

PRELIMINARY OFFICIAL STATEMENT DATED NOVEMBER 9, 2020

In the opinion of Quarles & Brady LLP, Bond Counsel, assuming continued compliance with the requirements of the Internal Revenue Code of 1986, as amended, under existing law interest on the Bonds is excludable from gross income and is not an item of tax preference for federal income tax purposes. See "TAX EXEMPTION" herein for a more detailed discussion of some of the federal income tax consequences of owning the Bonds. The interest on the Bonds is not exempt from present Wisconsin income or franchise taxes.

The Village will NOT designate the Bonds as "qualified tax-exempt obligations" pursuant to Section 265 of the Internal Revenue Code of 1986, as amended, which permits financial institutions to deduct interest expenses allocable to the Bonds to the extent permitted under prior law.

New Issue

Rating Application Made: Moody's Investors Service, Inc.

VILLAGE OF WESTON, WISCONSIN (Marathon County)

\$5,405,000* GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2020B

BID OPENING: November 16, 2020, 10:30 A.M., C.T. **CONSIDERATION:** November 16, 2020, 6:00 P.M., C.T.

PURPOSE/AUTHORITY/SECURITY: The \$5,405,000* General Obligation Corporate Purpose Bonds, Series 2020B (the "Bonds") of the Village of Weston, Wisconsin (the "Village") are being issued pursuant to Section 67.04, Wisconsin Statutes, for the public purposes of financing sanitary sewer improvements, storm water improvements and street improvements. The Bonds are general obligations of the Village, and all the taxable property in the Village is subject to the levy of a tax to pay the principal of and interest on the Bonds as they become due which tax may, under current law, be levied without limitation as to rate or amount. Delivery is subject to receipt of an approving legal opinion of Quarles & Brady LLP, Milwaukee, Wisconsin.

DATE OF BONDS: December 3, 2020

MATURITY: April 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2021	\$740,000	2028	\$175,000	2035	\$200,000
2022	665,000	2029	175,000	2036	205,000
2023	620,000	2030	190,000	2037	205,000
2024	440,000	2031	195,000	2038	205,000
2025	140,000	2032	195,000	2039	205,000
2026	125,000	2033	200,000	2040	195,000
2027	130,000	2034	200,000		

***MATURITY ADJUSTMENTS:** The Village reserves the right to increase or decrease the principal amount of the Bonds on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

TERM BONDS: See "Term Bond Option" herein.

INTEREST: April 1, 2021 and semiannually thereafter.

OPTIONAL REDEMPTION: Bonds maturing on April 1, 2029 and thereafter are subject to call for prior optional redemption on April 1, 2028 or any date thereafter, at a price of par plus accrued interest.

MINIMUM BID: \$5,340,140.

MAXIMUM BID: \$5,837,400.

GOOD FAITH DEPOSIT: A good faith deposit in the amount of \$108,100 shall be made by the winning bidder by wire transfer of funds.

PAYING AGENT: A bank or trust company or Village officials to be selected by the Village.

BOND & DISCLOSURE

COUNSEL: Quarles & Brady LLP.

MUNICIPAL ADVISOR: Ehlers and Associates, Inc.

BOOK-ENTRY-ONLY: See "Book-Entry-Only System" herein (unless otherwise specified by the purchaser).



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REPRESENTATIONS

No dealer, broker, salesperson or other person has been authorized by the Village to give any information or to make any representation other than those contained in this Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the Village. ***This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy any of the Bonds in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction.***

This Official Statement is not to be construed as a contract with the Syndicate Manager or Syndicate Members. Statements contained herein which involve estimates or matters of opinion are intended solely as such and are not to be construed as representations of fact. Ehlers and Associates, Inc. prepared this Official Statement and any addenda thereto relying on information of the Village and other sources for which there is reasonable basis for believing the information is accurate and complete. Quarles & Brady LLP will serve as Disclosure Counsel to the Village with respect to the Bonds. Compensation of Ehlers and Associates, Inc., payable entirely by the Village, is contingent upon the delivery of the Bonds.

COMPLIANCE WITH S.E.C. RULE 15c2-12

Certain municipal obligations (issued in an aggregate amount over \$1,000,000) are subject to Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended (the "Rule").

Preliminary Official Statement: This Official Statement was prepared for the Village for dissemination to potential investors. Its primary purpose is to disclose information regarding the Bonds to prospective underwriters in the interest of receiving competitive proposals in accordance with the sale notice contained herein. Unless an addendum is posted prior to the sale, this Official Statement shall be deemed nearly final for purposes of the Rule subject to completion, revision and amendment in a Final Official Statement as defined below.

Review Period: This Official Statement has been distributed to prospective bidders for review. Comments or requests for the correction of omissions or inaccuracies must be submitted to Ehlers and Associates, Inc. at least two business days prior to the sale. Requests for additional information or corrections in the Official Statement received on or before this date will not be considered a qualification of a proposal received from an underwriter. If there are any changes, corrections or additions to the Official Statement, interested bidders will be informed by an addendum prior to the sale.

Final Official Statement: Copies of the Final Official Statement will be delivered to the underwriter (Syndicate Manager) within seven business days following the proposal acceptance.

Continuing Disclosure: Subject to certain exemptions, issues in an aggregate amount over \$1,000,000 may be required to comply with provisions of the Rule which require that underwriters obtain from the issuers of municipal securities (or other obligated party) an agreement for the benefit of the owners of the securities to provide continuing disclosure with respect to those securities. This Official Statement describes the conditions under which the Village is required to comply with the Rule.

CLOSING CERTIFICATES

Upon delivery of the Bonds, the underwriter (Syndicate Manager) will be furnished with the following items: (1) a certificate of the appropriate officials to the effect that at the time of the sale of the Bonds and all times subsequent thereto up to and including the time of the delivery of the Bonds, this Official Statement did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; (2) a receipt signed by the appropriate officer evidencing payment for the Bonds; (3) a certificate evidencing the due execution of the Bonds, including statements that (a) no litigation of any nature is pending, or to the knowledge of signers, threatened, restraining or enjoining the issuance and delivery of the Bonds, (b) neither the corporate existence or boundaries of the Village nor the title of the signers to their respective offices is being contested, and (c) no authority or proceedings for the issuance of the Bonds have been repealed, revoked or rescinded; and (4) a certificate setting forth facts and expectations of the Village which indicates that the Village does not expect to use the proceeds of the Bonds in a manner that would cause them to be arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or within the meaning of applicable Treasury Regulations.

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VILLAGE OF WESTON VILLAGE BOARD

		<u>Term Expires</u>
Mark Maloney	Village President	April 2021
Barb Ermeling	Village Trustee	April 2021
Nathan Fiene	Village Trustee	April 2021
Yee Leng Xiong	Village Trustee	April 2022
Steve Meinel	Village Trustee	April 2022
Loren White	Village Trustee	April 2022
Jon Ziegler	Village Trustee	April 2021

ADMINISTRATION

Jessica Trautman, Finance Director/Treasurer

Keith Donner, Village Administrator

Sherry Weinkauff, Village Clerk

PROFESSIONAL SERVICES

Matthew E. Yde, Village Attorney, Wausau, Wisconsin

Quarles & Brady LLP, Bond Counsel and Disclosure Counsel, Milwaukee, Wisconsin

Ehlers and Associates, Inc., Municipal Advisors, Waukesha, Wisconsin
(Other offices located in Roseville, Minnesota and Denver, Colorado)

INTRODUCTORY STATEMENT

This Official Statement contains certain information regarding the Village of Weston, Wisconsin (the "Village") and the issuance of its \$5,405,000* General Obligation Corporate Purpose Bonds, Series 2020B (the "Bonds"). Any descriptions or summaries of the Bonds, statutes, or documents included herein are not intended to be complete and are qualified in their entirety by reference to such statutes and documents and the form of the Bonds to be included in the resolution awarding the sale of the Bonds ("Award Resolution") to be adopted by the Village Board on November 16, 2020.

Inquiries may be directed to Ehlers and Associates, Inc. ("Ehlers" or the "Municipal Advisor"), Waukesha, Wisconsin, (262) 785-1520, the Village's municipal advisor. A copy of this Official Statement may be downloaded from Ehlers' web site at www.ehlers-inc.com by connecting to the Bond Sales link and following the directions at the top of the site.

THE BONDS

GENERAL

The Bonds will be issued in fully registered form as to both principal and interest in denominations of \$5,000 each or any integral multiple thereof, and will be dated, as originally issued, as of December 3, 2020. The Bonds will mature on April 1 in the years and amounts set forth on the cover of this Official Statement. Interest will be payable on April 1 and October 1 of each year, commencing April 1, 2021, to the registered owners of the Bonds appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board ("MSRB"). All Bonds of the same maturity must bear interest from the date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

Unless otherwise specified by the purchaser, the Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). (See "Book-Entry-Only System" herein.) As long as the Bonds are held under the book-entry system, beneficial ownership interests in the Bonds may be acquired in book-entry form only, and all payments of principal of, premium, if any, and interest on the Bonds shall be made through the facilities of DTC and its participants. If the book-entry system is terminated, principal of, premium, if any, and interest on the Bonds shall be payable as provided in the Award Resolution.

The Village may select Village officials or a bank or trust company to act as paying agent (the "Paying Agent"). If a bank or trust company is selected, the Village will pay the charges for Paying Agent services. The Village reserves the right to remove the Paying Agent and to appoint a successor.

OPTIONAL REDEMPTION

At the option of the Village, the Bonds maturing on or after April 1, 2029 shall be subject to optional redemption prior to maturity on April 1, 2028 or any date thereafter, at a price of par plus accrued interest.

*Preliminary, subject to change

Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the selection of the amounts and maturities of the Bonds to be redeemed shall be at the discretion of the Village. If only part of the Bonds having a common maturity date are called for redemption, then the Village or Paying Agent, if any, will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed.

Notice of such call shall be given by sending a notice by registered or certified mail, facsimile or electronic transmission, overnight delivery service or in any other manner required by DTC, not less than 30 days nor more than 60 days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books.

AUTHORITY; PURPOSE

The Bonds are being issued pursuant to Section 67.04, Wisconsin Statutes, for the public purposes of financing sanitary sewer improvements, storm water improvements and street improvements.

ESTIMATED SOURCES AND USES*

Sources		
Par Amount of Bonds	\$5,405,000	
Estimated Interest Earnings	<u>1,319</u>	
Total Sources		\$5,406,319
Uses		
Estimated Underwriter's Discount	\$64,860	
Costs of Issuance	63,550	
Deposit to Project Construction Fund	5,276,142	
Rounding Amount	<u>1,767</u>	
Total Uses		\$5,406,319

*Preliminary, subject to change

SECURITY

For the prompt payment of the Bonds with interest thereon and for the levy of taxes sufficient for this purpose, the full faith, credit and resources of the Village will be irrevocably pledged. The Village will levy a direct, annual, irrepealable tax on all taxable property in the Village sufficient to pay the interest on the Bonds when it becomes due and also to pay and discharge the principal on the Bonds at maturity, in compliance with Article XI, Section 3 of the Wisconsin Constitution. Such tax may, under current law, be levied without limitation as to rate or amount.

RATING

General obligation debt of the Village is currently rated "Aa3" by Moody's Investors Service, Inc.("Moody's").

The Village has requested a rating on the Bonds from Moody's, and bidders will be notified as to the assigned rating prior to the sale. Such rating reflects only the views of such organization and explanations of the significance of such rating may be obtained from Moody's Investors Service, Inc.. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency, if in the judgment of such rating agency circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Bonds.

Such rating is not to be construed as a recommendation of the rating agency to buy, sell or hold the Bonds, and the rating assigned by the rating agency should be evaluated independently. Except as may be required by the Disclosure Undertaking described under the heading "CONTINUING DISCLOSURE" neither the Village nor the underwriter undertake responsibility to bring to the attention of the owner of the Bonds any proposed changes in or withdrawal of such rating or to oppose any such revision or withdrawal.

CONTINUING DISCLOSURE

In order to assist brokers, dealers, and municipal securities dealers, in connection with their participation in the offering of the Bonds, to comply with Rule 15c2-12 promulgated by the Securities and Exchange Commission, pursuant to the Securities and Exchange Act of 1934, as amended (the "Rule"), the Village shall agree to provide certain information to the Municipal Securities Rulemaking Board ("MSRB") through its Electronic Municipal Market Access ("EMMA") system, or any system that may be prescribed in the future. The Rule was last amended, effective February 27, 2019, to include an expanded list of material events. The Disclosure Undertaking includes the two new material events effective February 27, 2019 under the Rule.

On the date of issue and delivery, the Village shall execute and deliver a Continuing Disclosure Certificate, under which the Village will covenant for the benefit of holders including beneficial holders, to provide electronically, or in a manner otherwise prescribed, certain financial information annually and to provide notices of the occurrence of certain events enumerated in the Rule (the "Disclosure Undertaking"). The details and terms of the Disclosure Undertaking for the Village are set forth in Appendix D. Such Disclosure Undertaking will be in substantially the form attached hereto.

A failure by the Village to comply with the Disclosure Undertaking will not constitute an event of default on the Bonds. However, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

The Village's operating data filings for the fiscal years ended December 31, 2014 and December 31, 2015 did not include certain required items under the Village's continuing disclosure undertakings. The Village's audited financial statements and operating data for the fiscal year ended December 31, 2015 were filed one day late due to a leap year. Except to the extent that the preceding are deemed to be material, the Village believes it has not failed to comply in the previous five years in all material respects with its prior undertakings under the Rule. The Village has reviewed its continuing disclosure responsibilities, including the two new material events, to help ensure compliance in the future. Ehlers is currently engaged as dissemination agent for the Village.

LEGAL MATTERS

An opinion as to the validity of the Bonds and the exemption from federal taxation of the interest thereon will be furnished by Quarles & Brady LLP, Bond Counsel to the Village, and will be available at the time of delivery of the Bonds. The legal opinion will be issued on the basis of existing law and will state that the Bonds are valid and binding general obligations of the Village; provided that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting

creditors' rights and by equitable principles (which may be applied in either a legal or equitable proceeding). (See "FORM OF LEGAL OPINION" found in Appendix B).

Quarles & Brady LLP has also been retained by the Village to serve as Disclosure Counsel to the Village with respect to the Bonds. Although, as Disclosure Counsel to the Village, Quarles & Brady LLP has assisted the Village with certain disclosure matters, Quarles & Brady LLP has not undertaken to independently verify the accuracy, completeness or sufficiency of this Official Statement or other offering material relating to the Bonds and assumes no responsibility whatsoever nor shall have any liability to any other party for the statements or information contained or incorporated by reference in this Official Statement. Further, Quarles & Brady LLP makes no representation as to the suitability of the Bonds for any investor.

TAX EXEMPTION

Quarles & Brady LLP, Milwaukee, Wisconsin, Bond Counsel, will deliver a legal opinion with respect to the federal income tax exemption applicable to the interest on the Bonds under existing law substantially in the following form:

"The interest on the Bonds is excludable for federal income tax purposes from the gross income of the owners of the Bonds. The interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Internal Revenue Code of 1986, as amended (the "Code") on individuals. The Code contains requirements that must be satisfied subsequent to the issuance of the Bonds in order for interest on the Bonds to be or continue to be excludable from gross income for federal income tax purposes. Failure to comply with certain of those requirements could cause the interest on the Bonds to be included in gross income retroactively to the date of issuance of the Bonds. The Village has agreed to comply with all of those requirements. The opinion set forth in the first sentence of this paragraph is subject to the condition that the Village comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the Bonds."

The interest on the Bonds is not exempt from present Wisconsin income or franchise taxes.

Prospective purchasers of the Bonds should be aware that ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers. Bond Counsel will not express any opinion as to such collateral tax consequences. Prospective purchasers of the Bonds should consult their tax advisors as to collateral federal income tax consequences.

From time to time legislation is proposed, and there are or may be legislative proposals pending in the Congress of the United States that, if enacted, could alter or amend the federal tax matters referred to above or adversely affect the market value of the Bonds. It cannot be predicted whether, or in what form, any proposal that could alter one or more of the federal tax matters referred to above or adversely affect the market value of the Bonds may be enacted. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

ORIGINAL ISSUE DISCOUNT

To the extent that the initial public offering price of certain of the Bonds is less than the principal amount payable at maturity, such Bonds ("Discounted Bonds") will be considered to be issued with original issue discount. The original issue discount is the excess of the stated redemption price at maturity of a Discounted Bond over the initial offering price to the public, excluding underwriters or other intermediaries, at which price a substantial amount of such Discounted Bonds were sold (issue price). With respect to a taxpayer who purchases a Discounted Bond in the initial public offering at the issue price and who holds such Discounted Bond to maturity, the full amount of original issue discount will constitute interest that is not includible in the gross income of the owner of such Discounted Bond for federal income tax purposes and such owner will not, subject to the caveats and provisions herein described, realize taxable capital gain upon payment of such Discounted Bond upon maturity.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discounted Bond, on days that are determined by reference to the maturity date of such Discounted Bond. The amount treated as original issue discount on a Discounted Bond for a particular semiannual accrual period is generally equal to (a) the product of (i) the yield to maturity for such Discounted Bond (determined by compounding at the close of each accrual period) and (ii) the amount that would have been the tax basis of such Discounted Bond at the beginning of the particular accrual period if held by the original purchaser; and less (b) the amount of any interest payable for such Discounted Bond during the accrual period. The tax basis is determined by adding to the initial public offering price on such Discounted Bond the sum of the amounts that have been treated as original issue discount for such purposes during all prior periods. If a Discounted Bond is sold or exchanged between semiannual compounding dates, original issue discount that would have been accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

For federal income tax purposes, the amount of original issue discount that is treated as having accrued with respect to such Discounted Bond is added to the cost basis of the owner in determining gain or loss upon disposition of a Discounted Bond (including its sale, exchange, redemption, or payment at maturity). Amounts received upon disposition of a Discounted Bond that are attributable to accrued original issue discount will be treated as tax-exempt interest, rather than as taxable gain.

The accrual or receipt of original issue discount on the Discounted Bonds may result in certain collateral federal income tax consequences for the owners of such Discounted Bonds. The extent of these collateral tax consequences will depend upon the owner's particular tax status and other items of income or deduction.

The Code contains additional provisions relating to the accrual of original issue discount. Owners who purchase Discounted Bonds at a price other than the issue price or who purchase such Discounted Bonds in the secondary market should consult their own tax advisors with respect to the tax consequences of owning the Discounted Bonds. Under the applicable provisions governing the determination of state and local taxes, accrued interest on the Discounted Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment until a later year. Owners of Discounted Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the Discounted Bonds.

BOND PREMIUM

To the extent that the initial offering price of certain of the Bonds is more than the principal amount payable at maturity, such Bonds ("Premium Bonds") will be considered to have bond premium.

Any Premium Bond purchased in the initial offering at the issue price will have "amortizable premium" within the meaning of Section 171 of the Code. The amortizable premium of each Premium Bond is calculated on a daily basis from the issue date of such Premium Bond until its stated maturity date (or call date, if any) on the basis of a constant interest rate compounded at each accrual period (with straight line interpolation between the compounding dates). An owner of a Premium Bond that has amortizable premium is not allowed any deduction for the amortizable premium; rather the amortizable premium attributable to a taxable year is applied against (and operates to reduce) the amount of tax-exempt interest payments on the Premium Bonds. During each taxable year, such an owner must reduce his or her tax basis in such Premium Bond by the amount of the amortizable premium that is allocable to the portion of such taxable year during which the holder held such Premium Bond. The adjusted tax basis in a Premium Bond will be used to determine taxable gain or loss upon a disposition (including the sale, exchange, redemption, or payment at maturity) of such Premium Bond.

Owners of Premium Bonds who did not purchase such Premium Bonds in the initial offering at the issue price should consult their own tax advisors with respect to the tax consequences of owning such Premium Bonds. Owners of Premium Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the Premium Bonds.

NOT-QUALIFIED TAX-EXEMPT OBLIGATIONS

The Village will NOT designate the Bonds as "qualified tax-exempt obligations" pursuant to Section 265 of the Internal Revenue Code of 1986, as amended, which permits financial institutions to deduct interest expenses allocable to the Bonds to the extent permitted under prior law.

MUNICIPAL ADVISOR

Ehlers has served as municipal advisor to the Village in connection with the issuance of the Bonds. The Municipal Advisor cannot participate in the underwriting of the Bonds. The financial information included in this Official Statement has been compiled by the Municipal Advisor. Such information does not purport to be a review, audit or certified forecast of future events and may not conform with accounting principles applicable to compilations of financial information. Ehlers is not a firm of certified public accountants. Ehlers is registered with the Securities and Exchange Commission and the MSRB as a municipal advisor.

MUNICIPAL ADVISOR AFFILIATED COMPANIES

Bond Trust Services Corporation ("BTSC") and Ehlers Investment Partners, LLC ("EIP") are affiliate companies of Ehlers. BTSC is chartered by the State of Minnesota and authorized in Minnesota, Wisconsin, Colorado, and Illinois to transact the business of a limited purpose trust company. BTSC provides paying agent services to debt issuers. EIP is a Registered Investment Advisor with the Securities and Exchange Commission. EIP assists issuers with the investment of bond proceeds or investing other issuer funds. This includes escrow bidding agent services. Issuers, such as the Village, have retained or may retain BTSC and/or EIP to provide these services. If hired, BTSC and/or EIP would be retained by the Village under an agreement separate from Ehlers.

INDEPENDENT AUDITORS

The basic financial statements of the Village for the fiscal year ended December 31, 2019 have been audited by Hawkins Ash CPAs, LLP, Manitowoc, Wisconsin, independent auditors (the "Auditor"). The report of the Auditor, together with the basic financial statements, component units financial statements, and notes to the financial statements are attached hereto as "APPENDIX A – FINANCIAL STATEMENTS". The Auditor has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. The Auditor also has not performed any procedures relating to this Official Statement.

RISK FACTORS

Following is a description of possible risks to holders of the Bonds without weighting as to probability. This description of risks is not intended to be all-inclusive, and there may be other risks not now perceived or listed here. Potential investors should read this Official Statement, including the appendices, in its entirety.

Taxes: The Bonds are general obligations of the Village, the ultimate payment of which rests in the Village's ability to levy and collect sufficient taxes to pay debt service. In the event of delayed billing, collection or distribution of property taxes, sufficient funds may not be available to the Village in time to pay debt service when due.

State Actions: Many elements of local government finance, including the issuance of debt and the levy of property taxes, are controlled by state government. Future actions of the state may affect the overall financial condition of the Village, the taxable value of property within the Village, and the ability of the Village to levy and collect property taxes.

Future Changes in Law: Various State and federal laws, regulations and constitutional provisions apply to the Village and to the Bonds. The Village can give no assurance that there will not be a change in or interpretation of any such applicable laws, regulations and provisions which would have a material effect on the Village or the taxing authority of the Village.

Ratings; Interest Rates: In the future, the Village's credit rating may be reduced or withdrawn, or interest rates for this type of obligation may rise generally, either possibility resulting in a reduction in the value of the Bonds for resale prior to maturity.

Tax Exemption: If the federal government taxes all or a portion of the interest on municipal bonds or notes or if the State government increases its tax on interest on bonds and notes, directly or indirectly, or if there is a change in federal or state tax policy, then the value of these Bonds may fall for purposes of resale. Noncompliance by the Village with the covenants in the Award Resolution relating to certain continuing requirements of the Code may result in inclusion of interest to be paid on the Bonds in gross income of the recipient for United States income tax purposes, retroactive to the date of issuance.

Continuing Disclosure: A failure by the Village to comply with the Disclosure Undertaking for continuing disclosure (see "CONTINUING DISCLOSURE") will not constitute an event of default on the Bonds. Any such failure must be reported in accordance with the Rule and must be considered by any broker, dealer, or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

Book-Entry-Only System: The timely credit of payments for principal and interest on the Bonds to the accounts of the Beneficial Owners of the Bonds may be delayed due to the customary practices, standing instructions or for other unknown reasons by DTC participants or indirect participants. Since the notice of redemption or other notices to holders of these obligations will be delivered by the Village to DTC only, there may be a delay or failure by DTC, DTC participants or indirect participants to notify the Beneficial Owners of the Bonds.

Depository Risk: Wisconsin Statutes direct the local treasurer to immediately deposit upon receipt thereof, the funds of the municipality in a public depository designated by the governing body. A public depository means a federal or state credit union, federal or state savings and loan association, state bank, savings and trust company, mutual savings bank or national bank in Wisconsin or the local government pooled investment fund operated by the State Investment Board. It is not uncommon for a municipality to have deposits exceeding limits of federal and state insurance programs. Failure of a depository could result in loss of public funds or a delay in obtaining them. Such a loss or delay could interrupt a timely payment of municipal debt.

Economy: A combination of economic, climatic, political or civil disruptions or terrorist actions outside of the control of the Village, including loss of major taxpayers or major employers, could affect the local economy and result in reduced tax collections and/or increased demands upon local government. Real or perceived threats to the financial stability of the Village may have an adverse effect on the value of the Bonds in the secondary market.

Secondary Market for the Bonds: No assurance can be given that a secondary market will develop for the purchase and sale of the Bonds or, if a secondary market exists, that such Bonds can be sold for any particular price. The underwriters are not obligated to engage in secondary market trading or to repurchase any of the Bonds at the request of the owners thereof. Prices of the Bonds as traded in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and other prevailing circumstances. No guarantee exists as to the future market value of the Bonds. Such market value could be substantially different from the original purchase price.

Bankruptcy: The rights and remedies of the holders may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws, or equitable principles that may affect the enforcement of creditors' rights, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against local governments. The opinion of Bond Counsel to be delivered with respect to the Bonds will be similarly qualified. See "MUNICIPAL BANKRUPTCY" herein.

Cybersecurity: The Village is dependent on electronic information technology systems to deliver services. These systems may contain sensitive information or support critical operational functions which may have value for unauthorized purposes. As a result, the electronic systems and networks may be targets of cyberattack. There can be no assurance that the Village will not experience an information technology breach or attack with financial consequences that could have a material adverse impact.

Impact of the Spread of COVID-19: In late 2019, a novel strain of coronavirus (COVID-19) emerged in Wuhan, Hubei Province, China. COVID-19 has spread throughout the world, including to the United States, resulting in the World Health Organization proclaiming COVID-19 to be a pandemic and President Trump declaring a national emergency. In response to the spread of COVID-19, the United States government, state governments, local governments and private industries have taken measures to limit social interactions in an effort to limit the spread of COVID-19. The effects of the spread of COVID-19 and the government and private responses to the spread continue to rapidly evolve. COVID-19 has caused significant disruptions to the global, national and State economy. The extent to which the coronavirus impacts the Village and its financial condition will depend on future developments, which are highly uncertain and cannot be predicted by the Village, including the duration of the outbreak and measures taken to address the outbreak.

On March 12, 2020, Wisconsin Governor Tony Evers declared a public health emergency in the State in response to the growing threat of COVID-19. That declaration included direction to the state Department of Health Services to use any and all required resources to respond to and contain the outbreak. Governor Evers followed that up with a "safer at home" order (the "Order") on March 24, 2020, closing nonessential businesses, banning gatherings of any size and imposing strict travel restrictions through April 24, 2020. On April 16, 2020, the Order was extended from April 24, 2020 through May 26, 2020. Schools remained closed for the duration of the 2019-2020 school year, but certain non-essential businesses were allowed to open operations on a limited basis during this time, including curbside pickup, delivery, mailings and minimum basic operations.

Also on April 16, 2020, President Trump outlined "Guidelines for Opening Up America Again," a three-phased approach to restarting the economy based on public health experts' advice. The guidelines start with a set of criteria that should be met before starting phases one to three. The criteria include a downward trajectory of people with flu-like and COVID-19-like symptoms for 14 days; a downward trajectory of documented cases for 14 days or a downward trajectory of positive tests as a percentage of total tests over a 14-day period; and hospitals with the ability to treat all patients without crisis care and a robust testing program for at-risk healthcare workers.

On April 20, 2020, Governor Evers announced Wisconsin's three-phased approach to reopening the State's economy, based on President Trump's guidelines, including similar criteria to be met before phase one can begin. On April 21, 2020, Republican legislators in the State filed a lawsuit challenging the legality of the Order. On May 13, 2020, the Wisconsin Supreme Court ruled that the State's Order is unlawful, invalid and unenforceable because the emergency rulemaking procedures under Section 227.24 of the Wisconsin Statutes and procedures established by the Wisconsin Legislature for rulemaking if criminal penalties were to follow were not followed in connection with the Order. The Supreme Court's decision does not invalidate any local health officials' orders or prevent future local health officials' orders related to the COVID-19 pandemic.

The Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") provides for federal payments from the Coronavirus Relief Fund to the State for the discrete purpose of covering expenses directly incurred as a result of COVID-19 between March 1 and December 30, 2020. On May 27, 2020, Governor Tony Evers announced a program titled, "Routes to Recovery: Local Government Aid Grants," which will distribute \$190 million of the State's Coronavirus Relief Fund monies to all counties, cities, villages and towns across Wisconsin for unbudgeted eligible expenditures incurred due to COVID-19 between March 1 and November 17, 2020. The State allocated funds based on population with a guaranteed minimum allocation of \$5,000. The Village's allocation is \$254,105. These funds will be disbursed up to the amount of the allocation after eligible expenditures are reported through the State's cost tracker application.

On July 30, 2020, Governor Evers issued Executive Order #82, declaring a public health emergency in Wisconsin to combat the spread of COVID-19. In conjunction with Executive Order #82, Governor Evers issued Emergency Order #1, requiring most people to wear face coverings when indoors, with certain exemptions in accordance with CDC guidelines. On September 22, 2020, Emergency Order #1 was extended through November 21, 2020.

On October 6, 2020, Emergency Order #3 was issued, which limits public gatherings to no more than 25% of the total occupancy limits for the room or building (or no more than 10 people for indoor spaces without occupancy limits), with certain exceptions. Emergency Order #3 expired November 6, 2020.

VALUATIONS

WISCONSIN PROPERTY VALUATIONS; PROPERTY TAXES

Equalized Value

Section 70.57, Wisconsin Statutes, requires the Department of Revenue to annually determine the equalized value (also referred to as full equalized value or aggregate full value) of all taxable property in each county and taxation district. The equalized value is an independent estimate of value used to equate individual local assessment policies so that property taxes are uniform throughout the various subdivisions in the State. Equalized value is calculated based on the history of comparable sales and information about value changes or taxing status provided by the local assessor. A comparison of the State-determined equalized value and the local assessed value, expressed as a percentage, is known as the assessment ratio or level of assessment. The Department of Revenue notifies each county and taxing jurisdiction of its equalized value on August 15; school districts are notified on October 1. The equalized value of each county is the sum of the valuations of all cities, villages, and towns within its boundaries. Taxing jurisdictions lying in more than one municipality, such as counties, school districts, or special taxing districts, use the equalized value of the underlying units in calculating and levying their respective levies. Equalized values are also used to apportion state aids and calculate municipal general obligation debt limits.

Assessed Value

The "assessed value" of taxable property in a municipality is determined by the local assessor, except for manufacturing properties which are valued by the State. Each city, village or town retains its own local assessor, who must be certified by the State Department of Revenue. Assessed value is used by these municipalities to determine tax levy mill rates and to apportion levies among individual property owners. Each taxing district must assess property at full value at least once in every five-year period. The State requires that the assessed values must be within 10% of State equalized values at least once every four years. The local assessor values property as of January 1 each year and submits those values to each municipality by the second Monday in June. The assessor also reports any value changes taking place since the previous year, to the Department of Revenue, by the second Monday in June.

The economic impact of COVID-19 may impact assessed and equalized valuations of property in the State, including in the Village. The Village cannot predict the extent of any such changes, but a material decrease in the equalized valuations of property in the Village may materially adversely affect the financial condition of the Village (see "RISK FACTORS - Impact of the Spread of COVID-19" herein).

CURRENT PROPERTY VALUATIONS

2020 Equalized Value	\$1,344,927,200
2020 Equalized Value Reduced by Tax Increment Valuation	\$1,047,006,500
2020 Assessed Value	\$1,165,819,300

2020 EQUALIZED VALUE BY CLASSIFICATION

	2020 Equalized Value¹	Percent of Total Equalized Value
Residential	\$ 783,359,400	58.245%
Commercial	437,306,100	32.515%
Manufacturing	89,673,100	6.668%
Agricultural	177,300	0.013%
Undeveloped	738,100	0.055%
Ag Forest	1,075,500	0.080%
Forest	6,840,000	0.509%
Other	938,600	0.070%
Personal Property	24,819,100	1.845%
Total	<u><u>\$ 1,344,927,200</u></u>	<u><u>100.000%</u></u>

TREND OF VALUATIONS

Year	Assessed Value	Equalized Value¹	Percent Increase/Decrease in Equalized Value
2016	\$1,117,149,400	\$1,091,885,500	0.00%
2017	1,135,459,700	1,125,232,700	3.05%
2018	1,142,295,900	1,193,258,600	6.05%
2019	1,152,114,300	1,276,454,100	6.97%
2020	1,165,819,300	1,344,927,200	5.36%

Source: Wisconsin Department of Revenue, Bureau of Equalization and Local Government Services Bureau.

¹Includes tax increment valuation.

LARGER TAXPAYERS

Taxpayer	Type of Business/Property	2019 Equalized Value¹	Percent of Village's Total Equalized Value
St. Clare's Hospital	Healthcare	\$ 31,541,716	2.47%
Wausau Supply	Building Materials Supplier	21,100,324	1.65%
Marshfield Clinic	Healthcare	17,439,187	1.37%
Rennes Development Company	Senior/Assisted Living	16,532,796	1.30%
Crystal Finishing Systems	Coating and Transportation	15,013,353	1.18%
Stoney River	Senior/Assisted Living	12,239,436	0.96%
Aspirus Wausau Hospital	Healthcare	11,716,812	0.92%
WOW Logistics	Storage and Transportation	10,923,346	0.86%
Birchwood Highlands	Senior/Assisted Living	9,781,021	0.77%
Dayton Hudson (Target)	Retail	8,037,944	0.63%
Total		\$ 154,325,935	12.09%

Village's Total 2019 Equalized Value² \$1,276,454,100

Source: The Village.

¹Calculated by dividing the 2019 Assessed Values by the 2019 Aggregate Ratio of assessment for the Village.

²Includes tax increment valuation. 2019 taxpayer information is the latest available.

DEBT

DIRECT DEBT^{1*}

General Obligation Debt (see schedules following)

Total General Obligation Debt (includes the Bonds and the Notes)*	<u>\$ 11,998,825</u>
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Revenue Debt (see schedules following)

Total revenue debt secured by storm water revenues	<u>\$ 1,505,000</u>
Total revenue debt secured by sewer revenues	<u>\$ 360,000</u>
Total revenue debt secured by water revenues (includes the Water Revenue Bonds)*	<u>\$ 6,830,000</u>

Lease Revenue Obligations (see schedule following)

Total lease revenue obligations paid by annual appropriations TID #1	<u>\$ 15,845,000</u>
Total lease revenue obligations paid by annual appropriations TID #2	<u>\$ 690,000</u>

Lease Obligations

Issue Date	Original Amount	Purpose	Final Maturity	Principal Outstanding
8/01/20	\$ 272,500	Street Sweeper	8/01/26	\$ 240,907

*Preliminary, subject to change.

¹Outstanding debt is as of the dated date of the Bonds.

Village of Weston, Wisconsin
Schedule of Bonded Indebtedness
General Obligation Debt Secured by Taxes
(As of 12/03/2020)

Dated Amount	Maturity	Promissory Notes Series 2018B		Bank Note Series 2016		Promissory Notes Series 2019A		Corporate Purpose Bonds Series 2020B		Promissory Notes Series 2020C		Total P & I	Total Interest	Total Principal	Principal Outstanding	% Paid	Calendar Year Ending
		Principal	Interest	Principal	Interest	Principal	Interest	Principal	Estimated Interest	Principal	Estimated Interest						
09/24/2013	09/24	105,625	4,214	73,200	1,574	440,000	144,150	740,000	51,917	205,000	17,016	1,782,697	218,872	1,563,825	10,435,000	13.03%	2021
\$845,000						445,000	126,450	665,000	59,113	200,000	19,510	1,515,073	205,073	1,310,000	9,125,000	23.95%	2022
						370,000	110,150	620,000	55,103	205,000	18,244	1,378,496	183,496	1,195,000	7,930,000	33.91%	2023
						465,000	93,450	440,000	51,438	205,000	16,809	1,271,696	161,696	1,110,000	6,820,000	43.16%	2024
						475,000	74,650	140,000	49,193	205,000	15,169	959,011	139,011	820,000	6,000,000	50.00%	2025
						485,000	55,650	125,000	48,004	235,000	13,181	961,635	116,635	845,000	5,155,000	57.04%	2026
						500,000	38,250	130,000	46,695	235,000	10,773	960,718	95,718	865,000	4,290,000	64.25%	2027
						510,000	23,100	175,000	44,886	240,000	7,980	1,000,966	75,966	925,000	3,365,000	71.96%	2028
						515,000	7,725	175,000	42,655	240,000	4,920	985,300	55,300	930,000	2,435,000	79.71%	2029
								190,000	40,188	240,000	1,680	471,868	41,868	430,000	2,005,000	83.29%	2030
								195,000	37,395			232,395	37,395	195,000	1,810,000	84.92%	2031
								195,000	34,373			229,373	34,373	195,000	1,615,000	86.54%	2032
								200,000	31,113			231,113	31,113	200,000	1,415,000	88.21%	2033
								200,000	27,613			227,613	27,613	200,000	1,215,000	89.87%	2034
								200,000	23,913			223,913	23,913	200,000	1,015,000	91.54%	2035
								205,000	19,963			224,963	19,963	205,000	810,000	93.25%	2036
								205,000	15,760			220,760	15,760	205,000	605,000	94.96%	2037
								205,000	11,353			216,353	11,353	205,000	400,000	96.67%	2038
								205,000	6,791			211,791	6,791	205,000	195,000	98.37%	2039
								195,000	2,243			197,243	2,243	195,000	0	100.00%	2040
		105,625	4,214	73,200	1,574	4,205,000	673,375	5,405,000	699,704	2,210,000	125,281	13,502,973	1,504,148	11,998,825			

* Preliminary, subject to change.

**Village of Weston, Wisconsin
Schedule of Bonded Indebtedness
Revenue Debt Secured by Sewer Revenues
(As of 12/03/2020)**

**Sanitary Sewerage System Revenue
Bonds
Series 2008**

Dated Amount	06/23/2008 \$4,950,000
Maturity	03/01
Calendar Year Ending	Principal
2021	360,000
	360,000
Interest	Interest
7,380	7,380
7,380	7,380

Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
360,000	7,380	367,380	0	100.00%	2021
360,000	7,380	367,380			

**Village of Weston, Wisconsin
Schedule of Bonded Indebtedness
Revenue Debt Secured by Stormwater Revenues
(As of 12/03/2020)**

**Storm Water Utility Revenue
Refunding Bonds
Series 2018C**

Dated Amount	11/01/2018 \$1,890,000										
Maturity	10/01										
Calendar Year Ending	Principal	Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending			
2021	200,000	40,443	200,000	40,443	240,443	1,305,000	13.29%	2021			
2022	210,000	35,743	210,000	35,743	245,743	1,095,000	27.24%	2022			
2023	215,000	30,598	215,000	30,598	245,598	880,000	41.53%	2023			
2024	210,000	25,115	210,000	25,115	235,115	670,000	55.48%	2024			
2025	215,000	19,445	215,000	19,445	234,445	455,000	69.77%	2025			
2026	225,000	13,425	225,000	13,425	238,425	230,000	84.72%	2026			
2027	230,000	6,900	230,000	6,900	236,900	0	100.00%	2027			
	1,505,000	171,668	1,505,000	171,668	1,676,668						

Village of Weston, Wisconsin
Schedule of Bonded Indebtedness
Revenue Debt Secured by Water Revenues
(As of 12/03/2020)

Waterworks System Revenue Bonds Series 2018B		Waterworks System Revenue Bonds Series 2020A	
Dated Amount	11/01/2018 \$2,585,000	12/03/2020 \$4,770,000*	
Maturity	05/01	05/01	
Calendar Year Ending	Principal	Interest	Estimated Principal
2021	270,000	60,708	135,000
2022	140,000	55,923	270,000
2023	140,000	52,493	260,000
2024	145,000	48,858	220,000
2025	160,000	44,773	170,000
2026	75,000	41,429	160,000
2027	80,000	39,065	155,000
2028	80,000	36,625	160,000
2029	80,000	34,085	165,000
2030	90,000	31,280	225,000
2031	90,000	28,220	235,000
2032	90,000	25,070	245,000
2033	90,000	21,853	275,000
2034	100,000	18,385	275,000
2035	100,000	14,660	285,000
2036	110,000	10,670	295,000
2037	110,000	6,435	300,000
2038	110,000	2,145	305,000
2039			315,000
2040			320,000
	2,060,000	572,674	4,770,000
			1,040,613

* Preliminary, subject to change.

Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
405,000	135,336	540,336	6,425,000	5.93%	2021
410,000	134,160	544,160	6,015,000	11.93%	2022
400,000	128,678	528,678	5,615,000	17.79%	2023
365,000	123,013	488,013	5,250,000	23.13%	2024
330,000	117,088	447,088	4,920,000	27.96%	2025
235,000	112,014	347,014	4,685,000	31.41%	2026
235,000	107,801	342,801	4,450,000	34.85%	2027
240,000	103,273	343,273	4,210,000	38.36%	2028
245,000	98,416	343,416	3,965,000	41.95%	2029
315,000	92,671	407,671	3,650,000	46.56%	2030
325,000	85,929	410,929	3,325,000	51.32%	2031
335,000	78,696	413,696	2,990,000	56.22%	2032
365,000	70,791	435,791	2,625,000	61.57%	2033
375,000	62,099	437,099	2,250,000	67.06%	2034
385,000	52,771	437,771	1,865,000	72.69%	2035
405,000	42,689	447,689	1,460,000	78.62%	2036
410,000	31,908	441,908	1,050,000	84.63%	2037
415,000	20,735	435,735	635,000	90.70%	2038
315,000	11,381	326,381	320,000	95.31%	2039
320,000	3,840	323,840	0	100.00%	2040
6,830,000	1,613,287	8,443,287			

Community Development Authority of the Village of Weston, Wisconsin
Schedule of Bonded Indebtedness
Non-General Obligation Debt Secured by Tax Increment Revenues TID #1
(As of 12/03/2020)

Community Development Lease
Rev. Bonds
Series 2017A

Dated	07/13/2017	
Amount	\$19,255,000	
Maturity	10/01	
Calendar Year Ending	Principal	Interest
2021	1,160,000	379,673
2022	1,180,000	361,113
2023	1,200,000	340,463
2024	1,225,000	317,663
2025	1,255,000	293,163
2026	1,285,000	266,180
2027	1,320,000	237,268
2028	1,355,000	205,588
2029	1,400,000	170,358
2030	1,395,000	131,858
2031	3,070,000	92,100
	15,845,000	2,795,423
Total P & I	Total Principal	Total Interest
1,539,673	1,160,000	379,673
1,541,113	1,180,000	361,113
1,540,463	1,200,000	340,463
1,542,663	1,225,000	317,663
1,548,163	1,255,000	293,163
1,551,180	1,285,000	266,180
1,557,268	1,320,000	237,268
1,560,588	1,355,000	205,588
1,570,358	1,400,000	170,358
1,526,858	1,395,000	131,858
3,162,100	3,070,000	92,100
18,640,423	15,845,000	2,795,423
Principal Outstanding	% Paid	Calendar Year Ending
14,685,000	7.32%	2021
13,505,000	14.77%	2022
12,305,000	22.34%	2023
11,080,000	30.07%	2024
9,825,000	37.99%	2025
8,540,000	46.10%	2026
7,220,000	54.43%	2027
5,865,000	62.99%	2028
4,465,000	71.82%	2029
3,070,000	80.62%	2030
0	100.00%	2031

Community Development Authority of the Village of Weston, Wisconsin
Schedule of Bonded Indebtedness
Non-General Obligation Debt Secured by Tax Increment Revenues TID #2
(As of 12/03/2020)

Community Development Lease Rev.

Bonds
Series 2004B

Dated Amount	08/09/2004 \$1,815,000					
Maturity	10/01					
Calendar Year Ending	Principal	Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding
2021	125,000	32,713	125,000	32,713	157,713	565,000
2022	130,000	26,838	130,000	26,838	156,838	435,000
2023	140,000	20,663	140,000	20,663	160,663	295,000
2024	145,000	14,013	145,000	14,013	159,013	150,000
2025	150,000	7,125	150,000	7,125	157,125	0
	690,000	101,350	690,000	101,350	791,350	
Calendar Year Ending	% Paid					
2021	18.12%					
2022	36.96%					
2023	57.25%					
2024	78.26%					
2025	100.00%					

DEBT LIMIT (includes the Bonds and the Notes)*

The constitutional and statutory general obligation debt limit for Wisconsin municipalities, including towns, cities, villages, and counties (Article XI, Section 3 of the Wisconsin Constitution and Section 67.03, Wisconsin Statutes) is 5% of the current equalized value.

Equalized Value	\$ 1,344,927,200
Multiply by 5%	<u>0.05</u>
Statutory Debt Limit	\$ 67,246,360
Less: General Obligation Debt (includes the Bonds and the Notes)*	<u>(11,998,825)</u>
Unused Debt Limit*	<u><u>\$ 55,247,535</u></u>

*Preliminary, subject to change.

OVERLAPPING DEBT¹

Taxing District	2020 Equalized Value²	% In Village	Total G.O. Debt³	Village's Proportionate Share
Marathon County	\$ 12,377,596,900	10.8658%	\$ 42,345,000	\$ 4,601,123
North Central Technical College	19,305,734,605	6.9665%	44,230,000	3,081,283
D.C. Everest Area School District	3,200,238,032	42.0258%	92,710,000	<u>38,962,119</u>
Village's Share of Total Overlapping Debt				<u><u>\$ 46,644,525</u></u>

¹Overlapping debt is as of the dated date of the Bonds. Only those taxing jurisdictions with general obligation debt outstanding are included in this section.

²Includes tax increment valuation.

³Outstanding debt based on information obtained on EMMA and the Municipal Advisor's records.

DEBT RATIOS

	G.O. Debt	Debt/Equalized Value \$1,344,927,200	Debt/ Per Capita 15,646¹
Total General Obligation Debt*	\$ 11,998,825	0.89%	\$ 766.89
Village's Share of Total Overlapping Debt	<u>46,644,525</u>	<u>3.47%</u>	<u>2,981.24</u>
Total*	\$ 58,643,350	4.36%	\$ 3,748.14

DEBT PAYMENT HISTORY

The Village has no record of default in the payment of principal and interest on its debt.

FUTURE FINANCING

Concurrently with the Bonds, the Village intends to issue \$4,770,000* Waterworks System Revenue Bonds, Series 2020A (the "Water Revenue Bonds") and \$2,210,000* General Obligation Promissory Notes, Series 2020C (the "Notes") (collectively, the Water Revenue Bonds and the Notes shall be referred to as the "Concurrent Obligations"). In addition to the Concurrent Obligations, the Village plans to finance its 2021 capital improvements, which includes \$17 million for a municipal complex, with general obligation debt within the next 12 months. The Village may issue approximately \$3,000,000 in debt before the end of 2020 to finance a portion of the \$17 million municipal complex. Other than the preceding, the Village has no current plans for additional financing in the next 12 months.

*Preliminary, subject to change.

¹Estimated 2020 population.

TAX LEVIES AND COLLECTIONS

TAX LEVIES AND COLLECTIONS

Tax Year	Levy for Village Purposes Only	% Collected	Levy/Equalized Value Reduced by Tax Increment Valuation in Dollars per \$1,000
2015/16	\$5,089,840	100%	\$6.21
2016/17	5,300,640	100%	6.13
2017/18	5,683,373	100%	6.40
2018/19	5,981,449	100%	6.39
2019/20	6,220,670	100%	6.22

Property tax statements are distributed to taxpayers by the town, village, and city treasurers in December of the levy year. Current state law requires counties to pay 100% of the real property taxes levied to cities, villages, towns, school districts and other taxing entities on or about August 20 of the collection year.

Personal property taxes, special assessments, special charges and special taxes must be paid to the town, city or village treasurer in full by January 31, unless the municipality, by ordinance, permits special assessments to be paid in installments. Real property taxes must be paid in full by January 31 or in two equal installments by January 31 and July 31. Alternatively, municipalities may adopt a payment plan which permits real property taxes to be paid in three or more equal installments, provided that the first installment is paid by January 31, one-half of the taxes are paid by April 30 and the remainder is paid by July 31. Amounts paid on or before January 31 are paid to the town, city or village treasurer. Amounts paid after January 31, are paid to the county treasurer unless the municipality has authorized payment in three or more installments in which case payment is made to the town, city or village treasurer. On or before January 15 and February 20 the town, city or village treasurer settles with other taxing jurisdictions for all collections through December and January, respectively. In municipalities which have authorized the payment of real property taxes in three or more installments, the town, city or village treasurer settles with the other taxing jurisdictions on January 15, February 20 and on the fifteenth day of each month following the month in which an installment payment is required. On or before August 20, the county treasurer must settle in full with the underlying taxing districts for all real property taxes and special taxes. Any county board may authorize its county treasurer to also settle in full with the underlying taxing districts for all special assessments and special charges. The county may then recover any tax delinquencies by enforcing the lien on the property and retain any penalties or interest on the delinquencies for which it has settled. Uncollected personal property taxes owed by an entity that has ceased operations or filed a petition for bankruptcy, or are due on personal property that has been removed from the next assessment roll are collected from each taxing entity in the year following the levy year.

The spread of COVID-19 and responses taken by the United States government, state governments, local governments and private industries have caused significant disruptions to the national and State economy. See "RISK FACTORS - Impact of the Spread of COVID-19" herein. On April 15, 2020, Governor Tony Evers signed into law 2019 Wisconsin Act 185, which provides that for property taxes payable in 2020, a taxation district may, after making a general or case-by-case finding of hardship, choose to waive interest or penalties on property tax installment payments paid after April 1, 2020 but on or before October 1, 2020. In order to take such action, the county board of supervisors must first adopt a resolution authorizing such waiver and determining criteria for determining hardship and the taxation district must subsequently adopt a similar resolution. In the case of a county adopting such a resolution, the county shall proportionally settle with the taxation districts any taxes, interest and penalties collected on or before July 31, 2020 on August 20, 2020, and settle the remaining unpaid taxes, interest, and penalties on September 20, 2020. The County and the Village did not adopt such resolutions. The Village cannot predict whether and how much payment of property

taxes will be impacted by COVID-19 in future years. Any delays or reduction in the receipt of property taxes may materially adversely impact the Village's finances and payment of debt obligations, including the Bonds.

PROPERTY TAX RATES

Full value rates for property taxes expressed in dollars per \$1,000 of equalized value (excluding tax increment valuation) that have been collected in recent years have been as follows:

Year Levied/ Year Collected	Schools¹	County	Local	Other²	Total
2015/16	\$12.23	\$5.12	\$6.21	\$0.21	\$23.77
2016/17	11.68	5.03	6.13	0.21	23.05
2017/18	11.68	4.94	6.40	0.00	23.02
2018/19	11.29	4.80	6.39	0.00	22.48
2019/20	11.33	4.69	6.22	0.00	22.24

Source: Property Tax Rates were extracted from Statement of Taxes prepared by the Wisconsin Department of Revenue, Division of State and Local Finance.

LEVY LIMITS

Section 66.0602 of the Wisconsin Statutes, imposes a limit on property tax levies by cities, villages, towns and counties. No city, village, town or county is permitted to increase its tax levy by a percentage that exceeds its valuation factor (which is defined as a percentage equal to the greater of either the percentage change in the political subdivision's January 1 equalized value due to new construction less improvements removed between the previous year and the current or zero percent). The base amount in any year to which the levy limit applies is the actual levy for the immediately preceding year. In 2018, and in each year thereafter, the base amount is the actual levy for the immediately preceding year plus the amount of the payment from the State under Section 79.096 of the Wisconsin Statutes (an amount equal to the property taxes formerly levied on certain items of personal property), and the levy limit is the base amount multiplied by the valuation factor, minus the amount of the payment from the State under Section 79.096 of the Wisconsin Statutes. This levy limitation is an overall limit, applying to levies for operations as well as for other purposes.

A political subdivision that did not levy its full allowable levy in the prior year can carry forward the difference between the allowable levy and the actual levy, up to a maximum of 1.5% of the prior year's actual levy. The use of the carry forward levy adjustment needs to be approved by a majority vote of the political subdivision's governing body (except in the case of towns) if the amount of carry forward levy adjustment is less than or equal to 0.5% and by a super majority vote of the political subdivision's governing body (three-quarters vote if the governing body is comprised of five or more members, two-thirds vote if the governing body is comprised of fewer than five members) (except in the case of towns) if the amount of the carry forward levy adjustment is greater than 0.5% up to the

¹The Schools tax rate reflects the composite rate of all local school districts and technical college district.

²Includes the state reforestation tax which is apportioned to each county on the basis of its full value. Counties, in turn, apportion the tax to the tax districts within their borders on the basis of full value. It also includes taxes levied for special purpose districts such as metropolitan sewerage districts, sanitary districts, and public inland lake protection districts. Tax increment values are not included. State property taxes were eliminated in the State's 2017 - 2019 budget act.

maximum increase of 1.5%. For towns, the use of the carry forward levy adjustment needs to be approved by a majority vote of the annual town meeting or special town meeting after the town board has adopted a resolution in favor of the adjustment by a majority vote if the amount of carry forward levy adjustment is less than or equal to 0.5% or by two-thirds vote or more if the amount of carry forward levy adjustment is greater than 0.5% up to the maximum of 1.5%.

Beginning with levies imposed in 2015, if a political subdivision does not make an adjustment in its levy as described in the above paragraph in the current year, the political subdivision may increase its levy by the aggregate amount of the differences between the political subdivision's valuation factor in the previous year and the actual percent increase in a political subdivision's levy attributable to the political subdivision's valuation factor in the previous year, for the five years before the current year, less any amount of such aggregate amount already claimed as an adjustment in any of the previous five years. The calculation of the aggregate amount available for such adjustment may not include any year before 2014, and the maximum adjustment allowed may not exceed 5%. The use of the adjustment described in this paragraph requires approval by a two-thirds vote of the political subdivision's governing body, and the adjustment may only be used if the political subdivision's level of outstanding general obligation debt in the current year is less than or equal to the political subdivision's level of outstanding general obligation debt in the previous year.

Special provisions are made with respect to property taxes levied to pay general obligation debt service. Those are described below. In addition, the statute provides for certain other exclusions from and adjustments to the tax levy limit. Among the items excluded from the limit are amounts levied for any revenue shortfall for debt service on a revenue bond issued under Section 66.0621. Among the adjustments permitted is an adjustment applicable when a tax increment district terminates, which allows an amount equal to the prior year's allowable levy multiplied by 50% of the political subdivision's percentage growth due to the district's termination.

With respect to general obligation debt service, the following provisions are made:

(a) If a political subdivision's levy for the payment of general obligation debt service, including debt service on debt issued or reissued to fund or refund outstanding obligations of the political subdivision and interest on outstanding obligations of the political subdivision, on debt originally issued before July 1, 2005, is less in the current year than in the previous year, the political subdivision is required to reduce its levy limit in the current year by the amount of the difference between the previous year's levy and the current year's levy.

(b) For obligations authorized before July 1, 2005, if the amount of debt service in the preceding year is less than the amount of debt service needed in the current year, the levy limit is increased by the difference between the two amounts. This adjustment is based on scheduled debt service rather than the amount actually levied for debt service (after taking into account offsetting revenues such as sales tax revenues, special assessments, utility revenues, tax increment revenues or surplus funds). Therefore, the levy limit could negatively impact political subdivisions that experience a reduction in offsetting revenues.

(c) The levy limits do not apply to property taxes levied to pay debt service on general obligation debt authorized on or after July 1, 2005.

The Bonds were authorized after July 1, 2005 and therefore the levy limits do not apply to taxes levied to pay debt service on the Bonds.

THE ISSUER

VILLAGE GOVERNMENT

The Village was incorporated from a Town into a Village on March 11, 1996 and is governed by a President and a six-member Village Board. The President votes on all Village Board matters. All Board Members are elected to two-year terms. The appointed Village Administrator, Village Finance Director/Treasurer and Village Clerk are responsible for administrative details and financial records.

EMPLOYEES; PENSIONS

The Village employs a staff of 37 full-time and 26 seasonal employees. All eligible employees in the Village are covered under the Wisconsin Retirement System ("WRS") established under Chapter 40 of the Wisconsin Statutes ("Chapter 40"). The WRS is a cost-sharing multiple-employer defined benefit pension plan. The Department of Employee Trust Funds ("ETF") administers the WRS. Required contributions to the WRS are determined by the ETF Board pursuant to an annual actuarial valuation in accordance with Chapter 40 and the ETF's funding policies. The ETF Board has stated that its funding policy is to (i) ensure funds are adequate to pay benefits; (ii) maintain stable and predictable contribution rates for employers and employees; and (iii) maintain inter-generational equity to ensure the cost of the benefits is paid for by the generation that receives the benefits.

Village employees are generally required to contribute half of the actuarially determined contributions, and the Village generally may not pay the employees' required contribution. During the fiscal year ended December 31, 2017 ("Fiscal Year 2017"), the fiscal year ended December 31, 2018 ("Fiscal Year 2018") and the fiscal year ended December 31, 2019 ("Fiscal Year 2019"), the Village's portion of contributions to WRS (including both the Village's and the utilities' contributions and not including any employee contributions) totaled \$136,774, \$139,192 and \$140,757, respectively.

The Village implemented Governmental Accounting Standards Board Statement No. 68 ("GASB 68") for the fiscal year ended December 31, 2015.

GASB 68 requires calculation of a net pension liability for the pension plan. The net pension liability is calculated as the difference between the pension plan's total pension liability and the pension plan's fiduciary net position. The pension plan's total pension liability is the present value of the amounts needed to pay pension benefits earned by each participant in the pension plan based on the service provided as of the date of the actuarial valuation. In other words, it is a measure of the present value of benefits owed as of a particular date based on what has been earned only up to that date, without taking into account any benefits earned after that date. The pension plan's fiduciary net position is the market value of plan assets formally set aside in a trust and restricted to paying pension plan benefits. If the pension plan's total pension liability exceeds the pension plan's fiduciary net position, then a net pension liability results. If the pension plan's fiduciary net position exceeds the pension plan's total pension liability, then a net pension asset results.

As of December 31, 2018, the total pension liability of the WRS was calculated as \$100.29 billion and the fiduciary net position of the WRS was calculated as \$96.74 billion, resulting in a net pension asset of \$3.56 billion. The spread of COVID-19 has significantly impacted investment markets, which may impact the funded status of the WRS and future contribution requirements as a result (see "RISK FACTORS - Impact of the Spread of COVID-19" herein).

Under GASB 68, each participating employer in a cost-sharing pension plan must report the employer's proportionate share of the net pension liability or net pension asset of the pension plan. Accordingly, for Fiscal Year 2019, the Village reported a liability of \$328,136 for its proportionate share of the net pension liability of the WRS. The Village's utilities reported a liability of \$151,963 for their proportionate share of the net pension liability of the WRS. The net pension liability was measured as of December 31, 2018 based on the Village's share of contributions to the pension plan relative to the contributions of all participating employers. The Village's proportion was 0.01349470% of the aggregate WRS net pension liability as of December 31, 2018.

The calculation of the total pension liability and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. Such changes may have a significant impact on the calculation of net pension liability of the WRS, which may also cause the ETF Board to change the contribution requirements for employers and employees. For more detailed information regarding the WRS and such actuarial assumptions, see Note V.A in "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

Recognized and Certified Bargaining Units

All eligible Village personnel are covered by the Municipal Employment Relations Act ("MERA") of the Wisconsin Statutes. Pursuant to that law, employees have rights to organize and collectively bargain with municipal employers. MERA was amended by 2011 Wisconsin Act 10 (the "Act") and by 2011 Wisconsin Act 32, which altered the collective bargaining rights of public employees in Wisconsin.

As a result of the 2011 amendments to MERA, the Village is prohibited from bargaining collectively with municipal employees, other than public safety and transit employees, with respect to any factor or condition of employment except total base wages. Even then, the Village is limited to increasing total base wages beyond any increase in the consumer price index since 180 days before the expiration of the previous collective bargaining agreement (unless Village were to seek approval for a higher increase through a referendum). Ultimately, the Village can unilaterally implement the wages for a collective bargaining unit.

Under the changes to MERA, impasse resolution procedures were removed from the law for municipal employees of the type employed by the Village, including binding interest arbitration. Strikes by any municipal employee or labor organization are expressly prohibited. As a practical matter, it is anticipated that strikes will be rare. Furthermore, if strikes do occur, they may be enjoined by the courts. Additionally, because the only legal subject of bargaining is the base wage rates, all bargaining over items such as just cause, benefits, and terms of conditions of employment are prohibited and cannot be included in a collective bargaining agreement. Impasse resolution for public safety employees and transit employees is subject to final and binding arbitration procedures, which do not include a right to strike. Interest arbitration is available for transit employees if certain conditions are met.

There are currently no collective bargaining units that represent Village employees.

OTHER POST EMPLOYMENT BENEFITS

The Village participates in the Local Retiree Life Insurance Fund ("LRLIF"), which is a cost-sharing multiple-employer defined benefit plan established by Chapter 40. The ETF and the Group Insurance Board have statutory authority for program administration and oversight, including establishing contribution requirements for employers.

For Fiscal Year 2019, the Village's and the utilities' portion of contributions to the LRLIF totaled \$734. For Fiscal Year 2019, the Village reported a liability of \$67,158 for its proportionate share and the utilities reported a liability of \$31,155 of the net OPEB liability of the LRLIF. The net OPEB liability was measured as of December 31, 2018 based on the Village's share of contributions to the LRLIF relative to the contributions of all participating employers. The Village's proportion was 0.03810100% of the aggregate LRLIF net OPEB liability as of December 31, 2018.

The calculation of the total OPEB liability and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. Such changes may have a significant impact on the calculation of the net OPEB liability of the LRLIF, which may also cause ETF to change the contribution requirements for employers and employees. For more detailed information, see Note V.B. in "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

LITIGATION

There is no litigation threatened or pending questioning the organization or boundaries of the Village or the right of any of its officers to their respective offices or in any manner questioning their rights and power to execute and deliver the Bonds or otherwise questioning the validity of the Bonds.

MUNICIPAL BANKRUPTCY

Municipalities are prohibited from filing for bankruptcy under Chapter 11 (reorganization) or Chapter 7 (liquidation) of the U.S. Bankruptcy Code (11 U.S.C. §§ 101-1532) (the "Bankruptcy Code"). Instead, the Bankruptcy Code permits municipalities to file a petition under Chapter 9 of the Bankruptcy Code, but only if certain requirements are met. These requirements include that the municipality must be "specifically authorized" under State law to file for relief under Chapter 9. For these purposes, "State law" may include, without limitation, statutes of general applicability enacted by the State legislature, special legislation applicable to a particular municipality, and/or executive orders issued by an appropriate officer of the State's executive branch.

As of the date hereof, Wisconsin law contains no express authority for municipalities to file for bankruptcy relief under Chapter 9 of the Bankruptcy Code.

Nevertheless, there can be no assurance (a) that State law will not change in the future, while the Bonds are outstanding, in a way that would allow the Village to file for bankruptcy relief under Chapter 9 of the Bankruptcy Code; or (b) even absent such a change in State law, that an executive order or other executive action could not effectively authorize the Village to file for relief under Chapter 9. If, in the future, the Village were to file a bankruptcy case under Chapter 9, the relevant bankruptcy court would need to consider whether the Village could properly do so, which would involve questions regarding State law authority as well as other questions such as whether the Village is a municipality for bankruptcy purposes. If the relevant bankruptcy court concluded that the Village could properly file a bankruptcy case, and that determination was not reversed, vacated, or otherwise substantially altered on appeal, then the rights of holders of the Bonds could be modified in bankruptcy proceedings. Such modifications could be adverse to holders of the Bonds, and there could ultimately be no assurance that holders of the Bonds would be paid in full or in part on the Bonds. Further, under such circumstances, there could be no assurance that the Bonds would not be treated as general, unsecured debt by a bankruptcy court, meaning that claims of holders of the Bonds could be viewed as having no priority (a) over claims of other creditors of the Village; (b) to any particular assets of the Village, or (c) to revenues otherwise designated for payment to holders of the Bonds.

Moreover, if the Village were determined not to be a "municipality" for the purposes of the Bankruptcy Code, no representations can be made regarding whether it would still be eligible for voluntary or involuntary relief under Chapters of the Bankruptcy Code other than Chapter 9 or under similar federal or state law or equitable proceeding regarding insolvency or providing for protection from creditors. In any such case, there can be no assurance that the consequences described above for the holders of the Bonds would not occur.

FUNDS ON HAND (as of September 30, 2020)

Fund	Total Cash and Investments
General	\$ 1,380,900
Special Revenue	8,192,366
Enterprise Funds	14,876,282
Internal Service	124,266
Debt Service	92,276
 Total Funds on Hand	 <u><u>\$ 24,666,090</u></u>

ENTERPRISE FUNDS

Revenues available for debt service for the Village's enterprise funds have been as follows as of December 31 each year:

	2017	2018	2019
Water			
Total Operating Revenues	\$ 2,142,021	\$ 2,319,314	\$ 2,476,089
Less: Operating Expenses	<u>(1,658,054)</u>	<u>(1,749,260)</u>	<u>(1,849,342)</u>
Operating Income	\$ 483,967	\$ 570,054	\$ 626,747
Plus: Depreciation	598,837	617,064	626,971
Interest Income	<u>116,447</u>	<u>102,648</u>	<u>137,342</u>
Revenues Available for Debt Service	<u><u>\$ 1,199,251</u></u>	<u><u>\$ 1,289,766</u></u>	<u><u>\$ 1,391,060</u></u>
Sewer			
Total Operating Revenues	\$ 2,020,724	\$ 2,195,158	\$ 2,330,952
Less: Operating Expenses	<u>(2,063,736)</u>	<u>(2,098,835)</u>	<u>(2,389,601)</u>
Operating Income	\$ (43,012)	\$ 96,323	\$ (58,649)
Plus: Depreciation	713,501	743,829	744,225
Interest Income	<u>148,271</u>	<u>144,997</u>	<u>160,362</u>
Revenues Available for Debt Service	<u><u>\$ 818,760</u></u>	<u><u>\$ 985,149</u></u>	<u><u>\$ 845,938</u></u>
Stormwater			
Total Operating Revenues	\$ 641,511	\$ 649,362	\$ 658,793
Less: Operating Expenses	<u>(476,800)</u>	<u>(520,030)</u>	<u>(491,146)</u>
Operating Income	\$ 164,711	\$ 129,332	\$ 167,647
Plus: Depreciation	335,248	359,524	360,446
Interest Income	<u>5,527</u>	<u>6,752</u>	<u>11,085</u>
Revenues Available for Debt Service	<u><u>\$ 505,486</u></u>	<u><u>\$ 495,608</u></u>	<u><u>\$ 539,178</u></u>

SUMMARY GENERAL FUND INFORMATION

Following are summaries of the revenues and expenditures and fund balances for the Village's General Fund. These summaries are not purported to be the complete audited financial statements of the Village, and potential purchasers should read the included financial statements in their entirety for more complete information concerning the Village. Copies of the complete audited financial statements are available upon request. See Appendix A for the Village's 2019 audited financial statements.

COMBINED STATEMENT	FISCAL YEAR ENDING DECEMBER 31				
	2016 Audited	2017 Audited	2018 Audited	2019 Audited	2020 Adopted Budget ¹
Revenues					
Taxes and special assessments	\$ 3,559,244	\$ 3,776,332	\$ 4,170,600	\$ 4,776,577	\$ 5,471,984
Intergovernmental	1,974,152	1,879,843	1,807,133	1,726,678	1,649,826
Licenses and permits	411,326	421,167	381,302	382,904	373,705
Penalties and forfeitures	97,626	58,121	134,793	106,750	97,200
Public charges for services	108,399	114,395	412,666	153,832	87,400
Contributions and donations	633	0	0	0	0
Investment earnings and miscellaneous	115,200	79,446	99,332	223,459	87,900
Total Revenues	<u>\$ 6,266,580</u>	<u>\$ 6,329,304</u>	<u>\$ 7,005,826</u>	<u>\$ 7,370,200</u>	<u>\$ 7,768,015</u>
Expenditures					
Current:					
General government	\$ 1,076,763	\$ 1,068,629	\$ 1,253,911	\$ 1,157,630	\$ 1,172,063
Public safety	3,110,965	3,161,559	3,470,710	3,652,563	3,792,251
Public works	1,868,636	1,804,744	1,901,818	1,957,510	2,021,848
Health and social services	13,968	13,423	12,800	12,304	15,000
Parks, recreation and education	342,213	320,818	356,130	355,469	443,609
Community development	342,426	303,974	175,303	197,176	220,168
Miscellaneous	0	0	0	0	103,076
Total Expenditures	<u>\$ 6,754,971</u>	<u>\$ 6,673,147</u>	<u>\$ 7,170,672</u>	<u>\$ 7,332,652</u>	<u>\$ 7,768,015</u>
Excess of revenues over (under) expenditures	\$ (488,391)	\$ (343,843)	\$ (164,846)	\$ 37,548	\$ 0
Other Financing Sources (Uses)					
Transfers in	463,991	469,918	480,634	484,549	
Transfers out	(30,942)	(112,113)	(35,792)	(30,493)	
Total Other Financing Sources (Uses)	<u>\$ 433,049</u>	<u>\$ 357,805</u>	<u>\$ 444,842</u>	<u>\$ 454,056</u>	
Excess of revenues and other financing sources over (under) expenditures and other financing uses	\$ (55,342)	\$ 13,962	\$ 279,996	\$ 491,604	
 General Fund Balance January 1	<u>2,658,184</u>	<u>2,602,842</u>	<u>2,616,804</u>	<u>2,896,800</u>	
 General Fund Balance December 31	\$ 2,602,842	\$ 2,616,804	\$ 2,896,800	\$ 3,388,404	
DETAILS OF DECEMBER 31 FUND BALANCE					
Nonspendable	686,782	1,417,175	1,100,592	842,380	
Assigned	101,256	157,500	53,500	19,572	
Unassigned	1,814,804	1,042,129	1,742,708	2,526,452	
Total	<u>\$ 2,602,842</u>	<u>\$ 2,616,804</u>	<u>\$ 2,896,800</u>	<u>\$ 3,388,404</u>	

¹The 2020 budget was adopted on November 18, 2019.

GENERAL INFORMATION

LOCATION

The Village, with a 2010 U.S. Census population of 14,868 and a current estimated population of 15,646 comprises an area of 21.58 square miles and is a neighboring community to the City of Wausau, Wisconsin.

LARGER EMPLOYERS¹

Larger employers in and around the Village include the following:

Firm	Type of Business/Product	Estimated No. of Employees
Greenheck Fan	Ventilation products and fans (Corporate Headquarters)	2,400
Crystal Finishing Systems	Transportation Coating Co.	700
DC Everest School District	Elementary and Secondary Schools	759
Ministry St. Clare's Hospital	Hospital/Medical Care	393 ²
Renaissance (Rennes)	Senior/Assisted Living & Health & Rehab	229
Aspirus YMCA	Youth Organization & Center	200
Wausau Supply Company	Building Materials Supplier	140
Custom Glass Products, Inc.	Corporate headquarters and glass fabrication	100
The Village	Government Offices - Village	63
Aspirus Weston Clinic	Medical Care	60

Source: *ReferenceUSA, written and telephone survey (October 2020), 2021 Wisconsin Manufacturers Register, and the Wisconsin Department of Workforce Development.*

¹This does not purport to be a comprehensive list and is based on available data obtained through a survey of individual employers, as well as the sources identified above. Some employers do not respond to inquiries for employment data. Estimates provided are accurate as of the date noted and may not reflect changes in the number of employees resulting from the current COVID-19 pandemic. (See "RISK FACTORS - Impact of the Spread of COVID-19").

²2017 data.

BUILDING PERMITS

	2016	2017	2018	2019	2020 ¹
<u>New Single Family Homes</u>					
No. of building permits	22	24	27	21	28
Valuation	\$4,319,314	\$4,865,748	\$5,157,000	\$4,679,178	\$4,328,000
<u>New Multiple Family Buildings</u>					
No. of building permits	1	8	4	1	3
Valuation	\$250,000	\$3,067,980	\$3,400,000	\$1,140,000	\$4,681,258
<u>New Commercial/Industrial</u>					
No. of building permits	4	3	2	2	5
Valuation	\$2,963,000	\$2,115,000	\$1,290,000	\$3,200,000	\$2,458,526
<u>All Building Permits</u> <i>(including additions and remodelings)</i>					
No. of building permits	747	968	898	81	58
Valuation	\$45,940,534	\$27,649,905	\$24,495,081	\$15,333,828	\$10,859,498

Source: The Village.

¹As of October 21, 2020.

U.S. CENSUS DATA

Population Trend: The Village

2000 U.S. Census	12,079
2010 U.S. Census	14,868
2020 Estimated Population	15,646
Percent of Change 2000 - 2010	23.09%

Income and Age Statistics

	The Village	Marathon County	State of Wisconsin	United States
2018 per capita income	\$30,175	\$31,879	\$32,018	\$32,621
2018 median household income	\$66,762	\$59,543	\$59,209	\$60,293
2018 median family income	\$72,356	\$74,600	\$75,313	\$73,965
2018 median gross rent	\$810	\$733	\$837	\$1,023
2018 median value owner occupied units	\$151,700	\$152,000	\$173,600	\$204,900
2018 median age	35.8 yrs.	40.6 yrs.	39.3 yrs.	37.9 yrs.

	State of Wisconsin	United States
Village % of 2018 per capita income	94.24%	92.50%
Village % of 2018 median family income	96.07%	97.82%

Housing Statistics

	<u>The Village</u>		
	2010	2018	Percent of Change
All Housing Units	6,364	6,325	-0.61%

Source: 2000 and 2010 Census of Population and Housing, and 2018 American Community Survey (Based on a five-year estimate), U.S. Census Bureau (<https://data.census.gov/cedsci>).

EMPLOYMENT/UNEMPLOYMENT DATA

Rates are not compiled for individual communities with populations under 25,000.

Year	<u>Average Employment</u>	<u>Average Unemployment</u>	
	Marathon County	Marathon County	State of Wisconsin
2016	71,117	3.6%	4.0%
2017	71,730	2.9%	3.3%
2018	71,966	2.6%	3.0%
2019	71,419	2.9%	3.3%
2020, September ¹	71,204	3.5%	4.7%

Source: Wisconsin Department of Workforce Development.

¹Preliminary.

FINANCIAL STATEMENTS

Potential purchasers should read the included financial statements in their entirety for more complete information concerning the Village's financial position. Such financial statements have been audited by the Auditor, to the extent and for the periods indicated thereon. The Village has not requested or engaged the Auditor to perform, and the Auditor has not performed, any additional examination, assessments, procedures or evaluation with respect to such financial statements since the date thereof or with respect to this Official Statement, nor has the Village requested that the Auditor consent to the use of such financial statements in this Official Statement. Although the inclusion of the financial statements in this Official Statement is not intended to demonstrate the fiscal condition of the Village since the date of the financial statements, in connection with the issuance of the Bonds, the Village represents that there have been no material adverse change in the financial position or results of operations of the Village, nor has the Village incurred any material liabilities, which would make such financial statements misleading.

Copies of the complete audited financial statements for the past three years and the current budget are available upon request from Ehlers.

FINANCIAL REPORT

OF THE

***VILLAGE OF WESTON,
WISCONSIN***



FOR THE YEAR ENDED DECEMBER 31, 2019

Prepared By:
WESTON FINANCE DEPARTMENT

VILLAGE OF WESTON

ANNUAL FINANCIAL REPORT
December 31, 2019

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INDEPENDENT AUDITORS' REPORT

To the Village Board
Village of Weston, Wisconsin

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Weston, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Village of Weston's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Village of Weston's 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Weston, Wisconsin, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Weston's basic financial statements. The supplementary information and other information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

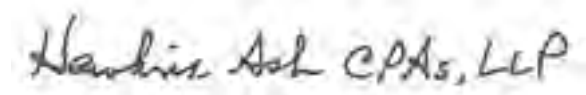
The debt service fund balance sheet and the combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

The supplementary information budgetary comparison and other information, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 13, 2020 on our consideration of the Village of Weston'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 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 of Weston's internal control over financial reporting and compliance.

HAWKINS ASH CPAS, LLP

A handwritten signature in dark ink that reads "Hawkins Ash CPAs, LLP". The signature is written in a cursive, slightly slanted style.

Manitowoc, Wisconsin
August 13, 2020

Village of Weston Management's Discussion and Analysis

As management of the Village of Weston, we offer readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village of Weston for the fiscal year ended December 31, 2019. It is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Village's financial activity, (3) identify changes in the Village's financial position, and (4) identify any changes in the Village's financial plan (approved budget).

We encourage readers to consider the information presented here and the Village's financial statements, which begin on page 23 of this report. A comparative analysis has been presented for 2018 and 2019.

THE FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Village of Weston exceeded its liabilities and deferred inflows of resources as of the fiscal year ended December 31, 2019 by \$80,626,159 (reported as "net position"). Of this amount, \$12,712,549 represents unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors. Net position from Governmental Activities was \$19,619,950, while the Business-Type Activities net position was \$61,006,209.
- The Village's total net position increased by \$1,469,567 during fiscal year 2019, resulting from governmental and business-type activities. There was an increase of \$949,223 net position from Governmental Activities, and an increase of \$520,344 in net position from Business-Type Activities.
- At the close of the current fiscal year, the Village of Weston's governmental funds reported combined fund balances of \$10,938,321, which was an increase of \$4,942,437 in comparison with the prior year. The unassigned fund balance was \$2,526,452. At the end of the year, management had designated \$5,611,913 of the total fund balance as committed or assigned for specific purposes and \$2,799,956 as restricted or nonspendable due to allocations of prepaid expenditures, advances, or constrained by external factors, such as grants or regulations defining specific use.
- At the end of the current fiscal year, unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) for the general fund was \$2,546,024 or approximately 34.7% of the Village's 2019 total general fund expenditures of \$7,332,652 (excluding transfers). The unassigned fund balance in the Village's General Fund was \$2,526,452, which was an increase of \$783,744 from the previous year.
- The Village issued a \$5.3M Series 2019A Note to refund a current debt issuance and to finance capital projects and equipment. \$1.3M was used for the current refunding of a 2016 note, \$2.5M was borrowed for projects and equipment related to governmental activities, \$0.7M was borrowed for Water Utility projects, and \$0.8M was borrowed for Sewer Utility projects.

Village of Weston Management's Discussion and Analysis

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis provided here are intended to serve as an introduction to the Village of Weston's basic financial statements. The Village's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

The *statement of net position* presents financial information on all the Village's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The *statement of activities* presents information showing how the Village's net position changed during the fiscal year ended December 31, 2019. 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 for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). In the statement of net position and statement of activities, we divide the Village into these two categories:

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Governmental Activities: Most of the Village's basic services are reported here. This includes Public Safety (police, fire, ambulance, emergency government, building inspections), Public Works (engineering, street lighting, garbage collection, street repair, snow and ice removal, traffic control), Parks, Recreation, and Education (parks, recreation programs, aquatic center, special events), Community Development (economic development, zoning, planning), and General Government (village board, administration, municipal court, risk management/insurance). These services are funded by various revenue sources, including property taxes, intergovernmental aid, licenses and permits, charges for services, and investment earnings.

Business-Type Activities: For these activities, the Village charges a fee to cover all or most of the costs of certain services it provides. The Village's Water, Sewer, and Stormwater Utilities are reported here.

The government-wide financial statements can be found on pages 23-25 of this report.

Village of Weston Management's Discussion and Analysis

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 of Weston, like other state and local governments, uses "fund accounting" to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into three categories: *governmental funds*, *proprietary funds*, and *fiduciary funds*.

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, 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 government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Village of Weston maintains thirteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Debt Service Fund, the Special Revenue Fund-Community Development Authority/TIF District #1, Special Revenue Fund-TIF District #1, and Capital Projects Fund-Capital Improvements all of which are considered to be major funds. Data from the other eight governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The Village adopts an annual appropriated budget for its General, Special Revenue, Capital Projects, and Debt Service Funds. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the Village's adopted and final revised budget and can be found on pages 96-100 of this report. Budgetary comparisons for the Special Revenue, Capital Projects, and Debt Service Funds can be found on pages 101-102, 104-105, and 112-119 of this report.

Following is a listing and description of the governmental funds reported by the Village of Weston in 2019:

General Fund (major fund)

The General Fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund.

Village of Weston Management's Discussion and Analysis

Governmental Funds (cont.)

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. In 2019, the Village of Weston used special revenue funds to account for:

Refuse/Recycling
TIF District #1 (major fund)
TIF District #2
Aquatic Center
Room Taxes
Civic and Social
Park and Recreation
Community Development Authority (CDA) – TIF District #1 (major fund)
Community Development Authority (CDA) – TIF District #2

Debt Service Fund (major fund)

The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs (other than those being financed by proprietary funds).

Capital Projects Funds

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities or equipment (other than those financed by proprietary funds). In 2019, the Village of Weston used capital projects funds to account for:

Capital Improvements (major fund)
TIF District #1

The basic governmental fund financial statements can be found on pages 26-31 of this report.

Proprietary Funds

The Village of Weston maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Village uses enterprise funds to account for its water, sewer, and stormwater utility operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the Village's various functions. The Village uses internal service funds to account for the management of its retained risks. Because this service predominantly benefits governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Utility, the Sewer Utility, and the Stormwater Utility enterprise funds and the one internal service fund. All three enterprise funds are considered major funds.

Enterprise Funds

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control and accountability or other purposes.

**Village of Weston
Management's Discussion and Analysis**

Proprietary Funds (cont.)

Enterprise Funds (cont.)

In 2019, the Village of Weston used enterprise funds to account for:

- Water Utility (major fund)
- Sewer Utility (major fund)
- Stormwater Utility (major fund)

Internal Service Funds

Internal Service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the Village or to other governmental units on a cost-reimbursement basis. In 2019, the Village of Weston used internal service funds to account for:

- Fringe Benefits/Insurances

The basic proprietary fund financial statements can be found on pages 32-36 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs. The accounting used for fiduciary funds is much like that used for governmental funds.

Custodial Funds

Custodial funds are used to account for assets held by the Village in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. In 2019, the Village of Weston used custodial funds to account for:

- Tax Collections

The basic fiduciary fund financial statements can be found on page 37-38 of this report.

NOTES TO THE FINANCIAL STATEMENTS

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 39-91 of this report.

**Village of Weston
Management's Discussion and Analysis**

OTHER INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Combining and individual fund statements and schedules can be found on pages 92-121 of this report.

GOVERNMENT-WIDE OVERALL FINANCIAL ANALYSIS

An analysis of the Village's financial position begins with a review of the Statement of Net Position and the Statement of Activities. These two statements report the Village's net position and changes therein. It should be noted that the financial position can also be affected by non-financial factors, including economic conditions, population growth, and new regulations.

As stated earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Village of Weston, assets and deferred outflows of resources exceeded liabilities and deferred inflows by \$80,626,159 (net position) as of December 31, 2019. This includes total assets of \$129,670,515, deferred outflows of resources of \$1,563,808, total liabilities of \$36,749,281, and deferred inflows of resources of \$13,858,883. It is useful to examine the specifics of the Village's total net position.

By far, the largest portion of the Village's net position (80.9%) reflects its investment in capital assets (e.g. land, buildings, building improvements, improvements other than buildings, machinery and equipment, infrastructure, and construction in progress), less any related outstanding debt that was used to acquire those assets. This amount includes the Village's investment in roads, sewers, and bridges. The Village uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of any related debt, it should be noted that the resources used 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's net position (3.4%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of net position of \$12,712,549 (15.7%) is unrestricted and may be used to meet the government's ongoing obligations to its citizens and creditors.

Non-current liabilities, most of which were incurred to finance capital assets, account for approximately 92% of all Village liabilities.

The following table provides an analysis of the Village's net position outlook:

**Village of Weston
Management's Discussion and Analysis**

GOVERNMENT-WIDE OVERALL FINANCIAL ANALYSIS (cont.)

**VILLAGE OF WESTON
NET POSITION
December 31, 2019 and 2018**

	Governmental Activities		Business-type Activities		Total
	2019	2018	2019	2018	2018
Current and other assets	\$ 26,648,901	\$ 21,445,499	\$ 16,984,862	\$ 14,094,598	\$ 36,140,057
Capital assets	35,176,464	38,020,771	50,860,488	51,532,611	90,153,382
Total assets	61,825,365	60,066,270	67,845,150	66,227,169	126,293,439
Total deferred outflows of resources	1,089,420	863,054	474,388	324,933	1,187,987
Non-current liabilities	(28,530,672)	(28,253,192)	(5,293,704)	(4,785,845)	(33,039,037)
Current and other liabilities	(1,123,277)	(924,747)	(1,801,628)	(1,025,700)	(1,850,447)
Total liabilities	(29,653,949)	(29,077,939)	(7,095,332)	(5,811,545)	(34,889,484)
Total deferred inflows of resources	(13,640,886)	(13,180,658)	(217,997)	(254,692)	(13,435,350)
Net position:					
Net investment in capital assets	18,650,685	20,289,647	46,597,133	47,364,529	67,634,176
Restricted	1,821,611	2,115,187	844,181	953,679	3,068,866
Unrestricted (deficit)	(852,346)	(3,714,107)	13,564,895	12,167,657	8,453,550
Total net position	\$ 19,619,950	\$ 18,670,727	\$ 61,006,209	\$ 60,485,865	\$ 79,156,592

CHANGES IN NET POSITION

The 2019 overall net position of the Village increased by \$1,469,567 from 2018.

Net position of the Village's governmental activities totaled \$19,619,950 as of December 31, 2019. Governmental activities for the year increased net position by \$949,223. The Village's unrestricted net position for governmental activities, which is a part of net position that can be used to finance day-to-day activities, was a deficit balance of \$852,346 due to the TIF District debt accumulated to date in the governmental activities. Restricted net position for governmental activities included \$1,821,611 for debt service.

The net position of business-type activities totaled \$61,006,209, an increase of \$520,344. The Village can use the unrestricted net position of \$13,564,895 to finance the continuing operations of the water, sewer, and stormwater utilities.

**Village of Weston
Management's Discussion and Analysis
CHANGES IN NET POSITION (cont.)**

The following table provides a more detailed analysis of the Village's change in net position:

**VILLAGE OF WESTON
CONDENSED STATEMENT OF ACTIVITIES
For the Years Ended December 31, 2019 and 2018**

	Governmental Activities		Business-type Activities		Total
	2019	2018	2019	2018	2018
Revenues:					
Program revenues:	\$ 1,593,891	\$ 1,905,657	\$ 5,465,243	\$ 5,162,684	\$ 7,069,134
Charges for services					\$ 7,069,134
Operating grants and contributions	119,846	160,741	591	1,150	120,437
Capital grants and contributions	571,549	501,111	57,121	34,075	628,670
General revenues:					
Property taxes	11,772,561	11,162,268	-	-	11,772,561
Intergovernmental revenues not restricted to specific programs	643,251	550,334	-	-	643,251
Public gifts and/or grants not restricted to specific programs	1,286,031	1,251,251	-	-	1,286,031
Investment earnings	-	-	-	-	-
Other general revenues	310,518	39,594	588,316	162,143	898,834
	99,213	80,477	17,864	258	117,077
Total Revenues	15,396,860	15,651,653	6,129,135	5,360,310	22,525,995
Expenses:					
General government	1,256,643	1,339,763	-	-	1,256,643
Public safety	4,955,573	4,185,569	-	-	4,955,573
Public works	6,562,773	6,607,532	-	-	6,607,532
Health and human services	12,304	12,800	-	-	12,304
Parks, recreation, and education	756,486	785,730	-	-	756,486
Community development	1,411,210	3,578,721	-	-	1,411,210
Interest and fiscal charges	993,387	901,194	-	-	993,387
Water utility	-	-	1,939,013	2,039,396	1,939,013
Sewer utility	-	-	2,622,799	2,075,951	2,622,799
Stormwater utility	-	-	546,240	670,219	546,240
Total Expenses	15,948,376	17,411,699	5,109,052	4,785,596	21,059,428
Increase (decrease) in net position before transfers	448,484	(1,760,046)	1,021,083	574,744	1,469,567
Transfers	500,739	496,824	(500,739)	(496,824)	-
Change in net position	949,223	(1,263,222)	520,344	77,920	1,469,567
Net position - January 1	18,670,727	19,933,515	60,485,865	60,434,209	79,156,592
Cumulative effect of change in accounting principle	-	(59,566)	-	(26,264)	(85,830)
Net position - January 1, as restated	18,670,727	19,933,549	60,485,865	60,407,945	79,156,592
Net position - December 31	\$ 19,619,950	\$ 18,670,727	\$ 61,006,209	\$ 60,485,865	\$ 79,156,592

Village of Weston Management's Discussion and Analysis

GOVERNMENTAL ACTIVITIES

Governmental activities for 2019 increased the Village's net position by \$949,223. Total revenues, excluding transfers, increased by \$745,207 for 2019. Property taxes accounted for 71.8% and charges for services accounted for 9.7% of total 2019 governmental activities revenue, excluding transfers. Total expenses decreased by \$1,463,323 for 2019. Expenses for public safety and public works were 72.3% of all governmental activities. Community development expenses were 8.8% of all governmental activities, a decrease of -60.6% from 2018, due to a utility relocation project within TIF #1 during 2018. Governmental expenses included \$3,934,667 in depreciation expense allocated as follows: \$3,665,058 to public works, \$40,636 to general government, \$72,287 to public safety, and \$156,686 to parks and recreation. Depreciation expense represents 24.7% of the total expenses for governmental activities.

Some of the significant changes in revenues and expenses were as follows:

Revenues:

- Property tax revenue had an overall increase in 2019 of \$610,273 (5.5%). The TIF district tax levies increased by \$315,329 (5.8%) in 2019 due to growth and increased valuation of properties in TIFs. The debt service levy decreased \$300,000 (-19.4%) for 2019. There was no change in the aquatic center or the capital improvements fund levy for 2019. The general-purpose tax levy of the Village increased by \$594,944 (14.9%) in 2019.
- Revenues from charges for services totaled \$1,593,891, which was a decrease of \$311,766 (16.4%) from 2018. The decrease occurred within general government due to a one-time \$300,000 rent payment agreement in 2018.
- Capital grants and contributions totaled \$571,549, an increase of \$70,438 (14.1%) from 2018. Transportation aids decreased \$59,702 from 2018. The Village received \$11,084 in donations and contributions of capital assets in 2018 vs. \$13,465 in 2019, an increase of \$2,381. Special assessments are decreased annually for amounts moved to the tax roll and other adjustments; in 2018 special assessments were decreased by \$164,530 vs. \$27,552 in 2019. The large change in 2018 was due to the write-off of \$110,441 because the recapture agreements to collect the assessments have sunset.
- Other taxes increased by \$92,717 (16.8%) from 2018 primarily due to an increase in room tax revenue in 2019.
- Investment earnings totaled \$310,518 in 2019, which was an increase of \$270,924 (684.3%) from 2018. The increase is due to positive market adjustments and higher interest rates in 2019.

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Village of Weston Management's Discussion and Analysis

GOVERNMENTAL ACTIVITIES (cont.)

Expenses:

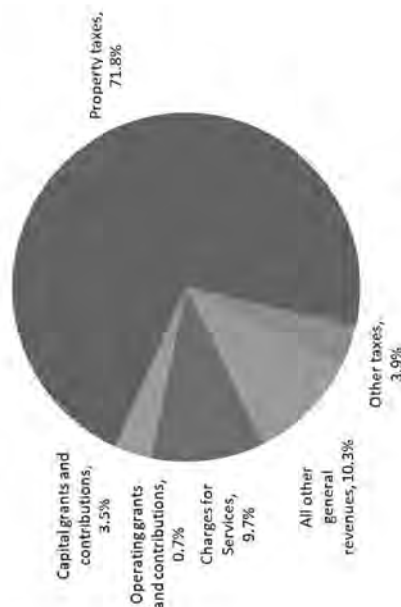
- General government expenses totaled \$1,256,643 in 2019, a decrease of \$83,120 (-6.2%) from 2018. Administrator expenses decreased \$96,176 (-63.1%) from 2018 due to staffing changes within the department; the position was not fully staffed for 2019 so the expenses are abnormally low. Elections decreased \$27,980 (-61.1%) from 2018 due to fewer elections in 2019. Attorney expenses decreased \$34,721 (-48%) from 2018 due to less utilization. Data processing/central services expenses decreased \$30,791 (-20%) due to software provider changes resulting in lower fees and discontinuation of software. General government capital outlay expenses increased \$103,534 (637.8%) from 2018 due to the purchase of electronic poll books for elections and one-time software purchase agreements for licensing/permitting, payroll, and finance.
- Public safety expenses totaled \$4,955,573 in 2019, which was an increase of \$769,614 (18.4%) from 2018. The Village's share for police protection (Everest Metro Police Department) increased by \$76,172 (3%). The increase was for wages/benefits as well as capital outlay. The Village's share in the SAFER fire district increased by \$87,590 (11.8%). The increase covered wages/benefits and other operating expenses. Expenses for public safety equipment increased \$405,786 (346.1%) in 2019, primarily due to increased capital needs for SAFER. Additionally, the Village Board voted to pay off a receivable from SAFER over 5 years beginning in 2020. Prior to 2018, SAFER incurred expenses that the Village paid for. The Village set up a receivable from SAFER with the intention of SAFER paying the Village back with excess funds. SAFER did not have the excess funds to pay back so the municipalities agreed to pay their portion of the receivable off. This resulted in an increase to the public safety expense of \$479,620 (the Village's portion). In subsequent years, the intergovernmental receivable and intergovernmental payable will be reduced until the receivable is paid off.
- Public works expenses totaled \$6,562,773 in 2019, which was a decrease of \$44,759 (-0.7%) from 2018. The decrease is due to \$287,948 of previously recorded capital work in progress being moved to public works expense in 2018 as it was no longer likely these items would result in a capital asset; in 2019 the amount of capital work in progress moved to public works expense was \$28,640. The large decrease from capital work in progress moved to public works expense was offset by an increase in general operations expenses of \$55,692 (2.9%) and an increase in capital improvement purchases that were not capitalized of \$119,544 (338.7%).
- Community development expenses totaled \$1,411,210, a decrease of \$2,167,511 (-60.6%) from 2018. Capital expenses not capitalized decreased by \$2,483,211 (-89.7%) from 2018; the 2018 uncanceled capital expenses included the utility relocation project in TIF #1 for \$2,543,000 and other TIF #1 capital expenses of \$226,350. The decrease in expenses is offset by an increase in TID #2 expenses of \$228,426 related to a road project.
- Interest and fiscal charges expenses totaled \$993,387 for 2019, an increase of \$92,193 (10.2%) from 2018. The increase is due to issuance costs for the 2019 debt issue.

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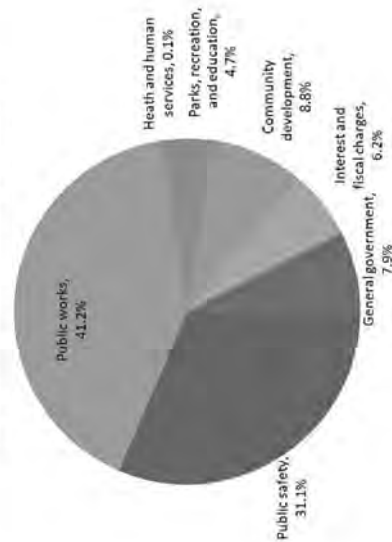
**Village of Weston
Management's Discussion and Analysis
GOVERNMENTAL ACTIVITIES (cont.)**

The following graphs provide a breakdown of all governmental activities revenues and expenses:

REVENUES - Governmental Activities



EXPENSES - Governmental Activities



**Village of Weston
Management's Discussion and Analysis
BUSINESS-TYPE ACTIVITIES**

Business-type activities, which include the operations of the water, sewer, and stormwater utilities, provided an increase to the Village's net position by \$520,344. Charges for services were over expenses by \$357,191. Other 2019 funding sources for the utility funds were capital grants and contributions of \$57,121 and operating grants and contributions of \$591. Investment earnings and other general revenues increased total revenues by \$606,180.

Charges for services increased by \$302,559 (5.9%) in 2019 because of the rate increases for both water and sewer. Capital grants and contributions increased by \$23,046 (67.6%) due to contributions from the Village. Investment earnings increased by \$426,173 (262.8%) due to higher interest rates and positive adjustments to investment market values. Some of the significant changes in revenues were as follows:

- Water Utility operating revenues totaled \$2,476,089 for 2019, which was an increase of \$156,775 (6.8%) from 2018. The increase reflects the additional revenue from the rate increase implemented September 2018. Investment earnings increased by \$34,694 (33.8%) from 2018 which reflected more cash in the Water Utility and higher interest rates. The fair value of investments increased by \$178,942 (431.7%). The Water Utility implemented step one of a water rate increase in 2018, the Utility will implement step two of the rate increase in January 2020.
- Sewer Utility operating revenues totaled \$2,330,952 for 2019, which was an increase of \$135,794 (6.2%) from 2018. The increase reflects the additional revenue from the rate increase implemented September 2018. Interest earnings increased by \$15,365 from 2018, which reflects higher interest rates in 2019 as well as more cash in the utility. The fair value of investments increased \$186,178 (377.2%).
- Stormwater Utility operating revenues totaled \$658,202 for 2019, which was an increase of \$9,990 (1.5%) from 2018. Interest earnings on investments increased by \$4,333 (64.2%) due to having more cash and higher interest rates in 2019. The fair market value of investments increased \$6,661 (463.9%). In 2019, the Stormwater Utility paid back \$156,502 to the Sewer Utility. The total amount owed to the Sewer Utility is \$183,106.

Operating expenses, excluding depreciation, totaled \$2,988,446, which was an increase of \$350,738 (13.2%) from 2018. Depreciation expense increased by \$11,226 to \$1,731,643. Some of the significant changes in expenses were as follows:

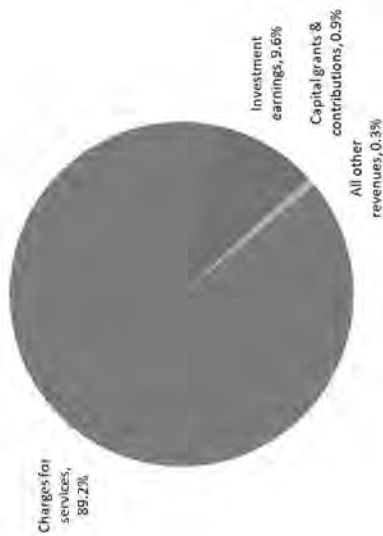
- Water Utility operations expense, excluding depreciation, increased by \$90,175 (8.0%). The increase is mainly within administration expenses due to the addition of half a full-time employee and contracted services for the water master plan. In 2018 the Water Utility disposed of many meters due to the meter changeout project with a loss on sale of capital assets of \$154,617; in 2019, the utility had a gain on the sale capital assets of \$6,824. Interest expense and fiscal charges decreased \$45,834 (34.2%) from 2018 due to bond issuance costs in 2018 not occurring in 2019, decreased \$45,834 (34.2%) from 2018 due to bond issuance costs in 2018 not occurring in 2019.
- Sewer Utility operating expenses, excluding depreciation, increased by \$290,370 (21.4%). Most of the increase in operating expenses for the Sewer Utility was due to an increase in fees from the Rib Mountain Sewerage District. Additionally, half a full-time employee was added to the utility in 2019. The Rib Mountain Sewerage District also began charging a debt service charge to cover their facility upgrades in 2019, an increase in nonoperating expenses of \$161,243.
- Stormwater Utility operating expenses, excluding depreciation, decreased by \$29,807 (18.6%). The decrease occurred due to the 2019 projects done in the Stormwater Utility being capitalized and not shown in the operations expense. Interest expense dropped \$92,827 (63.6%) in 2019 due to bond issuance costs in 2018 not occurring in 2019 and lower interest payments on the new debt.

**Village of Weston
Management's Discussion and Analysis**

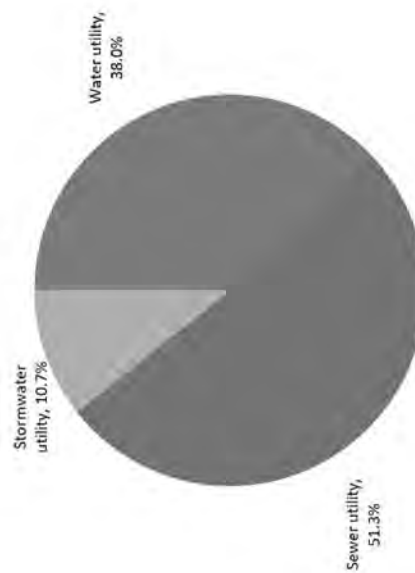
BUSINESS-TYPE ACTIVITIES (cont.)

The following graphs provide a breakdown of all business-type activities revenues and expenses:

REVENUES - Business-type Activities



EXPENSES - Business-type Activities



**Village of Weston
Management's Discussion and Analysis**

INDIVIDUAL FUND FINANCIAL ANALYSIS

Governmental Funds

The Village of Weston ended 2019 with a fund balance of \$10,938,321 in its governmental funds, compared to \$5,995,884 as of December 31, 2018. This is an increase of \$4,942,437. Of the 2019 fund balance, \$845,497 was nonspendable, \$1,954,459 was restricted, \$62,821 was committed, \$5,549,092 was assigned, and \$2,526,452 was unassigned. The nonspendable balance includes \$651,407 due from SAFER district. The full restricted balance of \$1,954,459 is for debt service.

General Fund

The General Fund is the primary operating fund of the Village and supports the majority of the day-to-day services provided by the Village. The Village's General Fund realized a fund balance increase of \$491,604 from 2019 operations. Fund balance at year-end totaled \$3,388,404, of which \$842,380 is nonspendable, \$19,572 is assigned, and \$2,526,452 is unassigned. Municipal credit analyst, Moody's Investors Service, considers the fund balance in the General Fund an important measure of a municipality's financial condition.

Debt Service Fund

The Debt Service Fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. The net increase in fund balance during the year was \$616,292, which resulted in a total fund balance at year-end of \$132,848. The full fund balance in the Debt Service Fund is classified as restricted.

Special Revenue Fund – TIF District #1

This fund accounts for the receipt of district "incremental" property taxes and other revenues and the corresponding program expenditures for TIF District #1. There was a net increase in fund balance during the year of \$2,500,705, which resulted in a fund balance at year-end of \$3,863,200. The increase in fund balance was a result of collecting more increment than what was used for project expenditures.

**Village of Weston
Management's Discussion and Analysis**

INDIVIDUAL FUND FINANCIAL ANALYSIS (cont.)

Governmental Funds (cont.)

Special Revenue Fund – Community Development Authority (CDA) - TIF District #1

This fund accounts for the receipt of CDA Lease Revenue Bond proceeds issued by the CDA on behalf of the Village of Weston. Corresponding program expenditures and bond issuance costs are also recorded in this fund. There was a net increase in fund balance this year of \$73,227; the fund balance at year-end was \$1,663,667.

Capital Projects Fund – Capital Improvements

This fund accounts for the receipts and disbursements of capital related items for the Village. There was a net increase in fund balance this year of \$1,371,776; the fund balance at year-end was \$1,282,226. The large increase in fund balance was due to the 2019 borrowing for capital projects and equipment.

Proprietary Funds

Water Utility Fund

The Water Utility increased rates by 18.4% in September 2018. The Water Utility's operating income, before transfers and other nonoperating revenues and expenses, was \$626,747 in 2019. The overall change to net position was an increase of \$344,913. The Water Utility's 2019 rate of return was 4.73%. The Water Utility received no capital contributions in 2019.

Sewer Utility Fund

The Sewer Utility increased rates 15.3% starting September 2018. The utility realized an operating loss, before transfers and other nonoperating revenues and expenses, of \$53,649. Overall net position decreased by \$2,875. The Sewer Utility's 2019 rate of return was -0.79%. In 2018 the utility received \$34,075 in capital contributions, in 2019 the utility had \$4,350 in capital contributions.

Stormwater Utility Fund

In 2019, the utility had an operating income, before transfers and other nonoperating revenues and expenses, of \$167,647. It had an increase in net position of \$178,306; the rate of return was 1.49%. The Stormwater Utility received no capital contributions in 2018, in 2019 the utility had \$52,771 in capital contributions.

**Village of Weston
Management's Discussion and Analysis**

BUDGETARY ANALYSIS

The Village's 2019 General Fund amended expenditure budget totaled \$7,630,723. The Village's amended General Fund revenue budget totaled \$7,584,723. The 2019 revenue budget anticipated the use of \$46,000 in assigned fund balance.

The Village ended 2019 with a General Fund balance increase of \$491,604, with an overall positive budget variance of \$537,604. The positive variance from budget is due to a combination of revenues coming in higher than budgeted and expenditures coming in lower than budgeted. The Village did not use the anticipated \$46,000 from fund balance.

General Fund revenue was over budget by \$270,026, 3.6% over budget. Taxes experienced a positive variance of \$38,256 with mobile home taxes and Rothschild utility tax coming in higher than anticipated. Charges for Services came in \$55,682 higher than budgeted due to a new agreement with the Village of Kronenwetter for building inspections services and due to more billings to the Town of Weston for services. Investment Earnings and Miscellaneous experienced a positive variance of \$120,659. Investment earnings were higher than anticipated during 2019 due to higher interest rates and positive adjustments to investment market values. Insurance recoveries were \$20,267 higher than budget; this revenue is offset by repair expenditures for damaged equipment and property. Miscellaneous general revenues were \$33,277 higher than budget due to refunds from prior year overpayments, an unbudgeted rental payment, and other miscellaneous unanticipated revenues. All overall revenue categories had positive variances from budget, with only a few individual revenues having a negative variance from budget.

General Fund expenditures finished 2019 with a positive budget variance of \$267,578, or 3.5% under budget. General Government had a positive variance of \$96,277, primarily due to actual staffing varying from budgeted staffing assumptions; the negative variance in the tax refunds/bad debt line is due to staff cleaning up old receivables that were no longer collectible. Public Works had a positive variance of \$84,824. Public Works experienced a rough winter season for 2019, ending \$78,005 over budget; however, staff adjusted their work plan to offset the overage. Public Works also had a couple vacant positions during 2019 that were budgeted for the full year, further contributing to the positive budget variance. Parks, Recreation, and Education came in \$44,087 under budget due to less time spent in the Parks Department than was budgeted. Additionally, there were some park projects scheduled for 2019 that did not get completed; \$7,580 was carried over as assigned fund balance to be used for park projects in 2020. Community Development had a positive variance of \$16,642, partially due to not completing a project in 2019; \$4,492 was carried over as assigned fund balance to be used for planning services in 2020. Other Village department expenditure categories experienced small positive budget variances.

General Fund statements highlighting budget versus actual variances can be found on pages 96-100 of this report.

**Village of Weston
Management's Discussion and Analysis**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2019, the Village of Weston had an investment in capital assets of \$86,036,952, net of accumulated depreciation, for all governmental and business-type activities of the Village. This amounts to a \$4,116,430 decrease (-4.6%) from the end of 2018.

The Village borrowed \$4.0M for capital projects and equipment in 2019 with about \$1.9M of that unspent as of 12/31/19. The funds borrowed are for general government as well as the utilities.

In 2019 there were \$690,523 in governmental activities asset additions. Of that, \$15,924 was for park land improvements, \$66,290 was for general government equipment, \$252,912 was for public works equipment, \$73,159 was for parks equipment, and \$168,908 was for a street reconstruction. Additionally, there were construction in progress additions of \$113,330. Capital asset removals for 2019 were \$408,677.

There were a few additions in the Village's business-type activities. The Water Utility added SCADA equipment for \$152,034, a new utility van for \$31,512, meters for \$61,263, water infrastructure for \$77,291, valves for \$64,296, and construction in progress for \$231,938. The Sewer Utility added sewer mains for \$37,980, sewer manholes for \$7,008, and construction in progress for \$246,186. The Stormwater Utility added storm sewer mains for \$157,009. The following table provides a summary of the Village's change in capital assets. Utility capital asset removals for 2019 were \$94,818.

**VILLAGE OF WESTON
CAPITAL ASSETS
December 31, 2019 and 2018**

	Governmental Activities		Business-type Activities		Total
	2019	2018	2019	2018	2018
Landright-of-ways	\$ 6,650,288	\$ 6,814,693	\$ 623,352	\$ 623,352	\$ 7,438,045
Wells and springs	-	-	597,507	597,507	597,507
Buildings	6,910,471	6,910,471	3,164,311	3,164,311	10,074,782
Improvements	6,311,917	6,295,993	72,952,057	72,575,636	78,871,629
Equipment	5,570,849	5,570,133	3,136,021	3,017,924	8,586,965
Infrastructure	8,174,739	8,169,916	-	-	8,169,916
Construction in progress	13,530	28,640	673,704	195,580	724,224
Total capital assets	107,090,794	106,808,948	81,146,932	80,174,310	186,983,238
Less accumulated depreciation	(71,914,330)	(68,188,177)	(30,286,464)	(28,641,699)	(96,829,676)
Capital assets, net of depreciation	\$ 35,176,464	\$38,620,771	\$50,860,468	\$51,532,611	\$ 90,153,382

More detail regarding the Village's capital assets can be found in Note IV (D) on pages 63-65 of this report.

**Village of Weston
Management's Discussion and Analysis**

CAPITAL ASSETS AND DEBT ADMINISTRATION (cont.)

Outstanding Debt

The Village's outstanding general obligation debt (backed by the full faith and credit of Village taxpayers) as of December 31, 2019 totaled \$9,654,530. In addition, the Village had revenue debt outstanding (backed by revenues generated from the Weston Water, Sewer, and Stormwater Utilities) of \$4,730,000. The Weston Community Development Authority had revenue debt outstanding (backed by revenues generated from future property tax increments in TIF Districts #1 and #2) of \$17,885,000. Capital lease obligations outstanding were \$320,536. Therefore, the total outstanding debt of the Village as of December 31, 2019 totaled \$32,590,066.

Wisconsin state statutes limit the amount of general obligation debt a governmental entity may issue to 5.0% of its total equalized valuation. Based upon the Village's 2019 equalized value of \$1,276,454,100, the Village's statutory debt limit totaled \$63,822,705. The Village was at 15.1% of its legal debt limit as of December 31, 2019.

In 2019, the Village issued \$5.3M in general obligation promissory notes for capital equipment and capital projects. The amount of the new debt related to utility projects and equipment is \$1.5M. Additionally, \$1.3M was used to current refund a 2016 general obligation note.

The following table provides a summary of all outstanding debt and lease obligations:

**VILLAGE OF WESTON
OUTSTANDING DEBT
December 31, 2019 and 2018**

	Governmental Activities		Business-type Activities		Total
	2019	2018	2019	2018	2018
General obligation bonds & notes	\$ 8,196,108	\$ 7,192,604	\$ 1,458,421	\$ 39,945	\$ 9,654,529
CDA lease revenue bonds	17,885,000	19,215,000	-	-	17,885,000
Water utility revenue bonds	-	-	2,325,000	2,585,000	2,325,000
Sewer utility revenue bonds	-	-	705,000	1,030,000	705,000
Stormwater utility revenue bonds	-	-	1,700,000	1,700,000	1,700,000
Capital leases	320,536	695,870	-	-	320,536
Total	\$26,401,644	\$27,103,474	\$ 6,188,421	\$ 5,544,945	\$32,590,065

More detail regarding the Village's outstanding debt can be found in Note IV (F), Note IV (G), and Note IV (H) on pages 68-73 of this report.

**Village of Weston
Management's Discussion and Analysis**

ECONOMIC FACTORS, 2019 TAX RATES, AND THE 2020 BUDGET

The Village continues to struggle with levy limits and the ongoing decline in state aid to municipalities. The Village's 2020 budget increased its total operating tax levy (excluding TIF Districts) by 4.00%. The Village's total assessed value increased from \$1,142,273,800 in 2018 to \$1,152,114,300 in 2019, which was an increase of \$9,840,500. The 2019 assessed tax rate was \$6.89 per \$1,000 of assessed valuation, a 3.16% increase from the 2018 assessed tax rate of \$6.68.

The Village adopts operating budgets for its governmental funds (General, Special Revenue, Debt Service, Capital Projects), and enterprise funds (Water, Sewer, and Stormwater Utilities). The 2020 fiscal year combined operating budget includes \$28,942,225 in projected revenues and \$29,054,263 in projected expenditures and transfers. Fund balances from several governmental funds will be applied towards budgeted deficits rather than increasing property tax rates or user fees any further to balance the 2020 operating budget.

The Village has not yet determined the effects of COVID-19 to ongoing operations.

The Water Utility received authorization from the Wisconsin Public Service Commission to increase rates with the first step effective September 2018; the second step was approved by the Village Board to take effect with the first billing cycle in January 2020. The rate increase from step one to step two is expected to generate \$88,698 in additional revenue. The average rate increase for the water rate is 22.8%. A sewer rate increase was authorized by the Village Board to be effective in September 2018. The average increase for the sewer rate was 15.3%. The increases support ever increasing costs of maintaining the systems and an automatic meter read system. In 2016 the Stormwater utility increased rates from \$12.00/ERU to \$12.50/ERU.

REQUESTS FOR FINANCIAL INFORMATION

This financial report is designed to provide a general overview of the Village of Weston's finances for anyone who would have an interest. Additional information regarding the Village's finances or questions concerning any of the information found in this report should be addressed to the Village of Weston Finance Director, 5500 Schofield Avenue, Weston, WI 54476. Other information related to the Village can be accessed on the Village's website at www.westonwi.gov.

BASIC FINANCIAL STATEMENTS

VILLAGE OF WESTON

STATEMENT OF NET POSITION December 31, 2019

	Primary Government		
	Governmental Activities	Business- Type Activities	Total
ASSETS			
Cash and investments	\$ 13,565,553	\$ 13,864,292	\$ 27,429,845
Receivables (net of allowance for uncollectibles):			
Taxes	7,960,820	14,515	7,975,335
Accounts	-	988,849	988,849
Intergovernmental receivables	684,511	1,723	686,234
Municipal court	355,605	-	355,605
Special assessments	48,180	388,402	436,582
Accrued interest	20,732	71,877	92,609
Other	203,026	471	203,497
Total Receivables	9,272,874	1,465,837	10,738,711
Internal balances	480,553	(480,553)	-
Inventories	3,716	85,241	88,957
Prepaid items	190,374	2,115	192,489
Restricted assets:			
Cash and investments	1,908,484	2,047,730	3,956,214
Investment in joint venture - EMPD	909,298	-	909,298
Investment in joint venture - SAFER	318,049	-	318,049
Capital assets:			
Intangible plant - organizational costs	-	319	319
Land and right-of-ways	6,650,288	623,033	7,273,321
Construction in progress	113,330	673,704	787,034
Depreciable capital assets, net	28,412,846	49,563,432	77,976,278
TOTAL ASSETS	61,825,365	67,845,150	129,670,515
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	911,887	422,063	1,333,950
Deferred outflows related to other postemployment benefit plan	15,507	7,195	22,702
Deferred charge on refunding	162,026	45,130	207,156
TOTAL DEFERRED OUTFLOWS OF RESOURCES	1,089,420	474,388	1,563,808
LIABILITIES			
Accounts payable	490,140	582,660	1,072,800
Retainage payable	-	4,549	4,549
Other accrued liabilities	329,371	34,807	364,178
Special deposits	42,927	4,962	47,889
Accrued interest payable	152,175	36,099	188,274
General obligation debt - current	-	303,494	303,494
Intergovernmental payables	12,416	73	12,489
Unearned revenue	914	-	914
Liabilities payable from restricted assets:			
Current maturities of revenue debt	-	802,649	802,649
Accrued interest	95,334	32,335	127,669
Non-current liabilities:			
Intergovernmental payable	479,620	-	479,620
Net pension liability	328,136	151,963	480,099
Net postemployment benefit liability	67,158	31,155	98,313
Due within one year	6,653,414	-	6,653,414
Due in more than one year	21,002,344	5,110,586	26,112,930
TOTAL LIABILITIES	29,653,949	7,095,332	36,749,281
DEFERRED INFLOWS OF RESOURCES			
Succeeding year's property taxes	13,169,933	-	13,169,933
Pension related deferred inflows	451,835	209,129	660,964
Other postemployment benefit plan related deferred inflows	19,118	8,868	27,986
TOTAL DEFERRED INFLOWS OF RESOURCES	13,640,886	217,997	13,858,883
NET POSITION			
Net investment in capital assets	18,650,685	46,597,133	65,247,818
Restricted for:			
Debt service	1,821,611	844,181	2,665,792
Unrestricted (deficit)	(852,346)	13,564,895	12,712,549
TOTAL NET POSITION	\$ 19,619,950	\$ 61,006,209	\$ 80,626,159

See accompanying notes to financial statements.

VILLAGE OF WESTON

STATEMENT OF ACTIVITIES For the Year Ended December 31, 2019

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
General government	\$ 1,256,643	\$ 262,303	\$ -	\$ -
Public safety	4,955,573	261,814	-	-
Public works	6,562,773	897,340	78,691	571,549
Health and human services	12,304	-	-	-
Parks, recreation, and education	756,486	154,245	2,701	-
Community development	1,411,315	18,189	350	-
Interest and fiscal charges	993,282	-	38,104	-
Total Governmental Activities	<u>15,948,376</u>	<u>1,593,891</u>	<u>119,846</u>	<u>571,549</u>
Business-Type Activities				
Water utility	1,939,013	2,476,089	-	-
Sewer utility	2,622,799	2,330,952	-	4,350
Stormwater utility	546,240	658,202	591	52,771
Total Business-Type Activities	<u>5,108,052</u>	<u>5,465,243</u>	<u>591</u>	<u>57,121</u>
Total Primary Government	<u>\$ 21,056,428</u>	<u>\$ 7,059,134</u>	<u>\$ 120,437</u>	<u>\$ 628,670</u>

General Revenues

Taxes

Property taxes, levied for general purposes
Property taxes, levied for debt service
Property taxes, levied for TIF purposes
Property taxes, levied for aquatic center
Property taxes, levied for capital improvements
Public accommodation taxes
Other taxes

Intergovernmental revenues not restricted to specific programs

Investment earnings

Miscellaneous

Gain on sale of capital assets

Transfers

Total General Revenues and Transfers

Change in net position

NET POSITION - January 1

NET POSITION - December 31

See accompanying notes to financial statements.

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (994,340)	\$ -	\$ (994,340)
(4,693,759)	-	(4,693,759)
(5,015,193)	-	(5,015,193)
(12,304)	-	(12,304)
(599,540)	-	(599,540)
(1,392,776)	-	(1,392,776)
(955,178)	-	(955,178)
<u>(13,663,090)</u>	<u>-</u>	<u>(13,663,090)</u>
-	537,076	537,076
-	(287,497)	(287,497)
-	165,324	165,324
<u>-</u>	<u>414,903</u>	<u>414,903</u>
<u>(13,663,090)</u>	<u>414,903</u>	<u>(13,248,187)</u>
4,597,581	-	4,597,581
1,250,000	-	1,250,000
5,791,654	-	5,791,654
40,000	-	40,000
93,326	-	93,326
470,315	-	470,315
172,936	-	172,936
1,286,031	-	1,286,031
310,518	588,316	898,834
81,679	11	81,690
17,534	17,853	35,387
500,739	(500,739)	-
<u>14,612,313</u>	<u>105,441</u>	<u>14,717,754</u>
949,223	520,344	1,469,567
<u>18,670,727</u>	<u>60,485,865</u>	<u>79,156,592</u>
<u>\$ 19,619,950</u>	<u>\$ 61,006,209</u>	<u>\$ 80,626,159</u>

VILLAGE OF WESTON

BALANCE SHEET - GOVERNMENTAL FUNDS

December 31, 2019

ASSETS	General	Debt Service	Special Revenue	
			TIF District #1	Comm. Dev. Authority - TIF District #1
Cash and investments	\$ 5,311,446	\$ 132,848	\$ 6,060,241	\$ -
Receivables				
Taxes	1,996,282	1,277,230	3,469,032	-
Intergovernmental receivables	690,466	-	-	-
Municipal court	355,605	-	-	-
Special assessments	-	48,180	-	-
Accrued interest	4,119	-	2,627	13,986
Other	85,297	-	-	-
Total Receivables	3,131,769	1,325,410	3,471,659	13,986
Due from other funds	480,553	-	-	-
Prepaid items/Inventories	190,973	-	-	-
Restricted cash and investments	-	-	-	1,652,293
TOTAL ASSETS	\$ 9,114,741	\$ 1,458,258	\$ 9,531,900	\$ 1,666,279
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 221,449	\$ -	\$ 5,915	\$ 612
Other accrued liabilities	318,245	-	9,019	-
Retainages payable	34,500	-	-	-
Intergovernmental payables	12,416	-	-	-
Unearned revenue	200	-	-	-
Total Liabilities	586,810	-	14,934	612
DEFERRED INFLOWS OF RESOURCES				
Succeeding year's property taxes	4,846,479	1,277,230	5,653,766	-
Unavailable revenue-other	293,048	-	-	-
Unavailable revenue-special assessments	-	48,180	-	-
Total Deferred Inflows of Resources	5,139,527	1,325,410	5,653,766	-
FUND BALANCES (DEFICIT)				
Nonspendable	842,380	-	-	-
Restricted	-	132,848	-	1,570,358
Committed	-	-	-	-
Assigned	19,572	-	3,863,200	95,309
Unassigned	2,526,452	-	-	-
Total Fund Balances (Deficit)	3,388,404	132,848	3,863,200	1,665,667
INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 9,114,741	\$ 1,458,258	\$ 9,531,900	\$ 1,666,279

See accompanying notes to financial statements.

<u>Capital Projects</u>		
<u>Capital Improvements</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 1,381,328	\$ 579,148	\$ 13,465,011
93,326	1,124,950	7,960,820
-	-	690,466
-	-	355,605
-	-	48,180
-	-	20,732
-	111,774	197,071
<u>93,326</u>	<u>1,236,724</u>	<u>9,272,874</u>
-	-	480,553
-	3,117	194,090
-	256,191	1,908,484
<u>\$ 1,474,654</u>	<u>\$ 2,075,180</u>	<u>\$ 25,321,012</u>
\$ 90,675	\$ 166,939	\$ 485,590
-	2,107	329,371
8,427	-	42,927
-	-	12,416
-	1,026	1,226
<u>99,102</u>	<u>170,072</u>	<u>871,530</u>
93,326	1,299,132	13,169,933
-	-	293,048
-	-	48,180
<u>93,326</u>	<u>1,299,132</u>	<u>13,511,161</u>
-	3,117	845,497
-	251,253	1,954,459
55,085	7,736	62,821
1,227,141	343,870	5,549,092
-	-	2,526,452
<u>1,282,226</u>	<u>605,976</u>	<u>10,938,321</u>
<u>\$ 1,474,654</u>	<u>\$ 2,075,180</u>	

VILLAGE OF WESTON

RECONCILIATION OF THE BALANCE SHEET TO TO THE STATEMENT OF NET POSITION For the Year Ended December 31, 2019

Fund balance - total governmental funds		\$ 10,938,321
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.		35,176,464
Investment for joint venture is not a financial resource and, therefore, is not reported in the funds.		1,227,347
Some receivables that are not currently available are reported as deferred inflows of resources in the fund financial statements but are recognized as revenue when earned in the government-wide statements. See Note IV (B).		341,228
Internal service funds are reported in the statement of net position as governmental funds.		96,304
The Village's proportionate share of the Wisconsin Retirement System pension plan is not an available financial resource; therefore, it is not reported in the fund financial statements:		
Net pension liability	(328,136)	
Deferred inflows of resources	(451,835)	
Deferred outflows of resources	911,887	131,916
The Village's proportionate share of other post employment benefit plans is not an available financial resource; therefore, it is not reported in the fund financial statements:		
Net other post employment benefit liability	(67,158)	
Deferred inflows of resources	(19,118)	
Deferred outflows of resources	15,507	(70,769)
Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds. See Note II (A).		(27,903,267)
The intergovernmental payable is not due and payable in current period and, therefore, is not reported in the funds.		(479,620)
Deferral amounts on debt refundings are reported as deferred outflows of resources on the government-wide statements.		162,026
NET POSITION OF GOVERNMENTAL ACTIVITIES		<u><u>\$ 19,619,950</u></u>

VILLAGE OF WESTON

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT) - GOVERNMENTAL FUNDS For the Year Ended December 31, 2019

	General	Debt Service	Special Revenue	
			TIF District #1	Comm. Dev. Authority - TIF District #1
REVENUES				
Taxes	\$ 4,770,517	\$ 1,250,000	\$ 5,363,999	\$ -
Intergovernmental	1,726,678	11,326	107,582	-
Licenses and permits	382,904	-	-	-
Fines and forfeitures	106,750	-	-	-
Special assessments	6,060	48,406	-	-
Charges for services	153,832	-	-	1,547,738
Contributions and donations	-	-	-	-
Investment earnings and miscellaneous	223,459	4,587	55,962	73,839
Total Revenues	<u>7,370,200</u>	<u>1,314,319</u>	<u>5,527,543</u>	<u>1,621,577</u>
EXPENDITURES				
Current				
General government	1,157,630	-	426	-
Public safety	3,652,563	-	-	-
Public works	1,957,510	-	-	-
Health and human services	12,304	-	-	-
Parks, recreation, and education	355,469	-	-	-
Community development	197,176	-	1,770,807	4,045
Capital improvements	-	-	-	-
Debt service				
Principal retirement	-	4,553,408	124,170	-
Interest and fiscal charges	-	713,388	27,531	612
Bond issuance costs	-	91,554	-	-
Total Expenditures	<u>7,332,652</u>	<u>5,358,350</u>	<u>1,922,934</u>	<u>4,657</u>
Excess (deficiency) of revenues over expenditures	<u>37,548</u>	<u>(4,044,031)</u>	<u>3,604,609</u>	<u>1,616,920</u>
OTHER FINANCING SOURCES (USES)				
Bonds/notes issued	-	1,392,267	-	-
Discount/premium on bonds/notes issued	-	99,382	-	-
Transfers in	484,549	3,168,674	-	4,045
Transfers out	(30,493)	-	(1,103,904)	(1,547,738)
Sale of village properties	-	-	-	-
Total Other Financing Sources (Uses)	<u>454,056</u>	<u>4,660,323</u>	<u>(1,103,904)</u>	<u>(1,543,693)</u>
Net Change in Fund Balance	491,604	616,292	2,500,705	73,227
FUND BALANCES (DEFICIT) - Beginning	<u>2,896,800</u>	<u>(483,444)</u>	<u>1,362,495</u>	<u>1,592,440</u>
FUND BALANCES - Ending	<u>\$ 3,388,404</u>	<u>\$ 132,848</u>	<u>\$ 3,863,200</u>	<u>\$ 1,665,667</u>

<u>Capital Projects</u>		
<u>Capital Improvements</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 93,326	\$ 937,970	\$ 12,415,812
-	94,558	1,940,144
-	7,120	390,024
-	-	106,750
-	-	54,466
100,278	1,196,107	2,997,955
-	3,051	3,051
10,563	25,617	394,027
<u>204,167</u>	<u>2,264,423</u>	<u>18,302,229</u>
-	2,414	1,160,470
-	-	3,652,563
-	817,006	2,774,516
-	-	12,304
-	218,304	573,773
-	926,695	2,898,723
1,357,591	286,139	1,643,730
-	-	4,677,578
-	1,150	742,681
-	-	91,554
<u>1,357,591</u>	<u>2,251,708</u>	<u>18,227,892</u>
<u>(1,153,424)</u>	<u>12,715</u>	<u>74,337</u>
2,459,312	-	3,851,579
227,432	-	326,814
101,094	205,582	3,963,944
(290,856)	(490,214)	(3,463,205)
28,218	160,750	188,968
<u>2,525,200</u>	<u>(123,882)</u>	<u>4,868,100</u>
1,371,776	(111,167)	4,942,437
<u>(89,550)</u>	<u>717,143</u>	<u>5,995,884</u>
<u>\$ 1,282,226</u>	<u>\$ 605,976</u>	<u>\$ 10,938,321</u>

See accompanying notes to financial statements.

VILLAGE OF WESTON

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For the Year Ended December 31, 2019

Net change in fund balances - total governmental funds	\$ 4,942,437
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Amounts reported for governmental activities in the statement of activities are different because:

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

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements	677,058
Depreciation is reported in the government-wide statements	(3,934,667)

Net effect of change in investment in joint venture - EMPD is to decrease net position.	(146,998)
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Net effect of change in investment in joint venture - SAFER is to decrease net position.	(251,551)
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Net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins) is to decrease net position.	(186,698)
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Receivables not currently available are reported as deferred inflows of resources in the fund financial statements, but are recognized as revenue when earned in the government-wide financial statements.	(42,183)
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Change in the net pension asset/liability and related deferred inflows and outflows of resources as a result of employer contributions, changes in assumptions and proportionate share, and the difference between the expected and actual experience of the pension plan.	(147,359)
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Change in the net other post employment benefit asset/liability and related deferred inflows and outflows of resources as a result of employer contributions, changes in assumptions and proportionate share, and the difference between the expected and actual experience of the pension plan.	(8,924)
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Debt and leases issued provide current financial resources to governmental funds, but issuing these obligations increases long-term liabilities in the statement of net position. Repayment of 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 payments (\$4,553,408) exceeded issues (\$3,851,579) for general obligation debt).	701,829
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Governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	(326,814)
--	-----------

Current year amortization expenditure of premiums, discounts, and loss of refunding is recorded in the government-wide financial statements, but is not recorded in the fund financial statements.	(96,985)
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Amount due to SAFER for ambulance lease	176,689
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Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Intergovernmental payable	(479,620)
Compensated absences	(2,947)
Advances from developers on TIF District letters of credit	124,170
Accrued interest on debt	(62,062)

Internal service funds are used by management to charge the cost of self-insurance to individual funds. The increase in net position of the internal service funds is reported with governmental activities.	13,848
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 949,223
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See accompanying notes to financial statements.

VILLAGE OF WESTON

STATEMENT OF NET POSITION - PROPRIETARY FUNDS December 31, 2019

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water Utility	Sewer Utility	Stormwater Utility	Totals Current Year	
ASSETS					
CURRENT ASSETS					
Cash and investments	\$ 6,391,554	\$ 7,468,557	\$ 4,181	\$ 13,864,292	\$ 100,542
Taxes receivable	4,890	5,955	3,670	14,515	-
Accounts receivable	364,270	473,867	150,712	988,849	-
Accrued interest receivable	29,344	41,919	614	71,877	-
Other accounts receivable	291	180	-	471	-
Intergovernmental receivable	838	885	-	1,723	-
Inventories	85,241	-	-	85,241	-
Prepaid items	1,530	585	-	2,115	-
Restricted assets					
Revenue bond redemption account	299,821	359,280	217,415	876,516	-
Revenue bond construction account	-	405,336	-	405,336	-
Total Current Assets	7,177,779	8,756,564	376,592	16,310,935	100,542
NON-CURRENT ASSETS					
Restricted Assets					
Revenue bond reserve account	202,118	374,760	189,000	765,878	-
Total restricted assets	202,118	374,760	189,000	765,878	-
Other Assets					
Special assessments receivable	27,365	361,037	-	388,402	-
Advance to other funds	-	183,106	-	183,106	-
Total other assets	27,365	544,143	-	571,508	-
Capital Assets					
Intangible plant - organizational costs	319	-	-	319	-
Land	568,259	-	54,774	623,033	-
Wells and springs	597,507	-	-	597,507	-
Buildings and system	1,028,656	2,135,655	-	3,164,311	-
Improvements other than buildings	26,342,468	29,026,027	17,583,562	72,952,057	-
Machinery and equipment	2,300,297	831,090	4,634	3,136,021	-
Construction in progress	425,318	248,386	-	673,704	-
Less accumulated depreciation	(10,191,650)	(13,613,405)	(6,481,409)	(30,286,464)	-
Total capital assets (net of accumulated depreciation)	21,071,174	18,627,753	11,161,561	50,860,488	-
Total Non-Current Assets	21,300,657	19,546,656	11,350,561	52,197,874	-
TOTAL ASSETS	28,478,436	28,303,220	11,727,153	68,508,809	100,542
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows related to pensions	242,913	127,793	51,357	422,063	-
Deferred outflows related to OPEB	4,162	2,164	869	7,195	-
Deferred charge on refunding	6,974	22,936	15,220	45,130	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ 254,049	\$ 152,893	\$ 67,446	\$ 474,388	\$ -

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water Utility	Sewer Utility	Stormwater Utility	Totals Current Year	
LIABILITIES					
CURRENT LIABILITIES					
Accounts payable	\$ 251,016	\$ 331,375	\$ 269	\$ 582,660	\$ 4,169
Retainage payable	4,549	-	-	4,549	-
Intergovernmental payable	-	73	-	73	-
Other accrued liabilities	23,147	10,318	1,342	34,807	-
Customer deposits payable	-	4,962	-	4,962	-
Accrued interest payable	16,880	19,219	-	36,099	-
General obligation debt - current	141,917	161,577	-	303,494	-
Due to other funds	465,399	15,154	-	480,553	-
Unearned revenue	-	-	-	-	69
Current liabilities payable from restricted assets					
Current maturities of revenue debt	265,000	342,649	195,000	802,649	-
Accrued interest payable	11,607	9,520	11,208	32,335	-
Total Current Liabilities	1,179,515	894,847	207,819	2,282,181	4,238
NON-CURRENT LIABILITIES					
General obligation debt, less current maturities	540,057	614,870	-	1,154,927	-
Revenue debt, less current maturities	2,060,000	359,609	1,505,000	3,924,609	-
Advance from other funds	-	-	183,106	183,106	-
Net pension liability	87,486	45,993	18,484	151,963	-
Net OPEB liability	18,021	9,369	3,765	31,155	-
Compensated absences	15,525	15,525	-	31,050	-
Total Non-Current Liabilities	2,721,089	1,045,366	1,710,355	5,476,810	-
TOTAL LIABILITIES	3,900,604	1,940,213	1,918,174	7,758,991	4,238
DEFERRED INFLOWS OF RESOURCES					
Pension related deferred inflows	120,362	63,320	25,447	209,129	-
OPEB related deferred inflows	5,129	2,667	1,072	8,868	-
TOTAL DEFERRED INFLOWS OF RESOURCES	125,491	65,987	26,519	217,997	-
NET POSITION					
Net investment in capital assets	18,494,001	18,437,351	9,665,781	46,597,133	-
Restricted for debt service	288,214	349,760	206,207	844,181	-
Unrestricted (deficit)	5,924,175	7,662,802	(22,082)	13,564,895	96,304
TOTAL NET POSITION	\$ 24,706,390	\$ 26,449,913	\$ 9,849,906	\$ 61,006,209	\$ 96,304

See accompanying notes to financial statements.

VILLAGE OF WESTON

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION - PROPRIETARY FUNDS For the Year Ended December 31, 2019

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water Utility	Sewer Utility	Stormwater Utility	Totals Current Year	
OPERATING REVENUES					
Intergovernmental	\$ -	\$ -	\$ 591	\$ 591	\$ -
Charges for services	1,983,654	2,330,952	658,202	4,972,808	516,727
Public fire protection	466,300	-	-	466,300	-
Other operating revenue	26,135	-	-	26,135	-
Total Operating Revenues	<u>2,476,089</u>	<u>2,330,952</u>	<u>658,793</u>	<u>5,465,834</u>	<u>516,727</u>
OPERATING EXPENSES					
Utility operations	667,033	369,703	102,942	1,139,678	-
Administration	555,338	356,484	27,758	939,580	-
Rib Mountain Sewerage District - services	-	919,189	-	919,189	-
Depreciation	626,971	744,225	360,446	1,731,642	-
Health claims and other employee benefits	-	-	-	-	502,879
Total Operating Expenses	<u>1,849,342</u>	<u>2,389,601</u>	<u>491,146</u>	<u>4,730,089</u>	<u>502,879</u>
Operating Income (Loss)	<u>626,747</u>	<u>(58,649)</u>	<u>167,647</u>	<u>735,745</u>	<u>13,848</u>
NONOPERATING REVENUES (EXPENSES)					
Investment earnings	137,342	160,362	11,085	308,789	-
Net increase in fair value of investments	137,488	136,814	5,225	279,527	-
Gain (Loss) on sale of capital assets	6,824	11,029	-	17,853	-
Interest expense and fiscal charges	(88,343)	(49,945)	(53,130)	(191,418)	-
Amortization of bond discount	-	(2,351)	-	(2,351)	-
Amortization of loss on advance refunding	(1,328)	(19,659)	(1,964)	(22,951)	-
Debt service charge - Rib Mt. Sewerage Dist.	-	(161,243)	-	(161,243)	-
Other	11	-	-	11	-
Total Nonoperating Revenues (Expenses)	<u>191,994</u>	<u>75,007</u>	<u>(38,784)</u>	<u>228,217</u>	<u>-</u>
Income (Loss) Before Contributions and Transfers	818,741	16,358	128,863	963,962	13,848
Capital contributions	-	4,350	52,771	57,121	-
Transfer out - general fund	(1,998)	(1,998)	-	(3,996)	-
Transfer out - debt service	(6,431)	(6,431)	(3,328)	(16,190)	-
Transfers out - tax equivalent	(465,399)	(15,154)	-	(480,553)	-
Change in Net Position	344,913	(2,875)	178,306	520,344	13,848
NET POSITION - January 1	<u>24,361,477</u>	<u>26,452,788</u>	<u>9,671,600</u>	<u>60,485,865</u>	<u>82,456</u>
NET POSITION - December 31	<u>\$ 24,706,390</u>	<u>\$ 26,449,913</u>	<u>\$ 9,849,906</u>	<u>\$ 61,006,209</u>	<u>\$ 96,304</u>

See accompanying notes to financial statements.

VILLAGE OF WESTON

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS For the Year Ended December 31, 2019

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water Utility	Sewer Utility	Stormwater Utility	Totals Current Year	
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	\$ 2,621,212	\$ 2,327,477	\$ 657,928	\$ 5,606,617	\$ 522,370
Payments to suppliers for goods and services	(378,645)	(1,130,513)	(65,184)	(1,574,342)	(454,140)
Payments to employees	(562,139)	(288,904)	(62,263)	(913,306)	-
Net Cash Provided (Used) by Operating Activities	1,680,428	908,060	530,481	3,118,969	68,230
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Paid to municipality for tax equivalent	(464,977)	(15,657)	-	(480,634)	-
Advance from (to) Sewer Utility	-	156,502	(156,502)	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	(464,977)	140,845	(156,502)	(480,634)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Additions to capital assets	(619,277)	(291,174)	(104,238)	(1,014,689)	-
Special assessments received	-	8,951	-	8,951	-
Special assessments placed on tax roll	-	1,687	-	1,687	-
Proceeds from the sale of capital assets	12,898	12,898	-	25,796	-
Proceeds from capital debt	681,974	776,447	-	1,458,421	-
Principal paid	(260,000)	(325,000)	(229,945)	(814,945)	-
Interest paid on long-term debt	(72,374)	(35,059)	(50,138)	(157,571)	-
Debt service charge paid to Rib Mt. Sewerage Dist.	-	(161,243)	-	(161,243)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(256,779)	(12,493)	(384,321)	(653,593)	-
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of investments	(732,000)	(984,300)	-	(1,716,300)	-
Sale of investments	1,222,000	694,000	-	1,916,000	-
Income on investments	134,119	131,283	11,085	276,487	-
Net Cash Provided (Used) by Investing Activities	624,119	(159,017)	11,085	476,187	-
Net Increase (Decrease) in Cash and Cash Equivalents	1,582,791	877,395	743	2,460,929	68,230
CASH AND CASH EQUIVALENTS - Beginning	1,397,315	1,933,784	235,152	3,566,251	32,312
CASH AND CASH EQUIVALENTS - Ending	\$ 2,980,106	\$ 2,811,179	\$ 235,895	\$ 6,027,180	\$ 100,542

VILLAGE OF WESTON

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS For the Year Ended December 31, 2019

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water Utility	Sewer Utility	Stormwater Utility	Totals Current Year	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	\$ 626,747	\$ (58,649)	\$ 167,647	\$ 735,745	\$ 13,848
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities					
Depreciation expense	626,971	744,225	360,446	1,731,642	-
Nonoperating other revenue	11	-	-	11	-
Change in pension related assets, deferred outflows, and deferred inflows	36,719	21,241	3,831	61,791	-
Change in OPEB related assets, deferred outflows, and deferred inflows	3,000	1,066	1,473	5,539	-
Changes in assets and liabilities					-
Taxes receivable	245	(423)	(593)	(771)	-
Accounts receivable	147,065	(5,611)	(272)	141,182	5,955
Intergovernmental receivables	859	2,559	-	3,418	-
Inventories	2,941	-	-	2,941	-
Prepaid items	542	380	-	922	46,298
Accounts payable	186,605	257,384	241	444,230	2,441
Intergovernmental payables	-	73	-	73	-
Other accrued liabilities	5,028	1,222	1,036	7,286	-
Compensated absences	4,101	4,101	-	8,202	-
Customer deposits payable	(3,057)	-	-	(3,057)	-
Meter allocation	51,080	(51,080)	-	-	-
Operating lease payment	(6,431)	(6,431)	(3,328)	(16,190)	-
Payment to general fund for plotter	(1,998)	(1,998)	-	(3,996)	-
Unearned revenue	-	-	-	-	(312)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 1,680,428	\$ 908,059	\$ 530,481	\$ 3,118,968	\$ 68,230
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION - PROPRIETARY FUNDS					
Cash and investments - statement of net position - proprietary funds	\$ 6,391,554	\$ 7,468,557	\$ 4,181	\$ 13,864,292	\$ 100,542
Restricted cash and investments - statement of net position - proprietary fund					
Revenue bond redemption account	299,821	359,280	217,415	876,516	-
Revenue bond construction account	-	405,336	-	405,336	-
Revenue bond reserve account	202,118	374,760	189,000	765,878	-
Total Cash and Investments	6,893,493	8,607,933	410,596	15,912,022	100,542
Less: Non-Cash Equivalents	(3,913,387)	(5,796,754)	(174,701)	(9,884,842)	-
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 2,980,106	\$ 2,811,179	\$ 235,895	\$ 6,027,180	\$ 100,542
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES					
Developer and customer financed additions to utility plant	\$ -	\$ -	\$ -	\$ -	\$ -

See accompanying notes to financial statements.

VILLAGE OF WESTON

STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUND December 31, 2019

	<u>Custodial Fund</u>
	<u>Property</u>
	<u>Tax</u>
ASSETS	
Cash and investments	\$ 6,162,453
Taxes receivable	<u>9,871,684</u>
TOTAL ASSETS	<u>16,034,137</u>
LIABILITIES	
Due to other governments	6,162,453
NET POSITION	
Restricted for other governments	<u>9,871,684</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 16,034,137</u>

VILLAGE OF WESTON

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUND For the Year Ended December 31, 2019

	<u>Custodial Fund</u>
	<u>Property</u>
	<u>Tax</u>
ADDITIONS	
Taxes and Special Charges collected	\$ 15,402,592
DEDUCTIONS	
Payments to other taxing districts	<u>15,061,495</u>
CHANGE IN NET POSITION	341,097
NET POSITION - Beginning	-
Change in accounting principal	<u>9,530,587</u>
NET POSITION - Ending	<u><u>\$ 9,871,684</u></u>

VILLAGE OF WESTON

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December 31, 2019

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VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. REPORTING ENTITY

This report includes all of the funds of the Village of Weston. The reporting entity for the Village consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A legally separate organization should be reported as a component unit if the elected officials of the primary government are financially accountable to the organization. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government. A legally separate, tax exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; (3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. Blended component units, although legally separate units, are, in substance, part of the government's operations. If the Village had any discretely presented component units, they would be reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government.

The Village of Weston, Wisconsin, is a Village governed by an elected seven-member village board of trustees. As required by generally accepted accounting principles (GAAP), these financial statements reflect all significant operations under the control of its Village Board.

The Village is a member of the Everest Metro Public Safety. This is a joint venture with the City of Schofield and the Town of Weston. See Note V. (F.) for more information on the joint venture. The Village is also a member of the South Area Fire & Emergency Response District. This is a joint venture with the Town of Rib Mountain. See Note V. (F.) for more information on the joint venture.

Included in the reporting entity:

Blended Component Unit - Weston Community Development Authority

The Weston Community Development Authority (CDA) was created in 2002 by the Village to serve as a financing vehicle for certain community development projects. The CDA is a legally separate organization governed by a seven-member board that is appointed by the Village President and Board of Trustees of the Village of Weston. Although it is legally separate from the Village, the CDA is reported as if it were a part of the primary government, because its sole purpose is to oversee and participate, if necessary, in financing community development projects for the benefit of the Village and its citizens. Furthermore, the CDA is included as a component unit as the CDA has no ability to issue debt or otherwise carry out its activities without the participation and agreement of the Village or appropriation of funds by the Village Board. The CDA does review project plans for the Village's TIF districts. The CDA will review these project plans in determining blight elimination, slum clearance, urban renewal, and other community development programs. The operations of the CDA are included in the governmental activities of the government-wide financial statements as a separate special revenue fund for each Tax Incremental Financing (TIF) District. Separate financial statements are not published for the CDA which follows the same accounting policies as the Village of Weston.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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:

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

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VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

Fund Financial Statements (cont.)

The Village reports the following major governmental funds:

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

Debt Service Fund – accounts for resources accumulated and payments made for principal and interest on long-term debt other than tax increment financing (TIF) or enterprise fund debt.

Special Revenue Fund – TIF District #1 – accounts for the receipts of district "incremental" property taxes and other revenues and corresponding program expenditures for TIF District #1.

Special Revenue Fund – Community Development Authority (CDA) – TIF District #1 – accounts for the receipts of CDA Lease Revenue Bond proceeds issued by the CDA on behalf of the Village of Weston and the transfer of these proceeds to the TIF District #1 – Capital Projects Fund. This fund also accounts for the lease payments received by the CDA from the Village. Corresponding program expenditures and bond issuance costs are recorded in this fund.

Capital Projects Fund – Capital Improvements – accounts for the receipts and disbursements of capital related items for the Village.

The Village reports the following major enterprise funds:

Water Utility – accounts for operations of the water system.

Sewer Utility – accounts for operations of the sewer system.

Stormwater Utility – accounts for operations of the stormwater system.

The Village reports the following non-major governmental funds:

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

Refuse/Recycling

TIF District #2

Aquatic Center

Community Development Authority (CDA) – TIF District #2

Civic and Social

Room Taxes

Park and Recreation

Capital Projects Funds – used to account for financial resources to be used for the acquisition or construction of equipment and/or major capital facilities.

TIF District #1

In addition, the Village reports the following fund types:

Internal Service Funds – used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the Village, or to other governmental units, on a cost-reimbursement basis. The Village's internal service fund is:

Fringe Benefits/Insurances – used to account for the accumulation and allocation of premium and claims costs associated with the Village's self-insured dental insurance program, worker wellness program, employee wellness program, life insurance program, and workers compensation insurance program.

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VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

Fund Financial Statements (cont.)

Fiduciary Funds – Tax Collection – used to account for the assets held by the Village as an agent for other governmental 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 reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows, liabilities, and deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and a deferred inflow. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

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

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Deferred inflows arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

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

Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source.

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

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

Fund Financial Statements (cont.)

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

The Village reports deferred inflows on its governmental funds balance sheet. Deferred inflows arise from taxes levied in the current year, which are for subsequent year's operations. For governmental fund financial statements, deferred inflows arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. A liability arises when resources are received before the Village has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the deferred inflows or liability is removed from the balance sheet and revenue is recognized.

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

The water utility and sewer utility record an annual payment in lieu of taxes (PILOT) expense based on the value of its plant and the current assessment ratio and local and school portion of the mill rate. Municipal utilities are exempt from federal and state income taxes. Taxes include the employer's share of Social Security and Medicare, and PSC remainder assessment.

The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with proprietary fund's principal ongoing operations. The principal operating revenues of the water, sewer, and stormwater funds are charges to customers for sales and services.

Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

All Financial Statements

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

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS December 31, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

1. Deposits and Investments

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

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

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

Additional restrictions may arise from local charters, ordinances, resolutions, and grant regulations. The Village believes it is in compliance with all restrictions.

The Village has implemented GASB Statement No. 40, "Deposit and Investment Risk Disclosures". This standard establishes and modifies disclosure requirements related to deposit risks (custodial credit and foreign currency risks) and investment risks (custodial credit, credit, concentration of credit, interest rate, and foreign currency risks). The Village attempts to manage its deposit and investment risks as follows:

- a. Custodial credit risk – all securities will be held by a third-party custodian.
- b. Credit risk – purchases of securities in the lower end of allowed rating categories within the statutory provisions would be limited.
- c. Concentration of credit risk – diversification among issuers and types of investments to avoid over-concentration in specific issuers or sectors is a stated goal of the policy.
- d. Interest rate risk – Village policy is to not directly invest in securities with maturities of greater than five years unless matched to a specific cash flow and disclosed to the Finance Committee.
- e. Foreign currency risk – Village policy is to not hold deposits and investments denominated in foreign currencies because the potential risk of loss arising from changes in exchange rates can be significant.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS December 31, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

1. Deposits and Investments (cont.)

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

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF) and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2019, the fair value of the Village's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

See Note IV (A.) for further information.

2. Receivables

Property Taxes

Property taxes are levied in November on the assessed value as of the prior January 1. In addition to property taxes for the Village, taxes are collected for and remitted to the state and county governments as well as the local school district and technical college district. Taxes for all state and local governmental units billed in the current year for the succeeding year are reflected as receivables, deferred inflows, and intergovernmental payables on the accompanying fiduciary fund balance sheet.

Property tax calendar – 2019 tax roll:

Lien date and levy date	November 2019
Tax bills mailed	December 14, 2019
Payment in full, or	January 31, 2020
- First installment due	January 31, 2020
- Second installment due to Marathon County	July 31, 2020
Personal property taxes due in full	January 31, 2020
Tax settlement with other governmental units:	
- First settlement	January 15, 2020
- Second settlement	February 20, 2020
- Final settlement	August 20, 2020
Tax deed sale by Marathon County:	
- 2019 delinquent real estate taxes	October 2022

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

2. Receivables (cont.)

Uncollectible Accounts

Accounts receivable have been shown net of any allowance for uncollectible accounts (\$0). Delinquent real estate taxes as of July 31 are paid in full by Marathon County, which assumes the collection thereof. No provision for uncollectible utility accounts receivable has been made for the water utility, sewer utility, and stormwater utility because they have the right by law to place delinquent bills on the tax roll.

Interfund Transactions

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

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

3. Inventories and Prepaid Items

Inventories of the proprietary funds are stated at the lower of cost or market utilizing the average cost method and charged to construction or expense when used. Governmental fund type inventories are recorded as expenditures when consumed rather than when purchased, based on original cost using the FIFO method of accounting.

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.

4. Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified. The excess of restricted assets over current liabilities payable from restricted assets will be used for retirement of related long-term debt or acquisition of capital assets. The remainder, if generated from earnings, is shown as restricted net position.

5. Capital Assets

Government-Wide Statements

In the government-wide financial statements, capital assets are defined by the government as property such as plant, equipment, intangibles, and infrastructure with an initial cost of more than \$5,000 or an estimated useful life in excess of one year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated fair value at the date of donation.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

5. Capital Assets (cont.)

Government-Wide Statements (cont.)

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor, overhead, and an allowance for the cost of funds used during construction when significant. For tax-exempt debt, the amount of interest capitalized equals the interest expense incurred during construction netted against any interest revenue from temporary investment of borrowed fund proceeds. No interest was capitalized during the current year. The cost of renewals and betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired, or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage value, is charged to accumulated depreciation.

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

The range of estimated useful lives by type of asset is as follows:

Buildings	40 Years
Wells and Springs	34½ Years
Land Improvements	20 Years
Machinery and Equipment	3-20 Years
Utility System	2-50 Years
Infrastructure	20-40 Years

Fund Financial Statements

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

6. 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 (expense/expenditure) until then. The Village has three items that qualify for reporting in this category. The first item is the deferred charge on refunding reported in the government-wide and proprietary fund statements on net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or the refunding debt. The second item is related to the Village's proportionate share of the Wisconsin Retirement System pension plan and is deferred and amortized over the expected remaining service lives of the pension plan participants. The third is related to the Villages proportionate share of the Local Retiree Life Insurance Fund plan.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

6. *Deferred Outflows / Inflows of Resources* (cont.)

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(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Village has four items that qualify for reporting in this category in the government-wide statement of net position. The first item is property taxes, which will be recognized as an inflow of resources in the subsequent year for which it was levied. The second item is related to the Village's proportionate share of the Wisconsin Retirement System pension plan and is deferred and amortized over the expected remaining services lives of the pension plan participants. The third is related to the Villages proportionate share of the OPEB liability. The final item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from three sources: special assessments and municipal court fines. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Additionally, the Village reports unearned revenue within its governmental funds balance sheet. The governmental funds report unearned revenue for revenues which are available and measurable, but not yet earned for grants received in advance of meeting time requirements. These amounts are recognized as an inflow of resources in the period that the amounts become earned.

7. *Wisconsin Retirement System Pension Plan Benefits*

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

8. *Other Post-Employment Benefits (OPEB)*

The fiduciary net position of the Local Retiree Life Insurance Fund (LRLIF) has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, OPEB expense, and information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIFs fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

9. *Basis for Existing Rates – Proprietary Funds*

Water Utility

Current water rates were approved by the Public Service Commission of Wisconsin on August 18, 2019, and placed into effect on September 1, 2018.

Sewer Utility

Current sanitary sewer/wastewater rates were approved by the Village Board on July 16, 2018.

Stormwater Utility

Current stormwater rates were approved by the Village Board on April 20, 2015.

10. *Compensated Absences*

Under terms of employment, employees earn paid time off (PTO) in varying amounts. Only benefits considered to be vested are disclosed in these statements.

All PTO is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements, or are payable with expendable available resources.

Payments for PTO will be made at rates in effect when the benefits are used. Accumulated PTO liabilities at December 31, 2019 are determined on the basis of current salary rates and include salary related payments.

11. *Long-Term Obligations/Conduit Debt*

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

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

For the government-wide statements and proprietary fund statements, bond premiums and discounts are amortized over the life of the issue using the straight-line method. Gains or losses on prior refundings are amortized over the remaining life of the old debt, or the life of the new debt, whichever is shorter. The balance at year-end for premiums/discounts is shown as an increase or decrease in the liability section of the Statement of Net Position. The balance at year-end for gains/losses is shown as a deferred outflow/inflow as applicable.

The Village may approve the issuance of industrial revenue bonds (IRB) for the benefit of private business enterprises. IRB's are secured by mortgages or revenue agreements on the associated projects, and do not constitute indebtedness of the Village. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. There were no IRB's outstanding at year end.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

12. 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 mature or become due are recorded during the year as expenditures in the governmental funds. If they have not matured, no liability is recognized in the governmental fund statements. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred. There were no significant claims or judgments at year-end.

13. Equity Classifications

Government-Wide Statements

Government-wide and proprietary fund net position is divided into three components:

- The *net investment in capital assets* component of net position consists of capital assets, net of accumulated depreciation, 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.
- The *restricted* component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability or deferred inflow relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or deferred inflows or if the liability will be liquidated with the restricted assets reported.
- The *unrestricted* component of net position is the amount of the assets and deferred outflows, net of the liabilities and deferred inflows that are not included in the determination of net investment in capital assets or the restricted components of net position.

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

The net position section includes an adjustment for capital assets owned by the business-type activities column, but financed by debt of the governmental activities column. The amount is a reduction in "net investment in capital assets" and an increase in "unrestricted" net position, shown only in the total column.

	Governmental Activities	Business-type Activities	Adjustment	Total
Net investment in capital assets	\$18,650,685	\$46,597,134	\$(5,976,826)	\$59,270,993
Unrestricted	(852,346)	13,564,894	5,976,826	18,689,374

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

13. Equity Classifications (cont.)

Fund Financial Statements

Beginning with the year ended December 31, 2011, the Village implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions". The Statement provides more clearly defined fund balance classifications to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance – amounts that are not in spendable form (such as inventory or prepaid items) or are legally or contractually required to be maintained intact.
- Restricted fund balance – amounts that are constrained for specific purposes by external parties (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- Committed fund balance – amounts that are constrained for specific purposes by a formal action (resolution) of the Village Board, using its highest level of decision-making authority. These committed funds cannot be used for any other purpose unless the Village Board takes the same highest level of action to remove or change the constraint.
- Assigned fund balance – amounts that a government intends to use for a specific purpose. The intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. The governing body has delegated the authority to assign fund balance to management of the Village.
- Unassigned fund balance – amounts that are available for any purpose. These amounts are reported only in the general fund and have not been classified within the other above-mentioned classifications.

The Village has adopted a fund balance spend-down policy regarding the order in which fund balance will be utilized. This spend-down policy follows GASB Statement No. 54 which indicates that restricted funds would be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

The Village has also adopted a formal financial policy regarding the fund balance in the general fund. The policy calls for an unassigned general fund balance equivalent of between two months to four months (16.67% -33.33%) of the ensuing year's budgeted general fund expenditures.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

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

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

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds”. The detail of \$27,903,268 difference in liabilities is as follows:

General obligation bonds and notes payable	\$8,196,109
Revenue bonds payable	17,885,000
Lease payable	320,536
Compensated absences	144,313
Advances from developers on TIF District letters of credit	813,064
Accrued interest	247,509
Unamortized debt discounts and premiums	<u>296,737</u>
Net Adjustment to Reduce Fund Balance – Total Governmental Funds to Arrive at Net Position – Governmental Activities	<u>\$27,903,268</u>

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE III – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

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

A budget has been adopted for the general fund, all special revenue funds, debt service fund, all capital project funds, all enterprise funds, and the internal service fund. Comparative schedules have been presented in supplementary information for all funds. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds.

The budgeted amounts presented include any amendments made.

The Village follows these procedures in establishing the budget versus actual budgetary data reflected in the financial statements:

- The Village Administrator submits to the Village Board a proposed budget for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted at the Weston Municipal Center to obtain taxpayer comments.
- Prior to December 31, the budget is legally adopted through passage of a village resolution.
- The budget as adopted includes total expenditures at the cost center level. A cost center can be a fund, major program, department, or other activity for which control of expenditures is considered desirable. Cost centers are defined as follows for the governmental fund types with annual budgets: General Fund at the function level, Special Revenue and Capital Projects Funds at the major program level, and Debt Service Fund at total fund level. Expenditures cannot legally exceed appropriations at this level without two-thirds Village Board approval to amend the budget. Supplemental appropriations during the year included an increase of \$37,000 in the General Fund revenues and expenditures, an increase of \$195,754 in the Debt Service Fund revenue and expenditures, and an increase of \$2,582,544 in revenues and \$1,965,915 in expenditures in the Capital Projects Fund. The Village Board properly authorized all supplemental appropriations for budget year 2019. Transfers of appropriations between cost center levels also require the approval of the Village Board.
- Formal budgetary integration is employed as a management control device during the year for the General Fund, the Special Revenue Funds, the Debt Service Fund, the Capital Projects Funds, and the Enterprise Funds.
- A comparison of Actual and Budget is included in the accompanying financial statements for all governmental fund types with a legally adopted annual budget. The budget presentations are at the cost center level (legal level of control for the annual budget).
- All budgets adopted conform to generally accepted accounting principles (GAAP), including the Enterprise Funds. Budget amounts are as originally adopted or as amended via the procedures explained above. Individual amendments were legally authorized as described.
- Budgets for all non-committed governmental funds lapse at year-end.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE III – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (cont.)

B. EXCESS EXPENDITURES OVER APPROPRIATIONS

The following expenditure cost centers had excess of actual expenditures over budget for the year ended December 31, 2019.

Excess Expenditures

Special Revenue Funds	
Community Development Auth – TIF District #1	\$ 51
TIF District #2	276,325
Room Tax	67,011
Park and Recreation	97

Capital Project Funds

TIF District #1	148,639
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The excess amounts that occurred in Special Revenue Fund - Community Development Authority – TIF District #1 was covered by a transfer in from Special Revenue - TIF District #1. The Special Revenue Fund – TIF District #2, Special Revenue – Room Tax, and Special Revenue – Park and Recreation were covered by excess funds. Capital Projects Fund – TIF District #1 was covered with a transfer from Special Revenue Fund – TIF District #1.

C. DEFICIT BALANCES

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

As of December 31, 2019, no individual funds held a deficit balance.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE III – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (cont.)

D. LIMITATIONS ON THE VILLAGE'S TAX LEVY

As part of Wisconsin Act 32 (2011), legislation was passed that limits the Village's future tax levies. Generally, the Village is limited to its prior tax levy dollar amount (excluding TIF Districts), increased by the percentage change in the Village's equalized value due to net new construction for the 2015 levy collected in 2016 and thereafter. Debt service for debt authorized after July 1, 2005, is exempt from the levy limit. In addition, Wisconsin statutes allow the limit to be adjusted for the increase in debt service authorized prior to July 1, 2005, and in certain other situations.

E. BOND COVENANT DISCLOSURE – WATER UTILITY, SEWER UTILITY, AND STORMWATER UTILITY

Bond Covenant Disclosures

The following information is provided in compliance with the resolution creating the 2008, 2019 Series B, and 2019 Series C revenue bonds.

Insurance

The water, sewer and stormwater utilities are covered under the following insurance policies at December 31, 2019 (unaudited):

Type	Coverage	Expiration Date
<i>MPIC Insurance</i>		
Building, Personal Property & Property in the Open and Contractor's Equipment	\$42,752,005	12/31/2019
<i>League of Wisconsin Municipalities Mutual Insurance</i>		
General Liability	\$4,000,000	12/31/2019
Automobile	4,000,000	12/31/2019

Refer to Note V. (C.) for additional insurance information.

Debt Coverage

Under terms of the resolutions providing for the issue of revenue bonds, revenues less operating expenses excluding depreciation (defined net earnings) must exceed 1.25 times the highest annual debt service of the bonds. The coverage requirement was met as follows:

	Water Utility	Sewer Utility	Stormwater Utility
Operating revenues	\$2,476,089	\$2,330,952	\$ 658,793
Investment earnings	137,342	160,362	11,085
Less: Operations and maintenance expenses	(1,222,371)	(1,645,376)	(130,699)
Net Defined Earnings	<u>\$1,391,060</u>	<u>\$ 845,938</u>	<u>\$ 539,179</u>
Minimum Required Earnings per Resolution:			
Highest annual debt service	\$ 415,466	\$ 360,060	\$245,743
Coverage factor	<u>1.25</u>	<u>1.25</u>	<u>1.25</u>
Minimum Required Earnings	<u>\$ 519,333</u>	<u>\$ 450,075</u>	<u>\$ 307,179</u>

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE III – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (cont.)

E. BOND COVENANT DISCLOSURE – WATER UTILITY, SEWER UTILITY, AND STORMWATER UTILITY (cont.)

Number of Customers

The utilities had the following number of customers and billed volumes for 2019 (unaudited).

	Water Utility		Sewer Utility		Stormwater Utility	
	Customers	Sales (000 gals)	Customers	Sales (000 gals)	Customers	ERUs
Residential	5,277	201,636	5,266	193,167	4,775	4,509
Commercial	422	102,016	579	142,235	483	6,226
Industrial	32	286,642	29	28,458	26	1,542
Public Authority	40	19,430	23	9,766	26	771
Other	170	62,976	-	-	14	159
Totals	5,941	672,700	5,897	373,626	5,324	13,207

Utility Budget

The 2019 water, sewer, and stormwater utility budgets were prepared and approved as required by the bond resolutions. The budget information is as follows:

	Revenues/Sources		Expenses/Uses	
	Actual *	Budget	Actual	Budget
Water Utility	\$2,757,754	\$2,543,208	\$2,412,841	\$2,359,825
Sewer Utility	2,639,157	2,406,650	2,646,382	2,390,137
Stormwater Utility	675,103	644,200	549,588	595,735

* Excluding capital contribution revenue sources in the Sewer Utility actual of \$4,350, Sewer Utility budget of \$15,000, and the Stormwater Utility actual of \$52,771.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE IV – DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

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

	Carrying Value	Bank Balance	Associated Risks
Demand deposits	\$ 22,005,554	\$ 22,049,264	Custodial credit
Certificates of deposits	4,478,589	4,478,589	Custodial credit
Petty cash	2,972	-	N/A
Total cash	<u>\$26,487,115</u>	<u>\$26,527,853</u>	
Wisconsin Local Government Investment Pool (LGIP)	\$ 1,016,451		Credit, Interest rate
Wisconsin Investment Series Coop (WISC)	998,972		Credit, Interest rate
Municipal securities	500,000		Credit, Custodial credit, Interest rate, Concentration of credit
Negotiable certificates of deposits	2,580,289		Credit, Custodial credit, Interest rate, Concentration of credit
U.S. Government treasury securities	318,390		Custodial credit, Interest rate
U.S. Government agency securities	5,647,295		Credit, Custodial credit, Interest rate, Concentration of credit
Total investments	<u>11,061,397</u>		
Total cash and investments	<u>\$37,548,512</u>		

Reconciliation to financial statements:

Per statement of net position	\$27,426,658
Unrestricted cash and investments	3,959,401
Restricted cash and investments	
Per statement of fiduciary net position	<u>6,162,453</u>
Agency Funds	<u>\$37,548,512</u>
Total cash and investments	

Deposits in each local and area bank are insured by the FDIC (Federal Deposit Insurance Corporation), while credit unions are insured by the NCUA (National Credit Union Association), in the amount of \$250,000 for all demand accounts and \$250,000 for time and savings accounts for banks that have opted in.

Bank and credit union accounts and the LGIP are also insured by the State of Wisconsin Deposit Guarantee Fund in the amount of \$400,000 for each financial institution. However, although the fund had reserves available at December 31, 2019, the future availability of resources to cover any losses cannot be projected because provisions of the 1985 Wisconsin Act 25 provide that the amount in the fund will be used to repay public depositors for losses until the appropriation is exhausted, at which time the fund will be abolished.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Some financial institutions acting as a depository for the Village are required to pledge collateral to secure all Village funds over and above amounts covered by the FDIC and the State Deposit Guarantee Fund. All securities serving as collateral are specifically pledged to the Village and placed in a custodial account at a Federal Reserve Bank, a trust department of a commercial bank, or through another financial institution. The type of collateral used must be satisfactory to the Village. The custodian may not be owned or controlled by the depository institution or its holding company unless it is a separately operated trust institution. Collateral for Village deposits is maintained at a level representing the assumed highest daily balance maintained by the Village. Fluctuating cash flows during the year due to tax collections, receipt of state aids, and/or proceeds from borrowing may have resulted in uninsured balances during the year significantly exceeding uninsured amounts at year-end.

The investments in the Local Government Investment Pool (the Pool) are covered up to \$400,000 by the State Guarantee Fund. Certificates of deposit held in the Pool are covered by FDIC insurance, which applies to the proportionate public unit share of accounts.

Fair Value Measurements: The Village categorized its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant observable inputs; Level 3 inputs are significant unobservable inputs. The Village has the following fair value measurements as of December 31, 2019:

Investment Type	Level 1	Level 2	Level 3
U.S. Agencies		\$ 5,647,295	
U.S. Treasuries		318,390	
Negotiable CD's		2,580,289	
Municipal Securities		500,000	
External Investments		2,015,423	
Total		<u>\$11,061,397</u>	

Custodial Credit Risk - Deposits: For deposits, custodial credit risk is the risk that in the event of a financial institution failure, the Village's deposits may not be returned to the Village. The Village does have a deposit policy for custodial credit risk. This policy details eligibility for authorization to include banks or savings and loans that are a member of the FDIC or credit unions that are insured by the NCUA, and qualify as a depository of public funds in the State of Wisconsin. Broker/dealers who desire to become qualified for investment transactions must have a minimum capital requirement of \$10,000,000 and be in operation for at least the last five years. The broker/dealers must also qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule) to be a primary or regional dealer and provide proof of National Association of Securities Dealers ("NASD") certification.

As of December 31, 2019, \$19,287,861 of the Village's bank balances of \$28,527,853 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized demand deposits	\$18,440,925
Uninsured and uncollateralized certificates of deposit	<u>846,936</u>
	<u>\$19,287,861</u>

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Custodial Credit Risk - Investments: For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village does have a deposit policy for custodial credit risk as is outlined above. As of December 31, 2019, the Village does not have any investments exposed to custodial credit risk.

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. The Village does not have a formal credit risk policy but follows state statutes.

As indicated in Note I. (D.1.), Wisconsin statutes require municipalities to invest in securities which have a rating that is the highest or second highest rating category assigned by Standard & Poor's Corporation, Moody's Investors Service, or other similar nationally recognized rating agency or if that security is senior to, or on a par with, a security of the same issuer which has such a rating. As of December 31, 2019, the Village's investments were rated as follows:

The Village's investments in U.S. Government agency securities issued by the Federal Home Loan Bank, Federal Farm Credit Bank, Federal National Mortgage Association, and Federal Home Loan Mortgage Corporation are either rated Aaa by Moody's Investors Service or considered "Agency" obligations of the U.S. Government. The State of Wisconsin Transportation Revenue Bonds (Taxable Build America Bonds-Direct Payment) are rated Aaa by Moody's Investors Service and AA+ by Standard & Poor's. As of December 31, 2019, the Village also had investments in one U.S. Government treasury securities fund that was rated AAA and/or Aaa by Standard & Poor's, Moody's Investors Service, or Fitch Ratings. The Village also had investments in the following external pools that are not rated:

Investment Type	Investment Type
Wisconsin Local Government Investment Pool (LGIP)	
Wisconsin Investment Series Cooperative (WISC)	

Concentration of Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village does not have a formal concentration of credit risk policy, but attempts to minimize their concentration of credit risk with their investment policy. The Village's investment policy requires them to pre-qualify the financial institutions they work with and to diversify the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

At December 31, 2019, the investment portfolio had concentrations of investments greater than 5% of the total portfolio as follows:

Issuer	Investment Type	Percentage of Portfolio
Federal Farm Credit Bank	U.S. Government agency notes and mortgage-backed securities	5.31%
Federal Home Loan Mortgage Corp.	U.S. Government agency notes and mortgage-backed securities	16.06%
Federal Home Loan Bank	U.S. Government agency notes and mortgage-backed securities	5.27%
Federal National Mortgage Association	U.S. Government agency notes and mortgage-backed securities	29.49%

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Village does not have a formal policy related to interest rate risk. The Village's investment policy details that the investment and cash management portfolio be designed to attain a fair value rate of return throughout budgetary and economic cycles, taking into account prevailing market conditions, risk constraints for eligible securities, and cash flow requirements. As of December 31, 2019, the Village's investments were comprised of two portfolios, one managed internally and one managed via external investment advisors, as follows:

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Investment Type	Fair Value	Weighted Average Maturity (days)	Weighted Average Maturity (years)
Internally managed portfolio:			
Wisconsin Local Government Investment Pool (LGIP)	\$ 1,016,451	17	
Wisconsin Investment Series	998,972	24-51	5.24
U.S. Government agency notes	5,647,295		1.60
Negotiable certificates of deposit	2,580,289		5.50
Municipal securities	500,000		
Externally managed portfolios:			
U.S. Government treasury securities	318,390	43	
Total fair value	<u>\$11,061,397</u>		

To reduce the risk of loss due to interest rate changes, the Village's investment policy requires investing in securities with varying maturities. To the extent possible, the Village attempts to match the maturity of investments with anticipated cash flow requirements.

Foreign Currency Risk: Foreign currency risk is the risk of loss arising from changes in exchange rates that result from holding deposits and investments denominated in foreign currencies. The Village does not have a formal foreign currency policy.

At December 31, 2019, the Village's portfolio did not comprise of any deposits or investments denominated in foreign currencies.

B. RECEIVABLES

All receivable balances are expected to be collected within one year, except for special assessments.

Revenues of the Village are reported net of an allowance for uncollectible amounts. There was no allowance for uncollectible amounts in 2019.

Governmental funds report *deferred inflows* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period as well as with property taxes received or reported as a receivable before the period for which the property taxes are levied. Governmental funds also report *unearned revenue* in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *deferred inflows* and *unearned revenue* reported in the governmental funds were as follows:

	Unavailable	Unearned	Totals
Property taxes receivable	\$ -	\$13,169,933	\$13,169,933
Unearned revenue	-	1,226	1,226
Special assessments	48,180	-	48,180
Receivables not received within 60 days of year-end	293,048	-	293,048
Total deferred inflows / unearned revenue	<u>\$ 341,228</u>	<u>\$13,171,159</u>	<u>\$13,512,387</u>

On the statement of net position \$69 of unearned revenue is reported from the internal service funds. Property taxes are reported as deferred inflows in the government-wide statements.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

C. RESTRICTED ASSETS

The following represent the balances of the restricted assets for business-type activities:

Long-Term Debt Accounts

Reserve	-	Used to report resources set aside to make up potential future deficiencies in the redemption account.
Redemption	-	Used to segregate resources accumulated for debt service payments over the next twelve months.
Construction	-	Used to segregate the balance of the bond proceeds not yet spent, which will be used to pay for the remainder of the construction projects.

The following calculation supports the amount of restricted net position:

	Amount
Restricted Assets	
Revenue bond reserve account	\$ 765,878
Revenue bond redemption account	876,516
Revenue bond construction account	<u>405,336</u>
Total Restricted Assets	<u>2,047,730</u>
Less: Restricted Assets Not Funded by Revenues	
Revenue bond reserve account	(765,878)
Revenue bond construction account	<u>(405,336)</u>
Total Restricted Assets Not Funded by Revenues	<u>(1,171,214)</u>
Current Liabilities Payable From Restricted Assets	<u>(32,335)</u>
Total Restricted Net Position for debt service as Calculated	<u>\$ 844,181</u>

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)				
D. CAPITAL ASSETS				
Capital asset activity for the year ended December 31, 2019 was as follows:				
Governmental Activities				
Capital Assets Not Being Depreciated:	Beginning Balance	Additions	Deletions	Ending Balance
Land	\$ 6,155,218	\$ -	\$ (164,405)	\$ 5,990,813
Right-of-ways	659,475	-	-	659,475
Construction in progress	28,640	113,330	(28,640)	113,330
Total Capital Assets				
Not Being Depreciated	6,843,333	113,330	(193,045)	6,763,618
Capital Assets Being Depreciated:				
Land improvements	6,295,993	15,924	-	6,311,917
Buildings	6,910,471	-	-	6,910,471
Equipment, furniture, and fixtures	5,070,133	392,361	(92,445)	5,370,049
Road/streets, curb/gutters, and				
Driveway approaches	72,727,541	168,908	(123,187)	72,773,262
Bridges	2,512,132	-	-	2,512,132
Street lighting	1,659,097	-	-	1,659,097
Traffic signals	1,053,510	-	-	1,053,510
Sidewalks	3,736,738	-	-	3,736,738
Total Capital Assets				
Being Depreciated	99,965,615	577,193	(215,632)	100,327,176
Less Accumulated Depreciation for:				
Land improvements	4,015,705	311,532	-	4,327,237
Buildings	3,441,748	153,412	-	3,595,160
Equipment, furniture, and fixtures	3,172,445	294,831	(85,327)	3,381,949
Road/streets, curb/gutters, and				
Driveway approaches	52,762,962	2,802,802	(123,187)	55,442,577
Bridges	530,536	62,804	-	593,340
Street lighting	1,056,536	81,511	-	1,138,047
Traffic signals	759,977	40,395	-	800,372
Sidewalks	2,448,268	187,380	-	2,635,648
Total Accumulated Depreciation	68,188,177	3,934,667	(208,514)	71,914,330
Capital Assets,				
Net of Depreciation	\$38,620,771	\$ (3,244,144)	\$ (200,163)	\$35,176,464

Depreciation expense was charged to functions as follows:

Governmental Activities	
General government	\$ 40,636
Public safety	72,287
Public works, which includes the depreciation of infrastructure	3,665,059
Parks, recreation, and education	156,685
Total Governmental Activities Depreciation Expense	<u>\$ 3,934,667</u>

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)				
D. CAPITAL ASSETS (cont.)				
Water Utility	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets Not Being Depreciated:				
Land	\$ 568,259	\$ -	\$ -	\$ 568,259
Intangible plant - organizational costs	319	-	-	319
Construction in progress	193,380	231,938	-	425,318
Total Capital Assets				
Not Being Depreciated	761,958	231,938	-	993,896
Capital Assets Being Depreciated:				
Wells and springs	597,507	-	-	597,507
Buildings and systems	1,028,656	-	-	1,028,656
Improvements other than buildings	26,168,044	202,851	(28,427)	26,342,468
Machinery and equipment	2,163,512	184,488	(47,703)	2,300,297
Total Capital Assets				
Being Depreciated	29,957,719	387,339	(76,130)	30,268,928
Less Accumulated Depreciation for:				
Wells and springs	271,918	17,328	-	289,246
Buildings and systems	512,985	32,854	-	545,839
Improvements other than buildings	7,539,610	520,974	(28,427)	8,032,157
Machinery and equipment	1,259,143	106,895	(41,630)	1,324,408
Total Accumulated Depreciation	9,583,656	678,051	(70,057)	10,191,650
Capital Assets,				
Net of Depreciation	\$ 21,136,021	\$ (58,774)	\$ (6,073)	\$ 21,071,174
Sewer Utility	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets Not Being Depreciated:				
Construction in progress	\$ 2,200	\$ 246,186	\$ -	\$ 248,386
Total Capital Assets				
Being Depreciated	31,966,472	44,988	(18,688)	31,992,772
Less Accumulated Depreciation for:				
Buildings and systems	465,184	42,106	-	507,290
Improvements other than buildings	12,255,367	574,754	-	12,830,121
Machinery and equipment	216,529	76,285	(16,820)	275,994
Total Accumulated Depreciation	12,937,080	693,145	(16,820)	13,613,405
Capital Assets,				
Net of Depreciation	\$ 19,031,592	\$ (401,971)	\$ (1,868)	\$ 18,627,753

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE IV -- DETAILED NOTES ON ALL FUNDS (cont.)

D. CAPITAL ASSETS (cont.)

<u>Stormwater Utility</u>	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets Not Being Depreciated:				
Land	\$ 54,774	\$ -	\$ -	\$ 54,774
Capital Assets Being Depreciated:				
Improvements other than buildings	17,426,553	157,009	-	17,583,562
Machinery and equipment	4,634	-	-	4,634
Total Capital Assets				
Being Depreciated	17,431,187	157,009	-	17,588,196
Less Accumulated Depreciation for:				
Improvements other than buildings	6,116,329	360,446	-	6,476,775
Machinery and equipment	4,634	-	-	4,634
Total Accumulated Depreciation	6,120,963	360,446	-	6,481,409
Capital Assets,				
Net of Depreciation	\$ 11,364,998	\$ (203,437)	\$ -	\$ 11,161,561
Total Business-Type Activities	\$ 51,532,611	\$ (664,182)	\$ (7,941)	\$ 50,860,488

Depreciation expense was charged to functions as follows:

<u>Business-Type Activities</u>	
Water	\$ 626,971
Sewer	744,225
Stormwater	360,446
Total Business-Type Activities Depreciation Expense	\$ 1,731,642

The difference between the depreciation expense reported for water on the income statement (\$626,971) and what is reported in the footnote (\$678,051) is related to the depreciation expense allocated to sewer from the water meters. The difference between the depreciation expense reported for sewer on the income statement (\$744,225) and what is reported in the footnote (\$693,145) is related to the depreciation expense allocated from water to sewer on the water meters.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE IV -- DETAILED NOTES ON ALL FUNDS (cont.)

E. INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS

Interfund Receivables/Payables

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Enterprise -- sewer utility	\$ 15,154
General	Enterprise -- water utility	465,399
		480,553
Sub-Total - Fund Financial Statements		-
Less: Elimination to government-wide statements		\$ 480,553
Total Government-Wide Financial Statements		\$ 480,553
<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Governmental activities	Business-type activities	\$ 480,553
Total Government-Wide Financial Statements		\$ 480,553

All of these amounts are due within one year.

The principal purpose of these interfund transactions is the payment in lieu of taxes ("PILOT") due from the water utility to the general fund (\$465,399) and due from the sewer utility to the general fund (\$15,154), and tax roll collections that were not distributed before year-end.

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

Advances

The following is a schedule of interfund advances:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Amount Not Due Within One Year</u>
Sewer utility	Stormwater utility	\$ 183,106	\$ 183,106
Less: Elimination to government-wide statements		(183,106)	
Total Statement of Net Position		\$ -	\$ -

The principal purpose of the interfund is due to expenditures exceeding revenues.

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

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

E. INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS (cont.)

Transfers

The following is a schedule of interfund transfers:

Transfers In		Transfers Out	Principal Purpose
General Fund	Amount		
Water Utility	\$ 485,399		Payment in lieu of taxes
Sewer Utility	15,154		Payment in lieu of taxes
Water Utility	1,998		Plotter share
Sewer Utility	1,998		Plotter share
Subtotal	<u>484,549</u>		
Debt Service			
General Fund	3,328		Debt service
Capital Improvements	290,856		Debt service
Refuse/Recycling	90,012		Debt service
TIF District #1	974,471		Debt service
CDA/TIF District #1	1,547,738		Debt service
CDA/TIF District #2	246,079		Debt service
Water Utility	6,431		Debt service
Sewer Utility	6,431		Debt service
Stormwater Utility	3,328		Debt service
Subtotal	<u>3,168,674</u>		
Special Revenue			
CDA/TIF District #1	4,045		Operating subsidy
Capital Projects			
Room Tax	<u>101,094</u>		Capital Equipment
Non-major			
Special Revenue			
General Fund	27,165		Operating subsidy
TIF District #2	13,028		Operating subsidy
Room Tax	40,000		Operating subsidy
Non-major			
Capital Projects			
TIF District #1	<u>125,389</u>		Operating subsidy
Subtotal	<u>205,582</u>		
Sub-Total – Fund Financial Statements	3,963,944		
Less: Elimination to government-wide statements	<u>(3,463,205)</u>		
Total	<u>\$ 500,739</u>		
Transferred From		Transferred To	Amount
Business-type activities		Governmental activities	\$ 500,739
Less: Governmental activities		Business-type activities	<u>-</u>
Total Government-Wide Financial Statements			<u>\$ 500,739</u>

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

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

F. CAPITAL LEASE OBLIGATIONS

The government has entered into lease agreements as lessee for financing the acquisition of public works equipment valued at \$1,398,833. The equipment has a ten-year estimated useful life. In 2019, \$139,884 was included in depreciation expense. These lease agreements qualify as capital leases for accounting purposes and have been recorded at the present value of their future minimum lease payments as of the inception date.

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2019, were as follows:

Year	Governmental Activities
2020	\$ 190,831
2021	<u>143,930</u>
Total minimum lease payments	334,761
Less: amount representing interest	<u>(14,225)</u>
Present value of minimum lease payments	<u>\$ 320,536</u>

Default With Finance Related Consequences - The 1/8/16 lease – direct placement (caterpillar lease) contains a provision that in the event of default the lessor may declare all lease payments due or to become due during the fiscal year in which the default occurs and/or the units may be repossessed. Additionally, if there were any extended warranty agreements, the lessor may cancel the agreements on the lessee behalf and the lessor will receive any refunds.

The 2/19/16 lease – direct placement, 4/1/16 lease – direct placement, and 3/15/17 lease – direct placement contain a provision that in event of default, the lessor may declare, with or without terminating the lease all rental payments and other amounts payable by lessee to the end of the then current budget year to be immediately due and payable. The lessor may also require the lessee at the lessee expense to redeliver any of the equipment to a lessor specified location. If the equipment is not delivered, the lessor may repossess the equipment and charge the lessee for lessor costs to recover the equipment. The lessee would still be required to pay the remaining rental payments under the lease due up until the end of the then current original term or renewal term.

G. OPERATING LEASE OBLIGATIONS

The government has entered into lease agreements as lessee for financing the use of public works equipment valued at \$249,700. The equipment has a ten-year estimated useful life. In 2019, the Village paid \$35,293 for rent paid under operating lease obligations. These lease agreements qualify as operating leases for accounting purposes and have been recorded as expenditures in the financial statements.

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2019, were as follows:

Year	Governmental Activities
2020	\$ 99,800
2021	<u>99,800</u>
Total minimum lease payments	199,600
Less: amount representing interest	<u>(3,215)</u>
Present value of minimum lease payments	<u>\$ 96,585</u>

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS December 31, 2019

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

H. LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended December 31, 2019 was as follows:

	Beginning Balance, As Restated	Increases	Decreases	Ending Balance	Amounts Due Within One Year
GOVERNMENTAL ACTIVITIES					
Bonds and Notes Payable:					
Notes payable - direct placement	\$ 2,721,938	\$ 3,851,579	\$ 1,081,939	\$ 5,491,578	\$ 2,441,506
Revenue bonds	19,215,000	-	1,330,000	17,885,000	1,350,000
Notes payable - direct borrowing	4,470,665	-	1,766,135	2,704,530	2,526,434
Add (Subtract) Deferred Amount for:					
Discounts	(9,982)	-	(2,039)	(7,943)	(1,850)
Premiums	46	328,814	22,160	304,680	22,179
Sub-Total	26,397,667	4,178,393	4,198,215	26,377,845	6,338,269
Other Liabilities:					
Vested compensated absences	141,364	192,917	189,988	144,313	6,647
Leases - direct placement	695,870	-	375,334	320,536	180,906
Wisconsin Retirement System	-	-	-	-	-
Net pension liability	-	328,136	-	328,136	-
LRLIF	81,056	-	13,888	67,158	-
Advances from developers on TIF District letters of credit	937,234	-	124,170	813,064	127,592
Total Other Liabilities	1,855,624	521,053	703,370	1,673,207	315,145
Total Governmental Activities Long-Term Liabilities	\$ 28,253,191	\$ 4,699,446	\$ 4,901,585	\$ 28,051,052	\$ 6,653,414
BUSINESS-TYPE ACTIVITIES					
Bonds and Notes Payable:					
Notes Payable - direct placement	\$ 39,945	\$ 1,458,421	\$ 39,945	\$ 1,458,421	\$ 303,494
Revenue bonds	5,505,000	-	775,000	4,730,000	805,000
Add (Subtract) Deferred Amount for:					
Discounts	(5,093)	-	(2,351)	(2,742)	(2,351)
Sub-Total	5,539,852	1,458,421	812,594	6,185,679	1,106,143
Other Liabilities:					
Vested compensated absences	22,848	39,502	31,300	31,050	-
Wisconsin Retirement System	-	-	-	-	-
Net pension liability	-	151,963	-	151,963	-
LRLIF	35,740	-	4,585	31,155	-
Total Other Liabilities	58,588	191,465	35,885	214,168	-
Total Business-Type Activities Long-Term Liabilities	\$ 5,598,440	\$ 1,649,886	\$ 848,479	\$ 6,399,847	\$ 1,106,143

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS December 31, 2019

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

H. LONG-TERM OBLIGATIONS (cont.)

For the governmental activities, accumulated PTO pay is generally liquidated by the general fund. The advances from developers on TIF District letters of credit will be liquidated by the tax increments received in future years that are recorded in the TIF District #1 – Special Revenue Fund.

General Obligation Debt

All general obligation notes and bonds payable are backed by the full faith and credit of the Village. Notes and bonds in the governmental funds will be retired by future property tax levies or tax increments accumulated by the debt service fund. Business-type activities debt is payable by revenues from user fees of those funds or, if the revenues are not sufficient, by future tax levies.

Advances from developers on TIF District letters of credit represent shortfall payments made for the difference between the debt service payments required of a developer's project area and the annual property taxes received from the specific development area. Until the tax increment valuation of new growth in the development area is sufficient to cover the debt service payments for the project, the letter of credit from the developer's bank will be drawn upon to make this shortfall payment. Tax increments received in excess of the required debt service payments will be returned to developers in future years.

In accordance with Wisconsin Statutes, total general obligation indebtedness of the Village may not exceed five percent of the equalized value of taxable property within the Village's jurisdiction. The debt limit as of December 31, 2019, was \$63,822,705. Total general obligation debt outstanding at year-end was \$9,654,529.

GOVERNMENTAL ACTIVITIES

General Obligation Debt	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/19
General Obligation Promissory Notes, 2019A - Direct Placement	5/1/2019	3/1/2029	3.00 – 4.00%	\$ 3,851,579	\$ 3,851,579
General Obligation Promissory Notes, 2018A - Direct Borrowing	8/27/2018	8/27/2021	3.28%	2,000,000	2,000,000
General Obligation Promissory Notes, 2016 - Direct Borrowing	10/10/2016	10/10/2021	2.15%	433,500	146,200
General Obligation Promissory Notes, Series 2013A - Direct Borrowing	9/26/2013	9/26/2023	2.43%	870,000	347,609
Taxable General Obligation Promissory Notes, Series 2013B - Direct Borrowing	9/24/2013	9/24/2021	3.99%	845,000	210,720
Taxable General Obligation Promissory Notes, Series 2010B - Direct Placement	12/21/2010	12/1/2020	1.15 – 4.35%	5,400,000	1,640,000
Total Governmental Activities – General Obligation Debt					\$ 8,196,108

Default With Finance Related Consequences - The 8/27/18 note payable - direct borrowing contains a provision that in event of default, outstanding amounts become immediately due if the Village is unable to make the payment and interest will be charged at 12% per year with all expenses of collection paid by Village. The 9/24/13 note payable – direct borrowing, 9/26/13 – direct borrowing, and 10/10/16 – direct borrowing contain a provision that in event of default, outstanding amounts become immediately due if the Village is unable to make the payment.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

H. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt (cont.)

Subjective Acceleration Clause - The 9/24/13 note payable - direct borrowing, the 9/26/13 - direct borrowing, and the 10/10/16 - direct borrowing contain a subjective acceleration clause that allows the lender to accelerate payment of the entire principal amount to become immediately due if the lender determines that false information was provided in regards to issuance, a material adverse change occurs, there was a failure to observe or perform any covenants or duties in the note, or the lender deems itself insecure.

BUSINESS-TYPE ACTIVITIES

	Date of Issue	Final Maturity	Interest Rates	Indebtedness	Balance 12/31/19
General Obligation Debt					
General Obligation Promissory Notes, 2019A - Water Direct Placement	5/1/2019	3/1/2029	3.00 - 4.00%	\$ 681,974	\$ 681,974
General Obligation Promissory Notes, 2019A - Sewer Direct Placement	5/1/2019	3/1/2029	3.00 - 4.00%	776,447	776,447
Total Business-Type Activities - General Obligation Debt					\$ 1,458,421

Debt service requirements to maturity are as follows:

Governmental Activities					
Years	Notes Payable - Direct Borrowing and Placement		Leases - Direct Placements		
	Principal	Interest	Principal	Interest	Total
2020	\$ 4,967,940	\$ 295,391	\$ 5,263,331	\$ 180,906	\$ 9,925
2021	497,248	110,347	607,595	139,630	4,300
2022	322,778	91,720	414,498	-	-
2023	268,377	79,897	348,274	-	-
2024	337,285	67,783	405,068	-	-
2025-2029	1,802,480	144,470	1,946,950	-	-
Totals	\$ 8,196,108	\$ 789,608	\$ 8,985,716	\$ 320,536	\$ 14,225
					\$ 334,761

Business-Type Activities			
Years	Notes from Direct Placements		Total
	Principal	Interest	
2020	\$ 303,494	\$ 66,128	\$ 369,622
2021	120,848	39,592	160,440
2022	122,222	34,730	156,952
2023	101,623	30,253	131,876
2024	127,715	25,667	153,382
2025-2029	682,519	54,704	737,223
Totals	\$ 1,458,421	\$ 251,074	\$ 1,709,495

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

H. LONG-TERM OBLIGATIONS (cont.)

Revenue Debt

Revenue bonds for the water, sewer, and stormwater utilities are payable only from revenues derived from the operation of the water utility, sewer utility, or stormwater utility. Revenue bonds for the Weston Community Development Authority are payable from revenues derived from tax increment payments received from TIF District #1 and TIF District #2.

Revenue debt payable at December 31, 2019 consists of the following:

GOVERNMENTAL ACTIVITIES

Revenue Debt	Date of Issue	Final Maturity	Interest Rates	Indebtedness	Balance 12/31/19
Community Development Authority Lease Revenue Bonds, Series 2017A	7/13/2017	10/1/2031	1.25 - 3.00%	\$19,255,000	\$16,990,000
Community Development Authority Lease Revenue Bonds, Series 2005C	4/15/2005	10/1/2020	2.80 - 4.65%	920,000	85,000
Community Development Authority Lease Revenue Bonds, Series 2004B	8/9/2004	10/1/2025	3.00 - 4.75%	1,815,000	810,000
Total Governmental Activities - Revenue Debt					\$ 17,885,000

BUSINESS-TYPE ACTIVITIES

Revenue Debt	Date of Issue	Final Maturity	Interest Rates	Indebtedness	Balance 12/31/19
Sanitary Sewerage System Revenue Bonds, Series 2008	6/23/2008	3/1/2021	3.25 - 4.10%	\$4,525,000	\$ 705,000
Water System Revenue Bonds, Series 2018B	11/1/2018	5/1/2038	2.10 - 3.90%	2,585,000	2,325,000
Stormwater Revenue Bonds, Series 2018C	11/1/2018	11/1/2027	2.15 - 3.00%	1,890,000	1,700,000
Total Business-Type Activities - Revenue Debt					\$ 4,730,000

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

H. LONG-TERM OBLIGATIONS (cont.)

Revenue Debt (cont.)

Debt service requirements to maturity are as follows:

Years	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2020	\$ 1,350,000	\$ 439,032	\$ 1,789,032	\$ 805,000	\$ 133,218	\$ 938,218
2021	1,285,000	412,385	1,697,385	830,000	108,530	938,530
2022	1,310,000	387,950	1,697,950	350,000	91,665	441,665
2023	1,340,000	361,125	1,701,125	355,000	83,090	438,090
2024	1,370,000	331,675	1,701,675	355,000	73,973	428,973
2025-2029	6,765,000	1,179,680	7,944,680	1,145,000	235,746	1,380,746
2030-2034	4,465,000	223,958	4,688,958	460,000	124,807	584,807
2035-2038	-	-	-	430,000	33,910	463,910
Totals	\$17,885,000	\$3,335,805	\$ 21,220,805	\$4,730,000	\$884,939	\$5,614,939

Other Debt Information

Estimated payments of vested compensated absences are not included in the debt service requirement schedules. The compensated absences liability attributable to governmental activities will be liquidated primarily by the general fund.

A statutory mortgage lien upon the Village's system and any additions, improvements and extensions thereto is created by Section 66.066 of the Wisconsin Statutes as provided for in the ordinances creating the revenue bond issue. The Village's system and the earnings of the system remain subject to the lien until payment in full of the principal and interest on the bonds.

There are a number of limitations and restrictions contained in the various bond indentures and loan agreements. The Village believes it is in compliance with all significant limitations and restrictions.

Current Refunding

On May 1, 2019, the Village issued \$5,310,000 in general obligation notes Series A (with interest rates of 3.00 – 4.00%). Of the total amount, \$1,300,645 was used to current refund an outstanding general obligation note dated May 2016, \$4,145,232 was used for new projects; proceeds were higher than the par amount of the notes due to a reoffering premium of \$326,814.

The cash flow requirement on the refunded debt prior to the current refunding was \$1,514,027 for 2019. The cash flow requirements on the 2019A notes are \$1,334,550 from 2019 through 2029. The current refunding resulted in an economic loss (difference between the present values of the debt service payment on the old and new debt) of \$1,141.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

I. GOVERNMENTAL ACTIVITIES NET POSITION / FUND BALANCES

Governmental Activities Net Position

Governmental activities net position reported on the government-wide statement of net position at December 31, 2019 includes the following:

Net Investment in Capital Assets:	
Land	\$ 5,990,813
Right-of-ways	659,475
Construction in progress	113,330
Other capital assets, net of accumulated depreciation	28,412,846
Less: related long-term debt outstanding, discount and premium, and loss	
net of debt used for utility asset contributions (\$5,976,826)	(\$17,808,004)
Add: unspent debt proceeds	1,282,225
Total Net Investment in Capital Assets	<u>18,650,685</u>
Restricted:	
Community Development Authority – TIF District #1 (debt service reserve)	1,570,358
Community Development Authority – TIF District #2 (debt service reserve)	251,253
Total Restricted	<u>1,821,611</u>
Unrestricted (deficit):	
Total Governmental Activities Net Position – December 31, 2019	<u>\$19,619,950</u>

Governmental Fund Balances

Governmental fund balances reported on the fund financial statements at December 31, 2019, include the following:

Major Funds – Details of Fund Balance:

Nonspendable:

General Fund	\$ 190,973
Prepaid items/inventories	651,407
Due from SAFER	<u>651,407</u>
Total Nonspendable	<u>\$ 842,380</u>

Restricted:

Special Revenue Fund – Community Development Authority – TIF District #1	\$ 1,570,358
Debt service	132,848
Debt Service Fund	<u>132,848</u>
Total Restricted	<u>\$ 1,703,206</u>

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

I. GOVERNMENTAL ACTIVITIES NET POSITION / FUND BALANCES (cont.)

Governmental Fund Balances (cont.)

Major Funds – Details of Fund Balance (cont.):

Committed:		
Capital Project Fund – Capital Improvements		\$ 55,085
Assigned:		
General Fund		
Public works department – Street lighting / Birch Street	\$ 7,500	
Subsequent year's expenditures - Parks	7,580	
Subsequent year's expenditures – Community Development	4,492	
Special Revenue Fund – TIF District #1	3,863,200	
Special Revenue Fund – CDA TIF District #1	95,309	
Capital Project Fund – Capital Improvements	1,227,141	
Total Assigned	<u>\$ 5,205,222</u>	
Unassigned:		
General Fund	\$ 2,526,452	
Non-Major Funds – Details of Fund Balance:		
Nonspendable:		
Special Revenue Fund – Refuse/Recycling	\$ 917	
Special Revenue Fund – Aquatic Center	2,200	
Total Nonspendable	<u>\$ 3,117</u>	
Restricted:		
Special Revenue Fund – Community Development Authority – TIF District #2	\$ 251,253	
Debt service		
Committed:		
Special Revenue Fund – Civic and Social	\$ 5,736	
Special Revenue Fund – Park and Recreation	2,000	
Total Committed	<u>\$ 7,736</u>	
Assigned:		
Special Revenue Fund – Aquatic Center	\$ 74,088	
Special Revenue Fund – Refuse/Recycling	32,549	
Special Revenue Fund – Civic and Social	9,636	
Special Revenue Fund – Park and Recreation	23,647	
Special Revenue Fund – TIF District #2	92,043	
Special Revenue Fund – CDA - TIF District #2	4,938	
Special Revenue Fund – Room Tax	106,969	
Total Assigned	<u>\$ 343,870</u>	

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

J. BUSINESS-TYPE ACTIVITIES NET POSITION

The following calculation supports the enterprise fund net investment in capital assets:

	Water Utility	Sewer Utility	Stormwater Utility	Total
Plant in Service	\$ 30,837,506	\$ 31,992,772	\$ 17,642,970	\$ 80,473,248
Accumulated Depreciation	(10,191,650)	(13,613,405)	(6,481,409)	(30,286,464)
Construction in Progress	425,318	248,386	-	673,704
Sub-Total	21,071,174	18,627,753	11,161,561	50,860,488
Less: Capital Related Debt				
Current portion of capital related long-term debt	406,917	506,577	195,000	1,108,494
Long-term portion of capital related long-term debt	2,600,057	974,870	1,505,000	5,079,927
Unamortized loss on refunding	(6,974)	(22,936)	(15,220)	(45,130)
Unamortized discounts on bonds	-	(2,742)	-	(2,742)
Sub-Total	3,000,000	1,455,769	1,684,780	6,140,549
Add: Unspent Debt Proceeds				
Unspent debt proceeds	220,709	485,271	-	705,980
Reserve from borrowing	202,118	374,760	189,000	765,878
Reserve from revenue bond construction account	-	405,336	-	405,336
Sub-Total	422,827	1,265,367	189,000	1,877,194
Total Net Investment in Capital Assets	\$ 18,494,001	\$ 18,437,351	\$ 9,665,781	\$ 46,597,133

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE V – OTHER INFORMATION

A. WISCONSIN RETIREMENT SYSTEM PENSION PLAN

Summary of Significant Accounting Policies

Pensions. For purposes of measuring the net pension liability(asset), deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the Pension Plan

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

ETF issues a standalone Comprehensive Annual Financial Report (CAFR), which can be found at <http://etf.wi.gov/publications/cafr.htm>

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

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

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

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

The WRS also provides death and disability benefits for employees.

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VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE V – OTHER INFORMATION

A. WISCONSIN RETIREMENT SYSTEM PENSION PLAN (cont.)

General Information about the Pension Plan (cont.)

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

During the reporting period, the WRS recognized \$95,151 in contributions from the Village and \$44,040 from the Utilities.

Contributions rates as of December 31, 2019 are:

	Employee	Employer
General (including executives and elected officials)	6.70%	6.70%
Protective with Social Security	6.70%	10.70%
Protective without Social Security	6.70%	14.9%

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

Year	Core Fund Adjustment	Variable Fund Adjustment
2008	6.60%	0.00%
2009	-2.10%	-42.00%
2010	-1.30%	22.00%
2011	-1.20%	11.00%
2012	-7.00%	-7.00%
2013	-9.60%	9.00%
2014	4.70%	25.00%
2015	2.90%	2.00%
2016	.50%	-5.00%
2017	2.00%	4.00%
2018	2.40%	17.00%

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

At December 31, 2019, the Village reported a liability of \$328,136 for its proportionate share of the net pension liability. The Utilities reported a liability of \$151,963. Total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Employer's proportion of the net pension liability was based on its share of contributions to the pension plan relative to the contributions of all participating employers.

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VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE V – OTHER INFORMATION

A. WISCONSIN RETIREMENT SYSTEM PENSION PLAN (cont.)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (cont.)

At December 31, 2018, the Employer's proportion was .01349470%, which was a decrease of .00073951% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the Village recognized pension expense of \$239,392. The Utilities recognized pension expense of \$110,800.

At December 31, 2019, the Village and Utility reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 373,924	\$ 660,964
Changes in Assumptions	80,927	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	701,151	-
Change in Proportion and Differences Between Contributions and Disproportionate share of Contributions	37,191	-
Contributions Subsequent to the Measurement Date	140,757	-
Total	<u>\$1,333,950</u>	<u>\$ 660,964</u>

\$96,221 reported as deferred outflows of resources related to pensions resulting from Village contributions and \$44,536 reported as deferred outflows of resources related to pensions resulting from Utilities' contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2020. Other amounts reported related to the Village reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31	Deferred Outflows of Resources	Deferred Inflows of Resources
2020	\$477,889	\$341,358
2021	313,753	275,106
2022	302,118	246,270
2023	219,423	86,617
Thereafter	-	-

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE V – OTHER INFORMATION

A. WISCONSIN RETIREMENT SYSTEM PENSION PLAN (cont.)

Other amounts reported related to the Utilities reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31	Deferred Outflows of Resources	Deferred Inflows of Resources
2020	\$ 221,188	\$157,995
2021	145,219	127,331
2022	139,833	113,986
2023	101,559	40,090
Thereafter	-	-

Actuarial assumptions. The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2017
Measurement Date of Net Pension Liability (Asset):	December 31, 2018
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	7.0%
Discount Rate:	7.0%
Salary Increases:	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table
Post-retirement Adjustments*:	1.9%

* No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.9% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. Based on this experience study, actuarial assumptions used to measure the Total Pension Liability changed from prior year, including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, mortality and separation rates. The Total Pension Liability for December 31, 2019 is based upon a roll-forward of the liability calculated from the December 31, 2017 actuarial valuation.

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

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE V – OTHER INFORMATION

A. WISCONSIN RETIREMENT SYSTEM PENSION PLAN (cont.)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (cont.)

Core Fund Asset Class:	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Global Equities	49.0%	8.1%	5.5%
Fixed Income	24.5%	4%	1.5%
Inflation Sensitive Assets	15.5%	3.8%	1.3%
Real Estate	9.0%	6.5%	3.9%
Private Equity/Debt	8.0%	9.4%	6.7%
Multi-Asset	4.0%	6.7%	4.1%
Total Core Fund	110.0%	7.3%	4.7%
Variable Fund Asset Class:			
U.S. Equities	70.0%	7.6%	5.0%
International Equities	30.0%	8.5%	5.9%
Total Variable Fund	100.0%	8.0%	5.4%

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.5%
Asset Allocations are managed within established ranges, target percentages may differ from actual monthly allocations

Single Discount Rate. A single discount rate of 7.00% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.00% and a long-term bond rate of 3.71%. Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Employer's proportionate share of the net pension liability (asset) to changes in the discount rate. The following presents the Village and Utilities' proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00%, as well as what the Village and Utilities' proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Village's Proportionate Share of the Net Pension Liability (Asset)	\$1,304,284	\$328,136	\$ (397,601)
Utilities' Proportionate Share of the Net Pension Liability (Asset)	\$603,680	\$151,963	\$ (184,028)

Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <http://ef.wi.gov/publications/cafr.htm>.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE V – OTHER INFORMATION (cont.)

A. WISCONSIN RETIREMENT SYSTEM PENSION PLAN (cont.)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (cont.)

Payables to the Pension Plan

At December 31, 2019 the Village reported payables to WRS of \$25,177 for the outstanding amount of contributions to the pension plan for the year ended December 31, 2019.

B. OTHER POSTEMPLOYMENT BENEFITS

General Information about the Local Retiree Life Insurance Fund

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

OPEB Plan Fiduciary Net Position. ETF issues a standalone Comprehensive Annual Financial Report (CAFR), which can be found at <http://ef.wi.gov/publications/cafr.htm>

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

Contributions.

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

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

Contribution rates as of December 31, 2019 are:

Coverage Type	Employer Contribution
50% Post Retirement Coverage	40% of employee contribution
25% Post Retirement Coverage	20% of employee contribution

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE V – OTHER INFORMATION (cont.)

B. OTHER POSTEMPLOYMENT BENEFITS (cont.)

General Information about the Local Retiree Life Insurance Fund (cont.)

Employee contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating employees must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The employee contribution rates in effect for the year ended December 31, 2019 are as listed below:

Life Insurance Employee Contribution Rates*
For the year ended December 31, 2019

Attained Age	Basic	Supplemental
Under 30	\$.05	\$.05
30-34	.06	.06
35-39	.07	.07
40-44	.08	.08
45-49	.12	.12
50-54	.22	.22
55-59	.39	.39
60-64	.49	.49
65-69	.57	.57
* Disabled members under age 70 receive a waiver of premium benefit.		

During the reporting period, the LRLIF recognized \$734 in contributions from the employer, \$501 from the Village contributions, \$233 in Utility contributions.

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

At December 31, 2019, the Village reported a liability of \$67,158 for its proportionate share of the net OPEB liability and the Utility reported a liability of \$31,155. The net OPEB liability was measured as of December 31, 2018, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net OPEB liability (asset) was based on the employer's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2018, Employer's proportion was .03810100%, which was a decrease of .00072% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the Village recognized OPEB expense of \$7,248 and the Utilities recognized \$3,362.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE V – OTHER INFORMATION (cont.)

B. OTHER POSTEMPLOYMENT BENEFITS (cont.)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs (cont.)

At December 31, 2019, the Village and Utility reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 4,988
Changes in assumptions	9,381	21,310
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	2,350	-
Changes in Proportion and Differences Between Contributions and Proportionate share of Contributions	6,186	1,688
Contributions Subsequent to the Measurement Date	4,785	-
Total	<u>\$ 22,702</u>	<u>\$ 27,986</u>

\$4,785 reported as deferred outflows related to OPEB resulting from the LRLIF Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ended December 31, 2019. Other amounts related to the Village reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended December 31	Deferred Outflows of Resources	Deferred Inflows of Resources
2020	\$ 2,380	\$ 3,126
2021	2,380	3,126
2022	2,380	3,126
2023	2,154	3,126
Thereafter	2,946	6,614

Other amounts related to the Utilities reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended December 31	Deferred Outflows of Resources	Deferred Inflows of Resources
2020	\$ 1,104	\$ 1,450
2021	1,104	1,450
2022	1,104	1,450
2023	1,000	1,450
Thereafter	1,365	3,068

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE V – OTHER INFORMATION (cont.)

B. OTHER POSTEMPLOYMENT BENEFITS (cont.)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs (cont.)

Actuarial assumptions. The total OPEB liability in the January 1, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	January 1, 2018
Measurement Date of Net OPEB Liability (Asset)	December 31, 2018
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield:	4.10%
Long-Term Expected Rate of Return:	5.00%
Discount Rate:	4.22%
Salary Increases:	3.00%
Inflation:	0.1% - 5.6%
Seniority/Merit:	Wisconsin 2018 Mortality Table
Mortality:	

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. Based on this experience study, actuarial assumptions used to measure the Total OPEB Liability changed from prior year, including the discount rate, wage inflation rate, mortality and separation rates. The Total OPEB Liability for December 31, 2018 is based upon a roll-forward of the liability calculated from the December 31, 2017 actuarial valuation.

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

Local OPEB Life Insurance Asset Allocation Targets and Expected Returns As of December 31, 2018			
Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return
US Government Bonds	Barclays Government	1%	1.44%
US Credit Bonds	Barclays Credit	40%	2.69%
US Long Credit Bonds	Barclays Long Credit	4%	3.01%
US Mortgages	Barclays MBS	54%	2.25%
US Municipal Bonds	Bloomberg Barclays Muni	1%	1.68%
Inflation			2.30%
Long-Term Expected Rate of Return			5.00%

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE V – OTHER INFORMATION (cont.)

B. OTHER POSTEMPLOYMENT BENEFITS (cont.)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs (cont.)

Single Discount rate. A single discount rate of 4.22% was used to measure the total OPEB liability for the current year, as opposed to a discount rate of 3.63% for the prior year. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

Sensitivity of the Village and Utilities' proportionate share of the net OPEB liability to changes in the discount rate. The following presents the Village and Utilities' proportionate share of the net OPEB liability calculated using the discount rate of 4.22 percent, as well as what the Village and Utilities' proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.22 percent) or 1-percentage-point higher (5.22 percent) than the current rate:

	1% Decrease to Discount Rate (3.22%)	Current Discount Rate (4.22%)	1% Increase to Discount Rate (5.22%)
Village's Proportionate Share of the Net OPEB Liability	\$95,536	\$67,158	\$45,270
Utilities' Proportionate Share of the Net OPEB Liability	\$44,321	\$31,155	\$21,002

OPEB plan fiduciary net position. Detailed information about the OPEB plan's fiduciary net position is available in separately issued financial statements available at <http://ef.wi.gov/publications/catr.htm>

C. RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. The Village purchases commercial insurance to provide coverage for losses from theft of, and damage to, or destruction of assets, and for torts, errors and omissions, workers compensation, general liability coverage, and health. Settled claims have not exceeded commercial coverage in any of the three preceding years. There were no significant reductions in coverage compared to the prior year. Other risks, such as dental coverage of its employees are accounted for and financed by the Village in an internal service fund – the fringe benefits fund. The Village's self-insured dental insurance program began in November 2002.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE V – OTHER INFORMATION (cont.)

D. COMMITMENTS AND CONTINGENCIES

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

Occasionally, the Village will borrow funds for the purpose of making various capital improvements. These monies, as well as other revenue sources, are reflected in the Capital Projects Funds and Enterprise Funds. Work that has been completed but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures (in the capital projects funds). The balance of contract amounts plus open purchase orders is classified as a committed fund balance at year-end from which committed resources are used to liquidate the encumbrance.

Funding for the operating budget of the Village comes from many sources, including property taxes, grants and aids from other units of government, user fees, fines and permits, and other miscellaneous revenues. The State of Wisconsin provides a variety of aid and grant programs which benefit the Village. Those aid and grant programs are dependent on continued approval and funding by the Wisconsin governor and legislature, through their budget processes. The State of Wisconsin is currently experiencing budget problems, and is considering numerous alternatives including reducing aid to local governments. Any changes made by the State to funding or eligibility of local aid programs could have a significant impact on the future operating results of the Village.

The Town of Weston, now Village of Weston Landfill, was closed in 1986. State and federal laws and regulations require that the Village of Weston perform certain maintenance and monitoring functions at the landfill site. During 1993, the State of Wisconsin Department of Natural Resources issued a conditional approval modifying the landfill closure plan. In 1994, the Town began work on the modified closure, which involves the installation of a composite cap over the landfill with an active gas extraction system within the landfill. The new cover and extraction system were completed in 1995. However, it is anticipated that the Town/Village will be faced with additional clean-up and long-term monitoring costs in the future due to changes in technology and changes in laws and regulations. The future costs of these possible changes are unknown at the present time.

E. LITIGATION

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

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE V – OTHER INFORMATION (cont.)

F. JOINT VENTURES

Everest Metro Public Safety

The Everest Metro Police Department (EMPD) began on October 4, 1993, as a joint venture between the Village of Weston, Town of Weston, and City of Schofield. The communities have also joined together to form the Everest Metro Municipal Court (EMMC). The two departments operate under Everest Metro Public Safety (EMPS). Each municipality pays a proportionate share of the costs for police services and municipal court costs. The police department's current cost proration for 2019 is for the Village of Weston to pay 77.83%, the Town of Weston to pay 3.42%, and the City of Schofield to pay 18.75% of the actual expenditures. The municipal court's current cost proration for 2019 is for the Village of Weston to pay 67.50%, the Town of Weston to pay 2.88%, and the City of Schofield to pay 29.62%. The 2019 difference may be allocated to the municipalities at the same proration in the next year.

Everest Metro Public Safety is overseen by a seven-member finance committee made up of three Village of Weston officials, three City of Schofield officials, and one Town of Weston official. The finance committee approves a budget and controls all financial aspects of the department. A separate seven-member administrative committee (Police Commission) is appointed to control management and policy of the police department.

The Village contributed \$2,617,693 in 2019 for the operations of the EMPD and \$57,226 for EMMC. The Village accounts for its costs of the operation in the general fund and has an equity interest in the organization equal to its percentage share of participation. The EMPS issues separate financial statements available at the Village municipal center offices. A copy of the annual financial statements may be obtained by writing to the Village of Weston, 5500 Schofield Avenue, Weston, WI 54476.

Summarized information for EMPS's year ending December 31, 2019, which are the most recently audited financial statements, is as follows:

Assets		
Current assets	\$1,118,897	
Capital assets, net of depreciation	235,494	
Total assets	<u>\$1,354,391</u>	
Deferred Outflows of Resources		
Proportionate share of WRS pension plan	\$1,741,657	
Pension contributions for subsequent year	229,603	
Proportionate share of other postemployment benefit	10,232	
Other postemployment benefit contributions for subsequent year	3,038	
Total deferred outflows of resources	<u>\$1,984,530</u>	
Liabilities		
Current liabilities	\$ 266,766	
Net pension liability	721,855	
Net postemployment benefit liability	66,413	
Noncurrent portion of long-term obligations	98,301	
Total liabilities	<u>\$1,153,335</u>	
Deferred Inflows of Resources		
Proportionate share of WRS pension plan	\$999,477	
Other postemployment related amounts	17,796	
Total deferred inflows of resources	<u>\$1,017,273</u>	
Net Position		
Net investment in capital assets	\$ 235,494	
Restricted for postemployment benefits	249,928	
Unrestricted	<u>682,891</u>	
Total net position	<u>\$1,168,313</u>	

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE V – OTHER INFORMATION (cont.)

F. JOINT VENTURES (cont.) *Everest Metro Public Safety (cont.)*

Revenue	
Received from Village of Weston	\$2,674,919
Received from City of Schofield	655,673
Received from Town of Weston	117,442
Other revenue	<u>342,274</u>
Total revenue	3,790,308
Expenses	
	<u>3,990,609</u>
Change in net position	<u>\$(200,301)</u>

The financial and payroll administration of the EMPS is performed by the employees of the Village of Weston. In 2019, the EMPD paid the Village \$35,000 for administrative services.

South Area Fire & Emergency Response District

The South Area Fire & Emergency Response District (SAFER) began on January 1, 2014, as a joint venture between the Village of Weston and the Town of Rib Mountain. Each municipality pays a proportionate share of the costs for the services of the SAFER District. The current proration of costs for 2019 is for the Village of Weston to pay 67.84% and the Town of Rib Mountain to pay 32.16% of the SAFER budget. The department is overseen by a five-member Board of Directors (the Board) made up of the Rib Mountain Town Board Chairperson or his/her designee, the Village of Weston President or his/her designee, one community representative from the Village, one community representative from the Town, and a resident of the areas served by SAFER. The Board approves a budget and controls all financial aspects of the department. A separate five-member administrative committee (Commission) is appointed to control management and policy of the department.

The Village contributed \$831,176 in 2019 for the operations and \$480,710 for capital equipment of SAFER. The Village accounts for its costs of the operation in the general fund and has an equity interest in the organization equal to its percentage share of participation.

SAFER issues separate financial statements available at the Village municipal center offices. A copy of the annual financial statements may be obtained by writing to the Village of Weston, 5500 Schofield Avenue, Weston, WI 54476.

Summarized information for SAFER's year ending December 31, 2019, which are the most recently audited financial statements, is as follows:

Assets	
Current assets	\$ 375,081
Capital assets, net of depreciation	<u>2,039,606</u>
Total assets	<u>\$2,414,687</u>
Deferred Outflows of Resources	
WRS pension plan	\$1,422,827
Other postemployment benefit	<u>5,275</u>
Total deferred outflows of resources	<u>\$1,428,102</u>
Liabilities	
Current liabilities	\$ 939,115
Noncurrent portion of long-term obligations	<u>515,985</u>
Total liabilities	<u>\$1,455,100</u>

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE V – OTHER INFORMATION (cont.)

F. JOINT VENTURES (cont.) *South Area Fire & Emergency Response District (cont.)*

Deferred Inflows of Resources	
WRS pension plan	\$1,020,551
Other postemployment benefit	<u>6,929</u>
Total deferred inflows of resources	<u>\$1,027,480</u>
Net Position	
Net investment in capital assets	\$1,812,185
Unrestricted	<u>(451,976)</u>
Total net position	<u>\$1,360,209</u>
Revenue	
Received from Village of Weston	\$1,311,886
Received from Town of Rib Mountain	556,462
Received from other municipalities	196,675
Other revenue	<u>1,229,669</u>
Total revenue	3,294,692
Expenses	
	<u>2,991,898</u>
Change in net position	\$ 302,794
Prior period adjustment	<u>(673,594)</u>
Total change in net position	<u>\$(370,800)</u>

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS December 31, 2019

NOTE V – OTHER INFORMATION (cont.)

G. SUBSEQUENT EVENTS

The Village of Weston's operations may be affected by the recent outbreak of COVID-19 which was declared as a pandemic. The ultimate disruption which may be caused by the outbreak is uncertain and the related financial impact and duration cannot be reasonably estimated.

H. CREATION OF COMMUNITY DEVELOPMENT AUTHORITY AND LEASE COMMITMENTS

During 2002, the Community Development Authority of the Village of Weston was formed for the purpose of providing public benefits, including the elimination of blight, clearance of undesirable conditions, and the creation of urban renewal and community development programs. The Village is in turn leasing the same land from the Community Development Authority with rental payments being equal to the annual amount of principal and interest due on the borrowing. It is anticipated that over the life of the revenue bonds, the tax increments generated from Tax Incremental Financing (TIF) District #1 and District #2 will be used to repay the revenue bonds and reduce future rental payments due from the Village. The lease expires in 2031 for TIF District #1 and in 2025 for TIF District #2. The future minimum lease payments under this lease are as follows:

Years	TIF #1 District	TIF #2 District	Grand Total
2020	\$1,541,847	\$247,186	\$1,789,032
2021	1,539,673	157,712	1,697,385
2022	1,541,112	156,837	1,697,949
2023	1,540,463	160,663	1,701,126
2024	1,542,663	159,013	1,701,676
2025-2029	7,787,555	157,125	7,944,680
2030-2031	<u>4,688,957</u>	<u>-</u>	<u>4,688,957</u>
Total	<u>\$20,182,270</u>	<u>\$1,038,535</u>	<u>\$21,220,805</u>

The rental expense for the year ended December 31, 2019, was \$1,547,738 for TIF District #1 and \$246,080 for TIF District #2.

I. CHANGE IN ACCOUNTING PRINCIPLE

The change in accounting principles adjustment of \$9,530,587 on the statement of changes in fiduciary net position - fiduciary funds, is due to the adoption of GASB Statement No. 84, *Fiduciary Activities*.

VILLAGE OF WESTON

REQUIRED SUPPLEMENTARY INFORMATION NET PENSION LIABILITY (ASSET) SCHEDULE OF EMPLOYER CONTRIBUTIONS For the Year Ended December 31, 2019

Year	Required Contributions	Contributions Made	Contribution Deficiency (Excess)	Total Payroll	Contributions as a percentage of Payroll
2014	\$ 147,360	\$ 147,360	\$ -	\$2,005,535	7.35%
2015	152,227	152,227	-	2,107,841	7.22%
2016	128,060	128,060	-	1,940,306	6.60%
2017	136,773	136,773	-	2,011,378	6.80%
2018	131,191	131,191	-	2,077,488	6.31%

VILLAGE OF WESTON

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF EMPLOYER PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET) For the Year Ended December 31, 2019

Fiscal Year Ending	Proportion of Net Pension Liability (Asset)	Beginning Balance of Net Pension Liability (Asset)	Ending Balance of Net Pension Liability (Asset)	Total Payroll	Ending Net Pension Liability (Asset) as a Percentage of Payroll	Plan Fiduciary Net Position as a Percentage of Total Pension Liability (Asset)
2014	0.01751844%	\$ (761,241)	\$ (430,301)	\$ 2,005,535	21.46%	102.74%
2015	0.01646147%	(430,301)	267,495	2,107,841	12.69%	98.20%
2016	0.01474695%	267,495	121,550	1,940,306	6.26%	99.12%
2017	0.01423421%	121,550	(422,630)	2,011,378	21.01%	102.93%
2018	1.34947000%	(422,630)	480,099	2,077,188	23.11%	96.45%

NOTE A - GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT NOS. 68 AND 71

The Village of Weston implemented GASB Statement No. 68 *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - An Amendment to GASB Statement No. 68* for the fiscal year ended December 31, 2015. Information for prior years is not available.

NOTE B - WISCONSIN RETIREMENT SYSTEM

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

Actuarial assumptions are based upon an experience study conducted in 2018 using experience from 2015 - 2017. Based on the experience study conducted in 2018, actuarial assumptions used to develop Total Pension Liability changed, including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, mortality and separation rates.

VILLAGE OF WESTON

REQUIRED SUPPLEMENTARY INFORMATION NET OPEB LIABILITY (ASSET) SCHEDULE OF EMPLOYER CONTRIBUTIONS For the Year Ended December 31, 2019

Year	Required Contributions	Contributions Made	Contribution Deficiency (Excess)	Total Payroll	Contributions as a percentage of Payroll
2017	\$ 737	\$ 737	\$ -	\$1,632,534	0.05%
2018	734	734	-	1,858,000	0.04%

VILLAGE OF WESTON

REQUIRED SUPPLEMENTARY INFORMATION NET OPEB LIABILITY (ASSET) SCHEDULE OF EMPLOYER PROPORTIONATE SHARE OF NET OPEB LIABILITY (ASSET) For the Year Ended December 31, 2019

Fiscal Year Ending	Proportion of Net OPEB Liability (Asset)	Beginning Balance of Net OPEB Liability (Asset)	Ending Balance of Net OPEB Liability (Asset)	Total Payroll	Ending Net OPEB Liability (Asset) as a Percentage of Payroll	Plan Fiduciary Net Position as a Percentage of Total OPEB Liability (Asset)
12/31/2017	0.03882100%	\$ 85,830	\$ 116,796	\$ 1,632,534	7.15%	44.81%
12/31/2018	0.03810100%	116,796	98,313	1,858,000	5.29%	48.69%

NOTE A - GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT NO. 75

The Village of Weston implemented GASB Statement No. 75 for the year ended December 31, 2018. Requirements have been implemented prospectively; therefore, the above illustrations do not reflect similar information for the 6 preceding years.

NOTE B - LOCAL RETIREE LIFE INSURANCE FUND

Changes of benefits. There were no changes of benefit terms for any participating employer in the local retiree life insurance fund.

Changes of assumptions. Actuarial assumptions are based upon an experience study conducted in 2018 using experience from 2015 – 2017. Based on the experience study conducted in 2018, actuarial assumptions used to develop Total OPEB Liability changed, including the discount rate, wage inflation rate, and mortality and separation rates.

MAJOR GOVERNMENTAL FUNDS AND BUDGETARY COMPARISONS

GENERAL FUND

The General Fund is the general operating fund of the Village. This fund accounts for the financial resources of the Village that are not accounted for in any other fund. Principal sources of revenue are property taxes, state transportation aids, and state shared revenues. Primary expenditures are for police protection, fire protection, public works, maintenance of parks, and general administration.

VILLAGE OF WESTON

GENERAL FUND SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL - For the Year Ended December 31, 2019

REVENUES	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
TAXES				
General property taxes	\$4,598,123	\$4,598,123	\$4,597,581	\$ (542)
Mobile home taxes	38,000	38,000	52,415	14,415
Other tax revenue	2,140	2,140	7,222	5,082
Utility tax - Village of Rothschild	93,998	93,998	113,299	19,301
Total Taxes	4,732,261	4,732,261	4,770,517	38,256
INTERGOVERNMENTAL REVENUES				
State shared revenues	1,044,878	1,044,878	1,061,045	16,167
Highway maintenance aids	537,319	537,319	537,319	-
Fire insurance tax	45,000	45,000	49,530	4,530
Other state and federal grants	78,995	78,995	78,784	(211)
Total Intergovernmental Revenues	1,706,192	1,706,192	1,726,678	20,486
LICENSES AND PERMITS				
Licenses				
Liquor and malt beverage	22,000	22,000	26,831	4,831
Cable franchise	173,000	173,000	165,417	(7,583)
Operators/amusement	17,000	17,000	18,765	1,765
Cigarette	1,100	1,100	1,400	300
Sundry	6,195	6,195	9,794	3,599
Pets - dogs and cats	19,950	19,950	19,095	(855)
Permits				
Building & electrical	126,175	126,175	123,043	(3,132)
Zoning	5,600	5,600	6,075	475
Road excavation	1,600	1,600	11,934	10,334
Sundry	1,000	1,000	550	(450)
Total Licenses and Permits	373,620	373,620	382,904	9,284
FINES AND FORFEITURES	96,200	96,200	106,750	10,550
SPECIAL ASSESSMENTS	\$ 5,500	\$ 5,500	\$ 6,060	\$ 560

VILLAGE OF WESTON
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (cont.)
- BUDGET AND ACTUAL -
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget Positive (Negative)
CHARGES FOR SERVICES				
General government	\$ 8,250	\$ 8,250	\$ 5,622	\$ (2,628)
Police	35,000	35,000	35,000	-
Ambulance/EMS	-	-	654	654
Inspection services	-	-	10,998	10,998
Highways and streets	39,100	43,100	82,112	39,012
Rental of village property	4,650	4,650	5,839	1,189
Park and recreation	7,050	7,050	13,607	6,557
Economic development	100	100	-	(100)
Total Charges for Services	94,150	98,150	153,832	55,682
INVESTMENT EARNINGS AND MISCELLANEOUS				
Investment earnings	42,000	75,000	142,115	67,115
Insurance recoveries	-	-	20,267	20,267
Miscellaneous general revenues	27,800	27,800	61,077	33,277
Total Investment Earnings and Miscellaneous	69,800	102,800	223,459	120,659
Total Revenues	7,077,723	7,114,723	7,370,200	255,477
OTHER FINANCING SOURCES				
Transfers from				
Water utility fund - payment in lieu of taxes	470,000	470,000	464,896	(5,104)
Sewer utility fund - payment in lieu of taxes	-	-	15,657	15,657
Transfer from other funds	-	-	3,996	3,996
Total Transfers	470,000	470,000	484,549	14,549
Total Other Financing Sources	470,000	470,000	484,549	14,549
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$7,547,723	\$7,584,723	\$7,854,749	\$ 270,026

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VILLAGE OF WESTON
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
- BUDGET AND ACTUAL -
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget Positive (Negative)
EXPENDITURES				
GENERAL GOVERNMENT				
Village board	\$ 40,703	\$ 40,703	\$ 38,088	\$ 2,615
Village municipality dues/memberships	7,930	7,930	5,894	2,036
Administrator	76,422	76,422	56,302	20,120
Clerk's office	323,778	321,370	288,152	33,218
Personnel/human resources	13,200	13,200	6,512	6,688
Elections	16,269	16,399	17,818	(1,419)
Municipal court	57,226	57,226	57,226	-
Village attorney	40,000	40,000	37,667	2,333
Village assessor	31,533	31,533	30,089	1,444
Finance/audit and budget	179,776	164,900	145,779	19,121
Tax collection	16,356	16,638	14,392	2,246
Risk management/insurance	93,600	93,600	73,762	19,838
Data processing/central services	134,218	134,218	123,156	11,062
Information technology	60,302	61,597	59,047	2,550
Board of review	400	400	117	283
Finance committee	1,597	1,597	1,090	507
Personnel committee	1,567	1,567	947	620
Municipal building	57,107	57,107	45,394	11,713
Tax refunds/Bad Debt	2,000	2,000	19,047	(17,047)
Newsletter	18,500	18,500	18,125	375
Capital outlay - General Government	47,000	97,000	119,026	(22,026)
Total General Government	1,219,484	1,253,907	1,157,630	96,277
PUBLIC SAFETY				
Police department	2,617,693	2,617,693	2,617,693	-
Administration/operations				
Fire department	831,175	831,175	831,176	(1)
SAFER District	7,250	7,250	6,487	(1,237)
Public safety building maintenance	1,998	1,998	172	1,826
Public safety committee	2,300	2,300	1,787	513
Public safety warning sirens	200,418	209,259	190,048	19,211
Building inspections	3,400	3,400	3,200	200
Weights and measures				
Total Public Safety	3,664,234	3,673,075	3,652,563	20,512

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GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES (cont.)
- BUDGET AND ACTUAL -
For the Year Ended December 31, 2019

	Budgeted Amounts		Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)
PUBLIC WORKS				
Administration	\$ 19,626	20,035	\$ 13,404	\$ 6,631
Engineering	29,136	29,758	28,562	1,196
Road and street maintenance	1,241,765	1,217,304	1,073,969	143,335
Street irrigation maintenance	38,181	38,428	19,148	19,280
Snow and ice control	395,962	469,164	547,169	(78,005)
Street lighting	195,000	195,000	203,146	(8,146)
Traffic control	32,500	32,500	40,215	(7,715)
Mowing	20,859	32,022	31,506	516
Public infrastructure committee	607	623	391	232
Capital outlay - Public Works	7,500	7,500	-	7,500
Total Public Works	1,981,136	2,042,334	1,957,510	84,824
HEALTH AND HUMAN SERVICES				
County humane animal shelter	15,275	15,275	12,304	2,971
PARKS, RECREATION, AND EDUCATION				
Administration	249,857	255,276	260,498	(5,222)
Park maintenance	133,498	136,298	89,627	45,671
Ice rinks	7,492	7,492	4,342	3,150
Parks and recreation committee	1,490	1,490	1,002	488
Total Parks, Recreation, and Education	392,337	399,556	355,469	44,087
COMMUNITY DEVELOPMENT				
Administration	180,047	189,617	186,007	3,610
Planning commission	6,713	6,713	5,141	1,572
Board of appeals	2,387	2,387	38	2,349
Extrateritorial limits committee	1,701	1,701	620	1,081
Smart growth/Land use	13,400	13,400	5,370	8,030
Total Community Development	204,248	213,818	197,176	16,642

VILLAGE OF WESTON
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES (cont.)
- BUDGET AND ACTUAL -
For the Year Ended December 31, 2019

	Budgeted Amounts		Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)
OTHER				
Contingency reserve	\$ 84,251	\$ -	\$ -	\$ -
Total Expenditures	7,560,965	7,597,965	7,332,652	265,313
OTHER FINANCING USES				
Transfers To				
Debt service	3,328	3,328	3,328	-
Refuse / recycling	29,430	29,430	27,165	2,265
Total Other Financing Uses	32,758	32,758	30,493	2,265
TOTAL EXPENDITURES AND OTHER FINANCING USES	\$7,593,723	\$7,630,723	\$7,363,145	\$ 267,578

MAJOR GOVERNMENTAL FUNDS AND BUDGETARY COMPARISONS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds from specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

Included in the Major Governmental Funds are:

TAX INCREMENTAL FINANCING (TIF) DISTRICT #1

To account for the receipt of district "incremental" property taxes and other revenues and the corresponding program expenditures for Tax Incremental Financing District #1. This district includes the Weston Business/Technology Park and the Putnam Corporate Park Development. The district was created in 1998.

COMMUNITY DEVELOPMENT AUTHORITY (CDA) – TIF DISTRICT #1

To account for the receipt of Community Development Authority (CDA) Lease Revenue Bond proceeds issued by the CDA on the behalf of the Village of Weston. These proceeds are then transferred out to the Tax Incremental Financing (TIF) District #1 – Capital Projects Fund. This fund also accounts for the lease payments received by the CDA from the Village. Corresponding program expenditures and bond issuance costs are recorded in this fund.

VILLAGE OF WESTON

TIF DISTRICT #1 - SPECIAL REVENUE FUND (MAJOR FUND)
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Taxes	\$ 5,400,000	\$ 5,400,000	\$ 5,363,999	\$ (36,001)
Intergovernmental	62,716	62,716	107,582	44,866
Investment earnings and miscellaneous	-	-	55,962	55,962
Total Revenues	5,462,716	5,462,716	5,527,543	64,827
EXPENDITURES				
Current				
General government	-	-	426	(426)
Community development	1,836,557	1,836,557	1,770,807	65,750
Debt service	150,000	150,000	124,170	25,830
Principal retirement	-	-	27,531	(27,531)
Interest and fiscal charges	1,966,557	1,966,557	1,922,934	63,623
Total Expenditures	3,476,159	3,476,159	3,604,609	128,450
Excess of revenues over expenditures				
OTHER FINANCING SOURCES (USES)				
Transfers in	-	394	-	(394)
Transfers out	(1,101,897)	(1,101,897)	(1,103,904)	(2,007)
Total Other Financing Sources (Uses)	(1,101,897)	(1,101,503)	(1,103,904)	(2,407)
Net Change in Fund Balance	2,374,262	2,374,656	2,500,705	126,049
FUND BALANCE - Beginning	1,362,495	1,362,495	1,362,495	-
FUND BALANCE - Ending	\$ 3,736,757	\$ 3,737,151	\$ 3,863,200	\$ 126,049

VILLAGE OF WESTON

COMMUNITY DEVELOPMENT AUTHORITY-TIF DISTRICT #1 - SPECIAL REVENUE FUND (MAJOR FUND)
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 1,547,738	\$ 1,547,738	\$ 1,547,738	\$ -
Investment earnings and miscellaneous	5,000	5,000	73,839	68,839
Total Revenues	1,552,738	1,552,738	1,621,577	68,839
EXPENDITURES				
Current				
Community development	3,256	3,256	4,045	(789)
Debt service				
Interest and fiscal charges	1,350	1,350	612	738
Total Expenditures	4,606	4,606	4,657	(51)
Excess of revenues over expenditures	1,548,132	1,548,132	1,616,920	68,788
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	4,045	4,045
Transfers out	(1,548,132)	(1,548,132)	(1,547,738)	394
Total Other Financing Sources (Uses)	(1,548,132)	(1,548,132)	(1,543,693)	4,439
Net Change in Fund Balance	-	-	73,227	73,227
FUND BALANCE - Beginning	1,592,440	1,592,440	1,592,440	-
FUND BALANCE - Ending	\$ 1,592,440	\$ 1,592,440	\$ 1,665,667	\$ 73,227

SUPPLEMENTARY INFORMATION

MAJOR GOVERNMENTAL FUNDS AND
BUDGETARY COMPARISONS

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources used for the payment of general obligation bonds and notes issued by the Village of Weston, payment of revenue bonds for Tax Incremental Financing (TIF) Districts #1 and #2 issued by the Village of Weston, and payment of lease revenue bonds for Tax Incremental Financing (TIF) Districts #1 and #2 issued by the Community Development Authority on behalf of the Village of Weston. Financing for the debt service fund is primarily provided from general property taxes, special assessments, charges for services, and transfers from TIF Districts #1 and #2.

VILLAGE OF WESTON
DEBT SERVICE FUND (MAJOR FUND)
BALANCE SHEET
December 31, 2019

		Debt Service Fund
ASSETS		
CASH AND INVESTMENTS		\$ 132,848
RECEIVABLES		
Taxes		1,277,230
Special assessments		48,180
Total Receivables		1,325,410
TOTAL ASSETS		\$ 1,458,258
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE		
DEFERRED INFLOWS OF RESOURCES		
Succeeding Year's property taxes		\$ 1,277,230
Special assessments		48,180
Total Deferred Inflows of Resources		1,325,410
FUND BALANCE		
Restricted		132,848
Total Fund Balance		132,848
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE		\$ 1,458,258

VILLAGE OF WESTON

DEBT SERVICE FUND (MAJOR FUND) SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ -
Intergovernmental	4,676	4,676	11,326	6,650
Special assessments	47,154	47,154	48,406	1,252
Investment earnings and miscellaneous	7,613	7,613	4,587	(3,026)
Total Revenues	1,309,443	1,309,443	1,314,319	4,876
EXPENDITURES				
Debt service				
Principal retirement	4,669,213	4,773,413	4,553,408	220,005
Interest and fiscal charges	713,316	713,316	713,388	(72)
Bond issuance costs	-	91,554	91,554	-
Total Expenditures	5,382,529	5,578,283	5,358,350	219,933
Deficiency of revenues over expenditures	(4,073,086)	(4,268,840)	(4,044,031)	224,809
OTHER FINANCING SOURCES (USES)				
Bonds/notes issued	1,500,000	1,695,754	1,392,267	(303,487)
Discount/premium on bonds/notes issued	-	-	99,382	99,382
Transfers in	3,068,349	3,068,349	3,168,674	100,325
Total Other Financing Sources (Uses)	4,568,349	4,764,103	4,660,323	(103,780)
Net Change in Fund Balance	495,263	495,263	616,292	121,029
FUND BALANCE (DEFICIT) - Beginning	(483,444)	(483,444)	(483,444)	-
FUND BALANCE - Ending	\$ 11,819	\$ 11,819	\$ 132,648	\$ 121,029

OTHER MAJOR FUNDS

MAJOR GOVERNMENTAL FUNDS AND BUDGETARY COMPARISONS

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities and equipment (other than those financed by proprietary funds and trust funds). Resources are derived from general obligation bond and note issues, revenue bond issues, certain state grants, tax incremental financing district land sales, and other specific receipts.

Included in the Major Governmental Funds are:

CAPITAL IMPROVEMENTS

To account for the construction of new streets, sidewalks, and curb/gutters, and for major improvements to existing streets that are designated in the Village's annual Capital Improvements Program. The primary financial resources of this fund are proceeds of general obligation debt and special assessments assessed to benefited property owners. This fund is also used to account for the financing and acquisition of certain equipment for the Public Works, Parks & Recreation, and Fire Departments as designated in the Village's annual Capital Improvements Program.

VILLAGE OF WESTON CAPITAL IMPROVEMENTS - CAPITAL PROJECTS (MAJOR FUND) SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 93,326	\$ 93,326	\$ 93,326	\$ -
Charges for services	105,000	105,000	100,278	(4,722)
Investment earnings and miscellaneous	-	-	10,563	10,563
Total Revenues	198,326	198,326	204,167	5,841
EXPENDITURES				
Capital improvements	350,293	2,316,208	1,357,591	958,617
Excess (deficiency) of revenues over expenditures	(151,967)	(2,117,882)	(1,153,424)	964,458
OTHER FINANCING SOURCES (USES)				
Bonds/notes issued	315,000	2,670,112	2,459,312	(210,800)
Discount/premium on notes issued	-	227,432	227,432	-
Transfers in	76,647	76,647	101,094	24,447
Transfers out	(190,529)	(190,529)	(290,856)	(100,327)
Sale of village properties	24,500	24,500	28,218	3,718
Total Other Financing Sources (Uses)	225,618	2,808,162	2,525,200	(282,962)
Net Change in Fund Balance	73,651	690,280	1,371,776	681,496
FUND BALANCE (DEFICIT) - Beginning	(89,550)	(89,550)	(89,550)	-
FUND BALANCE (DEFICIT) - Ending	\$ (15,899)	\$ 600,730	\$ 1,282,226	\$ 681,496

NON-MAJOR GOVERNMENTAL FUNDS AND
BUDGETARY COMPARISONS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds from specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

REFUSE/RECYCLING

To account for the receipt of State grants, user fees, and the corresponding program expenditures for the Village's refuse and recycling program.

TAX INCREMENTAL FINANCING (TIF) DISTRICT #2

To account for the receipt of district "incremental" property taxes and other revenues and the corresponding program expenditures for Tax Incremental Financing District #2. This district includes the Schorfeld Avenue Business Corridor Area between STH Business 51 and Birch Street. The district was created in 2004.

COMMUNITY DEVELOPMENT AUTHORITY (CDA) – TIF DISTRICT #2

To account for the receipt of Community Development Authority (CDA) Lease Revenue Bond proceeds issued by the CDA on the behalf of the Village of Weston. These proceeds are then transferred out to the Tax Incremental Financing (TIF) District #2 – Capital Projects Fund. This fund also accounts for the lease payments received by the CDA from the Village. Corresponding program expenditures and bond issuance costs are recorded in this fund.

AQUATIC CENTER

To account for the receipt of program revenues and other revenues and corresponding program expenditures for the Weston Aquatic Center.

ROOM TAXES

To account for the receipt of hotel/motel room taxes and corresponding program expenditures in the areas of recreation, promotion, and tourism.

CIVIC AND SOCIAL

To account for monies received from private donations to finance the future Weston Tri-Centennial Celebration and to provide scholarships to Weston residents (from the Weston Centennial Homecoming Fund) that are D.C. Everest Senior High School graduates and are enrolling in a college curriculum. In addition, the fund keeps track of farmer's market revenue and expenses.

PARK AND RECREATION

To account for monies received from private donations and private developers to finance future parkland acquisitions, specific park/recreation projects, and specific trail system improvements.

NONMAJOR GOVERNMENTAL FUNDS

NON-MAJOR GOVERNMENTAL FUNDS AND BUDGETARY COMPARISONS

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities and equipment (other than those financed by proprietary funds and trust funds). Resources are derived from general obligation bond and note issues, revenue bond issues, certain state grants, tax incremental financing district land sales, and other specific receipts.

Included in the Non-Major Governmental Funds are:

TAX INCREMENTAL FINANCING (TIF) DISTRICT #1

To account for the financing and project costs for public improvement and private development within the area of TIF District #1 as provided for in the Tax District's project plan. The primary financial resources of this fund are proceeds of general obligation and revenue bond debt and TIF land sales. This district includes the Weston Business/Technology Park and the Putnam Corporate Park Development, which includes the St. Clare's Hospital/Marshfield Clinic medical complex. The district was created in 1998.

VILLAGE OF WESTON

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
December 31, 2019

	Special Revenue Funds			
	Refuse / Recycling	TIF District #2	Comm. Dev. Authority - TIF District #2	
ASSETS				
CASH AND INVESTMENTS	\$ 88,300	\$ 267,745	\$ -	
RECEIVABLES				
Taxes	775,214	309,736	-	
Other	-	-	-	
Total Receivables	775,214	309,736	-	
PREPAID ITEMS	917	-	-	
RESTRICTED CASH AND INVESTMENTS	-	-	256,191	
TOTAL ASSETS	\$ 864,431	\$ 577,481	\$ 256,191	
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 54,995	\$ 169	\$ -	
Other accrued liabilities	756	1,351	-	
Unearned revenue	-	-	-	
Total Liabilities	55,751	1,520	-	
DEFERRED INFLOWS OF RESOURCES				
Succeeding year's property taxes	775,214	483,918	-	
Total deferred inflows of resources	775,214	483,918	-	
FUND BALANCES				
Nonspendable	917	-	-	
Restricted	-	-	256,191	
Committed	-	-	-	
Assigned	32,549	92,043	-	
Total Fund Balances	33,466	92,043	256,191	
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 864,431	\$ 577,481	\$ 256,191	

Special Revenue Funds				
Aquatic Center	Room Taxes	Civic and Social	Park and Recreation	
\$ 76,892	\$ 73,281	\$ 15,616	\$ 25,647	
40,000	-	-	-	
-	111,391	383	-	
40,000	111,391	383	-	
2,200	-	-	-	
-	-	-	-	
\$ 119,092	\$ 184,672	\$ 15,999	\$ 25,647	

\$ 1,778	\$ 77,703	\$ 627	\$ -	
-	-	-	-	
1,026	-	-	-	
2,804	77,703	627	-	
40,000	-	-	-	
40,000	-	-	-	
2,200	-	-	-	
-	-	-	-	
-	-	5,736	2,000	
74,088	106,969	9,636	23,647	
76,288	106,969	15,372	25,647	
\$ 119,092	\$ 184,672	\$ 15,999	\$ 25,647	

VILLAGE OF WESTON

Continued from
Previous Page
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS (cont.)
December 31, 2019

		Capital Projects Funds TIF District #1	Total Nonmajor Governmental Funds
ASSETS			
CASH AND INVESTMENTS			
	\$	31,667	\$ 579,148
RECEIVABLES			
Taxes		-	1,124,950
Other		-	111,774
Total Receivables		-	1,236,724
PREPAID ITEMS			
		-	3,117
RESTRICTED CASH AND INVESTMENTS			
		-	256,191
TOTAL ASSETS			
	\$	31,667	\$ 2,075,180
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$	31,667	\$ 166,939
Other accrued liabilities		-	2,107
Unearned revenue		-	1,026
Total Liabilities		31,667	170,072
DEFERRED INFLOWS OF RESOURCES			
Succeeding year's property taxes		-	1,299,132
Total Deferred Inflows of Resources		-	1,299,132
FUND BALANCES			
Nonspendable		-	3,117
Restricted		-	256,191
Committed		-	7,736
Assigned		-	338,932
Total Fund Balances		-	605,976
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
	\$	31,667	\$ 2,075,180

VILLAGE OF WESTON

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS For the Year Ended December 31, 2019

	Special Revenue Funds			
	Refuse / Recycling	TIF District #2	Comm. Dev. Authority - TIF District #2	
REVENUES				
Taxes	\$ -	\$ 427,655	\$ -	
Intergovernmental	78,691	15,867	-	
Licenses and permits	-	-	-	
Charges for services	815,228	-	246,080	
Contributions and donations	-	-	-	
Investment earnings and miscellaneous	2,534	5,500	14,075	
Total Revenues	896,453	449,022	260,155	
EXPENDITURES				
Current				
General government	-	2,414	-	
Public works	817,006	-	-	
Parks, recreation, and education	-	-	-	
Community development	-	582,312	1,247	
Capital improvements	-	-	-	
Debt service	-	-	-	
Interest and fiscal charges	-	-	1,150	
Total Expenditures	817,006	584,726	2,397	
Excess (deficiency) of revenues over expenditures	79,447	(135,704)	257,758	
OTHER FINANCING SOURCES (USES)				
Transfers in	27,165	13,028	-	
Transfers out	(90,012)	-	(259,108)	
Sale of village properties	-	-	-	
Total Other Financing Sources (Uses)	(62,847)	13,028	(259,108)	
Net Change in Fund Balances	16,600	(122,676)	(1,350)	
FUND BALANCES - Beginning	16,866	214,719	257,541	
FUND BALANCES - Ending	\$ 33,466	\$ 92,043	\$ 256,191	

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	Special Revenue Funds			
	Aquatic Center	Room Taxes	Civic and Social	Park and Recreation
\$	40,000	\$ 470,315	\$ -	\$ -
-	-	-	-	-
-	-	-	7,120	-
134,067	-	-	-	732
-	-	-	350	2,701
1,077	-	-	2,045	386
175,144	470,315	9,515		3,819
-	-	-	-	-
-	-	-	-	-
196,957	20,750	-	-	597
-	339,187	3,949	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
196,957	359,937	3,949	-	597
(21,813)	110,378	5,566	-	3,222
40,000	-	-	-	-
-	(141,094)	-	-	-
40,000	(141,094)	-	-	-
18,187	(30,716)	5,566	-	3,222
58,101	137,685	9,806	-	22,425
\$ 76,288	\$ 106,969	\$ 15,372	\$ -	\$ 25,647

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VILLAGE OF WESTON

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS (cont.) For the Year Ended December 31, 2019

	Capital Projects Funds TIF	Total Nonmajor Governmental Funds
	District #1	
REVENUES		
Taxes	\$ -	\$ 937,970
Intergovernmental	-	94,558
Licenses and permits	-	7,120
Charges for services	-	1,196,107
Contributions and donations	-	3,051
Investment earnings and miscellaneous	-	25,617
Total Revenues	-	2,264,423
EXPENDITURES		
Current		
General government	-	2,414
Public works	-	817,006
Parks, recreation, and education	-	218,304
Community development	-	926,695
Capital improvements	286,139	286,139
Debt service	-	1,150
Interest and fiscal charges	-	1,150
Total Expenditures	286,139	2,251,708
Excess (deficiency) of revenues over expenditures	(286,139)	12,715
OTHER FINANCING SOURCES (USES)		
Transfers in	125,389	205,582
Transfers out	-	(490,214)
Sale of village properties	160,750	160,750
Total Other Financing Sources (Uses)	286,139	(123,882)
Net Change in Fund Balances	-	(111,167)
FUND BALANCES - Beginning	-	717,143
FUND BALANCES - Ending	\$ -	\$ 605,976

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VILLAGE OF WESTON

REFUSE / RECYCLING - SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 78,735	\$ 78,735	\$ 78,691	\$ (44)
Charges for services	807,877	807,877	815,228	7,351
Investment earnings and miscellaneous	-	-	2,534	2,534
Total Revenues	886,612	886,612	896,453	9,841
EXPENDITURES				
Current				
Public works	825,185	825,185	817,006	8,179
Excess of revenues over expenditures	61,427	61,427	79,447	18,020
OTHER FINANCING SOURCES (USES)				
Transfers in	29,430	29,430	27,165	(2,265)
Transfers out	(90,012)	(90,012)	(90,012)	-
Total Other Financing Sources (Uses)	(60,582)	(60,582)	(62,847)	(2,265)
Net Change in Fund Balance	845	845	16,600	15,755
FUND BALANCE - Beginning	16,866	16,866	16,866	-
FUND BALANCE - Ending	\$ 17,711	\$ 17,711	\$ 33,466	\$ 15,755

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VILLAGE OF WESTON

TIF DISTRICT #2 - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
				Positive
				(Negative)
REVENUES				
Taxes	\$ 430,000	\$ 430,000	\$ 427,655	\$ (2,345)
Intergovernmental	11,943	11,943	15,867	3,924
Investment earnings and miscellaneous	300	300	5,500	5,200
Total Revenues	442,243	442,243	449,022	6,779
EXPENDITURES				
Current				
General government	-	-	2,414	(2,414)
Community development	308,401	308,401	582,312	(273,911)
Total Expenditures	308,401	308,401	584,726	(276,325)
Excess (deficiency) of revenues over expenditures	133,842	133,842	(135,704)	(269,546)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	13,028	13,028
Transfers out	(775)	(775)	-	775
Total Other Financing Sources (Uses)	(775)	(775)	13,028	13,803
Net Change in Fund Balance	133,067	133,067	(122,676)	(255,743)
FUND BALANCE - Beginning	214,719	214,719	214,719	-
FUND BALANCE - Ending	\$ 347,786	\$ 347,786	\$ 92,043	\$ (255,743)

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VILLAGE OF WESTON

COMMUNITY DEVELOPMENT AUTHORITY-TIF DISTRICT #2 - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
				Positive
				(Negative)
REVENUES				
Charges for services	\$ 246,080	\$ 246,080	\$ 246,080	\$ -
Investment earnings and miscellaneous	3,000	3,000	14,075	11,075
Total Revenues	249,080	249,080	260,155	11,075
EXPENDITURES				
Current				
Community development	2,381	2,381	1,247	1,134
Debt service				
Interest and fiscal charges	1,050	1,050	1,150	(100)
Total Expenditures	3,431	3,431	2,397	1,034
Excess of revenues over expenditures	245,649	245,649	257,758	12,109
OTHER FINANCING SOURCES (USES)				
Transfers in	431	431	-	(431)
Transfers out	(246,080)	(246,080)	(259,108)	(13,028)
Total Other Financing Sources (Uses)	(245,649)	(245,649)	(259,108)	(13,459)
Net Change in Fund Balance	-	-	(1,350)	(1,350)
FUND BALANCE - Beginning	257,541	257,541	257,541	-
FUND BALANCE - Ending	\$ 257,541	\$ 257,541	\$ 256,191	\$ (1,350)

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VILLAGE OF WESTON

AQUATIC CENTER - SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 40,000	\$ 40,000	\$ 40,000	\$ -
Charges for services	128,320	128,320	134,067	5,747
Investment earnings and miscellaneous	65	65	1,077	1,012
Total Revenues	168,385	168,385	175,144	6,759
EXPENDITURES				
Current				
Parks, recreation, and education	219,034	219,034	196,957	22,077
Excess (deficiency) of revenues over expenditures	(50,649)	(50,649)	(21,813)	28,836
OTHER FINANCING SOURCES				
Transfers in	40,000	40,000	40,000	-
Net Change in Fund Balance	(10,649)	(10,649)	18,187	28,836
FUND BALANCE - Beginning	58,101	58,101	58,101	-
FUND BALANCE - Ending	\$ 47,452	\$ 47,452	\$ 76,288	\$ 28,836

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VILLAGE OF WESTON

ROOM TAXES - SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 388,823	\$ 388,823	\$ 470,315	\$ 81,492
EXPENDITURES				
Current				
Parks, recreation, and education	20,750	20,750	20,750	-
Community development	272,176	272,176	339,187	(67,011)
Total Expenditures	292,926	292,926	359,937	(67,011)
Excess of revenues over expenditures	95,897	95,897	110,378	14,481
OTHER FINANCING SOURCES (USES)				
Transfers out	(116,647)	(116,647)	(141,094)	(24,447)
Net Change in Fund Balance	(20,750)	(20,750)	(30,716)	(9,966)
FUND BALANCE - Beginning	137,685	137,685	137,685	-
FUND BALANCE - Ending	\$ 116,935	\$ 116,935	\$ 106,969	\$ (9,966)

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VILLAGE OF WESTON

CIVIC AND SOCIAL - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Licenses and permits	\$ 5,900	\$ 5,900	\$ 7,120	\$ 1,220
Contributions and donations	-	-	350	350
Investment earnings and miscellaneous	2,030	2,030	2,045	15
Total Revenues	7,930	7,930	9,515	1,585
EXPENDITURES				
Current				
Community Development	7,191	7,191	3,949	3,242
Net Change in Fund Balance	739	739	5,566	4,827
FUND BALANCE - Beginning	9,806	9,806	9,806	-
FUND BALANCE - Ending	\$ 10,545	\$ 10,545	\$ 15,372	\$ 4,827

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VILLAGE OF WESTON

PARK AND RECREATION - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 500	\$ 500	\$ 732	\$ 232
Contributions and donations	150	150	2,701	2,551
Investment earnings and miscellaneous	200	200	386	186
Total Revenues	850	850	3,819	2,969
EXPENDITURES				
Current				
Parks, recreation, and education	500	500	597	(97)
Net Change in Fund Balance	350	350	3,222	2,872
FUND BALANCE - Beginning	22,425	22,425	22,425	-
FUND BALANCE - Ending	\$ 22,775	\$ 22,775	\$ 25,647	\$ 2,872

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VILLAGE OF WESTON

TIF DISTRICT #1 - CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES				
Capital Improvements	\$ 137,500	\$ 137,500	\$ 286,139	\$ (148,639)
Deficiency of revenues over expenditures	(137,500)	(137,500)	(286,139)	(148,639)
OTHER FINANCING SOURCES (USES)				
Transfers in	127,425	127,425	125,389	(2,036)
Sale of village properties	-	-	160,750	160,750
Total Other Financing Sources (Uses)	127,425	127,425	286,139	158,714
Net Change in Fund Balance	(10,075)	(10,075)	-	10,075
FUND BALANCE - Beginning	-	-	-	-
FUND BALANCE (DEFICIT) - Ending	\$ (10,075)	\$ (10,075)	\$ -	\$ 10,075

OTHER INFORMATION

VILLAGE OF WESTON

PROJECT-LENGTH SCHEDULE OF CONSTRUCTION PROJECTS Beginning of Project to December 31, 2019

TOTAL AUTHORIZATIONS		TIF DISTRICT #1 FUND
REVENUES AND OTHER FINANCING SOURCES		
Intergovernmental revenues		\$58,264,828
Charges for services	\$ 2,595,000	
Fines and forfeitures	252,800	
Investment earnings and miscellaneous	25,000	
Bonds/notes issued	1,068,265	
Transfers in	19,237,124	
Sale of village properties	30,861,212	
Net decrease in the fair value of investments	4,238,717	
Total Revenues and Other Financing Sources	(13,290)	
EXPENDITURES AND OTHER FINANCING USES	\$58,264,828	
Capital improvements	\$57,454,169	
Bond issuance costs	2,000	
Discounts on bonds/notes issued	942	
Transfers out	807,717	
Total Expenditures and Other Financing Uses	\$58,264,828	
FUND BALANCE - December 31, 2019	\$ -	
TOTAL AUTHORIZATIONS		\$ 3,132,406
REVENUES AND OTHER FINANCING SOURCES		
Investment earnings and miscellaneous	\$ 55,078	
Bonds/notes issued	850,800	
Transfers in	2,226,528	
Total Revenues and Other Financing Sources	\$ 3,132,406	
EXPENDITURES AND OTHER FINANCING USES		
Capital improvements	\$ 3,131,935	
Discounts on bonds/notes issued	471	
Total Expenditures and Other Financing Uses	\$ 3,132,406	
FUND BALANCE - December 31, 2019	\$ -	

SUPPLEMENTARY INFORMATION

ENTERPRISE FUNDS

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

WATER UTILITY

To account for the provision of water supply services to the residents, business entities, and public authorities of the Village and the adjacent communities of the City of Schofield and the Village of Rothschild, where it is deemed appropriate. All revenues and expenses necessary to provide such services are accounted for in this fund.

SEWER UTILITY

To account for the provision of wastewater treatment and disposal services to the residents, business entities, and public authorities of the Village and the adjacent communities of the City of Schofield and the Village of Rothschild, where it is deemed appropriate. All revenues and expenses necessary to provide such services are accounted for in this fund, including the Village's share of the Rib Mountain Metropolitan Sewerage District plant operating costs.

STORMWATER UTILITY

To account for the management of stormwater and other surface water discharges to the residents, business entities, and public authorities of the Village of Weston. The utility will also provide for the maintenance of existing stormwater appurtenances and recommend drainage modifications where it is deemed appropriate. All revenues and expenses necessary to provide such services are accounted for in this fund.

VILLAGE OF WESTON

ENTERPRISE FUNDS SCHEDULE OF RATES OF RETURN - REGULATORY BASIS For the Year Ended December 31, 2019

	Water Utility	Sewer Utility	Stormwater Utility	Totals
UTILITY PLANT IN SERVICE				
Beginning of year	\$ 30,526,297	\$ 31,966,472	\$ 17,485,961	\$ 79,978,730
End of year	30,837,506	31,992,772	17,642,970	80,473,248
Average	30,681,902	31,979,622	17,564,466	80,225,990
ACCUMULATED DEPRECIATION				
Beginning of year	9,583,656	12,937,080	6,120,963	28,641,699
End of year	10,191,650	13,613,405	6,481,409	30,286,464
Average	9,887,653	13,275,243	6,301,186	29,464,082
MATERIALS AND SUPPLIES				
Beginning of year	88,182	-	-	88,182
End of year	85,241	-	-	85,241
Average	86,712	-	-	86,712
CONTRIBUTIONS IN AID OF CONSTRUCTION				
Beginning of year	7,619,828	11,260,944	-	18,880,772
End of year	7,619,828	11,260,944	-	18,880,772
Average	7,619,828	11,260,944	-	18,880,772
AVERAGE NET RATE BASE	\$ 13,261,133	\$ 7,443,435	\$ 11,263,280	\$ 31,967,848
OPERATING INCOME (LOSS)	\$ 626,747	\$ (58,649)	\$ 167,647	\$ 735,745
RATE OF RETURN - 2019	4.73%	-0.79%	1.49%	2.30%
RATE OF RETURN - 2018	4.18%	1.22%	1.12%	2.40%

This schedule is computed based on Public Service Commission (PSC) of Wisconsin regulatory accounting which differs from accounting principles generally accepted in the United States of America due to GASB Statement No. 33, as well as PSC order 05-US-105, effective January 1, 2003.

FORM OF LEGAL OPINION

(See following pages)

Quarles & Brady LLP
411 East Wisconsin Avenue
Milwaukee, WI 53202

December 3, 2020

Re: Village of Weston, Wisconsin ("Issuer")
\$5,405,000 General Obligation Corporate Purpose Bonds, Series 2020B,
dated December 3, 2020 ("Bonds")

We have acted as bond counsel to the Issuer in connection with the issuance of the Bonds. In such capacity, we have examined such law and such certified proceedings, certifications, and other documents as we have deemed necessary to render this opinion.

Regarding questions of fact material to our opinion, we have relied on the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

The Bonds are numbered from R-1 and upward; bear interest at the rates set forth below; and mature on April 1 of each year, in the years and principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2021	\$740,000	___%
2022	665,000	___
2023	620,000	___
2024	440,000	___
2025	140,000	___
2026	125,000	___
2027	130,000	___
2028	175,000	___
2029	175,000	___
2030	190,000	___
2031	195,000	___
2032	195,000	___
2033	200,000	___
2034	200,000	___
2035	200,000	___
2036	205,000	___
2037	205,000	___
2038	205,000	___
2039	205,000	___
2040	195,000	___

Interest is payable semi-annually on April 1 and October 1 of each year commencing on April 1, 2021.

The Bonds maturing on April 1, 2029 and thereafter are subject to redemption prior to maturity, at the option of the Issuer, on April 1, 2028 or on any date thereafter. Said Bonds are redeemable as a whole or in part, and if in part, from maturities selected by the Issuer, and within each maturity by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

[The Bonds maturing in the years _____ are subject to mandatory redemption by lot as provided in the Bonds, at the redemption price of par plus accrued interest to the date of redemption and without premium.]

We further certify that we have examined a sample of the Bonds and find the same to be in proper form.

Based upon and subject to the foregoing, it is our opinion under existing law that:

1. The Bonds have been duly authorized and executed by the Issuer and are valid and binding general obligations of the Issuer.
2. All the taxable property in the territory of the Issuer is subject to the levy of ad valorem taxes to pay principal of, and interest on, the Bonds, without limitation as to rate or amount. The Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Bonds except to the extent that necessary funds have been irrevocably deposited into the debt service fund account established for the payment of the principal of and interest on the Bonds.
3. The interest on the Bonds is excludable for federal income tax purposes from the gross income of the owners of the Bonds. The interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Internal Revenue Code of 1986, as amended (the "Code") on individuals. The Code contains requirements that must be satisfied subsequent to the issuance of the Bonds in order for interest on the Bonds to be or continue to be excludable from gross income for federal income tax purposes. Failure to comply with certain of those requirements could cause the interest on the Bonds to be included in gross income retroactively to the date of issuance of the Bonds. The Issuer has agreed to comply with all of those requirements. The opinion set forth in the first sentence of this paragraph is subject to the condition that the Issuer comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

We express no opinion regarding the accuracy, adequacy, or completeness of the Official Statement or any other offering material relating to the Bonds. Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth herein.

The rights of the owners of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights and may be subject to the exercise of judicial discretion in accordance with general principles of equity, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

QUARLES & BRADY LLP

BOOK-ENTRY-ONLY SYSTEM

1. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for [each issue of] the Securities, [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.]
2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.
3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.
4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. [Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.]
6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.
7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Village as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).
8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Village or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or the Village, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Village or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.
9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to [Tender/Remarketing] Agent's DTC account.
10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the Village or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.
11. The Village may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.
12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Village believes to be reliable, but the Village takes no responsibility for the accuracy thereof.

FORM OF CONTINUING DISCLOSURE CERTIFICATE

(See following pages)

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the Village of Weston, Marathon County, Wisconsin (the "Issuer") in connection with the issuance of \$5,405,000 General Obligation Corporate Purpose Bonds, Series 2020B, dated December 3, 2020 (the "Securities"). The Securities are being issued pursuant to resolutions adopted on October 19, 2020 and November 16, 2020 (collectively, the "Resolution") and delivered to _____ (the "Purchaser") on the date hereof. Pursuant to the Resolution, the Issuer has covenanted and agreed to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events. In addition, the Issuer hereby specifically covenants and agrees as follows:

Section 1(a). Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the holders of the Securities in order to assist the Participating Underwriters within the meaning of the Rule (defined herein) in complying with SEC Rule 15c2-12(b)(5). References in this Disclosure Certificate to holders of the Securities shall include the beneficial owners of the Securities. This Disclosure Certificate constitutes the written Undertaking required by the Rule.

Section 1(b). Filing Requirements. Any filing under this Disclosure Certificate must be made solely by transmitting such filing to the MSRB (defined herein) through the Electronic Municipal Market Access ("EMMA") System at www.emma.msrb.org in the format prescribed by the MSRB. All documents provided to the MSRB shall be accompanied by the identifying information prescribed by the MSRB.

Section 2. Definitions. In addition to the defined terms set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" means any annual report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Audited Financial Statements" means the Issuer's annual financial statements, which are currently prepared in accordance with generally accepted accounting principles (GAAP) for governmental units as prescribed by the Governmental Accounting Standards Board (GASB) and which the Issuer intends to continue to prepare in substantially the same form.

"Final Official Statement" means the Final Official Statement dated November 17, 2020 delivered in connection with the Securities, which is available from the MSRB.

"Financial Obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Fiscal Year" means the fiscal year of the Issuer.

"Governing Body" means the Village Board of the Issuer or such other body as may hereafter be the chief legislative body of the Issuer.

"Issuer" means the Village of Weston, Marathon County, Wisconsin, which is the obligated person with respect to the Securities.

"Issuer Contact" means the Finance Director/Treasurer of the Issuer who can be contacted at 5500 Schofield Avenue, Weston, Wisconsin 54476, phone (715) 359-6114, fax (715) 359-6117.

"Listed Event" means any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" means the Municipal Securities Rulemaking Board.

"Participating Underwriter" means any of the original underwriter(s) of the Securities (including the Purchaser) required to comply with the Rule in connection with the offering of the Securities.

"Rule" means SEC Rule 15c2-12(b)(5) promulgated by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time, and official interpretations thereof.

"SEC" means the Securities and Exchange Commission.

Section 3. Provision of Annual Report and Audited Financial Statements.

(a) The Issuer shall, not later than 365 days after the end of the Fiscal Year, commencing with the year ending December 31, 2020, provide the MSRB with an Annual Report filed in accordance with Section 1(b) of this Disclosure Certificate and which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the Audited Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report and that, if Audited Financial Statements are not available within 365 days after the end of the Fiscal Year, unaudited financial information will be provided, and Audited Financial Statements will be submitted to the MSRB when and if available.

(b) If the Issuer is unable or fails to provide to the MSRB an Annual Report by the date required in subsection (a), the Issuer shall send in a timely manner a notice of that fact to the MSRB in the format prescribed by the MSRB, as described in Section 1(b) of this Disclosure Certificate.

Section 4. Content of Annual Report. The Issuer's Annual Report shall contain or incorporate by reference the Audited Financial Statements and updates of the following sections of the Final Official Statement to the extent such financial information and operating data are not included in the Audited Financial Statements:

1. DEBT - Direct Debt
2. DEBT - Debt Limit
3. VALUATIONS - Current Property Valuations
4. TAX LEVIES AND COLLECTIONS - Tax Levies and Collections

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer or related public entities, which are available to the public on the MSRB's Internet website or filed with the SEC. The Issuer shall clearly identify each such other document so incorporated by reference.

Section 5. Reporting of Listed Events.

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following events with respect to the Securities:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Securities, or other material events affecting the tax status of the Securities;
7. Modification to rights of holders of the Securities, if material;
8. Securities calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution or sale of property securing repayment of the Securities, if material;
11. Rating changes;

12. Bankruptcy, insolvency, receivership or similar event of the Issuer;
13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect holders of the Securities, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

For the purposes of the event identified in subsection (a)12. above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

(b) When a Listed Event occurs, the Issuer shall, in a timely manner not in excess of ten business days after the occurrence of the Listed Event, file a notice of such occurrence with the MSRB. Notwithstanding the foregoing, notice of Listed Events described in subsections (a) (8) and (9) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Securities pursuant to the Resolution.

(c) Unless otherwise required by law, the Issuer shall submit the information in the format prescribed by the MSRB, as described in Section 1(b) of this Disclosure Certificate.

Section 6. Termination of Reporting Obligation. The Issuer's obligations under the Resolution and this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all the Securities.

Section 7. Issuer Contact; Agent. Information may be obtained from the Issuer Contact. Additionally, the Issuer may, from time to time, appoint or engage a dissemination agent to assist

it in carrying out its obligations under the Resolution and this Disclosure Certificate, and may discharge any such agent, with or without appointing a successor dissemination agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of the Resolution or this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if the following conditions are met:

(a)(i) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Issuer, or the type of business conducted; or

(ii) This Disclosure Certificate, as amended or waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(b) The amendment or waiver does not materially impair the interests of beneficial owners of the Securities, as determined and certified to the Issuer by an underwriter, financial advisor, bond counsel or trustee.

In the event this Disclosure Certificate is amended for any reason other than to cure any ambiguities, inconsistencies, or typographical errors that may be contained herein, the Issuer agrees the next Annual Report it submits after such amendment shall include an explanation of the reasons for the amendment and the impact of the change, if any, on the type of financial statements or operating data being provided.

If the amendment concerns the accounting principles to be followed in preparing financial statements, then the Issuer agrees that it will give an event notice and that the next Annual Report it submits after such amendment will include a comparison between financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. (a) Except as described in the Final Official Statement, in the previous five years, the Issuer has not failed to comply in all material respects with any previous undertakings under the Rule to provide annual reports or notices of events.

(b) In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any holder of the Securities may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under the Resolution and this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default with respect to the Securities and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

Section 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Participating Underwriters and holders from time to time of the Securities, and shall create no rights in any other person or entity.

IN WITNESS WHEREOF, we have executed this Certificate in our official capacities effective the 3rd day of December, 2020.

(SEAL)

Mark Maloney
President

Sherry L. Weinkauff
Village Clerk

NOTICE OF SALE

\$5,405,000* GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2020B VILLAGE OF WESTON, WISCONSIN

Bids for the purchase of \$5,405,000* General Obligation Corporate Purpose Bonds, Series 2020B (the "Bonds") of the Village of Weston, Wisconsin (the "Village") will be received at the offices of Ehlers and Associates, Inc. ("Ehlers"), 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, municipal advisors to the Village, until 10:30 A.M., Central Time, and **ELECTRONIC PROPOSALS** will be received via **PARITY**, in the manner described below, until 10:30 A.M. Central Time, on November 16, 2020, at which time they will be opened, read and tabulated. The bids will be presented to the Village Board for consideration for award by resolution at a meeting to be held at 6:00 P.M., Central Time, on the same date. The bid offering to purchase the Bonds upon the terms specified herein and most favorable to the Village will be accepted unless all bids are rejected.

PURPOSE

The Bonds are being issued pursuant to Section 67.04, Wisconsin Statutes, for the public purposes of financing sanitary sewer improvements, storm water improvements and street improvements. The Bonds are general obligations of the Village, and all the taxable property in the Village is subject to the levy of a tax to pay the principal of and interest on the Bonds as they become due which tax may, under current law, be levied without limitation as to rate or amount.

DATES AND MATURITIES

The Bonds will be dated December 3, 2020, will be issued as fully registered Bonds in the denomination of \$5,000 each, or any integral multiple thereof, and will mature on April 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2021	\$740,000	2028	\$175,000	2035	\$200,000
2022	665,000	2029	175,000	2036	205,000
2023	620,000	2030	190,000	2037	205,000
2024	440,000	2031	195,000	2038	205,000
2025	140,000	2032	195,000	2039	205,000
2026	125,000	2033	200,000	2040	195,000
2027	130,000	2034	200,000		

ADJUSTMENT OPTION

* The Village reserves the right to increase or decrease the principal amount of the Bonds on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

TERM BOND OPTION

Bids for the Bonds may contain a maturity schedule providing for any combination of serial bonds and term bonds, subject to mandatory redemption, so long as the amount of principal maturing or subject to mandatory redemption in each year conforms to the maturity schedule set forth above. All dates are inclusive.

INTEREST PAYMENT DATES AND RATES

Interest will be payable on April 1 and October 1 of each year, commencing April 1, 2021, to the registered owners of the Bonds appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board. All Bonds of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

BOOK-ENTRY-ONLY FORMAT

Unless otherwise specified by the purchaser, the Bonds will be designated in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds, and will be responsible for maintaining a book-entry system for recording the interests of its participants and the transfers of interests between its participants. The participants will be responsible for maintaining records regarding the beneficial interests of the individual purchasers of the Bonds. So long as Cede & Co. is the registered owner of the Bonds, all payments of principal and interest will be made to the depository which, in turn, will be obligated to remit such payments to its participants for subsequent disbursement to the beneficial owners of the Bonds.

PAYING AGENT

The Village may select Village officials or a bank or trust company to act as paying agent (the "Paying Agent"). If a bank or trust company is selected, the Village will pay the charges for Paying Agent services. The Village reserves the right to remove the Paying Agent and to appoint a successor.

OPTIONAL REDEMPTION

At the option of the Village, the Bonds maturing on or after April 1, 2029 shall be subject to optional redemption prior to maturity on April 1, 2028 or any date thereafter, at a price of par plus accrued interest.

Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the selection of the amounts and maturities of the Bonds to be redeemed shall be at the discretion of the Village. If only part of the Bonds having a common maturity date are called for redemption, then the Village or Paying Agent, if any, will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed.

Notice of such call shall be given by sending a notice by registered or certified mail, facsimile or electronic transmission, overnight delivery service or in any other manner required by DTC, not less than 30 days nor more than 60 days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books.

DELIVERY

On or about December 3, 2020, the Bonds will be delivered without cost to the winning bidder at DTC. On the day of closing, the Village will furnish to the winning bidder the opinion of bond counsel hereinafter described, an arbitrage certification, and certificates verifying that no litigation in any manner questioning the validity of the Bonds is then pending or, to the best knowledge of officers of the Village, threatened. Payment for the Bonds must be received by the Village at its designated depository on the date of closing in immediately available funds.

LEGAL MATTERS

An opinion as to the validity of the Bonds and the exemption from federal taxation of the interest thereon will be furnished by Quarles & Brady LLP, Bond Counsel to the Village, and will be available at the time of delivery of the Bonds. The legal opinion will be issued on the basis of existing law and will state that the Bonds are valid and binding general obligations of the Village; provided that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights and by equitable principles (which may be applied in either a legal or equitable proceeding). (See "FORM OF LEGAL OPINION" found in Appendix B of the Official Statement).

Quarles & Brady LLP has also been retained by the Village to serve as Disclosure Counsel to the Village with respect to the Bonds. Although, as Disclosure Counsel to the Village, Quarles & Brady LLP has assisted the Village with certain disclosure matters, Quarles & Brady LLP has not undertaken to independently verify the accuracy, completeness or sufficiency of this Official Statement or other offering material relating to the Bonds and assumes no responsibility whatsoever nor shall have any liability to any other party for the statements or information contained or incorporated by reference in this Official Statement. Further, Quarles & Brady LLP makes no representation as to the suitability of the Bonds for any investor.

SUBMISSION OF BIDS

Bids must not be for less than \$5,340,140, nor more than \$5,837,400, plus accrued interest on the principal sum of \$5,405,000 from date of original issue of the Bonds to date of delivery. Prior to the time established above for the opening of bids, interested parties may submit a bid as follows:

- 1) Electronically to bondsale@ehlers-inc.com; or
- 2) Electronically via **PARITY** in accordance with this Notice of Sale until 10:30 A.M. Central Time, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in **PARITY** conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about **PARITY**, potential bidders may contact Ehlers or i-Deal LLC at 1359 Broadway, 2nd Floor, New York, New York 10018, Telephone (212) 849-5021.

Bids must be submitted to Ehlers via one of the methods described above and must be received prior to the time established above for the opening of bids. Each bid must be unconditional except as to legality. Neither the Village nor Ehlers shall be responsible for any failure to receive a facsimile submission.

A good faith deposit ("Deposit") in the amount of \$108,100 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The Village reserves the right to award the Bonds to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the Village may award the Bonds to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the Village as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith.

The Village and the winning bidder who chooses to so wire the Deposit hereby agree irrevocably that Ehlers shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: 1) All income earned thereon shall be retained by the escrow holder as payment for its expenses; 2) If the bid is not accepted, Ehlers shall, at its expense, promptly return the Deposit amount to the winning bidder; 3) If the bid is accepted, the Deposit shall be returned to the winning bidder at the closing; 4) Ehlers shall bear all costs of maintaining the escrow account and returning the funds to the winning bidder; 5) Ehlers shall not be an insurer of the Deposit amount and shall have no liability hereunder except if it willfully fails to perform or recklessly disregards, its duties specified herein; and 6) FDIC insurance on deposits within the escrow account shall be limited to \$250,000 per bidder.

No bid can be withdrawn after the time set for receiving bids unless the meeting of the Village scheduled for award of the Bonds is adjourned, recessed, or continued to another date without award of the Bonds having been made.

AWARD

The Bonds will be awarded to the bidder offering the lowest interest rate to be determined on a True Interest Cost (TIC) basis. The Village's computation of the interest rate of each bid, in accordance with customary practice, will be controlling. In the event of a tie, the sale of the Bonds will be awarded by lot. The Village reserves the right to reject any and all bids and to waive any informality in any bid.

BOND INSURANCE

If the Bonds are qualified for any bond insurance policy, the purchase of such policy shall be at the sole option and expense of the winning bidder. Any cost for such insurance policy is to be paid by the winning bidder, except that, if the Village requested and received a rating on the Bonds from a rating agency, the Village will pay that rating fee. Any rating agency fees not requested by the Village are the responsibility of the winning bidder.

Failure of the municipal bond insurer to issue the policy after the Bonds are awarded to the winning bidder shall not constitute cause for failure or refusal by the winning bidder to accept delivery of the Bonds.

CUSIP NUMBERS

The Village will assume no obligation for the assignment or printing of CUSIP numbers on the Bonds or for the correctness of any numbers printed thereon, but will permit such numbers to be printed at the expense of the winning bidder, if the winning bidder waives any delay in delivery occasioned thereby.

NOT-QUALIFIED TAX-EXEMPT OBLIGATIONS

The Village will NOT designate the Bonds as "qualified tax-exempt obligations" pursuant to Section 265 of the Internal Revenue Code of 1986, as amended, which permits financial institutions to deduct interest expenses allocable to the Bonds to the extent permitted under prior law.

CONTINUING DISCLOSURE

In order to assist the Underwriters in complying with the provisions of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 the Village will enter into an undertaking for the benefit of the holders of the Bonds. A description of the details and terms of the undertaking is set forth in Appendix D of the Official Statement.

NEW ISSUE PRICING

The winning bidder will be required to provide, in a timely manner, certain information necessary to compute the yield on the Bonds pursuant to the provisions of the Internal Revenue Code of 1986, as amended, and to provide a certificate which will be provided by Bond Counsel upon request.

(a) The winning bidder shall assist the Village in establishing the issue price of the Bonds and shall execute and deliver to the Village at closing an "issue price" or similar certificate satisfactory to Bond Counsel setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications. All actions to be taken by the Village under this Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the Village by the Village's municipal advisor identified herein and any notice or report to be provided to the Village may be provided to the Village's municipal advisor.

(b) The Village intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the "competitive sale requirements") because:

- (1) The Village shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential investors;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the Village may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the Village anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in this bid.

(c) If all of the requirements of a "competitive sale" are not satisfied, the Village shall advise the winning bidder of such fact prior to the time of award of the sale of the Bonds to the winning bidder. In such event, any bid submitted will not be subject to cancellation or withdrawal and the Village agrees to use the rule selected by the winning bidder on its bid form to determine the issue price for the Bonds. On its bid form, each bidder must select one of the following two rules for determining the issue price of the Bonds: (1) the first price at which 10% of a maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity or (2) the initial offering price to the public as of the sale date as the issue price of each maturity of the Bonds (the "hold-the-offering-price rule").

(d) If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the hold-the-offering-price rule, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Bonds to the public on or before the date of award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Bonds, that the underwriters will neither offer nor sell unsold Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The winning bidder will advise the Village promptly after the close of the fifth (5th) business day after the sale whether it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Village acknowledges that in making the representation set forth above, the winning bidder will rely on:

(i) the agreement of each underwriter to comply with requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-price rule, if applicable to the Bonds, as set forth in an agreement among underwriters and the related pricing wires,

(ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and

(iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The Village further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price rule of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule as applicable to the Bonds.

(e) If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the 10% test, the winning bidder agrees to promptly report to the Village, Bond Counsel and Ehlers the prices at which the Bonds have been sold to the public. That reporting obligation shall continue, whether or not the closing date has occurred, until either (i) all Bonds of that maturity have been sold or (ii) the 10% test has been satisfied as to each maturity of the Bonds, provided that, the winning bidder's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Village or bond counsel.

(f) By submitting a bid, each bidder confirms that:

(i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is party to such third-party distribution agreement, as applicable, to:

(A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred until either all securities of that maturity allocated to it have been sold or it is notified by the winning bidder that either the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Village or bond counsel.

(B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and

(ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group and each broker dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to:

(A) to promptly notify the winning bidder of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and

(B) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public.

(g) Sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each term being used as defined below) shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

(i) "public" means any person other than an underwriter or a related party,

- (ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the Village (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public),
- (iii) a purchaser of any of the Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) "sale date" means the date that the Bonds are awarded by the Village to the winning bidder.

PRELIMINARY OFFICIAL STATEMENT

Bidders may obtain a copy of the Official Statement relating to the Bonds prior to the bid opening by request from Ehlers at www.ehlers-inc.com by connecting to the Bond Sales link. The Syndicate Manager will be provided with an electronic copy of the Final Official Statement within seven business days of the bid acceptance. Up to 10 printed copies of the Final Official Statement will be provided upon request. Additional copies of the Final Official Statement will be available at a cost of \$10.00 per copy.

Information for bidders and bid forms may be obtained from Ehlers at 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, Telephone (651) 697-8500.

By Order of the Village Board

Jessica Trautman, Village Finance Director/Treasurer
Village of Weston, Wisconsin

BID FORM

The Village Board
Village of Weston, Wisconsin

November 16, 2020

RE: \$5,405,000* General Obligation Corporate Purpose Bonds, Series 2020B (the "Bonds")
DATED: December 3, 2020

For all or none of the above Bonds, in accordance with the Notice of Sale and terms of the Global Book-Entry System (unless otherwise specified by the Purchaser) as stated in this Official Statement, we will pay you \$_____ (not less than \$5,340,140, nor more than \$5,837,400) plus accrued interest to date of delivery for fully registered Bonds bearing interest rates and maturing in the stated years as follows:

_____ % due 2021	_____ % due 2028	_____ % due 2035
_____ % due 2022	_____ % due 2029	_____ % due 2036
_____ % due 2023	_____ % due 2030	_____ % due 2037
_____ % due 2024	_____ % due 2031	_____ % due 2038
_____ % due 2025	_____ % due 2032	_____ % due 2039
_____ % due 2026	_____ % due 2033	_____ % due 2040
_____ % due 2027	_____ % due 2034	

* The Village reserves the right to increase or decrease the principal amount of the Bonds on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

All Bonds of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

A good faith deposit ("Deposit") in the amount of \$108,100 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The Village reserves the right to award the Bonds to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the Village may award the Bonds to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the Village as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith. We agree to the conditions and duties of Ehlers and Associates, Inc., as escrow holder of the Deposit, pursuant to the Notice of Sale. This bid is for prompt acceptance and is conditional upon delivery of said Bonds to The Depository Trust Company, New York, New York, in accordance with the Notice of Sale. Delivery is anticipated to be on or about December 3, 2020.

This bid is subject to the Village's agreement to enter into a written undertaking to provide continuing disclosure under Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 as described in the Official Statement for the Bonds.

We have received and reviewed the Official Statement, and any addenda thereto, and have submitted our requests for additional information or corrections to the Final Official Statement. As Syndicate Manager, we agree to provide the Village with the reoffering price of the Bonds within 24 hours of the bid acceptance.

This bid is a firm offer for the purchase of the Bonds identified in the Notice of Sale, on the terms set forth in this bid form and the Notice of Sale, and is not subject to any conditions, except as permitted by the Notice of Sale.

By submitting this bid, we confirm that we are an underwriter and have an established industry reputation for underwriting new issuances of municipal bonds. YES: ____ NO: ____.

If the competitive sale requirements are not met, we elect to use the (circle one): 10% test / hold-the-offering-price rule to determine the issue price of the Bonds.

Account Manager: _____ By: _____

Account Members:

Award will be on a true interest cost basis. According to our computations (the correct computation being controlling in the award), the total dollar interest cost (including any discount or less any premium) computed from December 3, 2020 of the above bid is \$_____ and the true interest cost (TIC) is _____%.

The foregoing offer is hereby accepted by and on behalf of the Village Board of the Village of Weston, Wisconsin, on November 16, 2020.

By: _____ By: _____

Title: _____ Title: _____