

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy these securities nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. This Preliminary Official Statement is in a form deemed final as of its date for purposes of SEC Rule 15c2-12(b) (1), but is subject to revision, amendment and completion in a Final Official Statement.

PRELIMINARY OFFICIAL STATEMENT DATED JANUARY 18, 2021

In the opinion of Quarles & Brady LLP, Bond Counsel, under existing law interest on the Bonds is included in gross income for federal income tax purposes. See "TAXABILITY OF INTEREST" herein. The interest on the Bonds is not exempt from present Wisconsin income or franchise taxes.

The Town 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: S&P Global Ratings

TOWN OF LAWRENCE, WISCONSIN (Brown County)

\$3,995,000* TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2021B

BID OPENING: January 25, 2021, 10:00 A.M., C.T.

CONSIDERATION: January 25, 2021, 6:30 P.M., C.T.

PURPOSE/AUTHORITY/SECURITY: The \$3,995,000* Taxable General Obligation Refunding Bonds, Series 2021B (the "Bonds") are authorized pursuant to Section 67.04, Wisconsin Statutes, by the Town of Lawrence, Wisconsin (the "Town"), for the purpose of current refunding certain outstanding general obligations of the Town as more fully described herein. The Bonds are general obligations of the Town, and all the taxable property in the Town 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: February 17, 2021

MATURITY: March 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2023	\$245,000	2028	\$255,000	2033	\$275,000
2024	245,000	2029	260,000	2034	280,000
2025	245,000	2030	265,000	2035	290,000
2026	250,000	2031	270,000	2036	295,000
2027	250,000	2032	270,000	2037	300,000

***MATURITY ADJUSTMENTS:** The Town 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: March 1, 2022 and semiannually thereafter.

OPTIONAL REDEMPTION: Bonds maturing on March 1, 2030 and thereafter are subject to call for prior optional redemption on March 1, 2029 or any date thereafter, at a price of par plus accrued interest.

MINIMUM BID: \$3,945,063.

MAXIMUM BID: \$4,234,700.

GOOD FAITH DEPOSIT: A good faith deposit in the amount of \$79,900 shall be made by the winning bidder by wire transfer of funds.

PAYING AGENT: Bond Trust Services Corporation.

BOND COUNSEL &

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 Town to give any information or to make any representation other than those contained in this Preliminary Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the Town. ***This Preliminary 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 Preliminary 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 Preliminary Official Statement and any addenda thereto relying on information of the Town 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 Town with respect to the Bonds. Compensation of Ehlers and Associates, Inc., payable entirely by the Town, 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 Preliminary Official Statement was prepared for the Town 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 Preliminary 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 Preliminary 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 Preliminary 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 Preliminary 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 Preliminary Official Statement describes the conditions under which the Town 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 Preliminary 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; and (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 Town 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.

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TOWN OF LAWRENCE TOWN BOARD

		<u>Term Expires</u>
Dr. Lanny Tibaldo	Town Chairperson	April 2021
Kevin Brien	Town Supervisor	April 2022
Allen Farvour	Town Supervisor	April 2022
Kenneth VanDeHei	Town Supervisor	April 2021
Randy Vandenack	Town Supervisor	April 2021

ADMINISTRATION

Patrick Wetzel, Town Administrator
Cindy Kocken, Town Clerk-Treasurer

PROFESSIONAL SERVICES

Jim Kalny, Davis & Kuelthau, S.C., Town Attorney, Green Bay, 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 Preliminary Official Statement contains certain information regarding the Town of Lawrence, Wisconsin (the "Town") and the issuance of its \$3,995,000* Taxable General Obligation Refunding Bonds, Series 2021B (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 authorizing the issuance and sale of the Bonds ("Authorizing Resolution") to be adopted by the Town Board on January 25, 2021.

Inquiries may be directed to Ehlers and Associates, Inc. ("Ehlers" or the "Municipal Advisor"), Waukesha, Wisconsin, (262) 785-1520, the Town's municipal advisor. A copy of this Preliminary 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 February 17, 2021. The Bonds will mature on March 1 in the years and amounts set forth on the cover of this Preliminary Official Statement. Interest will be payable on March 1 and September 1 of each year, commencing March 1, 2022, 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 Authorizing Resolution.

The Town has selected Bond Trust Services Corporation, Roseville, Minnesota ("BTSC"), to act as paying agent (the "Paying Agent"). BTSC and Ehlers are affiliate companies. The Town will pay the charges for Paying Agent services. The Town reserves the right to remove the Paying Agent and to appoint a successor.

OPTIONAL REDEMPTION

At the option of the Town, the Bonds maturing on or after March 1, 2030 shall be subject to optional redemption prior to maturity on March 1, 2029 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 Town. If only part of the Bonds having a common maturity date are called for redemption, then the Town 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 authorized pursuant to Section 67.04, Wisconsin Statutes, for the purpose of current refunding the Town’s State Trust Fund Loan, dated December 4, 2017 (the "2017 Loan"), as follows:

Issue Being Refunded	Date of Refunded Issue	Call Date	Call Price	Maturities Being Refunded	Interest Rates	Principal to be Refunded
2017 Loan	12/04/17	03/01/21	Par	2021	4.00%	\$171,599
				2022	4.00%	178,463
				2023	4.00%	185,601
				2024	4.00%	192,638
				2025	4.00%	200,731
				2026	4.00%	208,760
				2027	4.00%	217,110
				2028	4.00%	225,498
				2029	4.00%	234,815
				2030	4.00%	244,207
				2031	4.00%	253,976
				2032	4.00%	263,943
				2033	4.00%	274,692
				2034	4.00%	285,680
				2035	4.00%	297,107
				2036	4.00%	308,922
2037	4.00%	<u>321,348</u>				
Total 2017 Loan Being Refunded						<u>\$4,065,090</u>

ESTIMATED SOURCES AND USES*

Sources		
Par Amount of Bonds	\$3,995,000	
Transfers from 2017 Loan Debt Service Fund	<u>334,202</u>	
Total Sources		\$4,329,202
Uses		
Estimated Underwriter's Discount	\$49,938	
Costs of Issuance	57,950	
Deposit to Current Refunding Fund	4,216,555	
Rounding Amount	<u>4,759</u>	
Total Uses		\$4,329,202

*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 Town will be irrevocably pledged. The Town will levy a direct, annual, irrevocable tax on all taxable property in the Town 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 Town is currently rated "AA-" by S&P Global Ratings ("S&P").

The Town has requested a rating on the Bonds from S&P, 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 S&P. 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 Town 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 Town 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 Town shall execute and deliver a Continuing Disclosure Certificate, under which the Town 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 Town are set forth in Appendix D. Such Disclosure Undertaking will be in substantially the form attached hereto.

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

The Town did not timely file its audited financial statements and its annual budget for the fiscal year ended December 31, 2017. The Town also failed to timely file notices of the incurrence of Financial Obligations incurred in December 2019 and June 2020. Except to the extent that the preceding is deemed to be material, the Town believes it has not failed to comply in the previous five years in all material respects with its prior undertakings under the Rule. The Town 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 Town.

LEGAL MATTERS

An opinion as to the validity of the Bonds will be furnished by Quarles & Brady LLP, Bond Counsel to the Town, 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 Town; 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 Town to serve as Disclosure Counsel to the Town with respect to the Bonds. Although, as Disclosure Counsel to the Town, Quarles & Brady LLP has assisted the Town 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.

TAXABILITY OF INTEREST

Interest on the Bonds is included in gross income for present Federal income tax purposes. Interest on the Bonds is not exempt from present Wisconsin income or franchise taxes.

ORIGINAL ISSUE DISCOUNT

To the extent that the initial public offering price of certain of the Bonds is less than the stated principal amount payable at maturity, such Bonds will be considered to be issued with original issue discount unless the amount of original issue discount is "de minimis." The amount of original issue discount with respect to a Bond will be "de minimis" if the amount of discount is less than one-fourth of 1% of the principal amount payable at maturity multiplied by the number of complete years from the issue date until the maturity date.

If the amount of discount with respect to a Bond is considered "de minimis," then the amount of original issue discount with respect to the Bond will be zero. In that case, owners of those Bonds will not be required to include any amount of original issue discount in income until the principal amount is repaid, at which time the owner will recognize capital gain (assuming the Bond is held as a capital asset) equal to the excess of the amount received at maturity over the issue price.

If the amount of discount with respect to a Bond is more than "de minimis," then the Bonds will contain original issue discount and owners of the Bonds will be required to include original issue discount in income. The Internal Revenue Code of 1986, as amended (the "Code") contains a number of very complex provisions requiring holders of debt instruments with original issue discount to include such original issue discount in income as it accrues ratably over the life of the debt instrument. In the case of a Bond with original issue discount, the owner may be required to include the original issue discount in income before the owner receives the associated cash payment, regardless of the owner's regular method of accounting for tax purposes. Any such original issue discount that is included in income is treated in the same manner as interest. Any original issue discount that is included in income by an owner with respect to a Bond will increase the holder's tax basis in the Bond.

The Code contains certain provisions relating to the accrual of original issue discount (including de minimis original issue discount) in the case of subsequent purchasers of obligations such as the Bonds. Owners who do not purchase Bonds in the initial public offering should consult their own tax advisors with respect to the tax consequences of the acquisition and ownership of Bonds.

Owners who purchase Bonds in the initial public offering but at a price different than the initial offering price at which a substantial amount of that maturity of the Bonds was sold to the public should consult their own tax advisors with respect to the tax consequences of the acquisition and ownership of the Bonds.

Owners of Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the Bonds.

BOND PREMIUM

To the extent that the initial offering price of certain of the Bonds ("Premium Bonds") is more than the principal amount payable at maturity, the Premium Bonds will be considered to have "bond premium" equal to the difference between the issue price and the stated redemption price at maturity.

Any Premium Bond purchased in the initial offering at the issue price will have "amortizable bond premium" within the meaning of Section 171 of the Code. Owners of Premium Bonds, the interest on which is subject to tax, may make an election to amortize the bond premium and to offset the taxable interest income with the amortizable bond premium for the year. Any amortizable bond premium that reduces the amount of interest income also reduces the owner's adjusted tax basis in the Bond by a corresponding amount. The adjusted tax basis in a Premium Bond will be used to determine taxable gain or loss upon a disposition (for example, upon a sale, exchange, redemption, or payment at maturity) of such Premium Bond. If the election is made, it is effective for all Bonds acquired during that year and all future years unless the taxpayer receives permission from the IRS to revoke the election. Owners of Premium Bonds should consult with their tax advisors regarding the calculation and treatment of bond premium for federal income tax purposes, as well as the manner of making the election.

Owners of the Premium Bonds who do not purchase such Premium Bonds in the initial offering at the issue price should consult with their tax advisors regarding the tax consequences of owning the Premium Bonds.

Owners of Premium Bonds should consult with their tax advisors regarding the state and local tax consequences of owning such Premium Bonds.

MUNICIPAL ADVISOR

Ehlers has served as municipal advisor to the Town 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

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 Town, have retained or may retain BTSC and/or EIP to provide these services. If hired, BTSC and/or EIP would be retained by the Town under an agreement separate from Ehlers.

INDEPENDENT AUDITORS

The basic financial statements of the Town for the fiscal year ended December 31, 2019, have been audited by CliftonLarsonAllen LLP, Sheboygan, 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 review this Official Statement, including the appendices, in its entirety.

Taxes: The Bonds are general obligations of the Town, the ultimate payment of which rests in the Town'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 Town 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 Town, the taxable value of property within the Town, and the ability of the Town to levy and collect property taxes.

Future Changes in Law: Various State and federal laws, regulations and constitutional provisions apply to the Town and to the Bonds. The Town 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 Town or the taxing authority of the Town.

Ratings; Interest Rates: In the future, the Town'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.

Continuing Disclosure: A failure by the Town 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 Town 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 Town, 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 Town 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 Town 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 Town 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 Town and its financial condition will depend on future developments, which are highly uncertain and cannot be predicted by the Town, 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 Town's allocation is \$92,505. 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 November 20, 2020, the public health emergency was continued and Emergency Order #1 was extended through January 19, 2021.

On October 6, 2020, Emergency Order #3 was issued, which limited 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 Town. The Town cannot predict the extent of any such changes, but a material decrease in the equalized valuations of property in the Town may materially adversely affect the financial condition of the Town (see "RISK FACTORS - Impact of the Spread of COVID-19" herein).

CURRENT PROPERTY VALUATIONS

2020 Equalized Value	\$763,420,900
2020 Equalized Value Reduced by Tax Increment Valuation	\$742,178,700
2020 Assessed Value	\$614,417,700

2020 EQUALIZED VALUE BY CLASSIFICATION

	2020 Equalized Value¹	Percent of Total Equalized Value
Residential	\$ 586,202,200	76.786%
Commercial	136,648,800	17.900%
Manufacturing	25,613,000	3.355%
Agricultural	925,400	0.121%
Undeveloped	357,800	0.047%
Ag Forest	465,000	0.061%
Forest	60,000	0.008%
Other	6,716,100	0.880%
Personal Property	6,432,600	0.843%
Total	<u>\$ 763,420,900</u>	<u>100.000%</u>

TREND OF VALUATIONS

Year	Assessed Value	Equalized Value ¹	Percent Increase/Decrease in Equalized Value
2016	\$515,780,600	\$550,340,700	7.81%
2017	543,687,200	601,395,300	9.28%
2018	566,371,800	645,575,000	7.35%
2019	585,732,900	711,478,500	10.21%
2020	614,417,700	763,420,900	7.30%

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

¹ Includes tax increment valuation.

LARGER TAXPAYERS

Taxpayer	Type of Business/Property	2020 Equalized Value¹	Percent of Town's Total Equalized Value
SHL LLC	Residential Properties	\$ 19,880,700	2.60%
SLAL LLC	Residential Properties	13,699,000	1.79%
Qpal LLC	Residential Properties	8,788,700	1.15%
TPJ Futures LLC	Industrial/Manufacturing	8,590,400	1.13%
R Lewis & R Lewis LLC	Industrial/Commercial Properties	7,649,700	1.00%
Ag Properties LLC	Condo Association	6,336,900	0.83%
Mortensen Holdings LLC	Industrial/Manufacturing	5,417,300	0.71%
VHC Inc	Electrical Equipment	4,557,900	0.60%
Amerco Real Estate Co	Commercial Properties	3,667,900	0.48%
1990 Properrties LLC	Commercial Properties	3,593,800	0.47%
Total		\$ 82,182,300	10.76%
Town's Total 2020 Equalized Value ²		\$763,420,900	

Source: The Town.

¹ Calculated by dividing the 2020 Assessed Values by the 2020 Aggregate Ratio of assessment for the Town.

² Includes tax increment valuation.

DEBT

DIRECT DEBT¹

General Obligation Debt (see schedules following)

Total General Obligation Debt (includes the Bonds and the Concurrent Obligations, as defined herein)*

\$ 20,971,025

*Preliminary, subject to change.

¹ Outstanding debt is as of the dated date of the Bonds and excludes the obligations to be refunded by the Bonds and the Concurrent Obligations.

Town of Lawrence, Wisconsin
 Schedule of Bonded Indebtedness
 General Obligation Debt Secured by Taxes
 (As of 02/17/2021)

Calendar Year Ending	Refunding Bonds		Promissory Notes Series 2019A		State Trust Fund Loan		State Trust Fund Loan	
	Dated Amount	Maturity	Principal	Interest	Principal	Interest	Principal	Interest
2021	05/15/2012 \$1,600,000	06/01	165,000	13,245	580,000	98,600	224,153	103,510
2022			170,000	9,810	600,000	86,800	253,699	73,965
2023			170,000	6,113	600,000	74,800	261,944	65,720
2024			175,000	2,100	615,000	62,650	270,300	57,363
2025					625,000	50,250	279,242	48,422
2026					265,000	41,350	288,317	39,347
2027					270,000	36,000	297,688	29,976
2028					120,000	32,100	307,307	20,357
2029					1,545,000	15,450	317,350	10,314
2030								
2031								
2032								
2033								
2034								
2035								
2036								
2037								
2038								
2039								
			680,000	31,268	5,220,000	498,000	2,500,000	448,974
							500,000	36,660

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Town of Lawrence, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 02/17/2021)

Dated Amount	State Trust Fund Loan		State Trust Fund Loan		State Trust Fund Loan		Promissory Note	
	06/23/2020 \$700,000	03/15	06/29/2020 \$300,000	03/15	12/10/2020 \$1,750,000	12/17/2020 \$466,025		
Maturity	03/15		03/15		03/15		12/17	
Calendar Year-Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2021	136,964	12,705	0	5,854	0	0	0	11,340
2022	135,594	14,076	29,835	8,250	0	0	112,343	11,340
2023	138,984	10,686	30,656	7,430	218,750	52,500	115,077	8,606
2024	142,439	7,231	31,481	6,605	218,750	46,063	117,861	5,822
2025	146,019	3,650	32,364	5,721	218,750	39,375	120,745	2,938
2026			33,255	4,831	218,750	32,813		
2027			34,169	3,916	218,750	26,250		
2028			35,100	2,985	218,750	19,741		
2029			36,074	2,011	218,750	13,125		
2030			37,066	1,019	218,750	6,563		
2031								
2032								
2033								
2034								
2035								
2036								
2037								
2038								
2039	700,000	48,349	300,000	48,621	1,750,000	302,594	466,025	40,046

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Town of Lawrence, Wisconsin
 Schedule of Bonded Indebtedness continued
 General Obligation Debt Secured by Taxes
 (As of 02/17/2021)

Calendar Year Ending	Refunding Bonds Series 2021A		Taxable Refunding Bonds Series 2021B		Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
	Dated Amount	Maturity	02/17/2021	03/01						
2021	0	0	0	0	1,265,059	265,200	1,530,259	19,705,966	6.03%	2021
2022	0	101,767	0	0	1,469,273	480,122	1,949,395	18,236,692	13.04%	2022
2023	265,000	65,534	245,000	62,088	2,218,666	359,106	2,577,772	16,018,026	23.62%	2023
2024	270,000	64,263	245,000	60,311	2,085,831	312,408	2,398,239	13,932,196	33.56%	2024
2025	270,000	62,778	245,000	58,290	1,937,120	271,424	2,208,544	11,995,075	42.80%	2025
2026	275,000	61,005	250,000	55,875	1,330,322	235,220	1,565,542	10,664,754	49.15%	2026
2027	275,000	58,874	250,000	53,125	1,345,607	208,141	1,553,748	9,319,147	55.56%	2027
2028	280,000	56,305	255,000	49,966	1,216,157	181,454	1,397,612	8,102,990	61.36%	2028
2029	280,000	53,365	260,000	46,295	2,657,174	140,560	2,797,734	5,445,816	74.03%	2029
2030	285,000	50,115	265,000	42,291	805,816	99,988	905,804	4,640,000	77.87%	2030
2031	285,000	46,553	270,000	37,943	555,000	84,495	639,495	4,085,000	80.52%	2031
2032	295,000	42,635	270,000	33,353	565,000	75,988	640,988	3,520,000	83.21%	2032
2033	295,000	38,284	275,000	28,514	570,000	66,798	636,798	2,950,000	85.93%	2033
2034	300,000	33,448	280,000	23,170	580,000	56,618	636,618	2,370,000	88.70%	2034
2035	305,000	28,076	290,000	17,253	595,000	45,329	640,329	1,775,000	91.54%	2035
2036	310,000	22,155	295,000	10,743	605,000	32,898	637,898	1,170,000	94.42%	2036
2037	315,000	15,748	300,000	3,675	615,000	19,423	634,423	555,000	97.35%	2037
2038	325,000	8,865	325,000	8,865	325,000	8,865	333,865	230,000	98.90%	2038
2039	230,000	2,645	230,000	2,645	230,000	2,645	232,645	0	100.00%	2039
	4,860,000	812,412	3,995,000	679,755	20,971,025	2,946,680	23,917,705			

* Preliminary, subject to change.

DEBT LIMIT

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	\$ 763,420,900
Multiply by 5%	<u>0.05</u>
Statutory Debt Limit	\$ 38,171,045
Less: General Obligation Debt*	<u>(20,971,025)</u>
Unused Debt Limit*	<u><u>\$ 17,200,020</u></u>

*Preliminary, subject to change.

OVERLAPPING DEBT¹

Taxing District	2020 Equalized Value ²	% In Town	Total G.O. Debt ³	Town's Proportionate Share
Brown County	\$ 24,637,004,800	3.10%	\$ 78,225,000	\$ 2,424,975
Northeast Wisconsin Technical College District	45,980,052,709	1.66%	95,430,000	1,584,138
Green Bay Metro Sewer District	22,443,468,033	3.40%	188,387,771	6,405,184
West De Pere School District	2,587,932,354	27.29%	84,935,000	23,178,762
Wrightstown Community School District	843,181,859	6.80%	26,520,000	<u>1,803,360</u>
Town's Share of Total Overlapping Debt				<u><u>\$ 35,396,419</u></u>

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

² Includes tax increment valuation.

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

DEBT RATIOS

	G.O. Debt	Debt/Equalized Value \$763,420,900	Debt/ Per Capita 6,020¹
Total General Obligation Debt*	\$ 20,971,025	2.75%	\$ 3,483.56
Town's Share of Total Overlapping Debt	<u>35,396,419</u>	<u>4.64%</u>	<u>5,879.80</u>
Total*	\$ 56,367,444	7.38%	\$ 9,363.36

DEBT PAYMENT HISTORY

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

FUTURE FINANCING

Concurrently with the Bonds, the Town plans to issue \$4,860,000* General Obligation Refunding Bonds, Series 2021A (the "Concurrent Obligations"). The Town is also planning to issue approximately \$2,700,000 of general obligation debt to finance various TID projects with approximately \$1,500,000 in spring 2021 and approximately \$1,200,000 in late summer 2021. Aside from the preceding, the Town has no current plans for additional financing in the next 12 months.

*Preliminary, subject to change.

¹ Estimated 2020 population.

TAX LEVIES AND COLLECTIONS

TAX LEVIES AND COLLECTIONS

Tax Year	Levy for Town Purposes Only	% Collected	Levy/Equalized Value Reduced by Tax Increment Valuation in Dollars per \$1,000
2016/17	\$1,459,400	100%	\$2.65
2017/18	1,538,634	100%	2.56
2018/19	1,602,500	100%	2.48
2019/20	1,697,325	100%	2.40
2020/21	1,743,700	[In process]	2.35

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 provided that for property taxes payable in 2020, a taxation district could, 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 was required to first adopt a resolution authorizing such waiver and determining criteria for determining hardship and then the taxation district was required to subsequently adopt a similar resolution. In the case of a county adopting such a resolution, the county proportionally settled with the taxation districts any taxes, interest and penalties collected on or before July 31, 2020 on August 20, 2020, and settled the remaining unpaid taxes, interest, and penalties on September 20, 2020. The County and the Town did not adopt such resolutions. The

Town cannot predict whether any similar legislation may be adopted in the future or 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 Town'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	Schools ¹	County	Local	Other ²	Total
2016/17	\$11.22	\$4.80	\$2.65	\$0.17	\$18.84
2017/18	10.68	4.77	2.56	0.00	18.01
2018/19	10.37	4.65	2.48	0.00	17.50
2019/20	10.37	4.36	2.40	0.00	17.13
2020/21	10.38	4.15	2.35	0.00	16.88

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

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

² Includes 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.

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 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

TOWN GOVERNMENT

The Town was incorporated in 1847 and is governed by a five-member Town Board. All Board Members are elected to overlapping two-year terms. The appointed Town Administrator and Town Clerk/Treasurer are responsible for administrative details and financial records.

EMPLOYEES; PENSIONS

The Town employs a staff of six full-time, three part-time, and four seasonal employees. All eligible employees in the Town 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.

Town employees are generally required to contribute half of the actuarially determined contributions, and the Town 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 Town's portion of contributions to WRS (not including any employee contributions) totaled \$26,316, \$31,271 and \$33,969, respectively.

The Town 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 liability 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 Town reported an liability of \$104,276 for its proportionate share of the net pension asset of the WRS. The net pension liability was measured as of December 31, 2018 based on the Town's share of contributions to the pension plan relative to the contributions of all participating employers. The Town's proportion was 0.00293102% of the aggregate WRS net pension asset 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 3.G. in "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

Recognized and Certified Bargaining Units

All eligible Town 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 Town 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 Town 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 Town were to seek approval for a higher increase through a referendum). Ultimately, the Town 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 Town, 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 bargaining units that represent employees of the Town.

OTHER POST EMPLOYMENT BENEFITS

In November 2019, the Town began participating 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.

Since the Town did not begin participating until 2019, the Town has not yet been allocated a proportionate share of the net OPEB liability of the LRLIF, but will be allocated such a proportionate share for 2020.

For more detailed information, see Note 3.H in "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

LITIGATION

There is no litigation threatened or pending questioning the organization or boundaries of the Town 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 Town 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 Town to file for relief under Chapter 9. If, in the future, the Town were to file a bankruptcy case under Chapter 9, the relevant bankruptcy court would need to consider whether the Town could properly do so, which would involve questions regarding State law authority as well as other questions such as whether the Town is a municipality for bankruptcy purposes. If the relevant bankruptcy court concluded that the Town 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 Town; (b) to any particular assets of the Town, or (c) to revenues otherwise designated for payment to holders of the Bonds.

Moreover, if the Town 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 November 30, 2020)

Fund	Total Cash and Investments
Operating Checking	\$ 8,245,662
Money Market	554,644
Business Checking	500,394
LGIP	<u>1,126,139</u>
Total Funds on Hand	<u><u>\$ 10,426,839</u></u>

ENTERPRISE FUNDS

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

	2018 Audited	2019 Audited	2020 Projected
Water			
Total Operating Revenues	\$ 755,034	\$ 753,817	\$ 866,219
Less: Operating Expenses	(934,430)	(954,099)	(1,005,940)
Operating Income	\$ (179,396)	\$ (200,282)	\$ (139,721)
Plus: Depreciation	148,996	159,620	170,000
Interest Income	14,280	11,257	5,838
Revenues Available for Debt Service	<u>\$ (16,120)</u>	<u>\$ (29,405)</u>	<u>\$ 36,117</u>
Sanitary Sewer			
Total Operating Revenues	\$ 869,272	\$ 1,010,507	\$ 1,057,713
Less: Operating Expenses	(1,023,756)	(1,064,110)	(1,041,631)
Operating Income	\$ (154,484)	\$ (53,603)	\$ 16,082
Plus: Depreciation	137,524	145,011	153,000
Interest Income	4,760	3,752	2,826
Revenues Available for Debt Service	<u>\$ (12,200)</u>	<u>\$ 95,160</u>	<u>\$ 171,908</u>
Storm Sewer			
Total Operating Revenues	\$ 242,008	\$ 182,044	\$ 194,680
Less: Operating Expenses	(249,845)	(305,171)	(173,294)
Operating Income	\$ (7,837)	\$ (123,127)	\$ 21,386
Plus: Depreciation	114,403	120,665	126,000
Interest Income	348	0	0
Revenues Available for Debt Service	<u>\$ 106,914</u>	<u>\$ (2,462)</u>	<u>\$ 147,386</u>

SUMMARY GENERAL FUND INFORMATION

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

COMBINED STATEMENT	FISCAL YEAR ENDING DECEMBER 31				
	2017 Audited	2018 Audited	2019 Audited	2020 Projected ¹	2021 Adopted Budget ²
Revenues					
Taxes	\$ 1,048,636	\$ 1,129,092	\$ 1,230,367	\$ 1,292,325	\$ 1,353,700
Special assessments	25,293	32,426	27,018	27,994	25,300
Intergovernmental	240,097	264,350	304,587	968,047	373,358
Licenses and permits	110,475	136,617	202,504	135,789	150,100
Fine and forfeits	73,229	73,094	87,101	60,852	63,000
Public charges for services	327,430	370,660	363,101	342,403	298,067
Miscellaneous general revenues	77,059	112,950	82,277	63,153	59,000
Total Revenues	\$ 1,902,219	\$ 2,119,189	\$ 2,296,955	\$ 2,890,563	\$ 2,322,525
Expenditures					
Current:					
General government	\$ 318,454	\$ 359,606	\$ 369,594	\$ 396,123	\$ 434,485
Public safety	721,690	754,371	782,381	692,215	871,224
Public works	471,474	483,884	470,586	579,354	799,485
Health and social services	0	9,995	2,336	0	0
Culture and recreation	21,737	19,046	32,605	54,125	35,256
Conservation and development	2,443	2,372	1,599	1,041	3,900
Capital outlay	586,456	430,415	468,546	827,672	178,175
Total Expenditures	\$ 2,122,254	\$ 2,059,689	\$ 2,127,647	\$ 2,550,530	\$ 2,322,525
Excess of revenues over (under) expenditures	\$ (220,035)	\$ 59,500	\$ 169,308	\$ 340,033	\$ 0
Other Financing Sources (Uses)					
Proceeds from sale of capital assets	0	0	27,192		
Transfers in	7,468	0	0		
Transfers out	0	0	0		
Total Other Financing Sources (Uses)	\$ 7,468	\$ 0	\$ 0		
Excess of revenues and other financing sources over (under) expenditures and other financing uses	\$ (212,567)	\$ 59,500	\$ 196,500		
General Fund Balance January 1	1,101,567	889,000	948,500		
General Fund Balance December 31	\$ 889,000	\$ 948,500	\$ 1,145,000		
DETAILS OF DECEMBER 31 FUND BALANCE					
Nonspendable	\$ 0	\$ 4,923	\$ 7,412		
Restricted	0	92,048	112,558		
Committed	0	0	0		
Assigned	285,060	0	0		
Unassigned	603,940	851,529	1,025,030		
Total	\$ 889,000	\$ 948,500	\$ 1,145,000		

¹ Projected data is as of November 30, 2020.

² The 2020 budget was adopted on November 16, 2020.

GENERAL INFORMATION

LOCATION

The Town, with a 2010 U.S. Census population of 4,284 and a current estimated population of 6,020 comprises an area of 16 square miles and is located approximately seven miles southwest of De Pere and 13 miles southwest of Green Bay.

LARGER EMPLOYERS¹

Larger employers in the Town and surrounding area include the following:

Firm	Type of Business/Product	Estimated No. of Employees
Brown County	County government and services	1,674
Robinson Metal	Metal fabrication	507
West De Pere School District	Elementary and secondary education	444
Cellcom Corp	Call center	350
Jones Sign Co.	Sign manufacturing and installation	150
Prevea Support Services	Support services building	125 ²
PDQ Manufacturing	Car washing and polishing equipment manufacturer	100
Trudell Trailers of Green Bay	Trailer manufacturer	54
Green Bay Truck Sales LLC	Truck repairing and service	40
Trudell Industrial Finishing	Industrial finishing	24

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

¹ This 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").

² No response this year, last count from 11/4/19.

BUILDING PERMITS

	2016	2017	2018	2019	2020 ¹
<u>New Residential</u>					
No. of building permits	87	66	51	62	62
Valuation	\$21,048,475	\$15,867,633	\$14,599,000	\$18,062,668	\$19,115,902
<u>New Commercial/Industrial</u>					
No. of building permits	7	16	6	1	3
Valuation	\$7,948,500	\$1,350,000	\$14,633,400	\$1,438,633	\$10,350,000
<u>All Building Permits</u> <i>(including additions and remodelings)</i>					
No. of building permits	185	205	251	258	287
Valuation	\$30,599,862	\$17,217,633	\$29,232,400	\$19,501,301	\$29,504,902

Source: The Town.

¹ As of December 31, 2020.

U.S. CENSUS DATA

Population Trend: The Town

2000 U.S. Census	1,548
2010 U.S. Census	4,284
2020 Estimated Population	6,020
Percent of Change 2000 - 2010	176.74%

Income and Age Statistics

	The Town	Brown County	State of Wisconsin	United States
2019 per capita income	\$45,076	\$32,874	\$33,375	\$34,103
2019 median household income	\$111,585	\$62,340	\$61,747	\$62,843
2019 median family income	\$143,937	\$80,974	\$78,679	\$77,263
2019 median gross rent	\$919	\$795	\$856	\$1,062
2019 median value owner occupied units	\$285,000	\$173,900	\$180,600	\$217,500
2019 median age	35.8 yrs.	37.4 yrs.	39.5 yrs.	38.1 yrs.

	State of Wisconsin	United States
Town % of 2019 per capita income	135.06%	132.18%
Town % of 2019 median family income	182.94%	186.29%

Housing Statistics

	<u>The Town</u>		
	2010	2019	Percent of Change
All Housing Units	1,766	1,988	12.57%

Source: 2000 and 2010 Census of Population and Housing, and 2019 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>	
	Brown County	Brown County	State of Wisconsin	State of Wisconsin
2016	136,269	3.6%	4.0%	
2017	138,594	2.9%	3.3%	
2018	138,718	2.7%	3.0%	
2019	137,489	3.1%	3.3%	
2020, November ¹	137,911	4.0%	4.5%	

Source: Wisconsin Department of Workforce Development.

¹ Preliminary.

FINANCIAL STATEMENTS

Potential purchasers should read the included financial statements in their entirety for more complete information concerning the Town's financial position. Such financial statements have been audited by the Auditor, to the extent and for the periods indicated thereon. The Town 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 Town 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 Town since the date of the financial statements, in connection with the issuance of the Bonds, the Town represents that there have been no material adverse change in the financial position or results of operations of the Town, nor has the Town 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.

Town of Lawrence
Brown County, Wisconsin

ANNUAL FINANCIAL REPORT

December 31, 2019



CLAconnect.com

WEALTH ADVISORY
OUTSOURCING
AUDIT, TAX, AND
CONSULTING

Town of Lawrence
Brown County, Wisconsin

DECEMBER 31, 2019

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Town of Lawrence
Brown County, Wisconsin

DECEMBER 31, 2019

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Independent auditors' report

To the Town Board
Town of Lawrence
Brown County, 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 Town of Lawrence, Brown County, Wisconsin ("the Town") as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

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 of 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 auditors consider internal control relevant to the Town'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 Town'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 Town as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

EMPHASIS OF MATTER

As described in note 1.C., during 2019, the Town adopted new accounting guidance, Statement No. 84, *Fiduciary Activities*. As a result, the Town established a custodial fund for taxes and special charges collected for other governments. In prior years, these amounts were reported in the General Fund. Our opinions are not modified with respect to this matter.

OTHER MATTERS

Prior Year Comparative Information

We have previously audited the Town's 2018 financial statements, and our report dated April 15, 2019, expressed unmodified opinions on those respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information from which the prior year summarized financial information was derived. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the schedules relating to pensions on page 45 be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

OTHER INFORMATION

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

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Town as of and for the year ended December 31, 2018, and have issued our report thereon April 15, 2019, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. The detailed budgetary comparison information and the nonmajor combining statements for the year ended December 31, 2018 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2018 financial statements. The detailed budgetary comparison information and the nonmajor combining statements have been subjected to the auditing procedures applied in the audit of the 2018 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the detailed budgetary comparison information and nonmajor combining statements are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2018.

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 12, 2020, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Sheboygan, Wisconsin

June 12, 2020

Town of Lawrence

Brown County, Wisconsin

STATEMENT OF NET POSITION
DECEMBER 31, 2019
WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2018

	Governmental Activities	Business-type Activities	Totals	
			2019	2018
ASSETS				
Cash and investments	\$ 7,884,592	\$ 1,750,219	\$ 9,634,811	\$ 4,077,308
Receivables				
Taxes and special charges	1,956,598	-	1,956,598	1,845,693
Delinquent taxes	8,181	-	8,181	8,630
Accounts	27,700	278,237	305,937	347,558
Special assessments	1,480,159	295,474	1,775,633	632,185
Due from other governments	-	15,461	15,461	15,025
Prepaid items	7,412	4,997	12,409	10,751
Assets held for resale	3,995,669	-	3,995,669	3,914,045
Interceptor capacity, net	-	768,810	768,810	970,617
Net pension asset	-	-	-	85,345
Capital assets, nondepreciable	1,800,420	812,705	2,613,125	513,768
Capital assets, depreciable	11,005,771	14,114,255	25,120,026	25,237,568
Total assets	28,166,502	18,040,158	46,206,660	37,658,493
DEFERRED OUTFLOWS OF RESOURCES				
Pension related amounts	285,529	-	285,529	157,460
LIABILITIES				
Accounts payable	462,276	155,622	617,898	868,203
Accrued and other current liabilities	13,934	13,596	27,530	42,171
Due to other governments	-	588	588	-
Accrued interest payable	175,789	7,175	182,964	200,696
Special deposits	34,000	-	34,000	52,872
Long-term obligations				
Due within one year	589,553	352,807	942,360	2,072,610
Due in more than one year	15,576,565	2,805,000	18,381,565	8,812,407
Net pension liability	104,276	-	104,276	-
Total liabilities	16,956,393	3,334,788	20,291,181	12,048,959
DEFERRED INFLOWS OF RESOURCES				
Property taxes levied for subsequent year	2,235,235	-	2,235,235	2,039,470
Pension related amounts	147,304	-	147,304	173,539
Total deferred inflows of resources	2,382,539	-	2,382,539	2,213,009
NET POSITION				
Net investment in capital assets	5,900,471	11,762,442	17,662,913	20,373,476
Restricted	289,303	-	289,303	340,993
Unrestricted	2,923,325	2,942,928	5,866,253	2,839,516
Total net position	\$ 9,113,099	\$ 14,705,370	\$ 23,818,469	\$ 23,553,985

The notes to the basic financial statements are an integral part of this statement.

Town of Lawrence

Brown County, Wisconsin

STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED DECEMBER 31, 2019
 WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
GOVERNMENTAL ACTIVITIES				
General government	\$ 416,662	\$ 15,266	\$ 1,200	\$ -
Public safety	873,989	251,267	47,109	-
Public works	2,542,002	251,070	216,468	1,953,393
Health and human services	2,336	17,072	-	-
Culture and recreation	35,610	4,737	-	121,100
Conservation and development	416,047	93,476	-	289,904
Interest and fiscal charges	401,114	-	-	-
Total governmental activities	4,687,760	632,888	264,777	2,364,397
BUSINESS-TYPE ACTIVITIES				
Water utility	974,841	753,817	-	91,780
Sanitary sewer utility	1,129,204	1,010,507	-	63,448
Storm sewer utility	305,171	182,044	-	-
Total business-type activities	2,409,216	1,946,368	-	155,228
Total	\$ 7,096,976	\$ 2,579,256	\$ 264,777	\$ 2,519,625
General revenues				
Taxes				
Property taxes				
Excess Stadium District sales tax				
Other taxes				
Federal and state grants and other contributions not restricted to specific functions				
Interest and investment earnings				
Miscellaneous				
Gain on sale of asset				
Transfers				
Total general revenues				
Change in net position				
Net position - January 1				
Net position - December 31				

The notes to the basic financial statements are an integral part of this statement.

**Net (Expense) Revenue
and Changes in Net Position**

Governmental Activities	Business-type Activities	Totals	
		2019	2018
\$ (400,196)	\$ -	\$ (400,196)	\$ (382,582)
(575,613)	-	(575,613)	(657,315)
(121,071)	-	(121,071)	(1,159,742)
14,736	-	14,736	53,249
90,227	-	90,227	66,536
(32,667)	-	(32,667)	(254,802)
(401,114)	-	(401,114)	(243,696)
<u>(1,425,698)</u>	<u>-</u>	<u>(1,425,698)</u>	<u>(2,578,352)</u>
-	(129,244)	(129,244)	1,065,505
-	(55,249)	(55,249)	399,642
-	(123,127)	(123,127)	461,498
<u>-</u>	<u>(307,620)</u>	<u>(307,620)</u>	<u>1,926,645</u>
<u>(1,425,698)</u>	<u>(307,620)</u>	<u>(1,733,318)</u>	<u>(651,707)</u>
1,620,990	-	1,620,990	1,538,634
1,851	-	1,851	4,714
58,149	-	58,149	35,036
39,810	-	39,810	29,637
61,073	15,009	76,082	65,660
54,536	-	54,536	7,156
146,384	-	146,384	-
(757,220)	757,220	-	-
<u>1,225,573</u>	<u>772,229</u>	<u>1,997,802</u>	<u>1,680,837</u>
(200,125)	464,609	264,484	1,029,130
<u>9,313,224</u>	<u>14,240,761</u>	<u>23,553,985</u>	<u>22,524,855</u>
<u>\$ 9,113,099</u>	<u>\$ 14,705,370</u>	<u>\$ 23,818,469</u>	<u>\$ 23,553,985</u>

Town of Lawrence

Brown County, Wisconsin

**BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2019
WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2018**

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Tax Incremental District No. 1</u>
ASSETS				
Cash and investments	\$ 1,795,945	\$ 253,124	\$ 3,152,418	\$ 2,597,171
Receivables				
Taxes and special charges	1,461,581	405,000	-	90,017
Delinquent taxes	8,181	-	-	-
Accounts	-	15,000	-	12,700
Special assessments	703,481	508,510	-	268,168
Due from other funds	-	-	-	-
Prepaid items	7,412	-	-	-
Assets held for resale	-	-	-	3,995,669
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 3,976,600</u>	<u>\$ 1,181,634</u>	<u>\$ 3,152,418</u>	<u>\$ 6,963,725</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 341,515	\$ 750	\$ 44,417	\$ 75,594
Accrued and other current liabilities	12,386	-	-	774
Due to other funds	-	-	-	-
Special deposits	34,000	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>387,901</u>	<u>750</u>	<u>44,417</u>	<u>76,368</u>
Deferred inflows of resources				
Property taxes levied for subsequent year	1,740,218	405,000	-	90,017
Special assessments	703,481	508,510	-	268,168
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total deferred inflows of resources	<u>2,443,699</u>	<u>913,510</u>	<u>-</u>	<u>358,185</u>
Fund balances				
Nonspendable	7,412	-	-	-
Restricted	112,558	267,374	3,108,001	6,529,172
Unassigned	1,025,030	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total fund balances	<u>1,145,000</u>	<u>267,374</u>	<u>3,108,001</u>	<u>6,529,172</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 3,976,600</u>	<u>\$ 1,181,634</u>	<u>\$ 3,152,418</u>	<u>\$ 6,963,725</u>

The notes to the basic financial statements are an integral part of this statement.

Tax Incremental District No. 2	Other Governmental Funds	Totals	
		2019	2018
\$ 71,788	\$ 14,146	\$ 7,884,592	\$ 2,194,784
-	-	1,956,598	1,845,693
-	-	8,181	8,630
-	-	27,700	-
-	-	1,480,159	232,562
-	-	-	190,278
-	-	7,412	4,923
-	-	3,995,669	3,914,045
<u>\$ 71,788</u>	<u>\$ 14,146</u>	<u>\$ 15,360,311</u>	<u>\$ 8,390,915</u>
\$ -	\$ -	\$ 462,276	\$ 641,568
774	-	13,934	29,495
-	-	-	190,278
-	-	34,000	52,872
<u>774</u>	<u>-</u>	<u>510,210</u>	<u>914,213</u>
-	-	2,235,235	2,039,470
-	-	1,480,159	232,562
-	-	3,715,394	2,272,032
-	-	7,412	4,923
71,014	14,146	10,102,265	4,549,553
-	-	1,025,030	650,194
<u>71,014</u>	<u>14,146</u>	<u>11,134,707</u>	<u>5,204,670</u>
<u>\$ 71,788</u>	<u>\$ 14,146</u>	<u>\$ 15,360,311</u>	<u>\$ 8,390,915</u>

Town of Lawrence

Brown County, Wisconsin

**BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2019
WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2018**

	<u>2019</u>	<u>2018</u>
RECONCILIATION TO THE STATEMENT OF NET POSITION		
Total fund balances as shown on previous page	\$ 11,134,707	\$ 5,204,670
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	12,806,191	11,340,596
Other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.	1,480,159	232,562
Long-term assets are not considered available and, therefore, are not reported in the funds.		
Net pension asset	-	85,345
Some deferred outflows and inflows of resources reflect changes in long-term liabilities and are not reported in the funds.		
Deferred outflows related to pensions	285,529	157,460
Deferred inflows related to pensions	(147,304)	(173,539)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds and notes payable	(16,114,641)	(7,352,502)
Premium on debt	(51,477)	-
Net pension liability	(104,276)	-
Accrued interest on long-term obligations	<u>(175,789)</u>	<u>(181,368)</u>
Net position of governmental activities as reported on the statement of net position (see page 4).	<u>\$ 9,113,099</u>	<u>\$ 9,313,224</u>

The notes to the basic financial statements are an integral part of this statement.

Town of Lawrence

Brown County, Wisconsin

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2019
 WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Tax Incremental District No. 1</u>
REVENUES				
Taxes	\$ 1,230,367	\$ 415,000	\$ -	\$ -
Excess Stadium District sales tax	-	1,851	-	-
Special assessments	27,018	226,063	-	-
Intergovernmental	304,587	-	-	-
Licenses and permits	202,504	-	-	-
Fines and forfeits	87,101	-	-	-
Public charges for services	363,101	-	-	66,733
Miscellaneous	82,277	7,452	-	26,091
Total revenues	<u>2,296,955</u>	<u>650,366</u>	<u>-</u>	<u>92,824</u>
EXPENDITURES				
Current				
General government	369,594	-	-	-
Public safety	782,381	-	-	-
Public works	470,586	-	-	-
Health and human services	2,336	-	-	-
Culture and recreation	32,605	-	-	-
Conservation and development	1,599	-	-	30,219
Debt service				
Principal	-	1,572,861	-	-
Interest and fiscal charges	-	130,541	-	268,521
Capital outlay	468,546	-	2,703,522	804,124
Total expenditures	<u>2,127,647</u>	<u>1,703,402</u>	<u>2,703,522</u>	<u>1,102,864</u>
Excess of revenues over (under) expenditures	<u>169,308</u>	<u>(1,053,036)</u>	<u>(2,703,522)</u>	<u>(1,010,040)</u>
OTHER FINANCING SOURCES				
Long-term debt issued	-	930,000	5,978,325	3,426,675
Premium on debt issued	-	52,786	-	-
Proceeds from sale of capital assets	27,192	-	-	-
Total other financing sources	<u>27,192</u>	<u>982,786</u>	<u>5,978,325</u>	<u>3,426,675</u>
Net change in fund balances	196,500	(70,250)	3,274,803	2,416,635
Fund balances - January 1	<u>948,500</u>	<u>337,624</u>	<u>(166,802)</u>	<u>4,112,537</u>
Fund balances - December 31	<u>\$ 1,145,000</u>	<u>\$ 267,374</u>	<u>\$ 3,108,001</u>	<u>\$ 6,529,172</u>

The notes to the basic financial statements are an integral part of this statement.

Tax Incremental District No. 2	Other Governmental Funds	Totals	
		2019	2018
\$ -	\$ -	\$ 1,645,367	\$ 1,541,953
-	-	1,851	4,714
-	-	253,081	144,169
-	-	304,587	264,350
-	-	202,504	136,617
-	-	87,101	73,094
-	-	429,834	370,660
799,927	22,790	938,537	148,279
<u>799,927</u>	<u>22,790</u>	<u>3,862,862</u>	<u>2,683,836</u>
-	-	369,594	359,606
-	15,988	798,369	766,433
-	-	470,586	483,884
-	-	2,336	9,995
-	-	32,605	19,046
685,440	-	717,258	245,171
-	-	1,572,861	958,781
8,940	-	408,002	72,281
-	-	3,976,192	1,660,454
<u>694,380</u>	<u>15,988</u>	<u>8,347,803</u>	<u>4,575,651</u>
<u>105,547</u>	<u>6,802</u>	<u>(4,484,941)</u>	<u>(1,891,815)</u>
-	-	10,335,000	1,400,000
-	-	52,786	-
-	-	27,192	-
<u>-</u>	<u>-</u>	<u>10,414,978</u>	<u>1,400,000</u>
105,547	6,802	5,930,037	(491,815)
<u>(34,533)</u>	<u>7,344</u>	<u>5,204,670</u>	<u>5,696,485</u>
<u>\$ 71,014</u>	<u>\$ 14,146</u>	<u>\$ 11,134,707</u>	<u>\$ 5,204,670</u>

Town of Lawrence

Brown County, Wisconsin

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019
WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018**

	<u>2019</u>	<u>2018</u>
RECONCILIATION TO THE STATEMENT OF ACTIVITIES		
Net change in fund balances as shown on previous page	\$ 5,930,037	\$ (491,815)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital assets reported as capital outlay in governmental fund statements	2,120,140	823,874
Depreciation expense reported in the statement of activities	(610,708)	(601,736)
Net book value of disposals	(43,837)	-
Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the statement of activities when earned.	1,247,597	(25,293)
Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Long-term debt issued	(10,335,000)	(1,400,000)
Premium on debt issued	(51,477)	-
Principal repaid	1,572,861	958,781
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:		
Accrued interest on long-term debt	5,579	(171,415)
Net pension asset	(85,345)	85,345
Net pension liability	(104,276)	23,732
Deferred outflows of resources related to pensions	128,069	(24,056)
Deferred inflows of resources related to pensions	<u>26,235</u>	<u>(94,379)</u>
Change in net position of governmental activities as reported in the statement of activities (see pages 5 - 6)	<u>\$ (200,125)</u>	<u>\$ (916,962)</u>

The notes to the basic financial statements are an integral part of this statement.

Town of Lawrence

Brown County, Wisconsin

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2019
WITH SUMMARIZED AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2018**

	Budget		Actual	Variance	2018 Actual
	Original	Final		Final Budget - Positive (Negative)	
REVENUES					
Taxes	\$ 1,187,517	\$ 1,187,517	\$ 1,230,367	\$ 42,850	\$ 1,129,092
Special assessments	25,300	25,300	27,018	1,718	32,426
Intergovernmental	272,756	272,756	304,587	31,831	264,350
Licenses and permits	123,700	123,700	202,504	78,804	136,617
Fines and forfeits	55,000	55,000	87,101	32,101	73,094
Public charges for services	245,500	245,500	363,101	117,601	370,660
Miscellaneous	36,500	36,500	82,277	45,777	112,950
Total revenues	1,946,273	1,946,273	2,296,955	350,682	2,119,189
EXPENDITURES					
Current					
General government	371,135	371,135	369,594	1,541	359,606
Public safety	787,314	787,314	782,381	4,933	754,371
Public works	385,140	385,140	470,586	(85,446)	483,884
Health and human services	-	-	2,336	(2,336)	9,995
Culture and recreation	25,384	25,384	32,605	(7,221)	19,046
Conservation and development	3,900	3,900	1,599	2,301	2,372
Capital outlay	373,400	373,400	468,546	(95,146)	430,415
Total expenditures	1,946,273	1,946,273	2,127,647	(181,374)	2,059,689
Excess of revenues over (under) expenditures	-	-	169,308	169,308	59,500
OTHER FINANCING SOURCES					
Proceeds from sale of capital assets	-	-	27,192	27,192	-
Net change in fund balance	-	-	196,500	196,500	59,500
Fund balance - January 1	948,500	948,500	948,500	-	889,000
Fund balance - December 31	<u>\$ 948,500</u>	<u>\$ 948,500</u>	<u>\$ 1,145,000</u>	<u>\$ 196,500</u>	<u>\$ 948,500</u>

The notes to the basic financial statements are an integral part of this statement.

Town of Lawrence

Brown County, Wisconsin

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 DECEMBER 31, 2019
 WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2018

	Water Utility	Sanitary Sewer Utility	Storm Sewer Utility	Totals	
				2019	2018
ASSETS					
Current assets					
Cash and investments	\$ 547,168	\$ 1,171,805	\$ 31,246	\$ 1,750,219	\$ 1,882,524
Receivables					
Customer accounts	120,918	171,280	1,500	293,698	362,583
Special assessments	4,914	8,016	2,673	15,603	62,908
Prepaid items	1,669	1,572	1,756	4,997	5,828
Total current assets	674,669	1,352,673	37,175	2,064,517	2,313,843
Other assets					
Deferred special assessments	138,685	141,186	-	279,871	336,715
Interceptor capacity, net of amortization	-	768,810	-	768,810	970,617
Total other assets	138,685	909,996	-	1,048,681	1,307,332
Capital assets					
Nondepreciable	388,924	423,781	-	812,705	55,485
Depreciable	6,282,614	4,440,045	3,391,596	14,114,255	14,355,255
Total capital assets	6,671,538	4,863,826	3,391,596	14,926,960	14,410,740
Total assets	7,484,892	7,126,495	3,428,771	18,040,158	18,031,915
(Continued)					

The notes to the basic financial statements are an integral part of this statement.

Town of Lawrence

Brown County, Wisconsin

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 DECEMBER 31, 2019
 WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2018

	Water Utility	Sanitary Sewer Utility	Storm Sewer Utility	Totals	
				2019	2018
LIABILITIES					
Current liabilities					
Accounts payable	\$ 26,024	\$ 88,878	\$ 40,720	\$ 155,622	\$ 226,635
Accrued and other current liabilities	7,452	3,791	2,353	13,596	12,676
Due to other governments	588	-	-	588	-
Accrued interest	2,654	4,521	-	7,175	19,328
Current portion of long-term debt	85,000	267,807	-	352,807	394,607
Total current liabilities	<u>121,718</u>	<u>364,997</u>	<u>43,073</u>	<u>529,788</u>	<u>653,246</u>
Long-term obligations, less current portion					
General obligation debt	1,240,000	1,565,000	-	2,805,000	3,125,100
Revenue bonds	-	-	-	-	12,808
Total long-term liabilities	<u>1,240,000</u>	<u>1,565,000</u>	<u>-</u>	<u>2,805,000</u>	<u>3,137,908</u>
Total liabilities	<u>1,361,718</u>	<u>1,929,997</u>	<u>43,073</u>	<u>3,334,788</u>	<u>3,791,154</u>
NET POSITION					
Net investment in capital assets	5,346,538	3,043,826	3,372,078	11,762,442	12,155,740
Unrestricted	776,636	2,152,672	13,620	2,942,928	2,085,021
Total net position	<u>\$ 6,123,174</u>	<u>\$ 5,196,498</u>	<u>\$ 3,385,698</u>	<u>\$ 14,705,370</u>	<u>\$ 14,240,761</u>

The notes to the basic financial statements are an integral part of this statement.

Town of Lawrence

Brown County, Wisconsin

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2019
 WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018

	Water Utility	Sanitary Sewer Utility	Storm Sewer Utility	Totals	
				2019	2018
OPERATING REVENUES					
Unmetered sales					
Residential	\$ -	\$ 4,958	\$ -	\$ 4,958	\$ 5,803
Commercial	75	-	-	75	204
Residential	406,050	625,929	-	1,031,979	936,412
Multi-family residential	88,227	155,823	-	244,050	226,213
Commercial	45,670	66,123	-	111,793	114,458
Industrial	24,687	33,040	-	57,727	74,348
Public authority	4,168	6,434	-	10,602	9,474
Storm water special charges	-	-	176,498	176,498	172,066
Hookup fees	-	114,940	-	114,940	71,586
Private fire protection	14,478	-	-	14,478	14,483
Public fire protection, retail general service	55,172	-	-	55,172	50,619
Public fire protection, Town	84,872	-	-	84,872	84,872
Rental of property	21,120	-	-	21,120	22,148
Forfeited discounts	2,672	3,260	-	5,932	6,565
Miscellaneous	6,626	-	-	6,626	66,194
Other	-	-	5,546	5,546	10,869
Total operating revenues	753,817	1,010,507	182,044	1,946,368	1,866,314
OPERATING EXPENSES					
Operation	131,935	60,142	184,506	376,583	338,157
Purchased water	514,604	-	-	514,604	519,632
Payments to Green Bay Metropolitan Sewerage District	-	575,608	-	575,608	497,453
Repairs and maintenance	20,701	-	-	20,701	49,915
Administration and general salaries	87,656	51,957	-	139,613	123,104
Office supplies and expenses	8,945	16,124	-	25,069	34,314
Outside services employed	11,932	6,929	-	18,861	14,131
Miscellaneous general expenses	6,226	-	-	6,226	14,404
Depreciation	159,620	145,011	120,665	425,296	400,923
Amortization	-	201,807	-	201,807	201,807
Taxes	12,480	6,532	-	19,012	14,191
Total operating expenses	954,099	1,064,110	305,171	2,323,380	2,208,031
Operating income (loss)	(200,282)	(53,603)	(123,127)	(377,012)	(341,717)
NONOPERATING REVENUES (EXPENSES)					
Interest income	11,257	3,752	-	15,009	19,388
Interest on long-term debt	(20,742)	(65,094)	-	(85,836)	(92,446)
Miscellaneous nonoperating revenue	-	-	-	-	59
Total nonoperating revenues (expenses)	(9,485)	(61,342)	-	(70,827)	(72,999)
Loss before contributions and transfers	(209,767)	(114,945)	(123,127)	(447,839)	(414,716)
Capital contributions	425,219	487,229	-	912,448	2,360,808
Transfers in	-	56,342	-	56,342	-
Transfers out	-	-	(56,342)	(56,342)	-
Change in net position	215,452	428,626	(179,469)	464,609	1,946,092
Net position - January 1	5,907,722	4,767,872	3,565,167	14,240,761	12,294,669
Net position - December 31	\$ 6,123,174	\$ 5,196,498	\$ 3,385,698	\$ 14,705,370	\$ 14,240,761

The notes to the basic financial statements are an integral part of this statement.

Town of Lawrence

Brown County, Wisconsin

**STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2019
 WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018**

	Water Utility	Sanitary Sewer Utility	Storm Sewer Utility	Totals	
				2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from customers	\$ 788,688	\$ 1,046,021	\$ 180,544	\$ 2,015,253	\$ 1,938,503
Cash paid for employee wages and benefits	(212,315)	(112,676)	(70,366)	(395,357)	(357,325)
Cash paid to suppliers	(614,255)	(680,747)	(75,180)	(1,370,182)	(1,223,713)
Net cash provided (used) by operating activities	<u>(37,882)</u>	<u>252,598</u>	<u>34,998</u>	<u>249,714</u>	<u>357,465</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfer in (out)	<u>-</u>	<u>56,342</u>	<u>(56,342)</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of capital assets	(81,572)	(70,483)	(32,241)	(184,296)	(1,505,966)
Capital contributions	108,988	120,292	-	229,280	1,429,950
Water tower impact fees received	30,685	-	-	30,685	40,125
Reallocation of capital costs	-	-	-	-	59
Principal paid on long-term debt	(1,045,000)	(1,629,708)	-	(2,674,708)	(384,507)
Proceeds of debt	895,000	1,405,000	-	2,300,000	-
Interest paid on long-term debt	<u>(24,945)</u>	<u>(73,044)</u>	<u>-</u>	<u>(97,989)</u>	<u>(94,269)</u>
Net cash provided (used) by capital and related financing activities	<u>(116,844)</u>	<u>(247,943)</u>	<u>(32,241)</u>	<u>(397,028)</u>	<u>(514,608)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received	<u>11,257</u>	<u>3,752</u>	<u>-</u>	<u>15,009</u>	<u>19,388</u>
Change in cash and investments	(143,469)	64,749	(53,585)	(132,305)	(137,755)
Cash and investments - January 1	<u>690,637</u>	<u>1,107,056</u>	<u>84,831</u>	<u>1,882,524</u>	<u>2,020,279</u>
Cash and investments - December 31	<u>\$ 547,168</u>	<u>\$ 1,171,805</u>	<u>\$ 31,246</u>	<u>\$ 1,750,219</u>	<u>\$ 1,882,524</u>

The notes to the basic financial statements are an integral part of this statement.

Town of Lawrence

Brown County, Wisconsin

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2019
 WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018

	Water Utility	Sanitary Sewer Utility	Storm Sewer Utility	Totals	
				2019	2018
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating loss	\$ (200,282)	\$ (53,603)	\$ (123,127)	\$ (377,012)	\$ (341,717)
Adjustments to reconcile operating income loss to net cash provided (used) by operating activities					
Depreciation	159,620	145,011	120,665	425,296	400,923
Depreciation charged to sewer utility	7,092	(7,092)	-	-	-
Amortization	-	201,807	-	201,807	201,807
Change in operating assets and liabilities					
Accounts receivables	34,871	35,514	(1,500)	68,885	72,189
Prepaid items	237	306	288	831	(5,828)
Accounts payable	(39,860)	(69,596)	38,443	(71,013)	27,669
Accrued and other current liabilities	440	251	229	920	2,422
Net cash provided (used) by operating activities	<u>\$ (37,882)</u>	<u>\$ 252,598</u>	<u>\$ 34,998</u>	<u>\$ 249,714</u>	<u>\$ 357,465</u>
Reconciliation of cash and cash equivalents to the statement of net position					
Cash and cash equivalents in current assets	<u>\$ 547,168</u>	<u>\$ 1,171,805</u>	<u>\$ 31,246</u>	<u>\$ 1,750,219</u>	<u>\$ 1,882,524</u>
Noncash capital and related financing activities					
Contributed Capital	<u>\$ 333,439</u>	<u>\$ 423,781</u>	<u>\$ -</u>	<u>\$ 757,220</u>	<u>\$ -</u>

The notes to the basic financial statements are an integral part of this statement.

Town of Lawrence

Brown County, Wisconsin

STATEMENT OF NET POSITION
FIDUCIARY FUND
DECEMBER 31, 2019

	<u>Custodial Fund</u>
ASSETS	
Cash and investments	\$ <u>1,194,949</u>
LIABILITIES	
Due to other governments	<u>1,194,949</u>
NET POSITION	
Fiduciary net position - held for others	<u><u>\$ -</u></u>

The notes to the basic financial statements are an integral part of this statement.

Town of Lawrence

Brown County, Wisconsin

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Custodial Fund</u>
ADDITIONS	
Taxes and special charges collected	<u>\$ 3,497,870</u>
DEDUCTIONS	
Payments to other taxing districts	<u>3,497,870</u>
Change in fund balances	-
Fund balances - January 1	<u>-</u>
Fund balances - December 31	<u><u>\$ -</u></u>

The notes to the basic financial statements are an integral part of this statement.

Town of Lawrence Brown County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. REPORTING ENTITY

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

B. JOINT VENTURE

The Town of Lawrence is a Charter Member of the Central Brown County Water Authority with five other Brown County communities. The Authority was formed under Wisconsin statutes in 1998 to provide a long-term solution to water quantity and quality concerns. In 2004, the Authority entered into a contract to purchase Lake Michigan water from the City of Manitowoc, Wisconsin. In 2007, the Authority completed construction of a 30 mile water transmission main from the Town of Manitowoc and a 35 mile long spoke transmission system to distribute the water to its individual members. To provide funds to complete construction projects, the Authority issued \$136,625,000 of revenue bonds in June of 2005.

Each Charter Member has entered into a water sales contract under which they agree to purchase wholesale water from the Authority. Rates charged to each member are billed monthly and are based on (1) operation and maintenance costs, (2) fixed costs, including debt service on the revenue bonds and (3) required Security Fund deposits. During 2019, the Town paid the Authority \$445,601 in accordance with the water purchase contract.

The contract requires each Charter member to purchase water through 2040 or when the revenue bonds are retired, whichever is sooner. The contract also requires the members to fund the revenue bond Security Fund to provide additional funds for Authority debt service if sufficient funds are not available from the monthly billings.

Financial statements for the Central Brown County Water Authority can be obtained from their office at 3100 Eaton Road, Bellevue, WI 54311.

C. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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Town of Lawrence Brown County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019

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

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

The Town reports the following major governmental funds:

General Fund

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

Debt Service Fund

This fund is used to account for the resources accumulated and payments made for principal and interest on long-term general obligation debt of government funds.

Capital Projects Fund

This fund is used to account for general capital projects

Tax Incremental District No. 1

This capital projects fund is used to account for financial activity of TID No. 1.

Tax Incremental District No. 2

This capital projects fund is used to account for financial activity of TID No. 2

The Town reports the following major enterprise funds:

Water Utility Fund

This fund is used to account for the operations of the Town's water utility.

Sanitary Sewer Utility Fund

This fund is used to account for the operations of the Town's sanitary sewer utility.

Storm Sewer Utility Fund

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

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Town of Lawrence Brown County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019

Custodial Fund

The custodial fund accounts for property taxes and special charges collected on behalf of other governments. These amounts were recorded in the general fund in prior years. Due to the implementation of GASB 84, *Fiduciary Activities*, they are now recorded in a custodial fund.

D. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

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

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

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

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

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

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

E. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION OR FUND BALANCE

1. Cash and Investments

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

2. Property Taxes and Special Charges/Receivable

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

The Town bills its own property taxes and also levies taxes for the West De Pere and Wrightstown School Districts, Brown County and Northeast Wisconsin Technical College. The Town contracts with Brown County to collect taxes.

3. Accounts Receivable

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

4. Special Assessments

Assessments against property owners for public improvements are generally not subject to full settlement in the year levied. Special assessments are placed on tax rolls on an installment basis. Revenue from special assessments recorded in governmental funds is recognized as collections are made or as current installments are placed on tax rolls. (Installments placed on the 2018 tax roll are recognized as revenue in 2019.)

Town of Lawrence
Brown County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019

9. **Deferred Outflows/Inflows of Resources**
Deferred outflows of resources are a consumption of net position by the government that is applicable to a future reporting period. Deferred inflows of resources are an acquisition of net position by the government that is applicable to a future reporting period. The recognition of those outflows and inflows as expenses or expenditures and revenues are deferred until the future periods to which the outflows and inflows are applicable.

Governmental funds may report deferred inflows of resources for unavailable revenues. The Town reports unavailable revenues for special assessments. These inflows are recognized as revenues in the government-wide financial statements.

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

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

11. **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.

Town of Lawrence
Brown County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019

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

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

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

7. **Capital Assets**
Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of \$1,000 or higher and an estimated useful life in excess of a year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

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

Assets	Governmental Activities		Business-type Activities	
	Years	Years	Years	Years
Buildings and improvements	10 - 40	10 - 40	10 - 50	10 - 40
Land improvements	10 - 30	10 - 40	10	10
Vehicles	5 - 25	5	3 - 10	25 - 100
Machinery and equipment	5	15 - 40	25 - 100	
Infrastructure				

8. **Land Held for Resale**
Land held for resale consists of land and improvements and is valued at cost of acquisition, demolition, and site improvements. Land held for resale is recorded at lower of cost or market value.

Town of Lawrence Brown County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019

12. Fund Equity

Governmental Fund Financial Statements

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

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

The Town has adopted a fund balance spend-down policy regarding the order in which fund balance will be utilized. Where applicable, the policy requires restricted funds to be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

Government-Wide and Proprietary Fund Statements

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

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

F. USE OF ESTIMATES

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

Town of Lawrence Brown County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019

G. PRIOR YEAR INFORMATION

Comparative amounts for the prior year have been presented in the basic financial statements to provide an understanding of changes in the Town's financial position and operations. The comparative amounts may be summarized in total and not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the government's financial statements for the year ended December 31, 2018, from which the summarized information was derived.

NOTE 2: STEWARDSHIP AND COMPLIANCE

A. BUDGETS AND BUDGETARY ACCOUNTING

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

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

The Town did not have any material violation of legal or contractual provisions for the fiscal year ended December 31, 2019.

Town of Lawrence Brown County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 3: DETAILED NOTES ON ALL FUNDS

A. CASH AND INVESTMENTS

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

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

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

The carrying amount of the Town's cash and investments totaled \$10,829,760 on December 31, 2019 as summarized below:

Deposits with financial institutions \$ 10,829,760

Reconciliation to the basic financial statements:

Government-wide Statement of Net Position
Cash and investments \$ 9,634,811
Fiduciary Fund Statement of Net Position
Custodial fund 1,194,949
\$ 10,829,760

Fair Value Measurements

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

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

Custodial Credit Risk

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

Town of Lawrence Brown County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019

B. EXCESS OF EXPENDITURES OVER BUDGET APPROPRIATIONS

The following expenditure accounts of the general fund had actual expenditures in excess of budget appropriations for the year ended December 31, 2019 as follows:

Fund	Excess Expenditures
General Government	\$ 104
Board	4,687
Legal	23,510
Clerk/Administration	3,144
Treasurer salaries and supplies	2,510
Professional services	
Public Safety	4,256
Ambulance	
Public Works	70,998
Road maintenance/construction	2,083
Street lighting and utilities	1,172
County bridge fund	9,810
Recycling	3,499
Brush collection	15,006
Refuse	685
Animal control	
Health and Human Services	
Cemetery	2,336
Culture and recreation	
Parks - general	7,221
Capital Outlay	
Town building	10,045
Public Safety	10,636
Public works equipment	13,804
Road construction	77,119

C. PROPERTY TAX LEVY LIMIT

Wisconsin state statutes provide for a limit on the property tax levies for all Wisconsin cities, villages, towns and counties. For the 2019 and 2020 budget years, Wisconsin Statutes limit the increase in the maximum allowable tax levy to the change in the Town's January 1 equalized value as a result of net new construction. The actual limit for the Town for the 2019 budget was 5.20%. The actual limit for the Town for the 2020 budget was 4.04%. 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.

Town of Lawrence
Brown County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019

Deposits with financial institutions within the State of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for the combined amount of all time and savings deposits and \$250,000 for interest-bearing and noninterest-bearing demand deposits per official custodian per insured depository institution. Deposits with financial institutions located outside the State of Wisconsin are insured by the FDIC in the amount of \$250,000 for the combined amount of all deposit accounts per official custodian per depository institution. Deposits with credit unions are insured by the National Credit Union Share Insurance Fund (NCUSIF) in the amount of \$250,000 per credit union member. Also, the State of Wisconsin has a State Guarantee Fund which provides a maximum of \$400,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available. This coverage has been considered in determining custodial credit risk.

As of December 31, 2019, \$9,931,850 of the Town's deposits with financial institutions were in excess of federal and state depository insurance limits. No amounts were collateralized.

B. SPECIAL ASSESSMENTS RECEIVABLE

The Town has assessed property owners for a portion of the cost of constructing a water distribution system, a sanitary sewer collection system, a storm water drainage system, and curb and gutter installation. Various assessments have not been collected and are deferred without interest because the properties are not currently developed. The balances of the assessments are normally due on an installment basis.

A total of \$1,775,632 of special assessments receivable remained outstanding on December 31, 2019. Of this amount, \$279,870 is deferred and collectible upon development or sale of the property. The balance of \$1,495,762 represents installment special assessments receivable, which are due in installments up to ten years.

C. DEFERRED CHARGE - GBMSD INTERCEPTOR CAPACITY

The deferred charge of \$768,810 on December 31, 2019 represents the value of the Green Bay Metropolitan Sewerage District interceptor capacity owned by the District. The interceptor capacity is offset by a note payable and is being amortized on a straight-line basis over the note repayment period. The amount reported is net of amortization.

Town of Lawrence
Brown County, Wisconsin

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D. CAPITAL ASSETS
Capital asset activity for the year ended December 31, 2019 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, nondepreciable:				
Land	\$ 458,283	\$ -	\$ -	\$ 458,283
Construction in progress	-	1,342,137	-	1,342,137
Total capital assets, not being depreciated	<u>458,283</u>	<u>1,342,137</u>	<u>-</u>	<u>1,800,420</u>
Capital assets, depreciable:				
Land improvements	270,799	-	-	270,799
Buildings and improvements	1,632,027	362,320	-	1,994,347
Machinery and equipment	1,846,231	172,146	116,900	1,901,477
Infrastructure	16,603,261	243,537	-	16,846,798
Subtotals	<u>20,352,318</u>	<u>778,003</u>	<u>116,900</u>	<u>21,013,421</u>
Less accumulated depreciation for:				
Land improvements	65,166	14,704	-	79,870
Buildings and improvements	464,747	38,376	-	503,123
Machinery and equipment	915,614	129,790	73,063	972,341
Infrastructure	8,024,478	427,838	-	8,452,316
Subtotals	<u>9,470,005</u>	<u>610,708</u>	<u>73,063</u>	<u>10,007,650</u>
Total capital assets, depreciable, net	<u>10,882,313</u>	<u>167,295</u>	<u>43,837</u>	<u>11,005,771</u>
Governmental activities capital assets, net	<u>\$ 11,340,596</u>	<u>\$ 1,509,432</u>	<u>\$ -43,837</u>	<u>\$ 12,806,191</u>
Less: Capital related debt				<u>6,905,720</u>
Net investment in capital assets				<u>\$ 5,900,471</u>
Business-type activities:				
Capital assets, nondepreciable:				
Land	\$ 55,485	\$ -	\$ -	\$ 55,485
Construction in progress	-	757,220	-	757,220
Total capital assets, nondepreciable	<u>55,485</u>	<u>757,220</u>	<u>-</u>	<u>812,705</u>
Capital assets, depreciable:				
Buildings and improvements	265,934	-	-	265,934
Machinery and equipment	145,715	10,668	-	156,383
Infrastructure	19,211,061	173,628	500	19,384,189
Subtotals	<u>19,622,710</u>	<u>184,296</u>	<u>500</u>	<u>19,806,506</u>
Less accumulated depreciation for:				
Buildings and improvements	5,267,455	425,296	500	5,692,251
Machinery and equipment	14,355,255	(241,000)	-	14,114,255
Total capital assets, depreciable, net	<u>\$ 14,410,740</u>	<u>\$ 516,220</u>	<u>\$ -</u>	<u>\$ 14,926,960</u>
Business-type activities capital assets, net				<u>3,164,518</u>
Less: Capital related debt				<u>\$ 11,762,442</u>
Net investment in capital assets				

Town of Lawrence
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NOTES TO BASIC FINANCIAL STATEMENTS
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Depreciation expense was charged to functions of the Town as follows:

Governmental activities	
General government	\$ 40,842
Public safety	65,590
Public works	488,611
Culture and recreation	15,665
Subtotal	<u>\$ 610,708</u>
Business-type activities	
Water utility	\$ 159,620
Sanitary sewer utility	145,011
Storm sewer utility	120,665
Total depreciation expense - business-type activities	<u>\$ 425,296</u>

E. INTERFUND RECEIVABLE, PAYABLES, AND TRANSFERS

Interfund transfers for the year ended December 31, 2019 were as follows:

Fund	Transfer In	Transfer Out
Sanitary sewer utility	\$ 56,342	\$ -
Storm sewer utility	-	56,342
	<u>\$ 56,342</u>	<u>\$ 56,342</u>

Town of Lawrence
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NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019

F. LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations of the Town for the year ended December 31, 2019:

	Beginning Balance	Issued	Retired	Ending Balance	Due Within One Year
Governmental activities:					
General Obligation Debt	\$ 7,352,502	\$ 10,335,000	\$ 1,572,861	\$ 16,114,641	\$ 589,553
Notes					
Business-type activities:					
General Obligation Debt	\$ 1,005,000	-	\$ 160,000	\$ 845,000	\$ 165,000
Bonds	2,501,900	2,300,000	2,501,900	2,300,000	175,000
Notes	3,506,900	2,300,000	2,661,900	3,145,000	340,000
Total general obligation debt	25,615	-	12,808	12,807	12,807
Notes payable - GBMSD					
Business-type activities	\$ 3,532,515	\$ 2,300,000	\$ 2,674,708	\$ 3,157,807	\$ 352,807
Long-term obligations					

Total interest paid during the year on long-term debt totaled \$462,196.

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/2019
General obligation bonds	5/15/12	6/1/24	1.75 - 2.40%	\$ 1,600,000	\$ 845,000
General obligation notes	12/16/15	12/31/20	2.25%	1,150,000	150,000
State trust fund loan	12/4/17	3/15/37	4.00%	4,229,642	4,229,641
State trust fund loan	12/23/19	3/15/23	3.25%	500,000	500,000
State trust fund loan	7/29/19	3/15/24	3.75%	3,875,000	3,875,000
State trust fund loan	12/6/19	3/15/29	3.50%	2,500,000	2,500,000
General obligation notes	11/15/19	6/1/37	2.00%	5,760,000	5,760,000
General obligation notes	8/8/18	8/8/23	3.70%	1,400,000	1,400,000
Total outstanding general obligation debt				<u>\$ 19,259,641</u>	

Town of Lawrence Brown County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019

Annual principal and interest maturities of the outstanding general obligation debt of \$19,259,641 on December 31, 2019 are detailed below:

Year Ended December 31,	Governmental Activities		Business-type Activities		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 589,553	\$ 302,947	\$ 340,000	\$ 84,761	\$ 929,553	\$ 387,708
2021	1,409,694	248,544	485,000	73,819	1,894,694	322,363
2022	1,914,964	232,244	500,000	62,610	2,414,964	294,854
2023	3,035,801	217,713	505,000	51,232	3,540,801	268,945
2024	2,157,939	184,490	515,000	40,783	2,672,939	225,273
2025 - 2029	4,756,817	626,274	800,000	2,100	5,556,817	628,374
2030 - 2034	1,322,487	399,379	-	-	1,322,487	399,379
2035 - 2037	927,376	123,751	-	-	927,376	123,751
	<u>\$ 16,114,641</u>	<u>\$ 2,335,342</u>	<u>\$ 3,145,000</u>	<u>\$ 315,305</u>	<u>\$ 19,259,641</u>	<u>\$ 2,650,647</u>

For governmental activities, the other long-term liabilities are generally funded by the general fund.

Legal Margin for New Debt

The Town's legal margin for creation of additional general obligation debt on December 31, 2019 was \$16,581,658 as follows:

Equalized valuation of the Town	\$ 711,478,500
Statutory limitation percentage	(x) 5%
General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes	<u>35,573,925</u>
Total outstanding general obligation debt applicable to debt limitation	\$ 19,259,641
Less: Amounts available for financing general obligation debt	<u>267,374</u>
Debt service fund	
Net outstanding general obligation debt applicable to debt limitation	<u>18,992,267</u>
Legal margin for new debt	<u>\$ 16,581,658</u>

Notes Payable - Green Bay Metropolitan Sewerage District

	Date of Issue	Final Maturity	Interest Rate	Original Indebtedness	Balance 12/31/19
Note payable - GBMSD	12/1/91	1/1/20	0.00%	\$ 384,224	\$ 12,807

Annual principal and interest maturities of the notes payable - Green Bay Metropolitan Sewerage District are financed by the sanitary sewer utility enterprise fund as detailed below:

Year Ended December 31,	Principal
2020	<u>\$ 12,807</u>

G. PENSION PLAN

1. Plan Description

The WRS is a cost-sharing, multiple-employer, defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1200 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>.

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.

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

Final average earnings is the average of the participant's three highest 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.

Town of Lawrence
Brown County, Wisconsin

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DECEMBER 31, 2019

2. 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
2009	(2.1)	(42)
2010	(1.3)	22
2011	(1.2)	11
2012	(7.0)	(7)
2013	(9.6)	9
2014	4.7	25
2015	2.9	2
2016	0.5	(5)
2017	2.0	4
2018	2.4	17

3. Contributions

Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers, and 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 year ending December 31, 2019, the WRS recognized \$33,969 in contributions from the Town.

Contribution rates for the reporting period are:

	Employee Category	Employee	Employer
General (including executives and elected officials)	6.7%	6.7%	6.7%
Protective with Social Security	6.7%	6.7%	10.7%
Protective without Social Security			14.9%

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

At December 31, 2019, the Town reported a liability of \$104,276 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the 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 Town's proportion of the net pension liability was based on the Town's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2018, the Town's proportion was 0.00293102%, which was an increase of 0.00005657% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the Town recognized pension expense of \$37,430.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 81,213	\$ 143,559
Net differences between projected and actual earnings on pension plan investments	152,289	-
Changes in assumptions	17,576	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	482	3,745
Employer contributions subsequent to the measurement date	33,969	-
Total	\$ 285,529	\$ 147,304

\$33,969 reported as deferred outflows related to pension resulting from the Town's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year ended	Expense
December 31, 2020	\$ 37,430
2021	8,496
2022	16,551
2023	41,779
Total	\$ 104,256

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NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019

5. 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: December 31, 2018
 Actuarial Cost Method: Entry Age
 Asset Valuation Method: Fair Market Value
 Long-term Expected Rate of Return: 7.0%
 Discount Rate: 7.0%
 Salary Increases: 3.0%
 Inflation: 0.1% - 5.6%
 Seniority/Merit: Wisconsin 2018 Mortality Table
 Mortality: 1.9%
 Post-retirement Adjustments*

* No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 2.1% 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 2015 using experience from 2012 - 2014. The total pension liability for December 31, 2018 is based upon a roll-forward of the liability calculated from the December 31, 2017 actuarial valuation.

Town of Lawrence
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NOTES TO BASIC FINANCIAL STATEMENTS
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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:

Core Fund Asset Class	Current Asset Allocation %		Long-term Expected Nominal Rate of Return %		Long-term Expected Real Rate of Return %	
	Allocation %	Rate of Return %	Expected Nominal Rate of Return %	Expected Real Rate of Return %	Expected Real Rate of Return %	Expected Real Rate of Return %
Global equities	49%	8.1%	8.1%	5.5%	5.5%	5.5%
Fixed income	24.5%	4.0%	4.0%	1.5%	1.5%	1.5%
Inflation sensitive assets	15.5%	3.8%	3.8%	1.3%	1.3%	1.3%
Real estate	9%	6.5%	6.5%	3.9%	3.9%	3.9%
Private equity/debt	8%	9.4%	9.4%	6.7%	6.7%	6.7%
Multi-asset	4%	6.7%	6.7%	4.1%	4.1%	4.1%
Total Core Fund	110%	7.3%	7.3%	4.7%	4.7%	4.7%
Variable Fund Asset Class						
U.S. equities	7%	7.6%	7.6%	5.0%	5.0%	5.0%
International equities	30%	8.5%	8.5%	5.9%	5.9%	5.9%
Total Variable Fund	100%	8.0%	8.0%	5.4%	5.4%	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 7.0% 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 7.0% and a long-term bond rate of 3.31%. Because of the unique structure of WRS, the 7.0% expected rate of return implies that a dividend of approximately 2.1% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan members contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the 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.

Town of Lawrence Brown County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS
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Sensitivity of the Town's proportionate share of the net pension liability (asset) to changes in the discount rate. The following presents the Town's proportionate share of the net pension liability (asset) calculated using the discount rate of 7 percent, as well as what the Town's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6 percent) or 1-percentage-point higher (8 percent) than the current rate:

	1% Decrease to Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase to Discount Rate (8.00%)
Town's proportionate share of the net pension liability (asset)	\$ 414,405	\$ 104,276	\$ (126,328)

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

Payables to the pension plan. At December 31, 2019, the Town did not report a payable for the outstanding amount of contributions to the pension plan for the year ended December 31, 2019.

H. OTHER POSTEMPLOYMENT BENEFITS

Local Retiree Life Insurance Fund
Plan Description

The Town began participating in the Local Retiree Life Insurance Plan (LRLIF) during November of 2019. The LRLIF is a cost sharing multiple-employer defined benefit OPEB plan. LRLIF benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. The Wisconsin Department of Employee Trust Funds (ETF) and the Group Insurance Board have statutory authority for program administration and oversight. The plan provides postemployment life insurance benefits for all eligible employees. The most recent actuarial valuation date and measurement date of the plan are January 1, 2018 and December 31, 2018, respectively. Since the Town did not begin participating in the plan until 2019, the Town has not yet been allocated a proportionate share of the net other postemployment benefit liability.

OPEB Plan Fiduciary Net Position

ETF issues a standalone Comprehensive Annual Financial Report (CAFR), which can be found at <http://etf.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.

Town of Lawrence Brown County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS
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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 ammutant 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.

I. FUND EQUITY

Nonspendable Fund Balance
In the fund financial statements, portions of the governmental fund balances are amounts that cannot be spent because they are either 1) not in spendable form or 2) legally or contractually required to be maintained intact. At December 31, 2019, nonspendable fund balance was as follows:

General Fund Nonspendable Prepaid items	\$ 7,412
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Restricted Fund Balance

In the fund financial statements, portions of governmental fund balances are not available for appropriation or are legally restricted for use for a specific purpose. At December 31, 2019, restricted fund balance was as follows:

General Fund Restricted for Parks capital projects	\$ 112,558
Special Revenue Funds Restricted for Fire department equipment/outlay	14,146
Debt Service Fund Restricted for Debt service	267,374
Capital Projects Funds Restricted for Capital projects	3,108,001
Tax incremental district No. 1 projects	6,529,172
Tax incremental district No. 2 projects	71,014
Total restricted fund balance	\$ 10,102,265

Town of Lawrence Brown County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019

Minimum General Fund Balance Policy

The Town has also adopted a minimum fund balance policy that states "the Town will maintain a minimum unassigned general fund balance of 40% and not more than 50% of the current year's budgeted expenditures less the Debt Service Fund". The minimum fund balance is maintained for cash flow and working capital purposes. The minimum fund balance amount is calculated as follows:

Budgeted 2019 General Fund Expenditures	\$ 1,946,273
Minimum Fund Balance %	(x) .40 - 50%
Minimum Fund Balance Amount	<u>\$778,509 - \$973,136</u>

The Town's unassigned general fund balance of \$1,025,030 is 52.7% of budgeted general fund expenditures.

Net Position

The Town reports restricted net position at December 31, 2019 as follows:

Governmental Activities	
Restricted for	
Parks capital projects	\$ 112,558
Debt service	91,585
Tax incremental district No. 2 projects	71,014
Fire department equipment/outlay	14,146
Total governmental activities restricted net position	<u>\$ 289,303</u>

Town of Lawrence Brown County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 4: OTHER INFORMATION

A. TAX INCREMENTAL FINANCING DISTRICTS

The Town has established separate capital projects funds for Tax Incremental District (TID) No. 1 and No. 2 which were created by the Town in accordance with Section 66.1105 of the Wisconsin Statutes. At the time the District was created, the property tax base within the District was "frozen" and increment taxes resulting from increases to the property tax base are used to finance District improvements, including principal and interest on long-term debt issued by the Town to finance such improvements. The Statutes allow eligible project costs to be incurred up to five years prior to the maximum termination date. The Town's Districts are still eligible to incur project costs.

The intent of the Town is to recover any unreimbursed project costs from future TID surplus funds, if any, prior to termination of the respective Districts. Unless terminated by the Town prior thereto, the TIDs have a statutory termination year as follows:

	Termination Year
Tax Incremental District No. 1	2039
Tax Incremental District No. 2	2039

B. RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The Town completes an annual review of its insurance coverage to ensure adequate coverage.

C. CONTINGENCIES

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

D. SUBSEQUENT EVENTS

Subsequent to year end, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. Specific to the Town, COVID-19 may impact various parts of its 2020 operations and financial results including, but not limited to, costs for emergency preparedness and impacts on personnel. Management believes the Town is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events occurred subsequent to year end and are still developing.

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SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
WISCONSIN RETIREMENT SYSTEM
LAST 10 FISCAL YEARS

REQUIRED SUPPLEMENTARY INFORMATION

Plan Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll (plan year)	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
12/31/14	0.00255453%	\$(62,739)	\$365,566	17.16%	102.74%
12/31/15	0.00266195%	\$43,256	407,974	10.60%	98.20%
12/31/16	0.00287921%	23,732	457,003	5.19%	99.12%
12/31/17	0.00287445%	(85,345)	411,643	20.73%	102.93%
12/31/18	0.00293102%	104,276	466,788	22.34%	96.45%

SCHEDULE OF CONTRIBUTIONS
WISCONSIN RETIREMENT SYSTEM
LAST 10 FISCAL YEARS

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll (fiscal year)	Contributions as a Percentage of Covered Payroll
12/31/15	\$27,743	\$27,743	\$-	407,974	6.80%
12/31/16	30,162	30,162	-	457,003	6.60%
12/31/17	26,316	26,316	-	411,643	6.39%
12/31/18	31,271	31,271	-	466,788	6.70%
12/31/19	33,969	33,969	-	518,607	6.55%

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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

The amounts reported for each fiscal year were determined as of the calendar year-end that occurred within the prior fiscal year. The Town is required to present the last ten fiscal years of data; however accounting standards allow the presentation of as many years as are available until ten fiscal years are presented.

Town of Lawrence
Brown County, Wisconsin

GENERAL FUND
DETAILED COMPARISON OF BUDGETED AND ACTUAL REVENUES
FOR THE YEAR ENDED DECEMBER 31, 2019
WITH SUMMARIZED ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2018

SUPPLEMENTARY INFORMATION

	Budget		Actual		Variance Final Budget - Positive (Negative)	2018 Actual
	Original	Final	Actual			
Taxes						
General property	\$ 1,187,500	\$ 1,187,500	\$ 1,197,932	\$ 10,432	\$ 1,125,773	
Excess Stadium District sales tax	-	-	24,343	24,343	3,240	
Payments in lieu of taxes	17	17	17	-	17	
Omitted taxes	-	-	8,058	8,058	-	
Interest and taxes	-	-	17	17	62	
Total taxes	1,187,517	1,187,517	1,230,367	42,850	1,129,092	
Special assessments						
Street improvements	25,300	25,300	27,018	1,718	32,426	
Intergovernmental						
State						
State shared taxes	24,980	24,980	33,486	8,506	23,463	
Fire insurance dues	24,000	24,000	28,779	4,779	25,494	
Recycling	2,500	2,500	1,291	(1,209)	2,624	
Tax exempt computer aid	6,000	6,000	6,324	324	6,174	
Law enforcement	-	-	18,330	18,330	17,573	
Transportation	215,276	215,276	215,177	(99)	189,022	
Other local government aid	-	-	1,200	1,200	-	
Total intergovernmental	272,756	272,756	304,587	31,831	264,350	
Licenses and permits						
Licenses						
Liquor and malt beverage	3,600	3,600	3,460	(140)	3,770	
Cable television fees	36,000	36,000	33,772	(2,228)	31,717	
Permits						
Building	78,500	78,500	157,565	79,065	92,194	
Other licenses and permits	5,600	5,600	7,707	2,107	8,936	
Total licenses and permits	123,700	123,700	202,504	78,804	136,617	
Fines and forfeits						
Court fines and penalties	55,000	55,000	87,101	32,101	73,094	
Public charges for services						
General government						
General government	4,500	4,500	5,279	779	4,666	
Fire	3,000	3,000	4,274	1,274	1,600	
Trash	210,000	210,000	148,831	(61,169)	189,838	
Recycling	-	-	61,808	61,808	77,775	
Parks	3,000	3,000	4,737	1,737	2,790	
Park impact fees	25,000	25,000	121,100	96,100	92,441	
Cemetery	-	-	17,072	17,072	1,550	
Total public charges for services	245,500	245,500	363,101	117,601	370,660	

Town of Lawrence
Brown County, Wisconsin

GENERAL FUND
DETAILED COMPARISON OF BUDGETED AND ACTUAL REVENUES
FOR THE YEAR ENDED DECEMBER 31, 2019
WITH SUMMARIZED ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2018

	Budget		Actual	Variance Final Budget - Positive (Negative)		2018 Actual
	Original	Final				
Miscellaneous						
Interest on bank accounts	30,000	30,000	53,618	23,618		43,862
Interest on special assessments	500	500	5,638	5,138		281
Rents	1,000	1,000	1,895	895		3,460
Developer admin fee	2,500	2,500	993	(1,507)		675
Private donations	-	-	3,500	3,500		61,694
Miscellaneous	2,500	2,500	16,633	14,133		2,978
Total miscellaneous	36,500	36,500	82,277	45,777		112,950
Total revenues	\$ 1,946,273	\$ 1,946,273	\$ 2,296,955	\$ 350,682		\$ 2,119,189

Town of Lawrence
Brown County, Wisconsin

GENERAL FUND
DETAILED COMPARISON OF BUDGETED AND ACTUAL EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2019
WITH SUMMARIZED ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2018

	Budget		Actual	Variance Final Budget - Positive (Negative)		2018 Actual
	Original	Final				
General government						
Board	\$ 37,996	\$ 37,996	\$ 38,100	\$ (104)		\$ 34,849
Legal	15,000	15,000	19,687	(4,687)		11,889
Municipal court	30,021	30,021	23,237	6,784		30,577
Clerk/Administration	178,718	178,718	202,228	(23,510)		186,723
Assessor	13,000	13,000	12,833	167		12,792
Elections	4,150	4,150	1,275	2,875		5,392
Treasurer salaries and supplies	3,500	3,500	6,644	(3,144)		1,708
Professional services	9,000	9,000	11,510	(2,510)		9,540
Municipal building	39,900	39,900	36,948	2,952		53,450
Insurance	13,000	13,000	12,367	633		9,584
State assessment	1,850	1,850	1,742	108		1,653
Miscellaneous	25,000	25,000	3,023	21,977		1,449
Total general government	371,135	371,135	369,594	1,541		359,606
Public safety						
Police department	414,669	414,669	410,858	3,811		397,122
Fire department	217,730	217,730	215,193	2,537		203,220
Ambulance	60,550	60,550	64,806	(4,256)		62,842
Inspection	94,365	94,365	91,524	2,841		91,187
Total public safety	787,314	787,314	782,381	4,933		754,371
Public works						
Road maintenance/construction	66,036	66,036	137,034	(70,998)		79,240
Street lighting and utilities	34,000	34,000	36,083	(2,083)		25,294
County bridge fund	-	-	1,172	(1,172)		-
Engineering	3,000	3,000	-	3,000		296
Recycling	59,347	59,347	69,157	(9,810)		91,330
Refuse	150,231	150,231	165,237	(15,006)		196,145
Brush collection	7,500	7,500	10,999	(3,499)		9,880
Animal control	965	965	1,650	(685)		1,485
Town shop	64,061	64,061	49,254	14,807		80,214
Total public works	385,140	385,140	470,586	(85,446)		483,884
Health and human services						
Cemetery	-	-	2,336	(2,336)		9,995
Culture and recreation						
Parks - general	25,384	25,384	32,605	(7,221)		19,046

Town of Lawrence
Brown County, Wisconsin

GENERAL FUND
DETAILED COMPARISON OF BUDGETED AND ACTUAL EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2019
WITH SUMMARIZED ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2018

	Budget		Final	Actual	Variance Final Budget - Positive (Negative)	2018	
	Original	Final				Actual	Actual
Conservation and development	3,000	3,000	854	2,166	832		
Economic development	900	900	765	135	1,540		
Zoning							
Total conservation and development	3,900	3,900	1,599	2,301	2,372		
Capital outlay							
Town building	30,000	30,000	40,045	(10,045)	9,860		
Public safety	78,400	78,400	89,036	(10,636)	62,558		
Public works equipment	20,000	20,000	33,804	(13,804)	39,435		
Road construction	220,000	220,000	297,119	(77,119)	318,169		
Parks outlay	25,000	25,000	8,542	16,458	393		
Total capital outlay	373,400	373,400	468,546	(95,146)	430,415		
Total expenditures	\$ 1,946,273	\$ 1,946,273	\$ 2,127,647	\$ (181,374)	\$ 2,059,689		

Town of Lawrence
Brown County, Wisconsin

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2019
WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2018

ASSETS			
Cash and investments			
LIABILITIES AND FUND BALANCES			
Fund balances			
Restricted			
	<u>\$ 14,146</u>	<u>\$ 14,146</u>	<u>\$ 7,344</u>
	<u>\$ 14,146</u>	<u>\$ 14,146</u>	<u>\$ 7,344</u>

Town of Lawrence
Brown County, Wisconsin

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019
WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018

ADDITIONAL INDEPENDENT AUDITORS' REPORT
FOR BASIC FINANCIAL STATEMENTS

	Special Revenue Fire Department	Total 2018
REVENUES		
Miscellaneous	\$ 22,790	\$ 4,158
EXPENDITURES		
Current		
Public safety	15,988	12,062
Net change in fund balances	6,802	(7,904)
Fund balances - January 1	7,344	15,248
Fund balances - December 31	\$ 14,146	\$ 7,344



CLA (CliftonLarsonAllen LLP)
CLAAconnect.com

Independent auditors' report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards*

To the Town Board
Town of Lawrence
Brown County, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Lawrence, Brown County, Wisconsin (the "Town") as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon which included an emphasis of matter paragraph on page 2 dated June 12, 2020.

INTERNAL CONTROL OVER FINANCIAL REPORTING

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Town's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses as items 2019-001 and 2019-002 that we consider to be material weaknesses.

COMPLIANCE AND OTHER MATTERS

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

TOWN OF LAWRENCE'S RESPONSE TO FINDINGS

The Town's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. The Town's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

PURPOSE OF THIS REPORT

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

CliftonLarsonAllen LLP
Sheboygan, Wisconsin
June 12, 2020

Town of Lawrence Brown County, Wisconsin

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2019

SECTION I. INTERNAL CONTROL OVER FINANCIAL REPORTING

FINDING NO.	CONTROL DEFICIENCIES
2019-001	<p>Adjustments to the Town's Financial Records Repeat of Finding 2018-001</p> <p>Type of Finding: Material Weakness in Internal Control over Financial Reporting</p> <p>Condition: As part of our audit, we proposed adjusting journal entries that were material to the Town's financial statements.</p> <p>Context: Based on the results of audit procedures, we proposed adjusting entries that were material to the Town's financial statements.</p> <p>Criteria: Material adjusting journal entries proposed by the auditors are considered to be an internal control deficiency.</p> <p>Cause: While Town staff maintains financial records which accurately report revenues and expenditures throughout the year, preparing year-end adjusting and closing entries requires additional expertise that would entail additional training and staff time to develop.</p> <p>Effect: Year-end financial records prepared by the Town may contain material misstatements.</p> <p>Recommendation: We recommend the Town Clerk-Treasurer continue to obtain additional training in order to prepare the adjusting and closing entries. We are available to assist the individual in obtaining the understanding to prepare these entries.</p> <p>Views of Responsible Officials: Management is obtaining additional training and will continue to review previous year's journal entries made during the audit with the goal of eliminating material adjustments in the future.</p>

Town of Lawrence Brown County, Wisconsin

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2019

FINDING NO.	CONTROL DEFICIENCIES
2019-002	<p>Preparation of Annual Financial Report Repeat of Finding 2018-002</p> <p>Type of Finding: Material Weakness in Internal Control over Financial Reporting</p> <p>Condition: Current Town staff maintains accounting records which reflect the Town's financial transactions; however, preparing the Town's annual financial report, including note disclosures, involves the selection and application of specific accounting principles which would require additional experience and knowledge. The Town contracts with us and our knowledge of applicable accounting principles, financial statement format, and note disclosures to assist in the preparation of the annual financial report in an efficient manner. For the same reasons, the Town contracts with us to compile the Wisconsin Municipal Report Form C and the Public Service Commission Report.</p> <p>Context: The Town engages CliftonLarsonAllen, LLP (CLA) to assist in preparing its financial statements and accompanying disclosures. However, as independent auditors, CLA cannot be considered part of the Town's internal control system. As part of its internal control over preparation of its financial statements, including disclosures, the Town has implemented a comprehensive review procedure to ensure that the financial statements, including note disclosures, are complete and accurate. Such review procedures should be performed by an individual possessing a thorough understanding of accounting principles generally accepted in the United States of America and knowledge of the Town's activities and operations.</p> <p>Criteria: The preparation and review of the annual financial report, Municipal Financial Report, and Public Service Commission Report by staff with expertise in financial reporting is an internal control intended to prevent, detect and correct a potential omission or misstatement in the financial statements or notes or other required State Financial reports.</p> <p>Cause: Town management has determined that the additional costs associated with training staff to become experienced in applicable accounting principles and note disclosures outweigh the derived benefits.</p> <p>Effect: The Town may not be able to completely prepare an annual financial report in accordance with accounting principles generally accepted in the United States of America.</p> <p>Recommendation: We recommend the Town continue reviewing the annual financial report. While it may not be cost beneficial to train additional staff to completely prepare the report, a thorough review of this information by appropriate staff of the Town is necessary to obtain a complete and adequate understanding of the Town's annual financial report. Municipal Financial Report and Public Service Commission Report.</p> <p>Views of Responsible Officials: Management will continue to review and approve financial reports prior to issuance.</p>

Town of Lawrence
Brown County, Wisconsin

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2019

SECTION II. COMPLIANCE AND OTHER MATTERS

There are no findings related to compliance and other matters that are required to be reported under governmental auditing standards generally accepted in the United States of America for the year ended December 31, 2019.

FORM OF LEGAL OPINION

(See following pages.)

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

February 17, 2021

Re: Town of Lawrence, Wisconsin ("Issuer")
\$3,995,000 Taxable General Obligation Refunding Bonds, Series 2021B,
dated February 17, 2021 ("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 March 1 of each year, in the years and principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2023	\$245,000	___%
2024	245,000	___
2025	245,000	___
2026	250,000	___
2027	250,000	___
2028	255,000	___
2029	260,000	___
2030	265,000	___
2031	270,000	___
2032	270,000	___
2033	275,000	___
2034	280,000	___
2035	290,000	___
2036	295,000	___
2037	300,000	___

Interest is payable semi-annually on March 1 and September 1 of each year commencing on March 1, 2022.

The Bonds maturing on March 1, 2030 and thereafter are subject to redemption prior to maturity, at the option of the Issuer, on March 1, 2029 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 included for federal income tax purposes in the gross income of the owners of 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 Town 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 Town 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 Town, 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 Town 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 Town 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 Town 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 Town believes to be reliable, but the Town 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 Town of Lawrence, Brown County, Wisconsin (the "Issuer") in connection with the issuance of \$3,995,000 Taxable General Obligation Refunding Bonds, Series 2021B, dated February 17, 2021 (the "Securities"). The Securities are being issued pursuant to a resolution adopted on January 25, 2021 (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 January 26, 2021 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 Town Board of the Issuer or such other body as may hereafter be the chief legislative body of the Issuer.

"Issuer" means the Town of Lawrence, Brown County, Wisconsin, which is the obligated person with respect to the Securities.

"Issuer Contact" means the Town Clerk-Treasurer of the Issuer who can be contacted at 2400 Shady Court, De Pere, Wisconsin 54115, phone (920) 347-3719, fax (920) 336-9193.

"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 ended 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 17th day of February, 2021.

(SEAL)

Lanny J. Tibaldo
Chairperson

Cindy Kocken
Town Clerk

NOTICE OF SALE

**\$3,995,000* TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2021B
TOWN OF LAWRENCE, WISCONSIN**

Bids for the purchase of \$3,995,000* Taxable General Obligation Refunding Bonds, Series 2021B (the "Bonds") of the Town of Lawrence, Wisconsin (the "Town") will be received at the offices of Ehlers and Associates, Inc. ("Ehlers"), 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, municipal advisors to the Town, until 10:00 A.M., Central Time, and **ELECTRONIC PROPOSALS** will be received via **PARITY**, in the manner described below, until 10:00 A.M. Central Time, on January 25, 2021, at which time they will be opened, read and tabulated. The bids will be presented to the Town Board for consideration for award by resolution at a meeting to be held at 6:30 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 Town will be accepted unless all bids are rejected.

PURPOSE

The Bonds are authorized pursuant to Section 67.04, Wisconsin Statutes, for the purpose of current refunding certain outstanding general obligations of the Town as more fully described herein. The Bonds are general obligations of the Town, and all the taxable property in the Town 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 February 17, 2021, will be issued as fully registered Bonds in the denomination of \$5,000 each, or any integral multiple thereof, and will mature on March 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2023	\$245,000	2028	\$255,000	2033	\$275,000
2024	245,000	2029	260,000	2034	280,000
2025	245,000	2030	265,000	2035	290,000
2026	250,000	2031	270,000	2036	295,000
2027	250,000	2032	270,000	2037	300,000

ADJUSTMENT OPTION

* The Town 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 March 1 and September 1 of each year, commencing March 1, 2022, 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 Town has selected Bond Trust Services Corporation, Roseville, Minnesota, to act as paying agent (the "Paying Agent"). Bond Trust Services Corporation and Ehlers are affiliate companies. The Town will pay the charges for Paying Agent services. The Town reserves the right to remove the Paying Agent and to appoint a successor.

OPTIONAL REDEMPTION

At the option of the Town, the Bonds maturing on or after March 1, 2030 shall be subject to optional redemption prior to maturity on March 1, 2029 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 Town. If only part of the Bonds having a common maturity date are called for redemption, then the Town 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 February 17, 2021, the Bonds will be delivered without cost to the winning bidder at DTC. On the day of closing, the Town will furnish to the winning bidder the opinion of bond counsel hereinafter described, 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 Town, threatened. Payment for the Bonds must be received by the Town at its designated depository on the date of closing in immediately available funds.

LEGAL MATTERS

An opinion as to the validity of the Bonds will be furnished by Quarles & Brady LLP, Bond Counsel to the Town, 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 Town; 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 Preliminary Official Statement.)

Quarles & Brady LLP has also been retained by the Town to serve as Disclosure Counsel to the Town with respect to the Bonds. Although, as Disclosure Counsel to the Town, Quarles & Brady LLP has assisted the Town 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 \$3,945,063 nor more than \$4,234,700 plus accrued interest on the principal sum of \$3,995,000 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 10:00 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 Town nor Ehlers shall be responsible for any failure to receive a facsimile submission.

A good faith deposit ("Deposit") in the amount of \$79,900 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 Town 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 Town 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 Town as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith.

The Town 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 Town 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 Town'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 Town 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 Town requested and received a rating on the Bonds from a rating agency, the Town will pay that rating fee. Any rating agency fees not requested by the Town 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 Town 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.

NON-QUALIFIED TAX-EXEMPT OBLIGATIONS

The Town 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 Town 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.

PRELIMINARY OFFICIAL STATEMENT

Bidders may obtain a copy of the Preliminary 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 Town Board

Cindy Kocken, Town Clerk-Treasurer
Town of Lawrence, Wisconsin

BID FORM

**The Town Board
Town of Lawrence, Wisconsin**

January 25, 2021

RE: \$3,995,000* Taxable General Obligation Refunding Bonds, Series 2021B (the "Bonds")
DATED: February 17, 2021

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 \$3,945,063 nor more than \$4,234,700) plus accrued interest to date of delivery for fully registered Bonds bearing interest rates and maturing in the stated years as follows:

_____	% due	2023	_____	% due	2028	_____	% due	2033
_____	% due	2024	_____	% due	2029	_____	% due	2034
_____	% due	2025	_____	% due	2030	_____	% due	2035
_____	% due	2026	_____	% due	2031	_____	% due	2036
_____	% due	2027	_____	% due	2032	_____	% due	2037

* The Town 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 \$79,900 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 Town 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 Town 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 Town 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 February 17, 2021.

This bid is subject to the Town'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 Preliminary 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 Town 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: ____.

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 February 17, 2021 of the above bid is \$_____ and the true interest cost (TIC) is _____%.

The foregoing offer is hereby accepted by and on behalf of the Town Board of the Town of Lawrence, Wisconsin, on January 25, 2021.

By: _____ By: _____
Title: _____ Title: _____