

PRELIMINARY OFFICIAL STATEMENT DATED MARCH 12, 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.

New Issue

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

VILLAGE OF BAYSIDE, WISCONSIN (Milwaukee and Ozaukee Counties)

\$3,590,000* TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2021B

BID OPENING: March 18, 2021, 10:00 A.M., C.T.

CONSIDERATION: March 18, 2021, 6:00 P.M., C.T.

PURPOSE/AUTHORITY/SECURITY: The \$3,590,000* Taxable General Obligation Refunding Bonds, Series 2021B (the "Bonds") of the Village of Bayside, Wisconsin (the "Village") are being issued pursuant to Section 67.04, Wisconsin Statutes, for the purpose of refunding certain outstanding general obligations of the Village as more fully described herein. The Bonds are general obligations of the Village, and all the taxable property in the Village is subject to the levy of a tax to pay the principal of and interest on the Bonds as they become due which tax may, under current law, be levied without limitation as to rate or amount. Delivery is subject to receipt of an approving legal opinion of Quarles & Brady LLP, Milwaukee, Wisconsin.

DATE OF BONDS: April 1, 2021

MATURITY: December 1 as follows:

Year	Amount*	Year	Amount*	Year	Amount*
2022	\$50,000	2027	\$345,000	2032	\$220,000
2023	380,000	2028	340,000	2033	195,000
2024	365,000	2029	335,000	2034	90,000
2025	360,000	2030	330,000		
2026	355,000	2031	225,000		

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

TERM BONDS: See "Term Bond Option" herein.

INTEREST: December 1, 2021 and semiannually thereafter.

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

MINIMUM BID: \$3,545,125.

MAXIMUM BID: \$3,805,400.

GOOD FAITH DEPOSIT: A good faith deposit in the amount of \$71,800 shall be made by the winning bidder by wire transfer of funds.

PAYING AGENT: To be named by the Village.

BOND 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).

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.

REPRESENTATIONS

No dealer, broker, salesperson or other person has been authorized by the Village to give any information or to make any representation other than those contained in this Preliminary Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the Village. ***This 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 Village and other sources for which there is reasonable basis for believing the information is accurate and complete. Bond Counsel has not participated in the preparation of this Preliminary Official Statement and is not expressing any opinion as to the completeness or accuracy of the information contained therein. Compensation of Ehlers and Associates, Inc., payable entirely by the Village, is contingent upon the delivery of the Bonds.

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

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

Preliminary Official Statement: This Preliminary Official Statement was prepared for the Village for dissemination to potential investors. Its primary purpose is to disclose information regarding the Bonds to prospective underwriters in the interest of receiving competitive proposals in accordance with the sale notice contained herein. Unless an addendum is posted prior to the sale, this 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 Village is required to comply with the Rule.

CLOSING CERTIFICATES

Upon delivery of the Bonds, the underwriter (Syndicate Manager) will be furnished with the following items: (1) a certificate of the appropriate officials to the effect that at the time of the sale of the Bonds and all times subsequent thereto up to and including the time of the delivery of the Bonds, this 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 Village nor the title of the signers to their respective offices is being contested, and (c) no authority or proceedings for the issuance of the Bonds have been repealed, revoked or rescinded.

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VILLAGE OF BAYSIDE VILLAGE BOARD

		<u>Term Expires</u>
Eido Walny	Village President	April 2023
Mike Barth	Trustee	April 2022
Darren Fisher	Trustee	April 2023
Bob Rudman	Trustee	April 2023
Joshua Roling	Trustee	April 2022
Margaret Zitzer*	Trustee	April 2021
Vacant**	Trustee	April 2021

ADMINISTRATION

Andrew Pederson, Village Manager

Lynn Galyardt, Village Clerk/Treasurer/Administrative Services Director

* Seeking re-election.

** To be filled as a result of April 2021 election.

PROFESSIONAL SERVICES

Davis and Kuelthau, S. C., Village Attorney, Milwaukee, Wisconsin

Quarles & Brady LLP, Bond 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 Village of Bayside, Wisconsin (the "Village") and the issuance of its \$3,590,000* 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 ("Award Resolution") to be adopted by the Board of Trustees on March 18, 2021.

Inquiries may be directed to Ehlers and Associates, Inc. ("Ehlers" or the "Municipal Advisor"), Waukesha, Wisconsin, (262) 785-1520, the Village's municipal advisor. A copy of this 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 April 1, 2021. The Bonds will mature on December 1 in the years and amounts set forth on the cover of this Preliminary Official Statement. Interest will be payable on December 1 and June 1 of each year, commencing December 1, 2021, to the registered owners of the Bonds appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board ("MSRB"). All Bonds of the same maturity must bear interest from the date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

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

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

OPTIONAL REDEMPTION

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

Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the selection of the amounts and maturities of the Bonds to be redeemed shall be at the discretion of the Village.

*Preliminary, subject to change

If only part of the Bonds having a common maturity date are called for redemption, then the Village or Paying Agent, if any, will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed.

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

AUTHORITY; PURPOSE

The Bonds are being issued pursuant to Section 67.04, Wisconsin Statutes, for the purpose of refunding certain outstanding general obligations of the Village as shown below:

Issue Being Refunded	Date of Refunded Issue	Call Date	Call Price	Maturity	Interest Rates	Principal to be Refunded	CUSIP Base <u>073151</u>
General Obligation Corporate Purpose Bonds, Series 2014A (the "2014A Bonds")	12/10/14	12/1/22	100%	2023	3.000%	\$325,000	GG1
				2024	3.000%	325,000	GH9
				2025	3.000%	325,000	GJ5
				2026	3.000%	325,000	GK2
				2027	3.000%	325,000	GL0
				2028	3.000%	325,000	GM8
				2029	3.000%	325,000	GN6
				2030	3.000%	325,000	GP1
				2031	3.125%	225,000	GQ9
				2032	3.125%	225,000	GR7
				2033	3.250%	200,000	GS5
				2034	3.250%	<u>100,000</u>	GT3
				Total 2014A Bonds Being Refunded			

The Bonds are being sold in advance of the December 1, 2022 call date of the 2014A Bonds. Acceptance of a bid is dependent upon a satisfactory escrow account being established in an amount sufficient to pay interest on the callable portion of the 2014A Bonds through and including December 1, 2022 and to pay the principal being refunded on the 2014A Bonds on December 1, 2022. The Village will establish an escrow account with direct obligations of the U.S. Government. Actuarial services necessary to ensure adequacy of the escrow account to provide timely payment of the 2014A Bonds to be refunded on the call date will be performed by a certified public accountant.

The Village will continue to pay the principal of and interest due on the non-callable portion of the 2014A Bonds through and including December 1, 2022.

ESTIMATED SOURCES AND USES*

Sources		
Par Amount of Bonds	\$3,590,000	
Transfers from Prior Issue Debt Service Funds	<u>73,833</u>	
Total Sources		\$3,663,833
Uses		
Underwriter's Discount	\$44,875	
Costs of Issuance	67,050	
Deposit to Escrow Account	3,548,464	
Rounding Amount	<u>3,444</u>	
Total Uses		\$3,663,833

*Preliminary, subject to change

SECURITY

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

CONCURRENT FINANCING

By means of a separate Preliminary Official Statement, the Village will be issuing General Obligation Corporate Purpose Bonds, Series 2021A (the "Concurrent Obligations" or the "2021A Bonds") on April 1, 2021.

RATING

General obligation debt of the Village, with the exception of any outstanding credit enhanced issues, is currently rated "Aa2" by Moody's Investors Service, Inc. ("Moody's").

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

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

CONTINUING DISCLOSURE

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

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

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

In the previous five years, the Village believes it has not failed to comply in all material respects with its prior undertakings under the Rule. The Village has reviewed its continuing disclosure responsibilities along with any changes to the Rule, to ensure compliance. Ehlers is currently engaged as dissemination agent for the Village.

LEGAL OPINION

An opinion as to the validity of the Bonds will be furnished by Quarles & Brady LLP, Bond Counsel to the Village, and will be available at the time of delivery of the Bonds. The legal opinion will be issued on the basis of existing law and will state that the Bonds are valid and binding general obligations of the Village; provided that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights and by equitable principles (which may be applied in either a legal or equitable proceeding).

STATEMENT REGARDING BOND COUNSEL PARTICIPATION

Bond Counsel has not assumed responsibility for this Official Statement or participated in its preparation (except with respect to the section entitled "Taxability of Interest" in the Official Statement and the "Form of Legal Opinion" found in the Appendix B) and has not performed any investigation as to its accuracy, completeness or sufficiency.

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 Note 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 Note is considered "de minimis," then the amount of original issue discount with respect to the Note 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 Note 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 Note 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 Note 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 Note will increase the holder's tax basis in the Note.

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 Village in connection with the issuance of the Bonds. The Municipal Advisor cannot participate in the underwriting of the Bonds. The financial information included in this Preliminary 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. Ehlers makes no representation, warranty or guarantee regarding the accuracy or completeness of the information in this Preliminary Official Statement, and its assistance in preparing this Preliminary Official Statement should not be construed as a representation that it has independently verified such information.

MUNICIPAL ADVISOR AFFILIATED COMPANIES

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

INDEPENDENT AUDITORS

The basic financial statements of the Village for the fiscal year ended December 31, 2019, have been audited by Baker Tilly Virchow Krause, LLP, Milwaukee, 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 Preliminary 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.

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

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

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

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

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

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

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

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

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

to the future market value of the Bonds. Such market value could be substantially different from the original purchase price.

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

Cybersecurity: The Village is dependent on electronic information technology systems to deliver services. These systems may contain sensitive information or support critical operational functions which may have value for unauthorized purposes. As a result, the electronic systems and networks may be targets of cyberattack. There can be no assurance that the Village will not experience an information technology breach or attack with financial consequences that could have a material adverse impact. On May 22, 2018, the Village experienced a cybersecurity breach resulting in an unauthorized wire transfer. The Village worked with the authorities and the bank to recover the funds within a week. There were no material impacts to the Village's services or finances as a result of the incident. The Village has since implemented additional safeguards to protect its information and financial systems.

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

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

Also on April 16, 2020, President Trump outlined "Guidelines for Opening Up America Again," a three-phased approach to restarting the economy based on public health experts' advice. On April 20, 2020, Governor Evers announced Wisconsin's three-phased approach to reopening the State's economy, based on President Trump's guidelines. On April 21, 2020, Republican legislators in the State filed a lawsuit challenging the legality of the Order. On May 13, 2020, the Wisconsin Supreme Court ruled that the State's Order is unlawful, invalid and unenforceable because the emergency rulemaking procedures under Section 227.24 of the Wisconsin Statutes and procedures established by the Wisconsin Legislature for rulemaking if criminal penalties were to follow were not followed in connection with the Order. The Supreme Court's decision does not invalidate any local health officials' orders or prevent future local health officials' orders related to the COVID-19 pandemic.

The Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") provides for federal payments from the Coronavirus Relief Fund to the State for the discrete purpose of covering expenses directly incurred as a result of COVID-19 between March 1 and December 30, 2020. On May 27, 2020, Governor Tony Evers announced a program titled, "Routes to Recovery: Local Government Aid Grants," which will distribute \$190 million of the State's Coronavirus Relief Fund monies to all counties, cities, villages and towns across Wisconsin for unbudgeted eligible expenditures incurred due to COVID-19 between March 1 and November 17, 2020. The State allocated funds based on population with a guaranteed minimum allocation of \$5,000. The Village's allocation is \$69,972. 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. The public health emergency and mask orders have been extended multiple times, with the most recent extension on January 19, 2021 through March 20, 2021. On February 4, 2021, the Wisconsin Assembly voted to repeal the Governor's order requiring face coverings. Later the same day, Governor Evers issued a new Emergency Order #1 requiring the use of face coverings through March 20, 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.

The foregoing is intended only as a summary of certain risk factors attendant to an investment in the Bonds. In order for potential investors to identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Official Statement and the Appendices hereto.

VALUATIONS

WISCONSIN PROPERTY VALUATIONS; PROPERTY TAXES

Equalized Value

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

Assessed Value

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

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

CURRENT PROPERTY VALUATIONS

	Milwaukee County	Ozaukee County	Total
2020 Equalized Value	\$ 637,842,200	\$ 27,098,500	\$ 664,940,700
2020 Equalized Value Reduced by Tax Increment Valuation	\$ 637,842,200	\$ 27,098,500	\$ 664,940,700
2020 Assessed Value	\$ 640,466,000	\$ 27,457,660	\$ 667,923,660

2020 EQUALIZED VALUE BY CLASSIFICATION

	2020 Equalized Value¹	Percent of Total Equalized Value
Residential	\$ 594,883,900	89.464%
Commercial	68,312,900	10.274%
Personal Property	1,743,900	0.262%
Total	<u>\$ 664,940,700</u>	<u>100.000%</u>

TREND OF VALUATIONS

Year	Assessed Value	Equalized Value¹	Percent Increase/Decrease in Equalized Value
2016	\$615,114,600	\$631,854,400	3.67%
2017	632,104,200	654,382,400	3.57%
2018	649,271,700	662,103,300	1.18%
2019	662,059,050	674,530,100	1.88%
2020	667,923,660	664,940,700	-1.42%

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 Village's Total Equalized Value
White Oaks Apartments	Apartments	\$ 17,897,037	2.69%
Bayside Properties 1,2,3,4,5, LLC	Health care center/senior living	7,712,295	1.16%
Bayside and S-L Company	Office building	4,788,134	0.72%
8855 N Port Washington LLC	Apartment building	4,744,985	0.71%
Mark 8989 Building	Office building	4,003,382	0.60%
11301 Northport LLC	Office building	3,972,092	0.60%
La Macchia Real Estate LLC	Office building	3,862,675	0.58%
La Macchia Real Estate VI LLC	Office building	2,976,777	0.45%
Bayside Enterprises & Plaza	Commercial	2,792,323	0.42%
Individual	Residential	2,783,354	0.42%
Total		\$ 55,533,054	8.35%
Village's Total 2020 Equalized Value ²		\$664,940,700	

Source: The Village.

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

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)*	<u>\$10,949,058</u>
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Revenue Debt (see schedules following)

Total revenue debt secured by special assessments	<u>3,525,000</u>
Total revenue debt secured by sewer revenues	<u>334,872</u>

*Preliminary, subject to change.

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

Village of Bayside, Wisconsin
 Schedule of Bonded Indebtedness
 General Obligation Debt Secured by Taxes
 (As of 04/01/2021)

Dated Amount	State Trust Fund Loan Series 2003		Refunding Bonds Series 2010		Fire Department Project Refunding Bonds Series 2012A		Corporate Purpose Bonds Series 2014A	
	08/13/2003 \$266,558	03/15	11/02/2010 \$475,000	03/01	04/26/2012 \$1,605,000	08/01	12/10/2014 \$7,345,000	12/01
Maturity	03/15	03/01	03/01	03/01	08/01	08/01	12/01	12/01
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2021	0	0	0	2,946	160,000	5,258	350,000	17,500
2022	29,000	3,101	30,000	5,405	160,000	7,315	350,000	10,500
2023	30,058	1,578	35,000	4,349	165,000	3,795		
2024			35,000	3,150				
2025			35,000	1,890				
2026			35,000	630				
2027								
2028								
2029								
2030								
2031								
2032								
2033								
2034								
2035								
2036								
2037	59,058	4,679	170,000	18,370	485,000	16,368	700,000	28,000

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Village of Bayside, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 04/01/2021)

Dated Amount	Maturity	Promissory Notes Series 2016A		Corporate Purpose Bonds Series 2018A		Corporate Purpose Bonds Series 2021A		Taxable Refunding Bonds Series 2021B		Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
		Principal	Interest	Principal	Interest	Principal	Estimated Interest	Principal	Estimated Interest				
06/29/2016	03/01	\$1,035,000	6,700	0	29,220	0	18,004	0	27,980	617,608	10,439,058	4.66%	2021
		130,000	12,100	135,000	56,415	170,000	30,865	50,000	41,970	1,221,670	9,385,058	14.28%	2022
		135,000	9,450	160,000	51,990	205,000	30,066	380,000	41,720	1,253,005	8,275,000	24.42%	2023
		135,000	6,750	195,000	46,665	230,000	29,041	365,000	39,630	1,085,236	7,315,000	33.19%	2024
		135,000	4,050	210,000	40,590	270,000	27,845	360,000	37,440	1,121,815	6,305,000	42.42%	2025
		135,000	1,350	210,000	34,290	285,000	26,360	355,000	34,920	1,097,550	5,305,000	51.55%	2026
				220,000	27,840	305,000	24,717	345,000	31,725	954,282	4,435,000	59.49%	2027
				225,000	21,165	265,000	22,521	340,000	28,275	901,961	3,605,000	67.07%	2028
				105,000	16,215	270,000	20,348	335,000	23,855	770,418	2,895,000	73.56%	2029
				110,000	12,990	285,000	17,783	330,000	19,165	774,938	2,170,000	80.18%	2030
				115,000	9,529	300,000	14,790	225,000	13,885	678,204	1,530,000	86.03%	2031
				115,000	5,906	190,000	11,340	220,000	10,060	552,306	1,005,000	90.82%	2032
				130,000	2,048	190,000	8,965	195,000	5,880	531,893	490,000	95.52%	2033
						100,000	6,400	90,000	1,980	198,380	300,000	97.26%	2034
						100,000	4,950	100,000	4,950	104,950	200,000	98.17%	2035
				100,000	3,400	100,000	3,400	100,000	3,400	103,400	100,000	99.09%	2036
						100,000	1,750		1,750	101,750	0	100.00%	2037
		670,000	40,400	1,930,000	354,863	3,345,000	299,141	3,590,000	358,485	12,069,362	10,949,058		

* Preliminary, subject to change.

Village of Bayside, Wisconsin
 Schedule of Bonded Indebtedness
 Revenue Debt Secured by Sewer Revenues
 (As of 04/01/2021)

Sewerage System Revenue Bonds
 (CWFL) Series 2004

Dated Amount	08/25/2004	
	\$1,398,627	
Maturity	05/01	
Calendar Year Ending	Principal	Interest
2021	80,806	6,964
2022	82,717	5,031
2023	84,673	3,051
2024	86,676	1,025
	334,872	16,071

Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
80,806	6,964	87,770	254,066	24.13%	2021
82,717	5,031	87,747	171,349	48.83%	2022
84,673	3,051	87,724	86,676	74.12%	2023
86,676	1,025	87,701	0	100.00%	2024
334,872	16,071	350,942			

Village of Bayside, Wisconsin
 Schedule of Bonded Indebtedness
 Special Obligation Debt Secured by Special Assessments
 (As of 04/01/2021)

Dated Amount	Special Assessment B Bonds Series 2013A		Special Assessment B Bonds Series 2015A		Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
	05/16/2013 \$1,015,000	05/01	05/07/2015 \$4,390,000	05/01						
	Principal	Interest	Principal	Interest						
2021	40,000	15,195	205,000	94,106	245,000	109,301	354,301	3,280,000	6.95%	2021
2022	40,000	14,295	205,000	89,545	245,000	103,840	348,840	3,035,000	13.90%	2022
2023	40,000	13,275	205,000	84,676	245,000	97,951	342,951	2,790,000	20.85%	2023
2024	40,000	12,255	205,000	79,500	245,000	91,755	336,755	2,545,000	27.80%	2024
2025	40,000	11,135	205,000	74,016	245,000	85,151	330,151	2,300,000	34.75%	2025
2026	40,000	9,915	205,000	68,225	245,000	78,140	323,140	2,055,000	41.70%	2026
2027	40,000	8,695	205,000	62,126	245,000	70,821	315,821	1,810,000	48.65%	2027
2028	35,000	7,464	200,000	55,800	235,000	63,264	298,264	1,575,000	55.32%	2028
2029	35,000	6,221	200,000	49,250	235,000	55,471	290,471	1,340,000	61.99%	2029
2030	35,000	4,979	200,000	42,400	235,000	47,379	282,379	1,105,000	68.65%	2030
2031	35,000	3,631	200,000	35,250	235,000	38,881	273,881	870,000	75.32%	2031
2032	35,000	2,179	200,000	27,800	235,000	29,979	264,979	635,000	81.99%	2032
2033	35,000	726	200,000	20,100	235,000	20,826	255,826	400,000	88.65%	2033
2034			200,000	12,200	200,000	12,200	212,200	200,000	94.33%	2034
2035			200,000	4,100	200,000	4,100	204,100	0	100.00%	2035
	490,000	109,965	3,035,000	799,095	3,525,000	909,060	4,434,060			

DEBT LIMIT

The constitutional 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	\$	664,940,700
Multiply by 5%		<u>0.05</u>
Statutory Debt Limit	\$	33,247,035
Less: General Obligation Debt (includes the Bonds and the Concurrent Obligations)*		<u>(10,949,058)</u>
Unused Debt Limit*	\$	<u><u>22,297,977</u></u>

*Preliminary, subject to change.

OVERLAPPING DEBT¹

Taxing District	2020 Equalized Value ²	% In Village	Total G.O. Debt ³	Village's Proportionate Share
Milwaukee County	\$ 70,916,861,100	0.8994%	\$496,443,109	\$ 4,465,009
Ozaukee County	13,599,803,300	0.1993%	19,680,000	39,222
Nicolet School District	4,481,876,900	14.8362%	2,780,000	412,447
Maple Dale-Indian Hill School	1,012,196,846	30.1271%	16,262,680	4,899,474
Fox Point J2	1,366,766,585	26.3392%	1,070,000	281,830
Milwaukee Area Technical College District	88,345,375,521	0.7527%	104,170,000	784,046
Milwaukee Metro Sewer District	69,616,713,600	0.9551%	751,978,446	<u>7,182,486</u>
Village's Share of Total Overlapping Debt				<u><u>\$ 18,064,514</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 \$664,940,700	Debt/ Per Capita 4,290¹
Total General Obligation Debt (includes the Bonds and the Concurrent Obligations)*	\$ 10,949,058	1.65%	\$ 2,552.23
Village's Share of Total Overlapping Debt	<u>18,064,514</u>	<u>2.72%</u>	<u>4,210.84</u>
Total*	\$ 29,013,572	4.36%	\$ 6,763.07

*Preliminary, subject to change.

DEBT PAYMENT HISTORY

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

FUTURE FINANCING

The Village has no current plans for additional financing in the next 12 months.

¹ Estimated 2020 population.

TAX LEVIES AND COLLECTIONS

TAX LEVIES AND COLLECTIONS

Milwaukee County

Tax Year	Levy for Village Purposes Only	% Collected	Levy/Equalized Value Reduced by Tax Increment Valuation in Dollars per \$1,000
2016/17	\$4,297,057	100%	\$7.09
2017/18	4,322,330	100%	6.89
2018/19	4,353,634	100%	6.85
2019/20	4,417,009	100%	6.82
2020/21	4,424,503	[----- In Process -----]	6.94

Ozaukee County

Tax Year	Levy for Village Purposes Only	% Collected	Levy/Equalized Value Reduced by Tax Increment Valuation in Dollars per \$1,000
2016/17	\$184,124	100%	\$7.13
2017/18	181,384	100%	6.79
2018/19	179,313	100%	6.76
2019/20	187,832	100%	6.97
2020/21	189,685	[----- In Process -----]	7.00

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 Village did not adopt such resolution. The Village 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 Village's finances and payment of debt obligations, including the Bonds.

PROPERTY TAX RATES

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

Milwaukee County

Year Levied/ Year Collected	Schools¹	County	Local	Other²	Total
2016/17	13.56	5.10	7.09	1.92	27.67
2017/18	13.46	5.05	6.89	1.73	27.13
2018/19	13.56	4.90	6.85	1.69	27.00
2019/20	13.74	4.79	6.82	1.65	27.00
2020/21	14.03	4.61	6.94	1.58	27.16

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.

Ozaukee County

Year Levied/ Year Collected	Schools¹	County	Local	Other²	Total
2016/17	\$14.20	\$1.80	\$7.13	\$1.92	25.05
2017/18	13.83	1.80	6.79	1.73	24.15
2018/19	14.00	1.77	6.76	1.69	24.22
2019/20	13.76	1.70	6.97	1.66	24.09
2020/21	14.23	1.60	7.00	1.58	24.41

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

LEVY LIMITS

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

A political subdivision that did not levy its full allowable levy in the prior year can carry forward the difference between the allowable levy and the actual levy, up to a maximum of 1.5% of the prior year's actual levy. The use of the carry forward levy adjustment needs to be approved by a majority vote of the political subdivision's governing body (except in the case of towns) if the amount of carry forward levy adjustment is less than or equal to 0.5% and by a super majority vote of the political subdivision's governing body (three-quarters vote if the governing body is comprised of five or more members, two-thirds vote if the governing body is comprised of fewer than five members) (except in the case of towns) if the amount of the carry forward levy adjustment is greater than 0.5% up to the 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 adjustments to and exclusions from the tax levy limit. Among the exclusions, Section 66.0602(3)(e)5. of the Wisconsin Statutes provides that the levy limit does not apply to "the amount that a political subdivision levies in that year to make up any revenue shortfall for the debt service on a revenue bond issued under Section 66.0621 by that political subdivision." Recent positions taken by Wisconsin Department of Revenue ("DOR") staff call into question the availability of this exception, including by limiting its availability depending on the circumstances surrounding the pertinent revenue shortfall. To date, such DOR positions have not been expressed formally in a declaratory ruling under Section 227.41(5)(a) of the Wisconsin Statutes, nor have they been the subject of any court challenge or resulting court ruling.

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

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

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

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

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

THE ISSUER

VILLAGE GOVERNMENT

The Village was incorporated on February 13, 1953 and is governed by a seven-member Village Board, which consists of a Village President and six Trustees. The Village President votes in all matters. All Board Members are elected to staggered three-year terms. The appointed Administrative Services Director and Village Manager are responsible for administrative details and financial records.

EMPLOYEES; PENSIONS

The Village employs a staff of 50 full-time and 24 part-time employees. All eligible employees in the Village are covered under the Wisconsin Retirement System ("WRS") established under Chapter 40 of the Wisconsin Statutes ("Chapter 40"). The WRS is a cost-sharing multiple-employer defined benefit pension plan. The Department of Employee Trust Funds ("ETF") administers the WRS. Required contributions to the WRS are determined by the ETF Board pursuant to an annual actuarial valuation in accordance with Chapter 40 and the ETF's funding policies. The ETF Board has stated that its funding policy is to (i) ensure funds are adequate to pay benefits; (ii) maintain stable and predictable contribution rates for employers and employees; and (iii) maintain inter-generational equity to ensure the cost of the benefits is paid for by the generation that receives the benefits.

Village employees are generally required to contribute half of the actuarially determined contributions, and the Village may not pay the employees' required contribution. During the fiscal year ended December 31, 2017 ("Fiscal Year 2017"), the fiscal year ended December 31, 2018 ("Fiscal Year 2018") and the fiscal year ended December 31, 2019 ("Fiscal Year 2019"), the Village's portion of contributions to WRS (not including any employee contributions) totaled \$244,637, \$232,042 and \$224,391, respectively.

The Village implemented Governmental Accounting Standards Board Statement No. 68 ("GASB 68") for Fiscal Year 2016.

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 \$100.3 billion and the fiduciary net position of the WRS was calculated as \$96.7 billion, resulting in a net pension liability of \$3.6 billion. The spread of COVID-19 has significantly impacted investment markets, which may impact the funded status of the WRS and future contribution requirements as a result (see "RISK FACTORS - Impact of the Spread of COVID-19" herein).

Under GASB 68, each participating employer in a cost-sharing pension plan must report the employer's proportionate share of the net pension liability or net pension asset of the pension plan. Accordingly, for Fiscal Year 2019, the Village reported a liability of \$832,777 for its proportionate share of the net pension liability of the WRS. The net pension liability was measured as of December 31, 2018 based on the Village's share of contributions to the pension

plan relative to the contributions of all participating employers. The Village's proportion was 0.02340783% 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 "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

Recognized and Certified Bargaining Units

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

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

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

The following bargaining units represent employees of the Village:

Bargaining Unit	Expiration Date of Current Contract
Bayside Police Association	December 31, 2020

Status of Contracts

A tentative contract agreement has been reached with the Bayside Police Association.

OTHER POST EMPLOYMENT BENEFITS

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

For Fiscal Year 2019, the Village's portion of contributions to the LRLIF totaled \$809. For Fiscal Year 2019, the Village reported a liability of \$108,397 for its proportionate share of the net OPEB liability of the LRLIF. The net OPEB liability was measured as of December 31, 2018 based on the Village's share of contributions to the LRLIF relative to the contributions of all participating employers. The Village's proportion was 0.04200900% of the aggregate LRLIF net OPEB liability as of December 31, 2018.

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

LITIGATION

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

MUNICIPAL BANKRUPTCY

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

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

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

of holders of the Bonds could be viewed as having no priority (a) over claims of other creditors of the Village; (b) to any particular assets of the Village, or (c) to revenues otherwise designated for payment to holders of the Bonds.

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

FUNDS ON HAND (as of January 31, 2021)

Fund	Total Cash and Investments
General	\$ 2,437,664
Sewer	1,527,768
Public Safety Communications Services	1,012,144
Debt Service	1,297,694
Designated Road Reserve	41,569
Capital Projects	2,651,124
Stormwater	1,273,342
Library	506,107
Taxes	3,888,943
B Bond Funds	<u>980,835</u>
 Total Funds on Hand	 <u><u>\$ 15,617,190</u></u>

ENTERPRISE FUNDS

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

	2017	2018	2019
Sewer			
Total Operating Revenues	\$ 902,714	\$ 920,382	\$ 948,545
Less: Operating Expenses	<u>(724,558)</u>	<u>(811,773)</u>	<u>(775,746)</u>
Operating Income	\$ 178,156	\$ 108,609	\$ 172,799
Plus: Depreciation	217,849	175,863	186,975
Interest Income	<u>432</u>	<u>1,086</u>	<u>1,398</u>
Revenues Available for Debt Service	<u><u>\$ 396,437</u></u>	<u><u>\$ 285,558</u></u>	<u><u>\$ 361,172</u></u>

GENERAL FUND SUMMARY

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

FISCAL YEAR ENDING DECEMBER 31					
COMBINED STATEMENT					
	2017 Audited	2018 Audited	2019 Audited	2020 Unaudited	2021 Budget 1)
Revenues					
Taxes	\$2,471,752	\$2,474,504	\$3,160,834	\$3,249,348	\$3,285,094
Intergovernmental	629,413	617,304	617,853	609,960	618,073
Licenses and Permits	174,036	191,232	201,919	112,195	91,870
Fines and forfeitures	53,090	48,185	61,967	0	0
Public charges for services	55,027	55,259	66,455	132,808	133,875
Intergovernmental charges for services	111,824	135,380	94,099	188,370	122,607
Investment income	55,435	167,970	274,632	269,461	168,000
Misc Income	63,918	67,663	46,340	0	0
Total Revenues	\$3,614,495	\$3,757,497	\$4,524,099	\$4,562,142	\$4,419,519
Expenditures					
Current:					
General government	\$653,053	\$587,142	\$601,900	\$759,895	\$728,663
Public safety	1,719,438	1,788,609	2,430,113	2,558,003	2,652,091
Public works	778,130	803,192	861,429	837,756	827,995
Health and social services	0	0	0	0	0
Culture, recreation and education	7,714	27,413	166,150	194,607	210,770
Capital Outlay	0	84,590	344,025	0	0
Debt Service	0	0	33,064	0	0
Total Expenditures	\$3,158,335	\$3,290,946	\$4,436,681	\$4,350,261	\$4,419,519
Excess of revenues over (under) expenditures	\$456,160	\$466,551	\$87,418	\$211,881	\$0
Other Financing Sources (Uses)					
Proceeds from sale of capital assets	\$9,034	\$18,182	\$15,030	\$0	\$0
Proceeds from Long-Term Debt	0	0	0	0	0
Transfers In	6,240	0	0	0	0
Transfers Out	(\$457,545)	(\$339,447)	(\$36,296)	0	0
Total Other Financing Sources (Uses)	(\$442,271)	(\$321,265)	(\$21,266)	\$0	\$0
Net Changes in Fund Balances	\$13,889	\$145,286	\$66,152	\$211,881	\$0
General Fund Balance January 1	\$1,084,812	\$1,098,701	\$1,243,987	\$1,310,139	\$1,522,020
Prior Period Adjustment	0	0	0	0	0
General Fund Balance December 31	\$1,098,701	\$1,243,987	\$1,310,139	\$1,522,020	\$1,522,020
DETAILS OF DECEMBER 31 FUND BALANCE					
Nonspendable	\$28,498	\$21,881	\$18,187		
Restricted	0	0	0		
Committed	0	0	0		
Assigned	339,447	231,300	0		
Unassigned	730,756	990,806	1,291,952		
Total	\$1,098,701	\$1,243,987	\$1,310,139		

1) 2021 Budget last updated on December 8, 2020.

GENERAL INFORMATION

LOCATION

The Village, with a 2010 U.S. Census population of 4,389 and a current estimated population of 4,290 comprises an area of 2.39 square miles and is located just north of the City of Milwaukee, on Lake Michigan shoreline. The Village is bounded by Lake Michigan on the east, and three suburbs of the City of Milwaukee make up the rest of the Village's boundaries.

LARGER EMPLOYERS¹

Larger employers in the Village include the following:

Firm	Type of Business/Product	Estimated No. of Employees
Trisept Solutions	Leisure travel technology	200
North Shore Fire Department	Fire department	116
Elizabeth Residence of Bayside	Senior Living	109
The Village	Municipal government and services	74
Schlitz Audubon Nature Center	Nature center	59
Bayside Middle School	Elementary and secondary education	57
Milwaukee Eye Care Associates	Ophthalmologists	50
Katz Properties Inc.	Real estate management company	45
Sendik's Market	Grocery	40
Youngji Electronics USA	Manufacturers	30
Noodles & Company	Restaurant	30

Source: *ReferenceUSA, written and telephone survey (March 2021), 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").

BUILDING PERMITS

	2017	2018	2019	2020	2021 ¹
<u>New Single Family Homes</u>					
No. of building permits	2	2	0	0	0
Valuation	\$500,000	\$3,505,003	\$0	\$0	\$0
<u>New Multiple Family Buildings</u>					
No. of building permits	0	0	0	0	0
Valuation	\$0	\$0	\$0	\$0	\$0
<u>New Commercial/Industrial</u>					
No. of building permits	0	0	0	0	2
Valuation	\$0	\$0	\$0	\$0	\$70,000
<u>All Building Permits</u> <i>(including additions and remodelings)</i>					
No. of building permits	1,734	551	619	590	64
Valuation	\$4,720,306	\$7,518,075	\$5,979,606	\$7,170,667	\$487,074

Source: The Village.

¹ As of February 18, 2021.

U.S. CENSUS DATA

Population Trend: The Village

2000 U.S. Census	4,518
2010 U.S. Census	4,389
2020 Estimated Population	4,290
Percent of Change 2000 - 2010	-2.86%

Income and Age Statistics

	The Village	Milwaukee	State of Wisconsin	United States
2019 per capita income	\$60,091	\$29,270	\$33,375	\$34,103
2019 median household income	\$101,231	\$50,606	\$61,747	\$62,843
2019 median family income	\$136,359	\$65,002	\$78,679	\$77,263
2019 median gross rent	\$1,331	\$880	\$856	\$1,062
2019 median value owner occupied units	\$341,300	\$158,300	\$180,600	\$217,500
2019 median age	49.4 yrs.	34.9 yrs.	39.5 yrs.	38.1 yrs.
		State of Wisconsin	United States	
Village % of 2019 per capita income		180.05%	176.20%	
Village % of 2019 median family income		173.31%	176.49%	

Housing Statistics

	<u>The Village</u>		
	2010	2019	Percent of Change
All Housing Units	1,863	1,959	5.15%

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>	
	Milwaukee County	Milwaukee County	State of Wisconsin
2016	453,685	5.0%	4.0%
2017	456,025	4.0%	3.3%
2018	451,475	3.6%	3.0%
2019	448,251	4.0%	3.3%
2020, December ¹	433,773	7.1%	5.3%

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

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

Village of Bayside, Wisconsin

Comprehensive Annual Financial Report



For the Fiscal Year ending December 31, 2019
www.baysidewi.gov

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Village of Bayside
Administrative Services Office
July 20, 2020

To: President Eldo Walry
Village Board of Trustees
Citizens of the Village of Bayside, Wisconsin:

The Comprehensive Annual Financial Report (CAFR) for the Village of Bayside, Wisconsin, for the fiscal year ended December 31, 2019, is hereby submitted. The responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the Village. This report consists of management's representations concerning the finances of the Village. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report.

To provide a reasonable basis for making these representations, management of the Village of Bayside has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Village of Bayside's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not out way their benefits, the Village of Bayside's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Baker Tilly Virchow Krause, LLP, a firm of certified public accountants and consultants, have audited the Village's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Village of Bayside for the fiscal year ended December 31, 2019, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Village of Bayside's financial statements for the fiscal year ending December 31, 2019, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in a form of the Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Village's MD&A can be found immediately following the report of the independent auditors.

This report includes all funds of the Village. It includes all governmental organizations activities for with the Village Board of Trustees is financially accountable. The Village provides the full range of municipal services normally associated with a municipality including general administration, police and fire protection, sanitary sewer services, the construction and maintenance of streets and related infrastructure, recreational activities and community events.

COMMUNITY PROFILE

Located along the shores of beautiful Lake Michigan, and only minutes from major transportation routes and downtown Milwaukee, Bayside offers spectacular views, accessibility, and small town atmosphere without giving up the peaks of the city. The Village of Bayside is predominately residential, with 4,389 citizens spread out over 2.39 square miles in both Milwaukee and Ozaukee Counties.

Included as one of seven communities making up the "North Shore," Bayside boasts strong school districts, a safe environment for residents, and service delivery that is second to none. Situated along I-43, Bayside brings access which makes some of the premier Wisconsin destinations just a short drive away.

Bayside is infused with great history that dates back to the Potawatomi Native Indian tribes that lived, hunted, and fished the area until the mid-1800's. The area features four historically designated structures, including the Lion's Gates which were built in 1911 from stones pulled from Lake Michigan. The gates reflect the Usinger and Donges estates, two representatives of the agricultural residents who inhabited the area at the turn of the century. In the summer of 2008, the historic gates were rebuilt to help ensure another 100 years of stability.

While mainly residential, Bayside's location gives it a rural, nature feel. The Schlitz-Audubon Nature Center positioned in the Southeast corner of the Village, offers an environmental haven for wildlife to live and visitors to view. In addition, the natural layout of the area provides spectacular foliage along with many beautiful ravines.



Figure 2 – Village Municipal Building, Regent Road

The first village office was located in the original wing of Bayside School. In 1955 the first municipal building, usually called the Village Hall, was constructed. It was torn down in 1998 and a new Village Hall and Police Department was built in 1999. You will find this building at 9075 North Regent Road, just north of the railroad crossing. In 2011 the Communication Center was added to the building. A new Department of Community and Utility facility was built in 2015 to house the public works equipment.

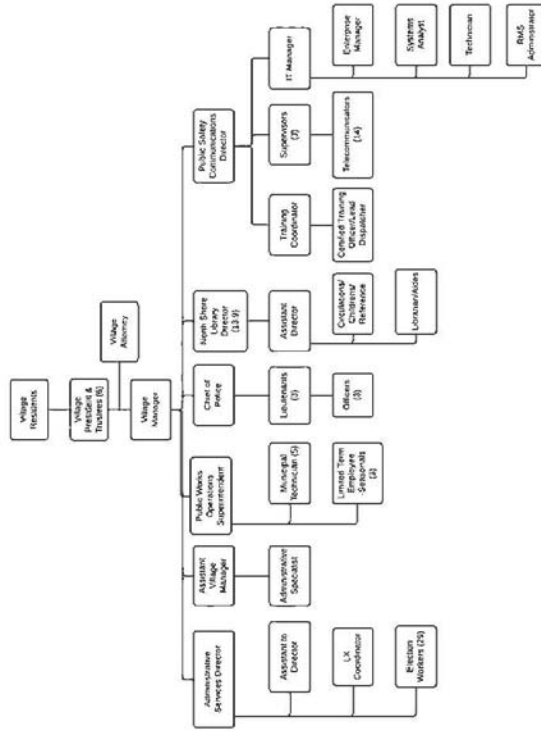


Figure 1 - Lion's Gate, located at Lake Drive and Fairy Chasm Road

GOVERNMENT PROFILE

The Village Manager form of government was adopted in 1956 and recognized by the International City/County Management Association (ICMA) in 2007. The Village Manager, an appointed position, oversees the daily operation of the various Village departments. The Village Board, consisting of the Village President and six trustees elected at-large to three-year part time terms.

The table below illustrates the organizational chart:



The Police Department consists of 13 full-time sworn officers who provide around the clock police protection. Bayside also has a 24 hour dispatch center, providing service to Bayside, Fox Point, Brown Deer, Glendale, Shorewood, Whitefish Bay, North Shore Fire Department and River Hills. The Municipal Court also provides service to the Village of River Hills. The Village is served by the 105.75 members of the North Shore Fire Department, which serves the seven North Shore communities, to which Bayside is home to Station #5.

The Department of Community & Utility Services is responsible for rubbish and recycling, street maintenance, snow removal, park maintenance, and overall Village maintenance needs.

Health related services for Village residents are available at the North Shore Health Department. The closest library is the North Shore Library located at 6800 N. Port Washington Road in Glendale. Bayside and Fox Point have a joint LX Club for senior citizens at the Whitefish Bay School, 600A E Henry Clay Street, Whitefish Bay, WI.

The Village's sewer system is connected to the Milwaukee Metropolitan Sewerage District. Water service to eighty-six percent of the Village is provided by the Mequon Water Utility. The remaining fourteen percent of the homes have private wells.

The Village has adopted four Long-term Strategic Values for Outcomes that serve as the foundation for service to the residents of Bayside. They include:

Fiscal Integrity:

- Provide strong current and future financial stability.

Service Excellence:

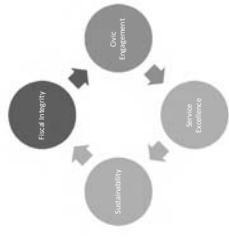
- Provide solution-based innovative services.

Citizen Engagement:

- Promote public spaces, community values and transparent communications.

Sustainability:

- Preserve and promote the Village's resources.



All four areas of emphasis are naturally linked; quality services must also be delivered in a cost-effective manner, and services often can't be delivered satisfactorily without significant, sustained communications efforts, all of which are sought to be done in an environmentally friendly manner.

ECONOMIC CONDITION AND OUTLOOK

The Village is ideally situated in the northeast corner of Milwaukee County with a small portion of the Village falling in Ozaukee County along the shores of Lake Michigan, only minutes from major transportation routes and ten miles from downtown Milwaukee.

The Village's property base is approximately 89% residential and 11% commercial with no industrial properties. The Village is nearly fully developed. The opportunity for future commercial redevelopment is limited to isolated areas in the Village.

Recent unemployment rates have gone up in the Milwaukee metropolitan area from 2.8% at the end of December 2018 to 3.5% at the end of 2019. The Ozaukee County unemployment rate is at 2.5%. The Village's western corridor currently serves as the main area for business and office space however; the majority of the Village's tax base is generated from the residential base. The Audubon Shopping Center is home to thirteen businesses, ranging from restaurants to clothing. The Village has attracted new commercial and residential development over the last decade. Resourceful planning for the future is needed to continue attracting high quality private investment.

ACCOUNTING AND FINANCIAL POLICIES

The Village has adopted formal financial policies related to general fund balance, capital budgets, debt administration, and overall budget development along with a long term financial plan to provide guidance for financial management of the Village. The investment policy directs staff to invest funds which are not immediately needed for payment of obligation in investment activities which provide for safety, liquidity, and yield in accordance with applicable State Statutes. These funds are invested in U.S. Treasury Obligations and Government Agency Securities, Certificates of Deposit, Local Government Investment Pool, Corporate Bonds, Operating Bank Account and Money Market Funds. The Village maintains a credit rating of Aa2 from Moody's Investor Service.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Bayside

for its comprehensive annual financial report (CAFR) for the fiscal year's, since 2010. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The Village of Bayside also participates in the Government Finance Officers Association of the United States and Canada (GFOA) Distinguished Budget Presentation Award Program and received the award for the annual budget for the fiscal year beginning January 1, 2008. This is the eleventh year in a row the Village has received the award.

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the administrative services department and the valued assistance from our auditors. We would like to thank the Village President and the Village Board for their leadership and support in planning and conducting the financial operations of the Village in a responsible, forward thinking manner.

Respectfully submitted,

Andrew Pederson

Andrew Pederson
Village Manager

Lynn Galyardt

Lynn Galyardt
Administrative Services Director

Leah Hofer

Leah Hofer
Assistant to the Village Manager

**VILLAGE OF BAYSIDE, WISCONSIN
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR FISCAL YEAR ENDED DECEMBER 31, 2019**

Prepared by:
Lynn Galyardt, Administrative Services Director

Village Board of Trustees

Samuel Dickman, President
Dan Rosenfeld
Daniel Muchin
Margaret Zitzer
Eido Walny

Michael Barth
Robb DeGraff

Finance & Administration
Committee

Mike Barth, Chair
Robb DeGraff
Dan Rosenfeld

Public Safety
Committee

Eido Walny, Chair
Mike Barth
Dan Rosenfeld
Mont Swerdlow

Public Works
Committee

Daniel Muchin, Chair
Eido Walny
Margaret Zitzer
JOAnn Lutz

Andrew K. Pederson, Manager

Administrative and Financial Services

Lynn Galyardt, Director
Leah Hofer, Assistant to the Village Manager
Gina Vlach, Intern

Assessor

Accurate Appraisal, LLC.

Attorney

Christopher Jaekels, Davis and Kuelthau, S.C.

Building Inspector

SAFEbuilt, Inc.

Public Works

Shane Albers, Operations Superintendent
Chad Call, Technician
Jason Fischer, Technician
Byan Herbst, Technician
Scott Matusewic, Technician
Dennis Miliacca, ILE

Health Department

Ann Christensen, Director

North Shore Fire Department

Robert Whitaker, Chief

North Shore Library

Susan Draeger-Anderson, Director

LX Club

David Silberman, Coordinator

Dispatch

Liane Schamott, Director
Rich Foscato, IT Manager
David Haley, Enterprise Manager
Louise Lusty, RMS Administrator
Taylor Reed, Supervisor
Lionie Gannett, Supervisor
Brian McDonough, Supervisor
Andrea Krantz, Training Coordinator
John Bamberg, Dispatcher
Kayla Brewer, Dispatcher
Tyler Glaser, Dispatcher
Cameron Hellman, Dispatcher
Troy Kasten, Dispatcher
Jenna Kunath, Dispatcher
Candace Maxim, Dispatcher
Stacy Perez, Dispatcher
Ruth Phillips, Dispatcher
Samantha Pratt, Dispatcher
Mary Rauenbuehler, Dispatcher
Brittiany Savee, Dispatcher

Police

Doug Larsson, Chief
Cory Fuller, Lieutenant
Eric Miller, Lieutenant
Paul Piccolo, Lieutenant
Ryan Bowe, Officer
David Bunting, Officer
James Dills, Officer
Sarah Kaduiski, Officer
Christopher Jansen, Officer
Gina Kleeba, Officer
Michael Klawitter, Officer
Veronika Metanova, Officer
Randy Santarelli, Officer
Karen Frailing, Administrative Assistant



Government Finance Officers Association

**Certificate of
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in Financial
Reporting**

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Presented to

**Village of Bayside
Wisconsin**

Text(s):

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Merrill
Executive Director/CEO

INDEPENDENT AUDITORS' REPORT

To the Village Board
Village of Bayside
Bayside, Wisconsin

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Bayside, Wisconsin, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Village of Bayside'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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village of Bayside'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 Village of Bayside'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.

To the Village Board
Village of Bayside

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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Bayside, Wisconsin, as of December 31, 2019 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Note I, Village of Bayside adopted the provisions of GASB Statement No. 84, *Fiduciary Activities*, effective January 1, 2019. Our opinions are not modified with respect to this matter.

As discussed in Note I, Village of Bayside adopted the provisions of GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, effective January 1, 2019. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Supplementary Information

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

To the Village Board
Village of Bayside

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Bayside's basic financial statements. The introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Baker Tilly Verichaw Krause, LLP

Milwaukee, Wisconsin
July 20, 2020



**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2019
(Unaudited)**

As management of the Village of Bayside, we offer readers of the Village of Bayside financial statements this narrative overview and analysis of the financial activities of the Village of Bayside for the fiscal year ended December 31, 2019. We encourage readers to consider the information presented here in conjunction with the basic financial statements and supplementary information contained elsewhere in this report.

FINANCIAL HIGHLIGHTS

When revenues exceed expenses, the result is an increase in net position. When expenses exceed revenues, the result is a decrease in net position. You can think of this relationship between revenues and expenses as the Village's operating results. One can think of the Village's net position, as measured in the Statement of Net Position, as one way to measure the Village's financial health, or financial position. Over time, increases and decreases in the Village's net position, as measured in the Statement of Activities, are one indicator of whether its financial health is improving or deteriorating. However, the Village's goal is to provide services that improve the quality of life for our residents, not to generate profits as companies do. For this reason, you will need to consider many other non-financial factors, such as the condition of our infrastructure, in assessing the overall health of our Village. As of December 31, 2019:

- Assets/deferred outflows of resources exceeded its liabilities/deferred inflows by \$17,850,181 (net position). Net position increased from 2018 by \$1,107,927.
- Governmental funds reported combined ending fund balances of \$4,421,219, an increase of \$6,157 in comparison with the prior year's balance of \$4,415,062. \$1,291,952 is available for spending at the government's discretion (unassigned fund balance.)
- Paid off \$1,005,759 in outstanding general obligation long-term debt in 2019.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide financial statements

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

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

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both the government-wide financial statements distinguish functions of the Village of Bayside that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village include general government, public safety, public works, health and human services, culture, recreation and education, and conservation and development. The business-type activities of the Village include the Sanitary Sewer Utility.

The government-wide financial statements can be found on pages 22 - 24 of this report.

Fund financial statements

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

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. The basic governmental fund financial statements can be found on pages 25 - 30 of this report.

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

The Village maintains ten individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general, north shore fire department, debt service, and capital projects funds, all of which are major funds and combined for the remaining non-major funds of the Village. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary Funds

The Village maintains the sanitary sewer utility as a proprietary fund (used to report the same functions presented as business-type activities in the government-wide financial statement).

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found on pages 31 - 35 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Village's own programs. Fiduciary funds maintained by the Village are: the Tax Collection Fund which records the tax roll and tax collection for other taxing jurisdictions within the Village and the Special Assessment B Bonds. The basic fiduciary fund financial statements can be found on page 36 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 37 - 82 of this report.

Other Information

The required supplementary information is reported on pages 83 - 87. The combining statements referred to earlier in connection with the non-major governmental funds are presented immediately following the notes to the financial statements. Combining statements can be found on pages 88 - 89 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

For the governmental activities, all infrastructure assets are included within this report. The capital assets (e.g., land, buildings, machinery, infrastructure, and equipment, net of accumulated depreciation) of the governmental activities of the Village less outstanding debt (net of unspent proceeds) equals \$10,048,776. The majority of the outstanding debt of the governmental activities funds was incurred for the installation of infrastructure. 71 percent of the Village's total net position consist of the Village's net position that are invested in capital assets, net of related debt.

The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

NET POSITION

	Governmental Activities			Business-Type Activities			Totals	
	2019	2018	2017	2019	2018	2017	2019	2018
Current and other assets	\$ 11,622,951	\$ 11,978,887	\$ 1,964,418	\$ 2,228,915	\$ 13,587,369	\$ 14,207,802		
Capital assets	18,277,325	18,003,873	3,833,463	3,755,784	22,110,888	21,759,657		
Total assets	29,900,276	29,982,760	5,797,881	5,984,699	35,698,257	35,967,459		
Deferred outflows of resources	2,206,896	1,267,634	53,110	38,864	2,260,006	1,306,498		
Long-term debt outstanding	9,689,152	9,872,821	2,276,008	2,495,489	11,965,160	12,368,310		
Other liabilities	1,049,488	875,699	106,833	174,503	1,156,321	1,050,202		
Total liabilities	10,738,640	10,748,520	2,382,841	2,669,992	13,121,481	13,418,512		
Deferred inflows of resources	6,171,142	6,304,151	815,459	809,040	6,986,601	7,113,191		
Net position:								
Investment in capital assets	10,902,932	10,048,776	2,034,258	1,265,824	12,937,190	11,314,600		
Restricted	334,785	313,197	52,626	51,410	387,411	364,607		
Pension	-	683,911	-	19,916	-	703,827		
Unrestricted	3,959,673	3,151,839	565,807	1,207,381	4,525,580	4,359,220		
Total net position	\$ 15,197,390	\$ 14,197,723	\$ 2,652,791	\$ 2,544,531	\$ 17,850,181	\$ 16,742,254		

A portion of the Village's net position (2 percent) represents resources that are subject to external restrictions on how they may be used.

Governmental activities

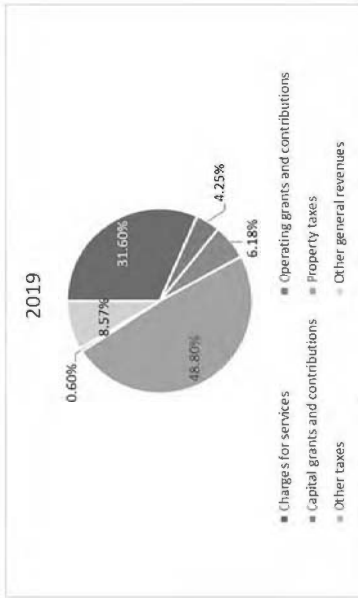
Governmental activities increased the Village's net position by \$999,667 and Business-type activities decreased the Village's net position by \$108,260 due to operating income being less than the expenses. Commercial sewer revenue received was less than anticipated.

VILLAGE OF BAYSIDE'S CHANGES IN NET POSITION

	Governmental Activities			Business-Type Activities			Totals	
	2019	2018	2017	2019	2018	2017	2019	2018
Revenues								
Program revenues:								
Charges for services	\$ 2,935,315	\$ 2,900,579	\$ 895,565	\$ 908,274	\$ 3,830,880	\$ 3,809,853		
Operating grants and contributions	394,706	154,900	5,827	5,862	400,533	160,762		
Capital grants and contributions	574,336	590,822	-	-	574,336	590,822		
General revenues:								
Property taxes	4,532,947	4,503,713	-	-	4,532,947	4,503,713		
Other taxes	55,445	55,367	-	-	55,445	55,367		
Other general revenues	796,321	679,281	48,551	-14,563	844,872	664,718		
Total revenues	9,289,070	8,885,662	949,943	899,573	10,239,013	9,785,235		
Expenses								
General government	791,036	783,515	-	-	791,036	783,515		
Public safety	5,263,230	5,142,971	-	-	5,263,230	5,142,971		
Public works	1,748,495	1,531,543	-	-	1,748,495	1,531,543		
Leisure activities	202,098	199,544	-	-	202,098	199,544		
Conservation and development	13,200	-	-	-	13,200	-		
Interest and fiscal charges	271,344	378,161	-	-	271,344	378,161		
Sewer	-	-	841,683	901,855	841,683	901,855		
Total expenses	8,289,403	8,035,734	841,683	901,855	9,131,086	8,937,569		
Change in net position	999,667	849,928	108,260	(2,282)	1,107,927	847,646		
Net position - beginning of year	14,197,723	13,347,795	2,544,531	2,544,813	16,742,254	15,894,608		
Net position - end of year	\$ 15,197,390	\$ 14,197,723	\$ 2,652,791	\$ 2,544,531	\$ 17,850,181	\$ 16,742,254		

Public safety activities account for approximately 63.5 percent of the total expenses within the governmental funds of the Village. Public works and general government services account for approximately 21.09 and 9.54 percent, respectively, of the total expenses for 2019.

As identified above and on the chart on the next page, property taxes are the largest revenue source for governmental activities accounting for approximately 48.8 percent of total revenues. Charges for services, operating grants and contributions, capital grants and contributions, other taxes, and general revenues provided approximately 31.6 percent, 4.25 percent, 6.18 percent, .60 percent, and 8.57 percent respectively.



Business-type activities

The current Sewer rate includes user charges passed on from the Milwaukee Metropolitan Sewerage District for plant operations; and Village charges to meet operations and debt coverage requirements.

FINANCIAL ANALYSIS OF THE OF THE GOVERNMENT'S FUNDS

As noted earlier, the Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

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

As of December 31, 2019, the Village of Bayside's governmental funds reported combined ending fund balances of \$4,421,219 an increase of \$6,157 in comparison with the prior year. The increase was due to an increase in investment interest. Approximately 29 percent of this total amount, \$1,291,952, constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance of \$3,129,267 is not available for new spending because it is either non-spendable (prepaid items and non-current receivables) or has been restricted, committed, or assigned for specific purpose.

General Fund

The General Fund is the chief operating fund of the Village of Bayside. As of December 31, 2019, the total fund balance of the general fund was \$1,310,139 of which \$1,291,952 was unassigned. This unassigned fund balance represents approximately 29 percent of total general fund expenditures. During 2019, fund balance increased by \$66,152 due to additional investment interest revenue, insurance dividends, and permit revenue.

Consolidated Dispatch

The Consolidated Dispatch Fund accounts for resources legally restricted to supporting expenditures for jointly operated dispatch services. During 2019, fund balance decreased by \$40,206 due to heating, ventilation and air conditioning expenses.

Debt Service

The Debt Service Fund accounts for resources (primarily tax and intergovernmental revenue) used to make payments on long-term debt. During 2019, \$822,250 of long-term debt principal was paid off and fund balance increased by \$604.

GENERAL FUND BUDGETARY HIGHLIGHTS

Fund balance of the General Fund balance increased by \$66,152 in fiscal year 2019, with \$36,296 in transfers. Actual expenditures were less than the final budgeted expenditures by \$70,927. Actual revenues exceeded budgeted revenues in the General Fund by \$259,403.

The increase in revenues was primarily associated with additional investment interest revenue, insurance dividends and permit revenue.

The total budget for the General Fund was changed during the year. An amendment was made to decrease general government and increase public safety, capital outlay, and culture, recreation and education, as well as transfers out.

Proprietary funds

The Village's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Total net position of the Sewer utility at the end of the year amounted to \$2,652,791. Unrestricted net position was \$565,907 at year-end. Other factors concerning the finances of this fund have already been addressed in the discussion of the Village's business-type activities.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets

The Village's investment in capital assets for its governmental and business-type activities as of December 31, 2019, amounts to \$22,110,888 net of accumulated depreciation. This investment in capital assets includes land, buildings and building improvements, improvements other than buildings, equipment, and infrastructure. The Village implemented the infrastructure component of Governmental Accounting Standards Board (GASB) Statement No. 34 for the year ended December 31, 2004.

Additional information on the Village's capital assets can be found in Note III D. on pages 55 and 57.

Long-term debt

At the end of the current fiscal year, the Village has total general obligation debt outstanding of \$10,206,289 entirely backed by the full faith and credit of the government. \$350,000 is repaid by other communities for their share of Dispatch debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 5 percent of its total equalized valuation. The current debt limitation for the Village of Bayside is \$33,726,505, which significantly exceeds the Village of Bayside's current outstanding general obligation debt.

Outstanding Debt

General obligation bonds and notes	Governmental Activities		Business-type Activities		Totals	
	2019	2018	2019	2018	2019	2018
Village	\$ 7,748,779	\$ 8,410,789	\$ 1,812,510	\$ 1,966,259	\$ 9,561,289	\$ 10,407,048
North Shore Fire Dept	645,000	805,000	-	-	645,000	805,000
Premiums	186,790	207,857	30,699	32,775	217,489	240,632
Other liabilities	39,270	35,768	-	-	39,270	35,768
Capital Lease	147,128	224,926	-	-	147,128	224,926
Net OPEB obligation	104,743	158,481	3,654	5,529	108,397	164,010
Net Pension Liability (Asset) - WRS	817,442	-	15,335	-	832,777	-
Revenue Bonds	-	-	413,810	490,926	413,810	490,926
Total	\$ 9,689,152	\$ 9,872,821	\$ 2,276,008	\$ 2,495,489	\$ 11,965,160	\$ 12,368,310

As noted above, \$645,000 of the Village's outstanding debt at December 31, 2019, relates to North Shore Fire Department. Additional information of the Village of Bayside's long-term debt can be found in Note III F. on pages 59 through 63.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

- The unemployment rate as of December 31, 2019, for the Milwaukee metropolitan area, which includes the Village, was 3.5 percent. This compares with an unemployment rate of 3.5 percent for the State of Wisconsin and a national unemployment rate of 3.5 percent.
- During 2019, the Village Board approved the Financial Policies and Procedures establishing additional financial oversight and protocol as well as guidelines for tax rate stabilization and long term Village expenditures.
 - o Specifically, when the General Fund fund balance exceeds 30 percent, 30 percent of the amount would be allocated to the Debt Levy Stabilization, 30 percent to the GASB45/OPEB Designated Account, 20 percent to the Road Reserve Fund, 10 percent to the DPW Equipment Reserve Fund, and 10 percent to the Future Projects Fund.
- The Village's budget once again qualified for the State Expenditure Restraint Shared Revenue payment.
- Bayside has received the Government Finance Officers Association of the United States and Canada (GFOA) Distinguished Budget Presentation Award since 2008.
- The GFOA has also awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Bayside for its Comprehensive Annual Financial Report (CAFR) starting in 2010. The CAFR further enhances our financial accountability and transparency, providing a concise report of the last ten fiscal years.
- The Village maintains a credit rating of Aa2 from Moody's Investor Service.
- The consolidated Dispatch Communication Center, serving to Bayside, Fox Point, Brown Deer, Glendale, Shorewood, Whitefish Bay, North Shore Fire Department and River Hills opened in May of 2012. This operation increases both revenues and expenditures, as well as provides diversity to our revenue base from our overall expenditure outlay.
- In 2005, over 70% of the Villages' revenues were derived from taxes compared to 2019 where only 44% of the overall revenues come from taxes.
- The State of Wisconsin levy limits allowed the Village to increase the 2019 budget by a total of \$12,655 plus the debt service allowable increase of \$20,942 and NSFD exemption of \$18,376.
- All financial information in this report is prior to the COVID-19 Pandemic and any potential impacts.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Village of Bayside's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Village of Bayside, Attn.: Administrative Services Director, 9075 N. Regent Road, Bayside, WI 53217.

General information relating to the Village of Bayside, Wisconsin, can be found at the Village's website, <http://www.baysidewi.gov>.

VILLAGE OF BAYSIDE

STATEMENT OF NET POSITION As of December 31, 2019

	Governmental Activities	Business Type Activities	Totals	Component Unit Community Development Authority
ASSETS				
Cash and investments	\$ 5,388,765	\$ 535,671	\$ 5,924,436	\$ -
Receivables				
Taxes	4,982,798	782,530	5,765,328	-
Accounts	315,792	35,606	351,398	14,295
Due from other governments	995,000	-	995,000	-
Prepaid items	37,824	1,412	39,236	-
Restricted Assets				
Cash and investments	-	511,971	511,971	-
Advances	(97,228)	97,228	-	-
Capital Assets (net of accumulated depreciation/amortization)				
Land	3,561,528	-	3,561,528	-
Other capital assets, net of depreciation/amortization	14,715,797	3,833,563	18,549,360	-
Total Assets	<u>29,900,276</u>	<u>5,797,981</u>	<u>35,698,257</u>	<u>14,295</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred loss on refunding	11,195	-	11,195	-
Deferred outflows related to pensions	2,179,277	52,484	2,231,761	-
Deferred outflows related to OPEB	16,424	626	17,050	-
Total Deferred Outflows of Resources	<u>2,206,896</u>	<u>53,110</u>	<u>2,260,006</u>	<u>-</u>
LIABILITIES				
Accounts payable and accrued expenses	1,049,488	106,833	1,156,321	3,803
Noncurrent Liabilities				
Due within one year	917,580	242,689	1,160,269	-
Due in more than one year	8,771,572	2,033,319	10,804,891	-
Total Liabilities	<u>10,738,640</u>	<u>2,382,841</u>	<u>13,121,481</u>	<u>3,803</u>
DEFERRED INFLOWS OF RESOURCES				
Unearned revenue	4,981,986	782,530	5,764,516	-
Deferred inflows related to pension	1,124,696	30,681	1,155,377	-
Deferred inflows related to OPEB	64,460	2,248	66,708	-
Total Deferred Inflows of Resources	<u>6,171,142</u>	<u>815,459</u>	<u>6,986,601</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	10,902,932	2,034,258	12,937,190	-
Restricted for				
Debt service	334,785	52,626	387,411	-
Unrestricted	<u>3,959,673</u>	<u>565,907</u>	<u>4,525,580</u>	<u>10,492</u>
TOTAL NET POSITION	<u>\$ 15,197,390</u>	<u>\$ 2,652,791</u>	<u>\$ 17,850,181</u>	<u>\$ 10,492</u>

See accompanying notes to financial statements.

VILLAGE OF BAYSIDE

STATEMENT OF ACTIVITIES For the Year Ended December 31, 2019

<u>Functions/Programs</u>	Program Revenues			
<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Primary Government				
Governmental Activities				
General government	\$ 791,036	\$ 81,811	\$ -	\$ -
Public safety	5,263,230	2,282,129	47,806	137,660
Public works	1,748,495	569,265	346,900	432,496
Culture, education and recreation	202,098	2,110	-	4,180
Conservation and development	13,200	-	-	-
Interest and fiscal charges	271,344	-	-	-
Total Governmental Activities	<u>8,289,403</u>	<u>2,935,315</u>	<u>394,706</u>	<u>574,336</u>
Business-type Activities				
Sewer	<u>841,683</u>	<u>895,565</u>	<u>5,827</u>	<u>-</u>
Total Business-type Activities	<u>841,683</u>	<u>895,565</u>	<u>5,827</u>	<u>-</u>
Total Primary Government	<u>\$ 9,131,086</u>	<u>\$ 3,830,880</u>	<u>\$ 400,533</u>	<u>\$ 574,336</u>
Component Unit				
Community Development Authority	<u>\$ 21,025</u>	<u>\$ -</u>	<u>\$ 16,137</u>	<u>\$ -</u>
General Revenues				
Taxes				
Property taxes, levied for general purposes				
Property taxes, levied for debt service				
Other taxes				
Intergovernmental revenues not restricted to specific programs				
Investment income				
Miscellaneous				
Total General Revenues				
Change in net position				
NET POSITION - Beginning of Year				
NET POSITION - END OF YEAR				

See accompanying notes to financial statements.

Net (Expenses) Revenues and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Totals	Community Development Authority
\$ (709,225)	\$ -	\$ (709,225)	\$ -
(2,795,635)	-	(2,795,635)	-
(399,834)	-	(399,834)	-
(195,808)	-	(195,808)	-
(13,200)	-	(13,200)	-
<u>(271,344)</u>	<u>-</u>	<u>(271,344)</u>	<u>-</u>
<u>(4,385,046)</u>	<u>-</u>	<u>(4,385,046)</u>	<u>-</u>
-	59,709	59,709	-
-	59,709	59,709	-
<u>(4,385,046)</u>	<u>59,709</u>	<u>(4,325,337)</u>	<u>-</u>
-	-	-	(4,888)
3,771,532	-	3,771,532	-
761,415	-	761,415	-
55,445	-	55,445	-
173,975	-	173,975	-
274,632	1,398	276,030	-
<u>347,714</u>	<u>47,153</u>	<u>394,867</u>	<u>-</u>
<u>5,384,713</u>	<u>48,551</u>	<u>5,433,264</u>	<u>-</u>
999,667	108,260	1,107,927	(4,888)
<u>14,197,723</u>	<u>2,544,531</u>	<u>16,742,254</u>	<u>15,380</u>
<u>\$ 15,197,390</u>	<u>\$ 2,652,791</u>	<u>\$ 17,850,181</u>	<u>\$ 10,492</u>

See accompanying notes to financial statements.

VILLAGE OF BAYSIDE

BALANCE SHEET GOVERNMENTAL FUNDS As of December 31, 2019

		Special Revenue Fund		Capital Projects Fund
	General	Consolidated Dispatch	Debt Service	Capital Projects
ASSETS				
Cash and investments	\$ 1,855,826	\$ 383,883	\$ 418,876	\$ 937,917
Receivables				
Taxes	3,185,273	292,175	792,089	289,903
Accounts	45,644	-	-	-
Due from other governments	-	-	995,000	-
Prepaid items	<u>17,375</u>	<u>18,389</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 5,104,118</u>	<u>\$ 694,447</u>	<u>\$ 2,205,965</u>	<u>\$ 1,227,820</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 399,547	\$ 38,936	\$ -	\$ 14,762
Accrued liabilities	184,971	103,701	-	-
Advances from Sewer fund	-	-	-	97,228
Total Liabilities	<u>584,518</u>	<u>142,637</u>	<u>-</u>	<u>111,990</u>
Deferred Inflows of Resources				
Unearned revenues	3,184,461	292,175	792,089	289,903
Unavailable revenues	25,000	-	995,000	-
Total Deferred Inflows of Resources	<u>3,209,461</u>	<u>292,175</u>	<u>1,787,089</u>	<u>289,903</u>
Fund Balances				
Nonspendable	18,187	18,389	-	-
Restricted	-	-	418,876	-
Committed	-	241,246	-	825,927
Unassigned	1,291,952	-	-	-
Total Fund Balances	<u>1,310,139</u>	<u>259,635</u>	<u>418,876</u>	<u>825,927</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 5,104,118</u>	<u>\$ 694,447</u>	<u>\$ 2,205,965</u>	<u>\$ 1,227,820</u>

See accompanying notes to financial statements.

<u>Capital Projects Fund</u>		
<u>DPW Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Totals</u>
\$ 1,334,443	\$ 457,820	\$ 5,388,765
46,247	377,111	4,982,798
-	270,147	315,791
-	-	995,000
-	2,060	37,824
<u>\$ 1,380,690</u>	<u>\$ 1,107,138</u>	<u>\$ 11,720,178</u>
\$ 198,115	\$ 19,352	\$ 670,712
-	6,013	294,685
-	-	97,228
<u>198,115</u>	<u>25,365</u>	<u>1,062,625</u>
46,247	377,111	4,981,986
-	234,348	1,254,348
<u>46,247</u>	<u>611,459</u>	<u>6,236,334</u>
-	2,060	38,636
-	-	418,876
1,136,328	468,254	2,671,755
-	-	1,291,952
<u>1,136,328</u>	<u>470,314</u>	<u>4,421,219</u>
<u>\$ 1,380,690</u>	<u>\$ 1,107,138</u>	<u>\$ 11,720,178</u>

See accompanying notes to financial statements.

VILLAGE OF BAYSIDE

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION As of December 31, 2019

Total Fund Balances - Governmental Funds	\$ 4,421,219
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.	18,277,325
Some receivables that are not currently available are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements.	1,254,348
Deferred outflows of resources related to pension and OPEB do not relate to current financial resources and are not reported in the governmental funds.	2,195,701
Deferred inflows of resources related to pension and OPEB do not relate to current financial resources and are not reported in the governmental funds.	(1,189,156)
Some liabilities, including long-term debt, are not due and payable in the current period and therefore, are not reported in the funds.	
Bonds and notes payable	(8,393,779)
Compensated absences	(39,270)
Accrued interest	(84,090)
Unamortized debt premium	(186,790)
Unamortized loss of refunding	11,195
Capital Leases	(147,128)
Net pension liability	(817,442)
Net OPEB Obligation	(104,743)
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 15,197,390</u>

See accompanying notes to financial statements.

VILLAGE OF BAYSIDE

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

For the Year Ended December 31, 2019

	General	Special Revenue Fund	Debt Service	Capital Projects Fund
		Consolidated Dispatch		Capital Projects
REVENUES				
Taxes	\$ 3,160,834	\$ 286,523	\$ 761,415	\$ 267,720
Intergovernmental	617,853	-	-	20,173
Licenses and permits	201,919	-	-	-
Fines, forfeitures and penalties	61,967	-	-	-
Public charges for services	66,455	-	-	-
Intergovernmental charges for services	94,099	2,022,419	229,242	137,660
Investment income	274,632	-	-	-
Miscellaneous revenues	46,340	129,949	23,323	19,409
Total Revenues	<u>4,524,099</u>	<u>2,438,891</u>	<u>1,013,980</u>	<u>444,962</u>
EXPENDITURES				
Current				
General government	601,900	-	-	-
Public safety	2,430,113	2,172,665	-	139,364
Public works	861,429	-	-	-
Culture, recreation and education	166,150	-	-	18,262
Capital Outlay	344,025	231,427	-	189,485
Debt Service				
Principal	29,760	69,987	822,250	-
Interest and fiscal charges	3,304	5,018	262,588	34,230
Total Expenditures	<u>4,436,681</u>	<u>2,479,097</u>	<u>1,084,838</u>	<u>381,341</u>
Excess (deficiency) of revenues over expenditures	<u>87,418</u>	<u>(40,206)</u>	<u>(70,858)</u>	<u>63,621</u>
OTHER FINANCING SOURCES				
Transfers out	(36,296)	-	-	-
Transfers in	-	-	71,462	69,448
Proceeds from sale of capital assets	15,030	-	-	-
Total Other Financing Sources	<u>(21,266)</u>	<u>-</u>	<u>71,462</u>	<u>69,448</u>
Net Change in Fund Balances	66,152	(40,206)	604	133,069
FUND BALANCES - Beginning of Year	<u>1,243,987</u>	<u>299,841</u>	<u>418,272</u>	<u>692,858</u>
FUND BALANCES - END OF YEAR	<u>\$ 1,310,139</u>	<u>\$ 259,635</u>	<u>\$ 418,876</u>	<u>\$ 825,927</u>

See accompanying notes to financial statements.

<u>Capital Projects Fund</u>		
<u>DPW Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Totals</u>
\$ 111,900	\$ -	\$ 4,588,392
46,812	45,000	729,838
-	-	201,919
-	-	61,967
10,189	523,859	600,503
-	-	2,483,420
-	-	274,632
-	-	219,021
<u>168,901</u>	<u>568,859</u>	<u>9,159,692</u>
-	-	601,900
-	-	4,742,142
-	292,219	1,153,648
-	-	184,412
500,674	25,453	1,291,064
7,811	-	929,808
<u>312</u>	<u>139</u>	<u>305,591</u>
<u>508,797</u>	<u>317,811</u>	<u>9,208,565</u>
<u>(339,896)</u>	<u>251,048</u>	<u>(48,873)</u>
-	(104,614)	(140,910)
-	-	140,910
<u>40,000</u>	<u>-</u>	<u>55,030</u>
<u>40,000</u>	<u>(104,614)</u>	<u>55,030</u>
(299,896)	146,434	6,157
<u>1,436,224</u>	<u>323,880</u>	<u>4,415,062</u>
<u>\$ 1,136,328</u>	<u>\$ 470,314</u>	<u>\$ 4,421,219</u>

See accompanying notes to financial statements.

VILLAGE OF BAYSIDE

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

Net change in fund balances - total governmental funds	\$	6,157
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Amounts reported for governmental activities in the statement of activities are different because:

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

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements		1,291,064
Some items reported as capital outlay were not capitalized		(156,627)
Some items reported as operating expenditures in the fund financial statements but are capitalized in the government-wide statements		2,099
Depreciation is reported in the government-wide financial statements		(785,159)
Net book value of assets retired		(77,925)

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

Grant receivable		259,348
Payment on loan receivable		(185,000)

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

Principal repaid		852,010
Principal repaid on capital leases		77,798

Governmental funds report debt premiums and discounts as other financing sources (uses) or financing sources or uses. However, in the statement of net position, these are reported as additions to or deductions from long-term debt. These are allocated over the period the debt is outstanding in the statement of activities and are reported as interest expense.

Amortization of debt premium		21,067
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Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Compensated absences		(3,502)
Net OPEB obligation		53,738
Accrued interest on debt		20,983
Amortization of deferred charge on refunding		(3,731)
Net pension liability		(1,501,353)
Deferred outflows of resources related to pension and OPEB		942,994
Deferred inflows of resources related to pension and OPEB		185,706

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u>999,667</u>
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See accompanying notes to financial statements.

VILLAGE OF BAYSIDE

STATEMENT OF NET POSITION PROPRIETARY FUND As of December 31, 2019

	<u>Sewer Utility</u>
ASSETS	
Current Assets	
Cash and investments	\$ 535,671
Receivables	
Taxes	782,530
Accounts	35,606
Prepaid items	1,412
Advance to Capital Projects Fund	36,003
Restricted Assets	
Cash and investments	<u>511,971</u>
Total Current Assets	<u>1,903,193</u>
Noncurrent Assets	
Restricted Assets	
Advance to Capital Projects fund	61,225
Capital Assets	
Property and equipment	8,354,241
Less: Accumulated depreciation	<u>(4,520,678)</u>
Total Noncurrent Assets	<u>3,894,788</u>
Total Assets	<u>5,797,981</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflow related to OPEB	626
Deferred outflow related to pension	<u>52,484</u>
Total Deferred Outflows of Resources	<u>53,110</u>

See accompanying notes to financial statements.

VILLAGE OF BAYSIDE

STATEMENT OF NET POSITION PROPRIETARY FUND As of December 31, 2019

	<u>Sewer Fund</u>
LIABILITIES	
Current Liabilities	
Accounts payable	77,497
Accrued liabilities	9,934
Accrued interest	17,771
Current portion of general obligation debt	163,750
Liabilities Payable from Restricted Assets	
Current portion of revenue bond	78,939
Accrued interest	1,631
Total Current Liabilities	<u>349,522</u>
Noncurrent Liabilities	
Long-Term Debt	
General obligation bonds payable	1,679,459
Revenue bond	334,871
Net OPEB obligation	3,654
Net pension liability	15,335
Total Noncurrent Liabilities	<u>2,033,319</u>
Total Liabilities	<u>2,382,841</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflow related to pension	30,681
Deferred Inflow related to OPEB	2,248
Unearned revenues	782,530
Total Deferred Inflows of Resources	<u>815,459</u>
NET POSITION	
Net investment in capital assets	2,034,258
Restricted for	
Debt service	52,626
Unrestricted net position	<u>565,907</u>
TOTAL NET POSITION	<u>\$ 2,652,791</u>

See accompanying notes to financial statements.

VILLAGE OF BAYSIDE

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION PROPRIETARY FUND

For the Year Ended December 31, 2019

	<u>Sewer Utility</u>
OPERATING REVENUES	
Public charges for services	\$ 895,565
Intergovernmental	5,827
Other	<u>47,153</u>
Total Operating Revenues	<u>948,545</u>
OPERATING EXPENSES	
Sewage service	588,771
Depreciation expense	<u>186,975</u>
Total Operating Expenses	<u>775,746</u>
Operating Income	<u>172,799</u>
NONOPERATING REVENUES (EXPENSES)	
Investment income	1,398
Interest and debt issuance expenses	(68,013)
Amortization of debt premium and loss on refunding (net)	<u>2,076</u>
Total Nonoperating Revenues (Expenses)	<u>(64,539)</u>
Change in Net Position	108,260
NET POSITION - Beginning of Year	<u>2,544,531</u>
NET POSITION- END OF YEAR	<u>\$ 2,652,791</u>

See accompanying notes to financial statements.

VILLAGE OF BAYSIDE

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

	<u>Sewer Utility</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Received from customers	\$ 917,998
Paid to suppliers for goods and services	(499,995)
Paid to employees for services	(129,080)
Net Cash Flows From Operating Activities	<u>288,923</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment income	<u>1,398</u>
Net Cash Flows From Investing Activities	<u>1,398</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Debt retired	(230,865)
Interest paid	(79,755)
Advances to other funds	34,230
Acquisition and construction of capital assets	(264,754)
Net Cash Flows From Capital and Related Financing Activities	<u>(541,144)</u>
Net Change in Cash and Cash Equivalents	(250,823)
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>1,298,465</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 1,047,642</u>

See accompanying notes to financial statements.

VILLAGE OF BAYSIDE

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

	<u>Sewer Utility</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES	
Operating income	\$ 172,799
Adjustments to Reconcile Operating Income to Net Cash Flows From Operating Activities	
Depreciation	186,975
Changes in assets, deferred outflows, liabilities and deferred inflows	
Accounts receivable	(30,547)
Other accounts receivable	(10,066)
Prepayments	141
Accounts payable	(51,619)
Other current liabilities	(4,309)
Deferred inflow of resources	10,066
Pension related deferrals, assets and liabilities	15,324
OPEB related deferrals and liabilities	<u>159</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ 288,923</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION - PROPRIETARY FUNDS	
Cash and investments	\$ 535,671
Restricted cash and investments	<u>511,971</u>
CASH AND CASH EQUIVALENTS	<u>\$ 1,047,642</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES	
Amortization of debt premium	<u>\$ 2,076</u>

See accompanying notes to financial statements.

VILLAGE OF BAYSIDE

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
As of December 31, 2019

	<u>Custodial Funds</u>
ASSETS	
Cash and investments	\$ 9,466,655
Taxes	5,117,574
Special assessments	<u>4,077,996</u>
Total Assets	<u>18,662,225</u>
LIABILITIES	
Accounts payable	\$ 1,810
Due to bondholders	4,992,920
Due to other governments	<u>13,667,495</u>
Total Liabilities	<u>18,662,225</u>
NET POSITION	
TOTAL NET POSITION	<u><u>\$ -</u></u>

See accompanying notes to financial statements.

VILLAGE OF BAYSIDE

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

	<u>Custodial Funds</u>
ADDITIONS	
Tax Collections	\$ 13,198,888
Special Assessments	<u>582,017</u>
Total Additions	<u>13,780,905</u>
DEDUCTIONS	
Payments to overlying districts	13,198,888
B bond payments	<u>582,017</u>
Total Deductions	<u>13,780,905</u>
Change in Fiduciary Net Position	-
NET POSITION - Beginning of Year	<u>-</u>
NET POSITION - END OF YEAR	<u><u>\$ -</u></u>

See accompanying notes to financial statements.

VILLAGE OF BAYSIDE

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As of and for the Year Ended December 31, 2019

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VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. REPORTING ENTITY

This report includes all of the funds of the Village. The reporting entity for the Village consists of the primary government and its component unit. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if (1) it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization, (2) it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. Certain legally separate, tax exempt organizations should also be reported as a component unit if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government or its component units, is entitled to, or has the ability to access, a majority of the economic resources received or held by the separate organization; and (3) the economic resources received or held by an individual organization that the primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the primary government.

Component units are reported using one of three methods, discrete presentation, blended, or fiduciary. Generally, component units should be discretely presented in a separate column in the financial statements. A component unit should be reported as part of the primary government using the blending method if it meets any one of the following criteria: (1) the primary government and the component unit have substantively the same governing body and a financial benefit or burden relationship exists, (2) the primary government and the component unit have substantively the same governing body and management of the primary government has operational responsibility for the component unit, (3) the component unit serves or benefits, exclusively or almost exclusively, the primary government rather than its citizens, or (4) the total debt of the component unit will be paid entirely or almost entirely from resources of the primary government.

Discretely Presented Component Unit

Community Development Authority

The government-wide financial statements include the Community Development Authority ("CDA") as a component unit. The CDA is a legally separate organization. The board of the CDA is appointed by the village board. Wisconsin Statutes provide for circumstances whereby the Village can impose its will on the CDA, and also create a potential financial benefit to or burden on the Village. See Note III. As a component unit, the CDA's financial statements have been presented as a discrete column in the financial statements. The information presented is for the fiscal year ended December 31, 2019. The CDA does not issue separate financial statements.

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

In January 2017, the GASB issued statement No. 84 - *Fiduciary Activities*. This statement establishes criteria for identifying fiduciary activities of all state and local governments for accounting and financial reporting purposes and how those activities should be reported. This standard was implemented January 1, 2019.

In March 2018, the GASB issued statement No. 88 - *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. This Statement defines debt for purposes of disclosure in notes to financial statements and establishes additional financial statement note disclosure requirements related to debt obligations of governments, including direct borrowings and direct placements. This standard was implemented January 1, 2019.

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

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

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

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

Fund Financial Statements (cont.)

- b. The same element of the individual governmental or enterprise fund that met the 10% test is at least 5% of the corresponding total for all governmental and enterprise funds combined.

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

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

The Village reports the following major governmental funds:

General Fund - accounts for the Village's primary operating activities. It is used to account for and report all financial resources except those accounted for and reported in another fund.
Special Revenue Fund - Consolidated Dispatch - used to account for and report grants and local revenues legally restricted or committed to supporting expenditures for the program.
Debt Service Fund - used to account for and report financial resources that are restricted, committed, or assigned to expenditure for the payment of general long-term debt principal, interest, and related costs, other than enterprise debt.

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

Capital Projects Fund - Capital Projects - used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets for general capital projects, dispatch capital projects, and records management system capital projects.

The Village reports the following major enterprise funds:

Sewer Utility - accounts for operations of the sewer system.

The Village reports the following nonmajor governmental funds:

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

Stormwater
Consolidated Services

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

Fund Financial Statements (cont.)

In addition, the Village reports the following fund types:

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

Tax Collection Fund
Special Assessment B Bonds 2013
Special Assessment B Bonds 2015

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

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

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

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

Fund Financial Statements (cont.)

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

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

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

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

All Financial Statements

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

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

1. Deposits and Investments

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

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

- a. Time deposits in any credit union, bank, savings bank or trust company.

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

1. Deposits and Investments (cont.)

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

The Village has adopted an investment policy. That policy follows the state statute for allowable investments. In addition the village's policy states that the village will minimize both credit and interest rate risk. Credit risk is the risk of loss due to the failure of the security issuer or backer whereas interest rate risk is the risk that market value of securities in the portfolio will fall due to changes in market interest rates.

The Village's investment policy regarding custodial credit risk requires the Village to maintain collateral agreements for 105% of the balance that exceeds the FDIC and State Deposit Guarantee Insurance, however, there are times during the year when the Village is not in compliance with this policy. The Village's investment policy does not address credit risk, interest rate risk, concentration of credit risk, or foreign currency risk.

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

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

See Note III. A. for further information.

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

2. Receivables

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

Property tax calendar - 2019 tax roll:

Lien date and levy date	December 2019
Tax bills mailed	December 2019
Payment in full, or	January 31, 2020
First installment due	January 31, 2020
Second installment due	March 31, 2020
Third installment due	May 31, 2020
Personal property taxes in full	January 31, 2020
Tax sale - 2019 delinquent real estate taxes	October 2022

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

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

3. Prepaid Items

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

4. Restricted Assets

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

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

5. Capital Assets

Government-Wide Statements

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

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

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

Buildings	20-50	Years
Land Improvements	15-40	Years
Machinery and Equipment	5-20	Years
Utility System	15-40	Years
Infrastructure	15-40	Years
Intangible - Software	5-10	Years

Fund Financial Statements

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

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

6. Deferred Outflows of Resources

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

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

7. Compensated Absences

It is the Village's policy to permit employees to accumulate earned but unused sick leave benefits in accordance with bargaining unit agreements. All sick leave is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds in the fund financial statements only if they have matured, for example, as a result of employee resignations and retirements.

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

8. Long-Term Obligations/Conduit Debt

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

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

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

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

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

9. Deferred Inflows of Resources

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

10. Equity Classifications

Government-Wide Statements

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

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

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

Fund Statements

Governmental fund balances are displayed as follows:

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

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

10. Equity Classifications (cont.)

Fund Statements (cont.)

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

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

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

See Note III. H. for further information.

11. Pension

For purposes of measuring the net pension asset (liability), 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.

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

12. Postemployment Benefits Other Than Pensions (OPEB)

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

NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. EXCESS EXPENDITURES OVER APPROPRIATIONS

Funds	Budgeted Expenditures	Actual Expenditures	Excess Expenditures Over Budget
Special Revenue Fund - Consolidated Services	\$ -	\$ 33,152	\$ 33,152

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

B. LIMITATIONS ON THE VILLAGE'S TAX LEVY

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

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE III - DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

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

	Carrying Value	Statement Balances	Associated Risks
Deposits	\$ 12,034,263	\$ 12,033,191	Custodial Credit Risk
LGIP	314,196	314,196	Credit Risk
US treasuries	2,178,167	2,178,167	Custodial Credit Risk, Interest Rate Risk
US & Foreign Corporate Bonds	1,049,850	1,049,850	Custodial Credit Risk, Credit and Interest Rate Risk, Foreign Currency Risk
Money Market Mutual Fund	326,286	326,470	Credit Risk, Interest Rate Risk
Petty cash	300	-	N/A
Total Deposits and Investments	\$ 15,903,062	\$ 15,901,874	

Reconciliation to financial statements

Per statement of net position	
Unrestricted cash and investments	\$ 5,924,436
Restricted cash and investments	511,971
Per statement of fiduciary net position - fiduciary funds	
Custodial Funds	9,466,655
Total Deposits and Investments	\$ 15,903,062

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

Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the nature of this fund, recovery of material principal losses may not be significant to individual municipalities. This coverage has not been considered in computing custodial credit risk.

The Village 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 other observable inputs; Level 3 inputs are significant unobservable inputs.

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

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

A. DEPOSITS AND INVESTMENTS (cont.)

The valuation methods for recurring fair value measurements are as follows:

- Market approach - prices or other information from market transactions involving identical or similar assets.

Investment Type	December 31, 2019			Total
	Level 1	Level 2	Level 3	
Money Market Mutual Funds	\$ -	\$ 326,470	\$ -	\$ 326,470
US & Foreign Corporate Bonds	-	1,049,850	-	1,049,850
US Treasuries	2,178,167	-	-	2,178,167
Total	\$ 2,178,167	\$ 1,376,320	\$ -	\$ 3,554,487

Custodial Credit Risk

Deposits

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

As of December 31, 2019, \$803,525 of the Village's total bank balances were exposed to custodial credit risk as follows:

Uninsured and uncollateralized \$ 803,525

Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

US & Foreign Corporate Bonds

Neither insured nor registered and held by counterparty \$ 1,049,850

Credit Risk

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

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

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

A. DEPOSITS AND INVESTMENTS (cont.)

Credit Risk (cont.)

As of December 31, 2019, the Village's investments were rated as follows:

Investment Type	Moody's Investors Services
Money Market Mutual Funds	Aaa
Corporate Bonds	A1 to Aa3

The Village also held investments in the following external pools which are not rated:

Wisconsin Local Government Investment Pool

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment

As of December 31, 2019, the Village's investments were as follows:

Investment Type	Fair Value	Maturity (In Years)	
		Less than 1 year	1 - 5 Years
US treasuries	\$ 2,178,167	\$ 225,561	\$ 1,952,606
US & Foreign Corporate Bonds	1,049,850	182,988	866,862
Totals	\$ 3,228,017	\$ 408,549	\$ 2,819,288

Investment Type	Fair Value	Weighted Average Maturity (Months)
Money Market Mutual Fund	\$ 326,470	1.0

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

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

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

B. RECEIVABLES

All of the receivables on the balance sheet are expected to be collected within one year, except for the North Shore Fire Department loan receivable, of which \$485,000 is not expected to be collected within one year, the Village of River Hills loan receivable, of which \$170,000 is not expected to be collected within one year, and Village of Fox Point loan receivable of which \$155,000 is not expected to be collected within one year.

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

	Unearned	Unavailable
Property taxes receivable for subsequent year	\$ 4,604,875	\$ -
North Shore Fire Department - loan	-	645,000
Village of River Hills - loan	-	185,000
Village of Fox Point - loan	-	165,000
Grants receivable	-	259,348
Stormwater user fees	377,111	-
Total Unearned/Unavailable Revenue for Governmental Funds	\$ 4,981,986	\$ 1,254,348

At the end of the current fiscal year, the various components of unearned revenue in the proprietary funds were as follows:

	Unearned
Property taxes receivable for subsequent year	\$ 782,530
Total Unearned Revenue for Proprietary Funds	\$ 782,530

C. RESTRICTED ASSETS

The following represent the balances of the restricted assets:

Long-Term Debt Accounts

- Redemption - Used to segregate resources accumulated for debt service payments over the next twelve months.
- Construction - Used to report proceeds of revenue bond issuances that are restricted for use in construction.

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

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

C. RESTRICTED ASSETS (cont.)

Following is a list of restricted assets at December 31, 2019:

	Restricted Assets	Liabilities Payable from Restricted Assets	Restricted Net Position
Bond redemption account	\$ 54,257	\$ 1,631	\$ 52,626
Construction account	457,714	-	n/a
Total	\$ 511,971	\$ 1,631	\$ 52,626

D. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2019, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital assets not being depreciated/amortized				
Land	\$ 3,561,528	-	-	\$ 3,561,528
Total Capital Assets Not Being Depreciated/Amortized	3,561,528	-	-	3,561,528
Capital assets being depreciated/amortized				
Land improvements	601,818	-	-	601,818
Building and improvements	8,205,788	-	-	8,205,788
Machinery and equipment	3,370,483	929,767	214,474	4,085,776
Infrastructure	9,560,972	206,769	-	9,767,741
Software	1,403,436	-	-	1,403,436
Total Capital Assets Being Depreciated/Amortized	23,142,497	1,136,536	214,474	24,064,559
Total Capital Assets	26,704,025	1,136,536	214,474	27,626,087

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

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

	Beginning Balance	Additions	Deletions	Ending Balance
D. CAPITAL ASSETS (cont.)				
Governmental Activities (cont.)				
Less: Accumulated depreciation/amortization for				
Land improvements	\$ (277,267)	\$ (7,492)	\$ -	\$ (284,759)
Building and improvements	(1,878,710)	(142,475)	-	(2,021,185)
Machinery and equipment	(2,042,323)	(335,824)	136,549	(2,241,598)
Infrastructure	(3,319,721)	(233,116)	-	(3,552,837)
Software	(1,182,131)	(66,252)	-	(1,248,383)
Total Accumulated Depreciation/Amortization	(8,700,152)	(785,159)	136,549	(9,348,762)
Net Capital Assets Being Depreciated/Amortized	14,442,345	351,377	77,925	14,715,797
Total Governmental Activities Capital Assets, Net of Accumulated Depreciation/Amortization	\$ 18,003,873	\$ 351,377	\$ 77,925	\$ 18,277,325

Depreciation expense was charged to functions as follows:

Governmental Activities	
General government	\$ 139,027
Public safety	235,977
Public works, which includes the depreciation of roads, sidewalks and storm sewers	400,570
Culture, education and recreation	9,585
Total Governmental Activities Depreciation/Amortization Expense	\$ 785,159

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type Activities				
Capital assets not being depreciation	\$ 32,366	\$ -	\$ 32,366	\$ -
Construction in progress	-	-	-	-
Total Capital Assets Not Being Depreciated	32,366	-	32,366	-
Capital assets being depreciated	7,852,957	297,120	-	8,150,077
Infrastructure	204,164	-	-	204,164
Equipment	-	-	-	-
Total Capital Assets Being Depreciated	8,057,121	297,120	-	8,354,241
Total Capital Assets	8,089,487	297,120	32,366	8,354,241

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

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

	Beginning Balance	Additions	Deletions	Ending Balance
D. CAPITAL ASSETS (cont.)				
Business-type Activities (cont.)				
Less: Accumulated depreciation for				
Infrastructure	\$ (4,235,344)	\$ (170,366)	\$ -	\$ (4,405,710)
Equipment	(98,359)	(16,609)	-	(114,968)
Total Accumulated Depreciation	(4,333,703)	(186,975)	-	(4,520,678)
Net Capital Assets Being Depreciated	3,723,418	110,145	-	3,833,563
Business-type Capital Assets, Net of Accumulated Depreciation	\$ 3,755,784	\$ 110,145	\$ 32,366	\$ 3,833,563

Depreciation expense was charged to functions as follows:

Business-type Activities	
Sewer	\$ 186,975
Total Business-type Activities Depreciation Expense	\$ 186,975

E. INTERFUND ADVANCES AND TRANSFERS

Advances

The sewer fund is advancing funds to the capital projects fund in the amount of \$97,228. The amount advanced is determined by the principal and interest lease payments for capital equipment purchased.

The following is a schedule of interfund advances:

	Receivable Fund	Payable Fund	Amount Due Within One Year
Sewer Fund	Capital Projects Fund	\$ 97,228	\$ 61,225

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

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

E. INTERFUND ADVANCES AND TRANSFERS (cont.)

Transfers

The following is a schedule of interfund transfers:

Fund Transferred To	Fund Transferred From	Amount	Principal Purpose
Debt Service Fund	Special Revenue Fund - Stormwater Fund	\$ 71,462	To fund debt service payments
Capital Projects Fund	General Fund	36,296	To fund future capital project
Capital Projects Fund	Special Revenue Fund - Consolidated Services	33,152	To close out consolidated services fund
Total - Fund Financial Statements		140,910	
Less: Fund eliminations		(140,910)	
Total Transfers - Government-Wide Statement of Activities		\$ -	

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

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

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

F. LONG-TERM OBLIGATIONS

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

Governmental Activities	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Bonds and Notes Payable					
General obligation debt - Village debt	\$ 8,311,731	\$ -	671,010	7,640,721	\$ 651,650
General obligation notes from direct borrowings and direct placements - Village debt	129,058	-	21,000	108,058	23,000
General obligation debt - NSFD debt	805,000	-	160,000	645,000	160,000
(Discounts)/Premiums	207,857	-	21,067	186,790	-
Sub-totals	9,453,646	-	873,077	8,580,569	834,650
Other Liabilities					
Vested compensated absences	35,768	70,759	67,257	39,270	10,605
Capital leases	224,926	-	77,798	147,128	72,345
Net pension liability	-	817,442	-	817,442	-
Net OPEB obligation	158,481	-	53,738	104,743	-
Total Other Liabilities	419,175	888,201	198,793	1,108,583	82,950
Total Governmental Activities Long-Term Liabilities	\$ 9,872,821	\$ 888,201	\$ 1,071,870	\$ 9,689,152	\$ 917,600
Business-type Activities					
Bonds and Notes Payable					
General obligation debt	\$ 1,966,259	\$ -	153,749	1,812,510	\$ 163,750
Revenue bonds from direct borrowings and direct placements	490,926	-	77,116	413,810	78,939
(Discounts)/Premiums	32,775	-	2,076	30,699	-
Sub-totals	2,489,960	-	232,941	2,257,019	242,689
Other Liabilities					
Net OPEB obligation	5,529	-	1,875	3,654	-
Net pension liability	-	15,335	-	15,335	-
Total Other Liabilities	5,529	15,335	1,875	18,989	-
Total Business-type Activities Long-Term Liabilities	\$ 2,495,489	\$ 15,335	\$ 234,816	\$ 2,276,008	\$ 242,689

In accordance with Wisconsin Statutes, total general obligation indebtedness of the Village may not exceed 5% of the equalized value of taxable property within the Village's jurisdiction. The debt limit as of December 31, 2019, was \$33,726,505. Total general obligation debt outstanding at year end was \$10,206,289.

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

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

F. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt

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

Governmental Activities	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2019
General Obligation Debt	04/26/2012	08/01/2023	2.5-3.5%	\$ 1,605,000	\$ 645,000
Corp. Purpose - NSFD direct State Trust Fund Loan	08/13/2003	03/15/2023	5.25	266,558	108,058
North Shore Fire	11/01/2010	04/01/2022	0.51-2.91	199,368	63,240
North Shore Fire	08/01/2003	08/01/2023	2.5-4.2	162,173	39,990
Corporate Purpose Bonds	11/14/2011	11/01/2031	2.0-3.4	1,758,741	1,252,491
Corporate Purpose Bonds - Refunding	12/10/2014	12/01/2034	2.0-3.25	6,485,000	4,040,000
Corporate Purpose Bonds	06/28/2016	03/01/2026	2.0	1,035,000	915,000
Corporate Purpose Bonds	05/03/2018	03/01/2033	3.0-3.15	1,420,000	1,330,000
Total Governmental Activities - General Obligation Debt					\$ 8,393,779

Business-type Activities

Business-type Activities	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2019
General Obligation Debt	11/02/2010	03/01/2026	1-3.6%	\$ 475,000	\$ 230,000
Corporate Purpose Bonds	11/14/2011	11/01/2031	2.0-3.40	411,259	292,510
Corporate Purpose Bonds - Refunding	12/10/2014	12/01/2034	2.0-3.25	860,000	355,000
Corporate Purpose Bonds	05/03/2018	03/01/2033	3.0-3.15	1,020,000	935,000
Total Business-type Activities - General Obligation Debt					\$ 1,812,510

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

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

F. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt (cont.)

Debt service requirements to maturity are as follows:

Years	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2020	\$ 811,630	\$ 225,608	\$ 163,750	\$ 53,183
2021	817,250	208,431	173,750	48,426
2022	787,870	191,295	173,750	43,458
2023	759,330	170,898	180,900	38,121
2024	630,300	149,685	189,700	32,618
2025-2029	2,832,450	491,306	747,550	81,386
2030-2034	1,646,891	116,965	183,110	15,624
Totals	\$ 8,285,721	\$ 1,554,188	\$ 1,812,510	\$ 312,816

Notes from Direct Borrowings and Direct Placements

Years	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2020	\$ 23,000	\$ 5,689		
2021	26,000	4,466		
2022	29,000	3,100		
2023	30,058	1,578		
Totals	\$ 108,058	\$ 14,833		

Revenue Debt

Business-type activities revenue bonds are payable only from revenues derived from the operation of the Sewer.

The Village has pledged future sewer revenues, net of specified operating expenses, to repay revenue bonds issued in 2004. Proceeds from the bonds provided financing for the Village's Sewer System. The bonds are payable solely from sewer revenues and are payable through 2024. Annual principal and interest payments on the bonds are expected to require 24% of net revenues. The total principal and interest remaining to be paid on the bonds is \$438,733. Principal and interest paid for the current year and total customer net revenues were \$87,814 and \$361,172, respectively.

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

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

F. LONG-TERM OBLIGATIONS (cont.)

Revenue Debt (cont.)

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

Business-type Activities Revenue Debt from Direct Borrowings and Direct Placements

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2019
Sewer Utility	08/25/2004	05/01/2024	2.365%	\$ 1,342,169	\$ 413,810
Revenue Bonds					
Total Business-type Activities - Revenue Debt					\$ 413,810

Debt service requirements to maturity are as follows:

Years	Business-type Activities Revenue Debt from Direct Borrowings and Direct Placements	
	Principal	Interest
2020	\$ 78,939	\$ 8,853
2021	80,806	6,964
2022	82,717	5,030
2023	84,673	3,051
2024	86,675	1,025
Totals	\$ 413,810	\$ 24,923

The Village's outstanding revenues from direct borrowings and/or direct placements related to business-type activities of \$413,810 contain a provision that in an event of default, outstanding amounts are recoverable by the state by deducting those amounts from any State payments due the municipality, adding a special charge to the amount of taxes apportioned to and levied upon the county in which the municipality is located, or to collect user fees from the operation of the municipality's sewer system.

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

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

F. LONG-TERM OBLIGATIONS (cont.)

Special Assessment B-Bonds

B-Bonds are payable only from special assessments levied on affected properties.

Special assessment B-Bonds at December 31, 2019, consists of the following:

Governmental Activities Special Assessment B-Bonds	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2019
Special Assessment B-Bonds	05/16/2013	05/01/2033	1.55-4.15%	\$ 1,015,000	\$ 555,000
Special Assessment B-Bonds	05/07/2015	05/01/2035	1.25-4.10	4,390,000	3,365,000
Total Governmental Activities Special Assessment B-Bonds					\$ 3,920,000

Debt service requirements to maturity are as follows:

Years	Governmental Activities Special Assessment B-Bonds	
	Principal	Interest
2020	\$ 255,000	\$ 119,243
2021	250,000	114,055
2022	250,000	108,483
2023	250,000	102,475
2024	250,000	96,153
2025-2029	1,250,000	372,000
2030-2033	1,205,000	156,743
2035	210,000	3,770
Totals	\$ 3,920,000	\$ 1,072,922

Other Debt Information

Estimated payments of vested compensated absences, net OPEB obligation and net pension liability are not included in the debt service requirement schedules. Vested compensated absences, net OPEB obligation and the net pension liability attributable to governmental activities will be liquidated primarily by the general fund. The net OPEB obligation and net pension liability attributable to business type activities will be liquidated by the sewer fund.

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

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

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

G. LEASE DISCLOSURES

Lessee - Capital Leases

In 2011, 2012, 2013, 2015, 2016 and 2017 the Village acquired capital assets through a lease/purchase agreement. The gross amount of these assets under capital leases is \$1,032,739, which are included in capital assets in the governmental activities. The future minimum lease obligations and the net present value on these minimum lease payments as of December 31, 2019, are as follows:

Years	Governmental Activities		Totals
	Principal	Interest	
2020	\$ 72,345	\$ 4,957	\$ 77,302
2021	74,783	2,519	77,302
Totals	\$ 147,128	\$ 7,476	\$ 154,604

H. NET POSITION/FUND BALANCES

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

Net Investment in Capital Assets		
Land	\$	3,561,528
Other capital assets, net of accumulated depreciation		14,715,797
Less: Long-term debt outstanding		(8,540,907)
Plus: Unspent capital related debt proceeds		486,821
Less: Noncapital debt proceeds		856,286
Less: Unamortized debt premium		(186,790)
Plus: Unamortized loss on advanced refunding		11,195
Total Net Investment in Capital Assets		<u>10,902,932</u>
Restricted		
Debt Service		334,785
Total Restricted		<u>334,785</u>
Unrestricted		
		3,959,673
Total Governmental Activities Net Position		<u>\$ 15,197,390</u>

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

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

H. NET POSITION/FUND BALANCES (cont.)

Governmental Funds

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

Nonspendable		
Major Funds		
General Fund	\$	812
Delinquent personal property taxes		17,375
Prepaid items		18,187
Total	\$	<u>18,187</u>
Special Revenue Fund		
Consolidated Dispatch - prepaid items	\$	18,389
Nonmajor Fund		
Special Revenue Fund		
Stormwater - prepaid items	\$	2,060
Restricted		
Major Fund		
Debt Service Fund		
Debt service	\$	418,876
Committed		
Major Funds		
Special Revenue Funds		
Consolidated Dispatch	\$	241,246
Capital Projects Funds		
Capital Projects		825,927
DPW Capital Projects		1,136,328
Nonmajor Funds		
Special Revenue Fund		
Special Revenue Fund - Stormwater	\$	468,254
Unassigned		
Major Fund		
General fund	\$	1,291,952

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

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

H. NET POSITION/FUND BALANCES (cont.)

Business-type Activities

Net Investment in Capital Assets	\$ 3,833,563
Other capital assets, net of accumulated depreciation	(2,257,019)
Less: Long-term debt outstanding including unamortized premiums	457,714
Plus: Unspent capital related debt proceeds	2,034,258
Total Net Investment in Capital Assets	<u>2,034,258</u>
Restricted	
Debt Service	52,626
Total Restricted	<u>52,626</u>
Unrestricted	565,907
Total Business-type Activities Net Position	<u>\$ 2,652,791</u>

I. COMPONENT UNIT

COMMUNITY DEVELOPMENT AUTHORITY

This report contains the Community Development Authority (Authority), which is included as a component unit.

In addition to the basic financial statements and the preceding notes to financial statements which apply, the following additional disclosures are considered necessary for a fair presentation.

- a. Basis of Accounting/Measurement Focus
The Authority follows the modified accrual basis of accounting and the flow of economic resources measurement focus.
- b. Deposits and Investments
At year end, the Authority had no deposits.

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION

A. EMPLOYEES' RETIREMENT SYSTEM

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

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

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

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

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

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

The WRS also provides death and disability benefits for employees.

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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)%	(42.0)%
2010	(1.3)	22.0
2011	(1.2)	11.0
2012	(7.0)	(7.0)
2013	(9.6)	9.0
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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

During the reporting period, the WRS recognized \$230,450 in contributions from the Village.

Contribution rates for the plan year reported as of December 31, 2019 are:

Employee Category	Employee	Employer
General (Executives & Elected Officials)	6.7%	6.7%
Protective with Social Security	6.7%	10.7%
Protective without Social Security	6.7%	14.9%

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

At December 31, 2019, the Village reported a liability of \$832,777 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 Village's proportion of the net pension liability was based on the Village's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2018, the Village's proportion was 0.02340783%, which was a decrease of 0.00034157% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the Village recognized pension expense of \$554,302.

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 648,607	\$ 1,146,504
Changes in assumptions	140,375	-
Net differences between projected and actual earnings on pension plan investments	1,216,214	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	2,174	8,873
Employer contributions subsequent to the measurement date	224,391	-
Totals	<u>\$ 2,231,761</u>	<u>\$ 1,155,377</u>

\$224,391 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension 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 December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (net)
2020	\$ 307,075
2021	77,739
2022	135,038
2023	332,141

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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

Actuarial Valuation Date:	December 31, 2017
Measurement Date of Net Pension Liability (Asset):	December 31, 2018
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair 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. 1.9% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.

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

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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 %
Global Equities	49%	8.1%	5.5%
Fixed Income	24.5	4.0	1.5
Inflation Sensitive Assets	15.5	3.8	1.3
Real Estate	9	6.5	3.9
Private Equity/Debt	8	9.4	6.7
Multi-Asset	4	6.7	4.1
Total Core Fund	110	7.3	4.7

Variable Fund Asset Class

U.S. Equities	70	7.6	5.0
International Equities	30	8.5	5.9
Total Variable Fund	100	8.0	5.4

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

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

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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

	1% Decrease to Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase to Discount Rate (8.00%)
Village's proportionate share of the net pension liability (asset)	\$3,309,543	\$832,777	\$(1,008,890)

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://efw.wi.gov/publications/cafr.htm>.

At December 31, 2019, the Village reported a payable to the pension plan of \$33,712, which represents contractually required contributions outstanding as of the end of the year.

B. RISK MANAGEMENT

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

C. COMMITMENTS AND CONTINGENCIES

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

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

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

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION (cont.)

C. COMMITMENTS AND CONTINGENCIES (cont.)

The Village has active construction projects as of December 31, 2019. Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures.

D. JOINT VENTURES

North Shore Fire Department

By agreement dated December 30, 1994, the North Shore Fire Department (NSFD) was created. The NSFD, which provides a unified integrated fire and emergency medical service, began operations on January 1, 1996. The NSFD was created pursuant to the provisions of Wisconsin Statutes 61.65 and 66.30. Participants are the City of Glendale, Village of Fox Point, Village of Shorewood, Village of Brown Deer, Village of River Hills, Village Whitefish Bay and Village of Bayside. The NSFD is operated by a Board of Directors consisting of seven members, which includes the mayor and village presidents of each participating municipality. The affirmative vote of majority of the members of the Board of Directors is required on most matters. Also established by the agreement is a Joint Fire Commission that has the powers related to appointments, promotions, suspensions, removals, dismissals, reemployment, compensation, rest days, etc.

The powers of the Board of Directors include authorizing repair, maintenance, and renewal of physical assets and recommending adoptions of the department's budget. The capital and operating budget of the department must receive approval of at least five of seven participating municipalities.

Each participating municipality's annual financial contribution to the NSFD's operations and capital budget shall be based on its prorated share of population, equalized valuation and usage of all the municipalities. The Village accounts for its share of the operations of the NSFD in the Consolidated Services fund. The Village made a payment totaling \$821,803 to NSFD for 2019. The Village believes that the fire department will continue to provide services in the future at similar rates. Complete 2019 financial information is available from NSFD at 4401 West River Lane, Brown Deer, WI 53223. The Village does not report an equity interest in this joint venture.

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION (cont.)

D. JOINT VENTURES (cont.)

North Shore Library System

The City of Glendale and the Villages of Fox Point, River Hills, and Bayside operate the North Shore Library under a Joint Library Agreement dated January 1, 1985. Under the joint agreement, a Joint Library Board is created to operate the North Shore Library. The Joint Board is composed of ten members: five members from Glendale, two members each from Fox Point and Bayside, one member from River Hills, and the Superintendent of Schools for Nicolet School District. The Joint Library Board has the powers to repair, maintain, and renew physical assets for the library and to prepare and adopt a budget for the library's operating expenses and a budget for the library's capital improvement expenses. The operating budget must be approved by at least three of the four municipalities. In addition, the Joint Library Board has the power to appoint the Library Director and such other assistants and employees as it deems necessary. Operating and capital expenses are shared proportionately based upon population estimates published in October.

The Village made payments totaling \$158,841 to the Library in 2019. The Village accounts for its share of the operations of the North Shore Library in the Library special revenue fund. The Village believes that the library will continue to provide services in the future at similar rates. Complete 2019 financial information is available from the Village of Fox Point. The Village does not report an equity interest in this joint venture.

Dispatch Services

The Village of Fox Point, River Hills, and Bayside jointly operate a dispatch service under a joint service agreement. Under the joint agreement, the Village of Bayside provides dispatch services to the municipalities. The cost of these services is shared between the communities as agreed upon in the individual agreements. A separate board has not been established to govern the dispatch service activities. Changes to the agreements and to the services provided require the approval of all three Village boards. Complete 2019 financial information is provided in these statements and accompanying footnotes. The Village does not report an equity interest in this joint venture.

During 2011, the Village of Brown Deer and North Shore Public Safety Communications Commission ("Commission") also entered into an intergovernmental cooperation agreement with the Village of Bayside. Effective January 1, 2012, joint operating costs of the dispatch services are shared between Village of Fox Point, River Hills, Bayside, Brown Deer, and the Commission as agreed upon in the individual agreements. During 2012, the Village received approximately \$246,000 from Fox Point, \$978,236 from the Commission, \$344,306 from Brown Deer, and \$92,526 from River Hills. The Village's contribution was approximately \$246,846 and was funded through tax levy.

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION (cont.)

D. JOINT VENTURES (cont.)

To accommodate expansion of the dispatch operation, the Village began construction of the Bayside Communications Center. Capital costs of the expansion are financed by each municipality as agreed upon in the individual agreements. During 2012, the Village received the remaining fifty percent of the capital contributions from Village of Brown Deer and the Commission in the amount of \$188,543 and \$588,956, respectively. In 2011, to finance Fox Point, River Hills, and Bayside contributions, the Village issued general obligation corporate purpose bonds and loaned \$245,000 of the proceeds to the Village of Fox Point and \$305,000 to the Village of River Hills. On December 31, 2019 the Village has reported a \$350,000 contract receivable (and deferred revenue in the fund statements) representing amounts due from Fox Point and River Hills.

E. OTHER POSTEMPLOYMENT BENEFITS

Local Retiree Life Insurance Fund (LRLIF)

Plan description. 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 post-employment life insurance benefits for all eligible employees.

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

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

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

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

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

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION (cont.)

E. OTHER POSTEMPLOYMENT BENEFITS (cont.)

Contribution rates for the plan year reported as of December 31, 2019 are:

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

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

Life Insurance Employee Contribution Rates For the Plan Year

Attained Age	Basic
Under 30	\$0.05
30-34	0.06
34-39	0.07
40-44	0.08
45-49	0.12
50-54	0.22
55-59	0.39
60-64	0.49
65-69	0.57

During the reporting period, the LRLIF recognized \$809 in contributions from the employer.

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

At December 31, 2019, the Village reported a liability of \$108,397 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2018, and the total OPEB liability used to calculate the net OPEB 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 Village's proportion of the net OPEB liability was based on the Village's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2018, the Village's proportion was 0.04200900%, which was an decrease of 0.01250500% from its proportion measured as of December 31, 2017.

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION (cont.)

E. OTHER POSTEMPLOYMENT BENEFITS (cont.)

For the year ended December 31, 2019, the Village recognized OPEB expense of \$10,835.

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

	Deferred Outflow of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,590	\$ 5,499
Net differences between projected and actual earnings on OPEB plan investments	10,343	-
Changes in assumptions	-	23,496
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	37,713
Employer contributions subsequent to the measurement date	4,117	-
Total	\$ 17,050	\$ 66,708

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION (cont.)

E. OTHER POSTEMPLOYMENT BENEFITS (cont.)

\$4,117 reported as deferred outflows related to OPEB resulting from the LRLIF Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (net)
2019	\$ (8,419)
2020	(8,419)
2021	(8,419)
2022	(8,783)
2023	(9,158)
Thereafter	(10,577)

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

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

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION (cont.)

E. OTHER POSTEMPLOYMENT BENEFITS (cont.)

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

Local OPEB Life Insurance
Asset Allocation Targets and Expected Returns
As of December 31, 2018

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return %
US Government Bonds	Barclays Government	1%	1.44%
US Credit Bonds	Barclays Credit	40	2.69
US Long Credit Bonds	Barclays Long Credit	4	3.01
US Mortgages	Barclays MBS	54	2.25
US Municipal Bonds	Bloomberg Barclays Muni	1	1.68
Inflation			2.30
Long-Term Expected Rate of Return			5.00

NOTE IV - OTHER INFORMATION (cont.)

E. OTHER POSTEMPLOYMENT BENEFITS (cont.)

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

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

	1% Decrease to Discount Rate (3.22%)	Current Discount Rate (4.22%)	1% Increase to Discount Rate (5.22%)
Village's proportionate share of the net OPEB liability	\$154,202	\$108,397	\$73,069

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

F. EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS

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

- Statement No. 87, Leases
- Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period
- Statement No. 91, Conduit Debt Obligations

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

VILLAGE OF BAYSIDE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE IV - OTHER INFORMATION (cont.)

G. CONTRACTS RECEIVABLE

In 2003, the Village issued \$2.53 million General Obligation Fire Department Bonds and loaned the proceeds to the North Shore Fire Department. Each of the municipalities that participate in North Shore Fire Department, including the Village, have formally pledged to finance the debt service payments on these bonds in accordance with cost sharing arrangements. Terms of the contract receivable are identical to the underlying bonds outstanding (See Note III F). In 2012 the Village refunded \$1.625 million of this debt with \$1.605 million of new General Obligation Fire Department Debt. On December 31, 2019 the village has reported a \$995,000 contract receivable (and deferred revenue in the fund statements) representing amounts due from the other participating municipalities.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF BAYSIDE

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

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Taxes	\$ 3,159,667	\$ 3,160,834	\$ 3,160,834	\$ 1,167
Intergovernmental	606,065	617,853	617,853	11,788
Licenses and permits	144,500	144,500	201,919	57,419
Fines, forfeitures and penalties	65,625	65,625	61,967	(3,658)
Public charges for services	52,690	52,690	66,455	13,765
Intergovernmental charges for services	94,099	94,099	94,099	-
Interest on investments	130,000	130,000	274,632	144,632
Miscellaneous revenues	12,050	12,050	46,340	34,290
Total Revenues	<u>4,264,696</u>	<u>4,264,696</u>	<u>4,524,099</u>	<u>259,403</u>
EXPENDITURES				
CURRENT				
General government	688,815	686,032	601,900	84,132
Public safety	2,582,174	2,463,114	2,430,113	33,001
Public works	832,761	847,761	861,429	(13,668)
Culture, recreation and education	163,511	165,667	166,150	(483)
Capital Outlay	2,935	345,034	344,025	1,009
Principal	-	-	29,760	(29,760)
Interest and fiscal charges	-	-	3,304	(3,304)
Total Expenditures	<u>4,270,196</u>	<u>4,507,608</u>	<u>4,436,681</u>	<u>70,927</u>
Excess (deficiency) of revenues over (under) expenditures	(5,500)	(242,912)	87,418	330,330
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	5,500	5,500	15,030	9,530
Transfers out	-	(41,484)	(36,296)	5,188
Total Other Financing Sources (Uses)	<u>5,500</u>	<u>(35,984)</u>	<u>(21,266)</u>	<u>14,718</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (278,896)</u>	<u>\$ 66,152</u>	<u>\$ 345,048</u>
FUND BALANCE - Beginning of Year			1,243,987	
FUND BALANCE - END OF YEAR			<u>\$ 1,310,139</u>	

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

VILLAGE OF BAYSIDE

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

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Taxes	\$ 286,523	\$ 286,523	\$ 286,523	\$ -
Intergovernmental charges for service	2,022,419	2,022,419	2,022,419	-
Miscellaneous	52,676	52,676	129,949	77,273
Total Revenues	<u>2,361,618</u>	<u>2,361,618</u>	<u>2,438,891</u>	<u>77,273</u>
EXPENDITURES				
Current				
Public Safety	2,394,003	2,394,003	2,172,665	221,338
Capital Outlay	-	231,427	231,427	-
Debt Service	-	-	-	-
Principal	-	-	69,987	(69,987)
Interest and fiscal charges	-	-	5,018	(5,018)
Total Expenditures	<u>2,394,003</u>	<u>2,625,430</u>	<u>2,479,097</u>	<u>146,333</u>
Net Change in Fund Balance	<u>\$ (32,385)</u>	<u>\$ (263,812)</u>	<u>\$ (40,206)</u>	<u>\$ 223,606</u>
FUND BALANCE - Beginning of Year			299,841	
FUND BALANCE - END OF YEAR			<u>\$ 259,635</u>	

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

VILLAGE OF BAYSIDE

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) - WISCONSIN RETIREMENT SYSTEM
For the Year Ended December 31, 2019

WRS Fiscal Year Ended	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)		Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
			Liability (Asset)	Liability (Asset)	
12/31/14	0.023754160%	\$ (583,467)	\$ 2,849,315	20.48%	102.74%
12/31/15	0.023562760%	382,890	2,871,255	13.34%	92.80%
12/31/16	0.023568910%	194,264	2,979,406	6.52%	99.12%
12/31/17	0.023704940%	(703,827)	2,972,130	23.68%	102.93%
12/31/18	0.023407830%	832,777	2,878,304	28.93%	96.45%

SCHEDULE OF EMPLOYER CONTRIBUTIONS - WISCONSIN RETIREMENT SYSTEM
For the Year Ended December 31, 2019

Village Fiscal Year Ended	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Contributions as a Percentage of Covered Payroll	
				Covered Payroll	Payroll
12/31/15	\$ 225,852	\$ 225,852	\$ -	2,871,255	7.87%
12/31/16	230,920	230,920	-	2,979,406	7.75%
12/31/17	244,636	244,636	-	2,972,130	8.23%
12/31/18	232,042	232,042	-	2,878,304	8.06%
12/31/19	224,391	224,391	-	2,847,732	7.61%

See independent auditors' report and accompanying notes to the required supplementary information 85

VILLAGE OF BAYSIDE

SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY - LOCAL RETIREE LIFE INSURANCE FUND
For the Year Ended December 31, 2019

Plan Fiscal Year End	Proportion of the Net OPEB Liability	Proportionate Share of the Net OPEB Liability	Proportionate Share of the Net OPEB Liability		Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
			Covered Payroll	Payroll	
12/31/17	0.05451400%	\$ 164,010	\$ 2,292,470	7.15%	44.81%
12/31/18	0.04200900%	108,397	2,583,000	4.20%	48.69%

SCHEDULE OF EMPLOYER CONTRIBUTIONS - LOCAL RETIREE LIFE INSURANCE FUND
For the Year Ended December, 2019

Village Fiscal Year End	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Contributions as a Percentage of Covered Payroll	
				Covered Payroll	Payroll
12/31/18	\$ 4,931	\$ 4,931	\$ -	2,878,304	0.17%
12/31/19	4,117	4,117	-	2,847,732	0.19%

See independent auditors' report and accompanying notes to the required supplementary information 86

VILLAGE OF BAYSIDE

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION As of and for the Year Ended December 31, 2019

Budgetary Information

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

The budgeted amounts presented are as presented in the original budget and no amendments were adopted during the year. The Village may authorize transfers of budgeted amounts within departments. Transfers between departments and changes to the overall budget must be approved by a two-thirds action.

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

Wisconsin Retirement System Pension

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

The Village is required to present the last ten fiscal years data; however the standards allow the Village to present as many years as are available until ten fiscal years are presented.

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

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

Local Retiree Life Insurance Fund

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

The Village is required to present the last ten fiscal years data; however the standards allow the Village to present as many years as are available until ten fiscal years are presented.

Changes in benefit terms - There were no changes of benefit terms for any participating employer in LRLIF.

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

SUPPLEMENTARY INFORMATION

VILLAGE OF BAYSIDE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
As of December 31, 2019

	Special Revenue Funds			Total Nonmajor Governmental Funds
	Stormwater	Consolidated Services		
ASSETS				
Cash and investments	\$ 457,820	\$ -	\$ -	\$ 457,820
Receivables	377,111	-	-	377,111
Taxes	270,147	-	-	270,147
Accounts	2,060	-	-	2,060
Prepaid items				
TOTAL ASSETS	\$ 1,107,138	\$ -	\$ -	\$ 1,107,138
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 19,352	\$ -	\$ -	\$ 19,352
Accrued liabilities	6,013	-	-	6,013
Total Liabilities	25,365	-	-	25,365
Deferred Inflows of Resources				
Unearned revenues	377,111	-	-	377,111
Deferred grant revenue	234,348	-	-	234,348
Total Deferred Inflows of Resources	611,459	-	-	611,459
Fund Balances				
Nonspendable	2,060	-	-	2,060
Committed	468,254	-	-	468,254
Total Fund Balances	470,314	-	-	470,314
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 1,107,138	\$ -	\$ -	\$ 1,107,138

VILLAGE OF BAYSIDE

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

	Special Revenue Fund			Total Nonmajor Governmental Funds
	Stormwater	Consolidated Services		
REVENUES				
Intergovernmental	\$ 45,000	\$ -	\$ -	\$ 45,000
Public charges for services	523,859	-	-	523,859
Total Revenues	568,859	-	-	568,859
EXPENDITURES				
Current				
Public works	292,219	-	-	292,219
Capital Outlay	25,453	-	-	25,453
Debt Service	139	-	-	139
Interest and fiscal charges	317,811	-	-	317,811
Total Expenditures	251,048	-	-	251,048
Excess of revenues over expenditures	(71,462)	(33,152)	(33,152)	(104,614)
OTHER FINANCING SOURCES				
Transfers out	(71,462)	(33,152)	(33,152)	(104,614)
Total Other Financing Sources	179,586	(33,152)	(33,152)	146,434
Net Change in Fund Balances	290,728	33,152	33,152	323,880
FUND BALANCES - Beginning of Year	470,314	-	-	470,314
FUND BALANCES - END OF YEAR	\$ 470,314	\$ -	\$ -	\$ 470,314

VILLAGE OF BAYSIDE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - STORMWATER FUND
SPECIAL REVENUE FUND

For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental			45,000	\$ 45,000
Public charges for service	527,522	527,522	523,859	(3,663)
Total Revenues	527,522	527,522	568,859	41,337
EXPENDITURES				
Current				
Public works	335,895	328,395	292,219	36,176
Capital Outlay	119,995	127,495	25,453	102,042
Debt service				
Interest and fiscal charges	170	170	139	31
Total Expenditures	456,060	456,060	317,811	138,249
Excess of revenues over expenditures	71,462	71,462	251,048	179,586
OTHER FINANCING USES				
Transfers out	(71,462)	(71,462)	(71,462)	-
Total Other Financing Uses	(71,462)	(71,462)	(71,462)	-
Net Change in Fund Balance			179,586	\$ 179,586
FUND BALANCE - Beginning of Year			290,728	
FUND BALANCE - END OF YEAR			\$ 470,314	

VILLAGE OF BAYSIDE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - CONSOLIDATED SERVICES FUND
SPECIAL REVENUE FUND

For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
EXPENDITURES				
Excess (deficiency) of revenues over expenditures				
OTHER FINANCING USES				
Transfers out			(33,152)	(33,152)
Total Other Financing Uses			(33,152)	(33,152)
Net Change in Fund Balance			(33,152)	(33,152)
FUND BALANCE - Beginning of Year			33,152	
FUND BALANCE - END OF YEAR			\$ -	

VILLAGE OF BAYSIDE

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

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Taxes	\$ 761,415	\$ 761,415	\$ 761,415	\$ -
Intergovernmental charges for service	229,242	229,242	229,242	-
Miscellaneous	23,031	23,031	23,323	292
Total Revenues	1,013,688	1,013,688	1,013,980	292
EXPENDITURES				
Debt Service				
Principal	833,333	833,333	822,250	11,083
Interest and fiscal charges	251,817	251,817	262,588	(10,771)
Total Expenditures	1,085,150	1,085,150	1,084,838	312
Excess (deficiency) of revenues over expenditures	(71,462)	(71,462)	(70,858)	604
OTHER FINANCING SOURCES				
Transfers in	71,462	71,462	71,462	-
Total Other Financing Sources	71,462	71,462	71,462	-
Net Change in Fund Balance	\$ -	\$ -	604	\$ 604
FUND BALANCE - Beginning of Year			418,272	
FUND BALANCE - END OF YEAR			\$ 418,876	

VILLAGE OF BAYSIDE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - DPW CAPITAL PROJECTS FUND
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Taxes	\$ 111,900	\$ 111,900	\$ 111,900	\$ -
Intergovernmental	46,812	46,812	46,812	-
Public charges for service	-	-	10,189	10,189
Total Revenues	158,712	158,712	168,901	10,189
EXPENDITURES				
Capital outlay	324,726	660,953	500,674	160,279
Debt service				
Principal	-	-	7,811	(7,811)
Interest and fiscal charges	-	-	312	(312)
Total Expenditures	324,726	660,953	508,797	152,156
Excess (deficiency) of revenues over expenditures	(166,014)	(502,241)	(339,896)	162,345
OTHER FINANCING SOURCES				
Sale of capital assets	30,000	30,000	40,000	10,000
Total Other Financing Sources	30,000	30,000	40,000	10,000
Net Change in Fund Balance	\$ (136,014)	\$ (472,241)	(299,896)	\$ 172,345
FUND BALANCE - Beginning of Year			1,436,224	
FUND BALANCE - END OF YEAR			\$ 1,136,328	

VILLAGE OF BAYSIDE

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - CAPITAL PROJECTS FUND
For the Year Ended December 31, 2019**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Taxes	\$ 267,820	\$ 267,720	\$ 267,720	\$ -
Intergovernmental	600	600	20,173	19,573
Intergovernmental charges for service	157,326	157,326	137,660	(19,666)
Miscellaneous	10,000	10,000	19,409	9,409
Total Revenues	435,746	435,646	444,962	9,316
EXPENDITURES				
Current				
Culture, recreation, and education	15,000	17,200	18,262	(1,062)
Public Safety	164,552	164,552	139,364	25,188
Capital outlay	305,341	509,323	189,485	319,838
Debt service				
Interest and fiscal charges	34,230	34,230	34,230	-
Total Expenditures	519,123	725,305	381,341	343,964
Excess (deficiency) of revenues over expenditures	(83,377)	(289,659)	63,621	353,280
OTHER FINANCING SOURCES				
Transfers in				
Total Other Financing Sources	-	36,296	69,448	33,152
Net Change in Fund Balance	\$ (83,377)	\$ (253,363)	133,069	\$ 386,432
FUND BALANCE - Beginning of Year			692,858	
FUND BALANCE - END OF YEAR			\$ 825,927	

VILLAGE OF BAYSIDE

**COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
As of December 31, 2019**

	Tax Collection Fund	2013 Special Assessment B Bonds	2015 Special Assessment B Bonds	Total
ASSETS				
Cash and investments	\$ 8,766,977	\$ 120,333	\$ 579,345	\$ 9,466,655
Taxes	4,767,258	56,384	293,932	5,117,574
Special assessments	-	649,003	3,428,993	4,077,996
Total Assets	13,534,235	825,720	4,302,270	18,662,225
LIABILITIES				
Accounts payable	1,810	-	-	1,810
Due to bondholders	-	690,650	4,302,270	4,992,920
Due to other governments	13,532,425	135,070	-	13,667,495
Total Liabilities	13,534,235	825,720	4,302,270	18,662,225
NET POSITION	\$ -	\$ -	\$ -	\$ -

VILLAGE OF BAYSIDE

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS**

For the Year Ended December 31, 2019

	Tax Collection Fund	2013 Special Assessment B Bonds	2015 Special Assessment B Bonds	Total
ADDITIONS				
Tax Collections	\$ 13,198,888	\$ -	\$ -	\$ 13,198,888
Special Assessments	-	122,443	459,574	582,017
Total Additions	<u>13,198,888</u>	<u>122,443</u>	<u>459,574</u>	<u>13,780,905</u>
DEDUCTIONS				
Payments to overlying districts	13,198,888	-	-	13,198,888
B bond payments	-	122,443	459,574	582,017
Total Deductions	<u>13,198,888</u>	<u>122,443</u>	<u>459,574</u>	<u>13,780,905</u>
Change in Net Position	-	-	-	-
NET POSITION - Beginning of Year	-	-	-	-
NET POSITION - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATISTICAL SECTION

Village of Bayside, Wisconsin
NET ASSETS BY COMPONENT
LAST TEN FISCAL YEARS

	2010	2011	2012	2013
Government activities				
Net Investment in Capital Assets	\$4,983,227	\$5,457,005	\$7,129,327	\$8,063,710
Restricted	\$1,969,375	\$61,651	\$58,574	\$72,790
Unrestricted	(\$1,378,090)	\$1,948,278	\$1,440,406	\$1,247,869
Total governmental activities net assets	\$5,574,512	\$7,466,934	\$8,628,307	\$9,384,369
Business-type activities				
Net Investment in Capital Assets	\$1,745,643	\$1,774,382	\$1,627,219	\$1,655,177
Restricted	\$43,651	\$43,650	\$44,683	\$45,739
Unrestricted	\$172,960	\$231,575	\$275,811	\$304,957
Total business-type activities net assets	\$1,962,254	\$2,049,607	\$1,947,713	\$2,005,873
Total Primary Government				
Net Investment in Capital Assets	\$6,728,870	\$7,231,387	\$8,766,546	\$9,718,887
Restricted	\$2,013,026	\$105,301	\$103,257	\$118,529
Unrestricted	(\$1,205,130)	\$2,179,853	\$1,716,217	\$1,552,826
Total primary government net assets	\$7,536,766	\$9,516,541	\$10,576,020	\$11,390,242

STATISTICAL SECTION

This section of the Village of Bayside's comprehensive annual financial report presents detailed information as context for understanding the information in the financial statements. Note disclosures and required supplementary information says about the Village's overall financial health.

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Contents	97
Financial Trends These schedules contain trend information to help the reader understand how the Village's financial performances and well-being have changed over time.	97
Revenue Capacity These schedules contain information to help the reader assess the Village's most significant local revenue source, the property tax.	108
Debt These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the ability to issue additional debt in the future.	112
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.	114
Operating Information These schedules contain services and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities performed.	119
Sources Unless otherwise noted, the information in these schedules is derived from the audited comprehensive annual financial reports for the relevant year.	

Village of Bayville, Wisconsin
NET ASSETS BY COMPONENT
LAST TEN FISCAL YEARS

	2014	2015	2016	2017	2018	2019
	\$8,544,650	\$8,794,602	\$9,004,761	\$9,438,558	\$10,046,776	\$10,902,932
	\$2,552,571	\$815,795	\$300,588	\$341,543	\$997,108	\$334,785
	-\$1,184,316	\$2,465,217	\$3,242,966	\$3,567,694	\$3,151,839	\$3,959,673
	\$9,912,905	\$12,075,614	\$12,548,315	\$13,347,795	\$14,197,723	\$15,197,390
	\$1,384,213	\$1,885,426	\$2,024,568	\$2,161,073	\$1,265,824	\$2,034,258
	\$46,822	\$68,235	\$49,062	\$50,222	\$71,326	\$52,626
	\$642,063	\$278,369	\$343,008	\$335,518	\$1,207,381	\$565,907
	\$2,073,098	\$2,232,030	\$2,416,638	\$2,546,813	\$2,544,531	\$2,652,791
	\$9,928,663	\$10,680,028	\$11,029,329	\$11,599,631	\$11,314,600	\$12,937,190
	\$2,599,393	\$884,030	\$349,650	\$391,765	\$1,068,434	\$387,411
	(\$542,253)	\$2,743,586	\$3,585,974	\$3,903,212	\$4,359,220	\$4,525,580
	\$11,986,003	\$14,307,644	\$14,964,953	\$15,894,608	\$16,742,254	\$17,850,181

Village of Bayville, Wisconsin
CHANGES IN NET ASSETS
LAST TEN FISCAL YEARS

	2010	2011	2012	2013
Expenses				
Government activities	\$666,163	\$711,358	\$693,125	\$759,384
General government	\$3,342,449	\$3,492,057	\$5,005,803	\$4,937,917
Public safety	\$1,125,507	\$1,024,659	\$1,263,156	\$1,364,946
Culture, education & recreation	\$168,974	\$209,055	\$175,234	\$181,718
Conservation and development	\$88,254	\$100,961	\$81,448	\$76,127
Interest and fiscal changes	\$332,307	\$307,047	\$295,278	\$403,835
Total Governmental Activities	\$5,723,664	\$5,845,137	\$7,504,044	\$7,723,927
Business-type activities-Sewer/Utility	\$742,965	\$701,639	\$1,009,761	\$715,436
Total primary government expenses	\$6,466,619	\$6,546,776	\$8,513,805	\$8,439,363
Revenues				
Governmental Activities				
Charges for services	\$69,325	\$74,091	\$102,692	\$160,906
General government	\$662,777	\$222,801	\$367,652	\$220,320
Public safety	\$260,880	\$316,560	\$343,112	\$366,767
Public works	\$0	\$9,082	\$14,667	\$6,348
All other charges				
Operating grants and contributions	\$1,389	\$2,893	\$3,854	\$6,223
General government	\$43,951	\$68,439	\$31,080	\$27,854
Public safety	\$123,838	\$85,472	\$51,082	\$42,319
Public works	\$10,142	\$0	\$0	\$0
Culture, education and recreation				
Capital grants and contributions	\$50,197	\$1,343,698	\$841,925	\$21,754
Public safety	\$433,362	\$368,669	\$331,802	\$333,644
Public works				
Other	\$1,655,861	\$2,793,705	\$2,087,846	\$1,188,135
Total governmental activities program revenue	\$735,564	\$778,973	\$905,741	\$776,319
Business-type activities	\$18,241	\$8,883		\$5,000
Sewer	\$753,805	\$787,856	\$905,741	\$781,319
Operating grants and contributions	\$2,409,666	\$3,581,561	\$2,993,587	\$1,969,454
Total business-type activities program revenues	\$2,409,666	\$3,581,561	\$2,993,587	\$1,969,454
Net (Expense) Revenue	(\$4,067,793)	(\$3,051,432)	(\$5,416,198)	(\$6,535,792)
Governmental Activities	\$10,840	\$86,217	(\$104,020)	\$65,883
Business-type activities	(\$4,056,953)	(\$2,965,215)	(\$5,520,218)	(\$6,469,699)
Total primary government net revenue	\$10,840	\$86,217	(\$104,020)	\$65,883
General Revenue and Other Changes in Net Position				
Governmental Activities				
Taxes	\$3,782,021	\$3,825,947	\$3,802,088	\$3,802,088
Property taxes, levied for general purposes	\$542,232	\$546,841	\$570,699	\$570,699
Property taxes, levied for debt services	\$46,850	\$48,507	\$54,947	\$52,603
Other taxes	\$217,427	\$293,224	\$1,875,554	\$2,583,695
Intergovernmental revenues not restricted to specific	\$73,464	\$40,335	\$66,884	\$14,360
Investment income	\$393,105			
Gain/loss on disposal of assets	\$147,616	\$189,000	\$187,399	\$260,283
Special Item Actuarial gain	\$5,201,715	\$4,943,854	\$6,577,571	\$7,283,728
Miscellaneous	\$522	\$1,136	\$2,126	\$403
Total governmental activities revenue	\$5,202,237	\$4,944,990	\$6,579,697	\$7,284,131
Business-type activities				
Miscellaneous loss/Income				
Total business-type activities				
Total primary government	\$5,202,237	\$4,944,990	\$6,579,697	\$7,284,131
Changes in Net Position				
Governmental activities	\$1,133,922	\$1,892,422	\$1,161,373	\$756,062
Business-type activities	\$11,362	\$87,353	-\$101,894	\$58,160
Total primary government	\$1,145,284	\$1,979,775	\$1,059,479	\$814,222

Village of Bayside, Wisconsin
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2010	2011	2012	2013	2014
General Fund					
Nonspendable		\$28,928	\$40,027	\$2,361	\$26,450
Restricted					
Committed					
Assigned		\$233,074	\$266,294	\$371,509	\$206,372
Unassigned		\$740,791	\$672,667	\$775,001	\$767,885
Reserved	\$94,869				
Unreserved	\$1,138,619	\$1,002,793	\$978,988	\$1,148,871	\$1,000,707
Total General Fund					
Other Governmental Funds					
Nonspendable		\$13,606	\$29,019	\$188	\$25,863
Restricted		\$1,059,879	\$159,183	\$153,217	\$2,407,623
Committed		\$1,212,015	\$706,659	\$223,354	\$4,789,329
Assigned					
Unassigned			-\$23,604	\$79,444	
Reserved	\$187,767	\$1,077,934			
Unreserved	\$17,795	\$57,588			
Special Revenue Funds	\$173,034	\$1,149,978			
Capital Project Funds					
Total Other Funds	\$378,596	\$2,285,500	\$871,257	\$456,203	\$7,222,815
All Governmental Funds					
Nonspendable		\$42,534	\$69,046	\$2,549	\$52,313
Restricted		\$1,059,879	\$159,183	\$153,217	\$2,407,623
Committed		\$1,212,015	\$706,659	\$223,354	\$4,789,329
Assigned		\$233,074	\$266,294	\$371,509	\$206,372
Unassigned		\$740,791	\$649,063	\$854,445	\$767,885
Reserved	\$282,636				
Unreserved	\$1,234,579				
Total All Governmental Funds	\$1,517,215	\$3,288,293	\$1,850,245	\$1,605,074	\$8,223,522

Note: in 2011 the Village implemented GASB Statement No. 54 which changed the classifications of fund balance. Prior periods have not been reclassified to this standard.

Village of Bayside, Wisconsin
CHANGES IN NET ASSETS
LAST TEN FISCAL YEARS

	2015	2016	2017	2018	2019
\$720,945	\$663,778	\$802,772	\$829,490	\$783,515	\$791,036
\$4,933,284	\$4,941,775	\$5,130,326	\$5,209,814	\$5,142,971	\$5,263,230
\$1,325,603	\$1,290,657	\$1,417,467	\$1,483,434	\$1,531,543	\$1,748,495
\$174,912	\$243,379	\$186,480	\$195,437	\$199,544	\$202,098
\$14,500	\$5,288	\$4,750	\$6,375	\$0	\$13,200
\$414,306	\$251,017	\$374,918	\$257,667	\$378,161	\$271,344
\$7,563,550	\$7,395,894	\$7,856,713	\$7,982,217	\$8,035,734	\$8,289,403
\$888,115	\$734,806	\$772,850	\$772,969	\$901,855	\$841,683
\$8,471,645	\$8,130,700	\$8,583,563	\$8,755,186	\$8,937,589	\$9,131,086
	2015	2016	2017	2018	2019
\$95,198	\$123,196	\$81,780	\$95,615	\$78,986	\$81,811
\$189,592	\$2,297,351	\$2,268,108	\$2,032,197	\$2,269,128	\$2,282,129
\$380,861	\$403,860	\$524,157	\$538,273	\$547,985	\$569,265
\$3,382	\$12,328	\$425	\$359	\$5,480	\$2,110
\$0	\$0	\$0	\$0	\$0	\$0
\$21,514	\$20,530	\$19,273	\$29,394	\$32,394	\$47,806
\$42,324	\$128,728	\$40,999	\$67,518	\$122,506	\$346,900
\$0	\$0	\$0	\$0	\$0	\$0
\$29,568	\$66,179	\$42,765	\$51,317	\$125,966	\$137,660
\$352,183	\$358,713	\$350,293	\$402,837	\$463,356	\$432,496
\$25,500	\$33,350	\$25,000	\$7,601	\$1,500	\$4,180
\$1,140,122	\$3,444,235	\$3,352,800	\$3,225,328	\$3,647,301	\$3,904,357
\$808,879	\$809,322	\$910,973	\$902,714	\$908,274	\$895,565
\$146,077	\$44,996	\$0	\$5,862	\$5,827	\$5,827
\$954,956	\$854,318	\$910,973	\$902,714	\$914,136	\$901,392
\$2,095,078	\$4,298,553	\$4,263,773	\$4,128,042	\$4,561,437	\$4,805,749
(\$6,443,428)	(\$3,951,659)	(\$4,503,913)	(\$4,756,889)	(\$4,388,433)	(\$4,385,046)
\$66,841	\$119,512	\$184,123	\$129,745	\$12,281	\$59,709
(\$6,376,587)	(\$3,832,147)	(\$4,319,790)	(\$4,627,144)	(\$4,376,152)	(\$4,325,337)
\$3,802,081	\$3,746,172.00	\$3,781,432	\$3,799,656	\$3,765,819	\$3,771,532
\$570,699	\$652,859.00	\$652,859	\$681,525	\$737,894	\$761,415
\$53,992	\$54,402.00	\$60,696	\$65,161	\$55,367	\$55,445
\$2,212,836	\$187,965.00	\$178,209	\$410,336	\$179,863	\$173,975
\$40,414	\$28,442.00	\$57,692	\$55,435	\$167,970	\$274,632
			\$17,500	\$963	\$0
\$291,942	\$264,309.00	\$245,726	\$526,756	\$330,485	\$347,714
\$6,971,964	\$5,034,149	\$4,976,614	\$5,856,369	\$5,238,361	\$5,384,713
384	\$470	\$485	\$430	(\$14,563)	\$1,398
\$384	\$470	\$485	\$430	(\$14,563)	\$46,551
\$6,972,348	\$5,034,619	\$4,977,099	\$5,957,229	\$5,223,798	\$5,433,264
\$528,536	\$1,082,490	\$472,701	\$799,480	\$849,928	\$999,667
\$67,225	\$119,982	\$184,608	\$130,175	-\$2,282	\$108,260
\$595,761	\$1,202,472	\$657,309	\$929,655	\$847,646	\$1,107,927

Village of Bayside, Wisconsin

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2015	2016	2017	2018	2019
	\$27,091	\$34,971	\$28,498	\$ 21,881	\$18,187
	\$281,342	\$334,252	\$339,447	\$231,300	\$0
	\$713,521	\$715,589	\$730,756	\$990,806	\$1,291,952
	<u>\$1,021,954</u>	<u>\$1,084,812</u>	<u>\$1,098,701</u>	<u>\$1,243,987</u>	<u>\$1,310,139</u>
	\$19,901	\$57,326	\$45,027	\$30,980	\$20,449
	\$398,998	\$397,655	\$427,455	\$418,272	\$418,876
	\$1,040,835	\$1,509,214	\$1,584,505	\$2,721,823	\$2,671,755
	<u>\$1,459,734</u>	<u>\$1,964,195</u>	<u>\$2,056,987</u>	<u>\$3,171,075</u>	<u>\$3,111,080</u>
	\$46,992	\$92,297	\$73,525	\$52,861	\$38,636
	\$398,998	\$397,655	\$427,455	\$418,272	\$418,876
	\$1,040,835	\$1,509,214	\$1,584,505	\$2,721,823	\$2,671,755
	\$281,342	\$334,252	\$339,447	\$231,300	\$0
	\$713,521	\$715,589	\$730,756	\$990,806	\$1,291,952
	<u>\$2,481,688</u>	<u>\$3,049,007</u>	<u>\$3,155,688</u>	<u>\$4,415,062</u>	<u>\$4,421,219</u>

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Village of Bayside, Wisconsin
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2010	2011	2012	2013	2014
Revenues					
Taxes	\$4,370,103	\$4,421,295	\$4,427,734	\$4,425,390	\$4,426,772
Intergovernmental	\$1,153,405	\$1,717,164	\$614,228	\$602,741	\$661,067
Licenses and Permits	\$174,981	\$188,418	\$226,852	\$308,046	\$218,359
Fines, forfeitures and penalties	\$56,240	\$65,623	\$73,355	\$60,064	\$68,194
Public charges for services	\$315,220	\$344,475	\$372,566	\$390,923	\$396,151
Intergovernmental charges for services	\$333,332	\$416,428	\$2,780,361	\$2,650,707	\$2,264,646
Investment income	\$73,464	\$40,335	\$86,886	\$14,362	\$40,414
Miscellaneous	\$68,558	\$103,790	\$105,824	\$147,910	\$185,095
Total Revenues	<u>\$6,545,303</u>	<u>\$7,297,528</u>	<u>\$8,687,806</u>	<u>\$8,600,143</u>	<u>\$8,260,698</u>
Expenditures					
General Government	\$677,300	\$704,716	\$633,991	\$680,969	\$567,138
Public safety	\$3,116,555	\$3,278,101	\$4,745,842	\$4,633,853	\$4,716,653
Public works	\$936,106	\$769,510	\$776,175	\$877,726	\$939,984
Culture, recreation and education	\$164,210	\$179,034	\$167,158	\$26,243	\$26,243
Health and Human Services	\$28,104	\$28,522	\$26,245	\$173,811	\$166,453
Capital Outlays	\$789,601	\$1,327,258	\$3,333,365	\$1,198,057	\$512,287
Debt Service					
Principal	\$657,628	\$737,009	\$909,679	\$1,096,499	\$1,061,770
Interest and fiscal charges	\$327,576	\$352,779	\$337,958	\$299,002	\$345,358
Total Expenditures	<u>\$6,697,080</u>	<u>\$7,376,929</u>	<u>\$10,930,413</u>	<u>\$8,986,160</u>	<u>\$8,335,886</u>
Excess (deficiency) of revenues over expenditures	<u>-\$151,777</u>	<u>-\$79,401</u>	<u>-\$2,242,607</u>	<u>-\$386,017</u>	<u>-\$75,188</u>
Other Financing Sources (uses)					
Capital lease	\$23,625.00	\$1,758,741	\$1,605,000		\$6,485,000
Proceed of long term debt					
Retirement of unfunded pension liability					
Debt payments to escrow agent		\$17,666			\$177,248
Premium on debt issued	\$35,396.00	\$11,258	\$12,240	\$42,948	\$31,388
Sale of capital assets	\$446,473.00	\$343,836	\$506,137	\$440,416	\$584,337
Transfers in					
Transfers out	\$446,473.00	-\$343,836	\$506,137	-\$432,290	-\$584,337
Capital lease obligation		\$62,814	\$775,000	\$89,772	\$0
Total Other Financing Sources (uses)	<u>\$59,021</u>	<u>\$1,850,479</u>	<u>\$1,816,833</u>	<u>\$140,846</u>	<u>\$6,693,636</u>
Net Change in Fund Balances	<u>-\$92,756</u>	<u>\$1,771,078</u>	<u>-\$425,774</u>	<u>-\$245,171</u>	<u>\$6,618,448</u>
Debt Services as a percentage of non-capital outlay expenditures	16.68%	18.01%	16.42%	17.92%	17.99%

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Village of BaySide, Wisconsin
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION
 LAST TEN FISCAL YEARS

Fiscal Year	General Government	Public safety	Public works	Culture, recreation and education
2010	\$677,300	\$3,116,555	\$936,106	\$164,210
2011	\$704,716	\$3,278,101	\$769,510	\$179,034
2012	\$633,991	\$4,745,842	\$776,175	\$167,158
2013	\$680,969	\$4,633,853	\$877,726	\$173,811
2014	\$567,138	\$4,716,653	\$939,984	\$166,453
2015	\$522,750	\$4,630,423	\$926,722	\$193,161
2016	\$619,547	\$4,695,363	\$1,008,521	\$176,904
2017	\$653,053	\$4,696,789	\$921,964	\$185,564
2018	\$587,142	\$5,005,934	\$1,078,486	\$210,685
2019	\$601,900	\$4,742,142	\$1,153,648	\$184,412

Fiscal Year	Health and Human Services	Capital Outlays	Debt Service	Total Expenditures
2010	\$28,104	\$789,601	\$985,204	\$6,697,080
2011	\$28,522	\$1,327,258	\$1,089,788	\$7,376,929
2012	\$26,245	\$3,333,365	\$1,247,637	\$10,930,413
2013	\$26,243	\$1,198,057	\$1,395,501	\$8,986,160
2014	\$26,243	\$512,287	\$1,407,128	\$8,335,886
2015	\$26,243	\$4,721,729	\$3,517,148	\$14,538,176
2016	\$26,253	\$1,144,961	\$1,420,341	\$9,091,890
2017	\$27,788	\$898,428	\$1,495,946	\$8,879,532
2018	\$27,697	\$880,482	\$1,491,042	\$9,298,148
2019	\$0	\$1,291,064	\$1,235,399	\$9,208,565

Village of BaySide, Wisconsin
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS

	2015	2016	2017	2018	2019
	\$4,453,433	\$4,494,987	\$4,546,342	\$4,559,080	\$4,588,392
	\$775,081	\$619,024	\$679,756	\$914,157	\$729,838
	\$289,519	\$213,321	\$174,036	\$191,232	\$201,919
	\$74,964	\$63,426	\$53,090	\$48,185	\$61,967
	\$428,296	\$541,011	\$566,952	\$578,748	\$600,503
	\$2,318,397	\$2,357,803	\$2,423,337	\$2,355,652	\$2,483,420
	\$28,442	\$57,692	\$55,435	\$167,970	\$274,632
	\$284,620	\$108,146	\$441,215	\$246,670	\$219,021
	\$8,652,752	\$8,455,410	\$8,940,163	\$9,061,694	\$9,159,692

	\$522,750	\$619,547	\$653,053	\$587,142	\$601,900
	\$4,630,423	\$4,695,363	\$4,696,789	\$5,005,934	\$4,742,142
	\$926,722	\$1,008,521	\$921,964	\$1,078,486	\$1,153,648
	\$26,243	\$26,253	\$27,788	\$27,697	\$184,412
	\$193,161	\$176,904	\$185,564	\$210,685	
	\$4,721,729	\$1,144,961	\$898,428	\$880,482	\$1,291,064
	\$3,217,543	\$1,106,122	\$1,223,972	\$1,228,435	\$929,808
	\$299,605	\$314,219	\$271,974	\$262,607	\$305,591
	\$14,538,176	\$9,091,890	\$8,879,532	\$9,281,468	\$9,208,565

	-\$5,885,424	-\$636,480	\$60,631	-\$219,774	-\$48,873
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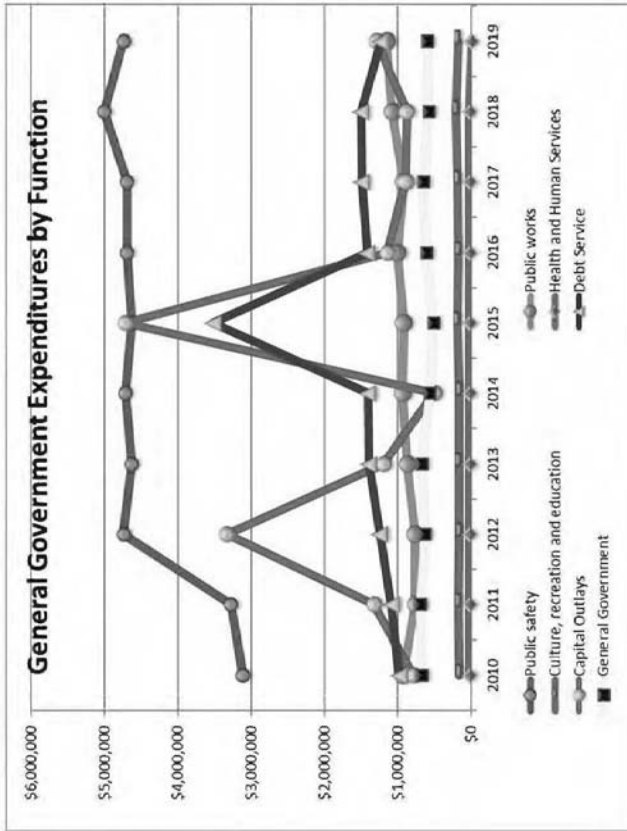
	\$137,958	\$82,765	\$37,016	\$1,420,000	
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	\$5,632	\$32,032	\$40,966	\$9,034	\$18,182
	\$917,702	\$445,811	\$826,488	\$589,511	\$140,910
	-\$917,702	-\$445,811	-\$826,488	-\$589,511	-\$140,910

	\$143,590	\$1,203,799	\$46,050	\$1,479,148	\$55,030
	-\$5,741,834	\$567,319	\$106,681	\$1,259,374	\$6,157

	35.83%	17.87%	18.74%	17.92%	15.60%
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Village of Bayside, Wisconsin



Village of Bayside, Wisconsin
GENERAL GOVERNMENTAL REVENUES BY FUNCTION
LAST TEN FISCAL YEARS

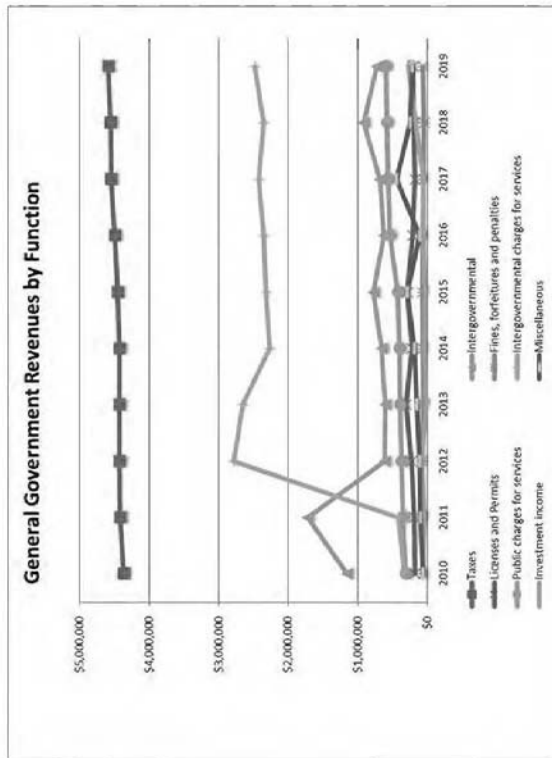
Year	Taxes	Intergovernmental	Licenses and Permits	Fines, forfeitures and penalties
2010	\$4,370,103	\$1,153,405	\$174,981	\$56,240
2011	\$4,421,295	\$1,717,164	\$188,418	\$65,623
2012	\$4,427,734	\$614,228	\$226,852	\$73,355
2013	\$4,425,390	\$602,741	\$308,046	\$60,064
2014	\$4,426,772	\$661,067	\$218,359	\$68,194
2015	\$4,453,433	\$775,081	\$289,519	\$74,964
2016	\$4,494,987	\$619,024	\$213,321	\$63,426
2017	\$4,546,342	\$679,756	\$174,036	\$53,090
2018	\$4,559,080	\$914,157	\$191,232	\$48,185
2019	\$4,588,392	\$729,838	\$201,919	\$61,967

Year	Public charges for services	Intergovernmental charges for services	Investment Income	Miscellaneous	Total Revenues
2010	\$315,220	\$333,332	\$73,464	\$68,558	\$6,545,303
2011	\$344,475	\$416,428	\$40,335	\$103,790	\$7,297,528
2012	\$372,566	\$2,780,361	\$86,886	\$105,824	\$8,687,806
2013	\$390,923	\$2,650,707	\$14,362	\$147,910	\$8,600,143
2014	\$396,151	\$2,264,646	\$40,414	\$185,095	\$8,260,698
2015	\$428,296	\$2,318,397	\$28,442	\$284,620	\$8,652,752
2016	\$541,011	\$2,357,803	\$57,692	\$108,146	\$8,455,410
2017	\$566,952	\$2,423,337	\$55,435	\$441,215	\$8,940,163
2018	\$578,748	\$2,355,652	\$167,970	\$246,670	\$9,061,694
2019	\$600,503	\$2,483,420	\$274,632	\$219,021	\$9,159,692

UNASSIGNED FUND BALANCE AS A PERCENTAGE OF OPERATING REVENUE
LAST TEN FISCAL YEARS
Village of Bayside, Wisconsin

Year	Unassigned Fund Balances	Net Operating Revenues	Unassigned Fund Balances as a % of Net Operating Revenues
2010	\$1,234,579	\$3,638,124	33.93%
2011	\$740,791	\$3,511,250	21.10%
2012	\$702,984	\$3,737,603	18.81%
2013	\$775,001	\$3,778,405	20.51%
2014	\$767,885	\$3,556,004	21.59%
2015	\$713,521	\$3,676,201	19.41%
2016	\$715,589	\$3,597,179	19.89%
2017	\$730,756	\$3,614,495	20.22%
2018	\$990,806	\$3,757,497	26.37%
2019	\$1,291,952	\$4,524,099	28.56%

Village of Bayville, Wisconsin
**ASSESSED AND EQUALIZED VALUATIONS OF TAXABLE PROPERTY
 BY COUNTY**
 LAST TEN FISCAL YEARS



	Milwaukee County Residential	Milwaukee County Commercial & Manufacturing	Milwaukee County Personal Property	Total Assessed Valuation	Total Equalized Valuation	Ratio of Assessed to Equalized
2010	\$549,202,500	\$71,607,100	\$2,663,800	\$623,473,400	\$615,319,000	101.33%
2011	\$522,115,700	\$68,630,200	\$3,662,900	\$594,408,800	\$604,307,300	98.36%
2012	\$478,863,800	\$61,468,000	\$3,399,700	\$543,731,500	\$561,263,900	96.88%
2013	\$475,706,100	\$61,250,600	\$3,563,500	\$540,520,200	\$545,904,600	99.01%
2014	\$498,667,400	\$61,901,500	\$4,405,700	\$564,974,600	\$564,219,500	100.13%
2015	\$507,736,800	\$62,174,800	\$3,877,100	\$573,788,700	\$583,454,300	98.34%
2016	\$524,158,000	\$62,059,300	\$3,623,300	\$589,840,600	\$606,013,100	97.33%
2017	\$536,855,200	\$66,311,500	\$3,480,000	\$606,646,700	\$627,677,500	96.65%
2018	\$554,957,100	\$66,311,500	\$2,319,400	\$623,588,000	\$632,332,100	98.62%
2019	\$565,826,450	\$67,139,700	\$2,087,500	\$635,053,650	\$647,585,100	98.06%

	Ozaukee County Residential	Ozaukee County Commercial & Manufacturing	Ozaukee County Personal Property	Total Assessed Valuation	Total Equalized Valuation	Ratio of Assessed to Equalized
2010	\$25,342,600	\$0	\$0	\$25,342,600	\$24,848,900	101.99%
2011	\$24,522,200	\$0	\$0	\$24,522,200	\$24,787,400	98.93%
2012	\$23,439,900	\$0	\$0	\$23,439,900	\$23,463,400	99.90%
2013	\$23,187,600	\$0	\$0	\$23,187,600	\$23,336,200	99.36%
2014	\$24,194,700	\$0	\$0	\$24,194,700	\$24,028,600	100.69%
2015	\$24,997,500	\$0	\$0	\$24,997,500	\$26,008,300	96.11%
2016	\$25,274,000	\$0	\$0	\$25,274,000	\$25,841,300	97.80%
2017	\$25,457,500	\$0	\$0	\$25,457,500	\$26,704,900	95.33%
2018	\$25,683,700	\$0	\$0	\$25,683,700	\$26,530,800	96.81%
2019	\$27,005,400	\$0	\$0	\$27,005,400	\$26,945,000	100.22%

	Total Combined Assessed Value	Total Combined Equalized Value	Total Direct Tax Rate
2010	\$648,816,000	\$640,167,900	\$6.74
2011	\$618,931,000	\$629,094,700	\$7.07
2012	\$567,171,400	\$584,727,300	\$7.71
2013	\$563,707,800	\$569,240,800	\$7.76
2014	\$589,169,300	\$588,248,100	\$7.47
2015	\$598,786,200	\$609,462,600	\$7.41
2016	\$615,114,600	\$631,854,400	\$7.29
2017	\$632,104,200	\$654,382,400	\$7.12
2018	\$649,271,700	\$658,862,900	\$6.98
2019	\$662,059,050	\$674,530,100	\$6.96

Source: Equalized value rates were derived from the State of Wisconsin Department of Revenue.
 Note: The Total Direct Tax Rate is per \$1,000 of assessed value. Assessed and equalized value rates were as of January 1 of the year listed.

Village of Bayside, Wisconsin
RATIO OF NET GENERAL OBLIGATION DEBT TO EQUALIZED VALUE
 LAST TEN FISCAL YEARS

As of December 31,	Total (Gov. + Business-Like)	Governmental	Business-Like (G.O.)	Less: Funds Available for Debt Service	Net Outstanding G.O. Debt	Debt Limit	Legal Margin for New Debt
2010	\$9,645,996	\$7,790,177	\$1,855,819	-\$175,068	\$9,470,928	\$32,008,395	\$22,362,399
2011	\$10,884,139	\$9,169,218	\$1,714,921	-\$105,301	\$10,718,838	\$31,454,735	\$20,570,596
2012	\$10,027,925	\$8,441,621	\$1,586,304	-\$103,257	\$9,924,668	\$29,236,365	\$19,208,440
2013	\$8,978,235	\$7,530,177	\$1,448,058	-\$152,469	\$8,825,766	\$28,462,040	\$19,483,805
2014	\$15,415,347	\$13,231,053	\$2,184,274	-\$2,262,675	\$13,152,672	\$29,412,405	\$13,997,058
2015	\$11,731,522	\$10,128,834	\$1,602,688	-\$398,998	\$11,332,524	\$30,473,130	\$18,741,608
2016	\$11,329,328	\$9,960,323	\$1,369,005	-\$397,655	\$10,931,673	\$30,300,655	\$18,971,327
2017	\$10,076,478	\$8,916,533	\$1,159,945	-\$397,655	\$9,678,823	\$32,719,120	\$22,642,622
2018	\$11,212,048	\$9,245,789	\$1,966,259	-\$418,272	\$10,793,776	\$31,778,625	\$20,566,577
2019	\$10,196,289	\$8,393,779	\$1,802,510	-\$418,876	\$10,615,165	\$33,726,505	\$23,550,216

As of December 31,	Ratio of Debt to Debt Limit	Equalized Value	Ratio of Net Debt to Equalized Value	Net General Obligation Debt per Capita	Ratio of total General Obligation Debt to total personal income
2010	29.59%	\$663,068,300	1.43%	\$2,270	4.37%
2011	34.27%	\$629,094,700	1.71%	\$2,459	4.69%
2012	33.95%	\$584,727,300	1.70%	\$2,266	4.68%
2013	31.01%	\$569,240,800	1.55%	\$2,015	3.62%
2014	44.72%	\$588,248,100	2.24%	\$3,006	6.06%
2015	37.19%	\$609,462,600	1.86%	\$2,590	4.46%
2016	36.08%	\$631,854,400	1.73%	\$2,504	4.15%
2017	29.58%	\$654,382,400	1.48%	\$2,217	3.55%
2018	33.97%	\$658,862,900	1.64%	\$2,473	3.80%
2019	31.47%	\$674,530,100	1.57%	\$2,432	3.27%

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Village. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the Village.

	2019 Equalized Value	% in Village	Total G.O. Debt	Village's Proportionate Share
Milwaukee County	\$67,178,449,700	0.0103%	\$32,500,000	\$54,954
Ozaukee County	\$12,995,887,800	0.2300%	\$25,225,000	\$58,018
Nicolet UHS School Dist	\$4,414,205,300	13.8903%	\$4,940,000	\$686,181
Fox Point Joint School Dist	\$1,334,923,842	28.4212%	\$2,943,634	\$836,616
Maple Dale-Indian Hill School Dist	\$998,601,617	30.1972%	\$18,281,858	\$5,520,609
Milwaukee Area Tech College Dist	\$83,891,800,999	0.7960%	\$101,965,000	\$811,641
Milwaukee Metro Sewerage Dist	\$65,909,579,500	0.9790%	\$749,232,724	\$7,334,988
Village of Bayside	\$674,530,100	100.0000%	\$10,206,289	\$10,206,289
			\$1,445,294,505	\$25,509,296

Village of Bayside, Wisconsin
SCHEDULE OF OUTSTANDING DEBT BY TYPE

Fiscal Year	Governmental				Premiums and Discounts	Subtotal of Direct Debt
	G O Bonds & Notes-Village	North Shore Fire Dept 1	North Shore Fire Dept 2	Capital Lease		
2010	\$5,925,177	\$1,865,000		\$30,742		\$7,820,919
2011	\$7,419,218	\$1,750,000		\$56,856		\$9,226,074
2012	\$6,711,621	\$1,730,000		\$725,112		\$9,166,733
2013	\$5,940,177	\$1,590,000		\$604,542		\$8,134,719
2014	\$11,796,053	\$1,435,000		\$510,985		\$13,742,038
2015	\$8,848,834	\$1,280,000		\$517,337	\$191,709	\$10,837,880
2016	\$8,835,323	\$1,125,000		\$505,782	\$207,458	\$10,673,563
2017	\$7,951,553	\$665,000		\$362,597	\$187,617	\$9,466,767
2018	\$8,440,789	\$805,000		\$224,926	\$207,857	\$9,678,572
2019	\$7,487,779	\$645,000		\$147,128	\$186,790	\$8,227,697

Fiscal Year	Business-type		Totals
	G O Bonds & Notes-Village	Revenue Bonds	
2010	\$1,855,819	\$1,047,047	\$10,723,785
2011	\$1,714,921	\$983,085	\$11,924,080
2012	\$1,586,304	\$917,609	\$11,670,646
2013	\$1,448,058	\$850,585	\$10,433,362
2014	\$2,184,297	\$781,977	\$16,708,312
2015	\$1,602,688	\$711,745	\$13,152,313
2016	\$1,369,005	\$639,852	\$12,682,420
2017	\$1,159,945	\$566,260	\$11,192,972
2018	\$1,966,259	\$490,926	\$12,135,757
2019	\$1,812,510	\$413,810	\$10,954,017

Fiscal Year	Population	Assessed		General		Ratio to Assessed Value	Per Capita
		Value	Long-Term Debt	General	Long-Term Debt		
2010	4,389	\$648,816,000	\$10,723,785	\$10,723,785	\$10,723,785	1.65%	\$2,443.33
2011	4,383	\$618,931,000	\$11,924,080	\$11,924,080	\$11,924,080	1.93%	\$2,720.53
2012	4,380	\$567,171,400	\$11,670,646	\$11,670,646	\$11,670,646	2.06%	\$2,664.53
2013	4,380	\$563,707,800	\$10,433,362	\$10,433,362	\$10,433,362	1.85%	\$2,382.05
2014	4,376	\$589,169,300	\$16,708,312	\$16,708,312	\$16,708,312	2.84%	\$3,818.17
2015	4,376	\$598,786,200	\$13,152,313	\$13,152,313	\$13,152,313	2.20%	\$3,005.56
2016	4,365	\$615,114,600	\$12,682,420	\$12,682,420	\$12,682,420	2.06%	\$2,905.48
2017	4,365	\$632,104,200	\$12,135,757	\$12,135,757	\$12,135,757	1.92%	\$2,780.24
2018	4,304	\$649,271,700	\$10,954,017	\$10,954,017	\$10,954,017	1.69%	\$2,545.08

Village of Bayside, Wisconsin
TOP TEN TAX PAYERS 2019

Name of Taxpayer	Nature of Business	Assessed Value	Net Taxes Paid	Percent of Taxes Levied
White Oaks Apartments LLC	Apartments	22,175,400	558,707.15	3.36%
J. Coury, R Swanson, Jcoury, G. Coury, M Charapata-March	Senior Housing	7,766,400	95,615.96	1.18%
Bayside and S.L Company	Office Building	4,821,700	121,412.70	0.73%
8855 N Port Washington LLC	Apartments	4,778,300	120,319.06	0.72%
Mark 8959 Building	Office Building	4,031,400	101,497.98	0.61%
11301 Northport LLC	Office Building	4,000,000	100,706.75	0.61%
LaMaccchia Real Estate	Office Building	3,889,800	97,929.83	0.59%
LaMaccchia Real Estate VI	Office Building	2,997,600	75,447.36	0.45%
Bayside Enterprises and Plaza	Retail	2,812,000	70,700.72	0.43%
Daniel Katz	Private Residence	2,802,800	70,681.51	0.43%

Village of Bayside, Wisconsin
TOP TEN TAX PAYERS 2010

Name of Taxpayer	Nature of Business	Assessed Value	Net Taxes Paid	Percent of Taxes Levied
White Oaks Apartments	Apartments	19,560,400	459,699.10	3.48%
LaMaccchia Real Estate	Office Building	7,783,900	182,888.19	1.39%
J. Coury, R Swanson, Jcoury, G. Coury, M Charapata-March	Senior Housing	7,766,400	182,476.87	1.38%
Bayside and S.L Company	Office Building	7,155,500	168,117.44	1.27%
Kratzke, Wm, Brostowicz, A	Office Building	4,453,500	104,605.94	0.79%
Bayside Woods Company	Apartments/Office Building	4,300,000	100,997.88	0.77%
LaMaccchia Real Estate VI	Office Building	3,686,100	86,567.92	0.66%
Miller, BJ	Apartments	2,611,500	61,309.07	0.46%
Daniel J Katz	Private Residence	2,209,700	54,349.91	0.41%
Polly H Van Dyke	Private Residence	2,204,600	54,224.02	0.41%

Village of Bayside, Wisconsin
COMPARATIVE TAX LEVIES FOR ALL DIRECT AND OVERLAPPING GOVERNMENTS AND TOTAL COLLECTIONS
LAST TEN FISCAL YEARS

Levy Year	Collection Year	State Taxes			County Taxes			Milwaukee Metro Sewer District		
		Milwaukee County	Ozaukee County	Total State	Milwaukee County	Ozaukee County	Total County	Milwaukee County	Ozaukee County	Total Sewerage District
2010	2011	\$104,423	\$4,217	\$108,640	\$2,740,037	\$43,292	\$2,783,329	\$887,513	\$36,075	\$923,588
2011	2012	\$102,555	\$4,207	\$106,761	\$2,850,964	\$43,867	\$2,894,831	\$913,142	\$37,671	\$950,813
2012	2013	\$95,250	\$3,980	\$99,230	\$2,881,654	\$43,332	\$2,924,987	\$913,327	\$39,373	\$952,700
2013	2014	\$92,643	\$3,960	\$96,604	\$2,800,762	\$45,264	\$2,846,026	\$929,504	\$39,874	\$969,378
2014	2015	\$95,751	\$4,078	\$99,829	\$2,877,576	\$45,089	\$2,922,665	\$967,278	\$41,436	\$1,008,714
2015	2016	\$99,016	\$4,414	\$103,429	\$2,995,594	\$47,748	\$3,043,342	\$1,017,977	\$45,378	\$1,063,355
2016	2017	\$102,844	\$4,385	\$107,229	\$3,088,791	\$46,612	\$3,135,403	\$1,061,071	\$45,246	\$1,106,316
2017	2018	\$0	\$0	\$0	\$3,937,085	\$48,010	\$3,985,095	\$1,083,139	\$46,083	\$1,129,221
2018	2019	\$0	\$0	\$0	\$3,835,199	\$46,892	\$3,882,091	\$1,077,223	\$44,967	\$1,122,190
2019	2020	\$0	\$0	\$0	\$3,870,401	\$45,855	\$3,916,256	\$1,065,755	\$44,344	\$1,110,099

Levy Year	Collection Year	Village of Bayside			School Dist of Fox Point J 2			Maple Dale-Indian Hill School District
		Milwaukee County	Ozaukee County	Total Village of Bayside	Milwaukee County	Ozaukee County	Total Fox Point J 2	
2010	2011	\$4,201,987	\$170,800	\$4,372,787	\$2,525,558	\$202,706	\$2,728,264	\$2,129,621
2011	2012	\$4,199,536	\$173,251	\$4,372,787	\$2,354,787	\$192,989	\$2,547,775	\$2,020,620
2012	2013	\$4,192,070	\$180,717	\$4,372,787	\$2,326,762	\$192,931	\$2,519,694	\$2,044,478
2013	2014	\$4,192,910	\$179,870	\$4,372,780	\$2,265,577	\$191,771	\$2,457,348	\$2,069,253
2014	2015	\$4,218,327	\$180,704	\$4,399,031	\$2,310,498	\$194,113	\$2,504,611	\$2,068,048
2015	2016	\$4,297,057	\$185,118	\$4,482,175	\$2,519,902	\$220,865	\$2,740,767	\$2,030,432
2016	2017	\$4,249,173	\$184,124	\$4,433,297	\$2,525,704	\$209,135	\$2,734,839	\$2,155,696
2017	2018	\$4,322,330	\$181,384	\$4,503,713	\$2,525,704	\$209,135	\$2,734,839	\$2,155,696
2018	2019	\$4,353,634	\$179,313	\$4,532,947	\$2,646,188	\$214,345	\$2,860,533	\$2,209,742
2019	2020	\$4,417,009	\$187,832	\$4,604,840	\$2,723,974	\$219,660	\$2,943,634	\$2,537,415

Levy Year	Collection Year	Nicolet Union High			Milwaukee Area Technical College			
		Milwaukee County	Ozaukee County	Total Nicolet Union High	Milwaukee County	Ozaukee County	Total Milw Area Tech College	
2010	2011	\$2,419,449	\$97,706	\$2,517,155	\$1,180,760	\$47,684	\$1,228,444	\$15,577,299
2011	2012	\$2,603,719	\$106,799	\$2,710,518	\$1,175,922	\$48,234	\$1,224,156	\$15,638,694
2012	2013	\$2,619,895	\$109,477	\$2,729,372	\$1,188,869	\$49,679	\$1,238,548	\$15,649,749
2013	2014	\$2,642,231	\$112,949	\$2,755,180	\$1,161,330	\$49,644	\$1,210,974	\$15,608,317
2014	2015	\$2,748,617	\$117,056	\$2,865,673	\$716,712	\$30,523	\$747,235	\$15,471,523
2015	2016	\$2,847,581	\$126,935	\$2,974,516	\$733,579	\$32,700	\$766,279	\$15,826,954
2016	2017	\$2,903,177	\$123,796	\$3,026,973	\$763,442	\$32,554	\$795,996	\$16,077,528
2017	2018	\$2,974,779	\$126,564	\$3,101,343	\$789,248	\$33,579	\$822,827	\$18,432,734
2018	2019	\$2,986,651	\$124,672	\$3,111,323	\$778,939	\$32,515	\$811,454	\$18,530,280
2019	2020	\$2,867,901	\$119,329	\$2,987,230	\$766,228	\$31,882	\$798,109	\$18,897,583

Village of Bayshore, Wisconsin
DEMOGRAPHIC STATISTICS

VILLAGE GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government-Full Time	4	4	4	4	4.5	4.5	4.5	5.5	3.15	3.15
General Government-Part time	0	0	0	0	0	0	0	0	0.5	0.5
Public Safety	13	13	14	13	13	13	13	13	13	13
Police Administrative Assistant	0	0	0	0	0	0	0	0	0	1
Dispatch	6	6	16	21	22.2	22.2	22	22.6	22.6	22.6
Municipal Court	1	1	1	1	0.8	0.8	1	0.5	0.5	0
Dept of Public Works (DPW)	4	4	4	4	4.5	4.5	4.5	4.5	5.35	5.35
DPW-Seasonal	2	1	0	0	1	2	3	5.5	0.55	0.55
Sanitary Sewer Utility	0.5	1	1	1	1	1	0.5	2.1	2.1	2.1
Stormwater-Utility	0.5	1	1	1	1	1	1	1	1	1
Total	31	30	41	45	48	49	50	55.20	48.75	49.25

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	8	8	8	7	5	5	5	5	5	5
Fire										
Stations	1	1	1	1	1	1	1	1	1	1
Fire Suppression Units	2	2	2	2	2	2	2	2	2	2
Department of Community and Utility Services										
Miles of Streets	46.3	46.3	46.3	46.3	46.3	46.3	46.3	46.3	46.3	46.3
Refuse Packers	3	3	3	3	3	3	3	3	3	3
Other heavy vehicles	1	1	1	1	2	2	2	2	2	2
Parks and Recreation										
Parks	1	1	1	1	1	1	1	1	1	1
Acreage	7.1	7.1	7.1	7.1	7.1	7.1	7.1	7.1	7.1	7.1
Wastewater										
Miles of Mains	25.57	25.57	25.57	25.57	25.57	25.57	25.57	25.57	25.54	25.54

Village of Bayshore, Wisconsin
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Year	Municipal Property Taxes Levied	Collected within the Fiscal Year of the Levy	% of Levy	Subsequent Years Collections	Total Collections to Date	% of Levy
2010	\$4,372,787	\$4,212,019	96.32%	\$160,768	\$4,372,787	100%
2011	\$4,372,787	\$4,197,944	96.00%	\$174,843	\$4,372,787	100%
2012	\$4,372,787	\$4,208,764	96.25%	\$164,023	\$4,372,787	100%
2013	\$4,372,780	\$4,195,760	95.95%	\$177,020	\$4,372,780	100%
2014	\$4,399,031	\$4,196,546	95.40%	\$202,485	\$4,399,031	100%
2015	\$4,434,291	\$4,286,088	96.66%	\$148,203	\$4,434,291	100%
2016	\$4,481,181	\$4,354,680	97.18%	\$126,501	\$4,481,181	100%
2017	\$4,503,713	\$4,392,910	97.54%	\$110,803	\$4,503,713	100%
2018	\$4,532,947	\$4,415,024	97.40%	\$117,923	\$4,532,947	100%
2019	\$4,604,840	*		\$2,012,509	\$2,012,509	44%

* Collections are in process

**AREA DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS**

Year	Population	Milwaukee- Waukesha- West Allis, WI Metropolitan Personal Income Per Capita	Unemployment Rate	Average Employed	Average Unemployed	Milwaukee- Waukesha- West Allis, WI Metropolitan Personal Income in thousands of dollars	Total State Personal Income in thousands of dollars
2010	4,389	43,582	7.30%	731,200	57,500	67,844,424	220,502,277
2011	4,383	45,477	8.80%	733,700	54,700	71,009,836	232,094,278
2012	4,380	46,943	6.90%	734,900	54,800	73,558,198	214,200,961
2013	4,380	47,688	6.20%	744,300	49,500	74,854,219	247,790,332
2014	4,376	48,638	5.00%	782,000	41,400	76,470,112	254,404,802
2015	4,376	50,681	4.40%	785,400	36,300	79,860,741	263,301,072
2016	4,365	51,444	3.90%	783,700	31,500	80,894,571	273,188,936
2017	4,341	53,946	2.80%	799,600	22,600	84,520,600	283,635,828
2018	4,339	57,005	2.80%	796,500	22,900	89,846,100	295,073,161
2019	4,304	**	3.50%	785,300	25,700	**	311,983,800

** Information for 2019 not available
Source: US Department of Commerce Bureau of Economic Analysis

**Village of Bayside, Wisconsin
MAJOR EMPLOYERS**

Business Name	# of Employees	% of County Employment
Apple Leisure Group	800	0.091%
Bayside Middle School	55	0.006%
Elizabeth Residence	40	0.005%
Sendik's 2 Go	40	0.005%
Schlitz Audubon Nature Center	62	0.007%
Village of Bayside	49	0.006%
Maxfields	28	0.003%
Bayside Garden Center	16	0.002%
Community Bank	12	0.001%
Starbucks	13	0.001%
CLE Assisted Living Center	9	0.001%
U.S. Bank	7	0.001%

**Village of Bayside, Wisconsin
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Police										
Citations issued	1,235	1,501	1,806	1,507	1,207	1,573	1,237	1,251	908	1,669
Warnings issued	1,098	1,077	1,466	1,058	993	1,404	1,450	1,186	258	373
Calls for service	n/a	n/a	8,479	8,017	7,002	7,707	6,839	6,730	6,832	4,976
Total crimes	28	22	2	2	39	18	22	15	164	164
Inspections										
Total permits issued	625	683	860	1,167	831	1,439	732	580	629	614
Community & Utility Services										
Rubbish collected (tons)	1,178	1,115	1,033	1,149	1,118	1,186	1,160	1,194	1,186	1,158
Recycling collected (tons)	547	582	589	599	606	572	576	557	541	493
Municipal Court										
Court Cases Processed	942	1,462	1,709	1,380	1,241	1,500	1,050	1,100	1,100	1,102
Dispatch										
Number of Calls	n/a	34,000	24,489	116,592	93,708	95,513	95,811	95,900	108,213	109,041

FORM OF LEGAL OPINION

(See following pages)

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

April 1, 2021

Re: Village of Bayside, Wisconsin ("Issuer")
\$3,590,000 Taxable General Obligation Refunding Bonds, Series 2021B,
dated April 1, 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 December 1 of each year, in the years and principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2022	\$ 50,000	___%
2023	380,000	___
2024	365,000	___
2025	360,000	___
2026	355,000	___
2027	345,000	___
2028	340,000	___
2029	335,000	___
2030	330,000	___
2031	225,000	___
2032	220,000	___
2033	195,000	___
2034	90,000	___

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

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

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

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

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

1. The Bonds have been duly authorized and executed by the Issuer and are valid and binding general obligations of the Issuer.
2. All the taxable property in the territory of the Issuer is subject to the levy of ad valorem taxes to pay principal of, and interest on, the Bonds, without limitation as to rate or amount. The Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Bonds except to the extent that necessary funds have been irrevocably deposited into the debt service fund account established for the payment of the principal of and interest on the Bonds.
3. The interest on the Bonds is 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 Village as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).
8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Village or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or the Village, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Village or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.
9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to [Tender/Remarketing] Agent's DTC account.
10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the Village or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.
11. The Village may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.
12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Village believes to be reliable, but the Village takes no responsibility for the accuracy thereof.

FORM OF CONTINUING DISCLOSURE CERTIFICATE

(See following pages)

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the Village of Bayside, Milwaukee and Ozaukee Counties, Wisconsin (the "Issuer") in connection with the issuance of \$3,590,000 Taxable General Obligation Refunding Bonds, Series 2021B, dated April 1, 2021 (the "Securities"). The Securities are being issued pursuant to a resolution adopted on March 18, 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), except with respect to the general fixed assets account group, and which the Issuer intends to continue to prepare in substantially the same form.

"Final Official Statement" means the Final Official Statement dated March 19, 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 Village Board of the Issuer or such other body as may hereafter be the chief legislative body of the Issuer.

"Issuer" means the Village of Bayside, Milwaukee and Ozaukee Counties, Wisconsin, which is the obligated person with respect to the Securities.

"Issuer Contact" means the Village Clerk/Treasurer/Administrative Services Director of the Issuer who can be contacted at Village Hall, 9075 North Regent Road, Bayside, Wisconsin 53217, phone (414) 351-8811, fax (414) 351-8819.

"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 1st day of April, 2021.

(SEAL)

Eido Walny
President

Lynn Galyardt
Village Clerk/Treasurer/Administrative Services
Director

NOTICE OF SALE

**\$3,590,000* TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2021B
VILLAGE OF BAYSIDE, WISCONSIN**

Bids for the purchase of \$3,590,000* Taxable General Obligation Refunding Bonds, Series 2021B (the "Bonds") of the Village of Bayside, Wisconsin (the "Village") will be received at the offices of Ehlers and Associates, Inc. ("Ehlers"), 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, municipal advisors to the Village, until 10:00 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 March 18, 2021, at which time they will be opened, read and tabulated. The bids will be presented to the Board of Trustees for consideration for award by resolution at a meeting to be held at 6:00 P.M., Central Time, on the same date. The bid offering to purchase the Bonds upon the terms specified herein and most favorable to the Village will be accepted unless all bids are rejected.

PURPOSE

The Bonds are being issued pursuant to Section 67.04, Wisconsin Statutes, for the purpose of refunding certain outstanding general obligations of the Village as more fully described herein. The Bonds are general obligations of the Village, and all the taxable property in the Village is subject to the levy of a tax to pay the principal of and interest on the Bonds as they become due which tax may, under current law, be levied without limitation as to rate or amount.

DATES AND MATURITIES

The Bonds will be dated April 1, 2021, will be issued as fully registered Bonds in the denomination of \$5,000 each, or any integral multiple thereof, and will mature on December 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2022	\$50,000	2027	\$345,000	2032	\$220,000
2023	380,000	2028	340,000	2033	195,000
2024	365,000	2029	335,000	2034	90,000
2025	360,000	2030	330,000		
2026	355,000	2031	225,000		

ADJUSTMENT OPTION

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

TERM BOND OPTION

Bids for the Bonds may contain a maturity schedule providing for any combination of serial bonds and term bonds, subject to mandatory redemption, so long as the amount of principal maturing or subject to mandatory redemption in each year conforms to the maturity schedule set forth above. All dates are inclusive.

INTEREST PAYMENT DATES AND RATES

Interest will be payable on June 1 and December 1 of each year, commencing December 1, 2021, to the registered owners of the Bonds appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board. All Bonds of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

BOOK-ENTRY-ONLY FORMAT

Unless otherwise specified by the purchaser, the Bonds will be designated in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds, and will be responsible for maintaining a book-entry system for recording the interests of its participants and the transfers of interests between its participants. The participants will be responsible for maintaining records regarding the beneficial interests of the individual purchasers of the Bonds. So long as Cede & Co. is the registered owner of the Bonds, all payments of principal and interest will be made to the depository which, in turn, will be obligated to remit such payments to its participants for subsequent disbursement to the beneficial owners of the Bonds.

PAYING AGENT

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

OPTIONAL REDEMPTION

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

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

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

DELIVERY

On or about April 1, 2021, the Bonds will be delivered without cost to the winning bidder at DTC. On the day of closing, the Village will furnish to the winning bidder the opinion of bond counsel hereinafter described, and certificates verifying that no litigation in any manner questioning the validity of the Bonds is then pending or, to the best knowledge of officers of the Village, threatened. Payment for the Bonds must be received by the Village at its designated depository on the date of closing in immediately available funds.

LEGAL OPINION

An opinion as to the validity of the Bonds will be furnished by Quarles & Brady LLP, of Milwaukee, Wisconsin, bond counsel to the Village. The legal opinion will be issued on the basis of existing law and will state that the Bonds are valid and binding general obligations of the Village; provided that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights and by equitable principles (which may be applied in either a legal or equitable proceeding).

SUBMISSION OF BIDS

Bids must not be for less than \$3,545,125 nor more than \$3,805,400 plus accrued interest on the principal sum of \$3,590,000 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 Village nor Ehlers shall be responsible for any failure to receive a facsimile submission.

A good faith deposit ("Deposit") in the amount of \$71,800 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The Village reserves the right to award the Bonds to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the Village may award the Bonds to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the Village as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith.

The Village and the winning bidder who chooses to so wire the Deposit hereby agree irrevocably that Ehlers shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: 1) All income earned thereon shall be retained by the escrow holder as payment for its expenses; 2) If the bid is not accepted, Ehlers shall, at its expense, promptly return the Deposit amount to the winning bidder; 3) If the bid is accepted, the Deposit shall be returned to the winning bidder at the closing; 4) Ehlers shall bear all costs of maintaining the escrow account and returning the funds to the winning bidder; 5) Ehlers shall not be an insurer of the Deposit amount and shall have no liability hereunder except if it willfully fails to perform or recklessly disregards, its duties specified herein; and 6) FDIC insurance on deposits within the escrow account shall be limited to \$250,000 per bidder.

No bid can be withdrawn after the time set for receiving bids unless the meeting of the Village scheduled for award of the Bonds is adjourned, recessed, or continued to another date without award of the Bonds having been made.

AWARD

The Bonds will be awarded to the bidder offering the lowest interest rate to be determined on a True Interest Cost (TIC) basis. The Village's computation of the interest rate of each bid, in accordance with customary practice, will be controlling. In the event of a tie, the sale of the Bonds will be awarded by lot. The Village reserves the right to reject any and all bids and to waive any informality in any bid.

BOND INSURANCE

If the Bonds are qualified for any bond insurance policy, the purchase of such policy shall be at the sole option and expense of the winning bidder. Any cost for such insurance policy is to be paid by the winning bidder, except that, if the Village requested and received a rating on the Bonds from a rating agency, the Village will pay that rating fee. Any rating agency fees not requested by the Village are the responsibility of the winning bidder.

Failure of the municipal bond insurer to issue the policy after the Bonds are awarded to the winning bidder shall not constitute cause for failure or refusal by the winning bidder to accept delivery of the Bonds.

CUSIP NUMBERS

The Village will assume no obligation for the assignment or printing of CUSIP numbers on the Bonds or for the correctness of any numbers printed thereon, but will permit such numbers to be printed at the expense of the winning bidder, if the winning bidder waives any delay in delivery occasioned thereby.

CONTINUING DISCLOSURE

In order to assist the Underwriters in complying with the provisions of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 the Village will enter into an undertaking for the benefit of the holders of the Bonds. A description of the details and terms of the undertaking is set forth in Appendix D of the Official Statement.

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 Board of Trustees

Lynn Galyardt, Administrative Services Director
Village of Bayside, Wisconsin

BID FORM

**The Board of Trustees
Village of Bayside, Wisconsin**

March 18, 2021

**RE: \$3,590,000* Taxable General Obligation Refunding Bonds, Series 2021B (the "Bonds")
DATED: April 1, 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 \$3,545,125 nor more than \$3,805,400) plus accrued interest to date of delivery for fully registered Bonds bearing interest rates and maturing in the stated years as follows:

_____ % due	2022	_____ % due	2027	_____ % due	2032
_____ % due	2023	_____ % due	2028	_____ % due	2033
_____ % due	2024	_____ % due	2029	_____ % due	2034
_____ % due	2025	_____ % due	2030		
_____ % due	2026	_____ % due	2031		

* The Village reserves the right to increase or decrease the principal amount of the Bonds on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000. All Bonds of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

A good faith deposit ("Deposit") in the amount of \$71,800 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The Village reserves the right to award the Bonds to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the Village may award the Bonds to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the Village as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith. We agree to the conditions and duties of Ehlers and Associates, Inc., as escrow holder of the Deposit, pursuant to the Notice of Sale. This bid is for prompt acceptance and is conditional upon delivery of said Bonds to The Depository Trust Company, New York, New York, in accordance with the Notice of Sale. Delivery is anticipated to be on or about April 1, 2021.

This bid is subject to the Village's agreement to enter into a written undertaking to provide continuing disclosure under Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 as described in the 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 Village with the reoffering price of the Bonds within 24 hours of the bid acceptance.

This bid is a firm offer for the purchase of the Bonds identified in the Notice of Sale, on the terms set forth in this bid form and the Notice of Sale, and is not subject to any conditions, except as permitted by the Notice of Sale.

By submitting this bid, we confirm that we are an underwriter and have an established industry reputation for underwriting new issuances of municipal bonds. YES: ___ NO: ___.

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 April 1, 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 Board of Trustees of the Village of Bayside, Wisconsin, on March 18, 2021.

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