

MEETING NOTICE & AGENDA

VILLAGE OF NORTH PRAIRIE

FINANCE COMMITTEE

November 13, 2025, AT 5:00 P.M.

MUNICIPAL CENTER – 130 N. HARRISON STREET

Pursuant to the requirements of Section 19.84, WI Stats., notice is hereby given of a meeting of the Village of North Prairie Finance Committee, at which a quorum of the Village Board may be in attendance to gather information about subjects which they have decision making responsibility. Notice of Village Board Quorum, (Chairperson to announce the following if a quorum of the Village Board is in attendance at the meeting: Please let the minutes reflect that a quorum of the Village Board is present.)

1. **Call to Order**
2. **Roll Call**
3. **Discussion and/or Action:** Approval of the Finance Committee minutes from October 9, 2025 & October 22, 2025, Finance Committee meetings.
4. **Discussion and/or Action:** Review of Citizen's Bank Statement.
5. **Discussion and/or Action:** Review of monthly journal entries.
6. **Discussion and/or Action:** Review of the monthly bills and payroll with recommendation to the Village Board.
7. **Discussion and/or Action:** Review Fee Schedule, with recommendation to the board.
8. **Discussion and/or Action:** Fee Schedule Resolution R05-2025, to update the Fee Schedule, effective 12/1/25, with recommendation to the board.
9. **Discussion and/or Action:** Review alternative formulas for the KMFD
10. **Discussion and/or Action:** Update JMC billings/payments made to Village of North Prairie
11. **Discussion and/or Action:** Review any billable reimbursements for legal, engineering and planning fees.
12. **Discussion and/or Action:** Review of the 2024 Final Audit and Governance Acceptance Letter
13. **Discussion and/or Action:** Set date & time for an extra finance monthly meeting, if necessary.
14. **Motion to adjourn**

Dave Schroeder, Chair
Deborah Hall
Andy Harmann

Please note that, upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through appropriate aids and services. For additional information, please contact the Village Office at 262-392-2271.

Submitted by: Evelyn Etten, Administrator/Clerk/Treasurer

Nov. 10, 2025

**MEETING MINUTES FOR THE
VILLAGE OF NORTH PRAIRIE'S FINANCE COMMITTEE
OCTOBER 9, 2025, AT 5:00 P.M.
MUNICIPAL CENTER – 130 N. HARRISON STREET**

1) Call to Order at 5:03 p.m.

2) Roll Call: Present: Trustee Dave Schroeder, Trustee Andy Harmann, Trustee Debbie Hall. Other Attendees: Administrator Etten, Village President Dan Miresse, Carol S. (Let the minutes reflect that a quorum of the Village Board is present.)

3) Discussion and/or Action: Approval of September 11, 2025, meeting minutes. Motion to approve as presented made by Hall, 2nd by Harmann, motion carried.

4) Discussion and/or Action: Review monthly bills and payroll with recommendation to the Village Board. Motion by Schroeder to recommend the monthly bills and payroll to the Village Board as follows: Invoices, payable vouchers and payroll checks # 20372 - #20437 \$242,137.88 and Payroll Tax Liability/Benefits of \$13,306.41 paid by ACH for a total of \$255,444.29 for the October 9th, 2025, Board meeting; 2nd by Hall, motion carried.

5) Discussion and/or Action: Update on letters sent to Village of Eagle and Town of Eagle regarding KMFD. No official response has been received. The committee will continue to consider appropriate financial formulas. Motion to continue to update Eagles regarding how much we pay and options for fair split made by Schroeder, 2nd by Harmann. Motion carried.

6) Discussion and/or Action: Update on billing to JMC for Evie's time spent on court duties. To be revisited again next month. Motion by Hall to continue to monitor monthly court billing to JMC, second by Harmann, motion carried.

7) Discussion and/or Action: Explanation on Citizens Bank Statement (Summary of Accts.) Discussion to close ARPA and move remains to general account. Continue to look at "earmarks" and "designations" of funds in a future meeting. No action taken.

8) Discussion and/or Action: Review any billable reimbursements for legal, engineering and planning fees. Items were reviewed, no action taken.

9) Motion to adjourn. Motion to adjourn by Hall, at 6:16 pm., second by Harmann, motion carried.

Minutes by Chairman Dave Schroeder submitted on 10/26/25

**MEETING MINUTES FOR THE
VILLAGE OF NORTH PRAIRIE'S FINANCE COMMITTEE
OCTOBER 22, 2025, AT 5:30 P.M.
MUNICIPAL CENTER – 130 N. HARRISON STREET**

1) Call to Order at 5:30 p.m.

2) Roll Call: Present: Trustee Dave Schroeder, Trustee Andy Harmann, Trustee Debbie Hall. Other Attendees: Administrator Etten, Village President Dan Miresse, Carol S. (Let the minutes reflect that a quorum of the Village Board is present.)

3) Discussion and/or Action: Approve the 10/15/25 Minutes. Schroeder made motion to accept minutes as presented, 2nd by Harmann, motion carried.

4) Discussion and/or Action: Fee Schedule for 2026 with recommendation to the Village Board. Looking at briefly only as time permitted - the following changes were recommended: direct sellers' license was changed to \$100; special assessment letter rush changed to \$100, special assessment letter 5-day response changed to \$75. A resolution will be needed for the Board to adopt the new Fee Schedule when completed.

5) Discussion and/or Action: Regarding the 2026 Budget with recommendation to the Village Board. Motion by Trustee Hall for the Finance Committee to recommend to the Village Board the 2026 Budget showing revenue of \$1,768,786 and corresponding expenditures, and a mil rate of \$3.02. Motion seconded by Harmann, motion carried.

6) Motion to adjourn. Motion to adjourn by Schroeder @ 6:32 pm., 2nd by Harmann, motion carried.

Minutes by Chairman Dave Schroeder submitted on 10/26/25

Exhibit A

Village of North Prairie
Waukesha County, Wisconsin
130 N Harrison Street
North Prairie, WI 53153
www.northprairie.net

Village of North Prairie

2025 Schedule of Fees

Resolution 2012-02R - Revised 04/12/2012

Resolution 2013-04R - Revised 12/12/2013

Resolution 2014-01R - Revised 05/08/2014

Resolution 2016-05R - Revised 10/13/2016

Resolution 2017-01R - Revised 12/14/2017

Resolution 2019-01R- Revised 01/10/2019

Resolution 2021-04R- Revised 12/09/2021

Resolution 2024-04R- Revised 10/11/2024

Resolution 2025-03R- Revised 11/13/2025

Administrative Fees

Section	Type of Fee	Fee/Charge	Units/Duration	Comments
Licenses/Permits	Dog-Neutered/Spayed	\$15.00	each yearly	
	Dog-Unneutered/Unspayed	\$20.00	each yearly	
	Cat- Neutered/Spayed	\$15.00	each yearly	
	Cat- Unneutered/Unspayed	\$20.00	each yearly	
	Late Fee	\$5.00	each	After March 31
	Duplicate Dog/Cat License	\$5.00	each	
	Class A Beer	\$250.00	yearly	
	Class A Liquor	\$400.00	yearly	
	Class B Beer	\$100.00	yearly	
	Class B Liquor - Regular/Reserve	\$400.00	yearly	
	Initial Issuance Fee - Reserve Class B Liquor	\$10,000.00	one time	per new applicant
	Class C Wine	\$100.00	yearly	
	6-month Class B Beer	\$50.00	each	
	Temporary/Picnic Beer	\$20.00		or \$35/2 day-\$45/3 day
	Temporary/Picnic Wine	\$20.00		or \$35/2 day-\$45/3 day
	Operator's License - Regular	\$25.00	exp June 30	
	Operator's Provisional	\$15.00	each	
	Tobacco / Cigarette	\$100.00	yearly	
	Burning Brush Permit	\$30.00	exp Dec. 31st	Village Residents
	Burning Brush- Temp	\$20.00	2 weeks	Village Residents
	Direct Sellers License	\$100.00	yearly	Includ. Background Check
	Fireworks Permit	\$150.00	Daily	/event to end by 11pm
	Varmint Permit	\$30.00	yearly	
Other Administrative Fees	Background Investigation Fee	\$20.00	each	
	Fingerprinting	\$25.00	each	Police Dept
	Master Plan	\$40.00	each	
	Zoning Code Book	\$45.00	each	
	Copies/Faxes	\$0.25	page	
	Electronic Public Records (first 100 pages)	\$20.00	each	
	Electronic Public Records (over 101 pages)	\$0.10	page	
	Special Assessment Letter (5 day response)	\$75.00	each	
	Special Assessment Letter (rush)	\$100.00	each	
	Publication fee	Actual Cost	each	
	Bulk Water Load	\$120.00	load	6,200 gallons

Administrative Fees - Continued

Bulk Water Permit	\$40.00	annual	annual fee
Noxious Weed Cutting	Actual Cost	each parcel	
Noxious Weed Cutting Notice Clerical Fee	\$15.00	each parcel	
Tax Bill Information	\$5.00	each parcel	
Golf Cart Sticker	\$50.00	annual	
Chicken Keeping Permit	\$20.00	annual	

Park & Community Room Fees

<u>Section</u>	<u>Type of Fee</u>	<u>Fee/Charge</u>	<u>Units/Duration</u>	<u>Comments</u>
Parks				
	Village Resident Rental	\$150.00	day	
	Village Resident Deposit	\$250.00	each	
	Non-Village Resident Rental	\$250.00	day	
	Non-Village Resident Deposit	\$250.00	each	
	Beer License Resident	\$10.00	event	Issued by Clerk
	Beer License Non-Village Resident	\$20.00	event	Issued by Clerk
Fields				
	Field Preparation Fee	\$75.00	each set-up	
	Practice Time- Village Resident	\$15.00	2 hours	Excludes NPAA
	Practice Time- Non-Village Resident	\$20.00	2 hours	Excludes NPAA
	Games-Village Resident	\$15.00	game	Plus Field Prep Fee
	Games- Non-Village Resident	\$20.00	game	Plus Field Prep Fee
	Tournaments	\$150.00	per day	Inc. one Field Prep
	Event Fee	\$250.00	per event	non-profits exempt TBD

Community Room Rental Fees

Recurring Weekday Events	Determined/negotiated by Clerk's Office
Village Resident Rental	\$150.00 day
Village Resident Deposit	\$250.00 day
Non-Village Resident Rental	\$250.00 day
Non-Village Resident Deposit	\$250.00 day
Beer License Resident	\$25.00 day
Beer License Non-Village Resident	\$35.00 day

Protective Services

Ord. #	Description	Deposit	Fine	Deposit	2nd Offense	Deposit	3rd Offense
Police Bond Schedule							
6.98	Regulating Dogs/ Animals	\$70.00	\$150.00	\$80.00	\$162.00	\$100.00	\$187.00
6.98	Dog at Large / Animal at Large	\$70.00	\$150.00	\$80.00	\$162.00	\$100.00	\$187.00
6.98	Barking Dog / Noisy Animal	\$70.00	\$150.00	\$80.00	\$162.00	\$100.00	\$187.00
6.98	Harbor Vicious Dog / Animal	\$200.00	\$313.00	\$300.00	\$439.00	Removal after 2nd off.	\$187.00
6.98	Dog Attack / with Injury	\$350.00	\$502.00	\$500.00	\$691.00	Removal after 2nd off.	\$187.00
6.98	Park Regulations / Same as Curfew	\$70.00	\$150.00	\$80.00	\$162.00	\$100.00	\$187.00
6.98	Park Hours	\$70.00	\$150.00	\$80.00	\$162.00	\$100.00	\$187.00
6.98	Junk / Junked Vehicles	\$175.00	\$282.00	\$225.00	\$345.00	\$300.00	\$439.00
6.98	Abandoned Vehicle	\$300.00	\$439.00				
6.98	Snow Removal	\$100.00	\$187.00	\$150.00	\$250.00	\$200.00	\$313.00
6.98	Sidewalk Obstruction	\$100.00	\$187.00	\$150.00	\$250.00	\$200.00	\$313.00
6.98	Refuse Burning Hours / Permit	\$100.00	\$187.00	\$150.00	\$250.00	\$200.00	\$313.00
6.98	Refuse Burning Materials	\$150.00	\$250.00	\$200.00	\$313.00	\$300.00	\$439.00
6.98	Solicitation	\$70.00	\$150.00	\$80.00	\$162.00	\$100.00	\$187.00
6.98	Regulating Bicycles	\$70.00	\$130.00				
6.98	Snowmobile Violation	\$200.00	\$313.00				
6.98	ATV Violation	\$200.00	\$313.00	\$300.00	\$439.00	\$400.00	\$565.00
6.98	Golf Cart Violation	\$200.00	\$313.00	\$300.00	\$439.00	\$400.00	\$565.00
6.98	Prohibited Over Night Parking	\$75.00	\$99.00				
6.98	Wrong Side of Street	\$100.00	\$187.00				
6.98	Too Far From Curb / In Road	\$75.00	\$155.00				
6.98	In Handicapped Area	\$250.00	\$376.00				
6.98	Double Parked	\$75.00	\$155.00				
6.98	Close to corner / Obstructing View	\$75.00	\$155.00				
6.98	No Parking / Restricted	\$100.00	\$187.00				
6.98	Too Close to Fire Hydrant (within 10 Feet)	\$150.00	\$250.00				
6.98	Parked Blocking Driveway	\$150.00	\$250.00				
6.98	Parked on Private Property	\$150.00	\$250.00				
6.98	All Other Parking	\$75.00	\$155.00				
6.98	Disorderly Conduct / Motor Vehicle	\$90.00	\$155.00				
6.98	Keeping of domestic chickens	\$70.00	\$150.00	\$80.00	\$162.00	\$100.00	\$187.00
Municipal Criminal							
7.98	Smoking in Enclosed Space	\$200.00	\$313.00	\$250.00	\$376.00	\$350.00	\$502.00
7.98	Person in Charge Allow Smoking	\$300.00	\$439.00	\$400.00	\$565.00	\$500.00	\$691.00

Protective Services - Continued

<u>Ord. #</u>	<u>Description</u>	<u>Deposit</u>	<u>Fine</u>	<u>Deposit</u>	<u>2nd Offense</u>	<u>Deposit</u>	<u>3rd Offense</u>
Municipal Criminal - Continued							
7.98	Minor Possession of Tobacco Products	\$150.00	\$250.00	\$200.00	\$313.00	\$250.00	\$376.00
7.98	Sale of Tobacco Products to Minor	\$300.00	\$439.00	\$400.00	\$565.00	\$500.00	\$691.00
7.98	Nuisance / Noise Violation	\$200.00	\$313.00	\$250.00	\$376.00	\$300.00	\$439.00
7.98	Graffiti (Over 14 YOA)	\$250.00	\$376.00	\$350.00	\$502.00	\$450.00	\$628.00
7.98	Disorderly Conduct	\$300.00	\$439.00	\$400.00	\$565.00	\$500.00	\$691.00
7.98	Lewd & Lascivious Behavior	\$350.00	\$502.00	\$450.00	\$628.00	3rd offense	State Charge
7.98	Underage Drinking Violation	\$300.00	\$439.00	\$400.00	\$565.00	\$500.00	\$691.00
7.98	Delinquency Prevention Minors	\$300.00	\$439.00	\$400.00	\$565.00	\$500.00	\$691.00
Police Bond Schedule							
7.98	Unlawful Use of Phone	\$200.00	\$313.00	\$250.00	\$376.00	3rd Offense	State Charge
7.98	False Alarm	\$70.00	\$149.00	\$80.00	\$162.00	\$100.00	\$187.00
7.98	Possession Controlled Substance	\$300.00	\$439.00	\$400.00	\$565.00	3rd Offense	State Charge
7.98	Possession Drug Paraphernalia	\$200.00	\$313.00	\$250,376.00	\$313.00	3rd Offense	State Charge
7.98	Hunting within Village Limits	\$250.00	\$376.00	\$300.00	\$439.00	\$400.00	\$565.00
7.98	Shooting within Village Limits	\$250.00	\$376.00	\$300.00	\$439.00	\$400.00	\$565.00
7.98	Theft / Shoplifting Prohibited	\$250.00	\$376.00	\$350.00	\$502.00	\$450.00	\$628.00
7.98	CDTP	\$250.00	\$376.00	\$350.00	\$502.00	\$450.00	\$628.00
7.98	Trespass Land	\$200.00	\$313.00	\$300.00	\$439.00	\$400.00	\$565.00
7.98	Trespass Building	\$300.00	\$439.00	\$400.00	\$565.00	3rd Offense	State Charge
7.98	Sale / Use of Fireworks	\$200.00	\$313.00	\$250.00	\$376.00	\$350.00	\$502.00
7.98	Sellers Permit Violation / Alcohol-Other	\$300.00	\$439.00	\$400.00	\$565.00	3rd Offense	State Charge
7.98	Littering	\$200.00	\$313.00	\$250.00	\$376.00	\$300.00	\$439.00
7.98	Resisting / Obstructing	\$300.00	\$439.00	\$400.00	\$565.00	\$500.00	\$691.00
7.98	Battery	\$400.00	\$565.00	\$500.00	\$691.00	3rd Offense	State Charge
7.98	Fraud Hotel / Restaurant / Innkeeper	\$400.00	\$565.00	\$500.00	\$691.00	3rd Offense	State Charge
7.98	Vagrancy	\$200.00	\$313.00	\$250.00	\$376.00	\$300.00	\$439.00

Police Administration

Court-Ordered PBT Testing \$20.00 per week unless the Fee is Set by the Court

Section	Type of Fee	Fee/Charge	Units/Duration
Public Site Acquisition and Improvement Fee			
10.7	Single-Family	\$650.00	unit
10.7	Multi-Family Dwelling	\$450.00	unit
Plan Commission Review Fees			
Form 2	Preliminary Plat Review	\$500.00 + \$15.00 per lot	submittal
Form 3	Final Plat Review	\$375.00 + \$10.00 per lot	submittal
Form 4	Certified Survey Map	\$175.00 + \$15.00 per lot	submittal
Form 5	Rezoning Map Change	\$350.00	submittal
Form 5	Zoning Text Amendment	\$350.00	submittal
Form 6	Conditional Use	\$375 with site plan/ \$350 with no site plan	submittal
Form 7	Planned Unit Development	\$425.00	
Form 8	Site Plan and Architectural Review	\$250.00 + \$15/1,000 sq ft or res unit	
Form 9	Sign and Outdoor Lighting Permit	\$50.00	submittal
Form 10	Annexation/Attachment	\$200.00/\$50.00	submittal
	Pre-Application Review	\$250.00	submittal
	Re-Submittal of Plans	\$175.00	submittal
Form 11	Plan of Operations	No Fee	submittal
Form 12	Variance	\$400.00	appeal

Building Permit Fees

Type of Fee Permit Fees	Fee/Charge	Units/Duration	Comments
A. RESIDENTIAL - 1 & 2 FAMILY			
1. New Dwelling	\$250 minimum	\$65.00 base fee	for all areas for plan review
A. Plumbing	\$0.23	sq. ft.	for all areas for inspection fees
B. Electric	\$0.07	sq. ft.	
C. Heating	\$0.07	sq. ft.	
D. Erosion Control NSF	\$0.07	sq. ft.	
	\$205.00		
2. Remodeling & Additions	\$9.00	per M of Valuation	or .44/ sq ft if it can't be cal. Min.\$75
3. Accessory Buildings			
A. Up to 225 Square Feet	\$65.00		minimum
B. 226 sq. ft. to 1,000 sq. ft.	\$65 min.	\$.22 sq ft	based on size
C. Erosion Control	\$150.00		5 Applicable per Building Department
4. Occupancy Bond	\$1,000.00		
5. Razing	\$100.00	plus \$.12 per sq ft	\$500 max fee per building
6. Park Dedication Fee	\$650.00	Single-Family	
7. Multi-Family Park Ded Fee	\$450.00	Per Unit	
8. Special In spection	\$75.00		
B. COMMERCIAL & INDUSTRIAL			
1. New Building and Additions	DSPPS		for all areas for plan review
A. Plumbing	\$0.40	per sq. ft.	for all areas for inspection fees
B. Electric	\$0.07	per sq. ft.	
C. Heating	\$0.07	per sq. ft.	
D. Erosion Control	\$0.07	per sq. ft.	
	\$240.00	For 1st acre plus	\$175 for each additional acre
2. Remodeling	\$9.00	per M of Valuation	minimum \$200

Building Permit Fees - Continued

Type of Fee	Fee/Charge	Units/Duration	Comments
C. AGRICULTURAL BUILDINGS (unheated)			
1. New Buildings and Additions			
A. Erosion Control	\$0.30	per sq. ft.	for all areas for inspection fees
2. Remodeling	\$0.30	per sq. ft.	
3. Electrical	\$150.00		
	\$9.00		per M of Valuation see application form
4. Pools	\$5.00/1000	per M of Valuation	
	\$65.00	minimum	
5. Special Inspections	\$75.00		
6. Permit to start construction of footing and foundation			
A. Residential	\$250.00		
B. Commercial - Industrial	\$330.00		
C. Street Opening Permit	\$150.00	minimum charge	from Municipal Code Book
D. EXISTING CONSTRUCTION PER PERMIT FORMS			
E. DRIVEWAY/CULVERT PERMIT			
	\$100.00	permit	
	\$300.00	Bond	
	\$100.00	100 sq. ft. or less	
	\$190.00	over 100 sq. ft.	
F. DECKS			
	\$65.00		
G. INSPECTION CALL BACK			
H. CODE COMPLIANCE			
1. First Stop	no charge		Reinspection Fee
2. Second Stop	\$50.00		Reinspection Fee
3. Third Stop	\$75.00		
I. Occupancy & Change of Use Permit	\$75.00		
J. Multi-Family Park Fee	\$450.00		per dwelling unit

RESOLUTION NO. R05-2025**A RESOLUTION TO SET THE 2025 SCHEDULE OF FEES
FOR THE VILLAGE OF NORTH PRAIRIE**

The Village Board of the Village of North Prairie, Waukesha County, hereby resolves that the following **2025 FEE SCHEDULE** be approved as defined in the attached Exhibit A and become effective on December 1, 2025, and remain in effect until changed by resolution of the Village Board.

Adopted on this 13th day of November 2025.

VILLAGE OF NORTH PRAIRIE

Dan Miresse, Village President

ATTEST:

Evelyn Etten, Administrator/Clerk/Treasurer

October 10, 2025

To the Village Board
Village of North Prairie
North Prairie, Wisconsin

We have audited the financial statements of the Village of North Prairie for the year ended December 31, 2024. Professional standards require that we provide you with the following information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Village of North Prairie are described in Note 1 to the financial statements. There were no material new accounting policies adopted and the application of existing policies was not changed during 2024. We noted no transactions entered into by the Village of North Prairie during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting 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 and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimates affecting the financial statements were:

1. Management's estimate of the depreciation of its capital assets is based on assumptions of the estimated historical cost and estimated useful life and industry standards for depreciable lives. We evaluated the key factors and assumptions used to value the assets and develop the depreciation estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The disclosures in the financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected 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. Management has corrected all such misstatements. We proposed and the Village recorded the adjusting journal entries for all funds; these adjustments are attached to the management representations letter received from management dated October 10, 2025.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 10, 2025.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Village's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

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.

Other Matters

We applied certain limited procedures to the Management's Discussion and Analysis, which is required supplementary information 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 Statement of Revenues Compared to Budget – General fund, Statement of Expenditures Compared to Budget – General Fund, Statement of Revenues, Expenditures, and Changes in Fund Balance Actual and Budget - Debt Service Fund, Combining Balance Sheet for Nonmajor Governmental Funds, and Combining Statement of Revenues Expenditures and Changes in Fund Balances for Nonmajor Governmental Funds, which accompany the financial statements but are not RSI. With respect to this 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.

During the year, we noted an error relative to reporting deferred court fees and proposed a restatement of beginning net position and fund balance, which was recorded and reported by management. This is reported in the audit report as an emphasis of matter paragraph and further detailed in Note 15 to the financial statements.

Restriction on Use

We appreciate the opportunity to be of service to the Board. This letter is intended solely for the use of the Board and management of the Village and is not intended to be and should not be used by anyone other than these specified parties.

Bauman Associates, Ltd.

CERTIFIED PUBLIC ACCOUNTANTS

Eau Claire, WI
October 10, 2025

Village of North Prairie

Financial Statements

Year ended December 31, 2024



VILLAGE OF NORTH PRAIRIE
December 31, 2024
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VILLAGE OF NORTH PRAIRIE
December 31, 2024
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Independent Auditors' Report

To the Board of Directors
Village of North Prairie
North Prairie, Wisconsin

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Village as of December 31, 2024, and the respective changes in financial position, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Management's Responsibility for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatements 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 management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not 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. 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 inquires 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 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 financial information listed in the table of contents as supplemental financial information; are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and 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 supplemental financial information and the schedules of expenditures of federal awards and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 10, 2025, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

Bauman Associates, Ltd.

CERTIFIED PUBLIC ACCOUNTANTS

Eau Claire, Wisconsin
October 10, 2025

**VILLAGE OF NORTH PRAIRIE
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2024**

The management's discussion and analysis of the Village of North Prairie financial performance provides an overall review of the Village's financial activities for the fiscal year ended December 31, 2024. The intent of the management discussion and analysis is to look at the Village's financial performance as a whole. Readers should also review the basic financial statements and notes to enhance their understanding of the Village's financial performance.

Financial Highlights

- The assets of the Village exceeded its liabilities and deferred inflows of resources as of December 31, 2024 by \$2,503,739 (net position).
- The Village's total net position increased by \$116,124.
- As of December 31, 2024, the Village's governmental funds reported combined ending fund balance of \$498,563 a net decrease of \$105,718.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$424,468, or 31.60% of the total general fund expenditures for the year.
- The Village's general obligation debt decreased by \$212,792.

Overview of the Financial Statements

The annual financial report consists of four parts:

1. Management's Discussion and Analysis
2. Basic Financial Statements (Government-wide and Fund Statements)
3. Notes to the Financial Statements
4. Supplementary Information

The basic financial statements consist of *Government-Wide Financial Statements* and *Fund Statements* that present different views of the Village's financial activities.

Government-Wide Financial Statements

The Statement of Net Position presents information on all the of the Village's assets, liabilities, and deferred outflows/inflows 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 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 flow in future fiscal periods.

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. The governmental activities of the Village include general government, public safety, public works, health and human services, culture, recreation and education, and conservation and development.

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 two categories: governmental funds and fiduciary funds.

Governmental Funds

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

It is useful to compare the 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 Village'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 maintains 4 individual governmental funds. Information is presented separately in the government fund balance sheet and in the government fund statement of revenues, expenditures and changes in fund balances for the General Fund, Debt Service Fund, and the ARPA fund, all of which are considered to be major funds. Data from other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major government funds in the form of combining statements elsewhere in this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Village's own programs. Fiduciary funds maintained by the Village are the tax collection fund which records the tax roll and tax collection of other taxing jurisdictions within the Village.

Notes to the Financial Statements

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

Other Information

The supplementary information is reported on pages 39-45. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the notes to the basic financial statements. The combining statements can be found on pages 44-45 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. A summary of the Village's Statement of Net Position is presented below:

	<u>2024</u>	<u>2023</u>
<u>Assets & Deferred Outflows</u>		
Current Assets	\$ 1,718,190	\$ 1,983,342
Non-Current Assets	<u>2,083,369</u>	<u>2,078,427</u>
Total Assets and Deferred Outflows	\$ <u>3,801,559</u>	\$ <u>4,061,769</u>
<u>Liabilities & Deferred Inflows</u>		
Current Liabilities	\$ 248,812	\$ 615,354
Non-Current Liabilities	-	77,136
Deferred Inflows of Resources	<u>1,049,008</u>	<u>1,024,510</u>
Total Liabilities and Deferred Inflows	\$ <u>1,297,820</u>	\$ <u>1,717,000</u>
Net Position		
Net Investment in Capital Assets	\$ 2,006,233	\$ 1,788,499
Restricted	21,249	6,919
Unrestricted	<u>476,257</u>	<u>549,351</u>
Total Net Position	\$ <u>2,503,739</u>	\$ <u>2,344,769</u>

The Village's investment in capital assets (land, buildings, machinery, infrastructure, and equipment, net of accumulated depreciation) less related outstanding debt reflects eighty percent (80%) of the governmental activities of the Village. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources need to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Village net position of \$21,249 represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$476,257 represents unrestricted net position which may be used to meet the Village's ongoing obligations to citizens and creditors.

The following table provides a summary of the Village's operations:

<u>Condensed Statement of Activities</u> <u>For Governmental Activities</u>				
	<u>Actual</u> <u>2024</u>	<u>% of</u> <u>Total</u>	<u>Actual</u> <u>2023</u>	<u>% of</u> <u>Total</u>
Revenues:				
Program revenues				
Charges for services	\$ 132,907	8%	\$ 85,881	6%
Operating grants and contributions	103,471	6%	67,037	5%
General revenues				
Property taxes	1,024,521	63%	1,001,181	75%
General federal and state aid	267,535	17%	101,358	8%
Other	91,416	6%	80,543	6%
Total Revenues	<u>1,619,850</u>	<u>100%</u>	<u>1,336,000</u>	<u>100%</u>
Expenses:				
General government	365,315	24%	274,261	20%
Public safety	527,618	35%	499,007	36%
Public works	447,434	30%	489,926	35%
Health and human services	8,861	1%	1,156	0%
Culture, recreation and education	145,116	9%	123,789	9%
Conservation and development	-	0%	187	0%
Interest on long-term debt	9,382	1%	8,330	1%
Total Expenses	<u>1,503,726</u>	<u>100%</u>	<u>1,396,656</u>	<u>100%</u>
Change in net position	116,124		(60,656)	
Net Position, Beginning of Year	<u>2,344,769</u>		<u>2,405,425</u>	
Correction of error	<u>42,846</u>		<u>-</u>	
Net Position, End of Year	\$ <u>2,503,739</u>		\$ <u>2,344,769</u>	

Revenues

The Village received \$1.62 million in revenue for the 2024 fiscal year. Sixty-three percent (63%) of the Village's total revenue came from property tax. The Village received six percent (6%) in the form of specific use state aid. Eight percent (8%) came from charges for services. Seventeen percent (17%) came from general state aids and six percent (6%) came from other sources.

Expenses

General government services account for twenty-four percent (24%) of total expenses. Public safety accounts for thirty-five percent (35%). Public works account for thirty percent (30%). Health and human services account for one percent (1%). Culture, recreation and education account for nine percent (9%). Interest accounts for one percent (1%).

Governmental Funds

The focus of the Village's governmental funds is to provide such information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the government's net resources available for spending at the end of the fiscal year.

As of December 31, 2024, the Village's governmental funds reported combined ending fund balance of \$498,563 a decrease of \$105,718 in comparison with the prior year. Approximately eighty-five percent (85%) of this total amount, \$424,468, constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance of \$74,095 is not available for new spending because it is either non-spendable (prepaid items) or has been restricted, committed, or assigned for specific purposes.

General Fund

The general fund is the main operating fund of the Village. At the end of the current year the unassigned fund balance of the general fund was \$424,468, while the total fund balance was \$481,158. As a measure of the general funds' liquidity, it may be useful to compare unassigned fund balance to the total fund expenditures and transfers out. Unassigned fund balance represents approximately thirty-two percent (32%) of total general fund expenditures and transfers out.

Debt Service Fund

The Debt Service Fund accounts for resources used to make payments on long-term debt. During 2024, \$212,792 of long-term debt principal was paid off. The fund balance increased by \$487.

General Fund Budgetary Highlights

For the year, actual revenues were over the final budget by \$51,027 or four percent (4%) of the final budget. Actual expenditures were over the final budget by \$126,990 or nine percent (10%).

Capital Assets

The Village's net investment in capital assets amounts to \$2,006,233. The total increase in the Village's net investment in capital assets for the current year was \$190,718. Below is a schedule of the Village's net investment in capital assets as of December 31, 2024 and 2023:

	2024	2023
Land	\$ 438,037	\$ 438,037
Buildings and improvements	1,294,704	1,285,031
Vehicles	364,471	336,962
Machinery and equipment	227,167	227,167
Land improvements	684,069	563,544
Infrastructure	3,664,179	3,664,179
Less: Accumulated Depreciation	<u>(4,589,258)</u>	<u>(4,436,493)</u>
Net Capital Assets	2,083,369	2,078,427
Less: outstanding debt	<u>(77,136)</u>	<u>(289,928)</u>
Net Investment in Capital Assets	<u>\$ 2,006,233</u>	<u>\$ 1,788,499</u>

Long-Term Debt

At the end of the current fiscal year, the Village had a total long-term debt outstanding of \$77,136. The following is a detail of the debt the village has outstanding:

	2024	2023
Notes and loans from direct borrowings	\$ 77,136	\$ 286,089
Capital lease	<u>-</u>	<u>3,839</u>
Total debt	<u>\$ 77,136</u>	<u>\$ 289,928</u>

Contacting the Village's Financial Management

The financial report is designed to provide a general overview of the Village's finances for all those with an interest in the Village's finances. If you have questions regarding this report or need additional financial information, please contact:

Evelyn Etten, Administrator Village Clerk/Treasurer
130 N. Harrison Street
North Prairie, WI 53153

Phone: (262) 392-2771
Fax: (262) 392-2936
clerk@northprairiewi.gov

VILLAGE OF NORTH PRAIRIE
BASIC FINANCIAL STATEMENTS
December 31, 2024

**VILLAGE OF NORTH PRAIRIE
STATEMENT OF NET POSITION
December 31, 2024**

	Governmental Activities
ASSETS	
Current assets	
Cash and investments	\$ 1,178,445
Property taxes receivable	514,132
Other accounts receivable	25,613
Total current assets	<u>1,718,190</u>
Non-current assets	
Capital assets, net of depreciation	<u>2,083,369</u>
Total non-current assets	<u>2,083,369</u>
Total assets	<u>\$ 3,801,559</u>
LIABILITIES	
Current liabilities	
Current portion of long-term obligations	\$ 77,136
Accounts payable	117,378
Accrued payroll	30,802
Deferred revenue	5,946
Other accrued liabilities	17,550
Total current liabilities	<u>248,812</u>
Total liabilities	<u>248,812</u>
Deferred inflows of resources	
Subsequent year's tax levy	<u>1,049,008</u>
Total deferred inflows of resources	<u>1,049,008</u>
Total liabilities and deferred inflows of resources	<u>1,297,820</u>
NET POSITION	
Net investment in capital assets	\$ 2,006,233
Restricted	21,249
Unrestricted	<u>476,257</u>
Total net position	<u>\$ 2,503,739</u>

See accompanying notes to financial statements.

VILLAGE OF NORTH PRAIRIE
STATEMENT OF ACTIVITIES
Year Ended December 31, 2024

	Program revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	
Primary Government:				
Direct expenses:				
General government	\$ 365,315	\$ 37,381	\$ 6,214	\$ (321,720)
Public safety	527,618	50,529	16,080	(461,009)
Public works	447,434	43,692	36,207	(367,535)
Health and human services	8,861	-	44,970	36,109
Culture, recreation and education	145,116	1,305	-	(143,811)
Indirect expenses:				
Interest and other related charges	9,382	-	-	(9,382)
Total governmental activities	\$ 1,503,726	\$ 132,907	\$ 103,471	\$ (1,267,348)
General revenues:				
Property taxes				801,754
General purposes				222,767
Debt service				267,535
Grants not restricted to specific programs				57,904
Investment income				25,216
Video service provider fee				8,296
Miscellaneous				1,383,472
Total general revenues				116,124
Change in net position				2,344,769
Net position - Beginning of year				42,846
Correction of error				\$ 2,503,739
Net position - End of year				

See accompanying notes to financial statements.

**VILLAGE OF NORTH PRAIRIE
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2024**

	General Fund	Debt Service Fund	ARPA	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	\$ 1,046,038	\$ -	\$ 128,655	\$ 3,752	\$ 1,178,445
Accounts receivable					
Taxes	393,718	120,414	-	-	514,132
Other	25,613	-	-	-	25,613
Due from other funds	170,931	186,899	-	-	357,830
Total assets	<u>\$ 1,636,300</u>	<u>\$ 307,313</u>	<u>\$ 128,655</u>	<u>\$ 3,752</u>	<u>\$ 2,076,020</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 116,321	\$ -	\$ -	\$ -	\$ 116,321
Due to other funds	186,899	61,283	109,147	501	357,830
Unearned revenue	-	-	5,946	-	5,946
Accrued salaries and wages	30,802	-	-	-	30,802
Deposits payable	17,550	-	-	-	17,550
Total liabilities	<u>351,572</u>	<u>61,283</u>	<u>115,093</u>	<u>501</u>	<u>528,449</u>
Deferred inflows of resources:					
Subsequent year's tax levy	<u>803,570</u>	<u>245,438</u>			<u>1,049,008</u>
Total deferred inflows of resources	<u>803,570</u>	<u>245,438</u>	<u>-</u>	<u>-</u>	<u>1,049,008</u>
Fund balances:					
Restricted	3,844	592	13,562	3,251	21,249
Assigned	52,846	-	-	-	52,846
Unassigned	<u>424,468</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>424,468</u>
Total fund balances	<u>481,158</u>	<u>592</u>	<u>13,562</u>	<u>3,251</u>	<u>498,563</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,636,300</u>	<u>\$ 307,313</u>	<u>\$ 128,655</u>	<u>\$ 3,752</u>	<u>\$ 2,076,020</u>

See accompanying notes to financial statements.

**VILLAGE OF NORTH PRAIRIE
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
December 31, 2024**

Total fund balances - Governmental funds	\$ 498,563
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. See detailed items as follows:	
Cost of capital assets	\$ 6,672,627
Less - accumulated depreciation	<u>(4,589,258)</u>
	2,083,369
Long-term liabilities applicable to the Villages' governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Position. See detailed items below:	
Notes and loans payable	\$ 77,136
Accrued interest on long-term obligations	<u>1,057</u>
	<u>(78,193)</u>
Net position of governmental activities	\$ <u>2,503,739</u>

See accompanying notes to financial statements.

VILLAGE OF NORTH PRAIRIE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
Year Ended December 31, 2024

	General Fund	Debt Service Fund	ARPA	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	\$ 801,754	\$ 222,767	\$ -	\$ -	\$ 1,024,521
Intergovernmental	215,783	-	160,197	-	375,980
Licenses and permits	48,868	-	-	-	48,868
Fines and forfeits	14,187	-	-	-	14,187
Public charges for services	48,545	-	-	-	48,545
Intergovernmental charges for services	36,342	-	-	-	36,342
Interest	48,146	-	9,758	-	57,904
Miscellaneous	13,503	-	-	-	13,503
Total revenues	<u>1,227,128</u>	<u>222,767</u>	<u>169,955</u>	<u>-</u>	<u>1,619,850</u>
EXPENDITURES					
Current:					
General government	344,035	-	-	-	344,035
Public safety	499,785	-	-	-	499,785
Public works	318,705	-	-	-	318,705
Health and human services	627	-	-	-	627
Culture, recreation and education	113,263	-	-	-	113,263
Capital outlays	62,674	-	160,197	-	222,871
Debt service:					
Principal	3,839	208,953	-	-	212,792
Interest	163	13,327	-	-	13,490
Total expenditures	<u>1,343,091</u>	<u>222,280</u>	<u>160,197</u>	<u>-</u>	<u>1,725,568</u>
Excess (deficiency) of revenues over under expenditures	<u>(115,963)</u>	<u>487</u>	<u>9,758</u>	<u>-</u>	<u>(105,718)</u>
Net change in fund balances	(115,963)	487	9,758	-	(105,718)
Fund balance - Beginning of year	554,275	105	3,804	3,251	561,435
Correction of error	42,846	-	-	-	42,846
Fund balance - End of year	<u>\$ 481,158</u>	<u>\$ 592</u>	<u>\$ 13,562</u>	<u>\$ 3,251</u>	<u>\$ 498,563</u>

See accompanying notes to financial statements.

VILLAGE OF NORTH PRAIRIE
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2024

Net change in fund balances - Governmental funds \$ (105,718)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense.

Capital outlay reported in governmental fund statements	\$ 190,718	
Depreciation expense reported in the statement of activities	<u>(185,776)</u>	
		4,942

Capital leases and long-term debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of capital lease and long-term debt principal is an expenditure in the governmental funds but the repayment reduces long-term liabilities in the Statement of Net Position. This is the amount by which proceeds exceeded payments.

Proceeds from long-term debt	\$ -	
Principal payments on long-term debt and leases	<u>212,792</u>	
		212,792

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Accrued interest		<u>4,108</u>
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Change in net position of governmental activities	\$	<u><u>116,124</u></u>
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See accompanying notes to financial statements.

VILLAGE OF NORTH PRAIRIE
BUDGETARY COMPARISON STATEMENT
GENERAL FUND
Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES				
Taxes	\$ 801,675	\$ 801,675	\$ 801,754	\$ 79
Intergovernmental	196,872	196,872	215,783	18,911
Licenses and permits	55,690	55,690	42,729	(12,961)
Fines and forfeits	15,400	15,400	14,187	(1,213)
Public charges for services	20,440	20,440	50,977	30,537
Intergovernmental charges for services	34,724	34,724	36,342	1,618
Interest	31,500	31,500	48,146	16,646
Miscellaneous	19,800	19,800	17,210	(2,590)
Total revenues	<u>1,176,101</u>	<u>1,176,101</u>	<u>1,227,128</u>	<u>51,027</u>
EXPENDITURES				
Current:				
General government	287,105	287,105	344,034	(56,929)
Public safety	520,670	520,670	499,785	20,885
Public works	265,573	265,573	318,705	(53,132)
Health and human services	578	578	627	(49)
Culture, recreation and education	117,738	117,738	113,264	4,474
Conservation and development	2,107	2,107	-	2,107
Capital outlays	22,330	22,330	62,674	(40,344)
Debt service	-	-	-	-
Principal	-	-	3,839	(3,839)
Interest	-	-	163	(163)
Total expenditures	<u>1,216,101</u>	<u>1,216,101</u>	<u>1,343,091</u>	<u>(126,990)</u>
Excess (deficiency) of revenues over expenditures	<u>(40,000)</u>	<u>(40,000)</u>	<u>(115,963)</u>	<u>(75,963)</u>
Net change in fund balance	(40,000)	(40,000)	(115,963)	(75,963)
Fund balances - Beginning of year	554,275	554,275	554,275	-
Error correction	-	-	42,846	42,846
Fund balances - End of year	<u>\$ 514,275</u>	<u>\$ 514,275</u>	<u>\$ 481,158</u>	<u>\$ (33,117)</u>

See accompanying notes to financial statements.

**VILLAGE OF NORTH PRAIRIE
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
December 31, 2024**

	Tax Collection
ASSETS	
Cash and cash equivalents	\$ 1,538,539
Taxes receivable	<u>1,481,823</u>
Total assets	<u><u>3,020,363</u></u>
LIABILITIES AND FUND BALANCES	
Liabilities	
Due to other taxing units:	
School districts	\$ 2,423,072
Waukesha County	<u>597,291</u>
Total liabilities	<u>3,020,363</u>
NET POSITION	--
Total liabilities and fund balances	<u><u>\$ 3,020,363</u></u>

See accompanying notes to financial statements.

VILLAGE OF NORTH PRAIRIE
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
Year Ended December 31, 2024

	<u>Tax Collection</u>
ADDITIONS	
Taxes collected on behalf of other governments	\$ <u>2,204,028</u>
Total additions	<u>2,204,028</u>
DEDUCTIONS	
Taxes remitted to other taxing entities	<u>2,204,028</u>
Total deductions	<u>2,204,028</u>
CHANGE IN NET POSITION	-
Net position at beginning	<u>-</u>
Net position at end	\$ <u><u>-</u></u>

See accompanying notes to financial statements.

VILLAGE OF NORTH PRAIRIE
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Village of North Prairie, Wisconsin included in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. The Governmental Accounting Standards Board (GASS) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant accounting policies:

A. REPORTING ENTITY

This report includes all of the funds of the Village of North Prairie. The reporting entity for the Village consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and can impose its will on that organization or there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government. This report does not contain any component units.

B. BASIS OF FINANCIAL STATEMENT PRESENTATION

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. The Village does not report any business-type activities.

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 instead as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

VILLAGE OF NORTH PRAIRIE
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIS OF FINANCIAL STATEMENT PRESENTATION (Continued)

Government-Wide Financial Statements (Continued)

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

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

Fund Financial Statements

Fund Financial Statements of the reporting entity are organized into funds, each of which are considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets/deferred outflows of resources, liabilities/deferred inflows of resources, net position/fund equity, revenues, and expenditures/expenses. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Funds are organized as major funds or non-major funds within the governmental, proprietary and fiduciary 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 fund or enterprise fund that met the 10% test is at least 5% of the corresponding total for all governmental and enterprise funds combined.
- c. In addition, any other governmental or enterprise fund that the Village believes is particularly important to financial statement users may be reported as a major fund.

VILLAGE OF NORTH PRAIRIE
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIS OF FINANCIAL STATEMENT PRESENTATION (Continued)

Fund Financial Statements (continued)

The Village reports the following major funds:

General fund - The General Fund is the general operating fund of the Village and is always classified as a major fund. It is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund - The debt service fund accounts for resources accumulated and payments made for principal and interest on long-term debt.

ARPA Fund - The ARPA fund is a special revenue fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditures allowable under the American Rescue Plan Act of 2021.

The Village reports the following non-major governmental fund:

Impact Fee Fund - The impact fee fund is a special revenue fund which accounts for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specific purposes.

In addition, the Village reports the following fund type:

Custodial Fund - The custodial fund accounts for assets held by the Village in a trustee capacity or as an agent for individuals, private organizations, and/or other government units.

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

Government-Wide Financial Statements

The government-wide Statement of Net Position and Statement of Activities are presented using the economic resources measurement focus and the accrual basis of accounting. Accordingly, all the Village's assets, deferred outflows of resources, liabilities and deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. 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 which they are levied.

VILLAGE OF NORTH PRAIRIE
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (Continued)

Government-Wide Financial Statements (Continued)

Taxes receivable for the following year are recorded as receivables and deferred inflows of resources. Unearned revenue represents resources related to certain grants, which have been received, but not yet earned

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 collectable 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 sixty days of the end of the current fiscal period.

All major revenue sources are considered available (susceptible to accrual) with the exception of certain intergovernmental revenues, which are reported under the legal and contractual requirements of the individual programs.

Intergovernmental aids and grants are recognized as revenues in the period the Village is entitled to the resources and the amounts are available. Amounts received prior to the entitlement period are recorded as unearned revenue. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the liability is removed from the balance sheet and revenue is recognized.

Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, and judgments, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

The Village reports deferred inflows of resources on its governmental funds balance sheet. Deferred inflows arise when potential revenue does not meet the available criteria for recognition in the current period. These include taxes levied in the current year but are for subsequent year's operations. They are recognized as revenues in the succeeding year when services financed by the levy are being provided. Deferred inflows also include special assessments which are recorded as revenues when they become measurable and available as current assets.

VILLAGE OF NORTH PRAIRIE
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. DEPOSITS AND INVESTMENTS

Wisconsin municipalities are authorized by statute to invest idle funds in the following institutions and investments:

- a. Time deposits in any credit union, bank, savings bank, trust company or savings and loan association, which is authorized to transact business in this state.
- b. Bonds or securities issued or guaranteed as to principal and interest by the federal government or by a commission, board or other instrumentality of the government.
- c. Bonds or securities of any county, city, drainage district, technical college district, village, town or school district of this state.
- d. Bonds issued by a local exposition district, local professional baseball park district, local professional football stadium district or local cultural arts district.
- e. Bonds issued by the University of Wisconsin Hospitals and Clinics Authority or the Wisconsin Aerospace Authority.
- f. Any security which matures or which may be tendered for purchase at the option of the holder within not more than 7 years of the date on which it is acquired, if that security has a rating which is the highest or 2nd highest rating category assigned by Standard & Pear's corporation, Moody's investors service or other similar nationally recognized rating agency or if that security is senior to, or on a parity with, a security of the same issuer which has such a rating.
- g. Securities of an open-end management investment company or investment trust (mutual fund), if the portfolio is limited to the following:
 1. Bonds and securities issued by the federal government or a commission, board or other instrumentality of the federal government.
 2. Bonds that are guaranteed as to principal and interest by the federal government or a commission, board or other instrumentality of the federal government.
 3. Repurchase agreements fully collateralized by bonds or securities under (g) 1 or 2.
- h. Bonds or securities issued under the authority of the municipality, whether the bonds or securities create a general municipality liability or a liability of the property owners of the municipality for special improvements and may sell or hypothecate the bonds or securities.
- i. The Local Government Pooled Investment Fund.

VILLAGE OF NORTH PRAIRIE
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. DEPOSITS AND INVESTMENTS (Continued)

- j. Repurchase agreements with public depositories if federal bonds or securities secure the agreement.

Investments made during 2024 were held in the Village's name and were in accordance with those allowable by state statutes.

E. RECEIVABLES

Property taxes are levied in December on the assessed value as of the prior January 1. In addition to property taxes for the Village, taxes are collected for and remitted to the county government as well as the local school and technical college districts. Taxes for all 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 custodial fund statement of fiduciary net position.

Property tax calendar –2024 tax roll:

Lien and levy date	December 2024
Tax bills mailed	December 2024
Real property taxes:	
Payment in full, or first installment due	January 31, 2025
Second installment payable to County	July 31, 2025
Special assessments and special charges, in full	January 31, 2025
Tax settlements with taxing jurisdictions:	
First settlement	January 15, 2025
Second settlement	February 20, 2025
Third settlement	August 20, 2025
Tax sale, 2024 delinquent taxes	October 2027

After January 31, real property taxes, delinquent special assessments and special charges are turned over to the county treasurer for collection. The Village maintains responsibility for collection of delinquent personal property taxes.

F. INVENTORIES AND PREPAID ITEMS

Inventory in the general fund consists of expendable supplies held for consumption and is valued at cost on a first in, first out basis. Costs are recorded as expenditures at the time individual inventory items are consumed. Reported inventories are offset as nonspendable fund balance, which indicates that inventories do not constitute "available spendable resources" even though they are a component of net position.

VILLAGE OF NORTH PRAIRIE
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. INVENTORIES AND PREPAID ITEMS (Continued)

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.

G. CAPITAL ASSETS

Government-Wide Statements

In the government-wide financial statements, fixed assets are accounted for as capital assets. All fixed assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated fixed assets which are recorded at their estimated fair value at the date of donation. The minimum capitalization threshold used by the Village is \$5,000.

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

Buildings and improvements	15-40 Years
Vehicles	7-20 Years
Machinery and equipment	5-20 Years
Land improvements	15-40 Years
Infrastructure	10-75 Years

Prior to 2004, infrastructure assets including roads, bridges, curbs and gutters, streets and sidewalks, water utility and drainage systems, and lighting systems of governmental funds were not capitalized. Upon implementing GASB 34, governmental units were required to account for all capital assets, including infrastructure, in the government-wide statements. As allowed under the reporting standards the Village elected to report its infrastructure prospectively from the date of implementation.

Fund Financial Statements

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets are not capitalized, and related depreciation is not reported in the fund financial statements.

H. ALLOWANCES FOR UNCOLLECTIBLE ACCOUNTS

No Allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

VILLAGE OF NORTH PRAIRIE
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. INTERFUND RECEIVABLES AND PAYABLES

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 (non-current 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.

J. LONG-TERM OBLIGATION

All long-term obligations to be repaid from governmental resources are reported as liabilities in the government-wide statements. The long-term obligations consist of state trust fund loans and promissory notes payable. Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts (plus any premiums) is reported as other financing sources and payments of principal and interest are reported as expenditures

K. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditures) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

L. CLAIMS AND JUDGMENTS

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental funds. If they are not to be liquidated with expendable available financial resources, no liability is recognized in the governmental fund statements.

The related expenditure is recognized when the liability is liquidated. Claims and judgments are recorded in the Government-wide financial statements as expense when the related liabilities are incurred. There were no significant claims or judgments at year end.

**VILLAGE OF NORTH PRAIRIE
NOTES TO FINANCIAL STATEMENTS
December 31, 2024**

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. EQUITY CLASSIFICATIONS

Government-Wide Statements

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

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and right-of-use leased assets, net of accumulated amortization and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of invested in capital assets, net of related debt.
- b. Restricted - Consists of net position with constraints placed on use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net position that do not meet the definition of "restricted" or "net investment in capital assets".

Fund Statements

Governmental fund equity is classified as fund balance. Fund balance is further categorized into five classifications based on the constraints imposed on the use of these resources. These five classifications are non-spendable, restricted, committed, assigned or unassigned.

- a. Non-spendable -Amounts that cannot be spent either because they are in a non-spendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted -Amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
- c. Committed - These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the Village Board, the government's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the Village Board removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

**VILLAGE OF NORTH PRAIRIE
NOTES TO FINANCIAL STATEMENTS
December 31, 2024**

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. EQUITY CLASSIFICATIONS

Fund Statements (Continued)

- d. Assigned - This classification reflects the amounts constrained by the Village's intent to be used for a specific purpose but are neither restricted nor committed. The Village Board has the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as non-spendable and are neither restricted nor committed.
- e. Unassigned -All amounts not included in other spendable classifications.

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

N. ESTIMATES

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

Note 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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 (C). The Village prepares an annual budget for the general and debt service funds on a basis consistent with generally accepted accounting principles. The Village does not budget for the impact fee or the ARPA fund. The general fund budget is adopted at the departmental level of expenditure. The debt service fund is adopted at the functional level of expenditure.

Public hearings are conducted on the proposed budget prior to Village Board approval. The budget is legally enacted prior to December 31 through approval of the Village Board.

Subsequent to the enactment of the budget, the Village Board has the authority to make amendments to the budget, which may result in changes in total appropriations. Such amendments require approval of two-thirds of the governing body with notice of such change being given by publication within 15 days in the official Village newspaper. There were no amendments made during the year.

VILLAGE OF NORTH PRAIRIE
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

Note 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

Budgetary Information (Continued)

General fund expenditures exceeded budgeted amounts at the legally adopted levels as follows:

<u>Fund Function</u>	<u>Excess Expenditures</u>
General government	\$ 56,930
Public works	\$ 53,132
Health and human services	\$ 49
Capital outlays	\$ 40,344
Debt service	\$ 4,002

Limitations of the Village's Tax Levy

Wisconsin Statute 66.0602 limits the Village's property tax levy, with exceptions, to its prior tax levy, increased by the percentage change in the Village's equalized value due to new construction. Changes in debt service from one year to the next are generally exempt from this limit.

Note 3 CASH AND CASH EQUIVALENTS

The Village's deposits at December 31, 2024 were comprised of the following:

	<u>Bank Balance</u>	<u>Carrying Value</u>	<u>Associated Risks</u>
Time and demand deposits	\$ 1,668,069	\$ 2,716,984	Custodial credit risk

The difference between the carrying value and bank balance is due to deposits in transit and outstanding checks. Reconciliation of the carrying values of the deposits to the statement of net position and statement of fiduciary net position is as follows:

Per statement of net position	\$ 1,178,445
Per statement of Fiduciary Net Position	<u>1,538,539</u>
Total cash and investment balances	<u>\$ 2,716,984</u>

All time and savings deposits owned by the Village and held by the Village's official custodian in an insured depository institution within the State of Wisconsin are combined and insured up to \$250,000. Separately, all demand deposits owned by the Village and held by the Village's official custodian in an insured depository institution within the State of Wisconsin are combined and insured up to \$250,000. For the purpose of these rules, the term 'time and savings deposits' includes NOW accounts and money market deposit accounts.

**VILLAGE OF NORTH PRAIRIE
NOTES TO FINANCIAL STATEMENTS
December 31, 2024**

Note 3 CASH AND CASH EQUIVALENTS (Continued)

The term 'demand deposits' means both interest-bearing and noninterest-bearing deposits that are payable on demand and for which the depository institution does not reserve the right to require advance notice of an intended withdrawal. For accounts held by the Village located outside the State of Wisconsin, all time, savings, and demand deposits are combined within each depository institution and insured up to \$250,000.

In addition to FDIC insurance, there is insurance currently available through the State of Wisconsin depository insurance program, which would provide a maximum of \$1,000,000 of insurance on deposits in any one institution. The amount available to fund the entire Wisconsin program is limited and, therefore, the actual benefits available at a time of claim would depend upon the remaining balance in the state fund. This coverage has been considered in computing custodial credit risk.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a financial institution failure, the Village's deposits may not be returned to it. As of December 31, 2024, \$353,504 of the Village's uninsured bank balance was collateralized by securities held by the pledging financial institution in excess of federal depository insurance limits.

Fluctuating cash flows during January and December, due to tax collections, result in temporary cash and investment balances, which significantly exceed insured amounts, until settlement with the respective taxing jurisdictions during the following month. The Village does not have a deposit policy for custodial credit risk.

Note 4 RECEIVABLES

Governmental fund financial statements report deferred inflows of resources in connection with receivables not considered 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 the Village's receivables included deferred inflows of resources reported in the governmental fund financial statements and were as follows:

	<u>Unearned</u>	<u>Unavailable</u>	<u>Total</u>
Current year property tax receivable			
General Fund	\$ 393,718	\$ -	\$ 393,718
Debt service fund	120,414	-	120,414
	<hr/>	<hr/>	<hr/>
Total tax receivable	\$ 514,132	\$ -	\$ 514,132
	<hr/>	<hr/>	<hr/>

VILLAGE OF NORTH PRAIRIE
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

Note 5 CAPITAL ASSETS

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

	Balance 1/1/24	Additions	Deletions	Balance 12/31/24
Capital assets not being depreciated:				
Land	\$ 438,037	\$ -	\$ -	\$ 438,037
Capital assets being depreciated:				
Buildings and improvements	1,285,031	9,673	-	1,294,704
Vehicles	336,962	60,520	(33,011)	364,471
Machinery and equipment	227,167	-	-	227,167
Land improvements	563,544	120,525	-	684,069
Infrastructure	3,664,179	-	-	3,664,179
Total capital assets being depreciated	6,076,883	190,718	(33,011)	6,234,590
Total capital assets	6,514,920	190,718	(33,011)	6,672,627
Less - Accumulated depreciation for:				
Buildings and improvements	858,578	40,747	-	899,325
Vehicles	276,553	24,304	(33,011)	267,846
Machinery and equipment	167,157	8,067	-	175,224
Land improvements	309,302	25,540	-	334,842
Infrastructure	2,824,903	87,118	-	2,912,021
Total accumulated depreciation	4,436,493	185,776	(33,011)	4,589,258
Net capital assets	\$ 2,078,427	\$ 4,942	\$ -	\$ 2,083,369

Depreciation expense was charged to functions as follows:

General activities	
General government	\$ 21,280
Public safety	26,820
Public works	106,963
Culture, recreation and education	30,713
	<u>\$ 185,776</u>

VILLAGE OF NORTH PRAIRIE
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

Note 6 LONG-TERM OBLIGATIONS

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

	Balance 12/31/23	Additions	Reductions	Balance 12/31/24	Amounts due within one year
Governmental activities:					
Notes and loans from direct borrowings:					
Local banks	\$ 286,089	\$ -	\$ 208,953	\$ 77,136	\$ 77,136
State trust fund	-	-	-	-	-
Capital lease payable	3,839	-	3,839	-	-
Totals	\$ 289,928	\$ -	\$ 212,792	\$ 77,136	\$ 77,136

B. All general obligation bonds and notes payable are backed by the full faith and credit of the Village. Debt in governmental funds will be retired by future property tax levies accumulated by the debt service fund. The Village's outstanding notes with local banks include a provision that in an event of default the outstanding balance, at the option of the lender, without notice matures and becomes immediately payable. The Village's capital lease was for a mower. The agreement requires payment of \$4,002, including interest of 4.2%. The Village received title to this equipment upon delivery with the lessor retaining a security interest. The Village is responsible for maintaining and insuring the equipment. The agreement includes provisions that in an event of default, the Village will return the equipment to the lessor and possibly liable for other liquidated damages. The following is a list of long-term obligations at December 31, 2024:

Type	Date of Issue	Maturity	Interest Rate	Original Amount	Balance Outstanding 12/31/2024	Amounts Due Within One Year
2023 Promissory note	10/10/23	10/10/25	5.75%	\$ 150,000	\$ 77,136	\$ 77,136
Total General Obligation Debt					\$ 77,136	\$ 77,136

C. Debt service requirements to maturity on general obligation debt are as follows:

Year Ending December 31	Principal	Interest	Total
2025	\$ 77,136	\$ 4,497	\$ 81,633
Totals	\$ 77,136	\$ 4,497	\$ 81,633

VILLAGE OF NORTH PRAIRIE
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

Note 6 LONG-TERM OBLIGATIONS (Continued)

D. Interest expensed and paid on long-term obligations for the year ended December 31, 2024 was \$9,383 and \$13,490 respectively.

The 2024 equalized valuation of the Village as certified by the Wisconsin Department of Revenue is \$385,482,900. The legal debt limit and margin of indebtedness as of December 31, 2024 in accordance with Section 67.03(1)(b) of the Wisconsin Statutes follows:

Debt limit (5% of \$385,482,900)	\$ 19,274,145
Deduct long-term debts applicable to debt margin	<u>77,136</u>
Margin on indebtedness	<u>\$ 19,197,009</u>

Note 7 GOVERNMENTAL ACTIVITIES NET POSITION

Governmental activities net position reported on the Government Wide Statement of Net Position at December 31, 2024 includes the following:

Net investment in capital assets

Capital assets, net of accumulated depreciation	\$ 2,083,369
Less - Related long-term debt outstanding	<u>(77,136)</u>
Total net investment in capital assets	<u>2,006,233</u>

Restricted

General fund - police donations	3,844
Debt service	592
ARPA fund	13,562
Impact fee fund	<u>3,251</u>
Total restricted	<u>21,249</u>

Unrestricted

476,257

Total governmental activities net position	\$ <u>2,503,739</u>
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**VILLAGE OF NORTH PRAIRIE
NOTES TO FINANCIAL STATEMENTS
December 31, 2024**

Note 8 GOVERNMENTAL FUND BALANCES

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

Restricted

General fund - police donations	\$ 3,844
Debt service	592
ARPA fund	13,562
Impact fee fund	<u>3,251</u>
Total restricted fund balance	<u>21,249</u>

Assigned

General fund - future capital projects	10,000
General fund - future court costs	<u>42,846</u>
Total assigned fund balance	<u>52,846</u>

Unassigned

424,468

Total governmental fund balances	\$ <u>498,563</u>
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Note 9 JOINT MUNICIPAL COURT

In 1994, pursuant to Sections 66.30 and 755.01(4) of the Wisconsin Statutes, the Village entered into an agreement with the Town of Mukwonago to create a joint municipal court. This agreement was subsequently amended to include the Village of Eagle, the Town of Eagle and the Village of Vernon.

The municipal judge is elected to two-year terms by electors in the respective municipalities and, with the exception of matters required by state statute to be determined by the respective governing bodies, is responsible for the general operations of the court. The judge prepares an annual budget for the court, which is subsequently submitted to, and approved by the joint members no later than December 1. Operating costs of the court are apportioned to each member based upon the respective percentage of court cases from the preceding year. Capital expenditures for furniture and equipment are shared equally.

Total court costs for 2024 were \$32,181 of which \$3,240 was apportioned to the Village. In addition, the Village received \$4,600 for rental of office space to the court at the Village Hall in 2024.

Any member may withdraw from this agreement by providing the judge and the other members with written notice no later than August 31 of the final year of the judge's current term, with termination occurring at the end of the term.

VILLAGE OF NORTH PRAIRIE
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

Note 10 JOINT FIRE DEPARTMENT

The Village entered into an agreement to become part of the Kettle Moraine Fire District (KMFD) effective January 1, 2022. In addition to the Village, the joint fire department includes the Village of Eagle and the Town of Eagle. The joint fire department provides fire protection, emergency medical services, rescue operations, haz-mat services, fire prevention and education, and inspections to those municipalities.

Each municipality's annual financial contribution to the Fire District's budget, for the initial five-year period, is based on the agreed percentages set during the formation of the Fire District with the Village of North Prairie contributing 37%. For the year ended December 31, 2024, the Village incurred expenditures of \$266,459 which were the four quarterly assessments for its share of the costs. Requests for financial information can be made at 126 E. Main Street, Eagle, WI 53119

All fire related capital assets owned by the municipalities at the inception of the District were transferred to KMFD. This included vehicles and equipment from the Village with a net value of \$388,499. The Village will continue to own the fire station and lease it to the District for \$100 per year.

Note 11 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; worker's 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 insurance coverage in any of the last three years. There were no significant reductions in coverage compared to the prior year.

Note 12 COMMITMENTS AND CONTINGENCIES

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's legal counsel that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Village's financial position.

VILLAGE OF NORTH PRAIRIE
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

Note 13 INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS

The following is a schedule of interfund receivables and payables as of December 31, 2023 including any overdrafts on pooled cash accounts. These amounts are all due within one year:

	<u>Due From Other Funds</u>	<u>Due to Other Funds</u>
Governmental Activities		
General fund	\$ 170,931	\$ 186,899
Debt service fund	186,899	61,283
ARPA fund	-	109,147
Impact fee fund	-	501
	<u> </u>	<u> </u>
Total Governmental Activities	\$ <u>357,830</u>	\$ <u>357,830</u>

The principal purpose of these interfunds is to cover overdrafts of cash. All remaining balances resulted from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made. For the statement of net position, interfund balances which are owed within the governmental activities are netted and eliminated.

Note 14 SUBSEQUENT EVENTS

Management has evaluated subsequent events for possible recognition or disclosure through the date the financial statements were available to be distributed October 10, 2025. In 2025, the Village approved borrowing of up to \$245,000 for the purpose of financing road repairs. As of the report date, \$201,694 had been drawn on this borrowing.

Note 15 ERROR CORRECTION

The beginning of the year net position in the statement of activities and the fund balance in the general fund reported on the statement of revenues, expenditures and changes in fund balances has been restated for an error correction. At December 31, 2023, a running balance of the Village's share of court fees was shown as deferred revenue in both the statement of net position and balance sheet totaling \$42,846. This is related to the difference between assessed court fees received and actual costs reported by the clerk of courts. Through subsequent discovery, there is no support for these amounts as deferred revenue as these are deemed to be imposed nonexchange transactions and there are not restrictions on these fees. The amounts should have been recognized as revenue in the year received. The Village is assigning this fund balance for future court costs, see Note 8.

**VILLAGE OF NORTH PRAIRIE
NOTES TO FINANCIAL STATEMENTS
December 31, 2024**

Note 16 RECENTLY ISSUED ACCOUNTING STANDARDS

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

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

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

SUPPLEMENTAL FINANCIAL INFORMATION

VILLAGE OF NORTH PRAIRIE
STATEMENT OF REVENUES COMPARED TO BUDGET
GENERAL FUND
Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Taxes				
General Property	\$ 801,325	\$ 801,325	\$ 801,325	\$ -
Manged forest land	350	350	429	79
	<u>801,675</u>	<u>801,675</u>	<u>801,754</u>	<u>79</u>
Intergovernmental				
State shared revenues	103,398	103,398	102,360	(1,038)
Fire issuance dues	-	-	14,868	14,868
State transportation	46,000	46,000	44,970	(1,030)
Police training aids	800	800	720	(80)
Public safety aid	500	500	-	(500)
Exempt computer aids	2,640	2,640	2,640	-
State recycling grants	5,400	5,400	5,407	7
LRIP grant	-	-	30,800	30,800
Personal property aids	2,338	2,338	2,338	-
Video service provider aids	5,466	5,466	5,466	-
CDBG grant	22,330	22,330	-	(22,330)
Other federal aids	-	-	6,214	6,214
	<u>188,872</u>	<u>188,872</u>	<u>215,783</u>	<u>26,911</u>
License and permits				
Business licenses	3,000	3,000	3,159	159
Video service provider fee	22,000	22,000	19,750	(2,250)
Animal licenses	620	620	840	220
Building permits	30,000	30,000	18,980	(11,020)
Burn permits	-	-	6,139	6,139
State UDC stamps	70	70	-	(70)
	<u>55,690</u>	<u>55,690</u>	<u>48,868</u>	<u>(6,822)</u>
Fines and Forfeits				
Court fines	15,000	15,000	13,937	(1,063)
Parking ticket fines	400	400	250	(150)
	<u>15,400</u>	<u>15,400</u>	<u>14,187</u>	<u>(1,213)</u>
Public Charges for services				
Application form fees	1,200	1,200	436	(764)
Tax search fees	800	800	605	(195)
Publication fees	500	500	75	(425)
Sale of water	10,000	10,000	28,705	18,705
Legal fees reimbursed	100	100	-	(100)
House numbers	40	40	-	(40)
Park reservation fees	3,500	3,500	1,305	(2,195)
Highway maintenance	2,000	2,000	12,712	10,712
Weed cutting	-	-	2,275	2,275
Other	2,300	2,300	2,432	132
	<u>20,940</u>	<u>20,440</u>	<u>48,545</u>	<u>28,105</u>

VILLAGE OF NORTH PRAIRIE
STATEMENT OF REVENUES COMPARED TO BUDGET (CONTINUED)
GENERAL FUND
Year Ended December 31, 2024

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Intergovernmental charges for service				
Shared municipal court costs	\$ 34,724	\$ 34,724	\$ 31,622	\$ (3,102)
KMFD reimbursable utilities	8,000	8,000	4,720	(3,280)
	<u>42,724</u>	<u>42,724</u>	<u>36,342</u>	<u>(6,382)</u>
Interest				
Investments	31,500	31,500	48,146	16,646
	<u>31,500</u>	<u>31,500</u>	<u>48,146</u>	<u>16,646</u>
Miscellaneous				
Hall rental	10,000	10,000	4,716	(5,284)
Insurance dividend	800	800	659	(141)
Donations	5,000	5,000	2,896	(2,104)
Sale of assets	-	-	5,232	5,232
Other	4,000	4,000	-	(4,000)
	<u>19,800</u>	<u>19,800</u>	<u>13,503</u>	<u>(6,297)</u>
Total Revenues	<u>\$ 1,176,101</u>	<u>\$ 1,176,101</u>	<u>\$ 1,227,128</u>	<u>\$ 51,027</u>

VILLAGE OF NORTH PRAIRIE
STATEMENT OF EXPENDITURES COMPARED TO BUDGET
GENERAL FUND
Year Ended December 31, 2024

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
General government				
Village board	17,259	17,259	19,849	(2,590)
Clerk/Treasurer	120,235	120,235	108,936	11,299
Elections	10,700	10,700	7,800	2,900
Assessment of property	8,355	8,355	10,046	(1,691)
Audit and accountning	25,000	25,000	70,821	(45,821)
Legal	12,900	12,900	21,925	(9,025)
Village hall	22,320	22,320	33,102	(10,782)
Insurance	34,000	34,000	32,450	1,550
Municipal justice	35,336	35,336	32,181	3,155
Other general government	1,000	1,000	6,924	(5,924)
	<u>287,105</u>	<u>287,105</u>	<u>344,034</u>	<u>(56,929)</u>
Public safety				
Police	228,441	228,441	193,968	34,473
Fire and rescue	268,929	268,929	291,117	(22,188)
Building inspection	23,300	23,300	14,700	8,600
	<u>520,670</u>	<u>520,670</u>	<u>499,785</u>	<u>20,885</u>
Public works				
Refuse collection	113,611	113,611	137,517	(23,906)
Recycling	48,945	48,945	24,560	24,385
Pump house	1,200	1,200	940	260
NR 216 compliance	4,500	4,500	7,002	(2,502)
Civic pride	150	150	99	51
Engineering	2,200	2,200	5,139	(2,939)
Highway and transportation	94,967	94,967	143,448	(48,481)
	<u>265,573</u>	<u>265,573</u>	<u>318,705</u>	<u>(53,132)</u>
Health and human services				
Animal control	578	578	627	(49)
	<u>578</u>	<u>578</u>	<u>627</u>	<u>(49)</u>
Culture, recreation and education				
Parks	112,738	112,738	113,264	(526)
Recreation	5,000	5,000	-	5,000
	<u>117,738</u>	<u>117,738</u>	<u>113,264</u>	<u>4,474</u>
Conservation and development				
Planner fees and commission	2,107	2,107	-	2,107
	<u>2,107</u>	<u>2,107</u>	<u>-</u>	<u>2,107</u>

VILLAGE OF NORTH PRAIRIE
STATEMENT OF EXPENDITURES COMPARED TO BUDGET (CONTINUED)
GENERAL FUND
Year Ended December 31, 2024

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Capital outlays				
General government	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	61,534	(61,534)
Public works	-	-	-	-
Parks	22,330	22,330	1,140	21,190
	<u>22,330</u>	<u>22,330</u>	<u>62,674</u>	<u>(40,344)</u>
Debt service				
Principal	-	-	3,839	(3,839)
Interest	-	-	163	(163)
	<u>-</u>	<u>-</u>	<u>4,002</u>	<u>(4,002)</u>
Total Expense	\$ <u>1,216,101</u>	\$ <u>1,216,101</u>	\$ <u>1,343,091</u>	\$ <u>(126,990)</u>

VILLAGE OF NORTH PRAIRIE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
DEBT SERVICE FUND
Year Ended December 31, 2024

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
General property tax	\$ 222,767	\$ 222,767	\$ 222,767	\$ -
Total Revenues	<u>222,767</u>	<u>222,767</u>	<u>222,767</u>	<u>-</u>
Expenditures				
Debt Service:				
Principal	209,479	209,479	208,953	526
Interest	<u>13,288</u>	<u>13,288</u>	<u>13,327</u>	<u>(39)</u>
Total Expenditures	<u>222,767</u>	<u>222,767</u>	<u>222,280</u>	<u>487</u>
Excess of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>487</u>	<u>(487)</u>
NET CHANGE IN FUND BALANCES	<u>-</u>	<u>-</u>	<u>487</u>	<u>(487)</u>
Fund Balances, beginning of year	<u>105</u>	<u>105</u>	<u>105</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 105</u>	<u>\$ 105</u>	<u>\$ 592</u>	<u>\$ (487)</u>

**VILLAGE OF NORTH PRAIRIE
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2024**

	Impact Fee Fund	Total Nonmajor Governmental Funds
ASSETS		
Cash and Investments	\$ 3,752	\$ 3,752
Total Assets	<u>\$ 3,752</u>	<u>\$ 3,752</u>
LIABILITIES AND FUND BALANCES		
Due to other funds	\$ 501	\$ 501
Total Liabilites	<u>501</u>	<u>501</u>
Fund Balances		
Restricted	<u>3,251</u>	<u>3,251</u>
Total Fund Balances	<u>3,251</u>	<u>3,251</u>
Total Liabilities and Fund Balances	<u>\$ 3,752</u>	<u>\$ 3,752</u>

VILLAGE OF NORTH PRAIRIE
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2024

	Impact Fee Fund	Total Nonmajor Governmental Funds
Revenues		
Total Revenues	\$ -	\$ -
Expenditures		
Total Expenditures	-	-
NET CHANGE IN FUND BALANCES	-	-
Fund Balances, beginning of year	3,251	3,251
FUND BALANCES, end of year	\$ 3,251	\$ 3,251

**ADDITIONAL INDEPENDENT AUDITOR'S REPORT
FOR BASIC FINANCIAL STATEMENTS**

2024-001**Financial Statement Preparation:**

Criteria: *Government Auditing Standards* considers the inability to report financial data reliably in accordance with accounting principles generally accepted in the United States (GAAP) to be an internal control deficiency.

Condition: The Village's internal control over financial reporting extends through completion of the general ledger, but not to preparation of financial statements and notes. As auditors, we were requested to draft the financial statements including adjustments required under GASS #34, and the accompanying notes to the financial statements. Because the Village relies on the auditor to provide the necessary understanding of current accounting and disclosure principles and draft the financial statements and accompanying notes, a significant deficiency exists in the Village's internal controls.

Effect: As a result of not having an individual on staff to prepare complete financial statements, the Village has an internal control deficiency.

Cause: Management and those charged with governance have accepted this condition because of cost.

Recommendation: We recommend that management and those charged with governance continue to evaluate whether to accept the risk associated with this condition because of cost or other considerations.

Management's Response: The Village does not have the resources and/or staff to prepare the statements and notes but will continue to oversee the auditor's services and review and approve the financial statements and notes and accept responsibility for them. Towards the end of 2024, the Village hired an Administrator/Clerk/Treasurer, who does provide the Village with monthly revenue and expenditure reports for their review.

2024-002**Limited Segregation of Duties**

Criteria: Proper internal control requires segregation of accounting duties to mitigate the risk of errors and misstatements due to fraud.

Condition: The Village operates its internal accounting function with principally one individual which is not a proper segregation of duties.

Effect: The Village has an internal control deficiency due to this situation.

Cause: Due to the small size of the Village, limited staff results in lack of segregation of duties.

Recommendation: We recommend management and those charged with governance maintain strict oversight over the accounting function.

Management's Response: The Village does not have the resources to maintain the level of accounting staff necessary for proper segregation of duties. They will continue to review processes and procedures to maintain the greatest level of segregation of duties possible with limited staff and ensure oversight of major processes is maintained by management and the board where needed. The new Administrator/Clerk/Treasurer has prior municipal experience and has hired a part-time Deputy Clerk in 2025. This should allow for more segregation of duties.



**Independent Auditors' Report on Internal Control Over Financial
Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

To the Board of Directors
Village of North Prairie
North Prairie, Wisconsin

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of North Prairie as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Village of North Prairie's basic financial statements, and have issued our report thereon dated October 10, 2025.

Internal Control Over Financial Reporting

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

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 Village of North Prairie's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section 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. We did identify certain deficiencies in internal control that we consider to be material weaknesses. We consider the following deficiencies 2024-001 through 2024-006 to be material weaknesses.

2024-003**Journal Entry Review**

Criteria: Internal controls surrounding the journal entry posting and review process should be outlined in a formal policy.

Condition: The Village has no formal policy for, nor evidence of, an independent review and approval of journal entries.

Effect: The Village has an internal control deficiency due to this situation. This provides an opportunity for incorrect or fraudulent journal entries to be made and not detected.

Cause: The Village has no written policies for the preparation, posting and review of journal entries.

Recommendation: We recommend all journal entries be reviewed by an individual separate from the preparer and approved prior to posting in the system to prevent the posting of improper entries.

Management's Response: All journal entries will be reviewed by a different individual from the journal entry preparer, approved before posting and initialed afterwards.

2024-004**Fixed Asset Tracking**

Criteria: Proper internal control requires there to be policies and procedures in place to ensure that the assets, liabilities, revenues, and expenses of the Village are properly tracked and accounted for.

Condition: The Village's procedures for tracking additions and disposals of fixed assets are not sufficient to ensure all additions and disposals are identified in a timely manner.

Effect: The Village was unable to provide a complete list of fixed asset additions and disposals, and therefore there is a risk that the ending balances of fixed asset accounts are misstated.

Cause: The Village does not have a formal process to review and maintain an accurate listing of fixed assets.

Recommendation: We recommend management and those charged with governance review large purchases that require capitalization during the year and maintain a list of any additions and disposals during the year.

Management's Response: The Village will start to log purchases over \$5,000 that will require capitalization during the year and maintain a list of any additions and/or disposals of assets. The new Village Administrator/Clerk/Treasurer is updating policy and procedures as necessary.

2024-005

Material Adjustments

Criteria: Proper internal control requires there to be policies and procedures in place to ensure assets, liabilities, revenues, and expenses of the Village are accurately stated. The adjustments made during the audit were material to the financial statements.

Condition: The Village did not have procedures in place to find and correct material adjustments.

Effect: As a result of not having procedures in place to review the financial statements for accuracy, material misstatements could be made and not detected by management.

Cause: There was personnel turnover at the Village including key management. Mistakes were made during the year and were not corrected or detected by the new management of the Village.

Recommendation: We recommend that management and those charged with governance ensure policies and procedures are in place and followed to ensure all accounts are accurately stated.

Management's response: A turnover in key personnel, lack of accounting experience and software knowledge resulted in entries being posted to the wrong accounts. Additional training and oversight will be instituted to help reduce the number of incorrect entries into the Village's accounting system. Prior to the audit, the new Administrator/Clerk/Treasurer discovered items mis-coded and corrected them. In addition, the Administrator/Clerk/Treasurer discovered that the option (in settings) to be able to post a cash receipt to multiple accounts was not turned on, thus a direct result of why so many cash receipts were mis-coded. This has been rectified.

2024-006

Bank Reconciliations

Criteria: Bank Reconciliations should be accurately prepared on a timely basis and reviewed by an individual separate from the preparer.

Condition: The Village did not complete cash reconciliations accurately throughout the year. There was no documentation of review of bank account reconciliation once prepared. Adjustments made during the audit to cash accounts were material to the financial statements.

Effect: As a result of not preparing bank reconciliations properly, there is an opportunity for bank accounts to be misstated and not detected. There is also a possibility that fraud or theft of cash could occur and not be detected.

Cause: There was personnel turnover at the Village including key management. Mistakes were made during the year and were not corrected or detected by the new management of the Village.

Recommendation: We recommend that bank reconciliations are completed monthly, agree to the general ledger, and have no unreconciled difference. The board should review these reconciliations at monthly meetings to ensure the accuracy of these reports.

Management's response: A turnover in key personnel resulted in issues with accounts being reconciled in a timely manner. Going forward, all accounts will be balanced monthly, and a Board member will review the reconciliations to verify they are done and correct.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village of North Prairie's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* as follows.

Other Matters

General and Debt Service fund budget to actual variations

In reviewing the budget to actual comparisons for the general fund, we noted there were large budget overages in various functions of the general fund. These are likely due to incorrectly budgeting of items that are recognized for financial statement purposes, such as the allocation of benefits and payroll taxes to the function where the underlying wage is posted, incorrect estimate of principal and interest to be paid and other factors not accounted for in the budget. Wisconsin statute 65.90 (5) (a) provides for procedures to amend the budget, which include approval of 2/3 of the City Board. Pursuant to Wisconsin Statute 66.0607 (7), no order may be issued in excess of funds available or appropriated by a resolution adopted by a 2/3rds vote of the entire membership (i.e. budget). We also recommend that the budget process (65.90) be reviewed and amendments made at the end of the year, if necessary to bring in compliance with state statutes for expenditures in excess of the budget (66.0607 (7)).

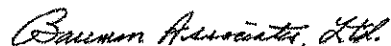
We can be of assistance in helping prepare budgets that more reasonably compare to actual results using the modified cash basis of accounting for the general fund.

Village's Response to Findings

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

Purpose of This Report

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



CERTIFIED PUBLIC ACCOUNTANTS

Eau Claire, Wisconsin
October 10, 2025

