

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 11, 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: S&P Global Ratings

CITY OF WEST BEND, WISCONSIN (Washington County)

\$2,860,000* TAXABLE GENERAL OBLIGATION COMMUNITY DEVELOPMENT BONDS, SERIES 2021B

BID OPENING: October 18, 2021, 11:00 A.M., C.T.

CONSIDERATION: October 18, 2021, 6:30 P.M., C.T.

PURPOSE/AUTHORITY/SECURITY: The \$2,860,000* Taxable General Obligation Community Development Bonds, Series 2021B (the "Bonds") of the City of West Bend (the "City") are being issued pursuant to Section 67.04, Wisconsin Statutes, for the public purpose of providing financial assistance to community development projects under Section 66.1105 of the Wisconsin Statutes, consisting of paying the costs of projects listed in the Project Plans for the City's Tax Incremental Districts. The Bonds are general obligations of the City, and all the taxable property in the City 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: November 3, 2021

MATURITY: April 1 as follows:

Year	Amount*	Year	Amount*	Year	Amount*
2022	\$45,000	2029	\$170,000	2036	\$135,000
2023	45,000	2030	170,000	2037	140,000
2024	160,000	2031	170,000	2038	145,000
2025	160,000	2032	180,000	2039	150,000
2026	160,000	2033	180,000	2040	155,000
2027	160,000	2034	185,000		
2028	160,000	2035	190,000		

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

TERM BONDS: See "Term Bond Option" herein.

INTEREST: April 1, 2022 and semiannually thereafter.

OPTIONAL REDEMPTION: Bonds maturing on April 1, 2031 and thereafter are subject to call for prior optional redemption on April 1, 2030 or any date thereafter, at a price of par plus accrued interest.

MINIMUM BID: \$2,824,250.

MAXIMUM BID: \$3,031,600.

GOOD FAITH DEPOSIT: A good faith deposit in the amount of \$57,200 shall be made by the winning bidder by wire transfer of funds.

PAYING AGENT: City officials, a bank or trust company selected by the Issuer.

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).



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REPRESENTATIONS

No dealer, broker, salesperson or other person has been authorized by the City 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 City. ***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 City 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 City, 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 City 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 City 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 City 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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CITY OF WEST BEND COMMON COUNCIL

		<u>Term Expires</u>
Christophe Jenkins	Mayor	April 2023
Tracy Ahrens	Aldersperson	April 2023
Mark Allen	Aldersperson	April 2023
Brett Bergquist	Aldersperson	April 2022
John Butschlick	Aldersperson	April 2022
Jed Dolnick	Aldersperson	April 2022
Meghann Kennedy	Aldersperson	April 2023
Randall Koehler	Aldersperson	April 2022
Justice Madl	Aldersperson	April 2022

ADMINISTRATION

Jay Shambeau, City Administrator/Director of the Department of
Development

Carrie Winklbauer, Treasurer/Finance Administrator

Stephanie Justmann, City Clerk

PROFESSIONAL SERVICES

Ian Prust, City Attorney, Hartford, 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 City of West Bend, Wisconsin (the "City") and the issuance of its \$2,860,000* Taxable General Obligation Community Development 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 sale of the Bonds ("Award Resolution") to be adopted by the Common Council on October 18, 2021.

Inquiries may be directed to Ehlers and Associates, Inc. ("Ehlers" or the "Municipal Advisor"), Waukesha, Wisconsin, (262) 785-1520, the City'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 November 3, 2021. The Bonds will mature on April 1 in the years and amounts set forth on the cover of this Preliminary Official Statement. Interest will be payable on April 1 and October 1 of each year, commencing April 1, 2022, to the registered owners of the Bonds appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board ("MSRB"). All Bonds of the same maturity must bear interest from the date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

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

The City will select City officials, a bank or trust company, to act as paying agent (the "Paying Agent"). The City reserves the right to remove the Paying Agent and to appoint a successor.

OPTIONAL REDEMPTION

At the option of the City, the Bonds maturing on or after April 1, 2031 shall be subject to optional redemption prior to maturity on April 1, 2030 or any date thereafter, at a price of par plus accrued interest.

*Preliminary, subject to change

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

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

AUTHORITY; PURPOSE

The Bonds are being issued pursuant to Section 67.04, Wisconsin Statutes, for the public purpose of providing financial assistance to community development projects under Section 66.1105 of the Wisconsin Statutes, consisting of paying the costs of projects listed in the Project Plans for the City’s Tax Incremental Districts.

ESTIMATED SOURCES AND USES*

Sources		
Par Amount of Bonds	\$2,860,000	
Estimated Interest Earnings	<u>1,070</u>	
Total Sources		\$2,861,070
Uses		
Estimated Underwriter's Discount	\$35,750	
Costs of Issuance	53,850	
Deposit to Capitalized Interest (CIF) Fund	60,711	
Deposit to Project Construction Fund	2,710,000	
Rounding Amount	<u>759</u>	
Total Uses		\$2,861,070

*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 City will be irrevocably pledged. The City will levy a direct, annual, irrevocable tax on all taxable property in the City sufficient to pay the interest on the Bonds when it becomes due and also to pay and discharge the principal on the Bonds at maturity, in compliance with Article XI, Section 3 of the Wisconsin Constitution. Such tax may, under current law, be levied without limitation as to rate or amount.

RATING

General obligation debt of the City is currently rated "AA" by S&P Global Ratings ("S&P"). The City has requested a rating on the Bonds from S&P, and bidders will be notified as to the assigned rating prior to the sale. Such rating

reflects only the views of such organization and explanations of the significance of such rating may be obtained from S&P. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency, if in the judgment of such rating agency circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Bonds.

Such rating is not to be construed as a recommendation of the rating agency to buy, sell or hold the Bonds, and the rating assigned by the rating agency should be evaluated independently. Except as may be required by the Disclosure Undertaking described under the heading "CONTINUING DISCLOSURE" neither the City 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 City 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 City shall execute and deliver a Continuing Disclosure Certificate, under which the City 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 City are set forth in Appendix D. Such Disclosure Undertaking will be in substantially the form attached hereto.

A failure by the City 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.

The fire equipment lease dated April 15, 2020 was not filed within the 10 business day requirement. The lease was filed along with a failure notice on May 4, 2020. Except to the extent that the preceding is deemed to be material, the City believes it has not failed to comply in the previous five years in all material respects with its prior undertakings under the Rule. The City 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 City.

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 City. 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 City; 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 COUNSEL PARTICIPATION

Bond Counsel has not assumed responsibility for this Preliminary Official Statement or participated in its preparation (except with respect to the section entitled "TAXABILITY OF INTEREST" in the Preliminary Official Statement and the "FORM OF LEGAL OPINION" found in Appendix B of the Preliminary Official Statement).

TAXABILITY OF INTEREST

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

ORIGINAL ISSUE DISCOUNT

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

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

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

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

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

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

BOND PREMIUM

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

Any Premium Bond purchased in the initial offering at the issue price will have "amortizable bond premium" within the meaning of Section 171 of the Code. Owners of Premium Bonds, the interest on which is subject to tax, may make an election to amortize the bond premium and to offset the taxable interest income with the amortizable bond premium

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

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

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

NON-QUALIFIED TAX-EXEMPT OBLIGATIONS

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

MUNICIPAL ADVISOR

Ehlers has served as municipal advisor to the City 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 City, have retained or may retain BTSC and/or EIP to provide these services. If hired, BTSC and/or EIP would be retained by the City under an agreement separate from Ehlers.

INDEPENDENT AUDITORS

The basic financial statements of the City for the fiscal year ended December 31, 2020, have been audited by Baker Tilly Virchow Krause, LLP, Madison, 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 Final 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 City, the ultimate payment of which rests in the City'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 City 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 City, the taxable value of property within the City, and the ability of the City to levy and collect property taxes.

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

Ratings; Interest Rates: In the future, the City'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 City 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 City 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 City, 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 City 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 City 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 City will not experience an information technology breach or attack with financial consequences that could have a material adverse impact.

Impact of the Spread of COVID-19: In late 2019, a novel strain of coronavirus (COVID-19) emerged in Wuhan, Hubei Province, China. COVID-19 has spread throughout the world, including to the United States, resulting in the World Health Organization proclaiming COVID-19 to be a pandemic and former 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 evolve. COVID-19 has caused significant disruptions to the global, national and State economy. The extent to which the coronavirus continues to impact the City and its financial condition will depend on future developments, which are uncertain and cannot be predicted by the City, including the duration of the outbreak and future 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, former 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 former 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, "Route 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 City's allocation is \$522,225. 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 March 11, 2021, President Biden signed the American Rescue Plan Act of 2021, which provides local governments an additional \$130.2 billion through the Coronavirus Local Fiscal Recovery Fund. These funds can be used to mitigate increased expenditures, lost revenue and economic hardship related to the COVID-19 pandemic. The State's final allocation and the subsequent allocations to individual municipalities are not yet available, but the City currently is to Recovery: Local Government Aid Grants," which will distribute \$190 million of the State's Coronavirus expects an allocation of approximately \$3.12 million.

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 April 5, 2021. On March 31, 2021, the Wisconsin Supreme Court struck down Emergency Order #1, finding that legislative approval was required to continue the order beyond its original 60-day period. The ruling does not impact the validity of local mandates.

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

CURRENT PROPERTY VALUATIONS

2021 Equalized Value	\$3,483,278,500
2021 Equalized Value Reduced by Tax Increment Valuation	\$3,179,566,500
2020 Assessed Value	\$2,915,523,600

2021 EQUALIZED VALUE BY CLASSIFICATION

	2021 Equalized Value¹	Percent of Total Equalized Value
Residential	\$ 2,266,928,500	65.080%
Commercial	1,084,644,400	31.139%
Manufacturing	79,207,100	2.274%
Agricultural	94,600	0.003%
Undeveloped	318,600	0.009%
Forest	256,000	0.007%
Other	349,200	0.010%
Personal Property	51,480,100	1.478%
Total	<u>\$ 3,483,278,500</u>	<u>100.000%</u>

TREND OF VALUATIONS

Year	Assessed Value	Equalized Value¹	Percent Increase/Decrease in Equalized Value
2017	\$ 2,464,540,300	\$ 2,680,139,500	7.82%
2018	2,771,114,850	2,766,661,500	3.23%
2019	2,798,588,050	2,956,923,800	6.88%
2020	2,915,523,600	3,200,372,200	8.23%
2021	n/a	3,483,278,500	8.84%

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 City's Total Equalized Value
West Bend Mutual	Insurance	\$ 73,714,457	2.30%
Froedtert Health Inc.	Medical Facility	46,877,960	1.46%
Mills Fleet Farm	Retail	36,320,637	1.13%
Meijer Stores	Retail	29,059,912	0.91%
River Shores - Cast Iron Condo	Condos/Apartments	26,121,115	0.82%
Ireit West Bend (Pick N Save-S)	Grocery	19,614,406	0.61%
Manitou Equipment (Gehl Company)	Commercial	19,469,420	0.61%
Realty Income Properties 19 LLC	Retail	18,334,554	0.57%
Exchangeright Net (Pick N Save- N)	Grocery	18,095,289	0.57%
Paradise Pavilion (Kohl's & Hobby Lobby)	Retail	17,364,541	0.54%
Total		\$ 304,972,291	9.53%

City's Total 2020 Equalized Value² \$3,200,372,200

Source: The City.

¹ Calculated by dividing the 2020 Assessed Values by the 2020 Aggregate Ratio of assessment for the City. 2021 data is not yet available.

² Includes tax increment valuation.

DEBT

DIRECT DEBT¹

General Obligation Debt (see schedules following)

Total General Obligation Debt (includes the Bonds)*	<u>\$ 51,423,900</u>
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Lease Obligations²

Issue Date	Original Amount	Purpose	Final Maturity	Principal Outstanding
4/15/20	\$ 1,303,912	Fire equipment lease	4/15/30	\$ 1,231,581
12/22/20	\$106,292	Small wheel loader	12/21/25	\$106,292

*Preliminary, subject to change.

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

² Non-general obligation debt has not been included in the debt ratios.

City of West Bend, Wisconsin
Schedule of Bonded Indebtedness
General Obligation Debt Secured by Taxes
(As of 11/03/2021)

Dated Amount Maturity	Refunding Bonds Series 2010C		Refunding Bonds Series 2011B		Refunding Bonds Series 2012B		Promissory Notes Series 2012C		Taxable Refunding Bonds Series 2012D	
	10/19/2010 \$6,800,000 04/01	12/21/2011 \$1,840,000 04/01	05/09/2012 \$6,805,000 04/01	05/09/2012 \$2,955,000 05/01	05/09/2012 \$1,620,000 03/01	Principal	Interest	Principal	Interest	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2021	0	0	0	0	0	0	0	0	0	0
2022	275,000	4,125	50,000	7,590	880,000	86,919	320,000	3,200	170,000	2,295
2023			50,000	6,290	930,000	68,819				
2024			50,000	4,990	970,000	49,819				
2025			50,000	3,565	1,025,000	29,228				
2026			50,000	2,015	815,000	9,169				
2027			40,000	620						
2028										
2029										
2030										
2031										
2032										
2033										
2034										
2035										
2036										
2037										
2038										
2039										
2040	275,000	4,125	290,000	25,070	4,620,000	243,953	320,000	3,200	170,000	2,295

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**City of West Bend, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 11/03/2021)**

State Trust Fund Loan 2012		Corporate Purpose Bonds Series 2013A		Promissory Notes Series 2013B		Taxable Promissory Notes Series 2013C		Police Facility Bonds Series 2014A	
Dated Amount	06/04/2012 \$432,400	06/06/2013 \$9,060,000	06/06/2013 \$820,000	06/06/2013 \$5,980,000	02/26/2014 \$1,740,000				
Maturity	03/15	05/01	05/01	04/01	02/01				
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2021	0	0	0	0	0	0	0	0	
2022	48,900	1,467	340,000	110,000	60,000	2,078	75,000	39,375	
2023			340,000	65,000	65,000	731	80,000	37,665	
2024			350,000				80,000	35,745	
2025			850,000				85,000	33,638	
2026			905,000				90,000	31,275	
2027			980,000				90,000	28,665	
2028			1,000,000				95,000	25,798	
2029			1,005,000				100,000	22,625	
2030			285,000				105,000	19,140	
2031			295,000				105,000	15,413	
2032			300,000				110,000	11,435	
2033			310,000				115,000	7,100	
2034							120,000	2,400	
2035									
2036									
2037									
2038									
2039									
2040	48,900	1,467	6,960,000	175,000	125,000	2,809	1,250,000	310,273	

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City of West Bend, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 11/03/2021)

Dated Amount	Promissory Notes Series 2014B		Corporate Purpose Bonds Series 2015A		Corporate Purpose Bonds Series 2016A		Taxable Refunding Bonds Series 2016B		Promissory Notes Series 2016C	
	02/26/2014 \$6,370,000	02/01	06/10/2015 \$3,850,000	04/01	03/29/2016 \$5,525,000	03/01	03/29/2016 \$1,135,000	04/01	06/01/2016 \$800,000	06/01
Maturity										
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2021	0	0	0	0	0	0	0	0	0	2,869
2022	400,000	25,500	375,000	52,496	450,000	68,275	0	2,708	80,000	5,198
2023	400,000	16,000	380,000	41,925	465,000	59,125	285,000	0	85,000	4,084
2024	400,000	5,500	390,000	30,855	475,000	49,725			85,000	2,936
2025			415,000	18,975	450,000	40,475			85,000	1,789
2026			425,000	6,375	460,000	31,375			90,000	608
2027					300,000	23,775				
2028					290,000	17,513				
2029					325,000	10,188				
2030					245,000	3,063				
2031										
2032										
2033										
2034										
2035										
2036										
2037										
2038										
2039										
2040	1,200,000	47,000	1,985,000	150,626	3,460,000	303,513	285,000	2,708	425,000	17,483

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City of West Bend, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 11/03/2021)

Dated Amount	Promissory Notes Series 2017A		Promissory Notes Series 2018A		Corporate Purpose Bonds Series 2019A		Taxable Refunding Bonds Series 2019B		Taxable Community Development Bonds Series 2020A	
	05/11/2017 \$2,230,000	03/01	05/03/2018 \$2,560,000	05/01	04/03/2019 \$4,890,000	04/01	04/03/2019 \$1,975,000	03/01	02/05/2020 \$3,530,000	02/01
Maturity										
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2021	0	0	0	0	0	0	0	0	0	0
2022	205,000	38,853	220,000	59,400	460,000	134,800	370,000	26,189	0	93,230
2023	280,000	31,578	300,000	51,600	480,000	116,000	380,000	16,298	50,000	92,780
2024	285,000	23,103	260,000	43,200	460,000	97,200	425,000	5,631	50,000	91,868
2025	285,000	15,906	330,000	34,350	435,000	79,300			80,000	90,645
2026	290,000	9,868	335,000	24,375	445,000	61,700			100,000	88,885
2027	300,000	3,375	335,000	14,325	455,000	45,975			100,000	86,835
2028			310,000	4,650	470,000	32,100			120,000	84,465
2029					485,000	17,775			135,000	81,593
2030					170,000	7,950			155,000	78,219
2031					180,000	2,700			180,000	74,193
2032									200,000	69,488
2033									220,000	64,128
2034									245,000	57,960
2035									265,000	51,009
2036									290,000	43,305
2037									305,000	34,899
2038									325,000	25,840
2039									345,000	16,039
2040									365,000	5,475
	1,645,000	122,681	2,090,000	231,900	4,040,000	595,500	1,175,000	48,118	3,530,000	1,230,853

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City of West Bend, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 11/03/2021)

Dated Amount	Corporate Purpose Bonds Series 2020B		Taxable Refunding Bonds Series 2020C		Corporate Purpose Bonds Series 2021A		Taxable Community Development Bonds Series 2021B		Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
Maturity	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest						
	05/07/2020 \$6,190,000	0	10/15/2020 \$3,775,000	0	05/06/2021 \$5,370,000	0	11/03/2021 \$2,860,000*	0	0	2,869	2,869	51,423,900	.00%	2021
	05/01		03/01		04/01		04/01		6,523,900	1,163,442	7,687,341	44,900,000	12.69%	2022
2021	330,000	133,769	670,000	52,188	305,000	100,823	45,000	48,200	0	0	0	0		2023
2022	415,000	126,319	650,000	38,988	350,000	94,273	45,000	52,601	5,810,000	1,022,868	6,832,868	39,090,000	23.98%	2024
2023	460,000	117,569	625,000	26,238	330,000	87,473	160,000	51,753	5,855,000	883,915	6,738,915	33,235,000	35.37%	2025
2024	490,000	108,069	410,000	15,888	330,000	80,873	160,000	50,233	5,480,000	749,744	6,229,744	27,755,000	46.03%	2026
2025	495,000	98,219	215,000	9,638	330,000	74,273	160,000	48,433	5,205,000	622,143	5,827,143	22,550,000	56.15%	2027
2026	505,000	88,219	150,000	5,988	345,000	65,798	160,000	46,393	3,760,000	512,341	4,272,341	18,790,000	63.46%	2028
2027	510,000	75,519	150,000	3,700	340,000	55,523	160,000	44,113	3,445,000	419,754	3,864,754	15,345,000	70.16%	2029
2028	515,000	60,144	100,000	2,363	350,000	45,173	170,000	41,510	3,185,000	330,175	3,515,175	12,160,000	76.35%	2030
2029	520,000	44,619	100,000	1,188	365,000	36,273	170,000	38,620	2,115,000	260,139	2,375,139	10,045,000	80.47%	2031
2030	160,000	35,219	45,000	281	370,000	30,310	170,000	35,560	1,505,000	216,400	1,721,400	8,540,000	83.39%	2032
2031	165,000	31,969			380,000	25,528	180,000	32,188	1,335,000	184,406	1,519,406	7,205,000	85.99%	2033
2032	170,000	28,619			385,000	20,459	180,000	28,543	1,380,000	153,498	1,533,498	5,825,000	88.67%	2034
2033	170,000	25,219			390,000	15,130	185,000	24,709	1,110,000	125,418	1,235,418	4,715,000	90.83%	2035
2034	175,000	21,769			400,000	9,400	190,000	20,583	1,030,000	102,760	1,132,760	3,685,000	92.83%	2036
2035	180,000	18,219			400,000	3,200	135,000	16,825	1,005,000	81,549	1,086,549	2,680,000	94.79%	2037
2036	180,000	14,506					140,000	13,455	625,000	62,860	687,860	2,055,000	96.00%	2038
2037	180,000	10,628					145,000	9,856	655,000	46,324	701,324	1,400,000	97.28%	2039
2038	185,000	6,525					150,000	6,058	685,000	28,621	713,621	715,000	98.61%	2040
2039	190,000	2,194					155,000	2,054	715,000	9,723	724,723	0	100.00%	2040
2040	6,010,000	1,047,310	3,115,000	156,456	5,370,000	744,504	2,860,000	611,682	51,423,900	6,978,947	58,402,846			

* Preliminary, subject to change.

DEBT LIMIT

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

Equalized Value	\$ 3,483,278,500
Multiply by 5%	<u>0.05</u>
Statutory Debt Limit	\$ 174,163,925
Less: General Obligation Debt (includes the Bonds)*	<u>(51,423,900)</u>
Unused Debt Limit*	<u><u>\$ 122,740,025</u></u>

*Preliminary, subject to change.

OVERLAPPING DEBT¹

Taxing District	2021 Equalized Value ²	% In City	Total G.O. Debt ³	City's Proportionate Share
Washington County	\$ 18,282,260,200	19.0528%	\$ 9,485,000	\$ 1,807,158
Moraine Park Technical College District	32,380,960,926	54.9690%	31,460,000	17,293,247
West Bend School District	6,338,124,066	10.5050%	26,260,000	<u>2,758,613</u>
City's Share of Total Overlapping Debt				<u><u>\$21,859,018</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 \$3,483,278,500	Debt/ Per Capita 32,269¹
Total General Obligation Debt (includes the Bonds)*	\$ 51,423,900	1.48%	\$ 1,593.60
City's Share of Total Overlapping Debt	<u>21,542,814</u>	<u>0.62%</u>	<u>667.60</u>
Total*	\$ 72,966,714	2.09%	\$ 2,261.20

*Preliminary, subject to change.

DEBT PAYMENT HISTORY

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

FUTURE FINANCING

The City plans to finance their annual capital projects in the approximate amount of \$3.4 million in Spring of 2022. Aside from the preceding, the City has no current plans for additional financing in the next 12 months.

¹ Estimated 2021 population.

TAX LEVIES AND COLLECTIONS

TAX LEVIES AND COLLECTIONS

Tax Year	Levy for City Purposes Only	% Collected	Levy/Equalized Value Reduced by Tax Increment Valuation in Dollars per \$1,000
2016/17	\$19,217,825	100%	\$8.29
2017/18	19,294,911	100%	7.83
2018/19	19,662,557	100%	7.81
2019/20	20,402,865	100%	7.43
2020/21	21,104,099	100%	7.22

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

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

The spread of COVID-19 and responses taken by the United States government, state governments, local governments and private industries have caused significant disruptions to the national and State economy. See "RISK FACTORS - Impact of the Spread of COVID-19" herein. On April 15, 2020, Governor Tony Evers signed into law 2019 Wisconsin Act 185, which provided that for property taxes payable in 2020, a taxation district could, after making a general or case-by-case finding of hardship, choose to waive interest or penalties on property tax installment payments paid after April 1, 2020 but on or before October 1, 2020. In order to take such action, the county board of supervisors was required to first adopt a resolution authorizing such waiver and determining criteria for determining hardship and then the taxation district was required to subsequently adopt a similar resolution. In the case of a county adopting such a resolution, the county proportionally settled with the taxation districts any taxes, interest and penalties collected on

or before July 31, 2020 on August 20, 2020, and settled the remaining unpaid taxes, interest, and penalties on September 20, 2020. The County and the City did not adopt such resolutions. The City 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 City's finances and payment of debt obligations, including the Bonds.

PROPERTY TAX RATES

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

Year Levied/ Year Collected	Schools¹	County	Local	Other²	Total
2016/17	\$9.31	\$2.58	\$8.29	\$0.18	\$20.36
2017/18	8.80	2.49	7.83	0.00	19.12
2018/19	8.61	2.39	7.81	0.00	18.81
2019/20	8.59	2.29	7.43	0.00	18.31
2020/21	8.58	2.24	7.22	0.00	18.04

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

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.

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

CITY GOVERNMENT

The City was incorporated on March 19, 1885 and is governed by a Mayor and an eight-member Common Council. The Mayor is elected to a three-year term and the Alderpersons of the Common Council are elected to staggered two-year terms. The appointed staff of a City Administrator/Director of the Department of Development, City Clerk and Treasurer/Finance Administrator/Treasurer are responsible for administrative details and financial records.

EMPLOYEES; PENSIONS

The City employs a staff of 208 full-time, 77 part-time, and 34 seasonal employees. All eligible employees in the City 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.

City employees are generally required to contribute half of the actuarially determined contributions, and the City generally may not pay the employees' required contribution. During the fiscal year ended December 31, 2018 ("Fiscal Year 2018"), the fiscal year ended December 31, 2019 ("Fiscal Year 2019") and the fiscal year ended December 31, 2020 ("Fiscal Year 2020"), the City's portion of contributions to WRS (not including any employee contributions) totaled \$1,394,234, \$1,401,971 and \$1,614,772 respectively.

The City 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, 2019, the total pension liability of the WRS was calculated as \$108.87 billion and the fiduciary net position of the WRS was calculated as \$112.09 billion, resulting in a net pension asset of \$3.22 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 2020, the City reported an asset of \$4,321,084 for its proportionate share of the net pension asset of the WRS. The net pension asset was measured as of December 31, 2019 based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. The City's proportion was 0.13400969% of the aggregate WRS net pension asset as of December 31, 2019.

The calculation of the total pension asset 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 asset 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 City 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 City 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 City 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 City were to seek approval for a higher increase through a referendum). Ultimately, the City 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 City, 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 City:

Bargaining Unit	Expiration Date of Current Contract
West Bend Police Protective Association	December 31, 2021
West Bend Police Supervisors Association	December 31, 2021
Local 2025, International Association of Firefighters	December 31, 2021
Dispatcher and Clerical Association, Local 503	January 8, 2022

OTHER POST EMPLOYMENT BENEFITS

The City has obligations for some post-employment benefits for its employees. Accounting for these obligations is dictated by the Statement of Governmental Accounting Standards No. 74 and 75 (SGAS 74 and SGAS 75). The City's most recent actuarial study of its OPEB obligations shows a net OPEB liability of \$15,342,437 as of December 31, 2020. The City has been funding these obligations on a pay-as-you-go basis. There are no assets that have been segregated and restricted to provide for retiree medical benefits.

In the Police and Fire departments, there was a change made from the five years of health insurance coverage to a portable VEBA with monthly payments paid by the City.

In addition, the City 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 2020, the City's portion of contributions to the LRLIF totaled \$4,276. For Fiscal Year 2020, the City reported a liability of \$1,007,374 for its proportionate share of the net OPEB liability of the LRLIF. The net OPEB liability was measured as of December 31, 2019 based on the City's share of contributions to the LRLIF relative to the contributions of all participating employers. The City's proportion was 0.23657300% of the aggregate LRLIF net OPEB liability as of December 31, 2019.

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. E in "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

Sources: The City's most recent CAFR and actuarial study from Key Benefit Concepts, LLC.

LITIGATION

There is no litigation threatened or pending questioning the organization or boundaries of the City 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.

Property owners near the City's former Schuster Drive Landfill site have filed a class action lawsuit against the City, claiming that hazardous materials in the landfill have caused vapor intrusion issues for nearby properties. City investigations have shown a limited number of property owners have experienced issues. The City anticipates that any damages awarded as a result of the lawsuit would be covered by insurance.

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 City 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 City to file for relief under Chapter 9. If, in the future, the City were to file a bankruptcy case under Chapter 9, the relevant bankruptcy court would need to consider whether the City could properly do so, which would involve questions regarding State law authority as well as other questions such as whether the City is a municipality for bankruptcy purposes. If the relevant bankruptcy court concluded that the City 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 City; (b) to any particular assets of the City, or (c) to revenues otherwise designated for payment to holders of the Bonds.

Moreover, if the City 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 August 31, 2021)

Fund	Total Cash and Investments
General	\$ 15,105,964
Debt Service	918,015
Capital Projects	6,729,556
Water Utility	5,989,894
Sewer Utility	12,129,880
American Rescue Plan	1,651,962
Library	648,970
BID	278,423
Communications	1,152,967
Park & Rec	99,898
OPEB Trust	1,145,005
County Wide	252,619
Outreach Services	105,127
Library Trust	1,636
TIF 3	320,052
TIF 4	21,145
TIF 5	284,880
TIF 6	44,558
TIF 7	24,346
TIF 8	2,391
TIF 9	917,608
TIF 10	386,248
TIF 11	57,775
TIF 13	75,189
TIF 14	2,070,827
Park Trust	630,857
Economic Development	806,768
FAPS	59,167
 Total Funds on Hand	 <u><u>\$ 51,911,727</u></u>

ENTERPRISE FUNDS

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

	2018	2019	2020
Water			
Total Operating Revenues	\$ 4,860,605	\$ 4,823,275	\$ 4,896,326
Less: Operating Expenses	<u>(3,852,884)</u>	<u>(3,725,101)</u>	<u>(4,477,581)</u>
Operating Income	\$ 1,007,721	\$ 1,098,174	\$ 418,745
Plus: Depreciation	973,038	990,523	998,833
Interest Income	<u>79,697</u>	<u>120,956</u>	<u>28,042</u>
Revenues Available for Debt Service	<u><u>\$ 2,060,456</u></u>	<u><u>\$ 2,209,653</u></u>	<u><u>\$ 1,445,620</u></u>
Sewer			
Total Operating Revenues	\$ 3,653,453	\$ 3,583,596	\$ 4,126,700
Less: Operating Expenses	<u>(3,597,007)</u>	<u>(4,082,088)</u>	<u>(4,655,460)</u>
Operating Income	\$ 56,446	\$ (498,492)	\$ (528,760)
Plus: Depreciation	1,271,533	1,294,284	1,319,380
Interest Income	<u>255,296</u>	<u>343,245</u>	<u>161,357</u>
Revenues Available for Debt Service	<u><u>\$ 1,583,275</u></u>	<u><u>\$ 1,139,037</u></u>	<u><u>\$ 951,977</u></u>

SUMMARY GENERAL FUND INFORMATION

Following are summaries of the revenues and expenditures and fund balances for the City's General Fund. These summaries are not purported to be the complete audited financial statements of the City, and potential purchasers should read the included financial statements in their entirety for more complete information concerning the City. Copies of the complete audited financial statements are available upon request. See Appendix A for the City's 2020 audited financial statements.

COMBINED STATEMENT	FISCAL YEAR ENDING DECEMBER 31				
	2017 Audited	2018 Audited	2019 Audited	2020 Audited	2021 Adopted Budget ¹
Revenues					
Taxes and special assessments	\$14,440,488	\$14,611,782	\$15,303,501	\$15,956,892	\$ 16,686,255
Intergovernmental	3,654,285	3,883,978	3,905,454	4,902,056	3,488,560
Licenses and permits	890,385	735,713	836,724	765,724	753,465
Fines, forfeitures and penalties	412,772	434,522	412,815	280,116	410,600
Public charges for services	1,843,347	1,836,813	1,847,204	1,768,038	2,062,410
Intergovernmental charges for services	425,000	428,000	436,560	445,231	455,000
Investment income	173,786	268,131	360,636	180,776	273,500
Miscellaneous general revenues	302,178	425,455	309,891	203,851	130,028
Total Revenues	<u>\$22,142,241</u>	<u>\$22,624,394</u>	<u>\$23,412,785</u>	<u>\$24,502,684</u>	<u>\$ 24,259,818</u>
Expenditures					
Current:					
General government	\$ 4,453,746	\$ 4,388,187	\$ 4,636,756	\$ 4,611,678	\$ 4,922,970
Public safety	11,056,465	11,570,862	11,890,167	12,590,834	13,316,448
Public works	4,569,622	4,541,574	4,699,772	5,136,775	4,806,109
Leisure activities	1,459,749	1,545,041	1,483,938	1,850,476	1,449,627
Conservation and development	339,768	411,493	664,692	767,978	395,810
Capital Outlay	0	116,776	1,000,814	16,140	67,176
Debt Service	0	0	10,300	10,789	0
Total Expenditures	<u>\$21,879,350</u>	<u>\$22,573,933</u>	<u>\$24,386,439</u>	<u>\$24,984,670</u>	<u>\$ 24,958,140</u>
Excess of revenues over (under) expenditures	\$ 262,891	\$ 50,461	\$ (973,654)	\$ (481,986)	\$ (698,322)
Other Financing Sources (Uses)					
Proceeds from capital lease	0	0	0	1,410,205	0
Proceeds of sale of property	23,355	29,274	64,330	445,735	7,500
Transfers in	665,590	662,585	668,709	667,480	700,822
Transfers out	(167,408)	(172,208)	(171,945)	(509,639)	(10,000)
Total Other Financing Sources (Uses)	<u>\$ 521,537</u>	<u>\$ 519,651</u>	<u>\$ 561,094</u>	<u>\$ 2,013,781</u>	<u>\$ 698,322</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	\$ 784,428	\$ 570,112	\$ (412,560)	\$ 1,531,795	\$ 0
General Fund Balance January 1	7,438,604	8,223,032	8,793,144	8,380,584	9,912,379
Prior Period Adjustment					
Residual Equity Transfer in (out)					
General Fund Balance December 31	<u>\$ 8,223,032</u>	<u>\$ 8,793,144</u>	<u>\$ 8,380,584</u>	<u>\$ 9,912,379</u>	<u>\$ 9,912,379</u>
DETAILS OF DECEMBER 31 FUND BALANCE					
Nonspendable	1,468,705	1,243,055	1,177,107	2,902,401	
Restricted	255,244	295,964	335,115	339,192	
Committed	0	0	0	0	
Assigned	765,307	590,212	349,953	559,657	
Unassigned	5,733,776	6,663,913	6,518,409	6,111,129	
Total	<u>\$ 8,223,032</u>	<u>\$ 8,793,144</u>	<u>\$ 8,380,584</u>	<u>\$ 9,912,379</u>	

¹ The 2021 budget was adopted on November 9, 2020.

GENERAL INFORMATION

LOCATION

The City, with a 2010 U.S. Census population of 31,078 and a current estimated population of 32,269 comprises an area of 30 square miles and is located approximately 35 miles northwest of Milwaukee, Wisconsin. West Bend is the County Seat of Washington County.

LARGER EMPLOYERS¹

Larger employers in the City include the following:

Firm	Type of Business/Product	Estimated No. of Employees
West Bend Mutual Insurance	Property/casualty insurance company	1,268
Washington County	County government and services	834
West Bend Joint School District No. 1	Elementary and secondary education	821
St. Joseph's Hospital	Hospital	766
Wal-Mart	Retail	600
Serigraph Inc.	Commercial screen and lithograph printing	580
Cedar Community	Nursing and convalescent homes	550 ²
YMCA Kettle Moraine	Community service, health and fitness	333
The City	Municipal government and services	321
West Bend Clinic	Health care	311

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").

² Five locations in the City.

BUILDING PERMITS

	2017	2018	2019	2020	2021 ¹
<u>New Single Family Homes</u>					
No. of building permits	28	22	16	46	17
Valuation	\$6,909,649	\$4,644,297	\$4,073,120	\$10,830,661	\$4,078,150
<u>New Multiple Family Buildings</u>					
No. of building permits	18	17	13	16	17
Valuation	\$8,244,829	\$5,880,000	\$7,203,980	\$6,149,800	\$24,730,000
<u>New Commercial/Industrial</u>					
No. of building permits	36	4	42	6	7
Valuation	\$14,520,707	\$40,507,766	\$34,468,906	\$21,630,000	\$18,646,214
<u>All Building Permits</u>					
<i>(including additions and remodelings)</i>					
No. of building permits	419	380	417	529	370
Valuation	\$37,519,131	\$59,796,474	\$52,150,134	\$57,318,335	\$59,662,236

Source: The City.

¹ As of August 31, 2021.

U.S. CENSUS DATA

Population Trend: The City

2000 U.S. Census	28,152
2010 U.S. Census	31,078
2021 Estimated Population	32,269
Percent of Change 2000 - 2010	10.39%

Income and Age Statistics

	The City	Washington County	State of Wisconsin	United States
2019 per capita income	\$32,149	\$39,055	\$33,375	\$34,103
2019 median household income	\$60,910	\$77,663	\$61,747	\$62,843
2019 median family income	\$77,289	\$94,477	\$78,679	\$77,263
2019 median gross rent	\$858	\$908	\$856	\$1,062
2019 median value owner occupied units	\$174,500	\$236,200	\$180,600	\$217,500
2019 median age	39.1 yrs.	43.2 yrs.	39.5 yrs.	38.1 yrs.

	State of Wisconsin	United States
City % of 2019 per capita income	96.33%	94.27%
City % of 2019 median family income	98.23%	100.03%

Housing Statistics

	<u>The City</u>		
	2010	2019	Percent of Change
All Housing Units	13,593	13,890	2.18%

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

Year	<u>Average Employment</u>		<u>Average Unemployment</u>		
	The City	Washington County	The City	Washington County	State of Wisconsin
2017	16,583	75,334	3.0%	2.8%	3.3%
2018	16,497	75,285	2.8%	2.6%	3.0%
2019	16,350	74,867	3.1%	2.8%	3.3%
2020	15,603	71,445	6.2%	5.6%	6.3%
2021, July ¹	16,430	75,848	3.9%	3.3%	4.1%

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

City of West Bend, Wisconsin

Comprehensive Annual Financial Report

Year Ended December 31, 2020

Prepared by the Finance Department:
Carrie Winklbauer, CPA – Finance Administrator

City of West Bend

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City of West Bend

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FINANCE DEPARTMENT

1115 South Main Street • West Bend, WI 53095
Phone: (262)335-5118 • Fax: (262)306-3104
<https://www.ci.west-bend.wi.us>

June 10, 2021

Dear Mayor Jenkins, Members of Common Council, and Citizens of West Bend,

Wisconsin Statutes and the Wisconsin Administrative Code require that municipalities with a population greater than 25,000 publish at the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. The attached Comprehensive Annual Financial Report of the City of West Bend for the fiscal year ended December 31, 2020 satisfies these requirements.

Management assumes full responsibility for the completeness and reliability of the information contained in this report. In order to provide a reasonable basis for this representation, management has established and maintained a framework of internal control procedures. These procedures are designed to protect the City's assets and ensure that reliable accounting data is compiled to allow for accurate preparation of financial statements in conformity with GAAP. The objective of internal controls is to provide reasonable assurance that the financial statements are free of any material misstatements. To the best of our knowledge, the presented data is complete and reliable in all material aspects and presents fairly the financial position and results of the City of West Bend for the year ended December 31, 2020.

The City of West Bend retained the services of Baker Tilly US, LLP to perform its annual audit. Baker Tilly US, LLP concluded that the City's financial statements for the year ended December 31, 2020 are fairly presented in accordance with GAAP. The auditor's opinion is located at the front of the Financial Section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.



PROFILE OF THE CITY OF WEST BEND

The City of West Bend is located in Washington County, approximately 32 miles northwest of the City of Milwaukee, in the southeast corner of Wisconsin. The City of West Bend was incorporated in 1885 and was known as the rest stop as the halfway point for travelers going from Milwaukee to Fond du Lac. The City covers approximately 15.71 square miles and has a population of 32,058 as of January 1, 2020 per the State of Wisconsin Department of Administration.

The City of West Bend operates under the Mayor-Council form of government. The Common Council consists of eight alderpersons, in which each represents a district and serves a two-year term that is staggered among the eight alderpersons. The Mayor is elected to serve a three-year term. The City Administrator is appointed by the Council and is responsible for the day-to-day operations of the City of West Bend.

The City of West Bend provides numerous services typical of municipal governments. This includes police, fire, emergency medical services, street maintenance, refuse and recycling collection, public library, parks and recreation activities, planning and zoning enforcement, economic development, inspection services, and financial and general administration services. The City operates Water and Sewer Utilities as enterprise funds.

The City adopts an annual Operating Budget, which serves as the foundation of the City's financial planning and control. Department budgets are prepared on an annual basis by department heads and submitted to Finance and Administration for review in August. The Finance Department then reviews the individual department budgets. A meeting is then scheduled with the City Administrator, Finance Department staff, and respective department to discuss the department budgets in more detail. Adjustments are made at this point during the compilation of the Operating Budget. The Finance Department then creates the Operating Budget document and a summary budget for the Common Council to review. The budget document is prepared by fund, function (ex: Public Safety, etc.), and department (ex: Police). The Operating Budget is adopted in November by the Common Council. Department heads may transfer resources within a department as they see fit. Transfers between departments, however, need special approval from Common Council.

FACTORS AFFECTING FINANCIAL CONDITION

Local Economy

The City continues to experience moderate and controlled growth in terms of the residential, commercial, and manufacturing sectors. The change in equalized value of property within the City has averaged a 5.8% increase per year since 2016. The increases in equalized value for residential, commercial, and manufacturing class real property averaged 5.52%, 7.2%, and 4.0% respectively over that same period. The value of net new construction as a percentage of total property value in the City has averaged 1.94% over the last five years. This managed growth was based on past infrastructure investment with no significant additional expenditures required.

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Residential growth has included an average of 88.2 dwelling units per year since 2016. Single and two family residential development have occurred within previously platted subdivisions with 78 dwelling units constructed in 2020. Multifamily residential growth has been focused within the redevelopment portions around the downtown area. Commercial construction remains consistently strong with \$47,236,191 million in development in 2019 and \$31,111,940 million in development investment occurring within 2020. Despite regional trends, the City has completed the construction of a 190,000 sq. ft. big-box retail commercial store (Fleet Farm \$25.6M) within 2019. Substantial service and retail commercial related construction activities have continued, including a medical center (Froedtert \$26.7M) and other service related businesses (Taco Bell, three Kwik Trip stores, Dunkin Donuts, Dairy Queen, and Marriott Hotel). Manufacturing sector investment has continued with expansions/retooling (HE Tool & Die, Metalcraft, and Badger Packaging) as well as new site construction (East Side Self Storage). Industrial development is hampered by an insufficient supply of medium to large scale industrial sites for development. In response, the City has acquired and started development of a 200+ acre industrial park to meet this need and to continue the long term development of the City's manufacturing employment base. Construction of a 90,700 sq. ft. manufacturing facility for Milwaukee Tool Corporation will be completed within the newly completed West Bend Manufacturing Center in 2021.

Public and private investment occurred within the downtown portion of the City continuing the growth in activity and investment of this vibrant economic center. Completion of the restoration of the historic West Bend Theatre (\$3.2M) and improvements to the downtown Riverwalk and associated parkways have spurred reinvestment in this traditional downtown environment. A development commitment for a \$27.5 million mixed-use development on the former brewery site was approved in 2021 continuing the downtown redevelopment effort.

Financial Planning

The City of West Bend Finance Department and Administration annually update the City's Five-year Financial Plan in accordance with the Government Finance Officers Association (GFOA) Budget Document criteria guidelines. The most current financial plan is published in the City's annual Operating Budget. The financial plan incorporates several financial policies that the City of West Bend Common Council has approved and is committed to ensuring compliance.

The City adopts an annual Capital Budget and publishes a Five-Year Capital Plan in its Operating Budget. The overall goal of the City is to pay down more debt than what is being borrowed annually. The City borrowed additional funds in 2020 for the new Tax Increment District 14. Common Council recently approved a revision to the Debt Management Policy, which states that the percentage of debt limit to general obligation debt shall be 10% below the median value for comparative municipalities in Wisconsin as defined by the policy. This guideline limits the annual borrowing for capital projects. The majority of the annual borrowing for capital projects is used towards maintaining roads. Management reviews capital planning and the funding of the plan with a combination of borrowing and using funds on hand.

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Long-range financial planning involves analysis of current and projected General Fund revenues and expenses, changes in assumptions, and monitoring of the projected undesignated fund balance to verify that the assumptions still fall within the City of West Bend's fund balance policy. Standard & Poor's (S&P) Global Ratings upgraded the City's bond rating to an AA in early 2020. This rating is due to a healthy unassigned fund balance and conservative financial management of the City of West Bend.

Financial Policies

Common Council has approved the following financial policies for the City of West Bend:

- **Fund Balance** – adopted this policy in 2014 to serve as a guide to improve the undesignated fund balance. This policy was updated in 2019 to reflect that the fund balance shall be maintained at the GFOA minimum of 17% of the subsequent year's budgeted general fund expenditures to a targeted maximum of 10% above the median value for comparative municipalities in Wisconsin as defined by the policy. The 2019 median value percentage was 29.5%. The City is currently at 24.48% as of December 31, 2020.
- **Debt Management Policy** – adopted in 2014 to reduce the overall City's borrowing over the ensuing years. Common Council limited total general obligation debt to no higher than 20% of non-capital expenditures. Currently, the City of West Bend is higher than the percentage listed, at 27.20%. The City strives to reduce this percentage to abide by this policy. During 2019 this policy was updated to include the percentage of debt limit to general obligation debt shall be 10% below the median value for comparative municipalities in Wisconsin as defined by the policy. The most recent calculation for this reference median computation was for 2016 at 45%.
- **Balanced Budget Policy** – adopted in 2017 as a recommendation from the Government Finance Officers Association (GFOA) *Building a Better Budget Document* book. This policy states the various ways that the General Fund Operating Budget, Special Revenue Funds Budgets, and Enterprise Budgets are considered balanced.
- **Investment Policy** – This policy serves as a guideline for the framework of the City's daily investment activities. This policy follows the guidelines in the Wisconsin State Statutes and requires collateralization of 102% of the value of the City's investments.
- **Purchasing Policy** – updated in 2015 to incorporate new credit card purchasing guidelines and the new credit card rebate program being implemented. This policy provides guidelines for the City on purchases of goods, purchasing procedures, public works construction, seminars & training reimbursements, petty cash procedures, credit card purchases, and disposal of surplus property.

All of these financial policies are updated as necessary and followed by the various departments at the City of West Bend.

Impact of COVID-19

The City of West Bend continues to monitor the number of confirmed cases of COVID-19 within the city limits and applies updates to policies/procedures according to recommendations from the Centers for Disease Control and Prevention (CDC) and the Washington Ozaukee County Health Department. The effects of COVID-19 on the City's operations were seen in several General Fund revenue accounts in 2020. The municipal court fines and penalties were significantly down during COVID in 2020. Another revenue account that fell under budget was the Uncollectible AR revenue account. Payments on old, written-off ambulance bills and other invoices owed to the City are collected through the State Debt Collection Program (SDC). Due to COVID, this program ceased collections on many accounts, thus reducing revenues for the City. Another fund that was also affected by COVID was the Room Tax Fund, which is supported by room tax funds from local hotels in the City. The hotels had a significant decrease in room reservations, therefore decreasing the City's portion of the room tax proceeds. The Recreation Fund was also affected due to COVID. The largest fundraiser for the Parks Department, the Dirty Ninja Mud Run for Kids, was cancelled in 2020. The Recreation Fund lost approximately \$61,000 in revenue in 2020 for cancelling this large event. The swimming pond was also closed in 2020 for swimming. The Water and Sewer Utilities also lost penalty revenues of ~\$89,000 during COVID in 2020 due to the Public Service Commission (PSC) authorizing a temporary hold in charging late penalties from March through October.

The City of West Bend has implemented many updates and changes at City Hall and other municipal locations in order to keep staff and residents entering the buildings safe during the COVID-19 pandemic. Permanent glass was installed at all customer service counters. The City Clerks Department was relocated to the front area of City Hall to accommodate absentee in-person voting while maintaining social distance spacing. Additional cleaning of all areas in the buildings has been incorporated into the daily routine of maintenance staff. Hand sanitizer stations have been installed around the municipal buildings. A mask policy was implemented for all City buildings, and signs were posted around all municipal buildings. Common Council meetings were held virtually for many months. Park and Recreation programs also ran virtually for select sports/activities. Library staff implemented curbside pick-up to encourage reading during the pandemic. Each department at the City of West Bend has been collaborating and working together to maintain the safety of staff and residents during the COVID-19 pandemic.

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 City of West Bend for its comprehensive annual financial report for the fiscal year ended December 31, 2019. This was the second year the City has achieved this prestigious award. 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 preparation of this report was made possible by the dedicated services of the entire staff of the City of West Bend's Finance Department and the advice of the independent auditors, Baker Tilly US, LLP. We would also like to thank the Mayor and the Common Council for their continued support of the financial operations of the City.

Respectfully submitted,

Carrie Winklbauer

Carrie Winklbauer, CPA
Finance Administrator



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

**City of West Bend
Wisconsin**

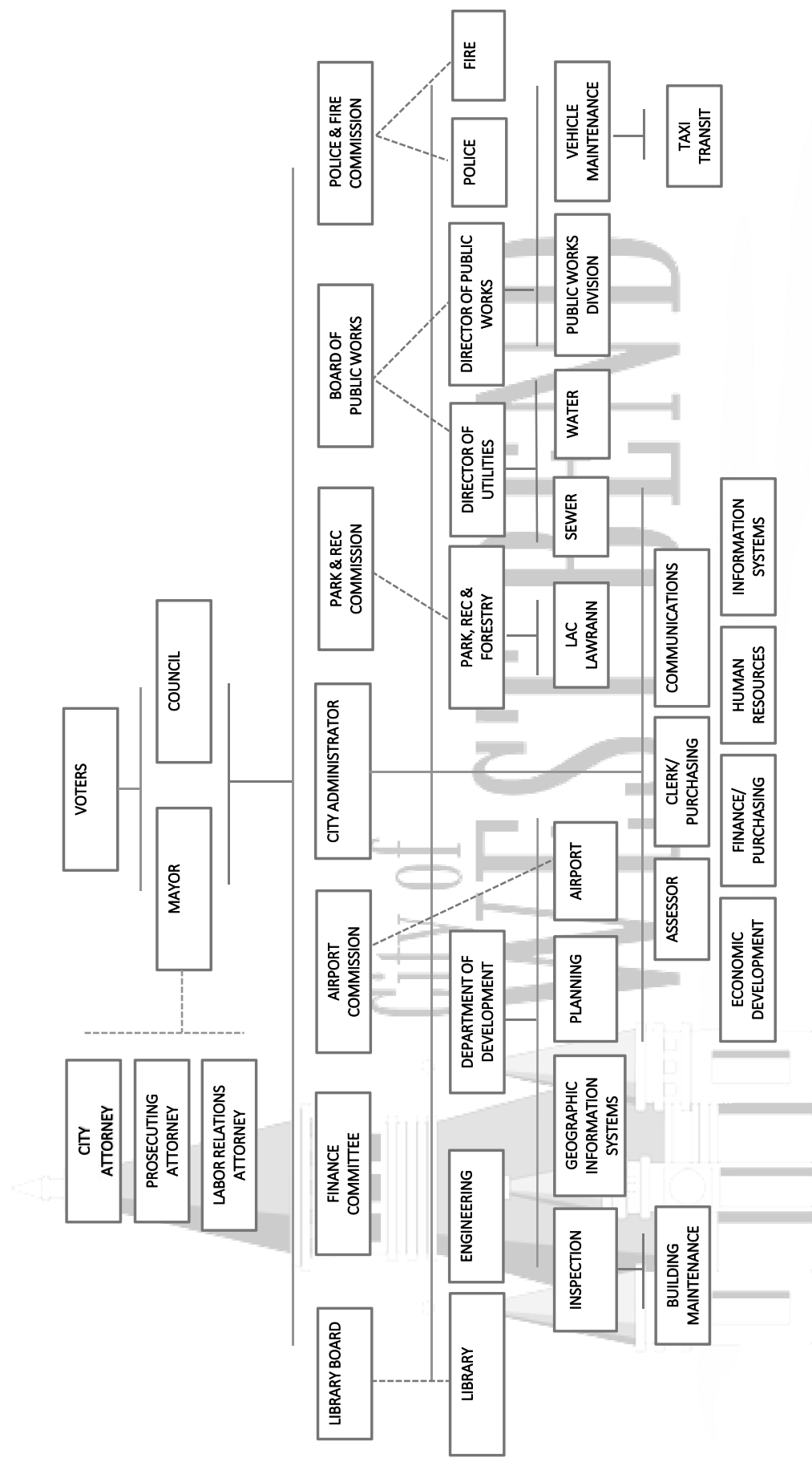
For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morill

Executive Director/CEO

CITY OF WEST BEND ORGANIZATIONAL CHART



DIRECTORY OF OFFICIALS (as of April 2021)

MAYOR

Christophe E. Jenkins



COMMON COUNCIL

John Butschlick - District 1



Mark Allen - District 2



Brett Bergquist - District 3



Randall Koehler - District 4



Jed Dolnick - District 5



Tracy Ahrens - District 6



Justice Madl - District 7



Meghann Kennedy - District 8



DEPARTMENT HEADS

Jay Shambeau

City Administrator

Amy Ajack

IS Administrator

Michelle Hoey

Human Resources Director

Mike Jentsch

Parks, Recreation and Forestry Director

Stephanie Justmann

City Clerk

Gerald Kudek

Fire Chief

Max Marechal

City Engineer

Ken Meuler

Police Chief

Ruth Mueller

Utilities Director

Doug Neumann

Public Works Director

Mark Piotrowicz

Development Director

Steve Thiry

Library Director

Jessica Wildes

*Communications and Economic
Development Director*

Carrie Winklbauer

Finance Administrator

Jeff Yoder

City Assessor

ISSUING COMPREHENSIVE ANNUAL FINANCIAL REPORT

Carrie Winklbauer, CPA, Finance Administrator

Amy Miller, Deputy Finance Administrator

Julie Wolf, Accountant

Independent Auditors' Report

To the City Council of
City of West Bend

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 City of West Bend, Wisconsin, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City of West Bend's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 over financial reporting relevant to the City of West Bend'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 City of West Bend's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of West Bend, Wisconsin, as of December 31, 2020 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the 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 City of West Bend'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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of West Bend's basic financial statements. The introductory and statistical sections as listed in the table of contents 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.

Other Reporting Required by Government Auditing Standards

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



Madison, Wisconsin
June 10, 2021

CITY OF WEST BEND

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2020

UNAUDITED

As management of the City of West Bend, we offer readers of the City of West Bend's financial statements this narrative overview and analysis of the financial activities of the City of West Bend for the fiscal year ended December 31, 2020.

Financial Highlights

- The assets and deferred outflows of resources of the City of West Bend exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$171,784,416 (net position). Of this amount, there is \$12,186,563 of unrestricted net position.
- The City's total net position increased by \$994,213.
- At the close of the current fiscal year, the City of West Bend's governmental funds reported combined ending fund balances of \$14,645,526, an increase of \$3,116,009 from the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$6,111,129, or 24% of total 2021 budgeted General Fund expenditures.
- The City's General Obligation debt increased by \$2,828,920 during 2020, and total debt increased by \$4,229,799 due to new capital leases for the Fire Department and the Airport.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of West Bend's basic financial statements. The City of West Bend's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Government-wide Financial Statements: The government-wide financial statements are designed to provide readers with a broad overview of the City of West Bend's finances, in a manner similar to a private-sector business.

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

The statement of activities presents information showing how the City'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).

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CITY OF WEST BEND

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2020

UNAUDITED

Both of the government-wide financial statements distinguish functions of the City of West Bend 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 City of West Bend include general government, public safety, public works, leisure activities, and community development.

The business-type activities of the City of West Bend include the Water Utility and Sewer Utility.

The government-wide financial statements include not only the City of West Bend itself (known as the primary government) but also a legally separate Business Improvement District for which the City of West Bend is financially accountable. Financial information for the component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 1-2 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 City of West Bend, 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 City of West Bend 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.

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

The City of West Bend maintains twenty-five governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, the debt service fund, and the capital projects fund which are considered major funds. Data from the other twenty-two governmental funds are combined into a single, aggregated presentation. Nonmajor governmental fund data is provided in the form of combining statements elsewhere in this report.

The City of West Bend adopts an annual appropriated budget for various funds. Amendments are made during the year to the adopted budgets. Budgetary comparison statements have been provided in the required supplementary information and supplementary information.

The basic governmental fund financial statements can be found on pages 3-6 of this report.

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CITY OF WEST BEND

MANAGEMENT'S DISCUSSION AND ANALYSIS December 31, 2020 UNAUDITED

Proprietary funds. The City of West Bend uses enterprise funds to account for its Water and Sewer Utilities. Enterprise funds are used to report the same functions as business type activities in the government-wide financial statements. The Water Utility and Sewer Utility are considered to be major funds of the City of West Bend.

The basic proprietary fund financial statements can be found on pages 7-10 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 City of West Bend's own programs. The only fiduciary funds maintained by the City of West Bend include an OPEB Trust fund as well as a Custodial – Tax Collection Fund which records the tax roll and tax collections for other taxing jurisdictions within the City of West Bend. The accounting used for fiduciary funds is much like that used for governmental funds.

The basic fiduciary fund financial statements can be found on pages 11-12 of this report.

Notes to 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 13-62 of this report.

Supplementary Information: The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 77-84 of this report.

Government-wide Financial Analysis: Net position may serve over time as a useful indicator of a government's financial position. At year-end, the City of West Bend's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$171,784,416.

The largest portion of the City of West Bend's net position (\$152,639,083) is its net investment in capital assets (land, buildings, machinery, equipment, and infrastructure). The City used these capital assets to provide services to citizens, and therefore these assets are not available for future spending. Although the City of West Bend's investment in its capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other resources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City of West Bend's net position represents restricted net position (\$6,958,770), or resources that are subject to external restrictions on how they may be used. The remaining portion of unrestricted net position is \$12,186,563.

At the end of the current fiscal year, the City of West Bend is able to report positive balances in all categories of net position for the business-type activities, and in governmental activities, for its net investment in capital assets and restricted net position.

There was an increase of \$3,854,299 in restricted net position. This increase is due mainly to the shift from a net pension liability in 2019 to a net pension asset in 2020, which requires restricted net position equal to the amount of the net pension asset.

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CITY OF WEST BEND

MANAGEMENT'S DISCUSSION AND ANALYSIS December 31, 2020 UNAUDITED

The governmental activities' net position increased by \$919,679 during the current fiscal year.

City of West Bend Net Position December 31, 2020 and 2019

	Government Activities		Business-Type Activities		Total	
	2019	2020	2019	2020	2019	2020
Current and Other Assets	\$ 39,268,641	\$ 48,755,817	\$ 23,585,699	\$ 24,931,090	\$ 62,854,340	\$ 73,686,907
Capital Assets	147,902,753	149,293,238	50,835,239	50,512,169	198,737,992	199,805,407
Total Assets	187,171,394	198,049,055	74,420,938	75,443,259	261,592,332	273,492,314
Unamortized loss on refunding	605,911	472,714	-	-	605,911	472,714
Pension related items	11,625,064	9,334,841	1,105,947	835,394	12,731,011	10,170,235
OPEB related items	680,414	2,171,533	1,168,399	124,580	1,848,813	2,296,113
Total Deferred Outflows	12,911,389	11,979,088	2,274,346	959,974	15,185,735	12,939,062
Long-term Liabilities	63,483,801	65,254,064	5,186,252	4,646,442	68,670,053	69,900,506
Current and Other Liabilities	3,019,154	2,595,338	831,959	550,675	3,851,113	3,146,013
Total Liabilities	66,502,955	67,849,402	6,018,211	5,197,117	72,521,166	73,046,519
Pension related items	5,888,695	11,926,703	547,011	1,012,408	6,435,706	12,939,111
OPEB related items	2,397,895	2,104,294	102,304	91,416	2,500,199	2,195,710
Unearned revenues	24,530,793	26,465,620	-	-	24,530,793	26,465,620
Total Deferred Inflows	32,817,383	40,496,617	649,315	1,103,824	33,466,698	41,600,441
Net Investment in Capital Assets	109,112,415	106,737,618	46,689,492	46,658,474	154,852,838	152,639,083
Restricted	2,385,896	6,298,244	718,575	660,526	3,104,471	6,958,770
Unrestricted (deficit)	(10,735,866)	(11,353,738)	22,619,691	22,783,292	12,832,894	12,186,563
Total Net Position	\$100,762,445	\$101,682,124	\$70,027,758	\$70,102,292	\$170,790,203	\$171,784,416

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CITY OF WEST BEND

MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2020
UNAUDITED

Changes in Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2019	2020	2019	2020	2019	2020
Revenues						
Program revenues:						
Charges for services	\$ 4,954,696	\$ 4,265,006	\$ 8,408,120	\$ 9,025,381	\$ 13,362,816	\$ 13,290,387
Operating grants/contribution	3,036,879	3,769,125	-	-	3,036,879	3,769,125
Capital grants/contribution	2,246,455	2,006,768	-	84,123	2,246,455	2,090,891
Total Program Revenue	10,238,030	10,040,899	8,408,120	9,109,504	18,646,150	19,150,403
General revenues:						
Property taxes	24,745,400	24,278,810	-	-	24,745,400	24,278,810
Other taxes	176,412	508,955	-	-	176,412	508,955
Intergovernmental revenues	2,066,911	2,332,085	-	-	2,066,911	2,332,085
Investment income	619,721	263,411	464,201	189,399	1,083,922	452,810
Miscellaneous	272,904	715,130	12,701	111,086	285,605	826,216
Total General revenue	27,881,348	28,098,391	476,902	300,485	28,358,250	28,398,876
Total revenues	38,119,378	38,139,290	8,885,022	9,409,989	47,004,400	47,549,279
Program expenses						
General government	4,839,019	5,214,375	-	-	4,839,019	5,214,375
Public safety	13,474,781	11,935,794	-	-	13,474,781	11,935,794
Public works	9,205,845	10,526,514	-	-	9,205,845	10,526,514
Leisure activities	4,899,901	4,717,386	-	-	4,899,901	4,717,386
Conservation and development	2,893,590	3,328,744	-	-	2,893,590	3,328,744
Interest and fiscal charges	1,222,489	1,614,343	-	-	1,222,489	1,614,343
Water	-	-	3,836,001	4,557,229	3,836,001	4,557,229
Sewer	-	-	4,088,532	4,660,681	4,088,532	4,660,681
Total expenses	36,535,625	37,337,156	7,924,533	9,217,910	44,460,158	46,555,066
Increase (decrease) before transfers	1,583,753	(361,032)	960,489	192,079	2,544,242	(168,953)
Transfers	639,281	117,545	(639,281)	(117,545)	-	-
Change in Net Position	2,223,034	919,679	321,208	74,534	2,544,242	994,213
Net Position – Beginning of Year	98,539,411	100,762,445	69,706,550	70,027,758	168,245,961	170,790,203
Net Position – End of Year	\$100,762,445	\$101,682,124	\$70,027,758	\$70,102,292	\$170,790,203	\$171,784,416

CITY OF WEST BEND

MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2020
UNAUDITED

Governmental Activities: The net position in the governmental activities increased by \$919,679 during the fiscal year. This increase was due to recording pension related items for GASB68.

Business-type Activities: Business-type activities increased the City of West Bend's net position by \$74,534. This increase was due to recording pension related items for GASB68.

Financial Analysis of the Government Funds: As noted earlier, the City of West Bend uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Government Funds: The focus of the City of West Bend's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of West Bend's financial requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

As of the end of the current fiscal year, the City of West Bend's governmental funds reported combined ending fund balances of \$14,645,526, an increase of \$3,116,009. Approximately \$2.4 million of this total fund balance constitutes unassigned fund balance. For 2020, \$559,657 of fund balance was assigned for use in the General Fund budget.

The general fund is the chief operating fund of the City of West Bend. At the end of the current fiscal year, unassigned fund balance of the general fund was \$6,111,129, while total general fund balance was \$9,912,379. Unassigned fund balance represents 24% of total 2021 budgeted general fund expenditures, while total fund balance represents 40% of total 2021 budgeted general fund expenditures.

General Fund revenues and other financing sources were greater than expenditures and other financing uses by \$1,531,795. The Debt Service fund balance at year end was \$700,147, an increase of \$53,861 from the prior year. The Capital Projects fund balance decreased by \$583,624 from the prior year to \$1,891,774 due primarily to a decrease in unspent debt proceeds.

Proprietary Funds: The City of West Bend's proprietary funds provide the same type of information found in the government-wide statements.

Unrestricted net position of the Water Utility at the end of the year amounted to \$5,347,144 and for the Sewer Utility \$17,436,148. The total decrease in net position for the Water Utility was \$206,545. The total increase in net position for the Sewer Utility was \$281,079.

General Fund Budgetary Highlights

Revenues

- Investment income below budget by \$69,683.
- Building permits revenues above budget by \$22,600.
- Municipal court fines and penalties below budget by \$165,919.
- Ambulance fees below budget by \$53,850.
- Payment in lieu of taxes from Water Utility below budget by \$2,978.
- State Shared Revenue was cut by \$47,616.
- Uncollectible receivable collected below budget by \$53,975.

CITY OF WEST BEND

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2020

UNAUDITED

Expenditures

- Health insurance above final budget by \$5,513.
- Police costs below budget by \$667,396.
- Fire costs below budget by \$315,852.
- 2020 Public Works type expenditures within General Fund above budget by \$183,120, due to landfill costs being over budget.
- Within authorized statutory debt limits at 31% at EOY.

Capital Asset and Debt Administration

Capital Assets: The City of West Bend's investment in capital assets for its governmental and business-type activities as of December 31, 2020 amounts to \$199,805,407 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, machinery and equipment, construction in progress, and infrastructure. Infrastructure includes streets, bridges, sidewalks, drainage systems, sewer lines, and other infrastructure. Capital assets net of accumulated depreciation increased \$1,067,415 during 2020. The increase in capital assets was due to the purchase of land for TIF 14. Please refer to footnote disclosure Note 3 for more information regarding capital assets.

City of West Bend's Capital Assets (Net of Accumulated Depreciation) December 31, 2020 and 2019

	Governmental Activities		Business-Type Activities		Total	
	2019	2020	2020	2020	2019	2020
Land and Improvements	\$ 17,071,771	\$ 19,920,340	\$ 552,571	\$ 552,571	\$ 17,624,342	\$ 20,472,911
Right of Way	40,346,764	40,511,677	-	-	40,346,764	40,511,677
Buildings	19,129,953	18,457,206	-	-	19,129,953	18,457,206
Machinery and Equipment	7,865,512	7,741,283	-	-	7,865,512	7,741,283
Infrastructure	63,305,812	62,329,905	-	-	63,305,812	62,329,905
Construction in Progress	182,941	332,827	495,260	321,258	678,201	654,085
Water Utility Plant	-	-	26,564,328	26,064,005	26,564,328	26,064,005
Sewer Utility Plant	-	-	23,223,080	23,574,335	23,223,080	23,574,335
Total	\$147,902,753	\$149,293,238	\$ 50,835,239	\$ 50,512,169	\$198,737,992	\$199,805,407

Long Term Debt: At the end of the current fiscal year, the City of West Bend had total debt outstanding of \$51,251,614. Of this amount, \$49,831,375 represents general obligation debt, which is secured by the taxing authority of the city, and \$1,420,239 represents capital lease agreements for the Police Department, Fire Department, and the Airport. The City's total outstanding general obligation debt increased by \$2,828,920 due to the additional borrowing for TIF 14. Please refer to footnote disclosure Note 3 for more information regarding long-term obligations.

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CITY OF WEST BEND

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2020

UNAUDITED

Economic Factors

- The unemployment rate for the City of West Bend was 6.3% in December 2020. This compares to the state's average unemployment rate of 6.3% and the national average rate of 6.7% (no seasonal adjustments to these rates).
- Equalized value increased approximately 8% for 2020 showing continued increase over the past several years.
- Continued emphasis on downtown/brownfield redevelopment in TIF District Nos. 5, 10, and 12.
- Tax increment levy sharing from TIF District Nos. 4 and 6 to TIF District Nos. 5 and 9 will continue in future years.
- Building permit activity for residential construction continued showing signs of growth along with reasonable activity expected for commercial/industrial construction.
- Approximately \$31 million of new construction value expected from 2020 activity to be applied to 2021 tax bills.
- TIF District 14 was created in early 2020. The district is comprised of 216 acres on the southeast corner of the City and is referred to as the West Bend Manufacturing Center. Milwaukee Tool was the first to purchase 20 acres in TIF 14 and will construct a 94,700 sq. ft. facility. The initial investment is estimated at \$26M. Milwaukee Tool will create 50 full-time jobs in West Bend within three years and is projected to provide up to 100 jobs by 2025.

In December 2019, a novel strain of coronavirus was reported in Wuhan, Hubei province, China. In the first several months of 2020, the virus, SARS-CoV-2, and resulting disease, COVID-19, spread to the United States, including to areas impacting the City. The City's evaluation of the effects of these events is ongoing; however we anticipate this situation could impact future collections of municipal court fines and ambulance revenues.

The extent of the impact of COVID-19 on the City's operational and financial performance will depend on future developments, including the duration and spread of the outbreak and related governmental or other regulatory actions. The City anticipates future funding in 2021 and 2022 from the American Rescue Plan Act of approximately \$3 million to continue to address the impacts of COVID-19.

2021 Budget Outlook

- The City did not need to use fund balance for 2020 tax rate that funds the 2021 Operating Budget and looks to continue the trend of growing the unrestricted fund balance to a healthy level.
- The City looks to reduce overall general obligation debt.
- Attention to tax rate stabilization will likely continue for future budgets.

Requests for Information: This financial report is designed to provide a general overview of the City of West Bend'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:

Finance Administrator
City of West Bend
1115 South Main Street
West Bend, WI 53095

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City of West Bend
Statement of Net Position

December 31, 2020

	Primary Government			
	Governmental	Business -		Component
	Activities	Type	Total	Unit
		Activities		
ASSETS				
Cash and investments	\$ 16,012,925	\$ 16,912,265	\$ 32,925,190	\$ 227,018
Taxes receivable	26,448,406	-	26,448,406	103,495
Special assessments receivable	163,245	938,320	1,101,565	-
Other receivables (net)	2,088,308	1,829,636	3,917,944	1,297
Loans receivable	623,594	-	623,594	-
Internal balances	(4,103,037)	4,103,037	-	-
Due from component units	7,069	-	7,069	-
Prepaid items and inventories	2,663,611	111,359	2,774,970	-
Land held for resale	507,000	-	507,000	-
Other assets	-	375,947	375,947	-
Restricted Assets				
Cash and investments	372,410	311,728	684,138	-
Net pension asset	3,972,286	348,798	4,321,084	-
Capital Assets				
Land	14,656,650	552,571	15,209,221	-
Right of ways	40,511,677	-	40,511,677	-
Construction in progress	332,827	321,258	654,085	-
Other capital assets, net of depreciation	93,792,084	49,638,340	143,430,424	-
Total Assets	<u>198,049,055</u>	<u>75,443,259</u>	<u>273,492,314</u>	<u>331,810</u>
DEFERRED OUTFLOWS OF RESOURCES				
Unamortized loss on refunding	472,714	-	472,714	-
Pension related items	9,334,841	835,394	10,170,235	-
OPEB related items	<u>2,171,533</u>	<u>124,580</u>	<u>2,296,113</u>	<u>-</u>
Total Deferred Outflows of Resources	<u>11,979,088</u>	<u>959,974</u>	<u>12,939,062</u>	<u>-</u>
LIABILITIES				
Accounts payable and other current liabilities	2,595,338	550,676	3,146,014	-
Due to primary government	-	-	-	7,069
Noncurrent liabilities				
Due within one year	7,550,244	509,539	8,059,783	-
Due in more than one year	44,463,448	3,516,088	47,979,536	-
Net OPEB liability	<u>13,240,372</u>	<u>620,814</u>	<u>13,861,186</u>	<u>-</u>
Total Liabilities	<u>67,849,402</u>	<u>5,197,117</u>	<u>73,046,519</u>	<u>7,069</u>
DEFERRED INFLOWS OF RESOURCES				
Pension related items	11,926,703	1,012,408	12,939,111	-
OPEB related items	2,104,294	91,416	2,195,710	-
Unearned revenues	<u>26,465,620</u>	<u>-</u>	<u>26,465,620</u>	<u>103,495</u>
Total Deferred Inflows of Resources	<u>40,496,617</u>	<u>1,103,824</u>	<u>41,600,441</u>	<u>103,495</u>
NET POSITION				
Net investment in capital assets	106,737,618	46,658,474	152,639,083	-
Restricted for loans	145,857	-	145,857	-
Restricted for tourism	12,364	-	12,364	-
Restricted for donations	497,900	-	497,900	-
Restricted for future HRA payments	304,177	-	304,177	-
Restricted for library	821,300	-	821,300	-
Restricted for pension	3,972,286	348,798	4,321,084	-
Restricted for replacement	-	311,728	311,728	-
Restricted for TIF related projects	544,360	-	544,360	-
Unrestricted (deficit)	<u>(11,353,738)</u>	<u>22,783,292</u>	<u>12,186,563</u>	<u>221,246</u>
TOTAL NET POSITION	<u>\$ 101,682,124</u>	<u>\$ 70,102,292</u>	<u>\$ 171,784,416</u>	<u>\$ 221,246</u>

See notes to financial statements

City of West Bend

Statement of Activities
Year Ended December 31, 2020

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Component Unit
					Governmental Activities	Business-Type Activities	Total
Primary Government							
Governmental Activities							
General government	\$ 5,214,375	\$ 486,161	\$ 160,578	\$ -	\$ (4,567,636)	\$ -	\$ (4,567,636)
Public safety	11,935,794	2,334,844	561,311	350	(9,039,289)	-	(9,039,289)
Public works	10,526,514	793,399	1,872,414	1,956,418	(5,904,283)	-	(5,904,283)
Leisure activities	4,717,386	170,672	1,174,822	-	(3,371,892)	-	(3,371,892)
Conservation and development	3,328,744	479,930	-	50,000	(2,798,814)	-	(2,798,814)
Interest and fiscal charges	1,614,343	-	-	-	(1,614,343)	-	(1,614,343)
Total Governmental Activities	37,337,156	4,265,006	3,769,125	2,006,768	(27,296,257)	-	(27,296,257)
Business-Type Activities							
Water	4,557,229	4,896,326	53,720	-	-	392,817	392,817
Sewer	4,660,681	4,129,055	25,207	84,123	-	(422,296)	(422,296)
Total Business-type Activities	9,217,910	9,025,381	78,927	84,123	-	(29,479)	(29,479)
Total Primary Government	\$ 46,555,066	\$ 13,290,387	\$ 3,848,052	\$ 2,090,891	(27,296,257)	(29,479)	(27,325,736)
Component Units							
Business Improvement District	\$ 42,579	\$ -	\$ 107,294	\$ -	-	-	-
General Revenues							
Taxes							
Property taxes, levied for general purposes					15,799,484	-	15,799,484
Property taxes, levied for special revenue funds					716,985	-	716,985
Property taxes, levied for debt service					3,442,319	-	3,442,319
Property taxes, levied for TIF					4,320,022	-	4,320,022
Other taxes					508,955	-	508,955
Intergovernmental revenues not restricted to specific programs					2,332,085	-	2,332,085
Investment income					263,411	189,399	452,810
Miscellaneous					715,130	32,159	747,289
Total General Revenues					28,098,391	221,558	28,319,949
Transfers					117,545	(117,545)	-
Change in Net Position					919,679	74,534	994,213
Net Position - Beginning of Year					100,762,445	70,027,758	170,790,203
NET POSITION - END OF YEAR					\$ 101,682,124	\$ 70,102,292	\$ 171,784,416
							\$ 221,246

See notes to financial statements

City of West Bend

Balance Sheet

Governmental Funds

December 31, 2020

	General	Debt Service	Capital Projects	Nonmajor Governmental Funds	Total
ASSETS					
Cash and investments	\$ 6,775,549	\$ 700,147	\$ 1,830,605	\$ 6,706,624	\$ 16,012,925
Receivables					
Taxes	16,967,377	3,479,735	-	6,001,294	26,448,406
Delinquent personal property taxes	26,674	-	-	-	26,674
Accounts (net)	1,429,226	-	52,500	497,207	1,978,933
Special assessments	163,245	-	-	-	163,245
Delinquent special assessments	58,554	-	-	-	58,554
Accrued interest	24,148	-	-	-	24,148
Loans	-	-	-	623,594	623,594
Due from other funds	1,756,280	-	422,212	-	2,178,492
Due from component units	7,069	-	-	-	7,069
Inventories	1,030,861	-	-	-	1,030,861
Prepaid items	1,602,910	-	-	29,840	1,632,750
Advances to other funds	183,402	-	-	256,667	440,069
Restricted cash and investments	-	-	-	372,410	372,410
TOTAL ASSETS	\$ 30,025,295	\$ 4,179,882	\$ 2,305,317	\$ 14,487,636	\$ 50,998,130
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 1,054,281	\$ -	\$ 371,043	\$ 124,158	\$ 1,549,482
Accrued liabilities	588,018	-	-	26,517	614,535
Deposits	22,587	-	-	-	22,587
Due to other governments	957	-	-	-	957
Due to other funds	567,021	-	-	681,889	1,248,910
Advances from other funds	-	-	-	5,472,688	5,472,688
Total Liabilities	<u>2,232,864</u>	<u>-</u>	<u>371,043</u>	<u>6,305,252</u>	<u>8,909,159</u>
Deferred Inflows of Resources					
Unearned revenue	16,959,785	3,479,735	-	6,026,100	26,465,620
Unavailable revenue	920,267	-	42,500	15,058	977,825
Total Deferred Inflows of Resources	<u>17,880,052</u>	<u>3,479,735</u>	<u>42,500</u>	<u>6,041,158</u>	<u>27,443,445</u>
Fund Balances					
Nonspendable	2,902,401	-	-	29,840	2,932,241
Restricted	339,192	700,147	1,259,768	4,392,686	6,691,793
Committed	-	-	-	1,406,179	1,406,179
Assigned	559,657	-	632,006	-	1,191,663
Unassigned (deficit)	6,111,129	-	-	(3,687,479)	2,423,650
Total Fund Balances	<u>9,912,379</u>	<u>700,147</u>	<u>1,891,774</u>	<u>2,141,226</u>	<u>14,645,526</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 30,025,295	\$ 4,179,882	\$ 2,305,317	\$ 14,487,636	\$ 50,998,130

See notes to financial statements

City of West Bend

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position December 31, 2020

Fund balance - total governmental funds	\$ 14,645,526
Amounts reported for governmental activities in the statement of net position are different because:	
Land held for resale used in governmental funds is not a financial resource and, therefore, is not reported in the funds.	507,000
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.	
Land	14,656,650
Right of ways	40,511,677
Construction in progress	332,827
Other capital assets, net of depreciation	93,792,084
Some receivables that are not currently available are reported as unavailable revenue in the fund financial statements but are recognized as revenue when earned in the government-wide statements. See Note 3.	977,825
The net pension asset does not related to current financial resources and is not reported in the governmental funds.	3,972,286
Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the funds.	9,334,841
Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the funds.	(11,926,703)
Deferred outflows of resources related to OPEB do not relate to current financial resources and are not reported in the funds.	2,171,533
Deferred inflows of resources related to OPEB do not relate to current financial resources and are not reported in the funds.	(2,104,294)
Some deferred outflows of resources and liabilities, including long-term debt, are not due and payable in the current period and, therefore, not reported in the funds.	
Bonds and notes payable	(46,081,375)
Capital leases	(1,420,239)
Compensated absences	(3,775,971)
Other post-employment benefits	(13,240,372)
Accrued interest	(407,778)
Unamortized loss on refunding	472,714
Unamortized debt premium	<u>(736,107)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 101,682,124</u>

City of West Bend

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

Year Ended December 31, 2020

	General	Debt Service	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	\$ 15,861,267	\$ 3,442,319	\$ -	\$ 5,485,437	\$ 24,789,023
Intergovernmental	4,902,056	-	102,294	1,736,607	6,740,957
Licenses and permits	765,724	-	-	383,741	1,149,465
Fines, forfeitures and penalties	280,116	-	-	-	280,116
Public charges for services	1,768,038	-	-	424,306	2,192,344
Intergovernmental charges for services	445,231	-	-	96,920	542,151
Special assessments	95,625	-	-	-	95,625
Investment income	180,776	9,706	12,647	60,282	263,411
Miscellaneous	203,851	-	391,356	100,665	695,872
Total Revenues	<u>24,502,684</u>	<u>3,452,025</u>	<u>506,297</u>	<u>8,287,958</u>	<u>36,748,964</u>
EXPENDITURES					
Current					
General government	4,611,678	-	-	21,992	4,633,670
Public safety	12,590,834	-	-	-	12,590,834
Public works	5,136,775	-	-	1,162,714	6,299,489
Leisure activities	1,850,476	-	-	2,190,599	4,041,075
Conservation and development	767,978	-	-	69,554	837,532
Capital Outlay	16,140	-	4,738,895	4,498,166	9,253,201
Debt Service					
Principal retirement	9,326	2,720,000	-	7,338,942	10,068,268
Interest and fiscal charges	1,463	522,948	53,147	895,581	1,473,139
Total Expenditures	<u>24,984,670</u>	<u>3,242,948</u>	<u>4,792,042</u>	<u>16,177,548</u>	<u>49,197,208</u>
Excess (deficiency) of revenues over expenditures	<u>(481,986)</u>	<u>209,077</u>	<u>(4,285,745)</u>	<u>(7,889,590)</u>	<u>(12,448,244)</u>
OTHER FINANCING SOURCES (USES)					
General obligation debt issued	-	-	2,925,000	6,495,000	9,420,000
Refunding bonds issued	-	-	-	3,750,000	3,750,000
Premium on debt issued	-	-	172,860	244,873	417,733
Capital lease issued	1,410,205	-	-	-	1,410,205
Sale of property	445,735	-	-	3,035	448,770
Transfers in	667,480	390,363	725,267	1,655,873	3,438,983
Transfers out	(509,639)	(45,579)	(121,006)	(2,645,214)	(3,321,438)
Total Other Financing Sources (Uses)	<u>2,013,781</u>	<u>344,784</u>	<u>3,702,121</u>	<u>9,503,567</u>	<u>15,564,253</u>
Net Change in Fund Balances	<u>1,531,795</u>	<u>553,861</u>	<u>(583,624)</u>	<u>1,613,977</u>	<u>3,116,009</u>
FUND BALANCES - Beginning of Year	<u>8,380,584</u>	<u>146,286</u>	<u>2,475,398</u>	<u>527,249</u>	<u>11,529,517</u>
FUND BALANCES - END OF YEAR	<u>\$ 9,912,379</u>	<u>\$ 700,147</u>	<u>\$ 1,891,774</u>	<u>\$ 2,141,226</u>	<u>\$ 14,645,526</u>

See notes to financial statements

City of West Bend

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
Year Ended December 31, 2020

Net change in fund balances - total governmental funds \$ 3,116,009

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.	9,253,201
Some items are reported as capital outlay in the fund financial statements but are not capitalized in the government-wide statements.	(2,487,228)
Depreciation is reported in the government-wide statements	(4,840,930)
Net book value of assets retired	(534,558)

Land held for resales is reported as an expenditure in the governmental funds when purchased and revenue when sold. However, in the statement of net position, these assets are capitalized at the lower of cost or market and held until the time of sale.

45,700

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

941,556

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.

Debt issued	(13,170,000)
Principal repaid	10,068,268
Capital lease issued	(1,410,205)

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.

Vested compensated absences	(212,086)
Accrued interest on debt	(99,388)
OPEB liability	(1,018,100)
Net pension asset	8,270,132
Deferred outflows of resources related to pensions	(2,290,223)
Deferred inflows of resources related to pensions	(6,038,008)
Deferred outflows of resources related to OPEB	1,491,119
Deferred inflows of resources related to OPEB	293,601

Governmental funds report debt discount as expenditures and debt premium as revenue. However, in the statement of net position, these are deferred and reported as noncurrent liabilities. These are allocated over the period the debt is outstanding in the statement of activities and are reported as amortization expense. The loss on refunding is reported on the statement of net position as a deferred outflow and also amortized on the statement of activities.

Premium on long-term debt and other debt related items	(325,984)
Amortization of loss on refunding	(133,197)

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES

\$ 919,679

City of West Bend

Statement of Net Position
 Proprietary Funds
 December 31, 2020

	Business-Type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Total
ASSETS			
Current Assets			
Cash and investments	\$ 5,759,076	\$ 6,502,250	\$ 12,261,326
Interest receivable	5,224	11,881	17,105
Accounts receivable	868,733	943,798	1,812,531
Due from other funds	15,350	144,809	160,159
Inventories	103,218	-	103,218
Prepaid items	5,346	2,795	8,141
Current portion of advances to other funds	-	95,000	95,000
Total Current Assets	6,756,947	7,700,533	14,457,480
Noncurrent Assets			
Restricted Assets			
Replacement account	-	311,728	311,728
Net pension asset	206,307	142,491	348,798
Capital Assets			
Property and equipment	45,580,891	53,001,748	98,582,639
Accumulated depreciation	(18,999,845)	(29,391,883)	(48,391,728)
Construction work in progress	192,757	128,501	321,258
Other Assets			
Special assessments receivable	257,425	680,895	938,320
Advances to other funds	-	4,937,619	4,937,619
Designated project investments	-	4,650,939	4,650,939
Property held for future use	163,124	-	163,124
Preliminary survey and investigation	36,941	100,882	137,823
Non-utility property	-	75,000	75,000
Total Noncurrent Assets	27,437,600	34,637,920	62,075,520
Total Assets	34,194,547	42,338,453	76,533,000
DEFERRED OUTFLOWS OF RESOURCES			
Pension related items	503,478	331,916	835,394
OPEB related items	93,948	30,632	124,580
Total Deferred Outflows of Resources	597,426	362,548	959,974
LIABILITIES			
Current Liabilities			
Accounts payable	140,754	140,466	281,220
Accrued liabilities	193,778	75,678	269,456
Due to other funds	798,222	291,519	1,089,741
Current portion of general obligation debt	430,000	55,000	485,000
Total Current Liabilities	1,562,754	562,663	2,125,417
Long-Term Liabilities Net of Current Maturities			
General obligation debt payable	3,218,694	150,000	3,368,694
Compensated absences	130,520	41,413	171,933
OPEB liability	522,382	98,432	620,814
Total Long-Term Liabilities	3,871,596	289,845	4,161,441
Total Liabilities	5,434,350	852,508	6,286,858
DEFERRED INFLOWS OF RESOURCES			
Pension related items	602,420	409,988	1,012,408
OPEB related items	76,643	14,773	91,416
Total Deferred Inflows of Resources	679,063	424,761	1,103,824
NET POSITION			
Net investment in capital assets	23,125,109	23,533,365	46,658,474
Restricted for replacement	-	311,728	311,728
Restricted for pension	206,307	142,491	348,798
Unrestricted	5,347,144	17,436,148	22,783,292
TOTAL NET POSITION	\$ 28,678,560	\$ 41,423,732	\$ 70,102,292

See notes to financial statements

City of West Bend

Statement of Revenues, Expenses and Changes in Net Position

Proprietary Funds

Year Ended December 31, 2020

	Business-Type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Total
OPERATING REVENUES	<u>\$ 4,896,326</u>	<u>\$ 4,126,700</u>	<u>\$ 9,023,026</u>
OPERATING EXPENSES			
Operation and maintenance	3,478,748	3,336,080	6,814,828
Depreciation	<u>998,833</u>	<u>1,319,380</u>	<u>2,318,213</u>
Total Operating Expenses	<u>4,477,581</u>	<u>4,655,460</u>	<u>9,133,041</u>
Operating Income (Loss)	<u>418,745</u>	<u>(528,760)</u>	<u>(110,015)</u>
NONOPERATING REVENUES (EXPENSES)			
Investment income	28,042	161,357	189,399
Interest expense	(98,736)	(4,943)	(103,679)
Amortization of premium net of issuance costs	19,088	(278)	18,810
Income from merchandising and jobbing	-	2,355	2,355
Grant revenues	53,720	25,207	78,927
Miscellaneous revenues	<u>32,129</u>	<u>30</u>	<u>32,159</u>
Total Nonoperating Revenue (Expenses)	<u>34,243</u>	<u>183,728</u>	<u>217,971</u>
Income (Loss) Before Transfers	<u>452,988</u>	<u>(345,032)</u>	<u>107,956</u>
TRANSFERS			
Capital contributions	-	84,123	84,123
Transfers in	19,658	560,096	579,754
Transfers out	<u>(679,191)</u>	<u>(18,108)</u>	<u>(697,299)</u>
Total Transfers	<u>(659,533)</u>	<u>626,111</u>	<u>(33,422)</u>
Change in Net Position	<u>(206,545)</u>	<u>281,079</u>	<u>74,534</u>
NET POSITION – Beginning of Year	<u>28,885,105</u>	<u>41,142,653</u>	<u>70,027,758</u>
NET POSITION – END OF YEAR	<u>\$ 28,678,560</u>	<u>\$ 41,423,732</u>	<u>\$ 70,102,292</u>

See notes to financial statements

City of West Bend

Statement of Cash Flows

Proprietary Funds

Year Ended December 31, 2020

	Business-Type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 5,064,582	\$ 4,104,920	\$ 9,169,502
Cash paid to suppliers for goods and services	(1,848,673)	(2,222,529)	(4,071,202)
Cash payments to employees for services	(955,409)	(747,789)	(1,703,198)
Net Cash Flows From Operating Activities	<u>2,260,500</u>	<u>1,134,602</u>	<u>3,395,102</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investments sold and matured	-	3,283,575	3,283,575
Investments purchased	-	(1,154,015)	(1,154,015)
Investment income	36,763	125,159	161,922
Net Cash Flows From Investing Activities	<u>36,763</u>	<u>2,254,719</u>	<u>2,291,482</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers from (to) other funds	(10,551)	541,988	531,437
Advances to (received from) other funds	-	126,495	126,495
Grant revenue	53,720	25,207	
Paid to municipality for tax equivalent	(640,762)	-	(640,762)
Net Cash Flows From Noncapital Financing Activities	<u>(597,593)</u>	<u>693,690</u>	<u>17,170</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	(688,371)	(1,673,264)	(2,361,635)
Debt issuance costs paid, net of premium received	9,176	(278)	8,898
Special assessments received	277	99,860	100,137
Debt retired	(525,000)	(82,140)	(607,140)
Proceeds from debt issued	300,000	25,000	325,000
Interest paid	(97,808)	(5,574)	(103,382)
Net Cash Flows From Capital and Related Financing Activities	<u>(1,001,726)</u>	<u>(1,636,396)</u>	<u>(2,638,122)</u>
Net Change in Cash and Cash Equivalents	<u>697,944</u>	<u>2,446,615</u>	<u>3,065,632</u>
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>5,061,132</u>	<u>8,886,524</u>	<u>13,947,656</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 5,759,076</u>	<u>\$ 11,333,139</u>	<u>\$ 17,013,288</u>

See notes to financial statements

City of West Bend

Statement of Cash Flows

Proprietary Funds

Year Ended December 31, 2020

	Business-Type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income (loss)	\$ 418,745	\$ (528,760)	\$ (110,015)
Nonoperating revenue (expense)	32,129	2,385	34,514
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows From Operating Activities			
Noncash items included in income			
Depreciation	998,833	1,319,380	2,318,213
Depreciation charged to other accounts	68,140	-	68,140
Changes in assets, liabilities, and deferred outflows/inflows of resources			
Accounts receivable	8,590	(37,637)	(29,047)
Due from other funds	(6,110)	14,705	8,595
Inventories	(5,240)	-	(5,240)
Prepaid items	1,780	831	2,611
Accounts payable	8,245	(17,853)	(9,608)
Accrued liabilities	(31,655)	(19,914)	(51,569)
Due to other funds	48,788	(93,613)	(44,825)
Customer deposits	41,008	-	41,008
OPEB related assets, liabilities, and deferrals	671,892	484,591	1,156,483
Compensated absences	(2,145)	7,641	5,496
Pension related assets, liabilities, and deferrals	7,500	2,846	10,346
NET CASH FLOWS FROM OPERATING ACTIVITIES	\$ 2,260,500	\$ 1,134,602	\$ 3,395,102
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT OF NET POSITION ACCOUNTS			
Cash and investments	\$ 5,759,076	\$ 6,502,250	\$ 12,261,326
Replacement account	-	311,728	311,728
Designated project investments	-	4,650,939	4,650,939
Total Cash and Investments	5,759,076	11,464,917	17,223,993
Less: Noncash equivalents	-	(131,778)	(131,778)
CASH AND CASH EQUIVALENTS	\$ 5,759,076	\$ 11,333,139	\$ 17,092,215
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES			
Interest accrued on advances	\$ -	\$ 41,398	\$ 41,398

See notes to financial statements

City of West Bend

Statement of Fiduciary Net Position

Fiduciary Funds

December 31, 2020

		Custodial Fund
	OPEB Trust	Tax Collection Fund
ASSETS		
Cash and investments	\$ -	\$ 24,073,431
Taxes receivable	-	7,626,597
Accrued interest receivable	30,467	
Restricted assets		
Certificates of deposit - negotiable	<u>1,141,136</u>	<u>-</u>
 Total Assets	 <u>\$ 1,171,603</u>	 <u>\$ 31,700,028</u>
 LIABILITIES		
Due to other taxing units	\$ -	\$ 31,596,533
Due to component unit	<u>-</u>	<u>103,495</u>
 Total Liabilities	 <u>\$ -</u>	 <u>\$ 31,700,028</u>
 NET POSITION		
Restricted for OPEB	<u>\$ 1,171,603</u>	<u>\$ -</u>
 TOTAL NET POSITION	 <u>\$ 1,171,603</u>	 <u>\$ -</u>

See notes to financial statements

City of West Bend**Statement of Changes in Fiduciary Net Position****Fiduciary Funds**

Year Ended December 31, 2020

	OPEB Trust	Custodial Fund Tax Collection Fund
ADDITIONS		
Employer contributions	\$ -	\$ -
Property taxes collected for county	-	4,800,868
Property taxes collected for technical college	-	1,291,725
Property taxes collected for school district	-	16,694,587
Net investment income	41,372	-
Total Additions	41,372	22,787,180
DEDUCTIONS		
Benefit payments	30,845	-
Property taxes collected for county	-	4,800,868
Property taxes collected for technical college	-	1,291,725
Property taxes collected for school district	-	16,694,587
Total Deletions	30,845	22,787,180
Net Increase in Net Position	10,527	-
NET POSITION - Beginning	1,161,076	-
NET POSITION - ENDING	\$ 1,171,603	\$ -

See notes to financial statements

City of West Bend

Index to Notes to Financial Statements
December 31, 2020

City of West Bend

Notes to Financial Statements
December 31, 2020

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1. Summary of Significant Accounting Policies

The accounting policies of the City of West Bend, Wisconsin (City) conform to generally accepted accounting principles as applicable to governmental units. The accepted standard setting body for establishing governmental accounting and financial reporting is the Governmental Accounting Standards Board (GASB).

Reporting Entity

This report includes all of the funds of the City. The reporting entity for the City consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The 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, blending 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 Units

Business Improvement District

In 2000, the City created a business improvement district (district). The District is a legally separate organization. The board of the District is appointed by the mayor, subject to approval of the city council, of West Bend. Wisconsin Statutes provide for circumstances whereby the City can impose its will on the District, and also create a potential financial benefit to or burden on the City. See Note 3. As a component unit, the District's financial statements have been presented as a discrete column in the financial statements. The information presented is for the year ended December 31, 2020. The District does not issue separate financial statements.

City of West Bend

Notes to Financial Statements
December 31, 2020

Redevelopment Authority of the City of West Bend

In 2001, the City created the Redevelopment Authority of the City of West Bend (Redevelopment Authority). The Redevelopment Authority is a legally separate organization. The board of the Redevelopment Authority is appointed by the mayor, subject to approval of the city council, of West Bend. Wisconsin statutes provide for circumstances whereby the City can impose its will on the Redevelopment Authority, and also create a potential financial benefit to or burden on the City. However, the Redevelopment Authority had no financial transactions during 2020, which are material to these financial statements. Also, the Redevelopment Authority does not own any assets nor is it liable for any debt. Therefore, no financial statements are presented in this report. The Redevelopment Authority does not issue separate financial statements.

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. 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 City 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 City are organized into funds each of which are considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position/fund balance, revenues and expenditure/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 City or meets the following criteria:

- 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 percent of the corresponding total for all funds of that category or type, and

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City of West Bend

Notes to Financial Statements
December 31, 2020

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

- In addition, any other governmental or enterprise fund that the City 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 City reports the following major governmental funds:

General Fund – accounts for the City's primary operating activities. It is used to account for all financial resources except those required to be accounted for in another fund.
Debt Service Fund – 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 Tax Incremental Financing (TIF) District or enterprise debt.
Capital Projects Fund – used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

The City reports the following major enterprise funds:

Water Utility – accounts for operations of the water system.
Sewer Utility – accounts for operations of the sewer system.

The City 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 major capital projects).

Taxi Transit System	Economic Development
Public Library	Park Development
Room Tax	Library
Communications	EMS FAPS Grant
	Recreation

Capital Projects Funds – used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

TIF District No. 3	TIF District No. 9
TIF District No. 4	TIF District No. 10
TIF District No. 5	TIF District No. 11
TIF District No. 6	TIF District No. 12
TIF District No. 7	TIF District No. 13
TIF District No. 8	TIF District No. 14

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City of West Bend

Notes to Financial Statements
December 31, 2020

Permanent Fund – used to account for and report resources that are legally restricted to the extent that only earnings and not principal, may be used for purposes that support the reporting government's programs, that is, for the benefit of the government or its citizenry.

Library

In addition, the City reports the following fund type:

Fiduciary funds are used to account for and report assets held by the City in a trustee capacity or as an agent for individuals, private organizations and/or other governmental units.

OPEB Trust – reports resources required to be held in trust for the members and beneficiaries of the City's OPEB plan.
Tax Collection Fund – Custodial Fund

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and unearned revenue. 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 City's water and sewer utilities 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 City 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.

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City of West Bend

Notes to Financial Statements
December 31, 2020

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

Special assessments are recorded as revenues when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and unavailable revenues. Delinquent special assessments being held for collection by the county are reported as receivables and nonspendable fund balance in the general fund. At December 31, 2020, there were \$1,835,141 of unrecorded unearned special assessments, which are not receivables because collection is subject to certain events occurring in the future. No formal repayment schedule has been established.

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 fund and fiduciary 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 water utility and sewer utility are charges to customers for sales and services. The rates used in the water utility were approved by the Public Service Commission. Sewer service charges are billed at rates established by the city council. Special assessments are recorded as receivables and contribution revenue when levied. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

All Financial Statements

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

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

Deposits and Investments

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

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City of West Bend

Notes to Financial Statements
December 31, 2020

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

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

Investment of library trust funds is regulated by Chapter 112. That section gives broad authority to use such funds to acquire various kinds of investments including stocks, bonds and debentures.

The City has adopted an investment policy. That policy follows the state statute for allowable investments.

The City's investment policy addresses custodial credit risk by seeking to collateralize certificates of deposit or any other time deposit in an amount equal to 105 percent of the investment less the amount insured by the FDIC or guaranteed by the State of Wisconsin.

Credit risk and interest rate risk are also addressed in the City's investment policy. Commercial paper issued with a maturity not exceeding 270 days shall have a rating of at least A1 by Standard & Poors at the time of purchase. Corporate notes and bonds with maturities not exceeding 5 years should be rated at least Aa by Moody's or AA by Standard & Poors at the time of purchase. All money market mutual funds should be rated AAAm by Standard & Poors or AAA by Moody's Investor Service at the time of purchase.

Concentration of credit risk is addressed generally by the City's investment policy. There are no specific limits on concentration of investments.

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 outlined in Note 3. 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.

City of West Bend

Notes to Financial Statements
December 31, 2020

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, 2020, the fair value of the City's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

See Note 3, for further information.

Receivables

Property taxes are levied in December on the assessed value as of the prior January 1. In addition to property taxes for the City, 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 deferred revenues and due to other taxing units on the accompanying statement of fiduciary net position.

Property tax calendar – 2020 tax roll:

Lien date and levy date	December 2020
Tax bills mailed	December 2020
Payment in full, or	January 31, 2021
First installment due	January 31, 2021
Second installment due	July 31, 2021
Personal property taxes in full	January 31, 2021
Tax sale – 2020 delinquent real estate taxes	October 2023

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 in the accompanying enterprise fund financial statements because the water and sewer utilities have the right by law to place delinquent bills on the tax roll.

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

The City has received federal grant funds for economic development loan programs to various businesses. The City records a loan receivable when the loan has been made and funds have been disbursed. The net amount of the loan receivable balance is included in restricted fund balance. Interest received from the loan repayments is recognized as revenue when received in cash. Any unspent loan repayments would be presented as restricted fund balance in the fund financial statements.

City of West Bend

Notes to Financial Statements
December 31, 2020

Inventories and Prepaid Items

Governmental fund inventories are recorded at cost based on the average cost method using the consumption method of accounting. Proprietary fund inventories are generally used for construction and for operation and maintenance work. They are not for resale. They are valued at the lower of cost or market utilizing the average cost method of accounting and charged to construction or operation and maintenance expense when used.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements under the consumption method of accounting.

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.

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 infrastructure assets and \$500 for utility assets and an estimated useful life in excess of one year. All capital assets are valued at historical cost, or estimated historical cost, if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

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

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

Buildings	50 Years
Land Improvements	50 Years
Machinery and Equipment	5-50 Years
Utility System	4-77 Years
Infrastructure	20-100 Years

City of West Bend

Notes to Financial Statements
December 31, 2020

Fund Financial Statements

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

Other Assets

The governmental activities financial statements include a balance of land held for resale. This represents land purchased with the intent of selling the property for future development. This is recorded at the lower of cost or estimated market value.

The proprietary fund type financial statements include a balance of property held for future use. This represents land purchased and held for a possible water treatment facility, as well as donated wetlands to be used to offset future wastewater treatment levels.

Deferred Outflows of Resources

A deferred outflow of resources represents a consumption of net position 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 can arise from advance refunding of debt. The difference between the cost of the securities placed in trust for future payment of 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 statements.

Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements.

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

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, 2020, are determined on the basis of current salary rates and include salary related payments.

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, accrued compensated absences and other postemployment benefits.

City of West Bend

Notes to Financial Statements
December 31, 2020

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face values 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 deferred and amortized over the life of the issue using the effective interest method. The balance at year-end for premiums/discounts is shown as an increase or decrease in the liability section of the statement of net position.

The City has approved 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 City. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The total amount of IRBs outstanding at the end of the year is approximately \$3,273,590 made up of two issues.

Deferred Inflows of Resources

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

Equity Classifications

Government-Wide Statements

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

- 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.
- Restricted net position – Consists of net position with constraints placed on the 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.
- Unrestricted net position – All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

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City of West Bend

Notes to Financial Statements
December 31, 2020

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

	Governmental Activities	Business-type Activities	Adjustment	Total
Net investment in capital assets	\$ 106,737,618	\$ 46,658,474	\$ (757,009)	\$ 152,639,083
Unrestricted (deficit)	(11,353,738)	22,783,292	757,009	12,186,563

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

Fund Financial Statements

Governmental fund equity is classified as fund balance and displayed as follows:

- 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.
- 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.
- 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 city council. 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 city council that originally created the commitment.
- Assigned - Includes spendable fund balance amounts that are intended to be used for specific purposes that are not considered restricted or committed. Fund balance may be assigned through the following: 1) The council may take official action to assign amounts; and 2) All remaining positive spendable amounts in governmental funds, other than the general fund, that are neither restricted nor committed. Assignments may take place after the end of the reporting period.

- 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 City 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 City would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

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City of West Bend

Notes to Financial Statements
December 31, 2020

The City has a formal fund balance policy. The policy requires that unassigned fund balance shall be maintained as of December 31 of each year equal to the current GFOA recommended minimum of 17 percent of the ensuing year's budgeted general fund expenditures, with a targeted maximum of 10 percent above the median value for comparable municipalities in Wisconsin as defined by the policy. Actual unassigned general fund balance was 24 percent of the 2021 budgeted general fund expenditures at December 31, 2020.

Basis for Existing Rates

Current water rates were approved by the PSCW effective April 1, 2011.
Current sewer rates were approved by the city council on January 1, 2020.

Pension

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

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City OPEB Plan and additions to/deductions from the City OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the City OPEB Plan. For this purpose, the City OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

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

2. Stewardship, Compliance and Accountability

Budgetary Information

A budget has been adopted for the general fund, certain special revenue funds, the debt service fund and certain capital projects funds. A budget has not been formally adopted for the Capital Projects major fund, Park Development special revenue fund, EMS – FAPS Grant fund, the Library special revenue fund, the Library permanent fund, and TIF District No. 14. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds.

City of West Bend

Notes to Financial Statements
December 31, 2020

Excess Expenditures and Other Financing Uses Over Appropriations

	Fund	Budgeted Expenditures and Other Financing Uses	Actual Expenditures and Other Financing Uses	Excess Expenditures and Other Financing Uses Over Budget
TIF District No. 3		\$ 564,113	\$ 585,218	\$ 21,105
TIF District No. 5		1,011,601	1,425,312	413,711
TIF District No. 8		2,150	2,548	398
TIF District No. 9		2,410,456	2,524,326	113,870
TIF District No. 10		819,786	825,878	6,092
TIF District No. 12		1,457,325	1,746,744	289,419

Deficit Balances

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year-end. As of December 31, 2020, the following individual funds held a deficit balance:

Fund	Amount	Reason
TIF District No. 3	\$ 1,481,663	Uncovered costs
TIF District No. 8	31,486	Uncovered costs
TIF District No. 9	280,294	Uncovered costs
TIF District No. 10	113,504	Uncovered costs
TIF District No. 12	1,780,532	Uncovered costs

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

Limitations on the City's Tax Levy

Wisconsin law limits the City's future tax levies. Generally, the City is limited to its prior tax levy dollar amount (excluding TIF districts), increased by the greater of the percentage change in the City'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 City 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.

3. Detailed Notes on All Funds

Deposits and Investments

The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the statement of net position and balance sheet as cash and investments. In addition, investments are separately held by several of the City's funds.

City of West Bend

Notes to Financial Statements
December 31, 2020

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

	Carrying Value	Bank Balance	Associated Risks
Demand deposits	\$ 6,926,536	\$ 6,708,498	Custodial credit risk
Certificates of deposit – negotiable	5,687,900	5,687,900	Custodial credit risk, credit risk, concentration of credit risk, interest rate risk
U.S. agencies – implicitly guaranteed	1,834,808	1,834,808	Custodial credit risk, credit risk, concentration of credit risk, interest rate risk
Municipal bonds	1,572,908	1,572,908	Custodial credit risk, credit risk, concentration of credit risk, interest rate risk
LGIP	42,791,498	42,791,498	Credit risk
Petty cash	10,245	-	N/A
Total Cash and Investments	\$ 58,823,895	\$ 58,595,612	

Reconciliation to financial statements

Per statement of net position	
Unrestricted cash and investments	\$ 32,925,190
Restricted cash and investments	684,138
Per statement of fiduciary net position	25,214,567
Total Cash and Investments	\$ 58,823,895

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 amounts (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 deposits.

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 been considered in computing custodial credit risk.

The Securities Investor Protection Corporation (SIPC), created by the Securities Investor Protection Act of 1970, is an independent government-sponsored corporation (not an agency of the U.S. government).

SIPC membership provides account protection up to a maximum of \$500,000 per customer, of which \$100,000 may be in cash. \$500,000 of the City's investments are covered by SIPC. Additionally, through Lloyds of London, accounts have additional securities coverage of \$99.5 million per customer, subject to a \$500 million aggregate firm limit.

The City maintains a collateral agreement with its banks. At December 31, 2020, the banks had pledged various government securities in the amount of \$5,188,219 to secure the City's deposits.

City of West Bend

Notes to Financial Statements
December 31, 2020

The City 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.

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

- Quoted prices for similar assets in active markets
- Yield scales and bond evaluation models for similar assets that have recently traded

Investment Type	December 31, 2020		
	Level 1	Level 2	Level 3
Certificates of deposit – negotiable	\$ -	\$ 5,687,900	\$ -
U.S. agencies – implicitly guaranteed	-	1,834,808	-
Municipal bonds	-	1,572,908	-
Total	\$ -	\$ 9,095,616	\$ -

Custodial Credit Risk

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

The City does not have any deposits exposed to custodial credit risk.

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

The City does not have any investments exposed to custodial credit risk.

Credit Risk

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

As of December 31, 2020, the City's investments were rated as follows:

Investment Type	Standard & Poor's	Moody's Investor Service
U.S. agencies – implicitly guaranteed	AA+	Aaa
Municipal bonds	AA+, AA, AA-	Aa1, Aa2, Aa3, A2

The City also had investments in the Local Government Investment Pool and negotiable certificates of deposit, which are not rated.

Interest Rate Risk

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

Schedule 1

City of West Bend

Net Position by Component

Last Ten Fiscal Years

(accrual basis of accounting)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<u>Governmental Activities</u>										
Net investment in capital assets	\$ 106,737,618	\$ 109,112,415	\$ 105,895,084	\$ 101,944,883	\$ 99,393,906	\$ 95,819,111	\$ 85,393,669	\$ 91,034,382	\$ 89,219,651	\$ 87,062,063
Restricted	6,298,244	2,385,896	5,775,048	2,141,418	2,189,500	4,974,965	3,334,477	3,607,106	1,740,727	2,106,898
Unrestricted (deficit)	(11,353,738)	(10,735,866)	(13,130,721)	(4,428,888)	(2,376,635)	(4,466,775)	(4,596,980)	(12,099,346)	(11,550,745)	(14,118,728)
Total governmental activities net position	\$ 101,682,124	\$ 100,762,445	\$ 98,539,411	\$ 99,657,413	\$ 99,206,771	\$ 96,327,301	\$ 84,131,166	\$ 82,542,142	\$ 79,409,633	\$ 75,050,233
<u>Business-Type Activities</u>										
Net investment in capital assets	\$ 46,658,474	\$ 46,689,492	\$ 46,834,880	\$ 47,492,331	\$ 47,672,108	\$ 48,458,824	\$ 48,480,803	\$ 49,534,396	\$ 47,211,028	\$ 44,356,180
Restricted	660,526	718,575	1,474,296	1,217,465	919,046	997,956	744,835	991,906	620,012	1,845,722
Unrestricted	22,783,292	22,619,691	21,397,374	20,475,762	19,354,143	17,192,216	16,404,781	15,087,379	19,224,734	22,950,393
Total business-type activities net position	\$ 70,102,292	\$ 70,027,758	\$ 69,706,550	\$ 69,185,558	\$ 67,945,297	\$ 66,648,996	\$ 65,630,419	\$ 65,613,681	\$ 67,055,774	\$ 69,152,295
<u>Primary Government</u>										
Net investment in capital assets	\$ 152,639,083	\$ 154,852,838	\$ 151,604,157	\$ 148,238,795	\$ 145,792,548	\$ 142,948,419	\$ 132,482,613	\$ 138,400,260	\$ 134,178,269	\$ 129,330,496
Restricted	6,958,770	3,104,471	7,249,344	3,358,883	3,108,546	5,972,921	4,079,312	4,599,012	2,360,739	3,952,620
Unrestricted	12,186,563	12,832,894	9,392,460	17,245,293	18,250,974	14,054,957	13,199,660	5,156,551	9,976,399	10,919,412
Total primary government activities net position	\$ 171,784,416	\$ 170,790,203	\$ 168,245,961	\$ 168,842,971	\$ 167,152,068	\$ 162,976,297	\$ 149,761,585	\$ 148,155,823	\$ 146,465,407	\$ 144,202,528

Note: The Net Investment in Capital Assets and Unrestricted Net Position are adjusted to reflect capital assets owned by the business-type activities but financed by the governmental activities. A footnote reconciliation detailing the adjustment can be found in Note 1 of the Financial Statements.

Schedule 2
City of West Bend
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
PRIMARY GOVERNMENT										
EXPENSES										
<u>Governmental activities</u>										
General government	\$ 5,214,375	\$ 4,839,019	\$ 4,799,184	\$ 4,644,495	\$ 4,574,441	\$ 5,138,982	\$ 4,309,948	\$ 4,264,520	\$ 1,685,601	\$ 2,464,001
Public safety	11,935,794	13,474,781	13,670,939	12,994,096	12,550,970	11,712,386	11,232,203	12,032,009	14,717,547	14,137,929
Public works	10,526,514	9,205,845	8,901,707	9,257,914	8,718,819	9,648,833	9,692,674	10,078,108	9,110,517	10,124,653
Leisure activities	4,717,386	4,899,901	4,961,761	4,721,860	3,718,113	4,584,932	4,984,803	4,039,921	4,428,537	4,215,723
Conservation and development	3,328,744	2,893,590	1,166,649	2,319,357	1,500,299	1,003,390	335,282	551,805	1,729,039	1,839,649
Interest and fiscal charges	1,614,343	1,222,489	1,469,728	1,558,210	1,914,244	2,051,479	2,532,321	3,653,553	3,080,235	3,469,939
Total governmental activities expenses	37,337,156	36,535,625	34,969,968	35,495,932	32,976,886	34,140,002	33,087,231	34,619,916	34,751,476	36,251,894
<u>Business-type activities</u>										
Water	4,557,229	3,836,001	3,963,876	3,742,254	3,414,123	3,978,363	3,670,703	3,396,658	3,242,994	4,076,008
Sewer	4,660,681	4,088,532	3,604,988	3,712,440	3,382,506	3,546,561	3,640,908	3,494,088	3,575,504	3,316,690
Parking Authority	-	-	-	-	-	-	-	54,981	80,055	91,636
Total business-type activities expenses	9,217,910	7,924,533	7,568,864	7,454,694	6,796,629	7,524,924	7,311,611	6,945,727	6,898,553	7,484,334
Total primary government expenses	\$ 46,555,066	\$ 44,460,158	\$ 42,538,832	\$ 42,950,626	\$ 39,773,515	\$ 41,664,926	\$ 40,398,842	\$ 41,565,643	\$ 41,650,029	\$ 43,736,228
PROGRAM REVENUES										
<u>Governmental activities</u>										
Charges for services	\$ 486,161	\$ 517,078	\$ 468,522	\$ 573,225	\$ 476,081	\$ 463,076	\$ 355,085	\$ 252,047	\$ 245,762	\$ 229,460
General government	2,334,844	2,477,944	2,427,136	2,416,754	2,210,067	2,355,629	2,282,217	2,201,695	2,193,413	1,981,964
Public safety	793,399	894,637	858,391	906,232	866,148	853,318	795,550	1,038,934	969,868	978,141
Public works	170,672	510,659	490,664	428,970	440,452	362,331	331,124	357,607	440,326	528,646
Leisure activities	479,930	554,378	613,405	624,608	607,622	560,848	527,361	580,506	585,915	622,415
Conservation and development	3,769,125	3,036,879	3,175,036	3,120,340	3,188,661	3,117,376	2,228,156	2,467,140	2,718,259	2,752,063
Operating grants and contributions	2,006,768	2,246,455	2,062,708	1,289,042	1,911,908	6,544,988	394,099	944,450	1,821,542	284,121
Capital grants and contributions	10,040,899	10,238,030	10,095,862	9,359,171	9,700,939	14,257,566	6,913,592	7,842,379	8,975,085	7,376,810
Total governmental activities program revenues										
<u>Business-type activities</u>										
Charges for services	4,896,326	4,823,275	4,860,605	4,878,067	4,882,741	4,876,578	4,780,032	4,928,810	5,074,512	4,733,307
Water	4,129,055	3,584,845	3,653,158	3,644,840	3,761,959	3,775,384	3,653,125	3,677,556	3,766,506	3,479,122
Sewer	-	-	-	-	-	-	-	20,865	11,633	17,240
Parking Authority	-	-	-	-	3,807	13,544	13,849	14,510	15,658	17,288
Operating grants and contributions	84,123	-	-	-	-	9,075	13,598	86,299	63,207	306,266
Capital grants and contributions	9,109,504	8,408,120	8,513,763	9,266,372	8,648,507	8,674,581	8,460,604	8,728,040	8,931,516	8,553,223
Total business-type activities program revenues										
Total primary government program revenues	\$ 19,150,403	\$ 18,646,150	\$ 18,609,625	\$ 18,625,543	\$ 18,349,446	\$ 22,932,147	\$ 15,374,196	\$ 16,570,419	\$ 17,906,601	\$ 15,930,033

Schedule 2
City of West Bend
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

PRIMARY GOVERNMENT	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
NET (EXPENSE)/REVENUE										
Governmental activities	\$ (27,296,257)	\$ (26,297,595)	\$ (24,874,106)	\$ (26,136,761)	\$ (23,275,947)	\$ (19,882,436)	\$ (26,173,639)	\$ (26,777,537)	\$ (25,776,391)	\$ (28,875,084)
Business-type activities	(108,406)	483,587	944,899	1,811,678	1,851,878	1,149,657	1,148,993	1,782,313	2,032,963	1,068,889
Total primary government net (expense)/revenue	(27,404,663)	(25,814,008)	(23,929,207)	(24,325,083)	(21,424,069)	(18,732,779)	(25,024,646)	(24,995,224)	(23,743,428)	(27,806,195)
GENERAL REVENUES										
Governmental activities										
Taxes										
Property taxes, levied for general purposes	\$ 15,799,484	\$ 15,221,296	\$ 14,489,156	\$ 14,343,742	\$ 13,572,471	\$ 13,681,619	\$ 13,367,419	\$ 13,783,210	\$ 13,113,097	\$ 13,950,145
Property taxes, levied for special revenue funds	716,985	1,105,423	1,102,497	1,095,588	985,546	624,454	620,899	617,055	625,542	755,810
Property taxes, levied for debt service	3,442,319	3,118,210	2,971,253	3,017,168	2,939,595	3,053,568	3,443,807	3,137,142	3,563,288	3,783,699
Property taxes, levied for TIF districts	4,320,022	5,300,471	5,237,222	4,537,080	4,891,775	4,911,561	5,025,078	5,059,421	4,469,057	4,399,503
Other taxes	508,955	176,412	137,761	125,835	594,792	479,704	434,985	493,834	473,612	379,765
Intergovernmental revenues not restricted	2,332,085	2,066,911	2,137,070	2,010,865	2,023,133	2,046,326	3,068,832	2,838,542	2,707,200	3,172,610
Investment income	263,411	619,721	475,894	282,130	183,854	85,605	58,722	39,183	80,526	116,651
Gain on disposal of assets	-	-	-	-	-	-	66,958	40,638	35,122	35,870
Miscellaneous	715,130	272,904	1,074,815	450,192	283,330	177,560	149,284	152,061	175,444	473,448
Transfers, internal	117,545	639,281	554,304	724,803	680,921	843,140	1,526,679	3,748,960	4,892,903	651,309
Total governmental activities general revenues	28,215,936	28,520,629	28,179,972	26,587,403	26,155,417	25,903,537	27,762,663	29,910,046	30,135,791	27,718,810
Business-type activities										
Property taxes, levied for general purposes	-	-	-	-	-	-	-	69,171	69,589	78,067
Investment income	189,399	464,201	334,993	150,159	108,789	89,995	127,012	18,204	213,066	174,438
Gain on disposal of assets	-	-	-	-	-	-	-	14,152	-	-
Gain on asset impairment	-	-	-	-	-	-	246,231	421,734	478,064	866,781
Miscellaneous	111,086	12,701	9,362	3,227	16,555	-	21,181	1,293	2,700	4,179
Transfers, internal	(117,545)	(639,281)	(554,304)	(724,803)	(680,921)	(843,140)	(1,526,679)	(3,748,960)	(4,892,903)	(651,309)
Total business-type activities general revenues	182,940	(162,379)	(209,949)	(571,417)	(555,577)	(753,145)	(1,132,255)	(3,224,406)	(4,129,484)	472,156
Total primary government general revenue	\$ 28,398,876	\$ 28,358,250	\$ 27,970,023	\$ 26,015,986	\$ 25,599,840	\$ 25,150,392	\$ 26,630,408	\$ 26,685,640	\$ 26,006,307	\$ 28,190,966
CHANGE IN NET POSITION										
Governmental activities	\$ 919,679	\$ 2,223,034	\$ 3,305,866	\$ 450,642	\$ 2,879,470	\$ 6,021,101	\$ 1,589,024	\$ 3,132,509	\$ 4,359,400	\$ (1,156,274)
Business-type activities	74,534	321,208	734,950	1,240,261	1,296,301	396,512	16,738	(1,442,093)	(2,096,521)	1,541,045
Total primary government change in net position	\$ 994,213	\$ 2,544,242	\$ 4,040,816	\$ 1,690,903	\$ 4,175,771	\$ 6,417,613	\$ 1,605,762	\$ 1,690,416	\$ 2,262,879	\$ 384,771

Schedule 3
City of West Bend
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<u>General Fund</u>										
Nonspendable	\$ 2,902,401	\$ 1,177,107	\$ 1,243,055	\$ 1,468,705	\$ 1,428,893	\$ 1,619,263	\$ 1,693,884	\$ 751,405	\$ 969,408	\$ 956,318
Restricted	339,192	335,115	295,964	255,244	288,529	221,023	246,992	33,225	32,775	32,490
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	559,657	349,953	590,212	765,307	482,927	602,573	309,307	1,160,398	172,519	568,780
Unassigned	6,111,129	6,518,409	6,663,913	5,733,776	5,238,255	4,078,084	3,558,917	3,092,494	2,476,948	2,568,678
Total general fund	9,912,379	8,380,584	8,793,144	8,223,032	7,438,604	6,520,943	5,809,100	5,037,522	3,651,650	4,126,266
<u>All Other Governmental Funds</u>										
Nonspendable	29,840	37,056	-	-	-	-	-	-	-	-
Restricted	6,352,601	3,615,308	3,320,811	3,546,367	3,805,037	5,400,277	7,703,730	5,150,544	3,875,726	5,840,996
Committed	1,406,179	1,711,810	1,753,801	1,628,736	1,635,326	1,450,711	1,295,023	1,407,609	1,269,229	1,030,598
Assigned	632,006	1,229,059	478,762	1,016,017	802,107	607,959	1,603,740	1,370,289	4,929,622	2,734,374
Unassigned (deficit)	(3,687,479)	(3,444,300)	(3,219,539)	(3,506,061)	(2,135,391)	(2,022,088)	(398,565)	(1,937,473)	(2,853,556)	(1,824,550)
Total all other governmental funds	\$ 4,733,147	\$ 3,148,933	\$ 2,333,835	\$ 2,685,059	\$ 4,107,079	\$ 5,436,859	\$ 10,203,928	\$ 5,990,969	\$ 7,221,021	\$ 7,781,418

Schedule 4
City of West Bend
Change in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Revenues										
Taxes	\$ 24,789,023	\$ 24,921,812	\$ 23,952,946	\$ 23,119,415	\$ 22,984,180	\$ 22,750,907	\$ 22,892,190	\$ 22,869,591	\$ 22,078,197	\$ 23,096,429
Intergovernmental	6,740,957	6,484,146	5,401,465	4,991,479	5,522,612	5,493,738	5,082,106	5,739,544	5,577,134	6,008,556
Licenses and permits	1,149,465	1,254,336	1,155,430	1,315,514	1,284,209	1,134,872	1,072,395	1,255,251	1,079,873	1,183,537
Fines, forfeitures, and penalties	280,116	412,815	437,060	412,772	458,038	469,913	494,588	398,497	419,075	456,985
Public charges for services	2,192,344	2,732,546	2,694,936	2,649,941	2,309,997	2,260,554	2,024,960	2,028,400	2,058,978	1,937,978
Intergovernmental charges for services	542,151	536,147	577,611	578,438	578,249	577,809	587,959	576,215	599,373	604,563
Special assessments	95,625	17,102	36,711	39,695	17,525	113,061	53,693	58,892	194,444	90,718
Investment income	263,411	619,721	475,894	282,134	183,852	85,608	58,719	36,700	78,446	113,613
Miscellaneous	695,872	1,099,356	1,789,072	1,176,176	1,037,445	1,297,074	825,724	957,384	1,830,935	811,469
Total Revenues	36,748,964	38,077,981	36,521,125	34,565,564	34,376,107	34,183,536	33,092,334	33,920,474	33,916,214	34,303,848

Expenditures										
Current										
General government	4,633,670	4,666,687	4,409,775	4,476,591	4,228,918	4,667,544	4,110,870	3,807,061	1,993,365	2,049,658
Public safety	12,590,834	11,890,167	11,570,862	11,056,465	10,810,330	10,719,881	10,633,805	10,778,263	12,848,343	12,801,944
Public works	6,299,489	6,037,167	5,649,372	5,701,207	5,169,974	4,915,320	4,621,480	4,868,988	5,465,243	6,053,907
Leisure activities	4,041,075	3,935,262	3,912,953	3,738,258	4,223,584	3,526,730	3,676,215	3,526,524	3,745,655	3,713,864
Conservation and development	837,532	737,979	419,612	418,303	510,429	449,052	320,426	150,242	426,067	270,724
Capital outlay	9,253,201	4,140,679	4,184,838	3,911,785	3,307,461	3,511,622	4,876,887	11,088,288	7,207,582	5,317,263
Debt service										
Principal retirement	10,068,268	11,300,052	7,338,447	6,712,181	10,280,928	13,279,761	13,208,603	10,750,273	11,976,647	15,942,537
Interest and fiscal charges	1,473,139	1,418,909	1,489,633	1,515,465	1,806,619	1,984,796	2,188,417	2,314,285	2,842,199	3,480,388
Debt issuance costs	-	-	-	-	-	-	223,025	700,430	251,294	80,496
Total expenditures	49,197,208	44,126,902	38,975,492	37,530,255	40,338,243	43,054,706	43,859,728	47,984,354	46,756,395	49,710,781

Excess (deficiency) of revenues over expenditures	(12,448,244)	(6,048,921)	(2,454,367)	(2,964,691)	(5,962,136)	(8,871,170)	(10,767,394)	(14,063,880)	(12,840,181)	(15,406,933)
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Other Financing Sources										
General obligation debt issued	9,420,000	3,540,000	2,030,000	1,530,000	1,515,000	-	4,285,000	6,095,000	3,387,400	4,613,700
Refunding bonds issued	3,750,000	1,975,000	-	-	4,370,000	3,730,000	10,125,000	9,765,000	11,720,000	1,840,000
Premium on debt issued	417,733	226,121	59,676	48,941	113,661	220,302	530,489	184,338	11,093	-
Capital lease issued	1,410,205	29,660	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	(1,186,394)	-	-	(5,514,509)	(8,217,388)	-
Sale of property	448,770	41,397	29,275	23,355	56,829	35,984	63,146	23,701	11,160	18,604
Transfers in	3,438,983	1,912,465	1,745,214	1,535,982	1,182,032	1,359,513	1,511,631	4,149,011	5,124,125	2,856,839
Transfers out	(3,321,438)	(1,273,184)	(1,190,910)	(811,179)	(501,111)	(529,855)	(763,335)	(482,841)	(231,222)	(2,205,530)
Total other financing sources (uses)	15,564,253	6,451,459	2,673,255	2,327,099	5,550,017	4,815,944	15,751,931	14,219,700	11,805,168	7,123,613

Net change in fund balances	\$ 3,116,009	\$ 402,538	\$ 218,888	\$ (637,592)	\$ (412,119)	\$ (4,055,226)	\$ 4,984,537	\$ 155,820	\$ (1,035,013)	\$ (8,283,320)
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Ratio of total debt service expenditures to total noncapital expenditures	27.20%	31.12%	24.60%	23.35%	32.99%	36.40%	37.36%	32.73%	35.42%	41.48%
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Schedule 5
City of West Bend
Assessed and Equalized Value of Taxable Property
Last Ten Fiscal Years

Levy Year	Fiscal Year	Real Property										Total Assessed Value (1)	Total Equalized Value (2)	Total Direct Tax Rate	Ratio of Assessed to Equalized
		Residential	Commercial	Manufacturing	Agricultural	Undeveloped	Forest	Other	Personal Property						
2020	2021	\$ 1,870,271,100	\$ 930,158,100	\$ 70,349,900	\$ 81,000	\$ 572,100	\$ 90,200	\$ 300,200	\$ 43,701,000	\$ 2,915,523,600	\$ 3,200,372,200	\$ 7.9298	91.10%		
2019	2020	1,857,702,600	825,103,700	71,228,400	82,900	278,200	90,200	300,200	43,801,850	2,798,588,050	2,956,923,800	7.8504	94.65%		
2018	2019	1,842,407,200	808,885,300	72,966,900	89,400	152,600	90,200	300,200	46,223,050	2,771,114,850	2,766,661,500	7.7943	100.16%		
2017	2018	1,621,930,300	720,336,900	65,605,400	83,400	152,600	90,200	300,200	56,041,300	2,464,540,300	2,680,139,500	8.5100	91.96%		
2016	2017	1,611,711,420	690,631,300	63,484,000	91,900	123,600	90,200	300,200	55,049,700	2,421,482,320	2,485,727,800	8.5083	97.42%		
2015	2016	1,606,305,800	687,420,300	63,865,800	91,900	123,600	90,200	300,200	53,140,250	2,411,338,050	2,418,080,000	8.5146	99.72%		
2014	2015	1,602,950,200	676,616,800	65,504,600	89,400	123,600	90,200	300,200	57,133,300	2,402,808,300	2,388,773,200	8.5121	100.59%		
2013	2014	1,600,997,600	678,101,600	63,494,600	91,900	123,800	90,200	300,200	62,023,150	2,405,223,050	2,378,068,900	8.5143	101.14%		
2012	2013	1,619,966,600	677,224,100	63,541,600	91,000	118,000	90,200	300,200	62,585,050	2,423,916,750	2,412,368,200	8.5156	100.48%		
2011	2012	1,615,263,200	643,509,801	62,938,900	56,000	33,500	46,100	-	58,450,450	2,380,297,951	2,453,201,000	8.4646	97.03%		

Source: Statement of Assessment for the City of West Bend

- 1 - Total assessed values do not include exempt properties. The City of West Bend Assessor's Office does not assess property classified as exempt. Assessed values are established by City Assessor on all property except manufacturing property as of January 1 of each year. The Wisconsin Department of Revenue determines manufacturing property assessed values as of January 1 of each year. A revaluation of all property was completed in 2005, 2011, and 2018.
- 2 - Equalized values are determined by the Wisconsin Department of Revenue.

Schedule 6
City of West Bend
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$1,000 of assessed value)

Levy Year	Budget Year	City Direct Rates						Overlapping Rates						Net Tax Rate	
		General Fund	Debt Service Fund		Non-Major Fund	TID Apportionment		Total Direct	West Bend			Moraine Park			
									School District	Washington County	Technical College	State of Wisconsin (1)	School Credit		State Credit
2020	2021	\$ 5.7058	\$ 1.2787	\$ 0.2541	\$ 0.6913	\$ 7.9298	\$ 8.7516	\$ 2.4564	\$ 0.6644	\$ -	\$ (1.3190)	\$ 18.4831			
2019	2020	5.6443	1.3899	0.2562	0.5600	7.8504	8.4246	2.4228	0.6518	-	(1.3649)	17.9847			
2018	2019	5.4860	1.3508	0.2587	0.6987	7.7943	7.9585	2.3892	0.6347	-	(1.3860)	17.3906			
2017	2018	5.8777	1.6619	0.2895	0.6810	8.5100	8.8643	2.7080	0.7061	-	(1.5577)	19.2308			
2016	2017	5.9222	1.7211	0.2932	0.5719	8.5083	8.8802	2.6460	0.6732	0.1742	(1.4659)	19.4161			
2015	2016	5.6273	1.9433	0.4087	0.5353	8.5146	8.7881	2.6092	0.6737	0.1702	(1.4831)	19.2726			
2014	2015	5.6927	2.0299	0.2599	0.5296	8.5121	8.5631	2.6762	0.6707	0.1687	(1.3211)	19.2698			
2013	2014	5.5563	2.1890	0.2582	0.5109	8.5143	9.0638	2.8309	1.5513	0.1678	(1.3093)	20.8188			
2012	2013	5.5939	2.0104	0.3742	0.5372	8.5156	8.5793	2.8653	1.5333	0.1689	(1.2934)	20.3690			
2011	2012	5.4391	2.2179	0.3619	0.4457	8.4646	8.6960	2.9444	1.5264	0.1749	(1.2843)	20.5220			

Source: Annual City of West Bend Adopted Operating Budget

1 - Effective with December 2017 property tax bills, state property tax for forestry purposes was eliminated.

Schedule 7
City of West Bend
Principal Property Taxpayers
2020 and Nine Years Ago

Taxpayer	2020				2011			
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value		Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	
West Bend Mutual Insurance	\$ 67,162,800	1	2.30%		\$ 63,464,350	1	2.67%	
Froedtert Health, Inc.	42,711,500	2	1.46%		13,871,700	3	0.58%	
Mills Fleet Farm	33,092,500	3	1.14%					
Meijer Stores	26,477,100	4	0.91%					
River Shores-Cast Iron Condo	23,799,500	5	0.82%					
Ireit West Bend Main (Pick N Save-S)	17,871,100	6	0.61%					
Manitou Equipment (GEHL Co.)	17,739,000	7	0.61%		20,397,950	2	0.86%	
Realty Income Properties (Wal-Mart Stores)	16,705,000	8	0.57%		13,648,450	4	0.57%	
Exchangeright Net (Pick N Save-N)	16,487,700	9	0.57%					
Paradise Pavillion (Kohl's & Hobby Lobby)	15,821,200	10	0.54%		12,697,100	5	0.53%	
Boston Store/Pier 1					12,071,650	6	0.51%	
Menard					10,654,400	7	0.45%	
WB Comm Warehouse					7,923,300	8	0.33%	
WB Acquisition, LLC					7,902,800	9	0.33%	
Aurora Medical Group					7,749,800	10	0.33%	
Total	\$ 277,867,400		9.53%		\$ 170,381,500		7.16%	

Source: City of West Bend Assessor's Office

Note: Assessed values include real and personal property.

Schedule 8
City of West Bend
Property Tax Levies and Collections
Last Ten Fiscal Years

Levy Year	Budget Year	Total Tax Levy	Collected within the		Collections of the Levy in Subsequent Years	Total Collections to Date	
			Fiscal Year of the Levy	Percentage of Levy		Amount	Percentage of Levy
2020	2021	\$ 58,148,434	\$ 24,073,431	41.40%	\$ -	\$ 24,073,431	41.40%
2019	2020	54,643,919	28,446,851	52.06%	13,214,989	41,661,840	76.24%
2018	2019	52,563,416	24,079,306	45.81%	15,975,391	40,054,697	76.20%
2017	2018	51,827,357	26,359,548	50.86%	13,488,001	39,847,549	76.89%
2016	2017	51,046,940	25,483,797	49.92%	13,532,507	39,016,304	76.43%
2015	2016	50,504,267	24,101,878	47.72%	14,052,797	38,154,675	75.55%
2014	2015	50,049,421	24,868,426	49.69%	20,093,111	44,961,537	89.83%
2013	2014	53,879,167	24,856,013	46.13%	23,724,396	48,580,409	90.17%
2012	2013	53,180,186	26,032,965	48.95%	21,499,230	47,532,195	89.38%
2011	2012	52,554,970	26,234,247	49.92%	20,969,851	47,204,098	89.82%

Source: City Finance Department records and Tax Settlements

Note: The City of West Bend used a new tax software for the 2015 levy year, which implemented a two installment plan for tax collection. For levy years 2009 through 2014, the City of West Bend collected tax payments until July 31st using a four installment payment plan.

In addition to property taxes for the City of West Bend, the City collects and remits taxes for Washington County, the West Bend School District, and Moraine Park Technical College. Tax settlements to the other entities are made in January, for taxes collected through December 31st, and in February, for taxes collected as of January 31st. All unpaid real estate taxes are forwarded to Washington County for further collection. Washington County makes a final tax settlement in August to the various taxing entities for the balance of their respective tax levies.

Schedule 9
City of West Bend
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business-Type Activities											
	General		Other Notes and Loans	Capital Leases	General		City of West Bend		Total Primary Government	Percentage of Personal Income	Per Capita				
	Obligation Bonds/Notes (1)				Obligation Bonds/Notes (1)		Water Revenue	Bonds							
2020	\$	46,817,482	\$	-	\$	1,420,239	\$	3,853,695	\$	-	\$	52,091,416	2.65%	\$	1,625
2019		43,380,438		-		19,360		4,145,747		-		47,545,545	2.47%		1,480
2018		49,260,212		-		-		3,377,552		1,095,000		53,732,764	2.88%		1,685
2017		54,613,681		60,000		-		3,228,871		1,410,000		59,312,552	3.43%		1,880
2016		59,845,884		115,000		-		2,892,493		1,725,000		64,578,377	3.92%		2,039
2015		65,296,953		170,000		-		2,385,211		2,030,000		69,882,164	4.33%		2,212
2014		74,671,016		225,000		-		2,685,442		2,325,000		79,906,458	5.12%		2,534
2013		73,032,000		275,000		-		2,077,141		3,825,000		79,209,141	5.23%		2,521
2012		67,106,487		325,000		4,315,000		2,288,327		4,230,000		78,264,814	5.19%		2,494
2011		71,758,886		561,112		4,440,000		2,592,299		4,695,000		84,047,297	5.86%		2,691

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.

1 - Presented net of premiums on long-term debt.

Schedule 10
City of West Bend
Ratios of Outstanding Debt To Equalized Value
Last Ten Fiscal Years

Fiscal Year	General Outstanding Debt (1)	Restricted Debt Service	Net General Obligation Debt	Equalized Valuation	Percent of Net Debt to Equalization	Estimated Population	Debt Per Capita
2020	\$ 50,671,177	\$ 700,147	\$ 49,971,030	\$ 3,200,372,200	1.56%	32,058	\$ 1,581
2019	47,526,185	146,286	47,379,899	2,956,923,800	1.60%	32,122	1,480
2018	52,637,764	140,866	52,496,898	2,766,661,500	1.90%	31,881	1,651
2017	57,842,552	137,043	57,705,509	2,680,139,500	2.15%	31,546	1,834
2016	62,738,377	66,540	62,671,837	2,485,727,800	2.52%	31,676	1,981
2015	67,682,164	52,530	67,629,634	2,418,080,000	2.80%	31,599	2,142
2014	77,356,458	1,404,634	75,951,824	2,388,773,200	3.18%	31,531	2,453
2013	75,109,141	8,586	75,100,555	2,378,068,900	3.16%	31,425	2,390
2012	69,394,814	93,856	69,300,958	2,412,368,200	2.87%	31,380	2,211
2011	74,351,185	1,272,798	73,078,387	2,453,201,000	2.98%	31,227	2,381

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.

1 - Presented net of premiums on long-term debt.

Schedule 11
City of West Bend
Computation of Direct and Overlapping Debt
December 31, 2020

Jurisdiction	Governmental		Percent Applicable to City of West Bend	Amount Applicable to City of West Bend
	General Obligation Debt Outstanding			
Direct Debt				
City of West Bend	\$ 48,237,721	100%	\$	48,237,721
Overlapping Debt				
Washington County	11,675,000	18.81%		2,196,411
West Bend School District	28,945,000	53.96%		15,619,855
Moraine Park Technical College	31,410,000	10.51%		3,299,628
Total Overlapping Debt	72,030,000			21,115,895
Total Direct and Overlapping Debt	<u>\$ 120,267,721</u>		\$	<u>69,353,616</u>

The percent applicable to the City is calculated by dividing the City's equalized value by the total equalized value of the indirect debt entity.

Schedule 12
City of West Bend
Computation of Legal Debt Margin
Last Ten Fiscal Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Equalized Value (1)	\$ 3,200,372,200	\$ 2,956,923,800	\$ 2,766,661,500	\$ 2,680,139,500	\$ 2,485,727,800	\$ 2,418,080,000	\$ 2,388,773,200	\$ 2,378,068,900	\$ 2,412,368,200	\$ 2,453,201,000
Debt Limit (2)	160,018,610	147,846,190	138,333,075	134,006,975	124,286,390	120,904,000	119,438,660	118,903,445	120,618,410	122,660,050
Total General Obligation Debt	49,831,375	47,002,455	52,077,207	57,180,654	61,982,835	66,928,764	76,713,525	74,887,128	70,747,401	75,053,337
Amount of Debt Applicable to Debt Limitation										
Total Debt Applicable to Debt Limit	49,831,375	47,002,455	52,077,207	57,180,654	61,982,835	66,928,764	76,713,525	74,887,128	70,747,401	75,053,337
Less: Assets in Debt Service Fund Available for Payment of Principal	700,147	146,286	140,866	137,043	66,540	52,530	1,404,634	8,586	93,856	1,272,798
Net Debt Applicable to Debt Limit	49,131,228	46,856,169	51,936,341	57,043,611	61,916,295	66,876,234	75,308,891	74,878,542	70,653,545	73,780,539
Remaining Legal Debt Margin	110,887,382	100,990,021	86,396,734	76,963,364	62,370,095	54,027,766	44,129,769	44,024,903	49,964,865	48,879,511
Total Debt Applicable to the Limit as a Percentage of Debt Limit	30.70%	31.69%	37.54%	42.57%	49.82%	55.31%	63.05%	62.97%	58.58%	60.15%

1 - Source - Department of Revenue

2 - In accordance with Wisconsin Statutes, total general obligation indebtedness of the City may not exceed five percent of the equalized value of the taxable property within the City's jurisdiction.

Schedule 13
City of West Bend
City of West Bend Water Utility Revenue Bond Coverage
Last Ten Fiscal Years

Fiscal Year	Direct Operating Revenues (1)	Direct Operating Expenses (2)	Net Revenue Available for Debt Service	Principal	Interest	Total	Coverage (3)
2020	\$ 4,924,368	\$ 3,478,748	\$ 1,445,620	\$ -	\$ -	\$ -	-
2019	4,944,231	2,734,578	2,209,653	-	-	-	-
2018	4,940,302	2,879,846	2,060,456	345,000	39,073	384,073	5.36
2017	4,910,092	2,600,919	2,309,173	345,000	39,073	384,073	6.01
2016	4,902,563	2,386,048	2,516,515	345,000	39,073	384,073	6.55
2015	4,898,018	2,897,098	2,000,920	345,000	39,073	384,073	5.21
2014	4,827,770	2,544,925	2,282,845	345,000	39,073	384,073	5.94
2013	4,945,220	2,185,072	2,760,148	445,000	130,059	575,059	4.80
2012	5,093,856	2,243,685	2,850,171	445,000	130,059	575,059	4.96
2011	4,755,812	2,950,944	1,804,868	465,000	176,946	641,946	2.81

1 - Total operating revenues plus interest income and interest subsidy.

2 - Operating expenses do not include depreciation.

3 - The Water Utility Revenue Bonds were refinanced in 2019 as a General Obligation Debt.

Schedule 14
City of West Bend
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population (1)	Personal Income (2)	Per Capita Personal Income (3)		Unemployment Rates (4)		
			Washington County	State of Wisconsin	City of West Bend	Washington County	State of Wisconsin
2020	32,058	\$ 1,968,008,562	\$ 61,389	\$ 55,487	6.30%	5.90%	6.30%
2019	32,122	1,926,645,438	59,979	53,583	2.90%	2.70%	3.40%
2018	31,881	1,868,258,481	58,601	50,756	2.70%	2.50%	3.00%
2017	31,546	1,727,458,960	54,760	48,941	3.00%	2.80%	3.30%
2016	31,676	1,648,767,476	52,051	47,275	3.70%	3.50%	4.20%
2015	31,599	1,615,024,890	51,110	45,942	4.10%	3.80%	4.60%
2014	31,531	1,559,617,853	49,463	44,414	4.90%	4.60%	5.40%
2013	31,425	1,514,747,850	48,202	42,728	7.80%	5.70%	6.70%
2012	31,380	1,507,620,720	48,044	42,537	8.30%	6.10%	7.00%
2011	31,227	1,434,193,656	45,928	40,749	9.60%	6.90%	7.80%

- 1 - Source: Department of Administration, State of Wisconsin
2 - Personal Income is calculated by using City population multiplied by Per Capita Income - Washington County.
3 - Source: Bureau of Economic Analysis (2020 Washington County is an estimate)
4 - Source: Bureau of Labor Statistics - Average of Local Area Unemployment Statistics

Schedule 15
City of West Bend
Principal Employers
2020 and Nine Years Ago

Taxpayer	2020				2011			
	Employees	Rank	Percentage of Total City Employment		Employees	Rank	Percentage of Total City Employment	
West Bend Mutual Insurance	1,300	1	8.33%		855	3	5.45%	
Froedtert Health Care	1,148	2	7.36%					
West Bend Joint School District No. 1	862	3	5.52%		1,150	1	7.34%	
Washington County	834	4	5.35%		878	2	5.60%	
Wal-Mart	600	5	3.85%		372	8	2.37%	
Serigraph Inc.	580	6	3.72%					
Cedar Community	550	7	3.52%		787	4	5.02%	
YMCA Kettle Moraine	333	8	2.13%		423	7	2.70%	
City of West Bend	324	9	2.08%		470	6	3.00%	
Regal Ware, Inc.	300	10	1.92%		236	9	1.51%	
St. Joseph's Community Hospital					575	5	3.67%	
Samaritan Health Center					185	10	1.18%	
Total	6,831		43.78%		5,931		37.84%	

Source: City of West Bend's Official Statement for respective year's borrowing

Schedule 16
City of West Bend
Full-time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

Function/ Program	Full Time Equivalent Employees									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<u>General Government</u>										
Council (8 Council Members)										
Mayor	1.25	1.25	1.25	1.25	1.25	1.25	1.00	1.00	1.00	1.00
Attorney	-	-	-	-	-	-	-	0.05	2.25	3.00
Administration	1.25	1.25	1.25	1.25	1.25	1.25	1.25	3.00	2.35	2.61
Clerk	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Human Resources	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.25	2.25	2.82
Elections	Varies	Varies	Varies	Varies	Varies	Varies	Varies	Varies	Varies	Varies
Finance	7.30	7.30	7.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Assessor	3.00	3.00	3.00	3.00	3.00	4.00	4.00	4.00	4.00	4.00
Municipal Building Maintenance	4.75	4.75	5.75	5.35	5.35	4.84	4.00	6.10	6.06	7.98
Information Systems	2.00	2.00	2.00	2.00	2.00	2.00	2.00	3.00	3.00	3.00
GIS	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00	4.00
Emergency Government	-	-	-	-	-	-	-	0.35	0.63	0.63
<u>Public Safety</u>										
Police	77.00	77.00	75.00	75.00	75.00	75.00	75.00	76.00	74.00	77.00
Fire	40.70	40.70	40.70	40.70	40.70	40.70	40.70	40.50	40.00	35.00
Building Inspection	2.25	2.25	2.00	2.00	3.00	2.70	3.50	4.02	4.45	4.00
<u>Public Works</u>										
Public Works	14.95	14.95	14.95	14.60	15.60	16.60	15.98	15.73	16.95	16.95
Engineering	3.00	3.00	3.00	4.00	4.00	3.00	3.00	14.75	14.75	14.75
Vehicle Maintenance	4.95	4.95	4.95	4.95	3.95	3.95	4.60	4.60	4.60	4.60
Airport	0.65	0.37	0.58	1.50	1.50	1.50	0.58	0.58	0.58	0.58
<u>Leisure Activities</u>										
Parks	19.65	20.65	20.65	19.65	19.65	19.65	20.71	30.00	33.50	37.00
Tourism	-	-	-	-	1.06	1.06	-	-	-	-
<u>Conservation and Development</u>										
Economic Development	1.50	1.50	1.50	-	-	-	-	-	-	-
Department of Development	3.50	3.50	3.50	4.00	4.00	4.00	5.00	6.00	7.00	7.00
<u>Enterprise Funds</u>										
Sewer Utility	8.50	8.50	8.50	8.50	8.00	8.00	8.00	8.00	8.00	8.00
Water Utility	16.90	16.90	16.90	16.90	16.90	16.90	18.35	17.98	17.87	19.32
<u>Other Non-Major Special Revenue Funds</u>										
Taxi	1.10	1.10	1.10	1.10	1.10	0.48	-	-	-	-
Library	19.16	19.23	18.83	19.05	19.05	19.43	20.88	19.25	18.75	21.00
Community TV	3.25	3.25	3.25	2.50	2.50	2.75	2.75	2.25	1.60	1.60
Recreation	7.50	7.50	7.50	7.50	7.50	7.50	7.50	-	-	-
Room Tax	1.06	1.06	1.06	1.06	-	-	-	-	-	-
Total	251.2	252.0	250.2	249.9	250.4	251.6	253.8	272.4	276.6	286.8

Source: City of West Bend's Annual Operating Budgets

Schedule 17
City of West Bend
Operating Indicators and Information about Capital Assets by Function/Department
Last Ten Fiscal Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<u>Public Safety</u>										
<u>Police</u>										
Calls for Service	13,426	14,258	14,391	14,877	14,599	15,339	14,873	13,390	13,721	14,505
Other Police Activities	44,121	53,452	55,692	58,452	58,479	57,020	56,031	51,340	47,302	45,298
Arrests (1)	1,050	1,115	1,187	2,309	2,511	2,925	3,206	2,513	2,437	1,730
Citations (2)	2,918	4,183	5,087	4,318	5,366	5,643	6,030	5,573	4,847	6,860
Patrol Vehicles	13	13	13	13	13	13	13	13	13	13
<u>Fire Department</u>										
Fire Calls	454	464	463	400	441	400	472	443	449	383
Fire Stations	3	3	3	3	3	3	3	3	3	3
Fire Apparatus	18	18	18	18	18	18	18	18	18	18
Ambulances	4	4	4	4	4	4	4	4	4	4
EMS Responses	3,912	3,809	3,789	3,682	3,452	3,465	3,381	3,167	3,094	2,741
<u>Public Works</u>										
Refuse/ Recycling ¹										
Units Collected	9,991	9,944	9,913	9,861	9,803	9,787	9,757	9,729	9,703	9,651
Recycle Cost per Unit	\$ 3.12	\$ 3.05	\$ 2.98	\$ 2.91	\$ 2.84	\$ 2.78	\$ 2.72	\$ 2.66	\$ 2.60	\$ 2.60
Recycling Tonnage	2,439.11	2,535.60	2,767.13	2,786.09	2,643.57	2,680.07	2,808.16	2,864.49	2,840.28	2,732.29
Refuse Tonnage	8,036.33	7,155.08	7,382.39	7,374.68	7,007.28	7,021.97	6,961.27	6,879.86	6,856.58	7,253.59
Streets (lane miles)	535	535	525	525	525	525	525	525	525	525
Street Lights (City owned)	282	282	276	276	276	276	276	276	276	276
Street Signs	7,007	7,007	7,237	7,237	7,237	7,237	7,237	7,237	7,237	7,237
<u>Parks and Recreation</u>										
Number of Parks	37	37	37	37	37	36	36	36	36	36
Acreage of Park Land	1,425	1,425	1,425	1,425	1,425	1,285	1,285	1,285	1,285	1,285
Recreation Programs	27	40	39	36	39	40	41	35	36	32
Lac Lawrann Programs	7	8	14	15	14	11	12	8	9	9
Beach Attendance	-	17,973	18,102	19,264	20,545	21,478	17,894	16,725	24,388	25,415
Special Events	14	60	59	55	52	51	47	40	36	33
Shelter Reservations	288	479	503	459	448	415	385	333	274	147
<u>Library</u>										
Circulation	343,135	459,608	498,524	501,628	494,226	502,327	543,221	558,919	570,205	578,059
User Visits	121,762	208,619	216,713	220,513	226,648	227,682	246,901	252,954	275,102	Unavailable
Registered Borrowers	40,111	41,560	41,255	46,947	45,201	62,530	61,496	60,257	58,653	56,753
<u>Water Utility</u>										
Number of Customers	12,096	12,049	12,003	11,845	11,797	11,861	11,835	11,734	11,680	11,723
Gallons Sold	811,170,000	802,834,938	830,235,000	833,025,000	844,547,000	863,002,000	835,029,000	879,530,000	925,062,000	851,455,000
Hydrants Flushed	598	610	625	570	448	660	528	431	518	467
Number of Hydrants	1,436	1,436	1,441	1,435	1,427	1,425	1,422	1,418	1,417	1,415
Miles of Water Main	145.17	145	145	145	144.5	144.5	144.5	144	144	144
<u>Sewer Utility</u>										
Number of Customers	11,728	11,703	11,703	11,553	11,538	11,348	11,522	11,398	11,344	11,322
Gal Treated (Avg Millions Gal/Day)	5.37	4.82	4.25	4.33	4.35	3.84	4.87	5.40	3.87	4.27
Miles of Sanitary Sewer	137	137	137	137	137	137	137	137	137	137

Source: City of West Bend respective department and annual budget

- 1 - Previous to 2018, arrest totals included total number of felony and misdemeanor charges. In 2018, total only includes persons arrested.
2 - In 2011, the citation totals included releasable equipment violations. All other years equipment violations that were corrected and citations released are not included in the total of citations.

City of West Bend

Notes to Financial Statements
December 31, 2020

As of December 31, 2020, the City's investments were as follows:

Type of Investment	Fair Value	Investment Maturities (in Years)		
		Less than 1 year	1-5	More than 5 years
U.S. Agencies – implicitly guaranteed	\$ 1,834,808	\$ 280,084	\$ 1,554,724	\$ -
Municipal bonds	1,572,908	-	1,572,908	-
Certificates of deposit	5,687,900	2,704,858	2,983,042	-
Total	\$ 9,095,616	\$ 2,984,942	\$ 6,110,674	\$ -

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

Receivables

Accounts receivable not expected to be collected within one year related to delinquent items and loans, respectively, are as follows:

General fund	\$ 85,228
Nonmajor governmental funds	623,594
Total Amount Not Due Within One Year	<u>\$ 708,822</u>

An allowance for doubtful accounts has been established in the amount of \$307,626, which relates to ambulance billings reported in the general fund.

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:

	Unavailable	Unearned
Property taxes receivable for subsequent year	\$ -	\$ 26,122,157
Developer payments receivable	57,558	-
Special assessments receivable	163,245	-
Insurance reimbursements	607,022	-
Grant reimbursements	150,000	-
Subsequent period prepayments	-	343,463
Total Unavailable/Unearned Revenue for Governmental Funds	\$ 977,825	\$ 26,465,620

City of West Bend

Notes to Financial Statements
December 31, 2020

Restricted Assets

The following represent the balances of the restricted assets:

Net Pension Asset

Restricted assets have been reported in connection with the net pension asset balance since this balance must be used to fund employee benefits. The City reported \$4,321,084 in restricted assets for pension at December 31, 2020.

OPEB Asset

Restricted assets have been reported in connection with the OPEB Trust fiduciary fund since this balance must be used to fund other postemployment benefits. The City reported \$1,141,136 in restricted assets for OPEB in the fiduciary fund at December 31, 2020.

Equipment Replacement Account

The City established an equipment replacement account to be used for significant mechanical equipment replacement as required by the Wisconsin Department of Natural Resources. The Sewer Utility reported \$311,728 in restricted assets for the replacement account at December 31, 2020.

There are also restricted assets \$372,410 reported in the nonmajor governmental funds for the parkland acquisition trust.

City of West Bend

Notes to Financial Statements
December 31, 2020

Capital Assets

Capital asset activity for the year ended December 31, 2020 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 11,636,702	\$ 3,120,313	\$ 100,365	\$ 14,656,650
Right of ways	40,346,764	164,913	-	40,511,677
Construction in progress	182,941	215,641	65,755	332,827
Total Capital Assets Not Being Depreciated	52,166,407	3,500,867	166,120	55,501,154
Capital assets being depreciated:				
Land improvements	8,939,578	-	-	8,939,578
Buildings	29,214,505	64,393	483,024	28,795,874
Machinery and equipment	22,468,195	1,260,171	1,074,179	22,654,187
Streets	82,631,772	1,154,921	144,085	83,642,608
Bridges	4,685,943	-	-	4,685,943
Traffic signals	2,855,189	16,359	-	2,871,548
Dams	650,000	-	-	650,000
Storm water system	33,269,818	769,262	35,934	34,003,146
Street lights	542,000	-	-	542,000
Other	1,331,800	-	-	1,331,800
Total Capital Assets Being Depreciated	186,588,800	3,265,106	1,737,222	188,116,684
Less: Accumulated depreciation for:				
Land improvements	(3,504,509)	(171,379)	-	(3,675,888)
Buildings	(10,084,552)	(520,262)	266,146	(10,338,668)
Machinery and equipment	(14,602,883)	(1,232,840)	922,619	(14,912,904)
Streets	(42,453,609)	(2,091,065)	144,085	(44,400,589)
Bridges	(2,391,294)	(93,719)	-	(2,485,013)
Traffic signals	(1,659,462)	(95,623)	-	(1,755,085)
Dams	(399,000)	(13,000)	-	(412,000)
Storm water system	(14,741,863)	(567,853)	35,934	(15,273,782)
Street lights	(336,040)	(10,840)	-	(346,880)
Other	(679,442)	(44,349)	-	(723,791)
Total Accumulated Depreciation	(90,852,454)	(4,840,930)	1,368,784	(94,324,600)
Net Capital Assets Being Depreciated	95,736,346	(1,575,824)	368,438	93,792,084
Total Governmental Activities Capital Assets, Net of Depreciation	\$ 147,902,753	\$ 1,925,043	\$ 534,558	\$ 149,293,238

Depreciation expense was charged to functions as follows:

Governmental Activities	
General government	\$ 327,507
Public safety	483,743
Public works, including infrastructure assets	3,312,473
Leisure activities	694,873
Conservation and development	22,334
Total Governmental Activities Depreciation Expense	\$ 4,840,930

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City of West Bend

Notes to Financial Statements
December 31, 2020

Business-type Activities

Capital assets not being depreciated:

Land	\$ 552,571	\$ -	\$ -	\$ 552,571
Construction in progress	495,260	291,226	465,228	321,258
Total Capital Assets Not Being Depreciated	1,047,831	291,226	465,228	873,829
Capital assets being depreciated:				
Water utility plant	44,692,763	571,664	200,577	45,063,850
Sewer utility plant	51,967,572	1,675,959	677,313	52,966,218
Total Capital Assets Being Depreciated	96,660,335	2,247,623	877,890	98,030,068
Less: Accumulated depreciation for:				
Water utility plant	(18,128,435)	(1,071,987)	200,577	(18,999,845)
Sewer utility plant	(28,744,492)	(1,324,704)	677,313	(29,391,883)
Total Accumulated Depreciation	(46,872,927)	(2,396,691)	877,890	(48,391,728)
Net Capital Assets Being Depreciated	49,787,408	(149,068)	-	49,638,340
Total Business-type Activities Capital Assets, Net of Depreciation	\$ 50,835,239	\$ 142,158	\$ 465,228	\$ 50,512,169

Depreciation expense was charged to functions as follows:

Business-type Activities	
Water	\$ 998,833
Sewer	1,319,380
Total Business-Type Activities Depreciation Expense	\$ 2,318,213

Depreciation expense does not agree to the increases in accumulated depreciation due to joint metering, salvage and cost of removal.

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City of West Bend

Notes to Financial Statements
December 31, 2020

Interfund Receivables/Payables, Advances and Transfers

Interfund Receivables/Payables

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

Receivable Fund	Payable Fund	Amount
General	Water utility	\$ 798,222
General	Sewer utility	276,169
General	Nonmajor governmental funds	681,889
Capital projects	General	422,212
Water utility	Sewer utility	15,350
Sewer utility	General	144,809
Subtotal – Fund Financial Statements		2,338,651
Less: Fund eliminations		(1,119,451)
Less: Government-wide eliminations		(289,618)
Less: Interfund advances		(5,032,619)
Total Internal Balances – Government-Wide Statement of Net Position		\$ (4,103,037)

Receivable Fund	Payable Fund	Amount
Governmental Activities	Business-type Activities	\$ 1,255,833
Business-type Activities	Governmental Activities	(5,358,870)
Total Government-wide Financial Statements		\$ (4,103,037)

All interfund balances resulted from the time lag between the dates that: 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made. All interfund receivables/payables are due within one year.

City of West Bend

Notes to Financial Statements
December 31, 2020

Advances

The following is a schedule of interfund advances:

Receivable Fund	Payable Fund	Amount	Amounts Not Due Within One Year
Communications	Economic Development	\$ 256,667	\$ 245,000
Sewer utility	TIF District No. 3	1,794,785	1,794,785
Sewer utility	TIF District No. 8	34,011	34,011
Sewer utility	TIF District No. 9	54,180	54,180
General	TIF District No. 9	183,402	183,402
Sewer utility	TIF District No. 10	509,643	509,643
Sewer utility	TIF District No. 12	1,650,000	1,600,000
Sewer utility	Economic Development	990,000	945,000
Subtotal – Interfund Advances		5,472,688	\$ 5,386,021
Less: Fund eliminations		(440,069)	
Total – Interfund Advances		\$ 5,032,619	

The sewer utility is advancing funds to the TIF Districts No. 3, No. 8, No. 10 and No. 12. The sewer utility is charging these funds interest on the advance based on the average outstanding advance balance during the year. The rate varies from year to year. 2020's rate was 1.19 percent. No repayment schedules have been established for these advances. The sewer utility has also advanced funds to TIF Districts No. 5, No. 7, No. 9, No. 11, No. 12 and No. 13; however, these advances were determined to be uncollectible in 2013, with the exception of \$54,179 advanced to TIF No. 9 in 2015 and \$1,750,000 advanced to TIF No. 12 in 2017. An allowance is set up in the amount of \$2,267,281. The sewer utility is also advancing funds to the economic development fund. The economic development fund is paying \$45,000 annually in principal over a 30-year period, which began in 2013 plus interest calculated at 0.69 percent.

The communications fund is advancing funds to the economic development fund. Interest is being charged at 0.69 percent on this advance and repayment is scheduled for \$11,667 annually over a 30-year period beginning in 2013. The general fund is advancing funds to TIF District No. 9 to cover a cash deficit. No interest is being charged on this advance and no repayment schedule has been established.

City of West Bend

Notes to Financial Statements
December 31, 2020

Transfers

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
General	Water utility	\$ 667,090	Payment in lieu of taxes
General	Nonmajor governmental funds	390	Refer to general note
Debt service	Capital projects	121,006	Refer to general note
Nonmajor governmental funds	General	88,009	Refer to general note
Nonmajor governmental funds	Nonmajor governmental funds	1,522,285	Increment sharing
Capital projects	General	421,630	Refer to general note
Capital projects	Nonmajor governmental funds	303,637	Refer to general note
Debt service	Nonmajor governmental funds	257,256	Refer to general note
Nonmajor governmental funds	Debt service	45,579	Refer to general note
Nonmajor governmental funds	Nonmajor governmental funds	560,096	Refer to general note
Sewer utility	Water utility	12,101	Refer to general note
Debt service	Nonmajor governmental funds	1,550	Refer to general note
Water utility	Sewer utility	18,108	Refer to general note
Subtotal - Fund Financial Statements		4,018,737	
Less: Fund eliminations		(2,777,900)	
Less: Government-wide eliminations		(1,123,292)	
Total Transfers - Government-Wide Statement of Activities		\$ 117,545	

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>
Governmental Activities	Business-type Activities	\$ 679,191
Business-type Activities	Governmental Activities	(561,646)
Total Government-wide Financial Statements		\$ 117,545

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.

City of West Bend

Notes to Financial Statements
December 31, 2020

Long-Term Obligations

Long-term obligations activity for the year ended December 31, 2020 were as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
GOVERNMENTAL ACTIVITIES					
Bonds and Notes Payable	\$ 42,827,860	\$ 13,170,000	\$ 10,012,860	\$ 45,985,000	\$ 6,105,000
General obligation debt					
General obligation notes from direct borrowings or direct placements	142,455	-	46,080	96,375	47,475
Unamortized debt premiums	410,123	417,733	91,749	736,107	-
Total Bonds and Notes Payable	43,380,438	13,587,733	10,150,689	46,817,482	6,152,475
Other Liabilities					
Vested compensated absences					
Sick leave	2,537,487	290,506	179,087	2,648,906	132,444
Vacation	867,850	948,578	867,849	948,579	948,579
Compensatory time	158,548	240,717	220,779	178,486	178,486
Capital lease payable	19,360	1,410,205	9,326	1,420,239	138,260
Total Other Liabilities	3,583,245	2,850,006	1,277,041	5,156,210	1,397,769
Total Governmental Activities	\$ 46,963,683	\$ 16,477,739	\$ 11,427,730	\$ 52,013,692	\$ 7,550,244
Long-Term Liabilities					
BUSINESS-TYPE ACTIVITIES					
Bonds and Notes Payable					
General obligation debt	\$ 4,032,140	\$ 325,000	\$ 607,140	\$ 3,750,000	\$ 485,000
Unamortized bond premium	113,607	14,627	24,539	103,695	24,539
Total Bonds and Notes Payable	4,145,747	339,627	631,679	3,853,695	509,539
Other Liabilities					
Compensated absences	166,437	30,032	24,536	171,933	-
Total Other Liabilities	166,437	30,032	24,536	171,933	-
Total Business-type Activities	\$ 4,312,184	\$ 369,659	\$ 656,215	\$ 4,025,628	\$ 509,539
Long-Term Liabilities					

City of West Bend

Notes to Financial Statements
December 31, 2020

General Obligation Debt

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

In accordance with Wisconsin Statutes, total general obligation indebtedness of the City may not exceed 5 percent of the equalized value of taxable property within the City's jurisdiction. The debt limit as of December 31, 2020 was \$180,018,610. Total general obligation debt outstanding at year-end was \$49,831,375.

Governmental Activities General Obligation Debt

	<u>Date of Issue</u>	<u>Due Date</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance 12/31/20</u>
General obligation refunding bonds	10/19/10	4/1/22	0.75-3.00%	\$ 6,800,000	\$ 945,000
General obligation refunding bonds	12/21/11	4/1/27	0.50-3.10%	1,840,000	400,000
General obligation taxable refunding bonds	5/9/12	3/1/22	0.55-2.70%	1,620,000	365,000
General obligation notes	5/9/12	5/1/22	0.35-2.00%	2,955,000	635,000
General obligation refunding bonds	5/9/12	4/1/26	2.00-2.25%	6,570,000	5,225,000
State trust fund loan *	6/4/12	3/15/22	3.00%	432,400	96,375
General obligation refunding bonds – 2013 A	6/6/13	5/1/33	1.00-3.00%	9,060,000	7,290,000
General obligation refunding notes – 2013 C	6/6/13	4/1/23	0.30-2.25%	5,980,000	180,000
General obligation notes – 2013 B	6/6/13	5/1/23	5/1/23	820,000	275,000
General obligation bonds – 2014 A	2/26/14	2/1/34	0.50-4.00%	1,740,000	1,325,000
General obligation notes – 2014 B	2/26/14	2/1/24	2.00-2.75%	6,210,000	1,940,000
General obligation bonds – 2015 A	6/10/15	4/1/26	1.50-3.00%	3,730,000	2,355,000

* debt issue is a direct borrowing or direct placement

City of West Bend

Notes to Financial Statements
December 31, 2020

Governmental Activities General Obligation Debt (cont.)

	<u>Date of Issue</u>	<u>Due Date</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance 12/31/20</u>
General obligation bonds – 2016 A	3/29/16	3/1/30	2.60-2.50%	\$ 4,750,000	\$ 3,355,000
General obligation refunding bonds – 2016 B	3/29/16	4/1/22	0.90-1.90%	1,135,000	530,000
General obligation notes – 2017 A	5/11/17	3/1/27	2.03%	1,530,000	1,365,000
General obligation notes – 2018 A	5/3/18	11/1/28	3.00%	2,030,000	1,790,000
General obligation notes – 2019 A	4/3/19	4/1/31	3.00-4.00%	3,540,000	3,265,000
General obligation refunding bonds – 2019 B	4/3/19	3/1/24	2.625-2.65%	1,975,000	1,575,000
General obligation bonds – 2020 A	2/5/20	2/1/40	1.80-3.00%	3,530,000	3,530,000
General obligation bonds – 2020 B	5/7/20	5/1/40	2.00-3.00%	5,890,000	5,890,000
General obligation refunding bonds – 2020 C	10/15/20	3/1/31	1.05-2.00%	3,750,000	3,750,000
Total Governmental Activities – General Obligation Debt					<u>\$ 46,081,375</u>

Business-type Activities General obligation debt

	<u>Date of Issue</u>	<u>Due Date</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance 12/31/20</u>
General obligation refunding bonds	5/9/12	4/1/26	2.00-2.25%	\$ 235,000	\$ 180,000
General obligation refunding bonds	3/29/16	3/1/30	2.60-2.50%	775,000	580,000
General obligation notes	6/1/16	6/1/26	1.35%	800,000	505,000
General obligation notes	5/11/17	3/1/27	2.03%	700,000	515,000
General obligation notes	5/3/18	5/1/28	3.00%	530,000	445,000
General obligation notes	4/3/19	4/1/31	3.00-4.00%	1,350,000	1,200,000
General obligation notes	5/7/20	5/1/40	2.00%-3.00%	300,000	300,000
General obligation refunding bonds	10/15/20	3/1/31	1.05%-2.00%	25,000	25,000
Total Business-type Activities – General Obligation Debt					<u>\$ 3,750,000</u>

City of West Bend

Notes to Financial Statements
December 31, 2020

Debt service requirements to maturity are as follows:

Years	Governmental Activities		Business-type Activities	
	Principal	Interest	General Obligation Debt	Interest
2021	\$ 6,105,000	\$ 1,121,369	\$ 485,000	\$ 98,114
2022	5,650,000	931,543	475,000	81,410
2023	4,920,000	808,322	495,000	67,671
2024	4,895,000	690,491	470,000	54,199
2025	4,550,000	576,401	440,000	42,239
2026-2030	13,795,000	1,574,145	1,365,000	74,301
2031-2035	3,510,000	539,774	20,000	300
2036-2040	2,560,000	177,629	-	-
Total	\$ 45,985,000	\$ 6,419,674	\$ 3,750,000	\$ 418,234

Governmental Activities Notes from Direct Borrowings and Direct Placements

Years	Principal		Interest	
	Principal	Interest	Principal	Interest
2021	\$ 47,473	\$ 2,891		
2022	48,902	1,467		
Total	\$ 96,375	\$ 4,358		

Current Refunding

On October 15, 2020, bonds in the amount of \$3,775,000 were issued with an average interest rate of 1.40 percent to refund \$3,810,000 of outstanding general obligation bonds with an average interest rate exceeding 3 percent. The net proceeds were used to prepay the outstanding debt service requirements on the old bonds.

The cash flow requirements on the old bonds prior to the current refunding was \$4,392,090 for 2021 through 2031. The cash flow requirement on the new bonds is \$3,988,133 for 2021 through 2031. The current refunding resulted in an economic gain of \$386,209.

Other Debt Information

Estimated payments of accumulated employee benefits and other commitments are not included in the debt service requirement schedules. The compensated absences are attributable to governmental activities, which will be liquidated primarily by the general fund.

City of West Bend

Notes to Financial Statements
December 31, 2020

The City entered into a lease agreement during 2019 for police equipment, and into lease agreements in 2020 for fire and airport equipment. Principal and interest due on the capital leases as of December 31, 2020, are as follows:

Years	Capital Leases Payable	
	Principal	Interest
2021	\$ 138,260	\$ 47,572
2022	143,686	31,356
2023	142,509	32,533
2024	146,601	28,442
2025	150,810	24,233
2026 - 2030	698,373	60,829
Total	\$ 1,420,239	\$ 224,965

Net Position/Fund Balances

Governmental activities net position reported on the government-wide statement of net position at December 31, 2020 includes the following:

Governmental Activities

Net investment in capital assets	
Land	\$ 14,656,650
Right of ways	40,511,677
Construction in progress	332,827
Other capital assets, net of accumulated depreciation	93,792,084
Less: Capital related long-term debt outstanding	(46,367,609)
Less: Unamortized premiums	(736,107)
Plus: Unamortized loss on refunding	472,714
Plus: Unspent capital related debt proceeds	4,075,382
Total Net Investment in Capital Assets	\$ 106,737,618

City of West Bend

Notes to Financial Statements
December 31, 2020

Governmental fund balances reported on the fund financial statements at December 31, 2020 include the following:

Fund Balance	Major Funds			Total
	General Fund	Debt Service	Capital Projects	
Nonspendable				
Inventories	\$ 1,030,861	\$ -	\$ -	\$ 1,030,861
Prepaid items	1,602,910	-	-	1,632,750
Delinquent personal property taxes	26,674	-	-	26,674
Delinquent special assessments	58,554	-	-	58,554
Advances	183,402	-	-	183,402
Restricted for:				
Debt service	-	700,147	-	700,147
Library purposes	-	-	-	820,257
Fire department equipment funds	7,652	-	-	7,652
Fire department training funds	2,987	-	-	2,987
Rescue squad	4,616	-	-	4,616
Parks and recreation	12,680	-	-	403,718
Park impact fee	7,100	-	-	59,167
EMS	-	-	-	2,753
Transit	-	-	-	145,857
Loans	-	-	-	304,177
Future HRA payments	304,177	-	-	11,364
Tourism	-	-	-	2,949,570
TIF related projects	-	-	-	-
Future capital related projects (unspent proceeds)	-	-	1,259,768	-
Committed to:				
Communications	-	-	-	1,259,768
Recreation programs	-	-	-	1,358,024
Assigned to:				
Carryforwards	559,657	-	-	48,155
Future capital projects	-	-	632,006	-
Unassigned (deficit)	6,111,129	-	(3,687,479)	559,657
Total Fund Balances	\$ 9,912,379	\$ 700,147	\$ 1,891,774	\$ 14,645,526

Business-type Activities

Invested in capital assets, net of related debt	
Land	\$ 552,571
Construction in progress	321,258
Other capital assets, net of accumulated depreciation	49,638,340
Less: Unrelated long-term debt outstanding	(3,750,000)
Less: Unamortized debt premium	(103,695)
Total Amount Not Due Within One Year	\$ 46,658,474

City of West Bend

Notes to Financial Statements
December 31, 2020

Component Unit

This report contains the Business Improvement District (BID), which is included as a component unit. Financial information is presented as a discrete column in the statement of net position and statement of activities.

In addition to the government-wide 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 BID follows the modified accrual basis of accounting and the flow of financial resources measurement focus. No conversion adjustments are required for the BID statements to present full accrual information.

b. Deposits and Investments

The component unit cash and investments at year-end was comprised of the following:

	Carrying Value	Bank Balance
Demand deposits	\$ 227,018	\$ 227,018

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).

Custodial Credit Risk

Custodial credit risk is associated with the demand deposits.

See Note 3. for a description of custodial credit risk.

As of December 31, 2020, the component unit's bank balance of \$227,018 was commingled with City funds. Custodial credit risk related to the BID cannot be determined.

The City has adopted an investment policy, which is also followed by the BID.

c. Transactions with the Primary Government

At December 31, 2020, the Business Improvement District has a receivable of \$103,495 from the City's tax collection fund for the subsequent year's annual assessment.

City of West Bend

Notes to Financial Statements
December 31, 2020

4. Other Information

Employees' Retirement System

Plan Description

The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1,200 hours a year 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, which can be found at <https://efw.wisconsin.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

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 State executive participants, if hired on or before December 31, 2016) are entitled to retirement benefit based on a formula factor, their average earnings and creditable services.

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 makes 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.

City of West Bend

Notes to Financial Statements
December 31, 2020

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
2010	(1.3)%	22.0%
2011	(1.2)	11.0
2012	(7.0)	(7.0)
2013	(9.6)	9.0
2014	4.7	2.5
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)

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 and Executives and Elected Officials. Starting 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. Employees are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the reporting period, the WRS recognized \$1,402,543 in contributions from the City.

Contribution rates for the plan year reported as of December 31, 2020 are:

	Employee Category	Employee	Employer
General (Executives & Elected Officials)		6.55%	6.55%
Protective with Social Security		6.55%	10.55%
Protective without Social Security		6.55%	14.95%

City of West Bend

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

At December 31, 2020, the City reported an asset of \$4,321,084 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018 rolled forward to December 31, 2019. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension asset was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2019, the City's proportion was 0.13400969 percent, which was an increase of 0.00261385 percent from its proportion measured as of December 31, 2018.

For the year ended December 31, 2020, the City recognized pension expense of \$1,470,416.

At December 31, 2020, the City 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	\$ 8,202,405	\$ 4,104,755
Changes of actuarial assumptions	336,727	-
Net differences between projected and actual earnings on pension plan investments	-	8,833,833
Changes in proportion and differences between employer contributions and proportionate share of contributions	16,331	523
Employer contributions - January 1, 2020 to end of current fiscal year	1,614,772	-
Total	\$ 10,170,235	\$ 12,939,111

\$1,614,772 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, 2021. 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)
2021	\$ (1,293,489)
2022	(970,864)
2023	153,056
2024	(2,272,351)

City of West Bend

Notes to Financial Statements
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Actuarial Assumptions

The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2018
Measurement Date of Net Pension Liability	December 31, 2019
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:	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table
Post-retirement Adjustments*:	1.9%

* No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.9 percent 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. The Total Pension Liability for December 31, 2019 is based upon a roll-forward of the liability calculated from the December 31, 2018 actuarial valuation.

City of West Bend

Notes to Financial Statements
December 31, 2020

Long-Term Expected Return on Plan Assets

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

Core Fund Asset Class	Current Asset Allocation %	Destination Target Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Global Equities	49%	45%	8.0%	5.1%
Fixed Income	24.5	37	4.9	2.1
Inflation Sensitive Assets	15.5	20	4.0	1.2
Real Estate	9	7	6.3	3.5
Private Equity/Debt	8	7	10.6	7.6
Multi-Asset	4	4	6.9	4.0
Total Core Fund	110	120	7.5	4.6
Variable Fund Asset Class				
U.S. Equities	70	70	7.5	4.6
International Equities	30	30	8.2	5.3
Total Variable Fund	100	100	7.8	4.9

New England Pension Consultants Long-Term US CPI (inflation) Forecast: 2.75 percent
Asset Allocations are managed within established ranges, target percentages may differ from actual monthly allocations

City of West Bend

Notes to Financial Statements
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Single Discount Rate

A single discount rate of 7.00 percent was used to measure the total pension liability (asset) for the current and prior year. This single discount rate was based on the expected rate of return on pension plan investments of 7.00 percent and a long-term bond rate of 2.75 percent. (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2019. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.) Because of the unique structure of WPS, the 7.00 percent expected rate of return implies that a dividend of approximately 2.1 percent 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 municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability (asset).

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

The following presents the City's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00 percent, as well as what the City'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%)
City's proportionate share of the Net pension liability (asset)	\$ 11,127,564	\$ (4,321,084)	\$ (15,870,725)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <https://efw.wi.gov/about-efw/reports-and-studies/financial-reports-and-statements> and reference report number 15-11.

At December 31, 2020, the City reported a payable to the pension plan, which represents contractually required contributions outstanding as of the end of the year.

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; workers' compensation; and health care of its employees. The City purchases commercial insurance to provide coverage for losses from torts; theft of, damage to, or destruction of assets; workers compensation; and errors and omission. There have been no significant reductions in insurance coverage for any risk of loss in the past year and settled claims have not exceeded the commercial coverage in any of the past three years. However, other risks, such as health care of its employees are accounted for and financed by the City in the general fund.

City of West Bend

Notes to Financial Statements
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Self Insurance

For health claims, the uninsured risk of loss is \$90,000 per incident and \$3,820,800 in the aggregate for a policy year. The City has purchased commercial insurance for claims in excess of those amounts. There have been no significant reductions in coverage compared to the prior year and settled claims have not exceeded the commercial coverage in any of the past three years.

All funds of the City participate in the risk management program. Amounts payable to the general fund are based on actuarial estimates of the amounts necessary to pay prior and current year claims.

A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable. An amount for claims that have been incurred but not reported (IBNR) has not been recorded as it is not material to these financial statements at December 31, 2020. The City does not allocate overhead costs or other nonincremental costs to the claims liability. Changes in the current claims liability, which is recorded in the general fund follows:

Claims Liability

	Prior Year	Current Year
Unpaid claims - Beginning of Year	\$ 251,803	\$ 270,255
Current year claims and changes in estimates	3,911,097	4,297,372
Claim payments	(3,892,645)	(4,263,261)
Unpaid Claims - End of Year	\$ 270,255	\$ 304,366

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 is only reported in governmental fund types 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.

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

The City 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.

City of West Bend

Notes to Financial Statements
December 31, 2020

Joint Venture

Mid-Moraine Municipal Court

The sixteen municipalities from Washington and Ozaukee Counties jointly operate the local municipal court, which is called the Mid-Moraine Municipal Court and provides noncriminal citation processing. The communities share in the annual operation of the District as follows:

Municipality	% Fines
City of West Bend	20.10%
Village of Germantown	10.47
City of Hartford	12.04
Village of Kewaskum	3.04
Village of Slinger	8.23
Village of Jackson	3.97
City of Port Washington	8.73
Village of Grafton	6.07
Village of Saukville	5.55
Town of Hartford	0.45
Town of Trenton	1.58
Village of Newburg	0.59
City of Cedarburg	4.03
Village of Fredonia	0.68
Village of Thiensville	2.45
City of Mequon	12.02
Total	100.00%

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

Financial information of the court as of December 31, 2020 is available directly from the municipal court in West Bend, Wisconsin.

The City of West Bend accounts for its share of the operation in the general fund. The City of West Bend does not have an equity interest in the organization.

Other Postemployment Benefits

General Information About the OPEB Plan

Plan Description

The City's defined benefit OPEB plan, Retiree Benefits Plan (RBP), provides health insurance for eligible retirees and their spouses through the City's group health insurance plan, which covers both active and retired members. RBP is a single-employer defined benefit OPEB plan administered by the City.

City of West Bend

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Benefits Provided

RBP provides health insurance benefits for retirees and their spouses. The benefit terms provide for payment of 100 percent of health insurance premiums for eligible police and fire employees for a defined period of years or until Medicare-eligibility. Eligible non-union employees hired on or before December 31, 2011, will be provided with 100 percent of health insurance premiums for up to 3 years or until Medicare-eligibility. In addition, other eligible employees are allowed to remain on the City's health plan at a blended rate prior to becoming Medicare eligible. These retirees are responsible for 100 percent of the health care premium, but are receiving an implicit benefit due to the blended rate.

Employees Covered by Benefit Terms

At December 31, 2020, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	45
Active plan members	<u>117</u>
	<u>162</u>

Net OPEB Liability

The City's net OPEB liability of \$12,853,812 was measured as of December 31, 2019, and was determined by an actuarial valuation as of December 31, 2018 rolled forward to December 31, 2019.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	3% inflation plus 0.4%-4.8% merit
Healthcare cost trend rates	7.50% decreasing by .5% annually to 6.5 and by .1% thereafter to an ultimate rate of 5.0%
Retirees' share of benefit-related costs	50% nonpolice union, 100% police union
The discount rate was based on 20-year municipal AA bond rate.	

Mortality rates are based on the Wisconsin 2018 Mortality Table adjusted for future mortality improvements using the MP-2018 fully generated improvement scale (multiplied 60%).

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of the WRS experience study for the period 2015-2017 conducted in 2018.

City of West Bend

Notes to Financial Statements
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Changes in the Net OPEB Liability

	Total OPEB Total	Fiduciary Net Position	Net OPEB Liability
Balances at December 31, 2019	\$ 12,113,864	\$ -	\$ 12,133,864
Changes for the Year:			
Service cost	464,261	-	464,261
Interest	485,574	-	485,574
Changes in assumptions*	1,364,500	-	1,364,500
Benefit payments	(413,311)	-	(413,311)
Contributions – employer	-	1,160,000	(1,160,000)
Net investment income	-	1,076	(1,076)
Net changes	1,901,024	1,161,076	739,948
Balances at December 31, 2020	\$ 14,014,888	\$ 1,161,076	\$ 12,853,812

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*Changes in assumptions included an updated discount rate;

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.75 percent) or 1-percentage-point higher (3.75 percent) than the current discount rate:

	1% Decrease (1.75%)	Discount Rate (2.75%)	1% Increase (3.75%)
Net OPEB liability	\$ 14,047,085	\$ 12,853,812	\$ 11,751,046

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates.

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.50 percent decreasing to 4.0 percent) or 1-percentage-point higher (8.50 percent decreasing to 6.0 percent) than the current healthcare cost trend rates of 7.5 percent decreasing to 5.0 percent:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Net OPEB liability	\$ 11,275,955	\$ 12,853,812	\$ 14,713,141

City of West Bend

Notes to Financial Statements
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OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2020, the City recognized OPEB expense of \$811,229. At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual experiences	\$ 144,799	\$ 5,821
Changes of actuarial assumptions	1,208,665	2,033,956
Net differences between projected and actual earnings on OPEB plan investments	17,699	-
Employer contributions – subsequent to measurement date	498,320	-
Total	\$ 1,869,483	\$ 2,039,717

Deferred outflows of \$498,320 related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the Net OPEB Liability in the year ended December 31, 2021. 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)
2021	\$ (115,406)
2022	(115,406)
2023	(115,406)
2024	(115,407)
2025	(119,831)
Thereafter	(87,098)

Plan Description – OPEB Trust

Plan Description

The City contributes to the OPEB Trust (Plan), a fiduciary fund, which is a single-employer public employee defined benefit OPEB plan. The City established the Plan to provide other post-employment benefits for employees of the City. The Plan is governed by the city council, which has the right at any time and from time to time to amend the Plan. The Plan does not issue a stand-alone financial report and is not included in the report of another entity.

City of West Bend

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Employees Covered by Benefit Terms

The benefit terms provide for payment of 100 percent of health insurance premiums for eligible police and fire employees for a defined period of years or until Medicare-eligibility. Eligible non-union employees hired on or before December 31, 2011, will be provided with 100 percent of health insurance premiums for up to 3 years or until Medicare-eligibility. In addition, other eligible employees are allowed to remain on the City's health plan at a blended rate prior to becoming Medicare eligible. These retirees are responsible for 100 percent of the health care premium, but are receiving an implicit benefit due to the blended rate.

At December 31, 2020, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	33
Active plan members	169
Total	202

Contributions

Employer contributions to the Plan are actuarially determined each year. The Plan does not permit employees to make contributions. RBP provides health insurance benefits for retirees and their spouses.

Investments

Investment Policy

RBP follows the investment policies of the City.

Concentrations

The investments of the trust are concentrated within various negotiable certificates of deposit as follows:

CFB Bank	18.9%
CIBC Bank	14.0%
Western Alliance Bank	14.0%
First Internet Bank of Indiana	18.4%
KS State Bank of Manhattan	18.4%

Rate of Return

For the year ended December 31, 2020, the annual money-weighted rate of return on investments, net of investment expense, was 2.202 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

City of West Bend

Notes to Financial Statements
December 31, 2020

Net OPEB Liability

The components of the net OPEB liability of the City at December 31, 2020, were as follows:

Total OPEB liability	\$ 16,483,573
Less: plan fiduciary net position	<u>(1,141,136)</u>
City's Net OPEB Liability	<u>\$ 15,342,437</u>

Plan fiduciary net position as a percentage of the total OPEB liability 6.92%

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.00%
Salary increases	3.00% inflation plus 0.1-4.8% merit
Investment Rate of Return	2.25%
Healthcare cost trend rates	6.50% decreasing by 0.1% per year to an ultimate rate of 5.0%

Mortality rates were based on the Wisconsin 2018 Mortality Table as the base table and project future improvements with MP-2018 generational improvement scale (multiplied by 60 percent).

The actuarial assumptions used in the valuation were based on the results of an actuarial experience study for the period 2015 – 2017 performed by the actuary for the Wisconsin Retirement System during 2018.

The Plan assets are held as fixed income, therefore, the long-term expected rate of return on OPEB plan investments was based on the 20-year Municipal Bond Index.

Discount Rate

The discount rate used to measure the total OPEB liability was 2.25 percent. The projection of cash flows used to determine the discount rate assumed that the City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position will be available to make all projected future benefit payments of current plan members. Therefore, the discount was used based on the long-term expected rate of return on OPEB plan investments to determine the total OPEB liability.

The City's net OPEB liability was measured as of December 31, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of the same date.

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City of West Bend

Notes to Financial Statements
December 31, 2020

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.25 percent) or 1-percentage-point higher (3.25 percent) than the current discount rate:

	1% Decrease (1.25%)	Discount Rate (2.25%)	1% Decrease (3.25%)
Net OPEB liability	\$ 16,672,687	\$ 15,342,437	\$ 14,101,757

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.5 percent decreasing to 4.0 percent) or 1-percentage-point higher (7.5 percent decreasing to 6.0 percent) than the current healthcare cost trend rates (6.5 percent decreasing to 5.0 percent):

	1% Decrease	Healthcare Cost Trend Rates	1% Decrease
Net OPEB liability	\$ 13,658,342	\$ 15,342,437	\$ 17,309,094

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available is included above. The OPEB Trust does not issue separate financial statements.

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, which can be found at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

Additionally, ETF issued a standalone Retiree Life Insurance Financial Report, which can be found at <https://etfonline.wi.gov/ETFGASBPUBLICWeb/gasb75Local.dot>.

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.

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City of West Bend

Notes to Financial Statements
December 31, 2020

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.

Contribution rates for the plan year reported as of December 31, 2020 are:

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

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

Life Insurance Member 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 \$4,276 in contributions from the employer.

City of West Bend

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

At December 31, 2020, the City reported a liability of \$1,007,374 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2019 rolled forward to December 31, 2019. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net OPEB liability was based on the City's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2019, the City's proportion was 0.23657300 percent, which was an increase of 0.00184800 percent from its proportion measured as of December 31, 2018.

For the year ended December 31, 2020, the City recognized OPEB expense of \$77,937.

At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ -	\$ 45,129
Net differences between projected and actual earnings on OPEB plan investments		19,003
Changes in assumptions		371,625
Changes in proportion and differences between employer contributions and proportionate share of contributions		31,269
Employer contributions subsequent to the measurement date		4,733
Total	\$ 426,630	\$ 155,933

\$4,733 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, 2021. 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)
2021	\$ 46,316
2022	46,316
2023	44,267
2024	42,157
2025	34,828
Thereafter	52,080

Actuarial Assumptions

The total OPEB liability in the January 1, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	January 1, 2019
Measurement Date of Net OPEB Liability:	December 31, 2019
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield:	2.74%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	2.87%
Salary Increases:	
Inflation	3.00%
Seniority/Merit	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table

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. The Total OPEB Liability for December 31, 2019 is based upon a roll-forward of the liability calculated from the January 1, 2019 actuarial valuation.

Long-Term Expected Return on Plan Assets

The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. Investments for the LRLIF are held with Securian, 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, 2019**

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return %
U.S. Credit Bonds	Barclays Credit	45%	2.12%
U.S. Long Credit Bonds	Barclays Long Credit	5	2.90
U.S. Mortgages	Barclays MBS	50	1.53
Inflation			2.20
Long-Term Expected Rate of Return			4.25

The long-term expected rate of return decreased slightly from 5.00 percent in the prior year to 4.25 percent in the current year. This change was primarily based on the target asset allocation and capital market expectations. The expected inflation rate also decreased slightly from 2.30 percent in the prior year to 2.20 percent in the current year. 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.

Single Discount Rate

A single discount rate of 2.87 percent was used to measure the total OPEB liability for the current year, as opposed to a discount rate of 4.22 percent for the prior year. The significant change in the discount rate was primarily caused by the decrease in the municipal bond rate from 4.10 percent as of December 31, 2018 to 2.74 percent as of December 31, 2019. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

The projection of cash flows used to determine the single discount rate assumed that employer contributions will be made according to the current employer contribution schedule and that contributions are made by plan members retiring prior to age 65.

City of West Bend

Notes to Financial Statements
December 31, 2020

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the City's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 2.87 percent, as well as what the City's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (1.87 percent) or 1-percentage-point higher (3.87 percent) than the current rate:

	1% Decrease to Discount Rate (1.87%)	Current Discount Rate (2.87%)	1% Increase to Discount Rate (3.87%)
City's proportionate share of the net OPEB liability	\$ 1,391,015	\$ 1,007,374	\$ 715,498

Related Organization

Housing Authority

The City officials are responsible for appointing board members of the City of West Bend's Housing Authority, but the City's accountability for this organization does not extend beyond making the appointments.

Subsequent Events

New water rates were approved by PSC on March 17, 2021. The water rate increase is effective April 1, 2021.

In April 2021, the City issued \$5,370,000 in general obligation corporate purpose bonds, Series 2021A, for financing street improvement projects, fire equipment, library projects, and parks and public grounds projects. Interest rates are 1.25 - 3.0 percent with final maturity in 2036.

The City approved an amendment to TID No. 10 on April 5, 2021, to subtract territory so that the subtracted parcels could be added to TID No. 15, which was also created on April 5, 2021.

Relief through the American Rescue Plan Act

The federal government passed the American Rescue Plan Act on March 11, 2021 to respond to the COVID-19 public health emergency and its negative economic impacts. Amounts were appropriated for fiscal year 2021 to units of local government to mitigate the fiscal effects stemming from the public health emergency. The City's estimated award is \$3.1 million, which will be used to combat the negative effects of the public health emergency in the local economy. The City will receive 50% of the funds in July 2021, with the remaining expected a year later. The funds are to cover costs incurred by December 31, 2024.

City of West Bend

Notes to Financial Statements
December 31, 2020

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. 91, Conduit Debt Obligations
- Statement No. 92, Omnibus 2020
- Statement No. 93, Replacement of Interbank Offered Rates
- Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements
- Statement No. 96, Subscription-Based Information Technology Arrangements
- Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32

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

City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended December 31, 2020

	Budgeted Amounts		Variance with	
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	\$ 15,861,072	\$ 15,861,072	\$ 15,861,287	\$ 195
Intergovernmental	3,660,202	4,876,002	4,902,056	26,054
Licenses and permits	709,605	719,349	765,724	46,375
Fines, forfeitures and penalties	444,600	444,600	280,116	(164,484)
Public charges for services	1,880,828	1,892,551	1,768,038	(124,513)
Intergovernmental charges for services	445,231	445,231	445,231	-
Special assessments	2,000	91,530	95,625	4,095
Investment income	251,000	251,000	180,776	(70,224)
Miscellaneous revenues	174,028	229,540	203,851	(25,689)
Total Revenues	23,428,566	24,810,875	24,502,684	(308,191)
EXPENDITURES				
Current				
General government	4,597,567	4,600,800	4,611,678	(10,878)
Public safety	12,797,536	13,564,270	12,590,834	973,436
Public works	4,681,831	4,953,655	5,135,775	(183,120)
Leisure activities	1,526,387	2,108,806	1,850,476	258,330
Conservation and development	366,958	799,403	767,978	31,425
Capital outlay	6,727	16,727	16,140	587
Debt service				
Principal	10,789	10,789	9,326	1,463
Interest	-	-	1,463	(1,463)
Total Expenditures	23,987,795	26,054,450	24,984,670	1,069,780
Excess (Deficiency) of Revenues Over Expenditures	(559,229)	(1,243,575)	(481,986)	761,589
OTHER FINANCING SOURCES (USES)				
Sale of property	30,000	446,280	445,735	(545)
Capital lease issued	-	-	1,410,205	1,410,205
Transfers in	670,068	670,458	667,480	(2,978)
Transfers out	(140,839)	(562,469)	(509,639)	42,830
Total Other Financing Sources (Uses)	559,229	564,269	2,013,781	1,449,512
Net change in fund balances	-	(679,306)	1,531,795	2,211,101
FUND BALANCES - Beginning of Year	8,380,584	8,380,584	8,380,584	-
FUND BALANCES - END OF YEAR	\$ 8,380,584	\$ 7,701,278	\$ 9,912,379	\$ 2,211,101

REQUIRED SUPPLEMENTARY INFORMATION

See notes to required supplementary information
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City of West Bend

Schedule of Proportionate Share of the Net Pension Liability (Asset)
Wisconsin Retirement System
Year Ended December 31, 2020

Fiscal Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/20	0.13400969%	\$ (4,321,084)	\$ 14,443,038	29.92%	102.96%
12/31/19	0.13139584%	4,674,652	14,256,587	32.79%	96.45%
12/31/18	0.12859065%	(3,818,008)	13,712,222	27.84%	102.93%
12/31/17	0.12732465%	1,049,459	13,332,848	7.87%	98.12%
12/31/16	0.12885040%	2,093,794	13,590,193	15.41%	98.20%
12/31/15	0.13330900%	(3,274,434)	13,505,764	24.24%	102.74%

Schedule of Employer Contributions - Wisconsin Retirement System
Year Ended December 31, 2020

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/20	\$ 1,614,772	\$ 1,614,772	\$ -	\$ 15,407,868	10.48%
12/31/19	1,401,971	1,401,971	-	14,443,039	9.71%
12/31/18	1,394,234	1,394,234	-	14,256,588	9.78%
12/31/17	1,342,189	1,342,189	-	13,281,145	10.11%
12/31/16	1,197,637	1,197,637	-	13,332,848	8.98%
12/31/15	1,227,987	1,227,987	-	13,590,193	9.04%

Schedule of Proportionate Share of the Net Life Insurance OPEB Liability
Local Retiree Life Insurance Fund
Year Ended December 31, 2020

Fiscal Year Ending	Proportion of the Net OPEB Liability	Proportionate Share of the Net OPEB Liability	Covered Payroll	Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
12/31/20	0.23657300%	\$ 1,007,374	\$ 13,691,000	7.36%	37.58%
12/31/19	0.23472500%	605,670	13,771,000	4.40%	48.69%
12/31/18	0.22589600%	679,626	9,499,573	7.15%	44.81%

See notes to required supplementary information

City of West Bend

Schedule of Changes in Employer's Total OPEB Liability and Related Ratios
Health Insurance Plan
December 31, 2020

Total OPEB Liability	2020	2019	2018
Service cost	\$ 464,261	\$ 763,846	\$ 740,648
Interest	485,574	385,785	379,621
Changes of benefit terms	-	-	-
Differences between expected and actual experience	-	186,171	(7,816)
Changes of assumptions	1,364,500	(2,623,166)	-
Benefit payments	(413,311)	(510,764)	(568,460)
Net Change in Total OPEB Liability	1,901,024	(1,778,128)	543,993
Total OPEB Liability - Beginning	12,113,864	13,891,992	13,347,989
Total OPEB Liability - Ending (a)	\$ 14,014,888	\$ 12,113,864	\$ 13,891,992
Fiduciary Net Position			
Contributions - employer	\$ 1,160,000	\$ -	\$ -
Net investment income	1,076	-	-
Net Change in Fiduciary Net Position	1,161,076	-	-
Fiduciary Net Position - Beginning	-	-	-
Fiduciary Net Position - Ending (b)	\$ 1,161,076	\$ -	\$ -
Net OPEB Liability (a) - (b)	\$ 12,853,812	\$ 12,113,864	\$ 13,891,992

Fiduciary Net Position as a percentage of the Total OPEB Liability

Covered payroll	8.28%	0.00%	0.00%
Net OPEB liability as a percentage of covered payroll	\$ 13,138,385	\$ 13,139,385	\$ 13,712,222
	97.83%	92.20%	101.31%

Notes to Schedule:

The amounts presented for each fiscal year were determined as of the calendar year end prior to the fiscal year reported.

Benefit changes. There were no changes to the benefits.

Changes of assumptions. Updated discount rate

No assets were accumulated in a trust that meets the criteria in paragraph 4 of Statement 75 for the years ended December 31, 2019 and 2018.

Note: this schedule is to show information for 10 years. However, accounting standards allow the presentation of as many years as are available until 10 years are presented.

See notes to required supplementary information

City of West Bend

Schedule of Changes in the Net OPEB Liability and Related Ratios

OPEB Trust
Last 10 Fiscal Years*

	2020	2019
Total OPEB Liability		
Service cost	\$ 611,605	\$ 464,261
Interest on the total OPEB liability	386,970	485,574
Differences between expected and actual experience	1,329,918	-
Changes of assumptions or other inputs	638,332	1,364,500
Benefit payments	(498,140)	(413,311)
Net change in the total OPEB liability	\$ 2,468,685	\$ 1,901,024
Total OPEB liability, beginning	\$ 14,014,888	\$ 12,113,864
Total OPEB liability, ending (a)	\$ 16,483,573	\$ 14,014,888
Fiduciary Net Position		
Employer contributions	\$ -	\$ 1,160,000
Net investment income	10,905	1,076
Benefit payments	(30,845)	-
Net change in plan fiduciary net position	\$ (19,940)	\$ 1,161,076
Total fiduciary net position, beginning	\$ 1,161,076	\$ -
Total fiduciary, ending (b)	\$ 1,141,136	\$ 1,161,076
Net OPEB liability, ending = (a) - (b)	\$ 15,342,437	\$ 12,853,812
Covered payroll	13,578,000	13,139,385
Net OPEB liability as a percent of covered payroll	112.99%	97.83%

Notes to the Schedule:

Benefit changes: No changes in benefits

Changes in assumptions: The discount rate was updated to 2.25%.

*The Plan implemented GASB Statement No. 74 in fiscal year 2019. Information prior to fiscal year 2019 is not available.

Note: this schedule is to show information for 10 years. However, accounting standards allow the presentation of as many years are available until 10 years are presented.

See notes to required supplementary information

City of West Bend

Schedule of Investment Returns - OPEB Trust

Last 10 Fiscal Years*

	2020	2019
Annual money-weighted rate of return, net of investment expense	2.202%	2.434%

*Note: this schedule is to show information for 10 years. However, accounting standards allow the presentation of as many years as are available until 10 years are presented.

See notes to required supplementary information

City of West Bend

Schedule of Employer Contributions - OPEB Trust
Last 10 Fiscal Years*

	2020	2019
Actuarially Determined Contribution (ADC)	\$ 1,183,377	\$ 1,183,377
Contributions in Relation to the ADC	-	1,160,000
Contribution Deficiency / (Excess)	\$ 1,183,377	\$ 23,377
Covered Payroll	\$ 13,578,000	\$ 13,139,385
Contributions as a percentage of Covered-Employee Payroll	0.00%	8.83%

Notes to the Schedule:

Actuarial cost method
Asset valuation method
Amortization method
Discount rate
Amortization growth rate
Inflation

Entry Age Normal
Market Value
30-year Level Dollar
4.00%
3.00%
2.50%

*Note: this schedule is to show information for 10 years. However, accounting standards allow the presentation of as many years as are available until 10 years are presented.

City of West Bend

Notes to Required Supplementary Information
December 31, 2020

1. Budgetary Information

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

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

Appropriations lapse at year-end unless specifically carried over. Carryovers to the following year were \$559,657. Budgets are adopted at the function level of expenditure.

2. Wisconsin Retirement System

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

The City is required to present the last ten fiscal years of data; however, accounting standards allow the presentation of as many years as are available until ten fiscal years are presented.

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

Changes in 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 the Total Pension Liability changed, including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, mortality and separation rates.

3. Local Retiree Life Insurance Fund

The City is required to present the last ten fiscal years of data; however, accounting standards allow the presentation of as many years as are available until ten fiscal years are presented.

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

Changes in 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 the Total OPEB Liability changed, including the discount rate, wage inflation rate, mortality and separation rates.

GENERAL FUND

SUPPLEMENTARY INFORMATION

City of West Bend

General Fund
Detailed Schedule of Revenues and Other Financing Sources (Major Fund)
Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
TAXES				
General property tax	\$ 15,796,188	\$ 15,796,188	\$ 15,799,484	\$ 3,296
Mobile home taxes	50	50	50	-
Taxes from housing authority	38,000	38,000	38,271	271
Taxes from cell towers	13,325	13,325	10,107	(3,218)
Delinquent personal property chargebacks	7,009	7,009	8,617	1,608
Interest on taxes	6,500	6,500	4,738	(1,762)
TOTALS	\$ 15,861,072	\$ 15,861,072	\$ 15,861,267	\$ 195
INTERGOVERNMENTAL REVENUES				
Shared taxes from state	\$ 1,648,670	\$ 1,648,670	\$ 1,601,054	\$ (47,616)
Fire insurance tax from state	140,000	140,000	144,505	4,505
Federal aid - FEMA Grant	-	171,267	171,267	-
Federal aid - public safety	-	509,381	538,774	29,393
State aid - emergency medical services	-	-	48,427	48,427
State aid - personal property aid	68,294	68,294	68,294	-
State aid - service to state facilities	110,753	110,753	107,514	(3,239)
State aid - police training	9,600	14,506	14,464	(42)
State aid - road allotment	1,328,964	1,328,964	1,327,163	(1,801)
State aid - exempt computer aid	112,095	112,095	112,095	-
State aid - connecting streets	129,458	129,458	129,458	-
State aid - recycling assistance	108,368	108,368	108,355	(13)
State aid - fire training	4,000	4,000	440	(3,560)
State aid - summer picnic program NRPA	-	530,246	530,246	-
TOTALS	\$ 3,660,202	\$ 4,876,002	\$ 4,902,056	\$ 26,054
LICENSES AND PERMITS				
Liquor and malt beverage licenses	\$ 49,550	\$ 49,550	\$ 61,774	\$ 12,224
Operators' licenses	29,285	29,285	23,148	(6,137)
Weights and measures	15,420	15,420	15,475	55
Cigarette licenses	3,200	3,200	2,900	(300)
Bicycle licenses	1,400	1,400	890	(510)
Dog licenses	19,750	19,750	19,691	(59)
Amusement device licenses	7,750	7,750	5,635	(2,115)
Cat licenses	3,700	3,700	3,791	91
Other miscellaneous licenses	8,930	8,930	7,793	(1,137)
Building permits	200,000	200,000	222,600	22,600
State building permits	1,750	1,750	2,480	730
Electrical permits	50,000	50,000	41,258	(8,742)
Plumbing permits	70,000	70,000	58,531	(11,469)

City of West Bend

General Fund
Detailed Schedule of Revenues and Other Financing Sources (Major Fund) - continued
Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
LICENSES AND PERMITS (cont.)				
Erosion control	\$ 14,000	\$ 14,000	\$ 21,300	\$ 7,300
Occupancy permits	10,000	10,000	6,480	(3,520)
Heating permits	40,000	40,000	29,356	(10,644)
Sign permits	10,000	10,000	15,240	5,240
Sidewalk permits	5,500	5,500	11,150	5,650
Street opening permits applied	18,000	18,000	4,670	(13,330)
Zoning	10,875	10,875	24,140	13,265
Yardwaste drop permits	78,295	78,295	73,955	(4,340)
Storm water management permits	1,500	1,500	3,325	1,825
Plan examination fees	25,150	25,150	36,565	11,415
Engineering inspection fees	35,000	44,744	72,507	27,763
Plan handling fees	500	500	1,065	565
Other regulatory permits / fees	50	50	5	(45)
TOTALS	\$ 709,605	\$ 719,349	\$ 765,724	\$ 46,375
FINES, FORFEITURES AND PENALTIES				
Parking violations	\$ 86,100	\$ 86,100	\$ 89,246	\$ 3,146
Municipal court fines and penalties	351,500	351,500	185,581	(165,919)
Awards and damages	7,000	7,000	5,289	(1,711)
TOTALS	\$ 444,600	\$ 444,600	\$ 280,116	\$ (164,484)
PUBLIC CHARGES FOR SERVICES				
Copy revenue	\$ 425	\$ 425	\$ 919	\$ 494
Clerk fees	200	200	465	265
Treasurer fees	14,425	14,425	16,672	2,247
NSF charges	2,200	2,200	1,160	(1,040)
License publication fees	1,660	1,660	1,379	(281)
Assessor fees	150	150	-	(150)
Payroll processing fees	195	195	271	76
Miscellaneous departmental revenue	5,000	5,395	7,054	1,659
Police department fees	190,000	190,000	184,237	(5,763)
Registration suspension fees	3,500	3,500	3,530	30
False alarm assessments	8,450	8,450	13,000	4,550
Fire department fees	15,000	15,000	20,795	5,795
Ambulance fees	1,339,500	1,339,500	1,285,650	(53,850)
Snow and ice control	1,000	1,000	-	(1,000)
Airport	50,998	50,998	68,361	17,363
Sale of street materials and services	10,000	12,492	16,469	3,977

City of West Bend

General Fund
Detailed Schedule of Revenues and Other Financing Sources (Major Fund) - continued
Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
PUBLIC CHARGES FOR SERVICES (cont.)				
Sale of materials and services - sanitation	\$ 1,800	\$ 1,800	\$ 4,366	\$ 2,566
Grinders revenue	100	100	31	(69)
Outside services	60,000	60,000	38,327	(21,673)
Other recreation revenues	62,100	62,100	34,291	(27,809)
Weed control	1,000	1,000	3,233	2,233
Subdivision fees	4,150	4,150	5,100	950
Site plan revenue	11,500	11,500	11,540	40
Refuse and garbage collection	250	250	-	(250)
Lac Lawrann Conservancy revenues	7,225	7,225	4,799	(2,426)
Street tree revenue	-	8,836	8,836	-
Use value penalty	-	-	1,468	1,468
Uncollectible receivable collected	90,000	90,000	36,025	(53,975)
TOTALS	\$ 1,880,828	\$ 1,892,551	\$ 1,768,038	\$ (124,513)
INTERGOVERNMENTAL CHARGES				
FOR SERVICES				
Local fire protection services	\$ 445,231	\$ 445,231	\$ 445,231	\$ -
SPECIAL ASSESSMENTS				
Street construction	\$ -	\$ 68,415	\$ 68,415	\$ -
Sidewalks	-	21,115	21,115	-
Administrative fees	2,000	2,000	6,095	4,095
TOTALS	\$ 2,000	\$ 91,530	\$ 95,625	\$ 4,095
INVESTMENT INCOME				
Investment income on temporary investments	\$ 250,000	\$ 250,000	\$ 180,317	\$ (69,683)
Interest on special assessments	1,000	1,000	459	(541)
TOTALS	\$ 251,000	\$ 251,000	\$ 180,776	\$ (70,224)

City of West Bend

General Fund
Detailed Schedule of Revenues and Other Financing Sources (Major Fund)
Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
MISCELLANEOUS REVENUES				
Rent of city property	\$ 31,097	\$ 31,097	\$ 31,097	\$ -
Rent of airport property	64,731	64,731	64,731	-
Sale of materials	3,200	3,200	1,934	(1,266)
Insurance recoveries	30,000	78,721	54,257	(24,464)
Miscellaneous donations	-	6,791	6,791	-
Commercial card rebate	45,000	45,000	45,041	41
TOTALS	\$ 174,028	\$ 229,540	\$ 203,851	\$ (25,689)
OTHER FINANCING SOURCES				
Sale of property	\$ 30,000	\$ 446,280	\$ 445,735	\$ (545)
Capital lease issued	-	-	1,410,205	1,410,205
Transfers in	-	390	390	-
Transfers in - tax equivalent	670,068	670,068	667,090	(2,978)
TOTALS	\$ 700,068	\$ 1,116,738	\$ 2,523,420	\$ 1,406,682
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 24,128,634	\$ 25,927,613	\$ 27,026,104	\$ 1,098,491

City of West Bend

General Fund
Detailed Schedule of Expenditures and Other Financing Uses (Major Fund)
Year Ended December 31, 2020

	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	
GENERAL GOVERNMENT					
Council	\$ 41,136	\$ 41,136	\$ 39,890	\$ 1,246	
Mayor	13,705	13,705	8,768	4,937	
Administrator	107,434	66,350	71,146	(4,796)	
Clerk -					
Legislative support	180,982	180,982	178,844	2,138	
Elections	51,785	71,882	79,948	(8,066)	
Personnel -					
Recruitment	152,375	152,375	149,451	2,924	
Financial administration -					
Treasury	341,190	341,190	328,226	12,964	
Assessment of property	300,756	321,561	301,303	20,258	
Independent auditing	34,693	34,693	39,093	(4,400)	
Legal counseling	94,098	94,098	170,510	(76,412)	
Municipal buildings	457,475	460,800	428,659	32,231	
Risk management	530,709	530,709	528,473	2,236	
Health insurance	2,037,180	2,037,180	2,042,693	(5,513)	
GIS	25,564	25,564	22,904	2,660	
Information systems	215,365	215,365	204,788	10,577	
Other general government	13,120	13,120	16,982	(3,862)	
TOTALS	\$ 4,597,567	\$ 4,600,800	\$ 4,611,678	\$ (10,878)	

PUBLIC SAFETY

Police -	\$ 6,785,653	\$ 6,827,865	\$ 6,225,460	\$ 602,405
Patrol	870,357	873,588	841,174	32,414
Criminal and juvenile investigation			57,004	32,577
Crossing guards	89,581	89,581		
Fire -				
Fire administration	749,241	940,852	896,884	43,968
Suppression	2,695,982	2,695,982	2,554,420	141,562
Prevention	183,442	186,162	169,738	16,424
Training	382,779	382,779	326,777	56,002
Rescue	773,501	811,177	753,281	57,896
Building inspection	183,030	183,030	198,747	(15,717)
Sealer of weights and measures	10,800	10,800	10,800	-
Hydrant rental	33,395	33,395	31,116	2,279
Emergency Government	-	489,284	489,284	-
Communications system	39,775	39,775	36,149	3,626
TOTALS	\$ 12,797,536	\$ 13,564,270	\$ 12,590,834	\$ 973,436

City of West Bend

General Fund
Detailed Schedule of Expenditures and Other Financing Uses (Major Fund)
Year Ended December 31, 2020

	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	
PUBLIC WORKS					
Garage	\$ 393,314	\$ 407,469	\$ 382,832	\$ 24,637	
Public works administration	106,200	106,200	82,061	24,139	
Engineering	308,815	394,094	305,349	88,745	
Streets and related facilities	12,300	12,300	6,191	6,109	
Street maintenance	1,086,225	1,086,408	1,117,836	(31,428)	
Snow and ice control	458,581	456,581	228,520	228,061	
Traffic control	53,396	81,528	102,763	(21,235)	
Street lighting	790,000	790,000	788,770	21,230	
Storm sewers	49,478	49,478	49,508	(30)	
Airport	113,185	257,260	45,522	211,738	
Garbage and refuse collection	109,004	109,004	131,902	(22,898)	
Recycling	610,257	610,257	524,410	85,847	
Sanitary landfill	593,076	593,076	1,391,111	(798,035)	
TOTALS	\$ 4,681,831	\$ 4,953,655	\$ 5,136,775	\$ (183,120)	
LEISURE ACTIVITIES					
Recreation administration	\$ 298,188	\$ 304,501	\$ 253,705	\$ 50,796	
Other summer recreation		560,326	526,230	34,096	
Parks	670,808	679,739	586,221	93,518	
Public areas	557,391		564,240	79,920	
TOTALS	\$ 1,526,387	\$ 2,108,806	\$ 1,850,476	\$ 258,330	

CONSERVATION AND DEVELOPMENT

Forestry	\$ 50,028	\$ 83,733	\$ 83,283	\$ 450
Lac Lawram Conservancy	36,962	36,962	33,454	3,508
Urban development	207,649	599,160	577,373	21,787
Economic development	72,319	79,548	73,868	5,680
TOTALS	\$ 366,958	\$ 799,403	\$ 767,978	\$ 31,425

CAPITAL OUTLAY

GIS	\$ 2,100	\$ 2,100	\$ 1,917	\$ 183
Engineering	4,627	4,627	4,223	404
Economic development	-	10,000	10,000	-
TOTALS	\$ 6,727	\$ 16,727	\$ 16,140	\$ 587

DEBT SERVICE

Principal	\$ 9,326	\$ 9,326	\$ 9,326	\$ -
Interest and fiscal charges	1,463	1,463	1,463	-
TOTALS	\$ 10,789	\$ 10,789	\$ 10,789	\$ -

OTHER FINANCING USES

Transfers out	\$ 140,839	\$ 552,469	\$ 509,639	\$ 42,830
TOTAL EXPENDITURES AND OTHER FINANCING USES	\$ 24,128,634	\$ 26,606,919	\$ 25,494,309	\$ 1,112,610

City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Debt Service Fund (Major Fund)
Year Ended December 31, 2020

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	\$ 3,442,319	\$ 3,442,319	\$ 3,442,319	\$ -
Investment income	1,000	1,000	9,706	8,706
Total Revenues	3,443,319	3,443,319	3,452,025	8,706
EXPENDITURES				
Debt Service				
Principal	2,870,000	2,870,000	2,720,000	150,000
Interest and fiscal charges	577,451	698,457	522,948	175,509
Total Expenditures	3,447,451	3,568,457	3,242,948	325,509
Excess of Revenues Over Expenditures	(4,132)	(125,138)	209,077	334,215
OTHER FINANCING SOURCES (USES)				
Transfers in	4,132	394,495	390,363	(4,132)
Transfers out	-	(269,357)	(45,579)	223,778
Total Other Financing Sources (Uses)	4,132	125,138	344,784	219,646
Net Change in Fund Balance	-	-	553,861	553,861
FUND BALANCE - Beginning	146,286	146,286	146,286	-
FUND BALANCE - ENDING	\$ 146,286	\$ 146,286	\$ 700,147	\$ 553,861

DEBT SERVICE FUND

City of West Bend
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2020

	Special Revenue Funds			
	Taxi Transit System	Public Library	Room Tax	Communications
ASSETS				
Cash and investments	\$ -	\$ 844,535	\$ 1,174	\$ 1,063,420
Taxes receivable	-	740,832	-	-
Accounts receivable	138,425	39,557	47,446	94,984
Loans receivable	-	-	-	-
Prepaid items	-	1,043	1,000	27,797
Advances to other funds	-	-	-	256,667
Restricted cash and investments	-	-	-	-
TOTAL ASSETS	\$ 138,425	\$ 1,625,967	\$ 49,620	\$ 1,442,868
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 51,905	\$ 26,651	\$ 6,086	\$ 5,510
Accrued liabilities	908	16,655	2,916	4,610
Due to other funds	82,859	136,974	21,948	46,727
Advances from other funds	-	-	-	-
Total Liabilities	135,672	182,280	30,950	57,047
Deferred inflows of Resources				
Unearned revenue	-	740,832	6,306	-
Unavailable	-	-	-	-
Total Deferred Inflows of Resources	-	740,832	6,306	-
Fund Balances (Deficit)				
Nonspendable	-	1,043	1,000	27,797
Restricted	2,753	701,812	11,364	-
Committed	-	-	-	1,358,024
Unassigned (deficit)	-	-	-	-
Total Fund Balances (Deficit)	2,753	702,855	12,364	1,385,821
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 138,425	\$ 1,625,967	\$ 49,620	\$ 1,442,868

NONMAJOR GOVERNMENTAL FUNDS

City of West Bend

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2020

Special Revenue Funds				Capital Project Funds		
Economic Development	Park Development	Library	EMS FAPS Grant	Recreation	TIF District No. 3	TIF District No. 4
\$ 768,930	\$ 36,988	\$ 74,108	\$ 59,167	\$ 72,748	\$ 313,122	\$ 13,111
-	-	-	-	-	549,483	1,471,074
623,594	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	372,410	-	-	-	-	-
\$ 1,392,524	\$ 409,398	\$ 74,108	\$ 59,167	\$ 72,748	\$ 862,605	\$ 1,484,185

\$ -	\$ 1,680	\$ -	\$ -	\$ 80	\$ -	\$ -
-	-	-	-	1,228	-	-
-	-	-	-	8,785	-	-
1,246,667	-	-	-	-	1,794,785	-
1,246,667	1,680	-	-	10,093	1,794,785	-
-	4,000	-	-	14,500	549,483	1,471,074
-	-	-	-	-	-	-
-	4,000	-	-	14,500	549,483	1,471,074
-	-	-	-	-	-	-
145,657	403,718	74,108	59,167	-	-	13,111
-	-	-	-	48,155	(1,481,663)	-
145,657	403,718	74,108	59,167	48,155	(1,481,663)	13,111
\$ 1,392,524	\$ 409,398	\$ 74,108	\$ 59,167	\$ 72,748	\$ 862,605	\$ 1,484,185

Capital Project Funds			
TIF District No. 5	TIF District No. 6	TIF District No. 7	TIF District No. 8
\$ 389,743	\$ 44,540	\$ 24,073	\$ 2,525
325,357	929,018	129,322	23,426
9,714	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
\$ 724,814	\$ 973,558	\$ 153,395	\$ 25,951

ASSETS			
Cash and investments			
Taxes receivable			
Accounts receivable			
Loans receivable			
Prepaid items			
Advances to other funds			
Restricted cash and investments			
TOTAL ASSETS			

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities			
Accounts payable			
Accrued liabilities			
Due to other funds			
Advances from other funds			
Total Liabilities			
Deferred Inflows of Resources			
Unearned revenue			
Unavailable			
Total Deferred Inflows of Resources			
Fund Balances (Deficit)			
Nonspendable			
Restricted			
Committed			
Unassigned (deficit)			
Total Fund Balances (Deficit)			
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			

City of West Bend

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended December 31, 2020

Capital Project Funds						Total Nonmajor Funds	
TIF District No. 9	TIF District No. 10	TIF District No. 11	TIF District No. 12	TIF District No. 13	TIF District No. 14	Permanent Fund Library	
\$ 77,703	\$ 396,139	\$ 32,164	\$ -	\$ 95,402	\$ 2,352,695	\$ 44,337	\$ 6,706,624
27,153	770,820	544,338	411,216	79,255	-	-	6,001,294
167,081	-	-	-	-	-	-	497,207
-	-	-	-	-	-	-	623,594
-	-	-	-	-	-	-	29,840
-	-	-	-	-	-	-	256,667
-	-	-	-	-	-	-	372,410
\$ 271,937	\$ 1,166,959	\$ 576,502	\$ 411,216	\$ 174,657	\$ 2,352,695	\$ 44,337	\$ 14,487,636
\$ 500	\$ -	\$ -	\$ 19,874	\$ -	\$ 11,872	\$ -	\$ 124,156
271,938	-	-	-	-	-	-	26,517
237,582	509,643	-	110,688	-	-	-	681,889
510,020	509,643	-	1,650,000	-	-	-	5,472,686
-	-	-	1,780,532	-	11,872	-	6,305,252
27,153	770,820	544,338	411,216	79,255	-	-	6,026,100
15,058	-	-	-	-	-	-	15,058
42,211	770,820	544,338	411,216	79,255	-	-	6,041,158
-	-	-	-	-	-	-	29,840
-	-	32,164	-	95,402	2,340,823	44,337	4,392,686
(280,294)	(113,504)	-	(1,780,532)	-	-	-	1,406,179
(280,294)	(113,504)	32,164	(1,780,532)	95,402	2,340,823	44,337	(3,687,479)
\$ 271,937	\$ 1,166,959	\$ 576,502	\$ 411,216	\$ 174,657	\$ 2,352,695	\$ 44,337	\$ 14,487,636

Special Revenue Funds					Total	
Taxi Transit System	Public Library	Room Tax	Communications			
\$ -	\$ 716,985	\$ 201,281	\$ -			
819,946	598,330	17,563	66,586			
-	-	-	365,591			
282,925	39,988	-	-			
96,920	-	-	5,000			
6,767	289	-	7,734			
2,573	7,500	-	-			
1,102,871	1,461,573	226,733	444,911			
REVENUES						
Taxes						
Intergovernmental						
Licenses and permits						
Fines, forfeitures and penalties						
Public charges for services						
Intergovernmental charges for services						
Investment income						
Miscellaneous						
Total Revenues						
EXPENDITURES						
Current						
General government						
Public works						
Leisure activities						
Conservation and development						
Capital Outlay						
Debt Service						
Principal retirement						
Interest and fiscal charges						
Total Expenditures						
1,162,714	1,390,768	315,544	556,028			
(59,843)	70,805	(88,811)	(111,117)			
Excess (Deficiency) of Revenues Over Expenditures						
OTHER FINANCING SOURCES (USES)						
General obligation debt issued						
Refunding bonds issued						
Premium on debt issued						
Sale of property						
Transfers in						
Transfers out						
91,044	(120,206)	-	-			
31,201	(49,401)	(88,811)	(111,117)			
(28,448)	752,256	101,175	1,496,938			
Net change in fund balances						
FUND BALANCES (DEFICIT)						
- Beginning of Year						
FUND BALANCES (DEFICIT)						
- END OF YEAR						
\$ 2,753	\$ 702,855	\$ 12,364	\$ 1,385,821			

City of West Bend

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Normal Governmental Funds
 Year Ended December 31, 2020

Economic Development	Park Development	Special Revenue Funds			Capital Project Funds		
		Library	EMS FAPS Grant	Recreation	TIF District No. 3	TIF District No. 4	
\$	\$	\$	\$	\$	\$	\$	
-	-	-	-	-	496,941	1,133,996	
-	-	-	7,153	6,702	33,210	30,505	
-	18,150	-	-	-	-	-	
-	-	-	-	-	-	-	
-	45,517	-	-	50,866	-	-	
-	-	-	-	-	-	-	
22,596	1,865	1,031	-	1,316	2,946	568	
-	719	2,740	-	-	50,000	-	
22,596	66,251	3,771	7,153	58,884	583,097	1,165,069	
-	-	-	-	-	-	-	
-	-	-	-	-	2,000	2,000	
-	-	-	-	-	-	-	
3,769	7,200	6,824	-	112,657	-	-	
-	-	-	-	-	-	-	
-	-	-	-	-	169	151	
-	-	-	-	-	-	-	
8,994	-	-	-	-	545,478	260,000	
12,763	7,200	6,824	-	-	37,571	11,195	
-	-	-	-	112,657	585,218	273,346	
9,833	59,051	(3,053)	7,153	(63,773)	(2,121)	891,723	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
-	-	-	-	-	5,000	-	
-	-	-	-	-	34	-	
-	-	-	-	-	-	-	
-	(30,390)	-	-	(150,000)	68	-	
-	(30,390)	-	-	(150,000)	-	(891,156)	
9,833	28,661	(3,053)	7,153	(203,773)	2,981	567	
136,024	375,057	77,161	52,014	251,928	(1,484,644)	12,544	
\$	\$	\$	\$	\$	\$	\$	
145,857	403,718	74,108	59,167	48,155	(1,481,663)	13,111	

REVENUES	Capital Project Funds			
	TIF District No. 5	TIF District No. 6	TIF District No. 7	TIF District No. 8
\$	\$	\$	\$	\$
Taxes	184,821	619,158	230,429	19,747
Intergovernmental	3,077	7,151	22,073	-
Licenses and permits	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-
Public charges for services	-	-	-	-
Intergovernmental charges for services	-	-	-	-
Investment income	3,411	206	739	20
Miscellaneous	-	-	-	-
Total Revenues	191,309	626,515	253,241	19,767
EXPENDITURES				
Current	1,999	1,999	1,999	1,999
General government	-	-	-	-
Public works	-	-	-	-
Leisure activities	-	-	-	-
Conservation and development	-	-	-	-
Capital Outlay	284	150	248	149
Debt Service	-	-	-	-
Principal retirement	917,130	-	400,883	-
Interest and fiscal charges	65,170	-	12,761	400
Total Expenditures	984,583	2,149	415,891	2,548
Excess (Deficiency) of Revenues Over Expenditures	(793,274)	624,366	(162,650)	17,219
OTHER FINANCING SOURCES (USES)				
General obligation debt issued	-	-	-	-
Refunding bonds issued	330,000	-	160,000	-
Premium on debt issued	9,835	-	3,708	-
Sale of property	-	-	-	-
Transfers in	895,293	-	-	-
Transfers out	(440,729)	(624,482)	-	-
Total Other Financing Sources (Uses)	794,399	(624,482)	163,708	-
Net change in fund balances	1,125	(116)	1,058	17,219
FUND BALANCES (DEFICIT)	398,332	44,656	23,015	(48,705)
- Beginning of Year	-	-	-	-
FUND BALANCES (DEFICIT) - END OF YEAR	\$ 399,457	\$ 44,540	\$ 24,073	\$ (31,486)

City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit)
Budget and Actual - Taxi Transit System Fund
Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 635,192	\$ 715,810	\$ 819,946	\$ 104,136
Public charges for services	447,500	447,500	282,925	(164,575)
Total Revenues	1,082,692	1,163,310	1,102,871	(80,439)
EXPENDITURES				
Current				
Public works	1,213,531	1,297,184	1,162,714	134,470
Excess (Deficiency) of Revenues Over Expenditures	(130,839)	(133,874)	(59,843)	74,031
OTHER FINANCING SOURCES				
Sale of property	-	3,035	3,035	-
Transfers in	130,839	130,839	88,009	(42,830)
Total Other Financing Sources	130,839	133,874	91,044	(42,830)
Net Change in Fund Balance	-	-	31,201	31,201
FUND BALANCE (DEFICIT) - Beginning	(28,448)	(28,448)	(28,448)	-
FUND BALANCE (DEFICIT) - ENDING	(28,448)	(28,448)	2,753	31,201

TIF District No. 9	Capital Project Funds						Permanent Fund Library	Total Nonmajor Funds
	TIF District No. 10	TIF District No. 11	TIF District No. 12	TIF District No. 13	TIF District No. 14			
\$ 235,320	\$ 651,323	\$ 499,925	\$ 390,379	\$ 105,132	\$ -	\$ -	\$ -	\$ 5,485,437
1,017	135	26,620	96,391	48	-	-	-	1,736,607
-	-	-	-	-	-	-	-	383,741
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	424,306
548	4,110	1,589	1,658	741	2,484	-	-	96,920
4,900	-	-	-	18,483	13,750	(336)	-	60,282
241,785	655,568	528,134	488,428	124,404	16,234	(336)	-	100,665
								8,287,958
2,000	1,999	1,999	1,999	1,999	-	-	-	21,992
-	-	-	-	-	-	-	-	1,162,714
-	-	-	-	-	-	-	-	2,190,599
-	-	-	-	65,785	-	-	-	69,554
2,696	665	243	461,442	-	3,833,547	-	-	4,498,166
2,228,536	646,002	1,122,860	1,158,748	59,305	-	-	-	7,338,942
189,199	177,212	107,885	123,309	3,322	178,563	-	-	895,581
2,402,431	825,878	1,232,987	1,745,498	130,411	4,012,110	-	-	16,177,548
(2,180,646)	(170,310)	(704,853)	(1,257,070)	(6,007)	(3,995,876)	(336)	(7,889,590)	
-	-	-	-	-	6,495,000	-	-	6,495,000
1,595,000	-	640,000	990,000	30,000	-	-	-	3,750,000
62,239	-	21,618	30,555	711	116,173	-	-	244,873
-	-	-	-	-	-	-	-	3,035
626,924	-	-	-	-	45,579	-	-	1,655,873
(121,895)	-	(2,873)	(1,246)	-	(262,237)	-	-	(2,645,214)
2,182,268	-	658,745	1,019,309	30,711	6,394,515	-	-	9,503,567
1,622	(170,310)	(46,108)	(237,761)	24,704	2,388,639	(336)	1,613,977	
(281,916)	56,806	78,272	(1,542,771)	70,698	(57,816)	44,673	527,249	
\$ (280,294)	\$ (113,504)	\$ 32,164	\$ (1,780,532)	\$ 95,402	\$ 2,340,823	\$ 44,337	\$ 2,141,226	

City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Public Library Fund
Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 716,985	\$ 716,985	\$ 716,985	\$ -
Intergovernmental	597,155	599,820	598,330	(1,490)
Public charges for services	66,956	66,956	39,998	(26,958)
Intergovernmental charges for service	46,830	100,517	96,920	(3,597)
Investment income	20,000	20,000	6,767	(13,233)
Miscellaneous	1,750	3,448	2,573	(875)
Total Revenues	1,449,676	1,507,726	1,461,573	(46,153)
EXPENDITURES				
Current				
Leisure activities	1,446,888	1,581,625	1,387,980	(193,645)
Capital Outlay	2,788	2,788	2,788	-
Total Expenditures	1,449,676	1,584,413	1,390,768	193,645
Excess of revenues over expenditures	-	(76,687)	70,805	147,492
OTHER FINANCING USES				
Transfers out	-	(120,206)	(120,206)	-
Total Other Financing Uses	-	(120,206)	(120,206)	-
Net Change in Fund Balance	-	(196,893)	(49,401)	147,492
FUND BALANCE - Beginning	752,256	752,256	752,256	-
FUND BALANCE - ENDING	\$ 752,256	\$ 555,363	\$ 702,855	\$ 147,492

City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Room Tax Fund
Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 386,231	\$ 386,231	\$ 201,281	\$ (184,950)
Intergovernmental	-	17,663	17,663	-
Investment income	1,000	1,000	289	(711)
Miscellaneous	7,500	7,500	7,500	-
Total Revenues	394,731	412,394	226,733	(185,661)
EXPENDITURES				
Current				
Leisure activities	394,731	412,394	315,544	96,850
Net Change in Fund Balance	-	-	(88,811)	(88,811)
FUND BALANCE - Beginning	101,175	101,175	101,175	-
FUND BALANCE - ENDING	\$ 101,175	\$ 101,175	\$ 12,364	\$ (88,811)

City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Communications Fund
Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 39,760	\$ 66,586	\$ 66,586	\$ -
Licenses and permits	400,000	400,000	365,591	(34,409)
Public charges for services	-	-	5,000	5,000
Investment income	14,000	14,000	7,734	(6,266)
Total Revenues	453,760	480,586	444,911	(35,675)
EXPENDITURES				
Current				
Leisure activities	380,089	406,915	360,394	46,521
Capital Outlay	138,000	251,000	195,634	55,366
Total Expenditures	518,089	657,915	556,028	101,887
Excess (deficiency) of revenues over expenditures	(64,329)	(177,329)	(111,117)	66,212
OTHER FINANCING SOURCES				
Sale of city property	3,976	3,976	-	(3,976)
Total Other Financing Sources	3,976	3,976	-	(3,976)
Net Change in Fund Balance	(60,353)	(173,353)	(111,117)	62,236
FUND BALANCE - Beginning	1,496,938	1,496,938	1,496,938	-
FUND BALANCE - ENDING	\$ 1,436,585	\$ 1,323,585	\$ 1,385,821	\$ 62,236

City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Economic Development Fund
Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Investment income	\$ 27,671	\$ 27,671	\$ 22,596	\$ (5,075)
EXPENDITURES				
Current				
Conservation and development	7,000	7,000	3,769	3,231
Debt Service				
Interest and fiscal charges	8,994	8,994	8,994	-
Total Expenditures	15,994	15,994	12,763	3,231
Net Change in Fund Balance	11,677	11,677	9,833	(1,844)
FUND BALANCE - Beginning	136,024	136,024	136,024	-
FUND BALANCE - ENDING	\$ 147,701	\$ 147,701	\$ 145,857	\$ (1,844)

City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Recreation Fund
Year Ended December 31, 2020

	Budgeted Amounts		Variance with Final Budget
	Original	Final	
REVENUES			
Intergovernmental	\$ -	\$ 6,702	\$ -
Public charges for services	247,674	247,674	(196,808)
Investment income	1,500	1,500	(184)
Total Revenues	249,174	255,876	(196,992)
EXPENDITURES			
Current			
Leisure activities	249,174	255,876	143,219
Excess (deficiency) of revenues over expenditures	-	(53,773)	(53,773)
OTHER FINANCING USES			
Transfers out	-	(150,000)	-
Total Other Financing Uses	-	(150,000)	-
Net Change in Fund Balance	-	(150,000)	(53,773)
FUND BALANCE - Beginning	251,928	251,928	-
FUND BALANCE - ENDING	\$ 251,928	\$ 101,928	\$ (53,773)

City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit)
Budget and Actual - TIF District No. 3 Fund
Year Ended December 31, 2020

	Budgeted Amounts		Variance with Final Budget
	Original	Final	
REVENUES			
Taxes	\$ 496,941	\$ 496,941	\$ -
Intergovernmental	33,210	33,210	-
Investment income	-	-	2,946
Miscellaneous	28,687	28,687	21,313
Total Revenues	558,838	558,838	24,259
EXPENDITURES			
Current			
General government	2,000	2,000	-
Capital Outlay	170	170	1
Debt Service			
Principal retirement	540,478	545,478	-
Interest and fiscal charges	16,363	16,465	(21,106)
Total Expenditures	559,011	564,113	(21,105)
Excess (Deficiency) of Revenues Over Expenditures	(173)	(5,275)	3,154
OTHER FINANCING SOURCES			
Refunding bonds issued	-	5,000	-
Premium on bonds issued	-	34	-
Transfers in	-	68	-
Total Other Financing Sources	-	5,102	-
Net Change in Fund Balance	(173)	(173)	3,154
FUND BALANCE (DEFICIT) - Beginning	(1,484,644)	(1,484,644)	-
FUND BALANCE (DEFICIT) - ENDING	\$ (1,484,817)	\$ (1,481,663)	3,154

City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - TIF District No. 4 Fund
Year Ended December 31, 2020

REVENUES	Budgeted Amounts		Variance with Final Budget
	Original	Final	
Taxes	\$ 1,133,996	\$ 1,133,996	\$ -
Intergovernmental	30,505	30,505	-
Investment income	-	568	568
Total Revenues	1,164,501	1,165,069	568
EXPENDITURES			
Current			
General government	2,000	2,000	-
Capital Outlay	150	151	(1)
Debt Service			
Principal retirement	260,000	260,000	-
Interest and fiscal charges	11,195	11,195	-
Total Expenditures	273,345	273,346	(1)
Excess of Revenues Over Expenditures	891,156	891,723	567
OTHER FINANCING USES			
Transfers out	(891,156)	(891,156)	-
Net Change in Fund Balance	-	567	567
FUND BALANCE - Beginning	12,544	12,544	-
FUND BALANCE - ENDING	\$ 12,544	\$ 13,111	\$ 567

City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - TIF District No. 5 Fund
Year Ended December 31, 2020

REVENUES	Budgeted Amounts		Variance with Final Budget
	Original	Final	
Taxes	\$ 187,107	\$ 187,107	\$ -
Intergovernmental	3,077	28,961	25,884
Investment income	-	-	3,411
Total Revenues	190,184	216,068	25,884
EXPENDITURES			
Current			
General government	2,000	2,000	-
Conservation and development	-	-	-
Capital Outlay	284	284	-
Debt Service			
Principal retirement	582,130	917,130	335,000
Interest and fiscal charges	57,331	65,170	7,839
Total Expenditures	641,745	1,010,467	368,722
Excess (Deficiency) of Revenues Over Expenditures	(451,561)	(794,399)	(342,838)
OTHER FINANCING SOURCES (USES)			
Refunding bonds issued	-	330,000	330,000
Premium on bonds issued	-	9,835	9,835
Transfers in	891,156	895,293	4,137
Transfers out	-	(1,134)	(1,134)
Total Other Financing Sources (Uses)	891,156	1,233,994	342,838
Net Change in Fund Balance	439,595	439,595	-
FUND BALANCE - Beginning	398,332	398,332	-
FUND BALANCE - ENDING	\$ 837,927	\$ 837,927	\$ -

City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - TIF District No. 6 Fund
Year Ended December 31, 2020

	Budgeted Amounts		Variance with
	Original	Final	Final Budget
REVENUES			
Taxes	\$ 619,158	\$ 619,158	\$ -
Intergovernmental	7,151	7,151	-
Investment income	-	206	206
Total Revenues	626,309	626,515	206
EXPENDITURES			
Current			
General government	2,000	2,000	1
Capital Outlay	150	150	-
Total Expenditures	2,150	2,149	1
Excess of Revenues Over Expenditures	624,159	624,366	207
OTHER FINANCING USES			
Transfers out	(624,482)	(624,482)	-
Total Other Financing Uses	(624,482)	(624,482)	-
Net Change in Fund Balance	(323)	(323)	207
FUND BALANCE - Beginning	44,656	44,656	-
FUND BALANCE - ENDING	\$ 44,333	\$ 44,333	\$ 207

City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - TIF District No. 7 Fund
Year Ended December 31, 2020

	Budgeted Amounts		Variance with
	Original	Final	Final Budget
REVENUES			
Taxes	\$ 230,429	\$ 230,429	\$ -
Intergovernmental	22,073	22,073	-
Investment income	-	-	739
Total Revenues	252,502	252,502	739
EXPENDITURES			
Current			
General government	2,000	2,000	1
Capital Outlay	250	250	2
Debt Service			
Principal retirement	240,883	400,883	-
Interest and fiscal charges	9,479	12,760	(1)
Total Expenditures	252,612	415,893	2
Excess (deficiency) of revenues over expenditures	(110)	(163,391)	741
OTHER FINANCING SOURCES (USES)			
Refunding bonds issued	-	160,000	-
Premium on bonds issued	-	3,708	-
Transfers out	-	(427)	427
Total Other Financing Sources (Uses)	-	163,281	427
Net Change in Fund Balance	(110)	(110)	1,168
FUND BALANCE - Beginning	23,015	23,015	-
FUND BALANCE - ENDING	\$ 22,905	\$ 22,905	\$ 1,168

City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit)
Budget and Actual - TIF District No. 8 Fund
Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 19,747	\$ 19,747	\$ 19,747	\$ -
Investment income	-	-	20	20
Total Revenues	19,747	19,747	19,767	20
EXPENDITURES				
Current				
General government	2,000	2,000	1,999	1
Capital Outlay	150	150	149	1
Debt Service	-	-	400	(400)
Total Expenditures	2,150	2,150	2,548	(398)
Net Change in Fund Balance	17,597	17,597	17,219	(378)
FUND BALANCE (DEFICIT) - Beginning	(48,705)	(48,705)	(48,705)	-
FUND BALANCE (DEFICIT) - ENDING	\$ (31,108)	\$ (31,108)	\$ (31,486)	\$ (378)

City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit)
Budget and Actual - TIF District No. 9 Fund
Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 238,297	\$ 238,297	\$ 235,320	\$ (2,977)
Intergovernmental	1,017	1,017	1,017	-
Investment income	-	-	548	548
Miscellaneous	-	4,900	4,900	-
Total Revenues	239,314	244,214	241,785	(2,429)
EXPENDITURES				
Current				
General government	2,000	2,000	2,000	-
Capital Outlay	358	5,258	2,696	2,562
Debt Service				
Principal retirement	613,536	2,228,536	2,228,536	-
Interest and fiscal charges	129,981	170,887	169,199	1,488
Total Expenditures	745,875	2,406,481	2,402,431	4,050
Excess (Deficiency) of Revenues Over Expenditures	(506,561)	(2,162,267)	(2,160,646)	1,621
OTHER FINANCING SOURCES (USES)				
Refunding bonds issued	-	1,595,000	1,595,000	-
Premium on bonds issued	-	62,239	62,239	-
Transfers in	624,482	626,924	626,924	-
Transfers out	-	(3,975)	(121,895)	(117,920)
Total Other Financing Sources (Uses)	624,482	2,280,188	2,162,268	(117,920)
Net Change in Fund Balance	117,921	117,921	1,622	(116,299)
FUND BALANCE (DEFICIT) - Beginning	(281,916)	(281,916)	(281,916)	-
FUND BALANCE (DEFICIT) - ENDING	\$ (163,995)	\$ (163,995)	\$ (280,294)	\$ (116,299)

City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - TIF District No. 10 Fund
Year Ended December 31, 2020

	Budgeted Amounts		Variance with	
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	\$ 651,323	\$ 651,323	\$ 651,323	\$ -
Intergovernmental	135	135	135	-
Investment income	-	-	4,110	4,110
Miscellaneous	107,830	107,830	-	(107,830)
Total Revenues	759,288	759,288	655,568	(103,720)
EXPENDITURES				
Current				
General government	2,000	2,000	1,999	1
Capital Outlay	566	566	665	(99)
Debt Service				
Principal retirement	646,002	646,002	646,002	-
Interest and fiscal charges	171,218	171,218	177,212	(5,994)
Total Expenditures	819,786	819,786	825,878	(6,092)
Net Change in Fund Balance	(60,498)	(60,498)	(170,310)	(109,812)
FUND BALANCE - Beginning	56,806	56,806	56,806	-
FUND BALANCE (DEFICIT) - ENDING	\$ (3,692)	\$ (3,692)	\$ (113,504)	\$ (109,812)

City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - TIF District No. 11 Fund
Year Ended December 31, 2020

	Budgeted Amounts		Variance with	
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	\$ 499,925	\$ 499,925	\$ 499,925	\$ -
Intergovernmental	26,620	26,620	26,620	-
Investment income	-	-	1,589	1,589
Total Revenues	526,545	526,545	528,134	1,589
EXPENDITURES				
Current				
General government	2,000	2,000	1,999	1
Capital Outlay	245	245	243	2
Debt Service				
Principal retirement	480,000	1,122,860	1,122,860	-
Interest and fiscal charges	92,295	108,180	107,885	295
Total Expenditures	574,540	1,233,285	1,232,987	298
Excess of Revenues Over Expenditures	(47,995)	(706,740)	(704,853)	1,887
OTHER FINANCING SOURCES (USES)				
Refunding bonds issued	-	640,000	640,000	-
Premium on bonds issued	-	21,618	21,618	-
Transfers out	-	(2,873)	(2,873)	-
Total Other Financing Sources (Uses)	-	658,745	658,745	-
Net Change in Fund Balance	(47,995)	(47,995)	(46,108)	1,887
FUND BALANCE - Beginning	78,272	78,272	78,272	-
FUND BALANCE - ENDING	\$ 30,277	\$ 30,277	\$ 32,164	\$ 1,887

City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit)
Budget and Actual - TIF District No. 12 Fund
Year Ended December 31, 2020

	Budgeted Amounts		Variance with
	Original	Final	Final Budget
REVENUES			
Taxes	\$ 355,486	\$ 390,379	\$ -
Intergovernmental	96,391	96,391	-
Investment income	-	1,658	1,658
Total Revenues	451,877	486,770	1,658
EXPENDITURES			
Current			
General government	2,000	1,732	1,999
Capital Outlay	136,014	171,176	461,442
Debt Service			
Principal retirement	163,748	1,158,748	1,158,748
Interest and fiscal charges	100,115	124,424	123,309
Total Expenditures	401,877	1,456,060	1,745,498
Excess (Deficiency) of Revenues Over Expenditures	50,000	(969,310)	(1,257,070)
OTHER FINANCING SOURCES (USES)			
Refunding bonds issued	-	990,000	990,000
Premium on bonds issued	-	30,555	30,555
Transfers out	-	(1,245)	(1,246)
Total Other Financing Sources (Uses)	-	1,019,310	1,019,309
Net Change in Fund Balance	50,000	50,000	(237,761)
FUND BALANCE (DEFICIT) - Beginning	(1,542,771)	(1,542,771)	(1,542,771)
FUND BALANCE (DEFICIT) - ENDING	\$ (1,492,771)	\$ (1,492,771)	\$ (1,780,532)

City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - TIF District No. 13 Fund
Year Ended December 31, 2020

	Budgeted Amounts		Variance with
	Original	Final	Final Budget
REVENUES			
Taxes	\$ 105,132	\$ 105,132	\$ -
Intergovernmental	48	48	48
Investment income	-	-	741
Miscellaneous	-	-	18,483
Total Revenues	105,180	105,180	124,404
EXPENDITURES			
Current			
General government	2,000	2,000	1,999
Conservation and development	71,168	71,168	65,785
Debt Service			
Principal retirement	29,305	59,305	59,305
Interest and fiscal charges	2,707	3,322	3,322
Total Expenditures	105,180	135,795	130,411
Excess (deficiency) of revenues over expenditures	-	(30,615)	(6,007)
OTHER FINANCING SOURCES (USES)			
Refunding bonds issued	-	30,000	30,000
Premium on bonds issued	-	711	711
Transfers out	-	(96)	-
Total Other Financing Sources (Uses)	-	30,615	30,711
Net Change in Fund Balance	-	-	24,704
FUND BALANCE - Beginning	70,698	70,698	70,698
FUND BALANCE - ENDING	\$ 70,698	\$ 70,698	\$ 95,402

CITY OF WEST BEND

INTRODUCTION TO THE STATISTICAL SECTION

December 31, 2020

STATISTICAL SECTION

This part of the City's Comprehensive Annual Finance Report presents detailed information as a context for understanding what the information in the financial statements, notes to financial statements, and required supplementary information indicate about the City's overall financial health.

CONTENTS

	<u>Page</u>
<u>Financial Trends</u> – Schedules 1 – 4 These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	103 – 107
<u>Revenue Capacity</u> – Schedules 5 – 8 These schedules contain information to help the reader assess the factors affecting the City's most significant revenue source, property taxes.	108 – 111
<u>Debt Capacity</u> – Schedules 9 – 13 These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	112 – 116
<u>Demographic and Economic Information</u> – Schedules 14 – 15 These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.	117 – 118
<u>Operating Information</u> – Schedules 16 - 17 These schedules contain information about the City's operations and infrastructure data to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	119 – 120

Sources: Unless otherwise noted, the information in these schedules is derived from the annual financial reports for the relevant year.

Schedule 1

City of West Bend

Net Position by Component

Last Ten Fiscal Years

(accrual basis of accounting)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<u>Governmental Activities</u>										
Net investment in capital assets	\$ 106,737,618	\$ 109,112,415	\$ 105,895,084	\$ 101,944,883	\$ 99,393,906	\$ 95,819,111	\$ 85,393,669	\$ 91,034,382	\$ 89,219,651	\$ 87,062,063
Restricted	6,298,244	2,385,896	5,775,048	2,141,418	2,189,500	4,974,965	3,334,477	3,607,106	1,740,727	2,106,898
Unrestricted (deficit)	(11,353,738)	(10,735,866)	(13,130,721)	(4,428,888)	(2,376,635)	(4,466,775)	(4,596,980)	(12,099,346)	(11,550,745)	(14,118,728)
Total governmental activities net position	\$ 101,682,124	\$ 100,762,445	\$ 98,539,411	\$ 99,657,413	\$ 99,206,771	\$ 96,327,301	\$ 84,131,166	\$ 82,542,142	\$ 79,409,633	\$ 75,050,233
<u>Business-Type Activities</u>										
Net investment in capital assets	\$ 46,658,474	\$ 46,689,492	\$ 46,834,880	\$ 47,492,331	\$ 47,672,108	\$ 48,458,824	\$ 48,480,803	\$ 49,534,396	\$ 47,211,028	\$ 44,356,180
Restricted	660,526	718,575	1,474,296	1,217,465	919,046	997,956	744,835	991,906	620,012	1,845,722
Unrestricted	22,783,292	22,619,691	21,397,374	20,475,762	19,354,143	17,192,216	16,404,781	15,087,379	19,224,734	22,950,393
Total business-type activities net position	\$ 70,102,292	\$ 70,027,758	\$ 69,706,550	\$ 69,185,558	\$ 67,945,297	\$ 66,648,996	\$ 65,630,419	\$ 65,613,681	\$ 67,055,774	\$ 69,152,295
<u>Primary Government</u>										
Net investment in capital assets	\$ 152,639,083	\$ 154,852,838	\$ 151,604,157	\$ 148,238,795	\$ 145,792,548	\$ 142,948,419	\$ 132,482,613	\$ 138,400,260	\$ 134,178,269	\$ 129,330,496
Restricted	6,958,770	3,104,471	7,249,344	3,358,883	3,108,546	5,972,921	4,079,312	4,599,012	2,360,739	3,952,620
Unrestricted	12,186,563	12,832,894	9,392,460	17,245,293	18,250,974	14,054,957	13,199,660	5,156,551	9,976,399	10,919,412
Total primary government activities net position	\$ 171,784,416	\$ 170,790,203	\$ 168,245,961	\$ 168,842,971	\$ 167,152,068	\$ 162,976,297	\$ 149,761,585	\$ 148,155,823	\$ 146,465,407	\$ 144,202,528

Note: The Net Investment in Capital Assets and Unrestricted Net Position are adjusted to reflect capital assets owned by the business-type activities but financed by the governmental activities. A footnote reconciliation detailing the adjustment can be found in Note 1 of the Financial Statements.

Schedule 2
City of West Bend
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
PRIMARY GOVERNMENT										
EXPENSES										
<u>Governmental activities</u>										
General government	\$ 5,214,375	\$ 4,839,019	\$ 4,799,184	\$ 4,644,495	\$ 4,574,441	\$ 5,138,982	\$ 4,309,948	\$ 4,264,520	\$ 1,685,601	\$ 2,464,001
Public safety	11,935,794	13,474,781	13,670,939	12,994,096	12,550,970	11,712,386	11,232,203	12,032,009	14,717,547	14,137,929
Public works	10,526,514	9,205,845	8,901,707	9,257,914	8,718,819	9,648,833	9,692,674	10,078,108	9,110,517	10,124,653
Leisure activities	4,717,386	4,899,901	4,961,761	4,721,860	3,718,113	4,584,932	4,984,803	4,039,921	4,428,537	4,215,723
Conservation and development	3,328,744	2,893,590	1,166,649	2,319,357	1,500,299	1,003,390	335,282	551,805	1,729,039	1,839,649
Interest and fiscal charges	1,614,343	1,222,489	1,469,728	1,558,210	1,914,244	2,051,479	2,532,321	3,653,553	3,080,235	3,469,939
Total governmental activities expenses	37,337,156	36,535,625	34,969,968	35,495,932	32,976,886	34,140,002	33,087,231	34,619,916	34,751,476	36,251,894
<u>Business-type activities</u>										
Water	4,557,229	3,836,001	3,963,876	3,742,254	3,414,123	3,978,363	3,670,703	3,396,658	3,242,994	4,076,008
Sewer	4,660,681	4,088,532	3,604,988	3,712,440	3,382,506	3,546,561	3,640,908	3,494,088	3,575,504	3,316,690
Parking Authority	-	-	-	-	-	-	-	54,981	80,055	91,636
Total business-type activities expenses	9,217,910	7,924,533	7,568,864	7,454,694	6,796,629	7,524,924	7,311,611	6,945,727	6,898,553	7,484,334
Total primary government expenses	\$ 46,555,066	\$ 44,460,158	\$ 42,538,832	\$ 42,950,626	\$ 39,773,515	\$ 41,664,926	\$ 40,398,842	\$ 41,565,643	\$ 41,650,029	\$ 43,736,228
PROGRAM REVENUES										
<u>Governmental activities</u>										
Charges for services	\$ 486,161	\$ 517,078	\$ 468,522	\$ 573,225	\$ 476,081	\$ 463,076	\$ 355,085	\$ 252,047	\$ 245,762	\$ 229,460
General government	2,334,844	2,477,944	2,427,136	2,416,754	2,210,067	2,355,629	2,282,217	2,201,695	2,193,413	1,981,964
Public safety	793,399	894,637	858,391	906,232	866,148	853,318	795,550	1,038,934	969,868	978,141
Public works	170,672	510,659	490,664	428,970	440,452	362,331	331,124	357,607	440,326	528,646
Leisure activities	479,930	554,378	613,405	624,608	607,622	560,848	527,361	580,506	585,915	622,415
Conservation and development	3,769,125	3,036,879	3,175,036	3,120,340	3,188,661	3,117,376	2,228,156	2,467,140	2,718,259	2,752,063
Operating grants and contributions	2,006,768	2,246,455	2,062,708	1,289,042	1,911,908	6,544,988	394,099	944,450	1,821,542	284,121
Capital grants and contributions	10,040,899	10,238,030	10,095,862	9,359,171	9,700,939	14,257,566	6,913,592	7,842,379	8,975,085	7,376,810
Total governmental activities program revenues										
<u>Business-type activities</u>										
Charges for services	4,896,326	4,823,275	4,860,605	4,878,067	4,882,741	4,876,578	4,780,032	4,928,810	5,074,512	4,733,307
Water	4,129,055	3,584,845	3,653,158	3,644,840	3,761,959	3,775,384	3,653,125	3,677,556	3,766,506	3,479,122
Sewer	-	-	-	-	-	-	-	20,865	11,633	17,240
Parking Authority	-	-	-	-	3,807	13,544	13,849	14,510	15,658	17,288
Operating grants and contributions	84,123	-	-	743,465	-	9,075	13,598	86,299	63,207	306,266
Capital grants and contributions	9,109,504	8,408,120	8,513,763	9,266,372	8,648,507	8,674,581	8,460,604	8,728,040	8,931,516	8,553,223
Total business-type activities program revenues										
Total primary government program revenues	\$ 19,150,403	\$ 18,646,150	\$ 18,609,625	\$ 18,625,543	\$ 18,349,446	\$ 22,932,147	\$ 15,374,196	\$ 16,570,419	\$ 17,906,601	\$ 15,930,033

Schedule 2
City of West Bend
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

<u>PRIMARY GOVERNMENT</u>	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<u>NET (EXPENSE)/REVENUE</u>										
Governmental activities	\$ (27,296,257)	\$ (26,297,595)	\$ (24,874,106)	\$ (26,136,761)	\$ (23,275,947)	\$ (19,882,436)	\$ (26,173,639)	\$ (26,777,537)	\$ (25,776,391)	\$ (28,875,084)
Business-type activities	(108,406)	483,587	944,899	1,811,678	1,851,878	1,149,657	1,148,993	1,782,313	2,032,963	1,068,889
Total primary government net (expense)/revenue	<u>(27,404,663)</u>	<u>(25,814,008)</u>	<u>(23,929,207)</u>	<u>(24,325,083)</u>	<u>(21,424,069)</u>	<u>(18,732,779)</u>	<u>(25,024,646)</u>	<u>(24,995,224)</u>	<u>(23,743,428)</u>	<u>(27,806,195)</u>
<u>GENERAL REVENUES</u>										
<u>Governmental activities</u>										
Taxes										
Property taxes, levied for general purposes	\$ 15,799,484	\$ 15,221,296	\$ 14,489,156	\$ 14,343,742	\$ 13,572,471	\$ 13,681,619	\$ 13,367,419	\$ 13,783,210	\$ 13,113,097	\$ 13,950,145
Property taxes, levied for special revenue funds	716,985	1,105,423	1,102,497	1,095,588	985,546	624,454	620,899	617,055	625,542	755,810
Property taxes, levied for debt service	3,442,319	3,118,210	2,971,253	3,017,168	2,939,595	3,053,568	3,443,807	3,137,142	3,563,288	3,783,699
Property taxes, levied for TIF districts	4,320,022	5,300,471	5,237,222	4,537,080	4,891,775	4,911,561	5,025,078	5,059,421	4,469,057	4,399,503
Other taxes	508,955	176,412	137,761	125,835	594,792	479,704	434,985	493,834	473,612	379,765
Intergovernmental revenues not restricted	2,332,085	2,066,911	2,137,070	2,010,865	2,023,133	2,046,326	3,068,832	2,838,542	2,707,200	3,172,610
Investment income	263,411	619,721	475,894	282,130	183,854	85,605	58,722	39,183	80,526	116,651
Gain on disposal of assets	-	-	-	-	-	-	66,958	40,638	35,122	35,870
Miscellaneous	715,130	272,904	1,074,815	450,192	283,330	177,560	149,284	152,061	175,444	473,448
Transfers, internal	117,545	639,281	554,304	724,803	680,921	843,140	1,526,679	3,748,960	4,892,903	651,309
Total governmental activities general revenues	<u>28,215,936</u>	<u>28,520,629</u>	<u>28,179,972</u>	<u>26,587,403</u>	<u>26,155,417</u>	<u>25,903,537</u>	<u>27,762,663</u>	<u>29,910,046</u>	<u>30,135,791</u>	<u>27,718,810</u>
<u>Business-type activities</u>										
Property taxes, levied for general purposes	-	-	-	-	-	-	-	69,171	69,589	78,067
Investment income	189,399	464,201	334,993	150,159	108,789	89,995	127,012	18,204	213,066	174,438
Gain on disposal of assets	-	-	-	-	-	-	-	14,152	-	-
Gain on asset impairment	-	-	-	-	-	-	246,231	421,734	478,064	866,781
Miscellaneous	111,086	12,701	9,362	3,227	16,555	-	21,181	1,293	2,700	4,179
Transfers, internal	(117,545)	(639,281)	(554,304)	(724,803)	(680,921)	(843,140)	(1,526,679)	(3,748,960)	(4,892,903)	(651,309)
Total business-type activities general revenues	<u>182,940</u>	<u>(162,379)</u>	<u>(209,949)</u>	<u>(571,417)</u>	<u>(555,577)</u>	<u>(753,145)</u>	<u>(1,132,255)</u>	<u>(3,224,406)</u>	<u>(4,129,484)</u>	<u>472,156</u>
Total primary government general revenue	<u>\$ 28,398,876</u>	<u>\$ 28,358,250</u>	<u>\$ 27,970,023</u>	<u>\$ 26,015,986</u>	<u>\$ 25,599,840</u>	<u>\$ 25,150,392</u>	<u>\$ 26,630,408</u>	<u>\$ 26,685,640</u>	<u>\$ 26,006,307</u>	<u>\$ 28,190,966</u>
<u>CHANGE IN NET POSITION</u>										
Governmental activities	\$ 919,679	\$ 2,223,034	\$ 3,305,866	\$ 450,642	\$ 2,879,470	\$ 6,021,101	\$ 1,589,024	\$ 3,132,509	\$ 4,359,400	\$ (1,156,274)
Business-type activities	74,534	321,208	734,950	1,240,261	1,296,301	396,512	16,738	(1,442,093)	(2,096,521)	1,541,045
Total primary government change in net position	<u>\$ 994,213</u>	<u>\$ 2,544,242</u>	<u>\$ 4,040,816</u>	<u>\$ 1,690,903</u>	<u>\$ 4,175,771</u>	<u>\$ 6,417,613</u>	<u>\$ 1,605,762</u>	<u>\$ 1,690,416</u>	<u>\$ 2,262,879</u>	<u>\$ 384,771</u>

Schedule 3
City of West Bend
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<u>General Fund</u>										
Nonspendable	\$ 2,902,401	\$ 1,177,107	\$ 1,243,055	\$ 1,468,705	\$ 1,428,893	\$ 1,619,263	\$ 1,693,884	\$ 751,405	\$ 969,408	\$ 956,318
Restricted	339,192	335,115	295,964	255,244	288,529	221,023	246,992	33,225	32,775	32,490
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	559,657	349,953	590,212	765,307	482,927	602,573	309,307	1,160,398	172,519	568,780
Unassigned	6,111,129	6,518,409	6,663,913	5,733,776	5,238,255	4,078,084	3,558,917	3,092,494	2,476,948	2,568,678
Total general fund	9,912,379	8,380,584	8,793,144	8,223,032	7,438,604	6,520,943	5,809,100	5,037,522	3,651,650	4,126,266
<u>All Other Governmental Funds</u>										
Nonspendable	29,840	37,056	-	-	-	-	-	-	-	-
Restricted	6,352,601	3,615,308	3,320,811	3,546,367	3,805,037	5,400,277	7,703,730	5,150,544	3,875,726	5,840,996
Committed	1,406,179	1,711,810	1,753,801	1,628,736	1,635,326	1,450,711	1,295,023	1,407,609	1,269,229	1,030,598
Assigned	632,006	1,229,059	478,762	1,016,017	802,107	607,959	1,603,740	1,370,289	4,929,622	2,734,374
Unassigned (deficit)	(3,687,479)	(3,444,300)	(3,219,539)	(3,506,061)	(2,135,391)	(2,022,088)	(398,565)	(1,937,473)	(2,853,556)	(1,824,550)
Total all other governmental funds	\$ 4,733,147	\$ 3,148,933	\$ 2,333,835	\$ 2,685,059	\$ 4,107,079	\$ 5,436,859	\$ 10,203,928	\$ 5,990,969	\$ 7,221,021	\$ 7,781,418

Schedule 4
City of West Bend
Change in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Revenues										
Taxes	\$ 24,789,023	\$ 24,921,812	\$ 23,952,946	\$ 23,119,415	\$ 22,984,180	\$ 22,750,907	\$ 22,892,190	\$ 22,869,591	\$ 22,078,197	\$ 23,096,429
Intergovernmental	6,740,957	6,484,146	5,401,465	4,991,479	5,522,612	5,493,738	5,082,106	5,739,544	5,577,134	6,008,556
Licenses and permits	1,149,465	1,254,336	1,155,430	1,315,514	1,284,209	1,134,872	1,072,395	1,255,251	1,079,873	1,183,537
Fines, forfeitures, and penalties	280,116	412,815	437,060	412,772	458,038	469,913	494,588	398,497	419,075	456,985
Public charges for services	2,192,344	2,732,546	2,694,936	2,649,941	2,309,997	2,260,554	2,024,960	2,028,400	2,058,737	1,937,978
Intergovernmental charges for services	542,151	536,147	577,611	578,438	578,249	577,809	587,959	576,215	599,373	604,563
Special assessments	95,625	17,102	36,711	39,695	17,525	113,061	53,693	58,892	194,444	90,718
Investment income	263,411	619,721	475,894	282,134	183,852	85,608	58,719	36,700	78,446	113,613
Miscellaneous	695,872	1,099,356	1,789,072	1,176,176	1,037,445	1,297,074	825,724	957,384	1,830,935	811,469
Total Revenues	36,748,964	38,077,981	36,521,125	34,565,564	34,376,107	34,183,536	33,092,334	33,920,474	33,916,214	34,303,848

Expenditures										
Current										
General government	4,633,670	4,666,687	4,409,775	4,476,591	4,228,918	4,667,544	4,110,870	3,807,061	1,993,365	2,049,658
Public safety	12,590,834	11,890,167	11,570,862	11,056,465	10,810,330	10,719,881	10,633,805	10,778,263	12,848,343	12,801,944
Public works	6,299,489	6,037,167	5,649,372	5,701,207	5,169,974	4,915,320	4,621,480	4,868,988	5,465,243	6,053,907
Leisure activities	4,041,075	3,935,262	3,912,953	3,738,258	4,223,584	3,526,730	3,676,215	3,526,524	3,745,655	3,713,864
Conservation and development	837,532	737,979	419,612	418,303	510,429	449,052	320,426	150,242	426,067	270,724
Capital outlay	9,253,201	4,140,679	4,184,838	3,911,785	3,307,461	3,511,622	4,876,887	11,088,288	7,207,582	5,317,263
Debt service										
Principal retirement	10,068,268	11,300,052	7,338,447	6,712,181	10,280,928	13,279,761	13,208,603	10,750,273	11,976,647	15,942,537
Interest and fiscal charges	1,473,139	1,418,909	1,489,633	1,515,465	1,806,619	1,984,796	2,188,417	2,314,285	2,842,199	3,480,388
Debt issuance costs	-	-	-	-	-	-	223,025	700,430	251,294	80,496
Total expenditures	49,197,208	44,126,902	38,975,492	37,530,255	40,338,243	43,054,706	43,859,728	47,984,354	46,756,395	49,710,781

Excess (deficiency) of revenues over expenditures	(12,448,244)	(6,048,921)	(2,454,367)	(2,964,691)	(5,962,136)	(8,871,170)	(10,767,394)	(14,063,880)	(12,840,181)	(15,406,933)
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Other Financing Sources										
General obligation debt issued	9,420,000	3,540,000	2,030,000	1,530,000	1,515,000	-	4,285,000	6,095,000	3,387,400	4,613,700
Refunding bonds issued	3,750,000	1,975,000	-	-	4,370,000	3,730,000	10,125,000	9,765,000	11,720,000	1,840,000
Premium on debt issued	417,733	226,121	59,676	48,941	113,661	220,302	530,489	184,338	11,093	-
Capital lease issued	1,410,205	29,660	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	(1,186,394)	-	-	(5,514,509)	(8,217,388)	-
Sale of property	448,770	41,397	29,275	23,355	56,829	35,984	63,146	23,701	11,160	18,604
Transfers in	3,438,983	1,912,465	1,745,214	1,535,982	1,182,032	1,359,513	1,511,631	4,149,011	5,124,125	2,856,839
Transfers out	(3,321,438)	(1,273,184)	(1,190,910)	(811,179)	(501,111)	(529,855)	(763,335)	(482,841)	(231,222)	(2,205,530)
Total other financing sources (uses)	15,564,253	6,451,459	2,673,255	2,327,099	5,550,017	4,815,944	15,751,931	14,219,700	11,805,168	7,123,613

Net change in fund balances	\$ 3,116,009	\$ 402,538	\$ 218,888	\$ (637,592)	\$ (412,119)	\$ (4,055,226)	\$ 4,984,537	\$ 155,820	\$ (1,035,013)	\$ (8,283,320)
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Ratio of total debt service expenditures to total noncapital expenditures	27.20%	31.12%	24.60%	23.35%	32.99%	36.40%	37.36%	32.73%	35.42%	41.48%
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Schedule 5
City of West Bend
Assessed and Equalized Value of Taxable Property
Last Ten Fiscal Years

Levy Year	Fiscal Year	Real Property										Total Assessed Value (1)	Total Equalized Value (2)	Total Direct Tax Rate	Ratio of Assessed to Equalized
		Residential	Commercial	Manufacturing	Agricultural	Undeveloped	Forest	Other	Personal Property						
2020	2021	\$ 1,870,271,100	\$ 930,158,100	\$ 70,349,900	\$ 81,000	\$ 572,100	\$ 90,200	\$ 300,200	\$ 43,701,000	\$ 2,915,523,600	\$ 3,200,372,200	\$ 7.9298	91.10%		
2019	2020	1,857,702,600	825,103,700	71,228,400	82,900	278,200	90,200	300,200	43,801,850	2,798,588,050	2,956,923,800	7.8504	94.65%		
2018	2019	1,842,407,200	808,885,300	72,966,900	89,400	152,600	90,200	300,200	46,223,050	2,771,114,850	2,766,661,500	7.7943	100.16%		
2017	2018	1,621,930,300	720,336,900	65,605,400	83,400	152,600	90,200	300,200	56,041,300	2,464,540,300	2,680,139,500	8.5100	91.96%		
2016	2017	1,611,711,420	690,631,300	63,484,000	91,900	123,600	90,200	300,200	55,049,700	2,421,482,320	2,485,727,800	8.5083	97.42%		
2015	2016	1,606,305,800	687,420,300	63,865,800	91,900	123,600	90,200	300,200	53,140,250	2,411,338,050	2,418,080,000	8.5146	99.72%		
2014	2015	1,602,950,200	676,616,800	65,504,600	89,400	123,600	90,200	300,200	57,133,300	2,402,808,300	2,388,773,200	8.5121	100.59%		
2013	2014	1,600,997,600	678,101,600	63,494,600	91,900	123,800	90,200	300,200	62,023,150	2,405,223,050	2,378,068,900	8.5143	101.14%		
2012	2013	1,619,966,600	677,224,100	63,541,600	91,000	118,000	90,200	300,200	62,585,050	2,423,916,750	2,412,368,200	8.5156	100.48%		
2011	2012	1,615,263,200	643,509,801	62,938,900	56,000	33,500	46,100	-	58,450,450	2,380,297,951	2,453,201,000	8.4646	97.03%		

Source: Statement of Assessment for the City of West Bend

- 1 - Total assessed values do not include exempt properties. The City of West Bend Assessor's Office does not assess property classified as exempt. Assessed values are established by City Assessor on all property except manufacturing property as of January 1 of each year. The Wisconsin Department of Revenue determines manufacturing property assessed values as of January 1 of each year. A revaluation of all property was completed in 2005, 2011, and 2018.
- 2 - Equalized values are determined by the Wisconsin Department of Revenue.

Schedule 6
City of West Bend
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$1,000 of assessed value)

Levy Year	Budget Year	City Direct Rates					Overlapping Rates							
		General Fund	Debt Service Fund		Non-Major Fund	TID Apportionment	Total Direct	West Bend			Moraine Park		State	
								School District	Washington County	Technical College	State of Wisconsin (1)	School Credit	Net Tax Rate	
2020	2021	\$ 5.7058	\$ 1.2787	\$ 0.2541	\$ 0.6913	\$ 7.9298	\$ 8.7516	\$ 2.4564	\$ 0.6644	\$ -	\$ (1.3190)	\$ 18.4831		
2019	2020	5.6443	1.3899	0.2562	0.5600	7.8504	8.4246	2.4228	0.6518	-	(1.3649)	17.9847		
2018	2019	5.4860	1.3508	0.2587	0.6987	7.7943	7.9585	2.3892	0.6347	-	(1.3860)	17.3906		
2017	2018	5.8777	1.6619	0.2895	0.6810	8.5100	8.8643	2.7080	0.7061	-	(1.5577)	19.2308		
2016	2017	5.9222	1.7211	0.2932	0.5719	8.5083	8.8802	2.6460	0.6732	0.1742	(1.4659)	19.4161		
2015	2016	5.6273	1.9433	0.4087	0.5353	8.5146	8.7881	2.6092	0.6737	0.1702	(1.4831)	19.2726		
2014	2015	5.6927	2.0299	0.2599	0.5296	8.5121	8.5631	2.6762	0.6707	0.1687	(1.3211)	19.2698		
2013	2014	5.5563	2.1890	0.2582	0.5109	8.5143	9.0638	2.8309	1.5513	0.1678	(1.3093)	20.8188		
2012	2013	5.5939	2.0104	0.3742	0.5372	8.5156	8.5793	2.8653	1.5333	0.1689	(1.2934)	20.3690		
2011	2012	5.4391	2.2179	0.3619	0.4457	8.4646	8.6960	2.9444	1.5264	0.1749	(1.2843)	20.5220		

Source: Annual City of West Bend Adopted Operating Budget

1 - Effective with December 2017 property tax bills, state property tax for forestry purposes was eliminated.

Schedule 7
City of West Bend
Principal Property Taxpayers
2020 and Nine Years Ago

Taxpayer	2020				2011			
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value		Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	
West Bend Mutual Insurance	\$ 67,162,800	1	2.30%		\$ 63,464,350	1	2.67%	
Froedtert Health, Inc.	42,711,500	2	1.46%		13,871,700	3	0.58%	
Mills Fleet Farm	33,092,500	3	1.14%					
Meijer Stores	26,477,100	4	0.91%					
River Shores-Cast Iron Condo	23,799,500	5	0.82%					
Ireit West Bend Main (Pick N Save-S)	17,871,100	6	0.61%					
Manitou Equipment (GEHL Co.)	17,739,000	7	0.61%		20,397,950	2	0.86%	
Realty Income Properties (Wal-Mart Stores)	16,705,000	8	0.57%		13,648,450	4	0.57%	
Exchangeright Net (Pick N Save-N)	16,487,700	9	0.57%					
Paradise Pavillion (Kohl's & Hobby Lobby)	15,821,200	10	0.54%		12,697,100	5	0.53%	
Boston Store/Pier 1					12,071,650	6	0.51%	
Menard					10,654,400	7	0.45%	
WB Comm Warehouse					7,923,300	8	0.33%	
WB Acquisition, LLC					7,902,800	9	0.33%	
Aurora Medical Group					7,749,800	10	0.33%	
Total	\$ 277,867,400		9.53%		\$ 170,381,500		7.16%	

Source: City of West Bend Assessor's Office

Note: Assessed values include real and personal property.

Schedule 8
City of West Bend
Property Tax Levies and Collections
Last Ten Fiscal Years

Levy Year	Budget Year	Total Tax Levy	Collected within the		Collections of the Levy in Subsequent Years	Total Collections to Date	
			Fiscal Year of the Levy	Percentage of Levy		Amount	Percentage of Levy
2020	2021	\$ 58,148,434	\$ 24,073,431	41.40%	-	\$ 24,073,431	41.40%
2019	2020	54,643,919	28,446,851	52.06%	13,214,989	41,661,840	76.24%
2018	2019	52,563,416	24,079,306	45.81%	15,975,391	40,054,697	76.20%
2017	2018	51,827,357	26,359,548	50.86%	13,488,001	39,847,549	76.89%
2016	2017	51,046,940	25,483,797	49.92%	13,532,507	39,016,304	76.43%
2015	2016	50,504,267	24,101,878	47.72%	14,052,797	38,154,675	75.55%
2014	2015	50,049,421	24,868,426	49.69%	20,093,111	44,961,537	89.83%
2013	2014	53,879,167	24,856,013	46.13%	23,724,396	48,580,409	90.17%
2012	2013	53,180,186	26,032,965	48.95%	21,499,230	47,532,195	89.38%
2011	2012	52,554,970	26,234,247	49.92%	20,969,851	47,204,098	89.82%

Source: City Finance Department records and Tax Settlements

Note: The City of West Bend used a new tax software for the 2015 levy year, which implemented a two installment plan for tax collection. For levy years 2009 through 2014, the City of West Bend collected tax payments until July 31st using a four installment payment plan.

In addition to property taxes for the City of West Bend, the City collects and remits taxes for Washington County, the West Bend School District, and Moraine Park Technical College. Tax settlements to the other entities are made in January, for taxes collected through December 31st, and in February, for taxes collected as of January 31st. All unpaid real estate taxes are forwarded to Washington County for further collection. Washington County makes a final tax settlement in August to the various taxing entities for the balance of their respective tax levies.

Schedule 9
City of West Bend
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business-Type Activities						Total Primary Government	Percentage of Personal Income	Per Capita			
	General		Capital Leases	General Obligation Bonds/Notes (1)	City of West Bend		Total Primary Government								
	Obligation Bonds/Notes (1)	Other Notes and Loans			Water Revenue	Bonds									
2020	\$	46,817,482	\$	-	\$	1,420,239	\$	3,853,695	\$	-	\$	52,091,416	2.65%	\$	1,625
2019		43,380,438		-		19,360		4,145,747		-		47,545,545	2.47%		1,480
2018		49,260,212		-		-		3,377,552		1,095,000		53,732,764	2.88%		1,685
2017		54,613,681		60,000		-		3,228,871		1,410,000		59,312,552	3.43%		1,880
2016		59,845,884		115,000		-		2,892,493		1,725,000		64,578,377	3.92%		2,039
2015		65,296,953		170,000		-		2,385,211		2,030,000		69,882,164	4.33%		2,212
2014		74,671,016		225,000		-		2,685,442		2,325,000		79,906,458	5.12%		2,534
2013		73,032,000		275,000		-		2,077,141		3,825,000		79,209,141	5.23%		2,521
2012		67,106,487		325,000		4,315,000		2,288,327		4,230,000		78,264,814	5.19%		2,494
2011		71,758,886		561,112		4,440,000		2,592,299		4,695,000		84,047,297	5.86%		2,691

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.

1 - Presented net of premiums on long-term debt.

Schedule 10
City of West Bend
Ratios of Outstanding Debt To Equalized Value
Last Ten Fiscal Years

Fiscal Year	General Outstanding Debt (1)	Restricted Debt Service	Net General Obligation Debt	Equalized Valuation	Percent of Net Debt to Equalization	Estimated Population	Debt Per Capita
2020	\$ 50,671,177	\$ 700,147	\$ 49,971,030	\$ 3,200,372,200	1.56%	32,058	\$ 1,581
2019	47,526,185	146,286	47,379,899	2,956,923,800	1.60%	32,122	1,480
2018	52,637,764	140,866	52,496,898	2,766,661,500	1.90%	31,881	1,651
2017	57,842,552	137,043	57,705,509	2,680,139,500	2.15%	31,546	1,834
2016	62,738,377	66,540	62,671,837	2,485,727,800	2.52%	31,676	1,981
2015	67,682,164	52,530	67,629,634	2,418,080,000	2.80%	31,599	2,142
2014	77,356,458	1,404,634	75,951,824	2,388,773,200	3.18%	31,531	2,453
2013	75,109,141	8,586	75,100,555	2,378,068,900	3.16%	31,425	2,390
2012	69,394,814	93,856	69,300,958	2,412,368,200	2.87%	31,380	2,211
2011	74,351,185	1,272,798	73,078,387	2,453,201,000	2.98%	31,227	2,381

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.

1 - Presented net of premiums on long-term debt.

Schedule 11
City of West Bend
Computation of Direct and Overlapping Debt
December 31, 2020

Jurisdiction	Governmental		Percent Applicable to City of West Bend	Amount Applicable to City of West Bend
	General Obligation Debt Outstanding			
Direct Debt				
City of West Bend	\$ 48,237,721	100%	\$	48,237,721
Overlapping Debt				
Washington County	11,675,000	18.81%		2,196,411
West Bend School District	28,945,000	53.96%		15,619,855
Moraine Park Technical College	31,410,000	10.51%		3,299,628
Total Overlapping Debt	72,030,000			21,115,895
Total Direct and Overlapping Debt	<u>\$ 120,267,721</u>		\$	<u>69,353,616</u>

The percent applicable to the City is calculated by dividing the City's equalized value by the total equalized value of the indirect debt entity.

Schedule 12
City of West Bend
Computation of Legal Debt Margin
Last Ten Fiscal Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Equalized Value (1)	\$ 3,200,372,200	\$ 2,956,923,800	\$ 2,766,661,500	\$ 2,680,139,500	\$ 2,485,727,800	\$ 2,418,080,000	\$ 2,388,773,200	\$ 2,378,068,900	\$ 2,412,368,200	\$ 2,453,201,000
Debt Limit (2)	160,018,610	147,846,190	138,333,075	134,006,975	124,286,390	120,904,000	119,438,660	118,903,445	120,618,410	122,660,050
Total General Obligation Debt	49,831,375	47,002,455	52,077,207	57,180,654	61,982,835	66,928,764	76,713,525	74,887,128	70,747,401	75,053,337
Amount of Debt Applicable to Debt Limitation										
Total Debt Applicable to Debt Limit	49,831,375	47,002,455	52,077,207	57,180,654	61,982,835	66,928,764	76,713,525	74,887,128	70,747,401	75,053,337
Less: Assets in Debt Service Fund Available for Payment of Principal	700,147	146,286	140,866	137,043	66,540	52,530	1,404,634	8,586	93,856	1,272,798
Net Debt Applicable to Debt Limit	49,131,228	46,856,169	51,936,341	57,043,611	61,916,295	66,876,234	75,308,891	74,878,542	70,653,545	73,780,539
Remaining Legal Debt Margin	110,887,382	100,990,021	86,396,734	76,963,364	62,370,095	54,027,766	44,129,769	44,024,903	49,964,865	48,879,511
Total Debt Applicable to the Limit as a Percentage of Debt Limit	30.70%	31.69%	37.54%	42.57%	49.82%	55.31%	63.05%	62.97%	58.58%	60.15%

1 - Source - Department of Revenue

2 - In accordance with Wisconsin Statutes, total general obligation indebtedness of the City may not exceed five percent of the equalized value of the taxable property within the City's jurisdiction.

Schedule 13
City of West Bend
City of West Bend Water Utility Revenue Bond Coverage
Last Ten Fiscal Years

Fiscal Year	Direct Operating Revenues (1)	Direct Operating Expenses (2)	Net Revenue Available for Debt Service	Principal	Interest	Total	Coverage (3)
2020	\$ 4,924,368	\$ 3,478,748	\$ 1,445,620	\$ -	\$ -	\$ -	-
2019	4,944,231	2,734,578	2,209,653	-	-	-	-
2018	4,940,302	2,879,846	2,060,456	345,000	39,073	384,073	5.36
2017	4,910,092	2,600,919	2,309,173	345,000	39,073	384,073	6.01
2016	4,902,563	2,386,048	2,516,515	345,000	39,073	384,073	6.55
2015	4,898,018	2,897,098	2,000,920	345,000	39,073	384,073	5.21
2014	4,827,770	2,544,925	2,282,845	345,000	39,073	384,073	5.94
2013	4,945,220	2,185,072	2,760,148	445,000	130,059	575,059	4.80
2012	5,093,856	2,243,685	2,850,171	445,000	130,059	575,059	4.96
2011	4,755,812	2,950,944	1,804,868	465,000	176,946	641,946	2.81

1 - Total operating revenues plus interest income and interest subsidy.

2 - Operating expenses do not include depreciation.

3 - The Water Utility Revenue Bonds were refinanced in 2019 as a General Obligation Debt.

Schedule 14
City of West Bend
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population (1)	Personal Income (2)	Per Capita Personal Income (3)		Unemployment Rates (4)		
			Washington County	State of Wisconsin	City of West Bend	Washington County	State of Wisconsin
2020	32,058	\$ 1,968,008,562	\$ 61,389	\$ 55,487	6.30%	5.90%	6.30%
2019	32,122	1,926,645,438	59,979	53,583	2.90%	2.70%	3.40%
2018	31,881	1,868,258,481	58,601	50,756	2.70%	2.50%	3.00%
2017	31,546	1,727,458,960	54,760	48,941	3.00%	2.80%	3.30%
2016	31,676	1,648,767,476	52,051	47,275	3.70%	3.50%	4.20%
2015	31,599	1,615,024,890	51,110	45,942	4.10%	3.80%	4.60%
2014	31,531	1,559,617,853	49,463	44,414	4.90%	4.60%	5.40%
2013	31,425	1,514,747,850	48,202	42,728	7.80%	5.70%	6.70%
2012	31,380	1,507,620,720	48,044	42,537	8.30%	6.10%	7.00%
2011	31,227	1,434,193,656	45,928	40,749	9.60%	6.90%	7.80%

- 1 - Source: Department of Administration, State of Wisconsin
2 - Personal Income is calculated by using City population multiplied by Per Capita Income - Washington County.
3 - Source: Bureau of Economic Analysis (2020 Washington County is an estimate)
4 - Source: Bureau of Labor Statistics - Average of Local Area Unemployment Statistics

Schedule 15
City of West Bend
Principal Employers
2020 and Nine Years Ago

Taxpayer	2020				2011			
	Employees	Rank	Percentage of Total City Employment		Employees	Rank	Percentage of Total City Employment	
West Bend Mutual Insurance	1,300	1	8.33%		855	3	5.45%	
Froedtert Health Care	1,148	2	7.36%					
West Bend Joint School District No. 1	862	3	5.52%		1,150	1	7.34%	
Washington County	834	4	5.35%		878	2	5.60%	
Wal-Mart	600	5	3.85%		372	8	2.37%	
Serigraph Inc.	580	6	3.72%					
Cedar Community	550	7	3.52%		787	4	5.02%	
YMCA Kettle Moraine	333	8	2.13%		423	7	2.70%	
City of West Bend	324	9	2.08%		470	6	3.00%	
Regal Ware, Inc.	300	10	1.92%		236	9	1.51%	
St. Joseph's Community Hospital					575	5	3.67%	
Samaritan Health Center					185	10	1.18%	
Total	6,831		43.78%		5,931		37.84%	

Source: City of West Bend's Official Statement for respective year's borrowing

Schedule 16
City of West Bend
Full-time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

Function/ Program	Full Time Equivalent Employees									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<u>General Government</u>										
Council (8 Council Members)										
Mayor	1.25	1.25	1.25	1.25	1.25	1.25	1.00	1.00	1.00	1.00
Attorney	-	-	-	-	-	-	-	0.05	2.25	3.00
Administration	1.25	1.25	1.25	1.25	1.25	1.25	1.25	3.00	2.35	2.61
Clerk	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Human Resources	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.25	2.25	2.82
Elections	Varies	Varies	Varies	Varies	Varies	Varies	Varies	Varies	Varies	Varies
Finance	7.30	7.30	7.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Assessor	3.00	3.00	3.00	3.00	3.00	4.00	4.00	4.00	4.00	4.00
Municipal Building Maintenance	4.75	4.75	5.75	5.35	5.35	4.84	4.00	6.10	6.06	7.98
Information Systems	2.00	2.00	2.00	2.00	2.00	2.00	2.00	3.00	3.00	3.00
GIS	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00	4.00
Emergency Government	-	-	-	-	-	-	-	0.35	0.63	0.63
<u>Public Safety</u>										
Police	77.00	77.00	75.00	75.00	75.00	75.00	75.00	76.00	74.00	77.00
Fire	40.70	40.70	40.70	40.70	40.70	40.70	40.70	40.50	40.00	35.00
Building Inspection	2.25	2.25	2.00	2.00	3.00	2.70	3.50	4.02	4.45	4.00
<u>Public Works</u>										
Public Works	14.95	14.95	14.95	14.60	15.60	16.60	15.98	15.73	16.95	16.95
Engineering	3.00	3.00	3.00	4.00	4.00	3.00	3.00	14.75	14.75	14.75
Vehicle Maintenance	4.95	4.95	4.95	4.95	3.95	3.95	4.60	4.60	4.60	4.60
Airport	0.65	0.37	0.58	1.50	1.50	1.50	0.58	0.58	0.58	0.58
<u>Leisure Activities</u>										
Parks	19.65	20.65	20.65	19.65	19.65	19.65	20.71	30.00	33.50	37.00
Tourism	-	-	-	-	1.06	1.06	-	-	-	-
<u>Conservation and Development</u>										
Economic Development	1.50	1.50	1.50	-	-	-	-	-	-	-
Department of Development	3.50	3.50	3.50	4.00	4.00	4.00	5.00	6.00	7.00	7.00
<u>Enterprise Funds</u>										
Sewer Utility	8.50	8.50	8.50	8.50	8.00	8.00	8.00	8.00	8.00	8.00
Water Utility	16.90	16.90	16.90	16.90	16.90	16.90	18.35	17.98	17.87	19.32
<u>Other Non-Major Special Revenue Funds</u>										
Taxi	1.10	1.10	1.10	1.10	1.10	0.48	-	-	-	-
Library	19.16	19.23	18.83	19.05	19.05	19.43	20.88	19.25	18.75	21.00
Community TV	3.25	3.25	3.25	2.50	2.50	2.75	2.75	2.25	1.60	1.60
Recreation	7.50	7.50	7.50	7.50	7.50	7.50	7.50	-	-	-
Room Tax	1.06	1.06	1.06	1.06	-	-	-	-	-	-
Total	251.2	252.0	250.2	249.9	250.4	251.6	253.8	272.4	276.6	286.8

Source: City of West Bend's Annual Operating Budgets

Schedule 17
City of West Bend
Operating Indicators and Information about Capital Assets by Function/Department
Last Ten Fiscal Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Public Safety										
<u>Police</u>										
Calls for Service	13,426	14,258	14,391	14,877	14,599	15,339	14,873	13,390	13,721	14,505
Other Police Activities	44,121	53,452	55,692	58,452	58,479	57,020	56,031	51,340	47,302	45,298
Arrests (1)	1,050	1,115	1,187	2,309	2,511	2,925	3,206	2,513	2,437	1,730
Citations (2)	2,918	4,183	5,087	4,318	5,366	5,643	6,030	5,573	4,847	6,860
Patrol Vehicles	13	13	13	13	13	13	13	13	13	13
<u>Fire Department</u>										
Fire Calls	454	464	463	400	441	400	472	443	449	383
Fire Stations	3	3	3	3	3	3	3	3	3	3
Fire Apparatus	18	18	18	18	18	18	18	18	18	18
Ambulances	4	4	4	4	4	4	4	4	4	4
EMS Responses	3,912	3,809	3,789	3,682	3,452	3,465	3,381	3,167	3,094	2,741
Public Works										
<u>Refuse/ Recycling¹</u>										
Units Collected	9,991	9,944	9,913	9,861	9,803	9,787	9,757	9,729	9,703	9,651
Recycle Cost per Unit	\$ 3.12	\$ 3.05	\$ 2.98	\$ 2.91	\$ 2.84	\$ 2.78	\$ 2.72	\$ 2.66	\$ 2.60	\$ 3.07
Recycling Tonnage	2,439.11	2,535.60	2,767.13	2,786.09	2,643.57	2,680.07	2,808.16	2,864.49	2,840.28	2,732.29
Refuse Tonnage	8,036.33	7,155.08	7,382.39	7,374.68	7,007.28	7,021.97	6,961.27	6,879.86	6,856.58	7,253.59
Streets (lane miles)	535	535	525	525	525	525	525	525	525	525
Street Lights (City owned)	282	282	276	276	276	276	276	276	276	276
Street Signs	7,007	7,007	7,237	7,237	7,237	7,237	7,237	7,237	7,237	7,237
<u>Parks and Recreation</u>										
Number of Parks	37	37	37	37	37	36	36	36	36	36
Acreage of Park Land	1,425	1,425	1,425	1,425	1,425	1,285	1,285	1,285	1,285	1,285
Recreation Programs	27	40	39	36	39	40	41	35	36	32
Lac Lawrann Programs	7	8	14	15	14	11	12	8	9	9
Beach Attendance	-	17,973	18,102	19,264	20,545	21,478	17,894	16,725	24,388	25,415
Special Events	14	60	59	55	52	51	47	40	36	33
Shelter Reservations	288	479	503	459	448	415	385	333	274	147
<u>Library</u>										
Circulation	343,135	459,608	498,524	501,628	494,226	502,327	543,221	558,919	570,205	578,059
User Visits	121,762	208,619	216,713	220,513	226,648	227,682	246,901	252,954	275,102	Unavailable
Registered Borrowers	40,111	41,560	41,255	46,947	45,201	62,530	61,496	60,257	58,653	56,753
<u>Water Utility</u>										
Number of Customers	12,096	12,049	12,003	11,845	11,797	11,861	11,835	11,734	11,680	11,723
Gallons Sold	811,170,000	802,834,938	830,235,000	833,025,000	844,547,000	863,002,000	835,029,000	879,530,000	925,062,000	851,455,000
Hydrants Flushed	598	610	625	570	448	660	528	431	518	467
Number of Hydrants	1,436	1,436	1,441	1,435	1,427	1,425	1,422	1,418	1,417	1,415
Miles of Water Main	145.17	145	145	145	144.5	144.5	144.5	144	144	144
<u>Sewer Utility</u>										
Number of Customers	11,728	11,703	11,703	11,553	11,538	11,348	11,522	11,398	11,344	11,322
Gal Treated (Avg Millions Gal/Day)	5.37	4.82	4.25	4.33	4.35	3.84	4.87	5.40	3.87	4.27
Miles of Sanitary Sewer	137	137	137	137	137	137	137	137	137	137

Source: City of West Bend respective department and annual budget

- 1 - Previous to 2018, arrest totals included total number of felony and misdemeanor charges. In 2018, total only includes persons arrested.
2 - In 2011, the citation totals included releasable equipment violations. All other years equipment violations that were corrected and citations released are not included in the total of citations.

FORM OF LEGAL OPINION

(See following pages)

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

November 3, 2021

Re: City of West Bend, Wisconsin ("Issuer")
\$2,860,000 Taxable General Obligation Community Development Bonds, Series 2021B,
dated November 3, 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 April 1 of each year, in the years and principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2022	\$ 45,000	___%
2023	45,000	___
2024	160,000	___
2025	160,000	___
2026	160,000	___
2027	160,000	___
2028	160,000	___
2029	170,000	___
2030	170,000	___
2031	170,000	___
2032	180,000	___
2033	180,000	___
2034	185,000	___
2035	190,000	___
2036	135,000	___
2037	140,000	___
2038	145,000	___
2039	150,000	___
2040	155,000	___

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

The Bonds maturing on April 1, 2031 and thereafter are subject to redemption prior to maturity, at the option of the Issuer, on April 1, 2030 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 City 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 City 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 City, 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 City 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 City 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 City 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 City believes to be reliable, but the City 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 City of West Bend, Washington County, Wisconsin (the "Issuer") in connection with the issuance of \$2,860,000 Taxable General Obligation Community Development Bonds, Series 2021B, dated November 3, 2021 (the "Securities"). The Securities are being issued pursuant to resolutions adopted on September 20, 2021 and October 18, 2021 (collectively, the "Resolution") and delivered to _____ (the "Purchaser") on the date hereof. Pursuant to the Resolution, the Issuer has covenanted and agreed to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events. In addition, the Issuer hereby specifically covenants and agrees as follows:

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

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

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

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

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

"Final Official Statement" means the Final Official Statement dated October 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 Common Council of the Issuer or such other body as may hereafter be the chief legislative body of the Issuer.

"Issuer" means the City of West Bend, Washington County, Wisconsin, which is the obligated person with respect to the Securities.

"Issuer Contact" means the City Clerk of the Issuer who can be contacted at 1115 South Main Street, West Bend, Wisconsin 53095, phone (262) 335-5103, fax (262) 335-5164.

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

"MSRB" means the Municipal Securities Rulemaking Board.

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

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

"SEC" means the Securities and Exchange Commission.

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

(a) The Issuer shall, not later than 365 days after the end of the Fiscal Year, commencing with the year ending December 31, 2021, provide the MSRB with an Annual Report filed in accordance with Section 1(b) of this Disclosure Certificate and which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the Audited Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report and that, if Audited Financial Statements are not available within 365 days after the end of the Fiscal Year, unaudited financial information will be provided, and Audited Financial Statements will be submitted to the MSRB when and if available.

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

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

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

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

Section 5. Reporting of Listed Events.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

If the amendment concerns the accounting principles to be followed in preparing financial statements, then the Issuer agrees that it will give an event notice and that the next Annual Report it submits after such amendment will include a comparison between financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. (a) Except as described in the Final Official Statement, in the previous five years, the Issuer has not failed to comply in all material respects with any previous undertakings under the Rule to provide annual reports or notices of events.

(b) In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any holder of the Securities may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under the Resolution and this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default with respect to the Securities and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

Section 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Participating Underwriters and holders from time to time of the Securities, and shall create no rights in any other person or entity.

IN WITNESS WHEREOF, we have executed this Certificate in our official capacities effective the 3rd day of November, 2021.

(SEAL)

Christophe E. Jenkins
Mayor

Stephanie Justmann
City Clerk

NOTICE OF SALE

\$2,860,000* TAXABLE GENERAL OBLIGATION COMMUNITY DEVELOPMENT BONDS, SERIES 2021B CITY OF WEST BEND, WISCONSIN

Bids for the purchase of \$2,860,000* Taxable General Obligation Community Development Bonds, Series 2021B (the "Bonds") of the City of West Bend, Wisconsin (the "City") will be received at the offices of Ehlers and Associates, Inc. ("Ehlers"), 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, municipal advisors to the City, until 11:00 A.M., Central Time, and **ELECTRONIC PROPOSALS** will be received via **PARITY**, in the manner described below, until 11:00 A.M. Central Time, on October 18, 2021, at which time they will be opened, read and tabulated. The bids will be presented to the Common Council for consideration for award by resolution at a meeting to be held at 6:30 P.M., Central Time, on the same date. The bid offering to purchase the Bonds upon the terms specified herein and most favorable to the City will be accepted unless all bids are rejected.

PURPOSE

The Bonds are being issued pursuant to Section 67.04, Wisconsin Statutes, for the public purpose of providing financial assistance to community development projects under Section 66.1105 of the Wisconsin Statutes, consisting of paying the costs of projects listed in the Project Plans for the City's Tax Incremental Districts. The Bonds are general obligations of the City, and all the taxable property in the City 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 November 3, 2021, will be issued as fully registered Bonds in the denomination of \$5,000 each, or any integral multiple thereof, and will mature on April 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2022	\$45,000	2029	\$170,000	2036	\$135,000
2023	45,000	2030	170,000	2037	140,000
2024	160,000	2031	170,000	2038	145,000
2025	160,000	2032	180,000	2039	150,000
2026	160,000	2033	180,000	2040	155,000
2027	160,000	2034	185,000		
2028	160,000	2035	190,000		

ADJUSTMENT OPTION

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

TERM BOND OPTION

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

INTEREST PAYMENT DATES AND RATES

Interest will be payable on April 1 and October 1 of each year, commencing April 1, 2022, to the registered owners of the Bonds appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board. All Bonds of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

BOOK-ENTRY-ONLY FORMAT

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

PAYING AGENT

The City will select City officials, a bank or trust company, to act as paying agent (the "Paying Agent"). The City reserves the right to remove the Paying Agent and to appoint a successor.

OPTIONAL REDEMPTION

At the option of the City, the Bonds maturing on or after April 1, 2031 shall be subject to optional redemption prior to maturity on April 1, 2030 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 City. If only part of the Bonds having a common maturity date are called for redemption, then the City 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 November 3, 2021, the Bonds will be delivered without cost to the winning bidder at DTC. On the day of closing, the City 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 City, threatened. Payment for the Bonds must be received by the City 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 City. 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 City; 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 COUNSEL PARTICIPATION

Bond Counsel has not assumed responsibility for this Preliminary Official Statement or participated in its preparation (except with respect to the section entitled "TAXABILITY OF INTEREST" in the Preliminary Official Statement and the "FORM OF LEGAL OPINION" found in Appendix B of the Preliminary Official Statement).

SUBMISSION OF BIDS

Bids must not be for less than \$2,824,250, nor more than \$3,031,600, plus accrued interest on the principal sum of \$2,860,000 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 11:00 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 City nor Ehlers shall be responsible for any failure to receive a facsimile submission.

A good faith deposit ("Deposit") in the amount of \$57,200 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 City 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 City 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 City as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith.

The City 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 City 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 City'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 City reserves the right to reject any and all bids and to waive any informality in any bid.

The award of the Bonds will be made subject to expiration of the petition period provided for under Section 67.05, Wisconsin Statutes, without the filing of a sufficient petition for referendum with respect to the initial resolution authorizing the Bonds.

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 City requested and received a rating on the Bonds from a rating agency, the City will pay that rating fee. Any rating agency fees not requested by the City 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 City will assume no obligation for the assignment or printing of CUSIP numbers on the Bonds or for the correctness of any numbers printed thereon, but will permit such numbers to be printed at the expense of the winning bidder, if the winning bidder waives any delay in delivery occasioned thereby.

NON-QUALIFIED TAX-EXEMPT OBLIGATIONS

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

CONTINUING DISCLOSURE

In order to assist the Underwriters in complying with the provisions of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 the City 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 Common Council

Jay Shambeau, City Administrator/Director of the
Department of Development
City of West Bend, Wisconsin

BID FORM

The Common Council
City of West Bend, Wisconsin

October 18, 2021

RE: \$2,860,000* Taxable General Obligation Community Development Bonds, Series 2021B (the "Bonds")
DATED: November 3, 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 \$2,824,250, nor more than \$3,031,600) 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 2029	_____ % due 2036
_____ % due 2023	_____ % due 2030	_____ % due 2037
_____ % due 2024	_____ % due 2031	_____ % due 2038
_____ % due 2025	_____ % due 2032	_____ % due 2039
_____ % due 2026	_____ % due 2033	_____ % due 2040
_____ % due 2027	_____ % due 2034	
_____ % due 2028	_____ % due 2035	

* The City 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 \$57,200 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 City 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 City 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 City 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 November 3, 2021.

This bid is subject to the City'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 City 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 November 3, 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 Common Council of the City of West Bend, Wisconsin, on October 18, 2021.

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