of awareness of the illegality. *State v. Swanson*, 92 Wis. 2d 310, 319, 284 N.W.2d 655 (1979). The court also held that knowledge is not required to impose forfeitures on an individual for violating the open meetings law by means other than attending a meeting held in violation of the law.
- c. A governmental body may not reimburse a member for a forfeiture incurred as a result of a violation of the law, unless the enforcement action involved a real issue as to the constitutionality of the open meetings law. 66 Op. Att'y Gen. 226 (1977). Although it is not required to do so, a governmental body may reimburse a member for his or her reasonable attorney fees in defending against an enforcement action and for any plaintiff's attorney fees that the member is ordered to pay.
- d. In addition to the forfeiture penalty, Wis. Stat. § 19.97(3) provides that a court may void any action taken at a meeting held in violation of the open meetings law if the court finds that the interest in enforcing the law outweighs any interest in maintaining the validity of the action.

WISCONSIN'S PUBLIC RECORDS LAW

I. Policy.

Access to public records is presumed.

Sections 19.32 to 19.37 “. . . shall be construed in every instance with a presumption of complete public access, consistent with the conduct of governmental business. The denial of public access generally is contrary to the public interest, and only in an exceptional case may access be denied.” Wis. Stat. § 19.31.

II. Legal Custodian.

1. An elected official is the legal custodian of his or her records and the records of his or her office, but may designate an employee of his or her staff to act as the legal custodian. Wis. Stat. § 19.33(1).
2. The chairperson of a committee of elected officials or the designee of the chairperson, is the legal custodian of the records of the committee. Wis. Stat. § 19.33(2).

III. Retention and Access to Electronic Communications.

Presumption that the public has access to public records. Content of the document determines whether a document is a record subject to the law not medium, format or location of document.

Electronic communications by Board members about official school business are records subject to disclosure. Such records once created or retained by board members must be retained according to state law and district policy.

1. Public records requests can be made regarding a public official's home computers and their contents, so long as they relate to records that concern the business of the governmental unit.
 - a. Computers that are property of the government entity are likely to be accessible regardless of content.
 - b. Personal computers that are individual public officials' property, can be accessed for e-mails and other documents that are created, sent, or received in the individual's capacity as a public official. E-mails that may be accessible include:
 - i. E-mails from constituents.
 - ii. E-mails to or from other public officials.

iii. E-mails from or to personnel of the governmental entity.

2. Retention and Destruction of Governmental Records.

No governmental entity may destroy any record at any time after the receipt of a request for inspection or copying of the record until after the request is granted or until at least sixty (60) days after the date that the request is denied. (§ 19.35(5), Wis. Stats.)

The basic time period for retention of school district records (not including pupil records) before destruction is seven (7) years. (However, note that the Public Records Law recognizes that recordings of school board meetings are generally used to prepare minutes of the meetings, and therefore the law does not require school districts to retain the recordings nearly as long as other public records. Wis. Stat. § 19.21(7) provides that tape recordings of Board meetings may be destroyed 90 days after the minutes have been approved and published, if the purpose of the recording was to make minutes of the meeting.)

Subject to Sections 59.716 and 59.717, Wis. Stats., a governmental entity with a population of less than 500,000 may by ordinance provide for the destruction of obsolete governmental entity records. Prior to any such destruction, at least sixty (60) days' notice in writing of such destruction shall be given to the State Historical Society.

IV. Summary of Analysis When Responding to Public Records Requests.

1. Step One: What responsive records exist?

a. What is a record?

i. Any material on which written, drawn, printed, spoken, visual or electromagnetic information is recorded or preserved, regardless of physical form or characteristics, which has been created or is being kept by an authority. "Record" includes, but is not limited to, handwritten, typed or printed pages, maps, charts, photographs, films, recordings, tapes (including computer tapes), computer printouts and optical disks. Wis. Stat. § 19.32(2).

ii. Although statute has not been amended to specifically include electronic records such records are considered public records by the courts and agencies charged with the enforcement of the public records law.

- iii. Content determines whether a document is a record, not medium, format, or location.
 - iv. Public records requests, as well as responses to those requests, are considered records.
- b. What is not a record?

- i. Drafts, notes, preliminary computations, and like materials prepared for the originator's personal use or prepared by the originator in the name of a person for whom the originator is working;

Recent Decision – *Animal Legal Defense Fund v. Bd. Of Regents of Univ. of Wis.*, 2017 WI App 80, 378 Wis. 2d 740 (unpublished): Notes that are “distributed to others for the purpose of communicating information” are not notes an originator generates for his or her own personal use. Notes shared with others and used to draft meeting minutes or notes taken as part of duties/employment obligations were not generated for personal use and, thus, were “records” subject to disclosure.

- ii. Materials which are purely the personal property of the custodian and have no relation to his or her office;
- iii. Materials to which access is limited by copyright, patent or bequest; and
- iv. Published materials in the possession of an authority other than a public library which are available for sale, or which are available for inspection at a public library. Wis. Stat. § 19.32(2).

c. Electronic Communications: Special Considerations

i. Emails.

- (1) Emails relating to Board/Village business sent or received using Village email account → Record. Proceed to Step Two.
- (2) Purely personal emails sent or received using Village email account → Record. Proceed to Step Two. (Note: purely personal content that does not show violation of law or policy need not be disclosed. See *Schill v. Wisconsin Rapids Sch. Dist.*, 2010 WI 86).

- (3) Emails sent or received using a personal email account → Depends. Content determines whether it is a record. Does it relate to Village/Board business?

ii. Text Messaging.

iii. Social Media, Blogs, Websites, Etc.

- (1) Content posted to social media sites by or on behalf of an authority (including elected officials) is a record if it relates to government business.

- (2) Wis. Att’y Gen. Informal Op. I-06-09 (December 23, 2009)

“Ms. Valentine is evidently using this website as a vehicle to communicate with constituents about town governance and operational matters. A website created by Ms. Valentine on her own computer and at her own expense that included purely personal content (e.g., sharing pictures of family vacations, or solely limited to a political campaign), would likely not constitute a record, nor might her comments in a restricted group website to which she belonged in her personal capacity. But a website called ‘Making Salem Better’ in which the town chair actively presents and receives written communication on matters of public interest that relate to the chair’s official duties (library board representation, a high school addition project, and a round-about intersection), seems to be connected with that town chair’s official purpose or function regardless of Ms. Valentine’s claim that she intended to act in a personal capacity.

Under the public records law and the facts as you have presented them, it is more likely than not that the contents of ‘Making Salem Better’ are a public record. If so, any requester may have a right of inspection of the website unless the town chair ‘makes a specific demonstration that there is a need to restrict public access at the time that the request to inspect or copy, the record is made.’ Sec. 19.35(1)(a), Wis. Stats.”

d. **Additional Potential Issues Associated with the Use of Social Media and Other Electronic Communications**

In addition to the issues that may arise under the Open Meetings Law and Public Records Law with the use of electronic

communications by Board Members, there are other potential concerns if Board Members use personal social networking media sites—whether personal websites/blogs or through commercial website such as Facebook—to communicate with constituents on Board business.

i. **Public Perception That Individual Board Member’s Communication Is Representative of the Collective Board.**

No individual Board member may bind the Board to any specific action. Further, individual Board members may not speak on behalf of the Board unless specifically directed to do so by Board. However, members of the public may not understand or even be aware of this and thus, may perceive that comments/opinions by an individual Board member on his/her website/blog are representative of the entire Board.

ii. **Mixed Messages to the Public.**

When multiple people are communicating messages to the public on Board business, it may result in confusion as to which of the communications is the “official” Board communication. To avoid confusion, best practice is generally that one person is responsible for communicating with the general public regarding Board business. Further, if multiple people are communicating with the public on matters of Board business, the public may receive inconsistent information which may lead to further confusion.

iii. **Matters Predetermined by a Board Member.**

Perhaps one of the most significant concerns that may arise if Board members are engaged in communications with members of the public on matters before the Board is the perception perceived that Board members have predetermined the outcome of a matter of Board business. If the matter is on an upcoming Board agenda and individual Board members communicate their position in advance, without having heard all of the information to be presented to the entire Board and without the benefit of the Board deliberation, the public may perceive that the Board member has predetermined the course of action he/she would support. Thus, public may perceive that their comments or point of view will be considered by the Board member.

- iv. Best Practice is to Avoid Commenting on Board Business through Social Media.

2. Step Two: Does a Statute or Court Decision Require or Prohibit Disclosure?

Examples of records that are exempt from disclosure by statute or court decision:

- a. The Public Records Law lists records specifically exempt from disclosure, including, for example:

Employee Personnel Records: ¹“Unless access is specifically authorized or required by statute, an authority shall not provide access to records containing the following information, except to an employee or employee’s representative under Wis. Stat. § 103.13, or to a recognized or certified collective bargaining representative to the extent required to fulfill a duty to bargain under Ch. 111:

- i. Information maintained, prepared, or provided by an employer concerning the home address, home electronic mail address, home telephone number, or social security number of an employee, unless the employee authorizes the authority to provide access to such information.
- ii. Information relating to the current investigation of a possible criminal offense or possible misconduct connected with employment by an employee prior to disposition of the investigation.
- iii. Information pertaining to an employee's employment examination, except an examination score if access to that score is not otherwise prohibited.
- iv. Information relating to one or more specific employees that is used by an authority or by the employer of the employees for staff management planning, including performance evaluations, judgments, or recommendations concerning future salary adjustments or other wage treatments, management bonus plans, promotions, job assignments, letters of reference, or other comments or ratings relating to employees.”

Wis. Stat. § 19.36(10).

- v. Records of an Individual Holding a Local Public Office or State Public Office. Unless access is specifically authorized

¹ This exemption does not apply to individuals who hold local public office.

or required by statute, an authority shall not provide access under s. 19.35 (1) to records, except to an individual to the extent required under s. 103.13, containing information maintained, prepared, or provided by an employer concerning the home address, home electronic mail address, home telephone number, or social security number of an individual who holds a local public office or a state public office, unless the individual authorizes the authority to provide access to such information. Wis. Stat. § 19.36(11).

b. Examples of Other Statutory Exemptions:

- i. Student Records – See FERPA and Wis. Stat. § 118.125.
- ii. Patient Health Care Records – See HIPAA and Wis. Stat. § 146.82.
- iii. Attorney Client Privilege – Wis. Stat. § 905.03.

c. Examples of Court Decision Exemptions:

- i. Attorney Client Privilege – See *George v. Record Custodian*, 169 Wis. 2d 573 (1992).
- ii. Purely personal emails sent or received by employees or officers on an authority’s computer system that evince no violation of law or policy. *Schill v. Wisconsin Rapids Sch. Dist.*, 2010 WI 86.

d. Note: If a record contains information that may be made public and information that may not be made public, the governmental entity having custody of the record shall provide the information that may be made public and delete/redact the information that may not be made public from the record before release. Wis. Stat. § 19.36(6).

3. Step Three: Apply the Balancing Test.

a. In determining whether or not to permit access to a record:

. . . . the custodian of the records must weigh the competing interests involved and determine whether permitting inspection would result in harm to the public interests which outweighs the legislative policy recognizing the public interest in allowing inspection. *Newspapers, Inc. v. Breier*, 89 Wis. 2d 417, 279 N.W.2d 179 (1979).

- b. The balancing test is a fact-intensive, individualized analysis. All relevant factors and circumstances can and should be considered.
 - c. Public policies that may be considered when applying the balancing test include the exemptions to the requirement of a governmental body to meet in open session under Wis. Stat. § 19.85. However, the exemptions in Wis. Stat. § 19.85 may be used as grounds for denying public access to a record only if the governmental entity or legal custodian makes a specific demonstration that there is a need to restrict public access at the time that the request to inspect or copy the record is made. Wis. Stat. § 19.35(1)(a).
4. Step Four: Is Notice Required before Requested Records are Released?
- a. Notice of the Right to Augment.
 - i. If the District decides to permit access to a record containing information relating to a subject of the record who is an employee holding local public office, Wis. Stat. 19.356(9) requires the District to first provide the individual with notice of the decision, describe the records being released, and inform the individual of his/her right to augment the records within 5 days after receipt of the notice.
 - ii. “‘Local public office’ has the meaning given in s. 19.42(7w), and also includes any appointive office or position of a local governmental unit in which an individual serves as the head of a department, agency, or division of the local governmental unit, but does not include any office or position filled by a municipal employee, as defined in s. 111.70(1)(i).” Wis. Stat. § 19.32(1dm).
 - iii. Office of the Attorney General Opinion 2-18 - Sub. (9) does not apply when a record contains information relating to a record subject who is an officer or employee who formerly held a local or state public office. The provision only applies when an officer or employee of the authority currently holds a local or state public office. Also, the authority only need to provide notice if the record relates to the “public official” in a substantial way.
 - b. Notice of the Right to Challenge Release of the Requested Record.
 - i. If the District decides to permit access to one of the following categories of information relating to an employee (not a local public official), Wis. Stat. § 19.356(2) requires the District

to first provide the subject of the record with notice of the decision, describe the records being released, and include a description of the individual's right to seek a court order restraining the District from providing access to the record.

- ii. A record containing information relating to an employee that is created or kept by the authority and that is the result of an investigation into a disciplinary matter involving the employee or possible employment-related violation by the employee of a statute, ordinance, rule, regulation, or policy of the employee's employer.
- iii. A record obtained by the authority through a subpoena or search warrant.
- iv. A record prepared by an employer other than an authority, if that record contains information relating to an employee of that employer, unless the employee authorizes the authority to provide access to that information.

V. Enforcement and Penalties.

- 1. If a governmental entity withholds a record or a part of a record or delays granting access to a record or part of a record after a written request for disclosure is made, the requestor may:
 - a. Bring an action for mandamus asking a court to order release of the record; and
 - b. Request in writing that the district attorney of the county where the record is found or attorney general bring an action for mandamus asking a court to order release of the record to the requestor.
- 2. Sections 893.80 and 893.82, Wis. Stats., do not apply to actions commenced under this section.
- 3. If the requestor prevails in a mandamus action in whole or substantial part, the requestor may recover:
 - a. Damages of not less than \$100.
 - b. Court costs and reasonable attorney's fees.
 - c. Punitive damages for arbitrary and capricious denial of access, delay in responding to a request or for charging excessive fees.

4. A district attorney or the attorney general may seek forfeiture of up to \$1,000 for arbitrary and capricious denial of access, delay in response or for charging excessive fees. The authority or legal custodian responsible is assessed the penalty.
5. Costs, fees and damages (other than the penalty/punitive damages for arbitrary or capricious denial of access) are paid by the authority or legal custodian and do not become a personal liability of any public official.

ROLE OF VILLAGE BOARD

I. Composition.

“The village board shall consist of the village president and six trustees.” Thiensville Code of Ordinance, Sec. 2-31.

II. Duties and Power.

1. “The village president and trustees constituting the village board shall have such duties and powers as are enumerated in Wis. Stats. ch. 61 and elsewhere in the Wisconsin Statutes.” Sec. 2-35.
2. “The village board shall have all powers of the village not specifically given to some other body or officer. Except as otherwise provided by law, the village board shall have the management and control of the village property, finances, highways, streets, utilities and the public services and may act for the government and good order of the village, for its commercial benefit and for the health, safety, welfare and convenience of the public and may carry its powers into effect by license, regulations, suppression, borrowing, taxation, special assessment, appropriation, imposition of other necessary or convenient means. The village board shall have the authority to conduct background investigations on applicants for employment with the village to ascertain suitability for employment and may authorize the appropriate agency, department, or committee to conduct such investigation. This investigation may include, but shall not be limited to, the review of personal and employment references, criminal history, credit check, finger print records, psychological testing, and medical examinations. The powers hereby conferred shall be in addition to all other grants and shall be limited only by express language.” Sec. 2-38

III. Role of Individual Members.

1. Trustees are leaders, responsible for setting policy and charting the future of the municipality.
2. Although the statutes provide some detail as to the duties and powers of city mayors and village presidents, the statutes provide no detail regarding the duties and authority of alders and trustees.
 - a. This lack of detail reflects the fact that alders and trustees do not have authority in their individual capacity
 - b. Instead, the statutes address the responsibilities and powers of village boards and common councils as a whole.

- c. This is because the governing body's authority is collective; it holds power as a unit rather than through its individual members.
- 3. This does not mean individual governing body members are prohibited from doing anything related to their roles outside of the common council or village board meeting setting.
 - a. They may still carry out certain functions of their role as an alder or trustee.
 - i. For example, governing body members can and should function as a liaison between the municipality and the members' constituents. Alders and trustees may engage with their constituents – e.g., hold listening sessions, write newsletters, survey constituents.
 - b. However, certain actions remain outside the scope of the role as alder or trustee.
 - i. For example, individual governing body members do not have supervisory authority over municipal employees and, as such, should refrain from directing municipal staff.
 - c. While it's not necessarily inappropriate to request information from staff, governing body members should not demand that certain information be provided or actions taken unless local law authorizes governing body members to do so – such actions stray into executive authority territory.
- 4. Key: Recognize the authority lies with the Board as a whole, and not with individual members.
 - a. When interacting with the public, make sure to adhere to this role and do not overstep individual authority.
 - b. Do not operate as the Board when in an individual capacity.

VILLAGE OF THIENSVILLE
RESOLUTION 2026-11

WISCONSIN DEPARTMENT OF NATURAL RESOURCES
NR 208 – COMPLIANCE MAINTENANCE RESOLUTION

WHEREAS, it is a requirement under the Wisconsin Pollutant Discharge Elimination System (WPDES) permit issued by the Wisconsin Department of Natural Resources to file a Compliance Maintenance Annual Report (CMAR) for its wastewater collection system under Wisconsin Administrative Code NR 208; and

WHEREAS, it is necessary to acknowledge that the governing body has reviewed the Compliance Maintenance Annual Report (CMAR); and

WHEREAS, it is necessary to provide recommendations or an action response plan for all individual CMAR section grades of “C” or less and/or an overall grade-point average (<3.00).

NOW, THEREFORE BE IT RESOLVED by the Village Board that the Village of Thiensville received 100% - grade “A” and no corrective action is necessary.

PASSED AND ADOPTED by the Village Board of the Village of Thiensville, County of Ozaukee, State of Wisconsin on this 15th day of June, 2026.

John Rosing, Village President

Colleen Landisch-Hansen, Village Clerk

Compliance Maintenance Annual Report

Thiensville Sewage Collection System

Last Updated: Reporting For:
5/29/2026 **2025**

Financial Management

<p>1. Provider of Financial Information</p> <p>Name: <input style="width: 300px;" type="text" value="COLLEEN LANDISCH-HANSEN"/></p> <p>Telephone: <input style="width: 150px;" type="text" value="262-242-3720"/> (XXX) XXX-XXXX</p> <p>E-Mail Address (optional): <input style="width: 300px;" type="text" value="CLANDISCH@THIENSVILLE.GOV"/></p>													
<p>2. Treatment Works Operating Revenues</p> <p>2.1 Are User Charges or other revenues sufficient to cover O&M expenses for your wastewater treatment plant AND/OR collection system ?</p> <p>● Yes (0 points) <input type="checkbox"/><input type="checkbox"/></p> <p>○ No (40 points)</p> <p>If No, please explain:</p> <div style="border: 1px solid black; height: 20px; width: 100%;"></div> <p>2.2 When was the User Charge System or other revenue source(s) last reviewed and/or revised?</p> <p>Year: <input style="width: 100px;" type="text" value="2025"/></p> <p>● 0-2 years ago (0 points) <input type="checkbox"/><input type="checkbox"/></p> <p>○ 3 or more years ago (20 points) <input type="checkbox"/><input type="checkbox"/></p> <p>○ N/A (private facility)</p> <p>2.3 Did you have a special account (e.g., CFWP required segregated Replacement Fund, etc.) or financial resources available for repairing or replacing equipment for your wastewater treatment plant and/or collection system?</p> <p>● Yes (0 points)</p> <p>○ No (40 points)</p>	0												
<p>REPLACEMENT FUNDS [PUBLIC MUNICIPAL FACILITIES SHALL COMPLETE QUESTION 3]</p>													
<p>3. Equipment Replacement Funds</p> <p>3.1 When was the Equipment Replacement Fund last reviewed and/or revised?</p> <p>Year: <input style="width: 100px;" type="text" value="2025"/></p> <p>● 1-2 years ago (0 points) <input type="checkbox"/><input type="checkbox"/></p> <p>○ 3 or more years ago (20 points) <input type="checkbox"/><input type="checkbox"/></p> <p>○ N/A</p> <p>If N/A, please explain:</p> <div style="border: 1px solid black; height: 20px; width: 100%;"></div>													
<p>3.2 Equipment Replacement Fund Activity</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">3.2.1 Ending Balance Reported on Last Year's CMAR</td> <td style="width: 5%; text-align: right;">\$</td> <td style="width: 35%; text-align: right;"><input style="width: 150px;" type="text" value="302,142.93"/></td> </tr> <tr> <td>3.2.2 Adjustments - if necessary (e.g. earned interest, audit correction, withdrawal of excess funds, increase making up previous shortfall, etc.)</td> <td style="text-align: right;">\$</td> <td style="text-align: right;"><input style="width: 150px;" type="text" value="0.00"/></td> </tr> <tr> <td>3.2.3 Adjusted January 1st Beginning Balance</td> <td style="text-align: right;">\$</td> <td style="text-align: right;"><input style="width: 150px;" type="text" value="302,142.93"/></td> </tr> <tr> <td>3.2.4 Additions to Fund (e.g. portion of User Fee, earned interest, etc.)</td> <td style="text-align: right;">+</td> <td style="text-align: right;"><input style="width: 150px;" type="text" value="31,201.44"/></td> </tr> </table>	3.2.1 Ending Balance Reported on Last Year's CMAR	\$	<input style="width: 150px;" type="text" value="302,142.93"/>	3.2.2 Adjustments - if necessary (e.g. earned interest, audit correction, withdrawal of excess funds, increase making up previous shortfall, etc.)	\$	<input style="width: 150px;" type="text" value="0.00"/>	3.2.3 Adjusted January 1st Beginning Balance	\$	<input style="width: 150px;" type="text" value="302,142.93"/>	3.2.4 Additions to Fund (e.g. portion of User Fee, earned interest, etc.)	+	<input style="width: 150px;" type="text" value="31,201.44"/>	
3.2.1 Ending Balance Reported on Last Year's CMAR	\$	<input style="width: 150px;" type="text" value="302,142.93"/>											
3.2.2 Adjustments - if necessary (e.g. earned interest, audit correction, withdrawal of excess funds, increase making up previous shortfall, etc.)	\$	<input style="width: 150px;" type="text" value="0.00"/>											
3.2.3 Adjusted January 1st Beginning Balance	\$	<input style="width: 150px;" type="text" value="302,142.93"/>											
3.2.4 Additions to Fund (e.g. portion of User Fee, earned interest, etc.)	+	<input style="width: 150px;" type="text" value="31,201.44"/>											

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3.2.5 Subtractions from Fund (e.g., equipment replacement, major repairs - use description box 3.2.6.1 below*)

- \$ 0.00

3.2.6 Ending Balance as of December 31st for CMAR Reporting Year

\$ 333,344.37

All Sources: This ending balance should include all Equipment Replacement Funds whether held in a bank account(s), certificate(s) of deposit, etc.

3.2.6.1 Indicate adjustments, equipment purchases, and/or major repairs from 3.2.5 above.

3.3 What amount should be in your Replacement Fund? \$ 191,960.00

0

Please note: If you had a CFWP loan, this amount was originally based on the Financial Assistance Agreement (FAA) and should be regularly updated as needed. Further calculation instructions and an example can be found by clicking the SectionInstructions link under Info header in the left-side menu.

3.3.1 Is the December 31 Ending Balance in your Replacement Fund above, (#3.2.6) equal to, or greater than the amount that should be in it (#3.3)?

- Yes
- No

If No, please explain.

4. Future Planning

4.1 During the next ten years, will you be involved in formal planning for upgrading, rehabilitating, or new construction of your treatment facility or collection system?

- Yes - If Yes, please provide major project information, if not already listed below.
- No

Project #	Project Description	Estimated Cost	Approximate Construction Year
1	2024 SANITARY SEWER IMPROVEMENTS (ALTA LOMA DR, LINDEN LN, N MAIN ST, VILLAGE PARK, & W. ALTA LOMA CIR)	\$227,000	2026
2	2025 SANITARY SEWER IMPROVEMENTS (GREEN BAY RD, PARK CREST DR, ROSEDALE DR, & VERNON AVE)	\$229,000	2027
3	2026 SANITARY SEWER IMPROVEMENTS (BUNTROCK AVE, CRESCENT LN, E FREISTADT RD, ELLENBECKER RD, LUISITA RD, N ORCHARD ST, OAKWOOD DR, S HIGHLAND AVE, & S ORCHARD ST, & SUNNY LN)	\$228,000	2027

5. Financial Management General Comments

ENERGY EFFICIENCY AND USE

6. Collection System

6.1 Energy Usage

6.1.1 Enter the monthly energy usage from the different energy sources:

COLLECTION SYSTEM PUMPAGE: Total Power Consumed

Number of Municipally Owned Pump/Lift Stations:

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	Electricity Consumed (kWh)	Natural Gas Consumed (therms)
January	12,320	8
February	10,640	0
March	11,000	0
April	13,920	0
May	10,160	9
June	9,240	0
July	6,520	0
August	6,560	0
September	5,360	0
October	5,400	0
November	5,640	0
December	13,560	8
Total	110,320	25
Average	9,193	8

6.1.2 Comments:

6.2 Energy Related Processes and Equipment

6.2.1 Indicate equipment and practices utilized at your pump/lift stations (Check all that apply):

- Comminution or Screening
- Extended Shaft Pumps
- Flow Metering and Recording
- Pneumatic Pumping
- SCADA System
- Self-Priming Pumps
- Submersible Pumps
- Variable Speed Drives
- Other:

6.2.2 Comments:

6.3 Has an Energy Study been performed for your pump/lift stations?

- No
- Yes

Year:

By Whom:

Describe and Comment:

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6.4 Future Energy Related Equipment

6.4.1 What energy efficient equipment or practices do you have planned for the future for your pump/lift stations?

CONTINUED OPTIMIZATION OF PUMP THEORY/PROGRAMMING

Total Points Generated	0
Score (100 - Total Points Generated)	100
Section Grade	A

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Sanitary Sewer Collection Systems

1. Capacity, Management, Operation, and Maintenance (CMOM) Program

1.1 Do you have a CMOM program that is being implemented?

- Yes
- No

If No, explain:

1.2 Do you have a CMOM program that contains all the applicable components and items according to Wisc. Adm Code NR 210.23 (4)?

- Yes
- No (30 points)
- N/A

If No or N/A, explain:

1.3 Does your CMOM program contain the following components and items? (check the components and items that apply)

- Goals [NR 210.23 (4)(a)]

Describe the major goals you had for your collection system last year:

- COMPLY WITH THE CONDITIONS OF THE WPDES PERMIT
- MINIMIZE OCCURRENCE OF PREVENTABLE OVERFLOWS
- IMPROVE OR MAINTAIN SYSTEM RELIABILITY
- REDUCE THE POTENTIAL THREAT TO HUMAN HEALTH FROM SEWER OVERFLOWS
- PROVIDE ADEQUATE CAPACITY TO CONVEY PEAK FLOW
- CONTINUE TO MANAGE INFILTRATION AND INFLOW
- PROTECT COLLECTION SYSTEM WORKER HEALTH AND SAFETY

Did you accomplish them?

- Yes
- No

If No, explain:

- Organization [NR 210.23 (4) (b)]

Does this chapter of your CMOM include:

- Organizational structure and positions (eg. organizational chart and position descriptions)
- Internal and external lines of communication responsibilities
- Person(s) responsible for reporting overflow events to the department and the public

- Legal Authority [NR 210.23 (4) (c)]

What is the legally binding document that regulates the use of your sewer system?

VILLAGE ORDINANCE

If you have a Sewer Use Ordinance or other similar document, when was it last reviewed and revised? (MM/DD/YYYY) 2004-03-15

Does your sewer use ordinance or other legally binding document address the following:

- Private property inflow and infiltration
- New sewer and building sewer design, construction, installation, testing and inspection
- Rehabilitated sewer and lift station installation, testing and inspection
- Sewage flows satellite system and large private users are monitored and controlled, as necessary
- Fat, oil and grease control
- Enforcement procedures for sewer use non-compliance
- Operation and Maintenance [NR 210.23 (4) (d)]

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Does your operation and maintenance program and equipment include the following:

- Equipment and replacement part inventories
- Up-to-date sewer system map
- A management system (computer database and/or file system) for collection system information for O&M activities, investigation and rehabilitation
- A description of routine operation and maintenance activities (see question 2 below)
- Capacity assessment program
- Basement back assessment and correction
- Regular O&M training
- Design and Performance Provisions [NR 210.23 (4) (e)]

What standards and procedures are established for the design, construction, and inspection of the sewer collection system, including building sewers and interceptor sewers on private property?

- State Plumbing Code, DNR NR 110 Standards and/or local Municipal Code Requirements
- Construction, Inspection, and Testing
- Others:

- Overflow Emergency Response Plan [NR 210.23 (4) (f)]

Does your emergency response capability include:

- Responsible personnel communication procedures
- Response order, timing and clean-up
- Public notification protocols
- Training
- Emergency operation protocols and implementation procedures

- Annual Self-Auditing of your CMOM Program [NR 210.23 (5)]

- Special Studies Last Year (check only those that apply):

- Infiltration/Inflow (I/I) Analysis
- Sewer System Evaluation Survey (SSES)
- Sewer Evaluation and Capacity Management Plan (SECAP)
- Lift Station Evaluation Report
- Others:

2. Operation and Maintenance

2.1 Did your sanitary sewer collection system maintenance program include the following maintenance activities? Complete all that apply and indicate the amount maintained.

Cleaning	<input style="width: 100px; text-align: center;" type="text" value="25"/>	% of system/year
Root removal	<input style="width: 100px; text-align: center;" type="text" value="5"/>	% of system/year
Flow monitoring	<input style="width: 100px; text-align: center;" type="text" value="100"/>	% of system/year
Smoke testing	<input style="width: 100px; text-align: center;" type="text" value="0"/>	% of system/year
Sewer line televising	<input style="width: 100px; text-align: center;" type="text" value="10"/>	% of system/year
Manhole inspections	<input style="width: 100px; text-align: center;" type="text" value="25"/>	% of system/year
Lift station O&M	<input style="width: 100px; text-align: center;" type="text" value="250"/>	# per L.S./year
Manhole rehabilitation	<input style="width: 100px; text-align: center;" type="text" value="0"/>	% of manholes rehabbed
Mainline rehabilitation	<input style="width: 100px; text-align: center;" type="text" value="25"/>	% of sewer lines rehabbed

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Private sewer inspections % of system/year
 Private sewer I/I removal % of private services
 River or water crossings % of pipe crossings evaluated or maintained

Please include additional comments about your sanitary sewer collection system below:

3. Performance Indicators

3.1 Provide the following collection system and flow information for the past year.

Total actual amount of precipitation last year in inches
 Annual average precipitation (for your location)
 Miles of sanitary sewer
 Number of lift stations
 Number of lift station failures
 Number of sewer pipe failures
 Number of basement backup occurrences
 Number of complaints
 Average daily flow in MGD (if available)
 Peak monthly flow in MGD (if available)
 Peak hourly flow in MGD (if available)

3.2 Performance ratios for the past year:

Lift station failures (failures/year)
 Sewer pipe failures (pipe failures/sewer mile/yr)
 Sanitary sewer overflows (number/sewer mile/yr)
 Basement backups (number/sewer mile)
 Complaints (number/sewer mile)
 Peaking factor ratio (Peak Monthly:Annual Daily Avg)
 Peaking factor ratio (Peak Hourly:Annual Daily Avg)

4. Overflows

LIST OF SANITARY SEWER (SSO) AND TREATMENT FACILITY (TFO) OVERFLOWS REPORTED **

Date	Location	Cause	Estimated Volume
None reported			

** If there were any SSOs or TFOs that are not listed above, please contact the DNR and stop work on this section until corrected.

5. Infiltration / Inflow (I/I)

5.1 Was infiltration/inflow (I/I) significant in your community last year?

- Yes
- No

If Yes, please describe:

Compliance Maintenance Annual Report

Thiensville Sewage Collection System

Last Updated: Reporting For:
5/29/2026 **2025**

5.2 Has infiltration/inflow and resultant high flows affected performance or created problems in your collection system, lift stations, or treatment plant at any time in the past year?

Yes

No

If Yes, please describe:

5.3 Explain any infiltration/inflow (I/I) changes this year from previous years:

THE VILLAGE CONTINUES TO SEE GRADUAL IMPROVEMENTS AS SANITARY SEWER REHABILITATION PROJECTS ARE COMPLETED. REPAIRS TO DEFECTIVE PIPES, JOINTS, AND SERVICE CONNECTIONS HAVE REDUCED SOURCES OF INFILTRATION IN TARGETED AREAS.

5.4 What is being done to address infiltration/inflow in your collection system?

THE VILLAGE IS IN YEAR 4 OF A 5 YEAR SANITARY SEWER REHABILITATION PROGRAM. EFFORTS INCLUDE PIPE LINING, SPOT REPAIRS, GROUTING, AND REPLACEMENT OF DETERIORATED SEWER SEGMENTS IDENTIFIED THROUGH SYSTEM-WIDE CCTV INSPECTIONS.

Total Points Generated	0
Score (100 - Total Points Generated)	100
Section Grade	A

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Thiensville Sewage Collection System

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Grading Summary

WPDES No: 0047341

SECTIONS	LETTER GRADE	GRADE POINTS	WEIGHTING FACTORS	SECTION POINTS
Financial	A	4	1	4
Collection	A	4	3	12
TOTALS			4	16
GRADE POINT AVERAGE (GPA) = 4.00				

Notes:

- A = Voluntary Range (Response Optional)
- B = Voluntary Range (Response Optional)
- C = Recommendation Range (Response Required)
- D = Action Range (Response Required)
- F = Action Range (Response Required)

Compliance Maintenance Annual Report

Thiensville Sewage Collection System

Last Updated: Reporting For:
5/29/2026 **2025**

Resolution or Owner's Statement

Name of Governing
Body or Owner:

VILLAGE OF THIENSVILLE - BOARD OF

Date of Resolution or
Action Taken:

2026-06-15

Resolution Number:

2026-11

Date of Submittal:

ACTIONS SET FORTH BY THE GOVERNING BODY OR OWNER RELATING TO SPECIFIC CMAR SECTIONS (Optional for grade A or B. Required for grade C, D, or F):

Financial Management: Grade = A

Collection Systems: Grade = A

(Regardless of grade, response required for Collection Systems if SSOs were reported)

ACTIONS SET FORTH BY THE GOVERNING BODY OR OWNER RELATING TO THE OVERALL GRADE POINT AVERAGE AND ANY GENERAL COMMENTS

(Optional for G.P.A. greater than or equal to 3.00, required for G.P.A. less than 3.00)

G.P.A. = 4.00

Presentation to the Village Board of the Village of Thiensville

1. Objective of the audit was to express our opinion on your financial statements.
2. Reports issued
 - a. Village Financial statements – Unmodified opinion, commonly referred to as a “clean” opinion
 - i. Highest level of assurance you can receive from your auditor.
 - ii. Financial statements are presented “fairly” in accordance with generally accepted accounting principles
 - b. Reporting and Insights 2025 audit
 - i. Financial Statement Close Process (Library)
3. Financial highlights
 - a. Governmental Funds

	General Fund	Tax Incremental District #2	Stormwater Management Fund	Capital Improvement Fund	Nonmajor Governmental Funds
Current year activity					
Revenues and other sources	\$ 3,151,338	\$ 331,808	\$ 58,250	\$ 1,373,220	\$ 184,685
Expenditures and other uses	3,478,083	585,507	534,953	1,628,900	722,827
Change in fund balances	\$ (326,745)	\$ (253,699)	\$ (476,703)	\$ (255,680)	\$ (538,142)
Fund Balance					
Nonspendable	\$ 828,374	\$ 765	\$ 314	\$ 3,086	\$ -
Restricted	-	-	-	-	2,500
Committed	138,171	-	-	-	-
Assigned	100,000	-	-	-	-
Unassigned (deficit)	138,283	(748,427)	(522,366)	(2,166)	(195,261)
Total	\$ 1,204,828	\$ (747,662)	\$ (522,052)	\$ 920	\$ (192,761)

b. General fund budget

	Final Budget	Actual	Variance: Favorable (unfavorable)
Revenues	\$ 3,246,914	\$ 3,151,338	\$ (95,576)
Expenditures	3,256,984	3,148,153	108,831
Excess (deficiency)	(10,070)	3,185	13,255
Other financing uses	(329,930)	(329,930)	-
Net change in fund balance	\$ (340,000)	\$ (326,745)	\$ 13,255

c. Enterprise Fund

	<u>Sewer Utility</u>
Current year activity	
Operating revenues	\$ 1,143,347
Operating expenses	<u>1,154,449</u>
Operating income	(11,102)
Nonoperating revenue	<u>41,017</u>
Change in net position	<u>\$ 29,915</u>
Unrestricted net position	<u>\$ 781,118</u>

d. Long-term debt

	<u>Governmental Activities</u>
Other liabilities, including unamortized premiums	\$ 193,603
GO bonds	<u>4,195,000</u>
Total long-term debt 2025	<u>\$ 4,388,603</u>
Total long-term debt 2024	<u>\$ 4,608,952</u>
Statutory debt limit (5% of equalized value)	\$ 29,572,375
Capacity for additional general obligation debt	\$ 25,377,375

4. Questions? Please contact me at 414.777.5423 or wendi.unger@bakertilly.com.

Village of Thiensville

Financial Statements and
Supplementary Information

December 31, 2025

Village of Thiensville

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INDEPENDENT AUDITORS' REPORT

Independent Auditors' Report

To the Village Board of
Village of Thiensville

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Thiensville (the Village), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village, as of December 31, 2025 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

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

Supplementary Information

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

Baker Tilly US, LLP

Milwaukee, Wisconsin
May 14, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS



**Management's Discussion and Analysis
(Unaudited)
As of and for the Year Ended December 31, 2025**

The management of the Village of Thiensville provides this narrative overview and analysis of the Village's financial activities for the fiscal year ended December 31, 2025. This discussion should be read in conjunction with the Village's basic financial statements and accompanying notes.

The Village of Thiensville, incorporated in 1910, is a community of approximately 3,300 residents located along the Milwaukee River in Ozaukee County, Wisconsin about 15 miles north of Milwaukee. The Village's location provides convenient access to regional employment centers, with many residents commuting to work in Milwaukee, Waukesha, Sheboygan and other surrounding communities.

The Village of Thiensville is a historic community with walkable character that continues to prioritize maintaining infrastructure and community assets through structured capital improvement planning.

Financial Highlights

- ❖ As of December 31, 2025, the Village's total net position was \$17,539,624, an increase of \$35,694 from the prior year.
- ❖ Governmental funds reported a combined ending fund balance deficit of \$257,727, primarily attributable to deficit fund balances in the Tax Incremental District No. 2 and Stormwater Management funds, along with the timing of project expenditures and the receipt of related revenues, including state and federal capital grants.
- ❖ The General Fund unassigned fund balance totaled \$138,283, representing 4.0% of total General Fund expenditures and transfers out. This decrease reflects the planned use of fund balance and reserves to support Tax Incremental District No. 2 activities and capital needs during the year.
- ❖ The Village received \$709,012 in capital grants and contributions, supporting major projects including Village Park improvements and Phase II of the Pigeon Creek restoration.
- ❖ Governmental activities increased net position by \$5,779, while business-type activities increased net position by \$29,915, resulting in a total increase of \$35,694.
- ❖ The General Fund decreased by \$326,745, primarily due to planned transfers and use of reserve funds to support capital and special revenue fund activities.
- ❖ Approximately 88.1% of the Village's net position is invested in capital assets, reflecting the Village's continued investment in infrastructure and long-term community assets.

Overview of the Financial Statements

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

Government-Wide Financial Statements (Pages 1 – 2)

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

The statement of net position presents information on all of the Village's assets, liabilities and deferred inflows/outflows of resources, with the difference 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) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village include general government, public safety, health and sanitation, highway and transportation, library and park. The business-type activities of the Village include a Sewer Utility.

Fund Financial Statements

A “fund” is a grouping 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 three categories; governmental funds, proprietary funds and fiduciary funds.

Governmental Funds (Pages 3 – 8)

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 financial 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 5 individual governmental funds. 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, the Capital Improvement Fund, the Stormwater Management Fund and the Tax Incremental District #2 Fund, which are considered to be major funds.

Data from the other fund is combined into a single, aggregate presentation under the heading “Nonmajor Governmental Funds.” Individual fund data for each of the nonmajor governmental funds is provided in the form of “combining statement” elsewhere in this report.

Proprietary Funds (Pages 9 – 11)

The Village maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Village uses an enterprise fund to account for its Sewer Utility.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Sewer Utility, which is considered to be a major fund of the Village of Thiensville.

Fiduciary Fund (Pages 12 – 13)

Custodial funds are used to account for assets held for the benefit of parties outside the government. These 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. The Village maintains a custodial fund for the F.L. Weyenberg Library and the Tax Collection Fiduciary Fund which records the tax roll and tax collections for other taxing jurisdictions within the Village.

Notes to the Financial Statements (Pages 15 – 42)

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information (Pages 43 – 47)

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's compliance with its adopted budgets for the general fund and major special revenue funds, along with the Village's share of the net pension liability (asset) with the Wisconsin Retirement System.

Supplementary Information (Pages 48 – 59)

The combining statements referred to earlier in connection with nonmajor governmental funds and fiduciary funds, and detailed schedules of revenues and expenditures of the general fund compared to budget are presented immediately following the required supplementary information.

Government-Wide Financial Analysis

As of December 31, 2025, the Village's total net position equaled \$17,539,624, with the largest portion (88.1%) representing the Village's net investment in capital assets. The Village reports land, buildings, improvements other than buildings, machinery and equipment, furniture and fixtures and infrastructure.

Village of Thiensville - Statement of Net Position

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current & other assets	\$ 5,630,822	\$ 6,374,176	\$ 1,145,850	\$ 1,309,677	\$ 6,776,672	\$ 7,683,853
Capital assets	13,510,606	12,440,287	5,398,273	5,237,475	18,908,879	17,677,762
Total assets	19,141,428	18,814,463	6,544,123	6,547,152	25,685,551	25,361,615
Pension related amounts	909,842	1,290,336	35,821	56,136	945,663	1,346,472
Total deferred outflows of resources	909,842	1,290,336	35,821	56,136	945,663	1,346,472
Long term liabilities outstanding	4,541,196	4,753,359	8,242	7,944		4,761,303
Other liabilities	407,717	187,491	49,744	85,494	457,461	272,985
Total liabilities	4,948,913	4,940,850	57,986	93,438	5,006,899	5,034,288
Unearned revenues	2,839,702	2,556,768	-	-	2,839,702	2,556,768
Pension related amounts	465,659	795,321	9,223	27,030	474,882	822,351
Unearned lease revenue	770,107	790,750	-	-	770,107	790,750
Total deferred inflows of resources	4,075,468	4,142,839	9,223	27,030	4,084,691	4,169,869
Net Position:						
Net investment in capital assets	9,260,174	9,025,692	5,398,273	5,237,475	14,658,447	14,263,167
Restricted	2,500	267,597	333,344	302,143	335,844	569,740
Unrestricted	1,764,215	1,727,821	781,118	943,202	2,545,333	2,671,023
Total net position	\$ 11,026,889	\$ 11,021,110	\$ 6,512,735	\$ 6,482,820	\$ 17,539,624	\$ 17,503,930

Net position increased by \$35,694 in 2025. Governmental activities increased by \$5,779, while business-type activities increased by \$29,915. The increase in governmental net position is primarily attributable to capital grant revenues and continued investment in public infrastructure. The Village's continued investment in capital assets reflects a focus on maintaining infrastructure and supporting long-term community needs.

Despite ongoing constraints associated with state levy limits, the Village maintained a stable financial position while continuing to provide its residents and businesses with the same high level of service.

Village of Thiensville's - Statement of Activities

	Governmental Activities		Business-Type Activities		Total	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Revenues						
Program revenues						
Charges for services	\$ 262,523	\$ 250,110	\$ 1,143,347	\$ 1,126,554	\$ 1,405,870	\$ 1,376,664
Operating grants and contributions	405,942	375,807	-	-	405,942	375,807
Capital grants and contributions	709,012	-	-	-	709,012	-
General revenues						
General taxes	2,551,732	2,426,664	-	-	2,551,732	2,426,664
Taxes generated from TID increment	-	104	-	-	-	104
Intergovernmental revenues						
not restricted to specific programs	180,647	343,182	-	426,933	180,647	770,115
Investment income	103,681	149,103	41,017	46,422	144,698	195,525
Loss on contribution to SOFD	-	(888,730)	-	-	-	(888,730)
Miscellaneous	21,017	31,795	-	-	21,017	31,795
	<u>4,234,554</u>	<u>2,688,035</u>	<u>1,184,364</u>	<u>1,599,909</u>	<u>5,418,918</u>	<u>4,287,944</u>
Expenses						
General government	800,357	628,349	-	-	800,357	628,349
Public safety	1,641,518	1,632,315	-	-	1,641,518	1,632,315
Public works	1,082,280	984,311	-	-	1,082,280	984,311
Health and human services	2,927	2,870	-	-	2,927	2,870
Culture, recreation and education	388,366	334,963	-	-	388,366	334,963
Conservation and development	182,978	868,616	-	-	182,978	868,616
Interest and fiscal charges	130,349	131,811	-	-	130,349	131,811
Sewer Utility	-	-	1,154,449	1,496,710	1,154,449	1,496,710
	<u>4,228,775</u>	<u>4,583,235</u>	<u>1,154,449</u>	<u>1,496,710</u>	<u>5,383,224</u>	<u>6,079,945</u>
Increase (decrease) in net position	5,779	(1,895,200)	29,915	103,199	35,694	(1,792,001)
Net position - beginning	11,021,110	12,916,310	6,482,820	6,379,621	17,503,930	19,295,931
Net position - ending	<u>\$ 11,026,889</u>	<u>\$ 11,021,110</u>	<u>\$ 6,512,735</u>	<u>\$ 6,482,820</u>	<u>\$ 17,539,624</u>	<u>\$ 17,503,930</u>

Governmental Activities

Governmental activities increased the Village's net position by \$5,779 in 2025. Taxes accounted for approximately 47% of total governmental revenues, with property tax revenue totaling \$2,551,732, consistent with the Village's reliance on property taxes as a primary funding source for services. Charges for services increased by \$29,206, reflecting modest increases in permits, fines, and service-related fees. Operating grants & contributions increased by \$30,135, and the Village received \$709,012 in capital grants and contributions. The Village was awarded multiple state, federal and private grants supporting the 2025 Village Park improvements and for Phase II of the Pigeon Creek restoration project. Investment income decreased by \$50,827, primarily due to lower average cash balances available for investment during 2025. The Village continues to benefit from a combination of property tax revenues and external funding sources, including grants, which support capital investment while helping to limit additional impact on the tax levy.

Governmental expenses totaled \$4,228,775, with public safety and public works representing the largest functional areas. Public works expenditures were partially offset by capital grants related to infrastructure and park improvements.

During 2025, the Village remained committed to enhancing public improvements with the completion of a large Village Park improvement project which included expanded parking, interactive splash pad and the complete reconstruction of the tennis courts to now include a multi-use tennis and pickleball court and two dedicated pickleball courts. Phase II of the Pigeon Creek restoration project was also completed, continuing the Village's efforts to improve environmental conditions and stormwater management.

The Village continues to plan for capital improvements and equipment replacement on a multi-year basis. In 2025, this included the purchase of two public works vehicles.

The Village continues to work collaboratively with the City of Mequon in a number of service areas. The Southern Ozaukee Fire and EMS Department, fully operational since 2023, continues to provide fire and EMS services under a unified structure.

Financial Analysis of the Government's Funds

Governmental Funds

As of December 31, 2025, the Village of Thiensville's governmental funds reported a combined ending fund balance deficit of \$257,727, a decrease of \$1,850,969. This decrease is primarily related to capital and redevelopment activity, including expenditures within Tax Incremental District No. 2 and other grant-funded projects. The deficit fund balance is due to a timing issue regarding the receipt of reimbursable state and federal grant funds that were not received by year end. Due to the large number of special projects that have "fluid" fund balances, the combined fund balances fluctuate dramatically year to year.

The general fund balance is \$1,204,828. Of this amount, \$828,374 is nonspendable, \$138,171 is committed for compensated balances due to Village employees, \$100,000 is assigned to the 2026 budget and \$138,283 is unassigned. Included in unassigned fund balance is the Working Capital reserve and corporate reserve, which are currently being used to support the Tax Incremental District No. 2 Fund by an advance of funds. Any remaining unassigned balance is available for future use at the Village's discretion.

While certain individual funds report deficit balances due to the timing of expenditures and revenues, the Village's overall financial position remains stable when viewed on a government-wide basis.

Proprietary Funds

The Sewer Utility fund increased \$29,915. The Village has made ongoing investments over the past 20 years to address sanitary sewer needs, including mainline rehabilitation and manhole rehabilitation programs. Annual inspection of manholes and routine televising help maintain system performance. The Village has an ongoing sewer rehabilitation plan to properly maintain our system well into the future. In 2018, the Village approved the request for a City of Mequon condominium development to connect to the Village's sanitary sewer system. Construction of this development began in 2019 and was completed in 2025. The sewer utility has an unrestricted net position of \$781,118.

General Fund Budgetary Highlights

The year end results of operations compared to the 2025 budget for the Village of Thiensville show that revenues were \$95,576 less than budgeted and the expenditures were \$108,831 less than budgeted. The decrease in revenues was due to decreased interest revenue due to less cash on hand for TIF related expenditures and two large construction projects that a large portion were funded by reimbursable grant funds, and a decline in cable tv franchise fees due to more home "firing" cable and utilizing streaming services. The variance to budget in expenditures was due to staffing shortages in the police department. The Village will continue to monitor General Fund balance levels as part of its ongoing financial planning and anticipates rebuilding fund balance over time as the Tax Incremental District No. 2 is anticipated to begin generating increment in 2028.

Capital Assets and Debt Administration

Capital Assets

The Village's investment in capital assets for its governmental and business-type activities as of December 31, 2025, amounts to \$18,908,879 (net of accumulated depreciation) an increase of \$1,231,117 compared to the 2024 balance. This increase reflects ongoing investment in infrastructure and community assets, including park improvements and public works equipment.

Village of Thiensville's Capital Assets

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	\$ 416,177	\$ 416,177	\$ -	\$ -	\$ 416,177	\$ 416,177
Construction in progress	70,036	798,880	16,882	102,111	86,918	900,991
Intangible and other	66,786	69,643	-	-	66,786	69,643
Buildings and structures	1,289,553	1,332,331	-	-	1,289,553	1,332,331
Improvements other than buildings	2,102,208	1,214,458	-	-	2,102,208	1,214,458
Machinery, equipment and vehicles	938,707	1,028,468	-	-	938,707	1,028,468
Furniture and fixtures	21,034	26,031	-	-	21,034	26,031
Infrastructure	8,606,105	7,554,299	5,381,391	5,135,364	13,987,496	12,689,663
	<u>\$ 13,510,606</u>	<u>\$ 12,440,287</u>	<u>\$ 5,398,273</u>	<u>\$ 5,237,475</u>	<u>\$ 18,908,879</u>	<u>\$ 17,677,762</u>

Additional information on the Village's capital assets can be found in Note 3 on pages 28 - 29 of this report.

Long-Term Obligations

At the end of the current fiscal year, the Village had total debt outstanding of \$4,195,000. In 2022, the Village issued a taxable general obligation corporate purpose bond the amount of \$4,390,000 for the construction of infrastructure, acquisition and remediation of property in Tax Incremental District #2, along with refunding the District related outstanding short-term notes. Total general obligation debt outstanding as of December 31, 2025, was \$4,195,000.

Village of Thiensville's Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
General Obligation debt	\$ 4,195,000	\$ 4,390,000	\$ -	\$ -	\$ 4,195,000	\$ 4,390,000
	<u>\$ 4,195,000</u>	<u>\$ 4,390,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,195,000</u>	<u>\$ 4,390,000</u>

Additional information on the Village's long-term debt can be found in Note 3 on pages 31 - 32 of this report.

The Village of Thiensville paid the entire prior service cost for the Wisconsin Retirement Fund in 2004.

The Village has reviewed its liability under GASB 45 for post-retirement benefits other than pension and determined that none existed. The Village has a Sick Leave Benefit (sick leave conversion for post-employment health insurance) fully funded in the accrued compensated balances account. In addition, past history indicates that once the employee utilizes this benefit, the employee finds alternative insurance options due to the high cost of the employer plan to the retiree. In 2022, the Village contracted an actuary to review post-retirement benefits, the determination was that these benefits are not material.

Economic Factors and Next Year's Budgets and Rates

The Village of Thiensville is a fully developed community measuring 1.1 square miles with a population of 3,260 located just north of the City of Milwaukee, providing access to regional employment opportunities while maintaining a small-town environment. Thiensville boasts of the walkability not only in the downtown area but also in the outlying subdivisions. The Village provides residents and businesses with 24-hour public safety services through a full-time police force of eight sworn officers. The Village also has a well-maintained road system, sanitary sewer system, and park facilities.

The Village's equalized value increased to \$591,447,500, with residential properties comprising approximately 79.3% of total value. Limited housing supply and continued demand have contributed to rising home values and reinvestment in existing residential properties. The average equalized value of a single-family residence in Thiensville is \$396,892, reflecting the ongoing market strength.

Tax Incremental District No. 2 continues to be a primary driver of future growth and investment within the Village. Tax Incremental District No. 2 was created in 2020 to support revitalization of the blighted area surrounding the intersection of North Main Street and East Freistadt Road. The Village anticipates approximately \$35 million in new land and improvement value will result from the redevelopment within the district. Throughout 2025, the Village continued site preparation activities, including remediation, utility relocation, parcel combination, and rezoning to support redevelopment. In March 2026, the Village Board approved the sale of village-owned property located at the northwest corner of North Main Street and West Freistadt Road with closing expected in April 2026. The proposed mixed-use development includes 80 residential units and approximately 6,000 square feet of leasable commercial space. Construction is anticipated to begin shortly after closing and is expected to contribute to future tax base growth. Continued progress within Tax Incremental District No. 2 is expected to support long-term financial sustainability through growth in the Village's tax base.

The Village continues to coordinate services and infrastructure with the City of Mequon, including fire and EMS services through the Southern Ozaukee Fire and EMS Department and municipal water service through the Mequon Water Utility. Recent infrastructure investments, including watermain extensions within Tax Incremental District No. 2, support future redevelopment and long-term system reliability.

The Village's 2026 operating and capital budget maintains current service levels while incorporating a tax levy increase of \$254,093. Budget planning continues to balance infrastructure needs, development activity, and financial considerations while maintaining service levels.

Requests for Information

This financial report is designated to provide a general overview and a supplement to the Village's Financial Statements, of the Village of Thiensville's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Village Administrator of the Village of Thiensville, 250 Elm Street, Thiensville, WI 53092.



BASIC FINANCIAL STATEMENTS

Village of Thiensville

Statement of Net Position
December 31, 2025

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Assets and Deferred Outflows of Resources			
Assets			
Cash and investments	\$ 11,489	\$ 501,560	\$ 513,049
Receivables (net)	4,354,420	264,900	4,619,320
Internal balances	(17,672)	17,672	-
Inventories and prepaid items	92,389	28,374	120,763
Equity interest in joint library	265,096	-	265,096
Land held for resale	925,100	-	925,100
Restricted assets:			
Cash and investments	-	333,344	333,344
Capital assets (net of accumulated depreciation / amortization):			
Land	416,177	-	416,177
Intangibles	12,925	-	12,925
Construction in progress	70,036	16,882	86,918
Other capital assets not depreciated	47,197	-	47,197
Other capital assets, net of depreciation / amortization	<u>12,964,271</u>	<u>5,381,391</u>	<u>18,345,662</u>
Total assets	<u>19,141,428</u>	<u>6,544,123</u>	<u>25,685,551</u>
Deferred Outflows of Resources			
Pension related amounts	<u>909,842</u>	<u>35,821</u>	<u>945,663</u>
Total deferred outflows of resources	<u>909,842</u>	<u>35,821</u>	<u>945,663</u>
Liabilities, Deferred Inflows of Resources and Net Position			
Liabilities			
Accounts payable and accrued expenses	350,622	49,744	400,366
Other accrued liabilities	32,270	-	32,270
Deposits	24,825	-	24,825
Noncurrent liabilities:			
Due within one year	195,000	-	195,000
Due in more than one year	4,193,603	-	4,193,603
Net pension liability	<u>152,593</u>	<u>8,242</u>	<u>160,835</u>
Total liabilities	<u>4,948,913</u>	<u>57,986</u>	<u>5,006,899</u>
Deferred Inflows of Resources			
Unearned revenues	2,839,702	-	2,839,702
Pension related amounts	465,659	9,223	474,882
Unearned lease revenue	<u>770,107</u>	<u>-</u>	<u>770,107</u>
Total deferred inflows of resources	<u>4,075,468</u>	<u>9,223</u>	<u>4,084,691</u>
Net Position			
Investment in capital assets	9,260,174	5,398,273	14,658,447
Restricted for:			
Park improvements	2,500	-	2,500
Equipment replacement	-	333,344	333,344
Unrestricted	<u>1,764,215</u>	<u>781,118</u>	<u>2,545,333</u>
Total net position	<u>\$ 11,026,889</u>	<u>\$ 6,512,735</u>	<u>\$ 17,539,624</u>

See notes to financial statements

Village of Thiensville

Statement of Activities

Year Ended December 31, 2025

Functions/Programs	Program Revenues			Net (Expenses) Revenues and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 800,357	\$ 116,567	\$ -	\$ -	\$ (683,790)	\$ -	\$ (683,790)
Public safety	1,641,518	94,712	26,978	-	(1,519,828)	-	(1,519,828)
Public works	1,082,280	20,214	203,088	501,012	(357,966)	-	(357,966)
Health and human services	2,927	11,810	9,524	-	18,407	-	18,407
Culture, education and recreation	388,366	17,720	166,352	208,000	3,706	-	3,706
Conservation and development	182,978	1,500	-	-	(181,478)	-	(181,478)
Interest and fiscal charges	130,349	-	-	-	(130,349)	-	(130,349)
Total governmental activities	<u>4,228,775</u>	<u>262,523</u>	<u>405,942</u>	<u>709,012</u>	<u>(2,851,298)</u>	<u>-</u>	<u>(2,851,298)</u>
Business-type activities:							
Sewer utility	<u>1,154,449</u>	<u>1,143,347</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(11,102)</u>	<u>(11,102)</u>
Total business-type activities	<u>1,154,449</u>	<u>1,143,347</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(11,102)</u>	<u>(11,102)</u>
Total	<u>\$ 5,383,224</u>	<u>\$ 1,405,870</u>	<u>\$ 405,942</u>	<u>\$ 709,012</u>	<u>(2,851,298)</u>	<u>(11,102)</u>	<u>(2,862,400)</u>
General Revenues							
Taxes:							
Property taxes, levied for general purposes					2,551,732	-	2,551,732
Intergovernmental revenues not restricted to specific programs					180,647	-	180,647
Investment income					103,681	41,017	144,698
Miscellaneous					21,017	-	21,017
Total general revenues					<u>2,857,077</u>	<u>41,017</u>	<u>2,898,094</u>
Change in net position					5,779	29,915	35,694
Net Position, Beginning					<u>11,021,110</u>	<u>6,482,820</u>	<u>17,503,930</u>
Net Position, Ending					<u>\$ 11,026,889</u>	<u>\$ 6,512,735</u>	<u>\$ 17,539,624</u>

See notes to financial statements

Village of Thiensville

Balance Sheet -
Governmental Funds
December 31, 2025

	<u>Special Revenue Funds</u>		
	<u>General</u>	<u>Tax Incremental District #2</u>	<u>(Previous Year Nonmajor) Stormwater Management Fund</u>
Assets			
Cash and investments, unrestricted	\$ -	\$ -	\$ -
Receivables:			
Taxes	2,639,519	-	52,000
Accounts (net)	24,703	4,781	483,495
Special assessments	-	-	-
Leases	770,107	-	-
Due from other funds	533,597	-	-
Inventory and prepaid items	88,224	765	314
Advances to other funds	731,892	-	-
	<u>731,892</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 4,788,042</u>	<u>\$ 5,546</u>	<u>\$ 535,809</u>
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)			
Liabilities			
Accounts payable	\$ 71,659	\$ 20,294	\$ 1,897
Accrued liabilities	83,536	1,022	428
Due to other funds	17,672	-	520,041
Deposits	-	-	-
Advances from other funds	-	731,892	-
	<u>-</u>	<u>731,892</u>	<u>-</u>
Total liabilities	<u>172,867</u>	<u>753,208</u>	<u>522,366</u>
Deferred Inflows of Resources			
Unavailable revenues	-	-	483,495
Unearned revenues	2,640,240	-	52,000
Unearned lease revenue	770,107	-	-
	<u>770,107</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>3,410,347</u>	<u>-</u>	<u>535,495</u>
Fund Balances (Deficit)			
Nonspendable	828,374	765	314
Restricted	-	-	-
Committed	138,171	-	-
Assigned	100,000	-	-
Unassigned (deficit)	138,283	(748,427)	(522,366)
	<u>138,283</u>	<u>(748,427)</u>	<u>(522,366)</u>
Total fund balances (deficit)	<u>1,204,828</u>	<u>(747,662)</u>	<u>(522,052)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 4,788,042</u>	<u>\$ 5,546</u>	<u>\$ 535,809</u>

See notes to financial statements

Capital Projects Fund	Total Nonmajor Governmental Funds	Total
\$ -	\$ 11,489	\$ 11,489
147,463	-	2,838,982
-	211,750	724,729
20,602	-	20,602
-	-	770,107
691,495	-	1,225,092
3,086	-	92,389
-	-	731,892
<u>\$ 862,646</u>	<u>\$ 223,239</u>	<u>\$ 6,415,282</u>
\$ 171,786	\$ -	\$ 265,636
-	-	84,986
497,051	208,000	1,242,764
24,824	-	24,824
-	-	731,892
<u>693,661</u>	<u>208,000</u>	<u>2,350,102</u>
20,602	208,000	712,097
147,463	-	2,839,703
-	-	770,107
<u>168,065</u>	<u>208,000</u>	<u>4,321,907</u>
3,086	-	832,539
-	2,500	2,500
-	-	138,171
-	-	100,000
<u>(2,166)</u>	<u>(195,261)</u>	<u>(1,329,937)</u>
<u>920</u>	<u>(192,761)</u>	<u>(256,727)</u>
<u>\$ 862,646</u>	<u>\$ 223,239</u>	<u>\$ 6,415,282</u>

See notes to financial statements

Village of Thiensville

Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
December 31, 2025

Total Fund Balances, Governmental Funds	\$ (256,727)
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.	13,510,606
Land held for resale does not relate to current financial resources and is not reported in the governmental funds.	925,100
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.	712,097
Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	909,842
Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	(465,659)
Investments in joint ventures are not financial resources and, therefore, are not reported in the governmental funds.	265,096
Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds and notes payable	(4,195,000)
Compensated absences	(138,171)
Accrued interest	(32,270)
Net pension liability	(152,593)
Unamortized debt premium	<u>(55,432)</u>
Net Position of Governmental Activities	<u>\$ 11,026,889</u>

See notes to financial statements

Village of Thiensville

Statement of Revenues, Expenditures and Changes in Fund Balances -
 Governmental Funds
 Year Ended December 31, 2025

	General	Special Revenue Funds	
		Tax Incremental District #2	(Previous Year Nonmajor Fund) Stormwater Management Fund
Revenues			
Taxes	\$ 2,379,732	\$ -	\$ 52,000
Special assessments	-	-	-
Intergovernmental	414,198	-	6,250
Licenses and permits	116,430	-	-
Fines, forfeitures and penalties	21,975	-	-
Public charges for services	57,129	-	-
Intergovernmental charges for services	50,545	-	-
Investment income	86,918	1,878	-
Miscellaneous revenues	24,411	-	-
Total revenues	<u>3,151,338</u>	<u>1,878</u>	<u>58,250</u>
Expenditures			
Current:			
General government	495,233	8,221	342
Public safety	1,529,840	-	-
Public works	806,262	-	25,709
Health and human services	2,000	-	-
Culture, recreation and education	314,818	-	-
Conservation and development	-	246,956	-
Capital outlay	-	-	19,157
Debt service:			
Principal	-	195,000	-
Interest and fiscal charges	-	135,330	-
Total expenditures	<u>3,148,153</u>	<u>585,507</u>	<u>45,208</u>
Excess (deficiency) of revenues over expenditures	<u>3,185</u>	<u>(583,629)</u>	<u>13,042</u>
Other Financing Sources (Uses)			
Transfers in	-	329,930	-
Transfers out	(329,930)	-	(489,745)
Proceeds from sale of capital assets	-	-	-
Total other financing sources (uses)	<u>(329,930)</u>	<u>329,930</u>	<u>(489,745)</u>
Net change in fund balances	(326,745)	(253,699)	(476,703)
Fund Balances (Deficit), Beginning, as Previously Reported	1,531,573	(493,963)	-
Accounting Changes (See Note Disclosure)	-	-	(45,349)
Fund Balances (Deficit), Beginning, as Adjusted	<u>1,531,573</u>	<u>(493,963)</u>	<u>(45,349)</u>
Fund Balances (Deficit), Ending	<u>\$ 1,204,828</u>	<u>\$ (747,662)</u>	<u>\$ (522,052)</u>

See notes to financial statements

Capital Projects Fund		
Capital Improvement Fund	Total Nonmajor Governmental Funds	Total
\$ 120,000	\$ -	\$ 2,551,732
37,063	-	37,063
600	-	421,048
-	-	116,430
-	-	21,975
-	9,750	66,879
-	-	50,545
7,645	8,583	105,024
11,267	166,352	202,030
<u>176,575</u>	<u>184,685</u>	<u>3,572,726</u>
-	-	503,796
-	-	1,529,840
-	-	831,971
-	-	2,000
-	52,127	366,945
-	-	246,956
1,628,900	-	1,648,057
-	-	195,000
-	-	135,330
<u>1,628,900</u>	<u>52,127</u>	<u>5,459,895</u>
<u>(1,452,325)</u>	<u>132,558</u>	<u>(1,887,169)</u>
1,160,445	-	1,490,375
-	(670,700)	(1,490,375)
36,200	-	36,200
<u>1,196,645</u>	<u>(670,700)</u>	<u>36,200</u>
(255,680)	(538,142)	(1,850,969)
256,600	300,032	1,594,242
-	45,349	-
<u>256,600</u>	<u>345,381</u>	<u>1,594,242</u>
<u>\$ 920</u>	<u>\$ (192,761)</u>	<u>\$ (256,727)</u>

See notes to financial statements

Village of Thiensville

Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended December 31, 2025

Net Change in Fund Balances, Total Governmental Funds \$ (1,850,969)

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

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

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements	1,648,057
Some items reported as capital outlay were not capitalized	(96,628)
Depreciation is reported in the government-wide financial statements	(430,390)
Net book value of assets retired	(50,720)

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.

Special assessments and interest	(65,867)
Grants receivable	691,495

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 repaid	195,000
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Governmental funds report debt premiums and discounts as other financing sources (uses) or financing sources or uses. However, in the Statement of Net Position, these are reported as additions to or deductions from long-term debt. These are allocated over the period the debt is outstanding in the Statement of Activities and are reported as interest expense.

Amortization	3,519
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Some expenses in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Compensated absences	21,830
Accrued interest on debt	1,464
Net pension liability	(8,186)
Deferred outflows of resources related to pension	(380,494)
Deferred inflows of resources related to pension	329,662

The proportionate share of the change in net position related to joint ventures reported in the Statement of Activities neither provides nor uses current financial resources and is not reported in the fund financial statements.

(1,994)

Change in Net Position of Governmental Activities \$ 5,779

Village of Thiensville

Statement of Net Position -
Proprietary Fund
December 31, 2025

Sewer Utility

Assets and Deferred Outflows of Resources

Current Assets

Cash and investments	\$ 501,560
Receivables:	
Customer accounts receivable	223,137
Tax roll receivable	41,763
Due from other funds	17,672
Prepaid items	<u>28,374</u>
Total current assets	<u>812,506</u>

Noncurrent Assets

Restricted assets:	
Cash and investments	333,344
Capital assets:	
Construction in progress	16,882
Capital assets being depreciated / amortized	8,289,550
Less accumulated depreciation/amortization	<u>(2,908,159)</u>
Total noncurrent assets	<u>5,731,617</u>
Total assets	<u>6,544,123</u>

Deferred Outflows of Resources

Pension related amounts	<u>35,821</u>
Total deferred outflows of resources	<u>35,821</u>

Liabilities, Deferred Inflows of Resources and Net Position

Current Liabilities

Accounts payable	46,072
Accrued liabilities	<u>3,672</u>
Total current liabilities	<u>49,744</u>

Noncurrent Liabilities

Net pension liability	<u>8,242</u>
Total noncurrent liabilities	<u>8,242</u>
Total liabilities	<u>57,986</u>

Deferred Inflows of Resources

Pension related amounts	<u>9,223</u>
Total deferred inflows of resources	<u>9,223</u>

Net Position

Investment in capital assets	5,398,273
Restricted for:	
Equipment replacement	333,344
Unrestricted net position	<u>781,118</u>
Total net position	<u>\$ 6,512,735</u>

See notes to financial statements

Village of Thiensville

Statement of Revenues, Expenses and Changes in Net Position -
Proprietary Fund
Year Ended December 31, 2025

	<u>Sewer Utility</u>
Operating Revenues	
Public charges for services	\$ 1,129,423
Other operating revenue	<u>13,924</u>
Total operating revenues	<u>1,143,347</u>
Operating Expenses	
Operation and maintenance	1,057,438
Depreciation/amortization expense	<u>97,011</u>
Total operating expenses	<u>1,154,449</u>
Operating loss	<u>(11,102)</u>
Nonoperating Revenues	
Investment income	<u>41,017</u>
Total nonoperating revenues	<u>41,017</u>
Change in net position	29,915
Net Position, Beginning	<u>6,482,820</u>
Net Position, Ending	<u><u>\$ 6,512,735</u></u>

See notes to financial statements

Village of Thiensville

Statement of Cash Flows -
Proprietary Fund
Year Ended December 31, 2025

	<u>Sewer Utility</u>
Cash Flows From Operating Activities	
Received from customers	\$ 1,263,883
Paid to suppliers for goods and services	(920,508)
Paid to employees for services	<u>(186,975)</u>
Net cash flows from operating activities	<u>156,400</u>
Cash Flows From Investing Activities	
Investment income	<u>41,017</u>
Net cash flows from investing activities	<u>41,017</u>
Cash Flows From Noncapital Financing Activities	
Acquisition and construction of capital assets	<u>(257,809)</u>
Net cash flows from capital and related financing activities	<u>(257,809)</u>
Net change in cash and cash equivalents	(60,392)
Cash and Cash Equivalents, Beginning	<u>895,296</u>
Cash and Cash Equivalents, Ending	<u>\$ 834,904</u>
Reconciliation of Operating Loss to Net Cash Flows From Operating Activities	
Operating loss	\$ (11,102)
Adjustments to reconcile operating loss to net cash flows from operating activities:	
Depreciation	97,011
Changes in assets, deferred outflows, liabilities and deferred inflows:	
Customer accounts receivable	143,378
Receivable from municipality	(22,842)
Prepays	(17,101)
Accounts payable	(36,508)
Other current liabilities	758
Pension related deferrals and liability	<u>2,806</u>
Net cash flows from operating activities	<u>\$ 156,400</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position, Proprietary Funds	
Cash and investments	\$ 501,560
Restricted cash and investments	<u>333,344</u>
Cash and cash equivalents	<u>\$ 834,904</u>
Noncash Capital and Related Financing Activities	
None	

See notes to financial statements

Village of Thiensville

Statement of Fiduciary Net Position
December 31, 2025

	Custodial Funds
Assets	
Cash and investments	\$ 4,503,112
Receivables:	
Tax roll receivable	1,000,471
Accounts receivable	20,895
Prepaid items	<u>20,270</u>
Total assets	<u>5,544,748</u>
Liabilities, Deferred Inflows of Resources and Net Position	
Liabilities	
Accounts payable	20,695
Accrued taxes	22,390
Due to other governments	<u>5,215,943</u>
Total liabilities	<u>5,259,028</u>
Deferred Inflows of Resources	
Unavailable revenues	<u>20,895</u>
Total deferred inflows of resources	<u>20,895</u>
Net Position	
Restricted for library	<u><u>\$ 264,825</u></u>

See notes to financial statements

Village of Thiensville

Statement of Changes in Fiduciary Net Position
Year Ended December 31, 2025

	Custodial Funds
Additions	
Tax collections	\$ 3,451,113
Intergovernmental	1,305,325
Fines and fees	12,619
Investment income	14,770
Gifts and grants	12,677
Miscellaneous	<u>47,737</u>
Total additions	<u>4,844,241</u>
Deductions	
Payments to overlying districts	3,451,113
Library operating expenditures	1,297,121
Library capital outlay	<u>119,887</u>
Total deductions	<u>4,868,121</u>
Change in fiduciary net position	(23,880)
Net Position, Beginning	<u>288,705</u>
Net Position, Ending	<u><u>\$ 264,825</u></u>

See notes to financial statements

Village of Thiensville

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December 31, 2025

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Village of Thiensville

Notes to Financial Statements
December 31, 2025

1. Summary of Significant Accounting Policies

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

Reporting Entity

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

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

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

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

Village of Thiensville

Notes to Financial Statements
December 31, 2025

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

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

The Village reports the following major governmental funds:

General Fund

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

Special Revenue Funds

Tax Incremental District #2 - Special Revenue Fund is used to account for and report grants and local revenues legally restricted or committed to supporting expenditures for the tax incremental district program.

Stormwater Management - Special Revenue Fund is used to account for and report grants and local revenues legally restricted or committed to supporting expenditures for the stormwater management program.

Capital Projects Fund

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

Enterprise Fund

The Village reports the following major enterprise fund:

Sewer Utility accounts for operations of the Sewer system.

The Village reports the following nonmajor governmental fund:

Special Revenue Fund

Special Revenue Fund is 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).

Park Improvement Fund

Village of Thiensville

Notes to Financial Statements
December 31, 2025

In addition, the Village reports the following fund types:

Custodial Funds

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

Tax Collection Fund
Frank L. Weyenberg Library of Mequon-Thiensville Operating Fund
Frank L. Weyenberg Library of Mequon-Thiensville Library Grants Fund

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

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

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

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

Village of Thiensville

Notes to Financial Statements
December 31, 2025

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

Proprietary and Fiduciary Funds

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

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

All Financial Statements

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

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

Deposits and Investments

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

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

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

Village of Thiensville

Notes to Financial Statements
December 31, 2025

- g. Repurchase agreements with public depositories, with certain conditions.

The Village has adopted an investment policy. That policy contains the following additional guidelines for allowable investments. Not more than \$500,000 shall be deposited in any one public depository, unless specifically authorized by the Board of Trustees. Village funds may be invested in certificates of deposit maturing within 3 years or less. A maximum of \$500,000 may be invested in each institution unless the certificate is collateralized by U.S. Government or U.S. Government Agency securities having a market value of 110% of the certificate or collateralization shall have been waived by the Board of Trustees.

No policy exists for the following risks:

Credit risk

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

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF) and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2025, the fair value of the Village's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

See Note 3 for further information.

Receivables

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

Property tax calendar - 2025 tax roll:

Lien date and levy date	December 2025
Tax bills mailed	December 2025
Payment in full, or	January 31, 2026
First installment due	January 31, 2026
Second installment due	July 31, 2026
Tax sale - 2025 delinquent real estate taxes	October 2028

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

Village of Thiensville

Notes to Financial Statements
December 31, 2025

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

Inventories and Prepaid Items

Governmental fund inventories, if material, are recorded at cost based on the FIFO method using the consumption method of accounting. Proprietary fund inventories are generally used for construction and/or for operation and maintenance work. They are not for resale.

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

Restricted Assets

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

Capital Assets

Government-Wide Financial Statements

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$1,000 general capital assets and \$5,000 for infrastructure assets and an estimated useful life in excess of 1 year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

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

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

Buildings	20-40 Years
Land improvements	20-30 Years
Machinery and equipment	2-25 Years
Utility system	50-125 Years
Infrastructure	50-100 Years
Intangibles	10 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. Capital assets used in proprietary fund operations are accounted for the same way as in the government-wide statements.

Deferred Outflows of Resources

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

Compensated Absences

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

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

The Village provides postemployment health insurance benefits for all eligible employees. Employees who leave active duty due to retirement, service disability or death are eligible to receive this benefit. The benefits are based on employee benefit policies of the Village. Employees receive sick leave termination benefit days as an incentive to maintain a good record for the use of sick leave days. Sick leave termination benefit days are accrued to employees based upon the number of sick days used by the employee in the prior year. Employees hired prior to September 20, 2011 are not limited to the number of sick leave termination benefit days they may accrue and be paid. Employees hired after September 19, 2011 are limited to 90 sick leave termination benefit days they may accrue and be paid. The cost of those premiums is recognized as an expenditure as the premiums are paid. The entire cost is paid by the Village. Funding for those costs is provided out of the current operating budget of the Village. The contributions are financed on a pay as you go basis. Total expenditures for such premiums during the year were not material. There are 19 employees currently eligible to receive benefits.

The Village has committed fund balance in the General Fund to fully fund the outstanding compensated absences.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2025, are determined on the basis of current salary rates and include salary related payments.

Long-Term Obligations

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

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

Village of Thiensville

Notes to Financial Statements
December 31, 2025

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

Leases

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

Deferred Inflows of Resources

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

Equity Classifications

Government-Wide Statements

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

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

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

Fund Statements

Governmental fund balances are displayed as follows:

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

Village of Thiensville

Notes to Financial Statements
December 31, 2025

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

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

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

Village Ordinance No. 2006-03 establishes two reserve funds, the Corporate Reserve Fund and the Tax Stabilization Fund.

The Corporate Reserve Fund is required to be maintained at an amount not less than 20% of the current year operating budget; the Tax Stabilization Fund had no minimum balance requirement. Under the ordinance, any excess of revenues over expenditures in the operating budget is first placed in the Corporate Reserve Fund to maintain the minimum balance requirement, with any remaining excess divided between the two funds as directed by a vote of the Village Board. The purpose of the Corporate Reserve fund is to maintain a working capital reserve and provide for unanticipated expenses of a non-recurring nature. The Corporate Reserve Fund may also be used for interfund loans to other Village funds. The balance in the Corporate Reserve Fund at year end was \$138,283. This amount is included with the unassigned fund balance of the General Fund. From the Corporate Reserve Fund, \$731,892 was used for an interfund advance between the General Fund and the Tax Incremental District No. 2 Special Revenue Fund.

The purpose of the Tax Stabilization Fund was to reduce the levy for the operating budget. On October 19, 2015, the Village Board adopted a resolution transferring the balance of this fund to the Capital Improvement Fund to assist with financing of the Main Street Water Main Project.

Resolution 1986-22 establishes a Working Capital Fund equivalent to one-sixth of the average of the annual General Fund budgets for the previous three years. The balance in the Working Capital Fund at year end was \$0, is also included with the unassigned fund balance of the General Fund.

Village of Thiensville

Notes to Financial Statements
December 31, 2025

These reserve requirements predate Wisconsin Act 32 (2011), which limits municipal tax levy increases to net new construction. For small, largely built-out communities such as the Village of Thiensville, these levy limits have placed increasing pressure on operations, particularly in the inflationary environment experienced in recent years. As a result, maintaining compliance with the combined reserve requirements has become increasingly difficult. The Village Board plans to review the reserve requirements to determine an appropriate level under current fiscal conditions.

The Village created Tax Incremental District No. 2 in 2020. Economic conditions resulting from the COVID-19 pandemic led to the withdrawal of an initial proposed development and has slowed redevelopment activity in the District. The Village has utilized these reserve funds to support District expenditures during this period. A proposed development project with an estimated construction value of \$24,000,000 is expected to begin construction in Spring 2026, with the Village anticipated to begin receiving tax increment revenues in 2028. Once increment revenues are received, the District is expected to begin repaying advances made from the General Fund.

See Note 3 for further information.

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; and
- Pension Expense (Revenue).

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

Basis for Existing Rates

Sewer Utility

Rates for the Sewer Utility were approved by the Village board on November 18, 2024.

Land Held for Resale

To further its objectives, the Village may purchase and hold property for resale. This property is reported as an asset and is valued at the lower of cost or estimated net realizable value.

Village of Thiensville

Notes to Financial Statements
December 31, 2025

2. Stewardship, Compliance and Accountability

Excess Expenditures and Other Financing Uses Over Budget

The following funds had significant expenditures and other financing uses over budget:

<u>Funds</u>	<u>Budgeted Expenditures and Other Financing Uses</u>	<u>Actual Expenditures and Other Financing Uses</u>	<u>Excess Expenditures and Other Financing Uses Over Budget</u>
Special Revenue, Tax Incremental District #2	\$ 400,241	\$ 585,507	\$ 185,266
Special Revenue Fund, Park Improvement	690,000	722,827	32,827

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

Deficit Balances

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

As of December 31, 2025, the following individual funds held a deficit balance:

<u>Fund</u>	<u>Amount</u>	<u>Reason</u>
Special Revenue, Tax Incremental District #2 Fund	\$ 747,662	Expenditures paid in advance of receipt of financing.
Special Revenue, Stormwater Management Fund	522,052	Expenditures paid in advance of receipt of grants.
Special Revenue Fund, Park Improvement	192,761	Expenditures paid in advance of receipt of grants.

TIF district deficits are anticipated to be funded with future incremental taxes levied over the life of the districts, which is 27 years for the districts created before October 1, 1995, and 23 years for districts created thereafter through September 30, 2004. Beginning October 1, 2004, the life of new districts varies by type of district (20-27 years) and may be extended in some cases.

The Special Revenue, Stormwater Management and Special Revenue, Park Improvement Funds deficits will be funded with future grant revenues included as unavailable revenues as of December 31, 2025.

Limitations on the Village's Tax Levy

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

Village of Thiensville

Notes to Financial Statements
December 31, 2025

3. Detailed Notes on All Funds

Deposits and Investments

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

	<u>Carrying Value</u>	<u>Statement Balances</u>	<u>Associated Risks</u>
Deposits	\$ 5,003,728	\$ 5,500,052	Custodial credit risk
LGIP	345,277	345,277	Credit risk
Petty cash	500	-	N/A
Total deposits and investments	<u>\$ 5,349,505</u>	<u>\$ 5,845,329</u>	
Reconciliation to financial statements			
Per statement of net position:			
Unrestricted cash and investments	\$ 513,049		
Restricted cash and investments	333,344		
Per statement of net position, fiduciary fund:			
Custodial fund	<u>4,503,112</u>		
Total deposits and investments	<u>\$ 5,349,505</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.

The Village maintains collateral agreements with its banks. At December 31, 2025, the banks had pledged various government securities in the amount of \$6,960,004 to secure the Village's deposits.

Custodial Credit Risk

Deposits

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

As of December 31, 2025, \$4,699,264 of the Village's total bank balances were exposed to custodial credit risk as follows:

Uninsured and collateral held by the pledging financial institution	\$ 4,699,264
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Credit Risk

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

Village of Thiensville

Notes to Financial Statements
December 31, 2025

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

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

Receivables

All of the receivables on the balance sheet are expected to be collected within one year, except for delinquent personal property tax, special assessments and leases.

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

	<u>Unearned</u>	<u>Unavailable</u>
Property taxes receivable for subsequent year	\$ 2,839,703	\$ -
Special assessments not yet due	-	20,602
Grants receivable	-	691,495
Cell tower lease receivable	<u>770,107</u>	<u>-</u>
Total unearned/unavailable revenue for governmental funds	<u>\$ 3,609,810</u>	<u>\$ 712,097</u>

Restricted Assets

The following represent the balances of the restricted assets:

Equipment Replacement Account

The sewer utility established an equipment replacement account to be used for significant mechanical equipment replacement as required by the Wisconsin Department of Natural Resources.

Village of Thiensville

Notes to Financial Statements
December 31, 2025

Capital Assets

Capital asset activity for the year ended December 31, 2025, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental Activities				
Capital assets not being depreciated / amortized:				
Land	\$ 416,177	\$ -	\$ -	\$ 416,177
Construction in progress	798,880	1,492,278	2,221,122	70,036
Intangible assets	12,925	-	-	12,925
Antique fire truck	47,197	-	-	47,197
Total capital assets not being depreciated / amortized	<u>1,275,179</u>	<u>1,492,278</u>	<u>2,221,122</u>	<u>546,335</u>
Capital assets being depreciated / amortized:				
Buildings	2,049,920	-	5,078	2,044,842
Improvements	2,340,048	1,015,746	20,616	3,335,178
Machinery and equipment	2,611,987	59,151	222,241	2,448,897
Furniture and fixture	74,069	-	5,861	68,208
Intangible assets	19,043	-	-	19,043
Roads	5,081,195	415,773	101,328	5,395,640
Storm sewer	4,952,587	789,603	-	5,742,190
Total capital assets being depreciated / amortized	<u>17,128,849</u>	<u>2,280,273</u>	<u>355,124</u>	<u>19,053,998</u>
Total capital assets	<u>18,404,028</u>	<u>3,772,551</u>	<u>2,576,246</u>	<u>19,600,333</u>
Less accumulated depreciation / amortization for:				
Buildings	(717,589)	(42,778)	5,078	(755,289)
Improvements	(1,125,590)	(123,067)	15,687	(1,232,970)
Machinery and equipment	(1,583,519)	(148,912)	222,241	(1,510,190)
Furniture and fixture	(48,038)	(4,997)	5,861	(47,174)
Intangible assets	(9,522)	(2,857)	-	(12,379)
Roads	(1,803,582)	(55,990)	55,537	(1,804,035)
Storm sewer	(675,901)	(51,789)	-	(727,690)
Total accumulated depreciation / amortization	<u>(5,963,741)</u>	<u>(430,390)</u>	<u>304,404</u>	<u>(6,089,727)</u>
Net capital assets being depreciated / amortized	<u>11,165,108</u>	<u>1,849,883</u>	<u>50,720</u>	<u>12,964,271</u>
Total governmental activities capital assets, net as reported in the statement of net position	<u>\$ 12,440,287</u>	<u>\$ 3,342,161</u>	<u>\$ 2,271,842</u>	<u>\$ 13,510,606</u>

Depreciation / amortization expense was charged to functions as follows:

Governmental Activities

General government	\$ 175,983
Public safety	61,338
Public works, which includes the depreciation of infrastructure	188,072
Culture, recreation and education	<u>4,997</u>
Total governmental activities depreciation / amortization expense	<u>\$ 430,390</u>

Village of Thiensville

Notes to Financial Statements
December 31, 2025

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Business-Type Activities				
Capital assets not being depreciated / amortized:				
Construction in progress	\$ 102,111	\$ 193,991	\$ 279,220	\$ 16,882
Total capital assets not being depreciated / amortized	<u>102,111</u>	<u>193,991</u>	<u>279,220</u>	<u>16,882</u>
Capital assets being depreciated / amortized:				
Structures and improvements	755,270	-	-	755,270
Sewer collection system	6,242,905	279,221	23,244	6,498,882
Machinery and equipment	754,896	-	-	754,896
Furniture and fixture	78,050	-	-	78,050
Vehicles	49,193	47,317	-	96,510
Intangible asset	100,618	16,500	11,176	105,942
Total capital assets being depreciated / amortized	<u>7,980,932</u>	<u>343,038</u>	<u>34,420</u>	<u>8,289,550</u>
Total capital assets	<u>8,083,043</u>	<u>537,029</u>	<u>313,640</u>	<u>8,306,432</u>
Less accumulated depreciation / amortization for:				
Structures and improvements	(482,763)	(15,105)	-	(497,868)
Sewer collection system	(1,562,450)	(57,961)	23,244	(1,597,167)
Machinery and equipment	(575,579)	(12,527)	-	(588,106)
Furniture and fixture	(75,202)	(1,899)	-	(77,101)
Vehicles	(49,193)	(2,366)	-	(51,559)
Intangible asset	(100,381)	(7,153)	11,176	(96,358)
Total accumulated depreciation / amortization	<u>(2,845,568)</u>	<u>(97,011)</u>	<u>34,420</u>	<u>(2,908,159)</u>
Net capital assets being depreciated / amortized	<u>5,135,364</u>	<u>246,027</u>	<u>-</u>	<u>5,381,391</u>
Business-type activities capital assets, net as reported in the statement of net position	<u>\$ 5,237,475</u>	<u>\$ 440,018</u>	<u>\$ 279,220</u>	<u>\$ 5,398,273</u>

Depreciation / amortization expense was charged to functions as follows:

Business-Type Activities

Sewer	<u>\$ 97,011</u>
Total business-type activities, net as reported in the statement of net position expense	<u>\$ 97,011</u>

Village of Thiensville

Notes to Financial Statements
December 31, 2025

Interfund Receivables/Payables, Advances and Transfers

Interfund Receivables/Payables

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Capital Projects, Capital Improvements Special Revenue, Stormwater	\$ 497,051
General Fund	Management	36,546
Capital Projects, Capital Improvements	Special Revenue, Park Improvement Special Revenue, Stormwater	208,000
Capital Projects, Capital Improvement	Management	483,495
Sewer Fund	General Fund	<u>17,672</u>
Total, fund financial statements		1,242,764
Less fund eliminations		<u>(1,225,092)</u>
Total internal balances, government-wide statement of net position		<u>\$ 17,672</u>

All amounts are due within one year.

These 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.

Advances

The general fund is advancing funds to the special revenue - tax incremental district #2 fund. The amount advanced is determined by the deficiency of revenues over expenditures and other financing sources since the district's inception. No repayment schedule has been established.

The following is a schedule of interfund advances:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Amount Not Due Within One Year</u>
General Fund	Special Revenue, Tax Incremental District #2 Fund	\$ <u>731,892</u>	\$ 731,892
Total, fund financial statements		<u>\$ 731,892</u>	

The principal purpose of this advance is to finance expenditures until tax incremental district resources are available.

Village of Thiensville

Notes to Financial Statements
December 31, 2025

Transfers

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
Special Revenue, Tax Incremental District #2 Fund	General Fund	\$ 329,930	Finance debt service
Capital Project, Capital Improvement Fund	Special Revenue Fund, Stormwater Management Fund	489,745	Finance project costs
Capital Project, Capital Improvement Fund	Special Revenue, Park Improvement Fund	<u>670,700</u>	Finance project costs
Total, fund financial statements		1,490,375	
Less fund eliminations		<u>(1,490,375)</u>	
Total transfers, government-wide statement of activities		<u>\$ -</u>	

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

Long-Term Obligations

Long-term obligations activity for the year ended December 31, 2025, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities					
Bonds and notes payable:					
General obligation bonds (Discounts)/Premiums	\$ 4,390,000 58,951	\$ - -	\$ 195,000 3,519	\$ 4,195,000 55,432	\$ 195,000 -
Total bonds payable	<u>4,448,951</u>	<u>-</u>	<u>198,519</u>	<u>4,250,432</u>	<u>195,000</u>
Other liabilities:					
Accumulated compensatory time*	7,444	-	7,444	-	-
Accumulated sick pay*	120,578	17,593	-	138,171	-
Accumulated vacation time*	22,706	-	22,706	-	-
Paid annuitant sick leave*	9,273	-	9,273	-	-
Total other liabilities	<u>160,001</u>	<u>17,593</u>	<u>39,423</u>	<u>138,171</u>	<u>-</u>
Total governmental activities long- term liabilities	<u>\$ 4,608,952</u>	<u>\$ 17,593</u>	<u>\$ 237,942</u>	<u>\$ 4,388,603</u>	<u>\$ 195,000</u>

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

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, 2025, was \$29,572,375. Total general obligation debt outstanding at year end was \$4,195,000.

Village of Thiensville

Notes to Financial Statements
December 31, 2025

General Obligation Debt

All general obligation debt payable is backed by the full faith and credit of the Village. Debt in the governmental funds will be retired by future property tax levies or tax increments accumulated by the Special Revenue, Tax Incremental District No. 2 Fund..

<u>Governmental Activities</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2025</u>
General Obligation Debt					
G.O. Corporate Purpose Bonds	03/30/2022	10/01/2041	3.00-3.25%	\$ 4,390,000	\$ 4,195,000
Total governmental activities, general obligation debt					<u>\$ 4,195,000</u>

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities General Obligation Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2026	\$ 195,000	\$ 129,080
2027	195,000	123,230
2028	195,000	117,380
2029	195,000	111,530
2030	195,000	105,680
2031-2035	975,000	440,650
2036-2040	1,800,000	261,998
2041	<u>445,000</u>	<u>14,462</u>
Total	<u>\$ 4,195,000</u>	<u>\$ 1,304,010</u>

Lease Disclosures

Lessor - Lease Receivables

<u>Governmental Activities</u>	<u>Date of Inception</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Receivable Balance December 31, 2025</u>
Lease Receivables Description				
TowerCo	01/09/2019	01/09/2044	2.50%	\$ 770,107
Total governmental activities				<u>\$ 770,107</u>

Village of Thiensville

Notes to Financial Statements
December 31, 2025

Future minimum lease payments are as follows:

<u>Years</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 22,778	\$ 25,621
2027	24,956	24,411
2028	27,177	23,177
2029	29,443	21,918
2030	31,754	20,634
2031-2035	195,091	82,993
2036-2040	260,214	46,813
2041-2043	178,694	9,172
Total	<u>\$ 770,107</u>	<u>\$ 254,739</u>

The Village recognized \$20,643 of lease revenue during the fiscal year.

The Village recognized \$26,807 of interest revenue during the fiscal year.

Net Position/Fund Balances

Net position reported on the government-wide statement of net position at December 31, 2025, includes the following:

Governmental Activities

Invested in capital assets:

Land	\$ 416,177
Construction in progress	70,036
Intangible assets	12,925
Other assets not being depreciated	47,197
Other capital assets, net of accumulated depreciation/amortization	12,964,271
Less long-term debt outstanding	(4,195,000)
Less unamortized debt premium	<u>(55,432)</u>
Total invested in capital assets	<u>\$ 9,260,174</u>

Village of Thiensville

Notes to Financial Statements
December 31, 2025

Governmental Funds

Governmental fund balances reported on the fund financial statements at December 31, 2025, include the following:

	<u>General Fund</u>	<u>Special Revenue Fund - Tax Incremental District #2</u>	<u>Special Revenue Fund- Stormwater Management Fund</u>	<u>Capital Projects Fund - Capital Improvement Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Fund Balances						
Nonspendable:						
Prepaid items	\$ 85,124	\$ 765	\$ 314	\$ 3,086	\$ -	\$ 89,289
Inventories	3,100	-	-	-	-	3,100
Advances to other funds	731,892	-	-	-	-	731,892
Delinquent personal property taxes	8,258	-	-	-	-	8,258
Subtotal	<u>828,374</u>	<u>765</u>	<u>314</u>	<u>3,086</u>	<u>-</u>	<u>832,539</u>
Restricted for:						
Park improvements	-	-	-	-	2,500	2,500
Committed to:						
Accrued compensated absences	138,171	-	-	-	-	138,171
Assigned to:						
Budget appropriations	100,000	-	-	-	-	100,000
Unassigned (deficit)	<u>138,283</u>	<u>(747,662)</u>	<u>(522,366)</u>	<u>(2,166)</u>	<u>(196,261)</u>	<u>(1,330,172)</u>
Total fund balances (deficit)	<u>\$ 1,204,828</u>	<u>\$ (746,897)</u>	<u>\$ (522,052)</u>	<u>\$ 920</u>	<u>\$ (193,761)</u>	<u>\$ (256,962)</u>

Business-Type Activities

Net investment in capital assets:

Construction in progress	\$ 16,882
Other capital assets, net of accumulated depreciation	<u>5,381,391</u>

Total net investment in capital assets \$ 5,398,273

Village of Thiensville

Notes to Financial Statements
December 31, 2025

Accounting Changes

Changes to or Within the Financial Reporting Entity (See Adjustments Below)

The Stormwater Management Special Revenue Fund, previously reported as a nonmajor fund, is reported as a major fund for fiscal year 2025.

Adjustments to Beginning Balances

During fiscal year 2025, changes to or within the financial reporting entity resulted in adjustments to beginning fund balance (deficit) as follows:

	<u>December 31, 2024 as Previously Reported</u>	<u>Change to or Within the Financial Reporting Entity</u>	<u>December 31, 2024 as Adjusted</u>
Governmental Funds			
Major funds:			
General Fund	\$ 1,531,573	\$ -	\$ 1,531,573
Tax Incremental District #2 Special Revenue Fund	(493,963)	-	(493,963)
Stormwater Management Special Revenue Fund	-	(45,349)	(45,349)
Capital Improvement Capital Projects Fund	256,600	-	256,600
Nonmajor funds	<u>300,032</u>	<u>45,349</u>	<u>345,381</u>
Total governmental funds	<u>\$ 1,594,242</u>	<u>\$ -</u>	<u>\$ 1,594,242</u>

4. Other Information

Employees' Retirement System

Plan Description

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

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

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

Vesting

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

Village of Thiensville

Notes to Financial Statements
December 31, 2025

Benefits Provided

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

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

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

The WRS also provides death and disability benefits for employees.

Postretirement Adjustments

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

<u>Year</u>	<u>Core Fund Adjustment %</u>	<u>Variable Fund Adjustment %</u>
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)
2024	3.6	15.0

Village of Thiensville

Notes to Financial Statements
December 31, 2025

Contributions

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

During the reporting period, the WRS recognized \$133,557 in contributions from the Village.

Contribution rates for the plan year reported as of December 31, 2025 are:

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

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

At December 31, 2025, the Village reported a liability of \$160,835 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023 rolled forward to December 31, 2024. 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, 2024, the Village's proportion was 0.00978814%, which was a decrease of 0.00004587% from its proportion measured as of December 31, 2023.

For the year ended December 31, 2025, the Village recognized pension expense of \$196,037.

At December 31, 2025, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between projected and actual experience	\$ 499,482	\$ 469,357
Changes in assumptions	47,722	-
Net differences between projected and actual earnings on pension plan investments	244,398	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,284	5,525
Employer contributions subsequent to the measurement date	<u>152,777</u>	<u>-</u>
Total	<u>\$ 945,663</u>	<u>\$ 474,882</u>

Village of Thiensville

Notes to Financial Statements
December 31, 2025

\$152,777 reported as deferred outflows of resources related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Years Ending December 31:</u>	<u>Deferred Outflows of Resources and Deferred Inflows of Resources (Net)</u>
2026	\$ 94,110
2027	331,855
2028	(82,483)
2029	(25,478)

Actuarial Assumptions

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

Actuarial Valuation Date:	December 31, 2023
Measurement Date of Net Pension Liability (Asset):	December 31, 2024
Experience Study:	January 1, 2021 - December 31, 2023 Published November 19, 2024
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Salary Increases:	
Wage Inflation	3.0%
Seniority/Merit	0.1% - 5.7%
Mortality:	2020 WRS Experience Mortality Table
Postretirement Adjustments*:	1.7%

* No postretirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.7% is the assumed annual adjustment based on the investment return assumption and the postretirement discount rate. Includes the impact of known Market Recognition Account deferred gains/losses on the liability for dividend payments.

Village of Thiensville

Notes to Financial Statements
December 31, 2025

Actuarial assumptions are based upon an experience study conducted in 2024 that covered a three-year period from January 1, 2021 to December 31, 2023. Based on this experience study, actuarial assumptions used to measure the Total Pension Liability changed from prior year, including seniority (merit) and separation rates. The Total Pension Liability for December 31, 2024 is based upon a roll-forward of the liability calculated from the December 31, 2023 actuarial valuation.

Long-Term Expected Return on Plan Assets

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

Asset Allocation Targets and Expected Returns* as of December 31, 2024			
Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %**
Public Equity	38	7.0	4.3
Public Fixed Income	27	6.1	3.4
Inflation Sensitive	19	4.8	2.1
Real Estate	8	6.5	3.8
Private Equity/Debt	20	9.5	6.7
Leverage***	(12)	3.7	1.1
Total Core Fund	100	7.5	4.8
Variable Fund Asset			
U.S. Equities	70	6.5	3.8
International Equities	30	7.4	4.7
Total Variable Fund	100	6.9	4.2

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

** *New England Pension Consultants' Long-Term U.S. CPI (Inflation) Forecast: 2.6%*

*** *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 Thiensville

Notes to Financial Statements
December 31, 2025

Single Discount Rate

A single discount rate of 6.8% was used to measure the total pension liability for the current and prior year. This discount rate is based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 4.08% (Source: "20-Bond GO Index" is the Bond Buyer Index, general obligation, 20 years to maturity, mixed quality as of December 31, 2024. In describing this index, the Bond Buyer notes that the bonds' average quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard and Poor's Corp.'s AA.). Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the investment rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

	<u>1% Decrease to Discount Rate (5.8%)</u>	<u>Current Discount Rate (6.8%)</u>	<u>1% Increase to Discount Rate (7.8%)</u>
Village's proportionate share of the net pension liability (asset)	\$ 1,508,845	\$ 160,835	\$ (796,887)

Pension Plan Fiduciary Net Position

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

At December 31, 2025, the Village reported a payable to the pension plan \$22,523 which represents contractually required contributions outstanding as of the end of the year.

Risk Management

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

Village of Thiensville

Notes to Financial Statements
December 31, 2025

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. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the Village attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Village's financial position or results of operations.

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

The Village has active construction projects as of December 31, 2025. Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures.

Joint Ventures

Frank L. Weyenberg Library of Mequon-Thiensville

The Village of Thiensville and City of Mequon jointly operate the Frank L. Weyenberg Library of Mequon-Thiensville, which is called the Weyenberg Library (Library) and provides library services to the residents of the Village of Thiensville and the City of Mequon.

The governing body is made up of citizens from each community. Local representatives are appointed by the Village President, Mayor and Superintendent of the School District. The governing body has authority to adopt its own budget and control the financial affairs of the Library. The Village is obligated by the joint venture agreement to remit an amount annually to the Library. The Village made a payment to the Library of \$113,676 in 2025.

Financial information of the Library as of December 31, 2025 is available within these financial statements.

The Village accounts for its share of the operation in the general fund. The Village has an equity interest in the organization equal to its percentage share of participation. The equity interest relative to financial assets is reported in the general fund.

The equity interest is reported in the governmental activities column of the government-wide statement of net position. Changes in the equity interest are reported on the statement of activities.

Mid-Moraine Municipal Court

The sixteen municipalities from Ozaukee and Washington Counties jointly operate the local municipal court, which is called the Mid-Moraine Municipal Court and provides non-criminal citation processing.

Village of Thiensville

Notes to Financial Statements
December 31, 2025

The communities share in the annual operation of the municipal court based on the joint venture agreement as follows:

<u>Municipality</u>	<u>% Exp Paid</u>
City of West Bend	19.25 %
City of Mequon	14.62
City of Hartford	12.22
Village of Germantown	8.86
Village of Slinger	8.61
City of Port Washington	6.80
Village of Jackson	5.45
Village of Saukville	4.93
Town of Trenton	4.54
Village of Grafton	4.36
City of Cedarburg	2.90
Village of Kewaskum	2.88
Village of Thiensville	2.45
Village of Newburg	1.04
Town of Hartford	0.61
Village of Fredonia	0.48
	<hr/>
Total	<u>100.00 %</u>

The governing committee is made up of citizens from each community. Local representatives are appointed by the chief executive officer of each community. The committee recommends its own budget which is ratified by each community member. The committee also controls the financial affairs of the courts.

Financial information of the court as of December 31, 2025 is available directly from the municipal court in West Bend, Wisconsin.

The Village of Thiensville does not have an equity interest in the Mid-Moraine Municipal Court.

Subsequent Event

On April 9, 2026 the Village issued general obligation promissory notes in the amount of \$1,575,000 with an interest rate of 3.785%. A portion of the proceeds will be used for capital improvement projects, including road programs. The remaining portion will be for professional and financing fees.

Effect of New Accounting Standards on Current-Period Financial Statements

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

- Statement No. 103, *Financial Reporting Model Improvements*
- Statement No. 104, *Disclosure of Certain Capital Assets*
- Statement No. 105, *Subsequent Events*

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

REQUIRED SUPPLEMENTARY INFORMATION

Village of Thiensville

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
 General Fund
 Year Ended December 31, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Taxes	\$ 2,379,732	\$ 2,379,732	\$ 2,379,732	\$ -
Intergovernmental	410,832	410,832	414,198	3,366
Licenses and permits	161,425	161,425	116,430	(44,995)
Fines, forfeitures and penalties	40,000	40,000	21,975	(18,025)
Public charges for services	66,425	66,425	57,129	(9,296)
Intergovernmental charges for services	63,500	63,500	50,545	(12,955)
Investment income	100,000	100,000	86,918	(13,082)
Miscellaneous revenues	25,000	25,000	24,411	(589)
	<u>3,246,914</u>	<u>3,246,914</u>	<u>3,151,338</u>	<u>(95,576)</u>
Expenditures				
Current:				
General government	577,464	577,464	495,233	82,231
Public safety	1,632,128	1,632,128	1,529,840	102,288
Public works	752,231	752,231	806,262	(54,031)
Health and human services	2,000	2,000	2,000	-
Culture, recreation and education	293,161	293,161	314,818	(21,657)
	<u>3,256,984</u>	<u>3,256,984</u>	<u>3,148,153</u>	<u>108,831</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(10,070)</u>	<u>(10,070)</u>	<u>3,185</u>	<u>13,255</u>
Other Financing Uses				
Transfers out	<u>(329,930)</u>	<u>(329,930)</u>	<u>(329,930)</u>	<u>-</u>
Total other financing uses	<u>(329,930)</u>	<u>(329,930)</u>	<u>(329,930)</u>	<u>-</u>
Net change in fund balance	<u>\$ (340,000)</u>	<u>\$ (340,000)</u>	<u>(326,745)</u>	<u>\$ 13,255</u>
Fund Balance, Beginning			<u>1,531,573</u>	
Fund Balance, Ending			<u>\$ 1,204,828</u>	

See notes to required supplementary information

Village of Thiensville

Detailed Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
 Special Revenue Fund - Tax Incremental District #2
 Year Ended December 31, 2025

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Investment income	\$ 12,000	\$ 1,878	\$ (10,122)
Total revenues	<u>12,000</u>	<u>1,878</u>	<u>(10,122)</u>
Expenditures			
Current:			
General government	6,650	8,221	(1,571)
Conservation and development	62,811	246,956	(184,145)
Debt service:			
Principal	195,000	195,000	-
Interest and fiscal charges	<u>135,780</u>	<u>135,330</u>	<u>450</u>
Total expenditures	<u>400,241</u>	<u>585,507</u>	<u>(185,266)</u>
Deficiency of revenues under expenditures	<u>(388,241)</u>	<u>(583,629)</u>	<u>(195,388)</u>
Other Financing Sources			
Transfers in	<u>329,930</u>	<u>329,930</u>	<u>-</u>
Total other financing sources	<u>329,930</u>	<u>329,930</u>	<u>-</u>
Net change in fund balance	<u>\$ (58,311)</u>	<u>(253,699)</u>	<u>\$ (195,388)</u>
Fund Balance (Deficit), Beginning		<u>(493,963)</u>	
Fund Balance (Deficit), Ending		<u>\$ (747,662)</u>	

See notes to required supplementary information

Village of Thiensville

Detailed Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
 Special Revenue Fund - Stormwater Management Fund
 Year Ended December 31, 2025

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Taxes	\$ 52,000	\$ 52,000	\$ -
Intergovernmental	<u>638,767</u>	<u>6,250</u>	<u>(632,517)</u>
Total revenues	<u>690,767</u>	<u>58,250</u>	<u>(632,517)</u>
Expenditures			
Current:			
General government	1,000	342	658
Public works	21,190	25,709	(4,519)
Capital outlay:			
Capital outlay	<u>21,500</u>	<u>19,157</u>	<u>2,343</u>
Total expenditures	<u>43,690</u>	<u>45,208</u>	<u>(1,518)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>647,077</u>	<u>13,042</u>	<u>(634,035)</u>
Other Financing Uses			
Transfers out	<u>(686,767)</u>	<u>(489,745)</u>	<u>197,022</u>
Total other financing uses	<u>(686,767)</u>	<u>(489,745)</u>	<u>197,022</u>
Net change in fund balance	<u>\$ (39,690)</u>	<u>(476,703)</u>	<u>\$ (437,013)</u>
Fund Balance (Deficit), Beginning		<u>(45,349)</u>	
Fund Balance (Deficit), Ending		<u>\$ (522,052)</u>	

See notes to required supplementary information

Village of Thiensville

Schedule of Proportionate Share of the Net Pension Liability (Asset) -

Wisconsin Retirement System

Year Ended December 31, 2025

<u>WRS Fiscal Year Ending</u>	<u>Proportion of the Net Pension Liability (Asset)</u>	<u>Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Covered Payroll</u>	<u>Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
12/31/15	0.00888295%	\$ 144,346	\$ 1,092,639	13.21%	98.20%
12/31/16	0.00889566%	73,321	1,075,042	6.82%	99.12%
12/31/17	0.00908519%	(269,750)	1,131,597	23.84%	102.93%
12/31/18	0.00945170%	336,261	1,220,952	27.54%	96.45%
12/31/19	0.00982766%	(316,888)	1,217,689	26.02%	102.96%
12/31/20	0.01022206%	(638,177)	1,311,676	48.65%	105.26%
12/31/21	0.01031377%	(831,308)	1,311,913	63.37%	106.02%
12/31/22	0.01079264%	571,762	1,413,127	40.46%	95.72%
12/31/23	0.01024687%	152,351	1,221,598	12.47%	98.85%
12/31/24	0.00978814%	160,835	1,286,096	12.51%	98.79%

Schedule of Employer Contributions - Wisconsin Retirement System

Year Ended December 31, 2025

<u>Village Fiscal Year Ending</u>	<u>Contractually Required Contributions</u>	<u>Contributions in Relation to the Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
12/31/16	\$ 83,727	\$ 83,727	\$ -	\$ 1,075,042	7.79%
12/31/17	96,532	96,532	-	1,131,597	8.53%
12/31/18	105,407	105,407	-	1,220,952	8.63%
12/31/19	104,687	104,687	-	1,217,689	8.60%
12/31/20	120,476	120,476	-	1,311,676	9.18%
12/31/21	121,532	121,532	-	1,311,913	9.26%
12/31/22	134,416	134,416	-	1,413,127	9.51%
12/31/23	121,566	121,566	-	1,221,598	9.95%
12/31/24	134,241	134,241	-	1,286,096	10.44%
12/31/25	152,777	152,777	-	1,415,371	10.79%

See notes to required supplementary information

Village of Thiensville

Notes to Required Supplementary Information
Year Ended December 31, 2025

Budgetary Information

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

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

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

Wisconsin Retirement System

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

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

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

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

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

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

SUPPLEMENTARY INFORMATION

Village of Thiensville

Detailed Schedule of Revenues - Budget and Actual -
General Fund
Year Ended December 31, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Taxes				
General property taxes	\$ 2,379,732	\$ 2,379,732	\$ 2,379,732	\$ -
Intergovernmental Revenues				
State shared revenues	164,952	164,952	164,952	-
Fire insurance tax (2% fire dues)	18,915	18,915	21,024	2,109
Exempt computer aid	4,179	4,179	4,179	-
State aid, law enforcement improvement	1,120	1,120	2,560	1,440
State transportation	202,665	202,665	202,488	(177)
State aid, recycling	9,530	9,530	9,524	(6)
Other	9,471	9,471	9,471	-
Total intergovernmental revenues	<u>410,832</u>	<u>410,832</u>	<u>414,198</u>	<u>3,366</u>
Licenses and Permits				
Liquor and malt beverage licenses	9,500	9,500	7,275	(2,225)
Cigarette licenses	200	200	200	-
Cable and cell tower	66,325	66,325	35,637	(30,688)
Dog and cat licenses	2,200	2,200	1,322	(878)
Other nonbusiness licenses	700	700	280	(420)
Building permits	50,000	50,000	53,247	3,247
Electrical permits	15,000	15,000	9,838	(5,162)
Plumbing permits	15,000	15,000	8,025	(6,975)
Other permits	2,500	2,500	606	(1,894)
Total licenses and permits	<u>161,425</u>	<u>161,425</u>	<u>116,430</u>	<u>(44,995)</u>
Fines, Forfeitures and Penalties				
Court penalties and costs	25,000	25,000	10,994	(14,006)
Parking violations	15,000	15,000	10,981	(4,019)
Total fines, forfeitures and penalties	<u>40,000</u>	<u>40,000</u>	<u>21,975</u>	<u>(18,025)</u>
Public Charges for Services				
Municipal center fees	3,500	3,500	3,125	(375)
Law enforcement fees	2,500	2,500	1,626	(874)
Dumpster service fees	24,500	24,500	23,285	(1,215)
Softball sponsor fees	1,500	1,500	1,500	-
Park fees	9,000	9,000	6,470	(2,530)
Other public charges for services	25,425	25,425	21,123	(4,302)
Total public charges for services	<u>66,425</u>	<u>66,425</u>	<u>57,129</u>	<u>(9,296)</u>
Intergovernmental Charges for Services				
Administrative charge to sewer utility	40,000	40,000	40,000	-
Local, other services	15,000	15,000	2,045	(12,955)
Fiscal agent fees	8,500	8,500	8,500	-
Total intergovernmental charges for services	<u>63,500</u>	<u>63,500</u>	<u>50,545</u>	<u>(12,955)</u>

Village of Thiensville

Detailed Schedule of Revenues - Budget and Actual -

General Fund

Year Ended December 31, 2025

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Investment Income				
Interest on investments	\$ 100,000	\$ 100,000	\$ 60,111	\$ (39,889)
Interest on lease receivable	<u>-</u>	<u>-</u>	<u>26,807</u>	<u>26,807</u>
Total investment income	<u>100,000</u>	<u>100,000</u>	<u>86,918</u>	<u>(13,082)</u>
Miscellaneous Revenue				
Donations	-	-	3,394	3,394
Other miscellaneous revenue	<u>25,000</u>	<u>25,000</u>	<u>21,017</u>	<u>(3,983)</u>
Total miscellaneous revenue	<u>25,000</u>	<u>25,000</u>	<u>24,411</u>	<u>(589)</u>
Total revenues	<u>\$ 3,246,914</u>	<u>\$ 3,246,914</u>	<u>\$ 3,151,338</u>	<u>\$ (95,576)</u>

Village of Thiensville

Detailed Schedule of Expenditures - Budget and Actual -
 General Fund
 Year Ended December 31, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
General Government				
Village Board	\$ 37,030	\$ 37,030	\$ 34,428	\$ 2,602
Legal	11,500	11,500	8,001	3,499
Village administration	294,302	294,302	316,024	(21,722)
Elections	6,000	6,000	4,767	1,233
Village assessor	7,000	7,000	7,000	-
Special accounting and audit	22,700	22,700	29,852	(7,152)
Property and liability insurance	94,607	94,607	82,657	11,950
Other general government	4,325	4,325	12,504	(8,179)
Contingency	100,000	100,000	-	100,000
Total general government	<u>577,464</u>	<u>577,464</u>	<u>495,233</u>	<u>82,231</u>
Public Safety				
Police department	1,295,014	1,295,014	1,180,675	114,339
Fire department	291,614	291,614	294,805	(3,191)
Inspection	45,500	45,500	54,360	(8,860)
Total public safety	<u>1,632,128</u>	<u>1,632,128</u>	<u>1,529,840</u>	<u>102,288</u>
Public Works				
Department of Public Works	574,531	574,531	593,089	(18,558)
Engineering	6,000	6,000	10,732	(4,732)
Tree and brush control	1,200	1,200	391	809
Snow and ice removal	29,000	29,000	40,531	(11,531)
Street lighting	25,000	25,000	30,582	(5,582)
Planning services	9,500	9,500	24,888	(15,388)
Sanitary landfill	50,000	50,000	57,008	(7,008)
Recycling	57,000	57,000	49,041	7,959
Total public works	<u>752,231</u>	<u>752,231</u>	<u>806,262</u>	<u>(54,031)</u>
Health and Human Services				
Family Service of Ozaukee	2,000	2,000	2,000	-
Culture, Recreation and Education				
Weyenberg Library	113,676	113,676	113,676	-
Thiensville Business Association	5,000	5,000	5,000	-
Parks	156,485	156,485	177,192	(20,707)
Celebrations, July 4th activity	18,000	18,000	18,950	(950)
Total culture, recreation and education	<u>293,161</u>	<u>293,161</u>	<u>314,818</u>	<u>(21,657)</u>
Other Financing Uses				
Transfers out	329,930	329,930	329,930	-
Total expenditures and other financing uses	<u>\$ 3,586,914</u>	<u>\$ 3,586,914</u>	<u>\$ 3,478,083</u>	<u>\$ 108,831</u>

Village of Thiensville

Combining Balance Sheet -
Nonmajor Governmental Fund
December 31, 2025

	<u>Special Revenue Fund</u>	<u>Total Nonmajor Governmental Fund</u>
	<u>Park Improvement Fund</u>	
Assets		
Cash and investments	\$ 11,489	\$ 11,489
Receivables:		
Accounts (net)	<u>211,750</u>	<u>211,750</u>
Total assets	<u>\$ 223,239</u>	<u>\$ 223,239</u>
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)		
Liabilities		
Due to other funds	<u>\$ 208,000</u>	<u>\$ 208,000</u>
Total liabilities	<u>208,000</u>	<u>208,000</u>
Deferred Inflows of Resources		
Unavailable revenues	<u>208,000</u>	<u>208,000</u>
Total deferred inflows of resources	<u>208,000</u>	<u>208,000</u>
Fund Balances (Deficit)		
Restricted	2,500	2,500
Unassigned (deficit)	<u>(195,261)</u>	<u>(195,261)</u>
Total fund balances (deficit)	<u>(192,761)</u>	<u>(192,761)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 223,239</u>	<u>\$ 223,239</u>

Village of Thiensville

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
 Nonmajor Governmental Fund
 Year Ended December 31, 2025

	Special Revenue Funds		
	Park Improvement Fund	(Previous Year Nonmajor Fund) Stormwater Management Fund	Total Nonmajor Governmental Fund
Revenues			
Public charges for services	\$ 9,750	\$ -	\$ 9,750
Investment income	8,583	-	8,583
Miscellaneous revenues	166,352	-	166,352
Total revenues	<u>184,685</u>	<u>-</u>	<u>184,685</u>
Expenditures			
Current:			
Culture, recreation and education	52,127	-	52,127
Total expenditures	<u>52,127</u>	<u>-</u>	<u>52,127</u>
Excess of revenues over expenditures	132,558	-	132,558
Other Financing Sources (Uses)			
Transfers out	(670,700)	-	(670,700)
Total other financing sources (uses)	<u>(670,700)</u>	<u>-</u>	<u>(670,700)</u>
Net change in fund balances	(538,142)	-	(538,142)
Fund Balances (Deficit), Beginning	345,381	(45,349)	300,032
Accounting changes (see note disclosure)	-	45,349	45,349
Fund Balances, Beginning, as Adjusted	<u>345,381</u>	<u>-</u>	<u>345,381</u>
Fund Balances (Deficit), Ending	<u>\$ (192,761)</u>	<u>\$ -</u>	<u>\$ (192,761)</u>

Village of Thiensville

Combining Statement of Fiduciary Net Position - Custodial Funds

December 31, 2025

	Tax Collection Fund	Frank L. Weyenberg Library of Mequon-Thiensville		Total
		Library Operations	Library Grants	
Assets				
Cash and investments	\$ 4,215,472	\$ 213,863	\$ 73,777	\$ 4,503,112
Receivables:				
Tax roll receivable	1,000,471	-	-	1,000,471
Accounts receivable (net)	-	20,895	-	20,895
Prepaid items	-	20,270	-	20,270
Total assets	<u>5,215,943</u>	<u>255,028</u>	<u>73,777</u>	<u>5,544,748</u>
Liabilities, Deferred Inflows of Resources and Net Position				
Liabilities				
Accounts payable	-	20,695	-	20,695
Accrued liabilities	-	22,390	-	22,390
Due to other governments	<u>5,215,943</u>	<u>-</u>	<u>-</u>	<u>5,215,943</u>
Total liabilities	<u>5,215,943</u>	<u>43,085</u>	<u>-</u>	<u>5,259,028</u>
Deferred Inflows of Resources				
Unavailable revenue	<u>-</u>	<u>20,895</u>	<u>-</u>	<u>20,895</u>
Net Position				
Restricted for Library	<u>\$ -</u>	<u>\$ 191,048</u>	<u>\$ 73,777</u>	<u>\$ 264,825</u>

Village of ThiensvilleCombining Statement of Changes in Fiduciary Net Position - Custodial Funds
Year Ended December 31, 2025

	Tax Collection Fund	Frank L. Weyenberg Library of Mequon-Thiensville		Total
		Library Operations	Library Grants	
Additions				
Tax collections	\$ 3,451,113	\$ -	\$ -	\$ 3,451,113
Intergovernmental	-	1,305,325	-	1,305,325
Fines and fees	-	12,619	-	12,619
Investment income	-	14,770	-	14,770
Gifts and grants	-	4,943	7,734	12,677
Miscellaneous	-	47,737	-	47,737
Total additions	<u>3,451,113</u>	<u>1,385,394</u>	<u>7,734</u>	<u>4,844,241</u>
Deductions				
Payments to overlying districts	3,451,113	-	-	3,451,113
Library operating expenditures	-	1,288,067	9,054	1,297,121
Library capital outlay	-	119,887	-	119,887
Total deductions	<u>3,451,113</u>	<u>1,407,954</u>	<u>9,054</u>	<u>4,868,121</u>
Change in net position	-	(22,560)	(1,320)	(23,880)
Net Position, Beginning	<u>-</u>	<u>213,608</u>	<u>75,097</u>	<u>288,705</u>
Net Position, Ending	<u>\$ -</u>	<u>\$ 191,048</u>	<u>\$ 73,777</u>	<u>\$ 264,825</u>

Village of Thiensville

Statement of Net Position

Frank L. Weyenberg Library of Mequon-Thiensville

December 31, 2025

	Governmental Activities
Assets and Deferred Outflows of Resources	
Assets	
Cash and investments	\$ 287,640
Accounts receivable (net)	20,895
Prepaid items	20,270
Capital assets, net of depreciation	<u>2,592,624</u>
Total assets	<u>2,921,429</u>
Deferred Outflows of Resources	
Deferred outflows related to OPEB	15,369
Deferred outflows related to pension	<u>286,591</u>
Total deferred outflows of resources	<u>301,960</u>
Liabilities, Deferred Inflows of Resources and Net Position	
Current Liabilities	
Accounts payable	20,695
Accrued liabilities	<u>22,390</u>
Total current liabilities	<u>43,085</u>
Noncurrent Liabilities	
Compensated absences	16,971
Net pension liability	49,312
Net OPEB liability	<u>36,157</u>
Total noncurrent liabilities	<u>102,440</u>
Total liabilities	<u>145,525</u>
Deferred Inflows of Resources	
Deferred inflows related to OPEB	24,040
Deferred inflows related to pension	<u>143,909</u>
Total deferred inflows of resources	<u>167,949</u>
Net Position	
Investment in capital assets	2,592,624
Restricted for library	<u>317,291</u>
Total net position	<u>\$ 2,909,915</u>

Village of Thiensville

Statement of Activities

Frank L. Weyenberg Library of Mequon-Thiensville
 Year Ended December 31, 2025

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities					
Library services	\$ 1,452,605	\$ 14,347	\$ 1,299,498	\$ 18,504	\$ (120,256)
	General Revenues				
	Investment income				14,770
	Miscellaneous				47,737
	Total general revenues				62,507
	Change in net position				(57,749)
	Net Position, Beginning				2,967,664
	Net Position, Ending				\$ 2,909,915

Village of Thiensville

Balance Sheet - Governmental Funds

Frank L. Weyenberg Library of Mequon-Thiensville

December 31, 2025

	<u>Library Operations</u>	<u>Library Grants</u>	<u>Total</u>
Assets			
Cash and investments	\$ 213,863	\$ 73,777	\$ 287,640
Accounts receivable (net)	20,895	-	20,895
Prepaid items	20,270	-	20,270
	<u>255,028</u>	<u>73,777</u>	<u>328,805</u>
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities			
Accounts payable	\$ 20,695	\$ -	\$ 20,695
Accrued liabilities	22,390	-	22,390
	<u>43,085</u>	<u>-</u>	<u>43,085</u>
Deferred Inflows of Resources			
Unavailable revenue	20,895	-	20,895
Fund Balances			
Restricted for gifts and grants	-	73,777	73,777
Unassigned	191,048	-	191,048
	<u>191,048</u>	<u>73,777</u>	<u>264,825</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 255,028</u>	<u>\$ 73,777</u>	<u>\$ 328,805</u>
Total governmental fund balance			\$ 264,825
Amounts reported for governmental activities in the Statement of Net Position are different because:			
Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds.			2,592,624
The net pension liability does not relate to current financial resources and is not reported in the governmental funds.			(49,312)
The net OPEB liability does not relate to current financial resources and is not reported in the governmental funds.			(36,157)
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.			20,895
Deferred outflows of resources related to pension do not relate to current financial resources and are not reported in the governmental funds.			286,591
Deferred inflows of resources related to pension do not relate to current financial resources and are not reported in the governmental funds.			(143,909)
Deferred outflows of resources related to OPEB do not relate to current financial resources and are not reported in the governmental funds.			15,369
Deferred inflows of resources related to OPEB do not relate to current financial resources and are not reported in the governmental funds.			(24,040)
Some liabilities are not due and payable in the current period and therefore are not reported in the funds, compensated absences			<u>(16,971)</u>
Net Position of Governmental Activities			<u>\$ 2,909,915</u>

Village of Thiensville

Combining Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Actual to Budget - Governmental Funds
 Frank L. Weyenberg Library of Mequon-Thiensville
 Year Ended December 31, 2025

	Library Operations	Library Grants	Total Library	Budgeted Amounts		Variance With Final Budget
				Original	Final	
Revenues						
Intergovernmental revenues:						
City of Mequon	\$ 1,150,000	\$ -	\$ 1,150,000	\$ 1,150,000	\$ 1,150,000	\$ -
Village of Thiensville	113,676	-	113,676	113,676	113,676	-
County reimbursements	23,145	-	23,145	23,145	23,145	-
American Rescue Plan Act grant	18,504	-	18,504	-	18,504	-
Fines and fees	12,619	-	12,619	20,000	20,000	(7,381)
Investment income	14,770	-	14,770	14,000	14,000	770
Gift and grants	4,943	7,734	12,677	-	-	12,677
Miscellaneous	47,737	-	47,737	15,500	44,500	3,237
Total revenues	1,385,394	7,734	1,393,128	1,336,321	1,383,825	9,303
Expenditures						
Current:						
Library service:						
Staffing	900,050	-	900,050	929,209	884,509	(15,541)
Administration	97,354	-	97,354	106,379	103,379	6,025
Program and collection	134,644	-	134,644	152,000	139,000	4,356
Building	156,019	-	156,019	160,676	160,676	4,657
Gifts and grants	-	9,054	9,054	-	-	(9,054)
Capital outlay	119,887	-	119,887	8,057	120,010	123
Total expenditures	1,407,954	9,054	1,417,008	1,356,321	1,407,574	(9,434)
Net change in fund balance	(22,560)	(1,320)	(23,880)	\$ (20,000)	\$ (23,749)	\$ (131)
Fund Balance, Beginning	213,608	75,097	288,705			
Fund Balance, Ending	\$ 191,048	\$ 73,777	\$ 264,825			

Village of Thiensville

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances

to the Statement of Activities

Frank L. Weyenberg Library of Mequon-Thiensville

Year Ended December 31, 2025

Net Change in Fund Balances, Total Governmental Fund \$ (23,880)

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

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

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements	119,887
Some items reported as operating expenditures in the fund financial statements but are capitalized in the government-wide financial statements	83,169
Depreciation is reported in the government-wide statements	(215,131)

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.

Fines and other receivables	1,728
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Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental fund.

Net OPEB liability related to life insurance	4,324
Net pension asset	(3,245)
Deferred outflows of resources related to pension	(123,896)
Deferred inflows of resources related to pension	102,118
Deferred outflows of resources related to OPEB, LRLIF	(3,534)
Deferred inflows of resources related to OPEB, LRLIF	(4,072)
Compensated absences	4,783

Change in Net Position of Governmental Activities \$ (57,749)

Reporting and insights from 2025 audit:

Village of Thiensville

December 31, 2025

Executive summary

May 14, 2026

To the Village Board
Village of Thiensville

We have completed our audit of the financial statements of the Village of Thiensville (the Village) for the year ended December 31, 2025, and have issued our report thereon dated May 14, 2026. This letter presents communications required by our professional standards.

Your audit should provide you with confidence in your financial statements. The audit was performed based on information obtained from meetings with management, data from your systems, knowledge of your Village's operating environment and our risk assessment procedures. We strive to provide you clear, concise communication throughout the audit process and of the final results of our audit.

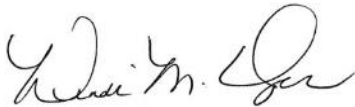
Additionally, we have included information on key risk areas the Village of Thiensville should be aware of in your strategic planning. We are available to discuss these risks as they relate to your organization's financial stability and future planning.

If you have questions at any point, please connect with us:

- Wendi M. Unger, CPA, Principal: wendi.unger@bakertilly.com or +1 (414) 777 5423

Sincerely,

Baker Tilly US, LLP



Wendi M. Unger, CPA, Principal

THIS COMMUNICATION IS INTENDED SOLELY FOR THE INFORMATION AND USE OF THOSE CHARGED WITH GOVERNANCE, AND, IF APPROPRIATE, MANAGEMENT, AND IS NOT INTENDED TO BE AND SHOULD NOT BE USED BY ANYONE OTHER THAN THESE SPECIFIED PARTIES.

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. NONATTEST SERVICES ARE PROVIDED BY BAKER TILLY ADVISORY GROUP, LP.

Responsibilities

Our responsibilities

As your independent auditor, our responsibilities include:

- Planning and performing the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. Reasonable assurance is a high level of assurance.
- Assessing the risks of material misstatement of the financial statements, whether due to fraud or error. Included in that assessment is a consideration of the Village's internal control over financial reporting.
- Performing appropriate procedures based upon our risk assessment.
- Evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management.
- Forming and expressing an opinion based on our audit about whether the financial statements prepared by management, with the oversight of the Village Board:
 - Are free from material misstatement
 - Present fairly, in all material respects and in accordance with accounting principles generally accepted in the United States of America
- Our audit does not relieve management or the Village Board of their responsibilities.

We are also required to communicate significant matters related to our audit that are relevant to the responsibilities of the Village Board, including:

- Internal control matters
- Qualitative aspects of the Village's accounting practice including policies, accounting estimates and financial statement disclosures
- Significant unusual transactions
- Significant difficulties encountered
- Disagreements with management
- Circumstances that affect the form and content of the auditors' report
- Audit consultations outside the engagement team
- Corrected and uncorrected misstatements
- Other audit findings or issues

Audit status

Significant changes to the audit plan

There were no significant changes made to either our planned audit strategy or to the significant risks and other areas of emphasis identified during the performance of our risk assessment procedures.

Audit approach and results

Planned scope and timing

Audit focus

Based on our understanding of the Village and environment in which you operate, we focused our audit on the following key areas:

- Key transaction cycles
- Areas with significant estimates

Our areas of audit focus were informed by, among other things, our assessment of materiality. Materiality in the context of our audit was determined based on specific qualitative and quantitative factors combined with our expectations about the Village's current year results.

Key areas of focus and significant findings

Significant risks of material misstatement

A significant risk is an identified and assessed risk of material misstatement that, in the auditors' professional judgment, requires special audit consideration. Within our audit, we focused on the following areas below.

Significant risk areas	Testing approach	Conclusion
Management override of controls	Incorporate unpredictability into audit procedures, emphasize professional skepticism and utilize audit team with industry expertise	Procedures identified provided sufficient evidence for our audit opinion
Improper revenue recognition due to fraud	Confirmation or validation of certain revenues supplemented with detailed predictive analytics based on non-financial data and substantive testing of related receivables	Procedures identified provided sufficient evidence for our audit opinion

Other areas of emphasis

We also focused on other areas that did not meet the definition of a significant risk, but were determined to require specific awareness and a unique audit response.

Other areas of emphasis		
Cash and investments	Revenues and receivables	General disbursements
Payroll	Pension and OPEB liabilities	Long-term debt
Capital assets including infrastructure	Net position and fund balance	Financial reporting and required disclosures

Internal control matters

We considered the Village's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing an opinion on the financial statements. We are not expressing an opinion on the effectiveness of the Village's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis.

A material weakness is a deficiency or combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We identified the following deficiency as a material weakness:

- **Financial statement close process (Library)**

Properly designed systems of internal control provide your organization with the ability to process and record accurate monthly and year-end transactions and annual financial reports.

Our audit includes a review and evaluation of the internal controls relating to financial reporting. Common attributes of a properly designed system of internal control for financial reporting are as follows:

- There is adequate staffing to prepare financial reports throughout the year and at year-end.
- Material misstatements are identified and corrected during the normal course of duties.
- Complete and accurate financial statements, including footnotes, are prepared.
- Financial reports are independently reviewed for completeness and accuracy.

Our evaluation of the internal controls over financial reporting has identified control deficiencies that are considered material weakness surrounding the preparation of financial statements and footnotes and an independent review of financial reports.

Management has not prepared financial statements that are in conformity with generally accepted accounting principles.

Required communications

Qualitative aspect of accounting practices

- Accounting policies: Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we have advised management about the appropriateness of accounting policies and their application. The significant accounting policies used by Village are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing accounting policies was not changed during 2025. We noted no transactions entered into by the Village during the year for which accounting policies are controversial or for which there is a lack of authoritative guidance or consensus or diversity in practice.
- Accounting estimates: Accounting estimates, including fair value estimates, are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements, the degree of subjectivity involved in their development and because of the possibility that future events affecting them may differ significantly from those expected. The following estimates are of most significance to the financial statements:

Estimate	Management's process to determine	Baker Tilly's conclusions regarding reasonableness
Compensated absences	Evaluation of hours earned and accumulated in accordance with employment policies and average wage per hour rates	Reasonable in relation to the financial statements as a whole
Net pension liability and related deferrals	Evaluation of information provided by the Wisconsin Retirement System	Reasonable in relation to the financial statements as a whole
Allowance for doubtful accounts (Library)	Evaluation of historical revenues and loss levels with the analysis on collectability of individual amounts	Reasonable in relation to the financial statements as a whole
Net OPEB liability and related deferrals (Library)	Key assumptions set by management with the assistance of a third-party actuary	Reasonable in relation to the financial statements as a whole
Depreciation/Amortization	Evaluate estimated useful life of the asset and original acquisition value	Reasonable in relation to the financial statements as a whole
Lease receivable and related deferral	Evaluation of leases by management and incremental borrowing rate used for present value calculation	Reasonable in relation to the financial statements as a whole

There have been no significant changes made by management to either the processes used to develop the particularly sensitive accounting estimates, or to the significant assumptions used to develop the estimates noted above.

- Financial statement disclosures: The disclosures in the financial statements are neutral, consistent and clear.

Significant unusual transactions

There have been no significant transactions that are outside the normal course of business for the Village or that otherwise appear to be unusual due to their timing, size or nature.

Significant difficulties encountered during the audit

We encountered no significant difficulties in dealing with management and completing our audit.

Disagreements with management

Professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Audit report

There have been no departures from the auditors' standard report.

Audit consultations outside the engagement team

We encountered no difficult or contentious matters for which we consulted outside of the engagement team.

Uncorrected misstatements and corrected misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no material misstatements identified.

Other audit findings or issues

We encountered no other audit findings or issues that require communication at this time.

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Village's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Management's consultations with other accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing or accounting matters.

Written communications between management and Baker Tilly

The attachments include copies of other material written communications, including a copy of the management representation letter.

Compliance with laws and regulations

We did not identify any non-compliance with laws and regulations during our audit except the excess expenditures over appropriations disclosed in Note 2 of the financial statements.

Fraud

We did not identify any known or suspected fraud during our audit.

Going concern

Pursuant to professional standards, we are required to communicate to you, when applicable, certain matters relating to our evaluation of the Village's ability to continue as a going concern for a reasonable period of time but no less than 12 months from the date of the financial statements, including the effects on the financial statements and the adequacy of the related disclosures, and the effects on the auditors' report. No such matters or conditions have come to our attention during our engagement.

Independence

We are not aware of any relationships between Baker Tilly and the Village that, in our professional judgment, may reasonably be thought to bear on our independence.

Related parties

We did not have any significant findings or issues arise during the audit in connection with the Village's related parties.

Other matters

We applied certain limited procedures to the required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the supplementary information which accompanies the financial statements but is not RSI. With respect to the supplementary information, we made certain inquiries of management and evaluated the form, content and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Nonattest services

The following nonattest services were provided by Baker Tilly:

- Financial statement preparation
- Compiled regulatory reports

In addition, as part of the financial statement preparation we prepared GASB No. 34 conversion entries which are summarized in the "Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position" and the "Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities" in the financial statements.

None of these nonattest services constitute an audit under generally accepted auditing standards, including *Government Auditing Standards*.

Village Board resources

Our business is to know every aspect of yours and to maintain a constant lookout for what's next. We invite you to learn about some of the trending challenges and opportunities for public sector organizations like yours and how Baker Tilly can help.

To explore more trending topics and regulatory updates, visit our resource page at <https://www.bakertilly.com/insights/audit-committee-resource-page>.



Capital project oversight

Public sector capital projects face increasing pressure from cost escalation, supply chain disruption, regulatory complexity and heightened scrutiny around transparency and accountability. Strong planning, governance and controls are critical across the full project life cycle, from feasibility and funding strategy through execution and closeout.

Independent oversight helps chart a clear course from planning to delivery. Our teams work alongside leadership to strengthen governance, establish financial and contractual controls, align funding with project goals, and monitor performance throughout execution, helping projects stay on schedule, within budget, and aligned with community priorities.



Succession planning

An aging workforce, rising retirement rates, and competition for specialized talent make succession planning a fiscal and operational a priority for public sector organizations.

By identifying critical roles, assessing workforce risk, building internal talent pipelines, and integrating succession planning with broader workforce strategies, Baker Tilly helps organizations preserve institutional knowledge and maintain continuity, today, and into the future.



Economic development

Successful economic development depends on disciplined planning, sound financial analysis and coordinated execution. Public sector leaders must balance incentives, infrastructure investment, funding opportunities and stakeholder priorities while maintaining fiscal responsibility.

Baker Tilly's supports local governments with strategic and financial planning, incentive structuring and negotiation, tax increment financing administration, project financing, grant strategy, and economic and fiscal impact analysis. This integrated approach helps leaders move from vision to action, strengthening communities and advancing sustainable, long-term growth.

Management representation letter



VILLAGE OF THIENSVILLE

250 Elm Street
Thiensville, WI 53092-1602

Phone (262) 242-3720
Fax (262) 242-4743

May 14, 2026

Baker Tilly US, LLP
790 N. Water St, Suite 2000
Milwaukee, Wisconsin 53202

We are providing this letter in connection with your audit of the financial statements of the Village of Thiensville as of December 31, 2025 and for the year then ended for the purpose of expressing opinions as to whether the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Thiensville and the respective changes in financial position and cash flows, where applicable, in conformity with accounting principles generally accepted in the United States of America (GAAP). We confirm that we are responsible for the fair presentation of the previously mentioned financial statements in conformity with accounting principles generally accepted in the United States of America. We are also responsible for adopting sound accounting policies, establishing and maintaining internal control over financial reporting, and preventing and detecting fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated October 30, 2024, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.
- 2) The financial statements referred to above are fairly presented in conformity with accounting principles generally accepted in the United States of America. We have engaged you to advise us in fulfilling that responsibility. The financial statements include all properly classified funds of the primary government required by accounting principles generally accepted in the United States of America to be included in the financial reporting entity.
- 3) We acknowledge our responsibility 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.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, if any, are reasonable in accordance with U.S. GAAP.

- 6) All events subsequent to the date of the financial statements and for which accounting principles generally accepted in the United States of America require adjustment or disclosure have been adjusted or disclosed. No other events, including instances of noncompliance, have occurred subsequent to the financial statement date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.
- 7) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 8) All known audit and bookkeeping adjustments have been included in our financial statements, and we are in agreement with those adjustments.
- 9) There are no known or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements. There are no unasserted claims or assessments that our lawyer has advised us are probable of assertion and must be disclosed in accordance with accounting principles generally accepted in the United States of America.
- 10) Guarantees, whether written or oral, under which the Village is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 11) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as financial records and related data, documentation, and other matters.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of the Village Board or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 12) We have not completed an assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 13) We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - a) Management,
 - b) Employees who have significant roles in internal control, or
 - c) Others where the fraud could have a material effect on the financial statements.
- 14) We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, regulators, or others.
- 15) We have no knowledge of known instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.

- 16) There are no related parties or related party relationships and transactions, including side agreements, of which we are aware.

Other

- 17) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 18) The Village of Thiensville has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources or fund balance or net position.
- 19) We are responsible for compliance with federal, state, and local laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits, debt contracts, and IRS arbitrage regulations; and we have identified and disclosed to you all federal, state, and local laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.
- 20) There are no:
 - a) Violations or possible violations of budget ordinances, federal, state, and local laws or regulations (including those pertaining to adopting, approving and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, or for reporting on noncompliance, except those already disclosed in the financial statement, if any.
 - b) Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by accounting principles generally accepted in the United States of America.
 - c) Nonspendable, restricted, committed, or assigned fund balances that were not properly authorized and approved.
 - d) Rates being charged to customers other than the rates as authorized by the applicable authoritative body.
 - e) Violations of restrictions placed on revenues as a result of bond resolution covenants such as revenue distribution or debt service funding.
- 21) As part of your audit, you assisted with the preparation of the financial statements. We acknowledge our responsibility as it relates to those non-audit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements.

- 22) We have made all management decisions and performed all management functions in relation to the nonattest services provided by Baker Tilly US, LLP or Baker Tilly Advisory Group, LP, as identified in the engagement letter or an addendum to the engagement letter. We have designated Colleen Landisch-Hansen, Village Administrator, an employee with suitable skill, knowledge, and/or experience to oversee the services received. Furthermore, we have established and maintained internal controls, including monitoring activities related to the nonattest services provided by Baker Tilly US, LLP or Baker Tilly Advisory Group, LP, and we have evaluated and accept responsibility for the adequacy and results of the nonattest services received.

The nonattest services provided by Baker Tilly US, LLP or Baker Tilly Advisory Group, LP, are listed below.

- a) Financial statement preparation
- b) Compiled regulatory reports.

None of these nonattest services constitute an audit under generally accepted auditing standards, including *Government Auditing Standards*.

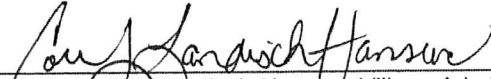
- 23) The Village of Thiensville has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 24) The Village of Thiensville has complied with all aspects of contractual agreements that would have a material effect on the financial statement in the event of noncompliance.
- 25) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations, if any. Component units have been properly presented as either blended or discrete.
- 26) The financial statements include all fiduciary activities required by GASB No. 84.
- 27) The financial statements properly classify all funds and activities.
- 28) All funds that meet the quantitative criteria in GASB Statement No. 34 and No. 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 29) Components of net position (net investment in capital assets; restricted; and unrestricted) and components of fund balance (nonspendable, restricted, committed, assigned and unassigned) are properly classified and, if applicable, approved.
- 30) Provisions for uncollectible receivables, if any, have been properly identified and recorded.
- 31) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 32) Revenues are appropriately classified in the statement of activities within program revenues and general revenues.
- 33) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 34) Deposits and investments are properly classified, valued, and disclosed (including risk disclosures, collateralization agreements, valuation methods, and key inputs, as applicable).

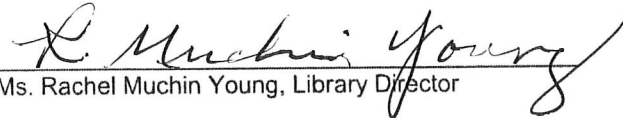
- 35) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated/amortized. Any known impairments have been recorded and disclosed.
- 36) Tax-exempt bonds issued have retained their tax-exempt status.
- 37) We have appropriately disclosed the Village of Thiensville's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available and have determined that net position were properly recognized under the policy. We have also disclosed our policy regarding which resources (that is, restricted, committed, assigned or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available.
- 38) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 39) With respect to the supplementary information, (SI):
- a) We acknowledge our responsibility for presenting the SI in accordance with accounting principles generally accepted in the United States of America, and we believe the SI, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the SI have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
 - b) If the SI is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.
- 40) We assume responsibility for, and agree with, the information provided by the Wisconsin Retirement System as audited by the Legislative Audit Bureau relating to the net pension asset/liability and related deferred outflows and deferred inflows and have adequately considered the reasonableness of the amounts and disclosures used in the financial statements and underlying accounting records. We also assume responsibility for the census data that has been reported to the plan.
- 41) We have evaluated our ongoing operations and determined there are no concentrations or constraints meeting the requirements for disclosure under GASB Statement No. 102.
- 42) The auditing standards define an annual report as "a document, or combination of documents, typically prepared on an annual basis by management or those charged with governance in accordance with law, regulation, or custom, the purpose of which is to provide owners (or similar stakeholders) with information on the entity's operations and the financial results and financial position as set out in the financial statements." Among other items, an annual report contains, accompanies, or incorporates by reference the financial statements and the auditors' report thereon. We confirm that we do not prepare and have no plans to prepare an annual report.

- 43) We assume responsibility for, and agree with the information provided by the Department of Employee Trust Funds for the Local Retiree Life Insurance program as audited by the Legislative Audit Bureau relating to the net OPEB liability and related deferred outflows and deferred inflows and have adequately considered the reasonableness of the amounts and disclosures used in the financial statements and underlying accounting records. We also assume responsibility for the census data that has been reported to the plan.

Sincerely,

Village of Thiensville

Signed: 
Ms. Colleen J. Landisch-Hansen, Village Administrator

Signed: 
Ms. Rachel Muchin Young, Library Director

Client service team



Wendi Unger, CPA
Principal

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Accounting changes relevant to the Village of Thiensville

Future accounting standards update

GASB statement number	Description	Potentially impacts you	Effective date
103	Financial reporting model improvements	✓	12/31/26
104	Disclosure of certain capital assets	✓	12/31/26
105	Subsequent events	✓	12/31/27

Further information on upcoming [GASB pronouncements](#).

Changes to the financial reporting model

GASB Statement 103, *Financial Reporting Model Improvements*, builds on Statement 34 by providing key targeted improvements to the financial reporting model. Its requirements are designed to:

- Enhance the effectiveness of governmental financial reports in providing information essential for decision making and assessing a government's accountability, and
- Address certain application issues.

The targeted improvements contained in Statement 103 establish or modify existing accounting and financial reporting requirements related to:

- Management's discussion and analysis - While the overall requirements do not substantially change management's discussion and analysis, the modifications are meant to improve the analysis included in this section and provide details about the items that should be discussed as currently known facts, decisions, or conditions expected to have a significant financial effect in the subsequent period.
- Unusual or infrequent items (previously known as extraordinary and special items) - The new statement simplifies GASB literature by eliminating the separate presentation of extraordinary and special items. Under the requirement of Statement 103, applicable items will either be identified as unusual or infrequent, or both.
- Presentation of the proprietary fund statement of revenues, expenses and changes in fund net position - The changes are designed to improve consistency around the classification of items in these statements by better defining what should be included in operating revenues and expenses and nonoperating revenues and expenses including, for example, the addition of subsidies received or provided as a new category of nonoperating revenues and expenses.
- Major component unit information, and budgetary comparison information - Statement 103 is designed to improve the consistency of the reporting of major component unit information and budgetary comparison information by specifying required placement of that information.

Revisions to disclosures for certain capital assets

Governments are required to provide information on capital assets in the footnotes to the financial statements as outlined in GASB Statement No. 34. Recent standards have impacted the accounting and reporting for capital assets and as a result GASB issued Statement No. 104, *Disclosure of Certain Capital Assets* to provide enhanced disclosures for certain capital assets, including

- (a) Lease assets reported under Statement No. 87, intangible right-to-use assets reported under Statement No. 94 and subscription assets reported under Statement No. 96 should all be disclosed separately, and by major class of underlying asset. In addition, if there are any other intangible assets reported they should also be disclosed separately.
- (b) Capital assets that are held for sale should have the ending balance with separate disclosure for historical cost and related accumulated depreciation as well as any outstanding debt for which the asset is pledged as collateral disclosed by major class of asset. Assets held for sale are defined as those for which the government has decided to pursue the sale, and it is probable that the sale will be finalized within one year of the financial statement date.

While these changes are focused on footnote disclosures it is important to plan ahead to ensure the required information is available for implementation.

Updated guidance for the financial reporting of subsequent events

GASB Statement No. 105, *Subsequent Events, which supersedes GASB Statement No. 56*, is intended to enhance consistency in the application of requirements for subsequent events.

The Statement defines subsequent events as transactions or other events that occur after year end but before the date the financial statements are available to be issued. The date the financial statements are available to be issued is the date at which (a) the financial statements are complete in a form and format that complies with generally accepted accounting principles (GAAP) and (b) approvals necessary for issuance have been obtained, or typically the opinion date. The definition of subsequent events in this Statement modifies the subsequent events time frame throughout the GASB literature.

The Statement also clarifies:

- The different types of subsequent events (recognized and nonrecognized events)
- When note disclosures are required
- The information that should be included in those note disclosures

Two-way audit communications

As part of our audit of your financial statements, we are providing communications to you throughout the audit process. Auditing requirements provide for two-way communication and are important in assisting the auditor and you with more information relevant to the audit.

As this past audit is concluded, we use what we have learned to begin the planning process for next year's audit. It is important that you understand the following points about the scope and timing of our next audit:

- a. We address the significant risks of material misstatement, whether due to fraud or error, through our detailed audit procedures.
- b. We will obtain an understanding of the five components of internal control sufficient to assess the risk of material misstatement of the financial statements whether due to error or fraud, and to design the nature, timing and extent of further audit procedures. We will obtain a sufficient understanding by performing risk assessment procedures to evaluate the design of controls relevant to an audit of financial statements and to determine whether they have been implemented. We will use such knowledge to:
 - Identify types of potential misstatements
 - Consider factors that affect the risks of material misstatement
 - Design tests of controls, when applicable and substantive procedures
- c. We will not express an opinion on the effectiveness of internal control over financial reporting or compliance with laws, regulations and provisions of contracts or grant programs.
- d. The concept of materiality recognizes that some matters, either individually or in the aggregate, are important for fair presentation of financial statements in conformity with generally accepted accounting principles while other matters are not important. In performing the audit, we are concerned with matters that, either individually or in the aggregate, could be material to the financial statements. Our responsibility is to plan and perform the audit to obtain reasonable assurance that material misstatements, whether caused by errors or fraud, are detected.

Our audit will be performed in accordance with auditing standards generally accepted in the United States of America.

We are very interested in your views regarding certain matters. Those matters are listed here:

- a. We typically will communicate with your top level of management unless you tell us otherwise.
- b. We understand that the governing board has the responsibility to oversee the strategic direction of your organization, as well as the overall accountability of the entity. Management has the responsibility for achieving the objectives of the entity.
- c. We need to know your views about your organization's objectives and strategies, and the related business risks that may result in material misstatements.
- d. We anticipate that the Village will receive an unmodified opinion on its financial statements.
- e. Which matters do you consider warrant particular attention during the audit, and are there any areas where you request additional procedures to be undertaken?
- f. Have you had any significant communications with regulators or grantor agencies?
- g. Are there other matters that you believe are relevant to the audit of the financial statements?

Also, is there anything that we need to know about the attitudes, awareness and actions of the governing body concerning:

- a. The entity's internal control and its importance in the entity, including how those charged with governance oversee the effectiveness of internal control?
- b. The detection or the possibility of fraud?

We also need to know if you have taken actions in response to developments in financial reporting, laws, accounting standards, governance practices or other related matters, or in response to previous communications with us.

With regard to the timing of our audit, here is some general information. If necessary, we may do preliminary financial audit work during the months of October-December, and sometimes early in January. Our final financial fieldwork is scheduled during the spring to best coincide with your readiness and report deadlines. After fieldwork, we wrap up our financial audit procedures at our office and may issue drafts of our report for your review. Final copies of our report and other communications are issued after approval by your staff. This is typically 6-12 weeks after final fieldwork, but may vary depending on a number of factors.

Keep in mind that while this communication may assist us with planning the scope and timing of the audit, it does not change the auditors' sole responsibility to determine the overall audit strategy and the audit plan, including the nature, timing and extent of procedures necessary to obtain sufficient appropriate audit evidence.

We realize that you may have questions on what this all means, or wish to provide other feedback. We welcome the opportunity to hear from you.

VILLAGE OF THIENSVILLE
RESOLUTION 2026-12

A RESOLUTION ESTABLISHING
A LINE OF SUCCESSION OF OFFICERS IN THE EVENT OF A
DECLARATION OF EMERGENCY

WHEREAS, emergency government is defined as the preparation for and carrying out of all emergency functions, other than functions for which the military forces are primarily responsible, to minimize and repair injury and damage resulting from disaster caused by enemy attack, sabotage or other hostile action or by fire, flood or other natural causes; and

WHEREAS, a Declaration of Emergency can be made by the Governor, the Village President or the Village Board or, in their absence, the Emergency Government Director; and

WHEREAS, it is established by Village Code (Sec. 22-52) that a resolution be adopted annually by the Village Board establishing a line of succession of officers in the event of a Declaration of Emergency.

NOW, THEREFORE BE IT RESOLVED by the Village Board of the Village of Thiensville that the Declaration of Emergency line of succession of officers consists of President Rosing, in his absence, it is to be Trustee Lange and in his absence, it is to be Trustee Eckert.

PASSED AND ADOPTED by the Village Board of the Village of Thiensville, County of Ozaukee, State of Wisconsin on this 15th day of June 2026.

John Rosing, Village President

Colleen Landisch-Hansen, Village Clerk



PROCLAMATION

THIENSVILLE TRICK-OR-TREAT (BEGGAR'S NIGHT) - OCTOBER 25, 2026

WHEREAS, the President of the Village of Thiensville has given consideration to the pleasure of our children by virtue of tradition; and

WHEREAS, this is a source of amusement and good cheer for both the very young and the older people whom they visit and entertain; and

WHEREAS, Thiensville Trick-or-Treat (Beggar's Night) falls on Sunday, October 25, 2026, activities connected therewith present safety hazards; and

WHEREAS, the number of children on the streets of our community on this night requires extreme caution to be observed by motorists; and

WHEREAS, extreme caution must be observed by the youngsters in their travels and it is urged that they travel in groups and be accompanied by an adult, with children and adults wearing light colored clothing for better visibility to motorists; further that those walking shall use the sidewalks where available, while those using the streets shall proceed on the shoulder facing traffic and avoid darting into the street and not wear masks that impair vision.

NOW, THEREFORE BE IT PROCLAIMED that Sunday, October 25, 2026 be known as "THIENSVILLE TRICK-OR-TREAT" and children participate in their "TRICK-OR-TREAT" activities between the hours of 3:00 PM and 6:00 PM.

FURTHER BE IT PROCLAIMED that all citizens of the Thiensville community cooperate in efforts of safely involving children abroad at this time.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal this 15th day of June, 2026.

John Rosing, President
Village of Thiensville