

**New Issue**

**Rating: S&P Global Ratings "AA"/Stable Outlook**

**ADDENDUM DATED APRIL 16, 2025  
TO PRELIMINARY OFFICIAL STATEMENT DATED APRIL 8, 2025**

**CITY OF WEST BEND, WISCONSIN  
(Washington County)**

**\$4,325,000\* GENERAL OBLIGATION PROMISSORY NOTES,  
SERIES 2025A**

The bid opening for the above-referenced Notes has been rescheduled to April 23, 2025 at 10:30AM C.T. The dated date of the Notes will be May 7, 2025.

\*Preliminary, subject to change

# PRELIMINARY OFFICIAL STATEMENT DATED APRIL 8, 2025

In the opinion of Quarles & Brady LLP, Bond Counsel, assuming continued compliance with the requirements of the Internal Revenue Code of 1986, as amended, under existing law interest on the Notes is excludable from gross income and is not an item of tax preference for federal income tax purposes; however, interest on the Notes is taken into account in determining "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on Applicable Corporations (as defined in Section 59(k) of the Code). See "TAX EXEMPTION" herein for a more detailed discussion of some of the federal income tax consequences of owning the Notes. The interest on the Notes is not exempt from present Wisconsin income or franchise taxes.

The Notes shall not be "qualified tax-exempt obligations".

**New Issue**

**Rating Application Made: S&P Global Ratings**

## CITY OF WEST BEND, WISCONSIN (Washington County)

### \$4,325,000\* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2025A

**BID OPENING:** April 16, 2025, 10:00 A.M., C.T.

**CONSIDERATION:** Not later than 11:59 P.M., C.T. on April 16, 2025 (PARAMETERS RESOLUTION)

**PURPOSE/AUTHORITY/SECURITY:** The \$4,325,000\* General Obligation Promissory Notes, Series 2025A (the "Notes") are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the City of West Bend, Wisconsin (the "City"), for public purposes, including paying the cost of 2025 capital improvement projects, such as streets, City Hall, airport, sidewalk, library, parks, the fire department and public works equipment and Indiana Avenue design including water and sanitary sewer in the City's Tax Incremental District No. 16. The Notes 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 Notes 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 NOTES:** May 7, 2025

**MATURITY:** April 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2027	\$275,000	2030	\$450,000	2033	\$575,000
2028	350,000	2031	500,000	2034	615,000
2029	400,000	2032	525,000	2035	635,000

**\*MATURITY ADJUSTMENTS:** The City reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of \$5,000 each, up to a maximum of \$200,000 per maturity. 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, 2026 and semiannually thereafter.

**OPTIONAL REDEMPTION:** Notes maturing on April 1, 2033 and thereafter are subject to call for prior optional redemption on April 1, 2032 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

**MINIMUM BID:** \$4,273,100.

**MAXIMUM BID:** \$4,671,000.

**GOOD FAITH DEPOSIT:** A good faith deposit in the amount of \$86,500 shall be made by the winning bidder by wire transfer of funds.

**PAYING AGENT:** Bond Trust Services Corporation.

**BOND COUNSEL:** Quarles & Brady LLP.

**MUNICIPAL ADVISOR:** Ehlers and Associates, Inc.

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

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

## REPRESENTATIONS

No dealer, broker, salesperson or other person has been authorized by the 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 Notes 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 underwriter (Syndicate Manager). 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 Notes.

## 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 Notes 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 Notes, 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 Notes and all times subsequent thereto up to and including the time of the delivery of the Notes, 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 Notes; (3) a certificate evidencing the due execution of the Notes, 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 Notes, (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 Notes have been repealed, revoked or rescinded; and (4) a certificate setting forth facts and expectations of the City which indicates that the City does not expect to use the proceeds of the Notes in a manner that would cause them to be arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or within the meaning of applicable Treasury Regulations.

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## **CITY OF WEST BEND COMMON COUNCIL**

		<u>Term Expires</u>
Joel Ongert	Mayor	April 2026
John Butschlick	Council President	April 2026
Brett Bergquist	Aldersperson	April 2026
Rhett Engelking	Aldersperson	April 2027
Bill Schmidt	Aldersperson	April 2026
Mary Beth Seiser	Aldersperson	April 2026
John Spartz	Aldersperson	April 2027
Matt Sternig	Aldersperson	April 2027
Aaron Zingsheim	Aldersperson	April 2027

## **ADMINISTRATION**

Tim Dehring, Interim City Administrator/Police Chief

Julie Nolan, Assistant to Administration

Carrie Winklbauer, Finance Director/Treasurer

Jilline Dobratz, City Clerk

## **PROFESSIONAL SERVICES**

Ian Prust, Prust Legal, City Attorney, West Bend, Wisconsin

Quarles & Brady LLP, Bond Counsel, Milwaukee, Wisconsin

Ehlers and Associates, Inc., Municipal Advisors, Waukesha, Wisconsin  
*(Other office located in Roseville, Minnesota)*

# INTRODUCTORY STATEMENT

This Preliminary Official Statement contains certain information regarding the City of West Bend, Wisconsin (the "City") and the issuance of its \$4,325,000\* General Obligation Promissory Notes, Series 2025A (the "Notes"). **The Common Council adopted a resolution on March 17, 2025 (the "Parameters Resolution"), which authorized either the Finance Director or the City Clerk to accept a bid for the Notes if the parameters and conditions set forth in the Parameters Resolution are satisfied. If the parameters and conditions set forth in the Parameters Resolution are not met through the competitive bids received on April 16, 2025, neither the Finance Director nor the City Clerk will have the authority to accept a bid for the Notes, and all bids for the Notes will be rejected.**

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](http://www.ehlers-inc.com) by connecting to the Bond Sales link and following the directions at the top of the site.

## THE NOTES

### GENERAL

The Notes 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 May 7, 2025. The Notes 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, 2026, to the registered owners of the Notes 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 Notes 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 Notes 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 Notes are held under the book-entry system, beneficial ownership interests in the Notes may be acquired in book-entry form only, and all payments of principal of, premium, if any, and interest on the Notes 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 Notes shall be payable as provided in the Parameters Resolution.

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

### OPTIONAL REDEMPTION

At the option of the City, the Notes maturing on or after April 1, 2033 shall be subject to optional redemption prior to maturity on April 1, 2032 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

\*Preliminary, subject to change.

Redemption may be in whole or in part of the Notes subject to prepayment. If redemption is in part, the selection of the amounts and maturities of the Notes to be redeemed shall be at the discretion of the City. If only part of the Notes 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 Note to be redeemed at the address shown on the registration books.

**AUTHORITY; PURPOSE**

The Notes are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the City, for public purposes, including paying the cost of 2025 capital improvement projects, such as streets, City Hall, airport, sidewalk, library, parks, the fire department and public works equipment and Indiana Avenue design including water and sanitary sewer in the City's Tax Incremental District No. 16.

**ESTIMATED SOURCES AND USES\***

<b>Sources</b>		
Par Amount of Notes	\$4,325,000	
Estimated Interest Earnings	<u>26,375</u>	
<b>Total Sources</b>		<b>\$4,351,375</b>
<b>Uses</b>		
Estimated Underwriter's Discount	\$51,900	
Cost of Issuance	78,950	
Deposit to Project Construction Fund	4,220,000	
Rounding Amount	<u>525</u>	
<b>Total Uses</b>		<b>\$4,351,375</b>

\*Preliminary, subject to change.

**SECURITY**

For the prompt payment of the Notes 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 Notes when it becomes due and also to pay and discharge the principal on the Notes 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 an underlying rating on the Notes 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 Notes.

Such rating is not to be construed as a recommendation of the rating agency to buy, sell or hold the Notes, 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 Notes 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 Notes, 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. The Disclosure Undertaking includes the two new material events effective February 27, 2019 under the Rule.

On the date of issue and delivery of the Notes, 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 the Disclosure Undertaking will not constitute an event of default on the Notes. However, such a failure may adversely affect the transferability and liquidity of the Notes and their market price.

In the previous five years, the City believes it has not failed to comply in all material respects with its prior undertakings under the Rule. Ehlers is currently engaged as dissemination agent for the City.

## **LEGAL OPINION**

An opinion as to the validity of the Notes and the exemption from federal taxation of the interest thereon will be furnished by Quarles & Brady LLP, Bond Counsel to the City ("Bond Counsel"), and will be available at the time of delivery of the Notes. The legal opinion will be issued on the basis of existing law and will state that the Notes are valid and binding general obligations of the City; provided that the rights of the owners of the Notes and the enforceability of the Notes 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 the Preliminary Official Statement or participated in its preparation (except with respect to the section entitled "TAX EXEMPTION" in the Preliminary Official Statement and the "FORM OF LEGAL OPINION" found in Appendix B).

## **TAX EXEMPTION**

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

"The interest on the Notes is excludable for federal income tax purposes from the gross income of the owners of the Notes. The interest on the Notes is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Internal Revenue Code of 1986, as amended (the "Code") on individuals; however, interest on the Notes is taken into account in determining "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on Applicable Corporations (as defined in Section 59(k) of the Code). The Code contains requirements that must be satisfied subsequent to the issuance of the Notes in order for interest on the Notes to be or continue to be excludable from gross income for federal income tax purposes. Failure to comply with certain of those requirements could cause the interest on the Notes to be included in gross income retroactively to the date of issuance of the Notes. The City has agreed to comply with all of those requirements. The opinion set forth in the first sentence of this paragraph is subject to the condition that the City comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the Notes."

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

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

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

## **ORIGINAL ISSUE DISCOUNT**

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

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

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

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

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

## **BOND PREMIUM**

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

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

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

## **NOT QUALIFIED TAX-EXEMPT OBLIGATIONS**

The Notes shall not be "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.

## **MUNICIPAL ADVISOR**

Ehlers has served as municipal advisor to the City in connection with the issuance of the Notes. The Municipal Advisor cannot participate in the underwriting of the Notes. 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**

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, 2023 have been audited by Baker Tilly US, 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 Preliminary Official Statement.

## **RISK FACTORS**

The following is a description of possible risks to holders of the Notes 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 Notes will be 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 of Wisconsin (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 Notes. 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 Notes for resale prior to maturity.

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

**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 Notes. 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 Notes in the secondary market. Such a failure may adversely affect the transferability and liquidity of the Notes and their market price.

**Book-Entry-Only System:** The timely credit of payments for principal and interest on the Notes to the accounts of the Beneficial Owners of the Notes 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 Notes.

**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 Notes in the secondary market.

**Secondary Market for the Notes:** No assurance can be given that a secondary market will develop for the purchase and sale of the Notes or, if a secondary market exists, that such Notes can be sold for any particular price. The underwriters are not obligated to engage in secondary market trading or to repurchase any of the Notes at the request of the owners thereof. Prices of the Notes 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 Notes. 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 Notes 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.

The foregoing is intended only as a summary of certain risk factors attendant to an investment in the Notes. 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.

## CURRENT PROPERTY VALUATIONS

2024 Equalized Value	\$4,626,487,300
2024 Equalized Value Reduced by Tax Increment Valuation	\$4,163,202,300
2024 Assessed Value	\$4,337,788,200

## 2024 EQUALIZED VALUE BY CLASSIFICATION

	<b>2024 Equalized Value<sup>1</sup></b>	<b>Percent of Total Equalized Value</b>
Residential	\$3,001,281,000	64.872%
Commercial	1,509,220,300	32.621%
Manufacturing	114,685,100	2.479%
Agricultural	151,700	0.003%
Undeveloped	99,900	0.002%
Ag Forest	5,000	0.000%
Forest	564,300	0.012%
Other	480,000	0.010%
Personal Property <sup>2</sup>	<u>0</u>	<u>0.000%</u>
 Total	 <u><u>\$4,626,487,300</u></u>	 <u><u>100.000%</u></u>

## TREND OF VALUATIONS

Year	Assessed Value	Equalized Value <sup>1</sup>	Percent Increase/Decrease in Equalized Value
2020	\$2,915,523,600	\$3,200,372,200	8.23%
2021	2,935,607,600	3,483,278,500	8.84%
2022	2,994,174,800	3,991,313,500	14.59%
2023	4,351,391,200	4,412,863,400	10.56%
2024	4,337,788,200	4,626,487,300	4.84%

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

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<sup>1</sup> Includes tax increment valuation.

<sup>2</sup> Personal property has been exempted from taxation as of January 1, 2024 (see "TAX LEVIES AND COLLECTIONS" herein).

## LARGER TAXPAYERS

Taxpayer	Type of Business/Property	2024 Equalized Value <sup>1</sup>	Percent of City's Total Equalized Value
West Bend Mutual Insurance Co	Insurance Company	\$90,266,406	1.95%
Froedtert Health, Inc.	Medical Facility	50,565,583	1.09%
River Shores/Cast Iron Condos	Condos/Apartments	38,098,098	0.82%
Meijers Store	Retail	32,398,916	0.70%
Mills Fleet Farm	Retail	32,358,140	0.70%
District WB, LLC	Apartments	31,508,868	0.68%
Paradise Pavillion (Kohls & Hobby Lobby)	Retail	26,149,098	0.57%
Hawthorn Lake Property (Trails Edge Apartments)	Apartments	25,616,666	0.55%
Manitou Equipment (Gehl Co)	Office	24,684,990	0.53%
Kwik Trip, Inc.	Gas Station	<u>23,972,313</u>	<u>0.52%</u>
Total		\$375,619,078	8.12%
City's Total 2024 Equalized Value <sup>2</sup>		\$4,626,487,300	

**Source:** The City.

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<sup>1</sup> Calculated by dividing the 2024 Assessed Values by the 2024 Aggregate Ratio of assessment for the City.

<sup>2</sup> Includes tax increment valuation.

## DEBT

### DIRECT DEBT<sup>1</sup>

#### General Obligation Debt (see schedules following)

Total General Obligation Debt (includes the Notes)\* \$48,385,647

#### Lease Obligations

Issue Date	Original Amount	Purpose	Final Maturity	Amount Outstanding
4/15/20	\$1,303,912	Fire Equipment	4/15/30	\$698,371
2/24/23	179,910	Wheel Loader	2/24/26	45,674

### 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 borrow approximately \$4,000,000 for capital improvement projects in Spring of 2026 and approximately \$18,000,000 for fire station projects within the next 12 months but exact timing yet unknown. Aside from the preceding, the City has no current plans for additional financing in the next 12 months.

### 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	\$4,626,487,300
Multiply by 5%	<u>0.05</u>
Statutory Debt Limit	\$231,324,365
Less: General Obligation Debt*	<u>(48,385,647)</u>
Unused Debt Limit*	<u><u>\$182,938,718</u></u>

\*Preliminary, subject to change.

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<sup>1</sup> Outstanding debt is as of the dated date of the Notes.

City of West Bend, Wisconsin  
 Schedule of Bonded Indebtedness  
 General Obligation Debt Secured by Taxes  
 (As of 05/07/2025)

	Refunding Bonds Series 2011B		Refunding Bonds Series 2012B		Corporate Purpose Bonds Series 2013A		Police Facility Bonds Series 2014A		Corporate Purpose Bonds Series 2015A	
Dated	12/21/2011		05/09/2012		06/06/2013		02/26/2014		06/10/2015	
Amount	\$1,840,000		\$6,805,000		\$9,060,000		\$1,740,000		\$3,850,000	
Maturity	04/01		04/01		05/01		02/01		04/01	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	0	1,395	0	9,169	0	68,625	0	16,245	0	6,375
2026	50,000	2,015	815,000	9,169	905,000	125,938	90,000	31,275	425,000	6,375
2027	40,000	620			980,000	102,375	90,000	28,665		
2028					1,000,000	76,375	95,000	25,798		
2029					1,005,000	48,806	100,000	22,625		
2030					285,000	31,069	105,000	19,140		
2031					295,000	22,725	105,000	15,413		
2032					300,000	13,800	110,000	11,435		
2033					310,000	4,650	115,000	7,100		
2034							120,000	2,400		
2035										
2036										
2037										
2038										
2039										
2040										
2041										
2042										
2043										
2044										
	90,000	4,030	815,000	18,338	5,080,000	494,363	930,000	180,095	425,000	12,750

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City of West Bend, Wisconsin  
 Schedule of Bonded Indebtedness continued  
 General Obligation Debt Secured by Taxes  
 (As of 05/07/2025)

	Corporate Purpose Bonds Series 2016A		Promissory Notes Series 2016C		Promissory Notes Series 2017A		Promissory Notes Series 2018A		Corporate Purpose Bonds Series 2019A	
Dated	03/29/2016		06/01/2016		05/11/2017		05/03/2018		04/03/2019	
Amount	\$5,525,000		\$800,000		\$2,230,000		\$2,560,000		\$4,890,000	
Maturity	03/01		06/01		03/01		05/01		04/01	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	0	17,988	85,000	1,789	0	6,493	0	14,700	0	35,300
2026	460,000	31,375	90,000	608	290,000	9,868	335,000	24,375	445,000	61,700
2027	300,000	23,775			300,000	3,375	335,000	14,325	455,000	45,975
2028	290,000	17,513					310,000	4,650	470,000	32,100
2029	325,000	10,188							485,000	17,775
2030	245,000	3,063							170,000	7,950
2031									180,000	2,700
2032										
2033										
2034										
2035										
2036										
2037										
2038										
2039										
2040										
2041										
2042										
2043										
2044										
	1,620,000	103,900	175,000	2,396	590,000	19,735	980,000	58,050	2,205,000	203,500

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City of West Bend, Wisconsin  
Schedule of Bonded Indebtedness continued  
General Obligation Debt Secured by Taxes  
(As of 05/07/2025)

	Taxable Community Development Bonds Series 2020A		Corporate Purpose Bonds Series 2020B		Taxable Refunding Bonds Series 2020C		Corporate Purpose Bonds Series 2021A		Taxable Community Development Bonds Series 2021B	
Dated	02/05/2020		05/07/2020		10/15/2020		05/06/2021		11/03/2021	
Amount	\$3,530,000		\$6,190,000		\$3,775,000		\$5,370,000		\$2,835,000	
Maturity	02/01		05/01		03/01		04/01		04/01	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	0	44,943	0	51,584	0	5,894	0	38,786	0	24,276
2026	100,000	88,885	495,000	98,219	215,000	9,638	330,000	74,273	160,000	47,593
2027	100,000	86,835	505,000	88,219	150,000	5,988	345,000	65,798	160,000	45,513
2028	120,000	84,465	510,000	75,519	150,000	3,700	340,000	55,523	160,000	43,153
2029	135,000	81,593	515,000	60,144	100,000	2,363	350,000	45,173	165,000	40,551
2030	155,000	78,219	520,000	44,619	100,000	1,188	365,000	36,273	165,000	37,705
2031	180,000	74,193	160,000	35,219	45,000	281	370,000	30,310	170,000	34,690
2032	200,000	69,488	165,000	31,969			380,000	25,528	180,000	31,360
2033	220,000	64,128	170,000	28,619			385,000	20,459	180,000	27,760
2034	245,000	57,960	170,000	25,219			390,000	15,130	180,000	23,980
2035	265,000	51,009	175,000	21,769			400,000	9,400	190,000	19,910
2036	290,000	43,305	180,000	18,219			400,000	3,200	135,000	16,200
2037	305,000	34,899	180,000	14,506					140,000	12,900
2038	325,000	25,840	185,000	10,628					140,000	9,435
2039	345,000	16,039	190,000	6,525					150,000	5,738
2040	365,000	5,475	195,000	2,194					150,000	1,913
2041										
2042										
2043										
2044										
	3,350,000	907,273	4,315,000	613,169	760,000	29,050	4,055,000	419,850	2,425,000	422,675

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City of West Bend, Wisconsin  
 Schedule of Bonded Indebtedness continued  
 General Obligation Debt Secured by Taxes  
 (As of 05/07/2025)

	Promissory Notes Series 2022A		Promissory Notes Series 2023A		Community Development Bonds Series 2023B		Promissory Notes Series 2024A		General Obligation Water System Promissory Notes 1) Series 2024B	
	Dated	Amount	Dated	Amount	Dated	Amount	Dated	Amount	Dated	Amount
	05/11/2022	\$3,455,000	04/26/2023	\$3,285,000	04/26/2023	\$3,790,000	06/05/2024	\$4,375,000	06/26/2024	\$4,176,591
Maturity	04/01		04/01		04/01		04/01		05/01	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	0	49,800	0	59,200	0	80,550	0	103,600	0	29,072
2026	340,000	91,100	300,000	112,400	100,000	158,600	250,000	200,950	117,067	56,888
2027	345,000	73,975	325,000	99,900	150,000	152,350	300,000	187,200	119,578	54,350
2028	350,000	56,600	330,000	86,800	150,000	144,850	300,000	172,200	122,143	51,757
2029	360,000	40,650	350,000	73,200	175,000	136,725	325,000	156,575	124,763	49,109
2030	365,000	27,975	375,000	58,700	175,000	127,975	325,000	140,325	127,439	46,404
2031	370,000	16,950	410,000	43,000	200,000	118,600	390,000	122,450	130,173	43,642
2032	380,000	5,700	425,000	26,300	200,000	109,600	500,000	100,200	132,965	40,819
2033			445,000	8,900	200,000	101,600	600,000	72,700	135,817	37,937
2034					250,000	92,600	630,000	41,950	138,731	34,992
2035					250,000	82,600	110,000	24,000	141,706	31,984
2036					250,000	72,600	125,000	19,300	144,746	28,912
2037					250,000	62,600	130,000	14,200	147,851	25,774
2038					250,000	52,600	135,000	8,900	151,022	22,569
2039					290,000	41,800	155,000	3,100	154,262	19,295
2040					300,000	30,000			157,570	15,950
2041					300,000	18,000			160,950	12,534
2042					300,000	6,000			164,403	9,045
2043									167,929	5,480
2044									171,531	1,840
	2,510,000	362,750	2,960,000	568,400	3,790,000	1,589,650	4,275,000	1,367,650	2,710,647	618,353

1) Pursuant to the Wisconsin Capital Finance Office, Project No. 5386-05, the amount of disbursements as of March 13, 2025, is \$4,976,197.79.

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City of West Bend, Wisconsin  
Schedule of Bonded Indebtedness continued  
General Obligation Debt Secured by Taxes  
(As of 05/07/2025)

Promissory Notes Series 2025A								
Dated	05/07/2025							
Amount	\$4,325,000*							
Maturity	04/01							
Calendar Year Ending	Principal	Estimated Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2025	0	0	85,000	665,782	750,782	48,300,647	.18%	2025
2026	0	224,798	6,312,067	1,466,038	7,778,106	41,988,580	13.22%	2026
2027	275,000	155,758	5,274,578	1,234,994	6,509,572	36,714,002	24.12%	2027
2028	350,000	144,733	5,047,143	1,075,734	6,122,877	31,666,858	34.55%	2028
2029	400,000	131,420	4,914,763	916,896	5,831,659	26,752,095	44.71%	2029
2030	450,000	116,220	3,927,439	776,823	4,704,263	22,824,656	52.83%	2030
2031	500,000	99,120	3,505,173	659,292	4,164,464	19,319,483	60.07%	2031
2032	525,000	80,539	3,497,965	546,737	4,044,702	15,821,518	67.30%	2032
2033	575,000	60,176	3,335,817	434,028	3,769,845	12,485,701	74.20%	2033
2034	615,000	37,556	2,738,731	331,787	3,070,518	9,746,970	79.86%	2034
2035	635,000	12,859	2,166,706	253,531	2,420,237	7,580,264	84.33%	2035
2036			1,524,746	201,736	1,726,482	6,055,518	87.48%	2036
2037			1,152,851	164,879	1,317,730	4,902,667	89.87%	2037
2038			1,186,022	129,972	1,315,994	3,716,645	92.32%	2038
2039			1,284,262	92,496	1,376,757	2,432,384	94.97%	2039
2040			1,167,570	55,531	1,223,102	1,264,813	97.39%	2040
2041			460,950	30,534	491,484	803,863	98.34%	2041
2042			464,403	15,045	479,447	339,460	99.30%	2042
2043			167,929	5,480	173,410	171,531	99.65%	2043
2044			171,531	1,840	173,371	0	100.00%	2044
	4,325,000	1,063,178	48,385,647	9,059,154	57,444,801			

\* Preliminary, subject to change.

**OVERLAPPING DEBT<sup>1</sup>**

<b>Taxing District</b>	<b>2024 Equalized Value<sup>2</sup></b>	<b>% In City</b>	<b>Total G.O. Debt<sup>3</sup></b>	<b>City's Proportionate Share</b>
Washington County	\$24,913,232,000	18.5704%	\$32,175,000	\$5,975,026
West Bend Joint School District	8,589,922,899	53.8595%	10,225,000	5,507,134
Moraine Park Technical College District	44,738,181,521	10.3413%	61,055,000	<u>6,313,881</u>
City's Share of Total Overlapping Debt				<u><u>\$17,796,041</u></u>

**DEBT RATIOS**

	<b>G.O. Debt</b>	<b>Debt/Equalized Value \$4,626,487,300</b>	<b>Debt/ Per Capita 32,288<sup>4</sup></b>
Total General Obligation Debt*	\$48,385,647	1.05%	\$1,498.56
City's Share of Total Overlapping Debt	<u>17,796,041</u>	<u>0.38%</u>	<u>551.17</u>
Total*	\$66,181,688	1.43%	\$2,049.73

\*Preliminary, subject to change.

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<sup>1</sup> Overlapping debt is as of the dated date of the Notes. Only those taxing jurisdictions with general obligation debt outstanding are included in this section.

<sup>2</sup> Includes tax increment valuation.

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

<sup>4</sup> Estimated 2024 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
2020/21	\$21,104,099	100%	\$7.22
2021/22	21,163,943	100%	6.66
2022/23	22,532,475	100%	6.26
2023/24	23,237,612	100%	5.83
2024/25	23,812,635	In Progress	5.72

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.

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. Previously, personal property taxes were required to be paid to the town, city or village treasurer in full by January 31. 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 were formerly collected from each taxing entity in the year following the levy year. The personal property tax has been repealed, starting with the property tax assessments as of January 1, 2024. Beginning in 2025, the personal property tax has been replaced with a payment from the State intended to replace the amount of property taxes imposed on personal property for the property tax assessments as of January 1, 2023.

**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:

<b>Year Levied/ Year Collected</b>	<b>Schools<sup>1</sup></b>	<b>County</b>	<b>Local</b>	<b>Total</b>
2020/21	\$8.58	\$2.24	\$7.22	\$18.04
2021/22	8.51	2.06	6.66	17.23
2022/23	6.84	1.79	6.26	14.89
2023/24	5.78	1.58	5.83	13.19
2024/25	6.69	1.51	5.72	13.92

**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; for a tax incremental district created after December 31, 2024, the valuation factor includes 90% of the equalized value increase due to new construction that is located in a tax incremental district, but does not include any improvements removed in a tax incremental district). The base amount in any year to which the levy limit applies is the actual levy for the immediately preceding year. In 2018, and in each year thereafter, the base amount is the actual levy for the immediately preceding year plus the amount of the payment from the State under Section 79.096 of the Wisconsin Statutes (an amount equal to the property taxes formerly levied on certain items of personal property), and the levy limit is the base amount multiplied by the valuation factor, minus the amount of the payment from the State under Section 79.096 of the Wisconsin Statutes. This levy limitation is an overall limit, applying to levies for operations as well as for other purposes.

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

Beginning with levies imposed in 2015, if a political subdivision does not make an adjustment in its levy as described in the above paragraph in the current year, the political subdivision may increase its levy by the aggregate amount

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

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 the Wisconsin Department of Revenue ("DOR") call into question the availability of this exception if the revenue shortfall is planned or ongoing. 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 Notes were authorized after July 1, 2005 and therefore the levy limits do not apply to taxes levied to pay debt service on the Notes.

## **REVENUE FROM THE STATE**

In addition to local property taxes described above, a number of state programs exist which provide revenue to the City. One such program is commonly known as shared revenue which, pursuant to sec. 79.036, Wis. Stats., provides funding to the City that can be used for any public purpose. Chapter 79, Wis. Stats. includes other revenue sharing programs, which each have their own requirements. 2023 Wisconsin Act 12 ("Act 12") created a supplement to shared revenue, with payments to the City beginning in 2024. This supplemental shared revenue may be used only for the purposes specified in section 79.037, Wis. Stats. In 2024, the City received approximately \$2,289,000 in shared revenue under Chapter 79, Wis. Stats., an increase from the approximately \$1,551,000 received in 2023. The City is expected to receive approximately \$2,332,000 in shared revenue under Chapter 79, Wis. Stats. in 2025. In future years, the amount of supplemental shared revenue could grow if State sales tax collections grow.

# 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, Finance Director/Treasurer, City Clerk, and Assistant to Administration are responsible for administrative details and financial records.

## EMPLOYEES; PENSIONS

The City employs a staff of 227 full-time, 73 part-time, and 58 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, 2021, the fiscal year ended December 31, 2022 and the fiscal year ended December 31, 2023 ("Fiscal Year 2023"), the City's portion of contributions to WRS (not including any employee contributions) totaled \$1,605,213, \$1,670,002, and \$1,908,275, respectively.

Governmental Accounting Standards Board Statement No. 68 ("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, 2022, the total pension liability of the WRS was calculated as \$123.7 billion and the fiduciary net position of the WRS was calculated as \$118.4 billion, resulting in a net pension liability of \$5.3 billion. As of December 31, 2023, the total pension liability of the WRS was calculated as \$129.2 billion and the fiduciary net position of the WRS was calculated as \$127.7 billion, resulting in a net pension liability of \$1.5 billion. Accordingly, the City will report a liability for its proportionate share of the net pension liability of the WRS in its audited financial statements for the year ended December 31, 2024.

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 2023, the City reported a liability of \$7,481,876 for its proportionate share of the net pension liability of the WRS. The net pension liability was measured as of December 31, 2022 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 0.14122867% of the aggregate WRS net pension asset as of December 31, 2022.

The calculation of the total pension liability and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. Such changes may have a significant impact on the calculation of net pension liability of the WRS, which may also cause the ETF Board to change the contribution requirements for employers and employees. For more detailed information regarding the WRS and such actuarial assumptions, see Note 4 in "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.<sup>1</sup>

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. Furthermore, if strikes do occur, they may be enjoined by the courts. Additionally, because the only legal subject of bargaining is total base wages, 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:

<b>Bargaining Unit</b>	<b>Expiration Date of Current Contract</b>
West Bend Police Protective Association	December 31, 2027
West Bend Police Supervisors Association	December 31, 2027
Local 2025, International Association of Firefighters	December 31, 2028
Dispatcher and Clerical Association, Local 503	December 31, 2025

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<sup>1</sup> On July 3, 2024, a Wisconsin circuit court judge issued a decision in the case *Abbotsford Education Association vs. Wisconsin Employment Relations Commission, Case No. 2023CV3152*, denying the Wisconsin State Legislature’s intervening motion to dismiss the plaintiffs’ challenge to the different classifications the Act created regarding collective bargaining rights. The court’s order denying the motion to dismiss stated that the Act violates the equal protection clause of the Wisconsin Constitution and declared those provisions of the Act relating to collective bargaining modifications unconstitutional and void. The decision further instructed the parties to make additional filings to the court as to whether the court should issue judgment on the pleadings in light of the court’s order or take some other action to bring the case to a final judgment. On December 2, 2024, the court issued an order granting the plaintiffs’ motion for judgment on the pleadings and striking down substantial portions of the Act. The court’s decision has been appealed to the Wisconsin Court of Appeals. On January 23, 2025, the court granted a motion to stay the decision pending outcome of the appeal. No guarantee can be made regarding the outcome of the matter.

## **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 (GASB 74 and GASB 75). The City's most recent actuarial study of its OPEB obligations shows a net OPEB liability of \$14,075,771 as of December 31, 2023. 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 2023, the City's portion of contributions to the LRLIF totaled \$4,531. For Fiscal Year 2022, the City reported a liability of \$860,503 for its proportionate share of the net OPEB liability of the LRLIF. The net OPEB liability was measured as of December 31, 2022 based on the City's share of contributions to the LRLIF relative to the contributions of all participating employers. The City's proportion was 0.22586400% of the aggregate LRLIF net OPEB liability as of December 31, 2022.

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

## **LITIGATION**

The City has pending litigation for a decommissioned landfill site previously operated by the City. The City is currently working with the Wisconsin Department of Natural Resources to finalize the plan for the site – the anticipated outcome is that the City will continue with ongoing testing and maintain the vapor intrusion systems (similar to radon systems). Based on the City's valuation expert and recent sales, there does not appear to be any diminution of property values in the affected area. The City recently won an appeal which overturned the circuit court's certification of a class action and the litigation has been remanded to the circuit court for further proceedings. The City has insurance coverage which is assisting with the cost of litigation and remediation. We do not anticipate any major impacts on the general fund at this time.

## **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 Notes 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 Notes could be modified in bankruptcy proceedings. Such modifications could be adverse to holders of the Notes, and there could ultimately be no assurance that holders of the Notes would be paid in full or in part on the Notes. Further, under such circumstances, there could be no assurance that the Notes would not be treated as general, unsecured debt by a bankruptcy court, meaning that claims of holders of the Notes 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 Notes.

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 Notes would not occur.

**FUNDS ON HAND** (as of February 28, 2025)

<b>Fund</b>	<b>Total Cash and Investments</b>
General	\$22,574,806
Debt Service	3,967,926
Capital Projects	2,997,459
Water Utility	4,573,937
Sewer Utility	17,341,352
Library	1,653,119
BID	101,274
Communications	1,346,299
Room Tax	591,449
Park & Recreation	93,856
ARPA	688,130
OPEB Trust	1,301,601
Outreach Service	158,441
Library Trust	1,855
TIF 3	752,243
TIF 4	58,042
TIF 5	553,994
TIF 6	22,838
TIF 7	39,829
TIF 9	579,664
TIF 10	978,414
TIF 11	498,668
TIF 12	1,305,806
TIF 13	21,580
TIF 14	756,881
TIF 15	995,456
TIF 16	360,826
Park Trust	553,197
Economic Development	200,668
FAPS	76,419
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Total Funds on Hand	<u><u>\$65,146,031</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:

	<b>2021 Audited</b>	<b>2022 Audited</b>	<b>2023 Audited</b>
<b>Water</b>			
Total Operating Revenues	\$5,329,677	\$5,402,996	\$5,448,830
Less: Operating Expenses	<u>(3,710,134)</u>	<u>(3,420,565)</u>	<u>(4,372,983)</u>
Operating Income	\$1,619,543	\$1,982,431	\$1,075,847
Plus: Depreciation	1,116,506	1,001,753	1,166,907
Interest Income	<u>(551)</u>	<u>65,866</u>	<u>300,459</u>
Revenues Available for Debt Service	<u><u>\$2,735,498</u></u>	<u><u>\$3,050,050</u></u>	<u><u>\$2,543,213</u></u>
<b>Sewer</b>			
Total Operating Revenues	\$4,386,220	\$4,513,329	\$4,554,973
Less: Operating Expenses	<u>(4,422,433)</u>	<u>(4,498,179)</u>	<u>(4,764,251)</u>
Operating Income	(\$36,213)	\$15,150	(\$209,278)
Plus: Depreciation	1,334,971	1,365,675	1,387,988
Interest Income	<u>66,740</u>	<u>140,527</u>	<u>780,227</u>
Revenues Available for Debt Service	<u><u>\$1,365,498</u></u>	<u><u>\$1,521,352</u></u>	<u><u>\$1,958,937</u></u>

## SUMMARY GENERAL FUND INFORMATION

The 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 statements are available upon request. Appendix A includes the 2023 audited financial statements.

		FISCAL YEAR ENDING DECEMBER 31				
COMBINED STATEMENT		2021	2022	2023	2024	2025
		Audited	Audited	Audited	Draft Audit	Adopted Budget <sup>1</sup>
Revenues						
Taxes & special assessments		\$16,832,002	\$16,800,077	\$18,097,354	\$18,390,902	\$21,445,972
Intergovernmental		3,708,397	3,473,694	3,573,274	4,509,315	5,769,861
Licenses and Permits		1,019,583	990,919	774,337	891,898	671,885
Fines, Forfeitures, and Penalties		344,530	326,369	335,259	283,076	353,500
Public Charges for Services		2,012,140	2,459,967	2,287,432	2,032,919	2,710,042
Intergovernmental Charges for Services		455,016	465,916	479,943	495,000	620,847
Investment income (loss)		(18,726)	(56,952)	975,223	1,095,958	756,653
Miscellaneous		908,844	261,022	501,709	989,960	191,921
<b>Total Revenues</b>		<u>\$25,261,786</u>	<u>\$24,721,012</u>	<u>\$27,024,531</u>	<u>\$28,689,028</u>	<u>\$32,520,681</u>
Expenditures						
Current:						
General Government		\$4,515,530	\$4,722,317	\$5,462,523	\$6,344,980	\$6,252,599
Public Safety		12,978,032	13,313,336	14,045,790	15,346,865	18,209,342
Public Works		4,764,616	4,788,850	5,366,300	5,758,901	5,794,175
Leisure Activities		1,446,823	1,461,125	1,792,398	1,856,952	1,831,584
Conservation and Development		384,117	667,813	560,937	401,537	432,981
Capital Outlay		1,410,205	241,179	232,886	1,381,369	0
Debt Service:						
Principal Retirement		138,260	188,761	240,029	398,829	0
Interest and Fiscal Charges		47,572	31,499	37,026	57,317	0
<b>Total Expenditures</b>		<u>\$25,685,155</u>	<u>\$25,414,880</u>	<u>\$27,737,889</u>	<u>\$31,546,750</u>	<u>\$32,520,681</u>
<b>Excess of revenues over (under) expenditures</b>		(\$423,369)	(\$693,868)	(\$713,358)	(\$2,857,722)	\$0
<b>Other Financing Sources (Uses)</b>						
Proceeds on lease assets		\$0	\$0	\$336,567	\$409,632	
Finance purchase issued		0	61,587	179,910	589,990	
Sale of property		328,465	91,758	99,007	32,851	
Transfers in		651,953	1,420,762	2,105,394	2,645,923	
Transfers (out)		(10,000)	(24,200)	(14,525)	(177,199)	
<b>Total Other Financing Sources (Uses)</b>		<u>970,418</u>	<u>1,549,907</u>	<u>2,706,353</u>	<u>3,501,197</u>	
<b>Net changes in Fund Balances</b>		\$547,049	\$856,039	\$1,992,995	\$643,475	
General Fund Balance January 1		<u>\$9,912,379</u>	<u>\$10,459,428</u>	<u>\$11,315,467</u>	<u>\$13,308,462</u>	
General Fund Balance December 31		\$10,459,428	\$11,315,467	\$13,308,462	\$13,951,937	
<b>DETAILS OF DECEMBER 31 FUND BALANCE</b>						
Nonspendable		\$1,241,879	\$1,302,741	\$1,309,240	\$1,453,932	
Restricted		321,240	216,882	205,205	204,567	
Committed		0	0	0	2,200,000	
Assigned		791,288	710,232	858,249	967,290	
Unassigned		8,105,021	9,085,612	10,935,768	9,126,148	
<b>Total</b>		<u>\$10,459,428</u>	<u>\$11,315,467</u>	<u>\$13,308,462</u>	<u>\$13,951,937</u>	

<sup>1</sup> The 2025 budget was adopted on November 11, 2024.

# GENERAL INFORMATION

## LOCATION

The City, with a 2020 U.S. Census population of 31,752 and a current estimated population of 32,288 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 EMPLOYERS<sup>1</sup>

Larger employers in the City include the following:

<b>Firm</b>	<b>Type of Business/Product</b>	<b>Estimated No. of Employees</b>
West Bend Mutual Insurance	Property/casualty insurance company	881
West Bend Joint School District No. 1	Elementary and secondary education	722
Froedtert West Bend	Health Care	716
Washington County	County government and services	543 <sup>2</sup>
Serigraph Inc.	Commercial screen and lithograph printing	500 <sup>3</sup>
Cedar Community	Nursing and convalescent homes	435 <sup>3</sup>
Froedtert West Bend Clinic	Health care	400
The City	Municipal government and services	358
YMCA Kettle Moraine	Community service, health and fitness	333
Metalcraft	Manufacturing	280

**Source:** The City, ReferenceUSA, written and telephone survey, Milwaukee Book of List Wisconsin Manufacturers Register, and the Wisconsin Department of Workforce Development.

---

<sup>1</sup> 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.

<sup>2</sup> 543.18 FTE per 2024 County Budget.

<sup>3</sup> Five locations in the City.

## BUILDING PERMITS

	2021	2022	2023	2024	2025 <sup>1</sup>
<u>New Single Family Homes</u>					
No. of building permits	20	11	6	10	2
Valuation	\$5,168,150	\$3,823,614	\$1,709,940	\$4,033,857	\$675,000
<u>New Multiple Family Buildings</u>					
No. of building permits	19	5	2	10	0
Valuation	\$25,530,000	\$33,310,145	\$738,320	\$20,456,156	\$0
<u>New Commercial/Industrial</u>					
No. of building permits	7	12	9	7	0
Valuation	\$19,892,214	\$8,028,705	\$34,700,098	\$17,684,709	\$0
<u>All Building Permits</u> <i>(including additions and remodelings)</i>					
No. of building permits	505	461	379	430	43
Valuation	\$68,468,858	\$68,150,840	\$58,434,998	\$81,904,649	\$2,024,584

**Source:** The City.

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<sup>1</sup> As of February 2025.

## U.S. CENSUS DATA

### Population Trend: The City

2010 U.S. Census Population	31,078
2020 U.S. Census Population	31,752
Percent of Change 2010 - 2020	2.17%

2024 Estimated Population	32,288
---------------------------	--------

### Income and Age Statistics

	<b>The City</b>	<b>Washington County</b>	<b>State of Wisconsin</b>	<b>United States</b>
2023 per capita income	\$39,939	\$48,255	\$42,019	\$43,289
2023 median household income	\$75,043	\$95,851	\$75,670	\$78,538
2023 median family income	\$96,086	\$112,723	\$97,261	\$96,922
2023 median gross rent	\$1,033	\$1,126	\$1,045	\$1,348
2023 median value owner occupied units	\$244,500	\$316,200	\$247,400	\$303,400
2023 median age	39.9 yrs.	43.5 yrs.	40.1 yrs.	38.7 yrs.

	<b>State of Wisconsin</b>	<b>United States</b>
City % of 2023 per capita income	95.05%	92.26%
City % of 2023 median family income	98.79%	99.14%

### Housing Statistics

	<b><u>The City</u></b>		
	<b>2020</b>	<b>2023</b>	<b>Percent of Change</b>
All Housing Units	14,300	14,462	1.13%

**Source:** 2010 and 2020 Census of Population and Housing, Wisconsin Demographic Services Center ([https://doa.wi.gov/Pages/LocalGovtsGrants/Population\\_Estimates.aspx](https://doa.wi.gov/Pages/LocalGovtsGrants/Population_Estimates.aspx)) and 2023 American Community Survey (Based on a five-year estimate), U.S. Census Bureau (<https://data.census.gov/cedsci>).

## EMPLOYMENT/UNEMPLOYMENT DATA

<b>Year</b>	<b><u>Average Employment</u></b>		<b><u>Average Unemployment</u></b>		
	<b>The City</b>	<b>Washington County</b>	<b>The City</b>	<b>Washington County</b>	<b>State of Wisconsin</b>
2021	16,111	74,193	3.5%	3.1%	3.8%
2022	16,265	74,906	2.6%	2.4%	2.8%
2023 <sup>1</sup>	16,401	75,531	2.7%	2.6%	2.8%
2024, December	17,455	76,186	2.4%	2.4%	2.9%
2025, January <sup>1</sup>	17,153	74,868	3.0%	2.9%	3.6%

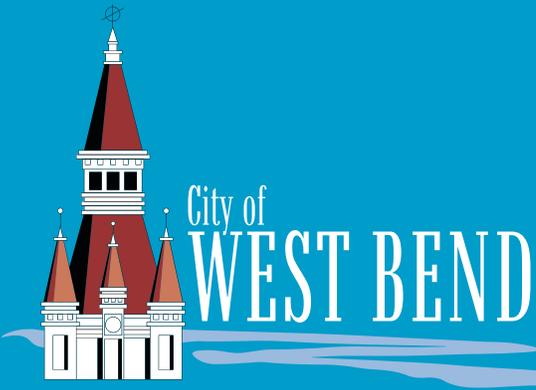
**Source:** Wisconsin Department of Workforce Development.

<sup>1</sup> 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 Preliminary Official Statement, nor has the City requested that the Auditor consent to the use of such financial statements in this Preliminary Official Statement. Although the inclusion of the financial statements in this Preliminary Official Statement is not intended to demonstrate the fiscal condition of the City since the date of the financial statements, in connection with the issuance of the Notes, the City represents that there have been no material adverse changes 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

# 2023

ANNUAL COMPREHENSIVE  
FINANCIAL REPORT

FISCAL YEAR ENDED DECEMBER 31, 2023

1115 S. MAIN STREET, WEST BEND, WI, 53095  
[WWW.CI.WEST-BEND.WI.US](http://WWW.CI.WEST-BEND.WI.US)



# **City of West Bend, Wisconsin**

Annual Comprehensive Financial Report

Year Ended December 31, 2023

Prepared by the Finance Department:  
Carrie Winklbauer, CPA - Finance Director

# City of West Bend

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## **INDEPENDENT AUDITORS' REPORT**



## 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 6, 2024

Dear Mayor Ongert, 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 Annual Comprehensive Financial Report of the City of West Bend for the fiscal year ended December 31, 2023 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, 2023.

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, 2023 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 15.74 square miles and has a population of 32,067 as of January 1, 2023 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 via resolution.

## **FACTORS AFFECTING FINANCIAL CONDITION**

### **Local Economy**

The City of West Bend's economy rebounded to experience steady growth. The Wisconsin Department of Revenue 2023 Statement of Changes in Equalized Values report shows an 11% increase in total taxable property. The TID Equalized Values inside the City increased significantly in value for 2023. TID 14 decreased 33% in equalized value at the lowest amount and TID 16 increased 197% in equalized value at the highest amount. The City continues to experience moderate and controlled growth in terms of the residential, commercial, and manufacturing sectors. The value of net new construction as a percentage of total property value in the City was 1.48%. This managed growth was based on past infrastructure investment with no significant additional expenditures required. Single and two-family residential development have occurred within previously platted subdivisions with 11 dwelling units permitted in 2023.

*Charter Senior Living of West Bend (TID 16)* - Construction is underway of a 115-unit independent living, assisted living, and memory care facility off of Sand Drive.

*Eisenbahn Village (TID 16)* – Designed for residents ages 55 and older, Eisenbahn Village is under construction and will feature 54 contemporary, ranch-style condominiums. Each unit will be just over 1,500 square-feet, and include two spacious bedrooms, two bathrooms, and an attached two-car garage.

*The District (TID 15)* – The south building at The District received occupancy of its 46 units in June 2023, and 1840 Brewing Company taproom opening in spring 2024. The north residential building of 131 units has partial occupancy and is anticipated to be completed in summer 2024.

*The Emree (TID 12)* – F Street Development Group is redeveloping 4 acres in downtown West Bend into 105 multifamily garden style units. The development will include a clubhouse, expansive patio area, and outdoor pool.

*Commercial Development* – The City of West Bend experienced growth in commercial development in 2023 with the completion of a new Panera Bread, Chipotle, 1840 Brewing Company, and more. Construction also commenced for 1840 Brewing Company and State Bank of Newburg in the Barton area.

Public and private investment occurred within the historic downtown of the City of West Bend. Improvements to the downtown Riverwalk and associated parkways continued in 2023, and the City implemented a \$2,655,000 Neighborhood Investment Fund grant to complete the west side of the Riverwalk, a \$10M redevelopment project. The City completed a \$5M full reconstruction of historic Main Street from April to October 2023. Downtown businesses are thriving from the new improvements made to streets, parking, and sidewalks through this project.

### **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 2021 for the new Tax Increment Districts 14 and 15. 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, if available.

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&P) Global Ratings maintained the City's bond rating of AA in 2023. This rating is due to a healthy undesignated 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 2022 median value percentage was 31.3%. The City is currently at 36.68% as of December 31, 2023, which is 2.25% higher than the 10% above median value percentage. The City of West Bend plans on using the \$246,055 plus additional funds from the unassigned fund balance to purchase land for the construction of a new fire station in 2025 to comply with this policy.
- **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 21.66%. 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
- **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 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 these financial policies are updated as necessary and followed by the various departments at the City of West Bend.

## **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 Annual Comprehensive Financial Report for the fiscal year ended December 31, 2022. This was the fifth consecutive year that 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 Annual Comprehensive 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 Annual Comprehensive 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 in the financial operations of the City.

Respectfully submitted,



Carrie Winklbauer, CPA  
Finance Director





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of West Bend  
Wisconsin**

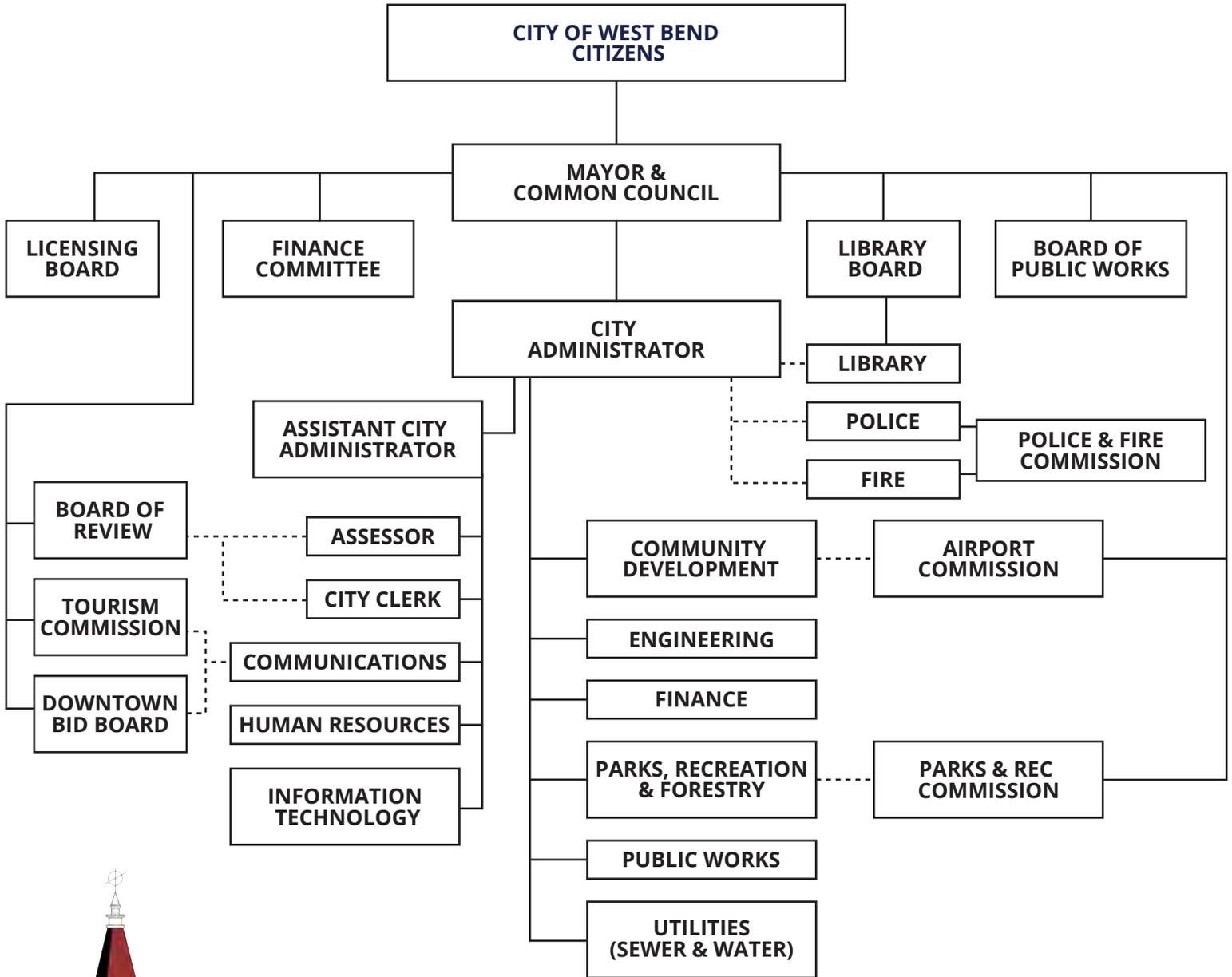
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2022

*Christopher P. Morill*

Executive Director/CEO

# ORGANIZATIONAL CHART



City of  
**WEST BEND**

**DIRECTORY OF OFFICIALS (As of April 2024)**

**MAYOR**

Joel Ongert



**COMMON COUNCIL**

John Butschlick - District 1



Mark Allen - District 2



Brett Bergquist - District 3



Matt Sternig - District 4



Mary Beth Seiser - District 5



John Spartz - District 6



Bill Schmidt - District 7



Aaron Zingsheim - District 8



**DEPARTMENT HEADS**

**Jay Shambeau**

*City Administrator*

**Carissa Barnes**

*Communications Director*

**Tim Dehring**

*Police Chief*

**Jilline Dobratz**

*City Clerk*

**John Fellows**

*Community Development Director*

**Michelle Hoey**

*Human Resources Director*

**Mike Jentsch**

*Parks, Recreation and Forestry Director*

**Kurt Lulich**

*IT Director*

**Max Marechal**

*City Engineer*

**Ruth Mueller**

*Utilities Director*

**Doug Neumann**

*Public Works Director*

**Les Norin**

*Fire Chief*

**Steve Thiry**

*Library Director*

**Jessica Wildes**

*Assistant City Administrator*

**Carrie Winklbauer**

*Finance Director*

**Jeff Yoder**

*City Assessor*

**ISSUING ANNUAL COMPREHENSIVE  
FINANCIAL REPORT**

**Carrie Winklbauer, CPA, Finance Director**

**Lisa Rosbeck, Account Technician II**

## **FINANCIAL SECTION**

## Independent Auditors' Report

To the City Council of  
City of West Bend

### Opinions

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 (the City), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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 as of December 31, 2023 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.

### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Emphasis of Matter

As discussed in Note 1, the City adopted the provisions of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, effective January 1, 2023. Our opinions are not modified with respect to this matter.

### Responsibilities of Management for the Financial Statements

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

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

## **Auditors' Responsibilities for the Audit of the Financial Statements**

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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'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**

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections as listed in the table of contents but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

*Baker Tilly US, LLP*

Madison, Wisconsin  
June 6, 2024

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

# CITY OF WEST BEND

## MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2023

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, 2023.

### *Financial Highlights*

- The assets and deferred outflows of resources of the City of West Bend exceeded liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$187,491,898 (net position). Of this amount, there is \$25,200,640 of unrestricted net position.
- The City's total net position increased by \$345,357.
- At the close of the current fiscal year, the City of West Bend's governmental funds reported combined ending fund balances of \$19,752,916, an increase of \$2,436,477 from the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$10,935,768, or 37% of total 2024 budgeted General Fund expenditures.
- The City's General Obligation debt increased by \$955,000 during 2023, due to debt issued for capital improvements and TIF projects of \$7,075,000 offset by scheduled repayments.
- The City implemented GASB No. 96, *Subscription-Based Information Technology Arrangements* effective January 1, 2023.

### *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).

# CITY OF WEST BEND

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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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-eight 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-five 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.

## CITY OF WEST BEND

### MANAGEMENT'S DISCUSSION AND ANALYSIS

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**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 7-11 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 12-13 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 14-70 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 80-114 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 \$187,491,898.

The largest portion of the City of West Bend's net position \$158,304,985 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 \$3,986,273, or resources that are subject to external restrictions on how they may be used. The remaining portion of unrestricted net position is \$25,200,640.

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 a decrease of \$11,581,361 in restricted net position. This decrease is due mainly to the decrease in the net pension asset from 2022 to 2023, which requires restricted net position equal to the amount of the net pension asset.

**CITY OF WEST BEND**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

December 31, 2023

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The governmental activities' net position decreased by \$2,117,762 during the current fiscal year.

*City of West Bend Net Position  
December 31, 2023 and 2022*

	Governmental Activities		Business-Type Activities		Total	
	2022	2023	2022	2023	2022	2023
Current and Other Assets	\$63,720,814	\$54,512,475	\$35,075,899	\$33,956,606	\$98,796,713	\$88,469,081
Capital Assets	153,278,050	154,316,222	51,058,321	53,464,787	204,336,371	207,781,009
<b>Total Assets</b>	216,998,864	208,828,697	86,134,220	87,421,393	303,133,084	296,250,090
Unamortized loss on refunding	232,233	132,747	-	-	232,233	132,747
Pension related items	20,118,542	25,784,678	1,734,752	2,244,499	21,853,294	28,029,177
OPEB related items	3,761,126	3,206,246	188,446	150,940	3,949,572	3,357,186
<b>Total Deferred Outflows</b>	24,111,901	29,123,671	1,923,198	2,395,439	26,035,099	31,519,110
Long-term Liabilities	68,239,758	74,259,481	4,055,950	4,079,465	72,295,708	78,338,946
Current and Other Liabilities	6,020,486	5,448,112	670,688	903,242	6,691,174	6,351,354
<b>Total Liabilities</b>	74,260,244	79,707,593	4,726,638	4,982,707	78,986,882	84,690,300
Pension related items	24,281,857	14,468,803	2,045,790	1,260,679	26,327,647	15,729,482
OPEB related items	1,534,924	4,421,688	69,745	239,317	1,604,669	4,661,005
Lease related items	29,581	15,599	6,513,528	6,169,293	6,543,109	6,184,892
Unearned revenues	28,559,335	29,011,623	-	-	28,559,335	29,011,623
<b>Total Deferred Inflows</b>	54,405,697	47,917,713	8,629,063	7,669,289	63,034,760	55,587,002
Net Investment in Capital Assets	110,641,042	107,723,381	48,108,886	50,956,540	158,252,691	158,304,985
Restricted	14,496,820	3,580,401	1,070,814	405,872	15,567,634	3,986,273
Unrestricted (deficit)	(12,693,038)	(976,720)	25,522,017	25,802,424	13,326,216	25,200,640
<b>Total Net Position</b>	\$112,444,824	\$110,327,062	\$74,701,717	\$77,164,836	\$187,146,541	\$187,491,898

See Note 1 for the adjustment to total net position related to capital assets owned by the business-type activities but financed by the governmental activities.

**CITY OF WEST BEND**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

December 31, 2023

UNAUDITED

**Changes in Net Position**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2023	2022	2023	2022	2023
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 5,705,495	\$ 5,269,067	\$ 9,917,101	\$ 10,005,938	\$ 15,622,596	\$ 15,275,005
Operating grants/ contribution	3,737,745	3,477,623	-	-	3,737,745	3,477,623
Capital grants/ contribution	1,881,860	2,375,262	-	384,395	1,881,860	2,759,657
<b>Total Program Revenue</b>	<b>11,325,100</b>	<b>11,121,952</b>	<b>9,917,101</b>	<b>10,390,333</b>	<b>21,242,201</b>	<b>21,512,285</b>
General revenues:						
Property taxes	26,407,725	28,380,714	-	-	26,407,725	28,380,714
Other taxes	857,352	894,530	-	-	857,352	894,530
Intergovernmental revenues	2,361,077	3,657,534	-	-	2,361,077	3,657,534
Investment income	260,847	1,892,548	314,676	1,219,470	575,523	3,112,018
Miscellaneous	336,892	388,803	483	10,385	337,375	399,188
<b>Total General Revenue</b>	<b>30,223,893</b>	<b>35,214,129</b>	<b>315,159</b>	<b>1,229,855</b>	<b>30,539,052</b>	<b>36,443,984</b>
<b>Total revenues</b>	<b>41,548,993</b>	<b>46,336,081</b>	<b>10,232,260</b>	<b>11,620,188</b>	<b>51,781,253</b>	<b>57,956,269</b>
<b>Program expenses</b>						
General government	5,049,093	8,047,963	-	-	5,049,093	8,047,963
Public safety	12,514,158	16,443,464	-	-	12,514,158	16,443,464
Public works	8,827,640	11,496,409	-	-	8,827,640	11,496,409
Leisure activities	2,905,228	7,640,841	-	-	2,905,228	7,640,841
Conservation and development	3,680,895	3,258,988	-	-	3,680,895	3,258,988
Interest and fiscal charges	1,650,669	1,541,693	-	-	1,650,669	1,541,693
Water	-	-	3,473,894	4,414,207	3,473,894	4,414,207
Sewer	-	-	4,501,805	4,767,347	4,501,805	4,767,347
<b>Total expenses</b>	<b>34,627,683</b>	<b>48,429,358</b>	<b>7,975,699</b>	<b>9,181,554</b>	<b>42,603,382</b>	<b>57,610,912</b>
Increase (decrease) before transfers	6,921,310	(2,093,277)	2,256,561	2,438,634	9,177,871	345,357
Transfers	(527,230)	(24,485)	527,230	24,485	-	-
<b>Change in Net Position</b>	<b>6,394,080</b>	<b>(2,117,762)</b>	<b>2,783,791</b>	<b>2,463,119</b>	<b>9,177,871</b>	<b>345,357</b>
<b>Net Position – Beginning of Year</b>	<b>106,050,744</b>	<b>112,444,824</b>	<b>71,917,926</b>	<b>74,701,717</b>	<b>177,968,670</b>	<b>187,146,541</b>
<b>Net Position – End of Year</b>	<b>\$112,444,824</b>	<b>\$110,327,062</b>	<b>\$74,701,717</b>	<b>\$77,164,836</b>	<b>\$187,146,541</b>	<b>\$187,491,898</b>

# CITY OF WEST BEND

## MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2023

UNAUDITED

**Governmental Activities:** The net position in the governmental activities decreased by \$2,117,762 or 1.9% during the fiscal year primarily due to adjustments made for OPEB and pension related items. The restricted net position for the pension asset from 2022 was removed due to the 2023 pension adjustment to create a pension liability.

**Business-type Activities:** Business-type activities increased the City of West Bend's net position by \$2,463,119 or 3.3% during the fiscal year due to an increase in net investment in capital assets mainly in the Water Utility. There were two main projects outstanding at year end for the construction of Well # 5 and also the PFAS treatment facility.

**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 financing 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 \$19,752,916, an increase of \$2,436,477. Approximately \$7.9 million of this total fund balance constitutes unassigned fund balance. For 2023, approximately \$1.2 million of fund balance was assigned for use in the general fund and for future capital projects.

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 \$10,935,768, while total general fund balance was \$13,308,462. Unassigned fund balance represents 37% of total 2024 budgeted general fund expenditures, which is in line with the policy range detailed in Note 1 to the financial statements.

General Fund revenues and other financing sources were greater than expenditures and other financing uses by \$1,992,995 due to savings in salaries in the Police and Fire Departments due to open positions during the year. The Debt Service fund balance at year end was \$720,528, an increase of \$54,518 from the prior year due to unspent borrowed funds on hand. The Capital Projects fund balance decreased by \$1,238,699 from the prior year due primarily to usage of unspent debt proceeds available.

**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 \$5,525,166 and for the Sewer Utility \$20,277,258. The total increase in net position for the Water Utility was \$1,184,593 resulting from operations. The total increase in net position for the Sewer Utility was \$1,278,526 due to increases in investment income during 2023.

### **General Fund Budgetary Highlights**

#### **Revenues**

- Investment income above budget by \$773,623 due to market fluctuation and increase in interest rates.

**CITY OF WEST BEND**

**MANAGEMENT’S DISCUSSION AND ANALYSIS**

December 31, 2023

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**Revenues (continued)**

- Municipal court fines and penalties below budget by \$69,412.
- Ambulance fees above budget by \$136,927 due to the adjustment in the allowance account.
- Payment in lieu of taxes from Water Utility below budget by \$151,579.
- Insurance recoveries above budget by \$90,211 due to landfill insurance funds received.

**Expenditures**

- Health insurance above final budget by \$163,249 due to an increase in health claims.
- Legal counseling above final budget by \$251,849 due to landfill legal costs.
- Police costs below budget by \$620,287 due to open positions.
- Fire costs below budget by \$694,262 due to open positions.
- 2023 Public Works type expenditures within General Fund below budget by \$889,163, due to engineering 18<sup>th</sup> Avenue contractual expenses and public works costs being below budget.
- Within authorized statutory debt limits at 22.01% 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, 2023 amounts to \$207,781,009 (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 \$3,444,638 during 2023. The increase in capital assets was due to the completion of the City Hall parking lot, truck and equipment purchases, and also street infrastructure improvements. The Water Utility also had an increase in Construction in Progress in 2023 due to Well # 5 construction and the PFAS treatment facility. 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, 2023 and 2022***

	Governmental Activities		Business-Type Activities		Total	
	2022	2023	2022	2023	2022	2023
Land and Improvements	\$19,586,201	\$17,381,624	\$552,571	\$552,571	\$20,138,772	\$17,934,195
Right of Way	40,316,302	40,316,302	-	-	40,316,302	40,316,302
Buildings	19,631,198	19,536,053	-	-	19,631,198	19,536,053
Machinery and Equipment	8,203,536	9,045,202	-	-	8,203,536	9,045,202
Infrastructure	65,341,104	68,037,041	-	-	65,341,104	68,037,041
Construction in Progress	199,709	-	804,321	1,766,298	1,004,030	1,766,298
Water Utility Plant	-	-	26,680,908	28,042,384	26,680,908	28,042,384
Sewer Utility Plant	-	-	23,020,521	23,103,534	23,020,521	23,103,534
<b>Total</b>	<b>\$153,278,050</b>	<b>\$154,316,222</b>	<b>\$51,058,321</b>	<b>\$53,464,787</b>	<b>\$204,336,371</b>	<b>\$207,781,009</b>

## CITY OF WEST BEND

### MANAGEMENT'S DISCUSSION AND ANALYSIS

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**Long Term Debt:** At the end of the current fiscal year, the City of West Bend had total debt outstanding of \$50,986,171. Of this amount, \$49,285,000 represents general obligation debt, which is secured by the taxing authority of the city, \$513,372 represents leases payable, \$9,494 represents subscription payable, and \$1,178,305 represents financed purchases. The City's total outstanding general obligation debt increased by \$955,000 due to debt issued offset by scheduled repayments. Please refer to footnote disclosure Note 3 for more information regarding long-term obligations.

#### **Economic Factors**

- The unemployment rate for the City of West Bend was 2.6% in December 2023. This compares to the state's average unemployment rate of 3.0% and the national average rate of 3.6% (no seasonal adjustments to these rates).
- Equalized value increased approximately 10.6% for 2023 showing continued increase over the past several years.
- 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 commercial construction continued showing signs of growth.
- TIF District 12 continues new redevelopment of 4 acres in downtown West Bend into 105 multifamily garden style apartments. The Emree development includes a clubhouse, expansive patio area, and outdoor pool.
- TIF District 15 was created in spring 2021. HKS Holdings is building 177 luxury apartments and townhomes on three acres along the Milwaukee River. The development includes a commercial venue for 1840 Brewing Company taproom opening in Spring 2024.
- TIF District 16 was created in early 2023. The first project planned is a 115-unit senior living facility with assisted living and memory care facilities. The Eisenbahn Village is under construction and is designed for residents ages 55 and older. This property will feature ranch style condos, each being approximately 1,500 square-feet.

#### **2024 Budget Outlook**

- The City did not need to use fund balance for 2023 tax rate that funds the 2024 Operating Budget and looks to continue the trend of growing the unrestricted fund balance to a healthy level.
- The City tax rate significantly decreased (\$8.34 to \$5.91) due to the City wide revaluation that was completed.
- The 2024 Operating Budget includes the multi-year implementation of the compensation plan for all non-represented employees.
- The American Rescue Plan funding was allocated to various street and parking lot projects that the general public uses on a daily basis.
- The City looks to reduce overall general obligation debt.
- Attention to tax rate stabilization will likely continue for future budgets.

**CITY OF WEST BEND**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

December 31, 2023

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**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 Director  
City of West Bend  
1115 South Main Street  
West Bend, WI 53095

## **BASIC FINANCIAL STATEMENTS**

## City of West Bend

Statement of Net Position  
December 31, 2023

	Primary Government			Component Unit
	Governmental Activities	Business - Type Activities	Total	
<b>Assets</b>				
Cash and investments	\$ 23,566,181	\$ 19,818,214	\$ 43,384,395	\$ 60,133
Taxes receivable	29,248,532	-	29,248,532	112,554
Special assessments receivable	51,925	928,457	980,382	-
Other receivables (net)	2,976,093	1,969,216	4,945,309	-
Loans receivable	145,138	-	145,138	-
Leases receivable	16,400	6,471,745	6,488,145	-
Internal balances	(3,847,552)	3,847,552	-	-
Due from component units	47	-	47	-
Prepaid items and inventories	1,254,648	153,544	1,408,192	-
Land held for resale	507,000	-	507,000	-
Other assets	-	362,006	362,006	-
Restricted assets:				
Cash and investments	594,063	405,872	999,935	-
Capital assets:				
Land	12,271,836	552,571	12,824,407	-
Right of ways	40,316,302	-	40,316,302	-
Construction in progress	-	1,766,298	1,766,298	-
Other capital assets, net of depreciation	101,728,084	51,145,918	152,874,002	-
Total assets	208,828,697	87,421,393	296,250,090	172,687
<b>Deferred Outflows of Resources</b>				
Unamortized loss on refunding	132,747	-	132,747	-
Pension related items	25,784,678	2,244,499	28,029,177	-
OPEB related items	3,206,246	150,940	3,357,186	-
Total deferred outflows of resources	29,123,671	2,395,439	31,519,110	-
<b>Liabilities</b>				
Accounts payable and other current liabilities	3,291,733	903,242	4,194,975	641
Due to primary government	-	-	-	47
Unearned revenue	2,156,379	-	2,156,379	-
Noncurrent liabilities:				
Due within one year	7,338,356	729,055	8,067,411	-
Due in more than one year	46,194,960	2,171,031	48,365,991	-
Net pension liability	6,901,861	580,015	7,481,876	-
Net OPEB liability, due in more than one year	13,824,304	599,364	14,423,668	-
Total liabilities	79,707,593	4,982,707	84,690,300	688
<b>Deferred Inflows of Resources</b>				
Pension related items	14,468,803	1,260,679	15,729,482	-
OPEB related items	4,421,688	239,317	4,661,005	-
Lease related items	15,599	6,169,293	6,184,892	-
Deferred revenues	29,011,623	-	29,011,623	112,554
Total deferred inflows of resources	47,917,713	7,669,289	55,587,002	112,554
<b>Net Position</b>				
Net investment in capital assets	107,723,381	50,956,540	158,304,985	-
Restricted for loans and grants	400,587	-	400,587	-
Restricted for tourism	480,175	-	480,175	-
Restricted for donations	724,867	-	724,867	-
Restricted for future HRA payments	140,617	-	140,617	-
Restricted for library	784,260	-	784,260	-
Restricted for pension	-	-	-	-
Restricted for debt service	385,770	-	385,770	-
Restricted for replacement	-	405,872	405,872	-
Restricted for TIF related projects	664,125	-	664,125	-
Unrestricted (deficit)	(976,720)	25,802,424	25,200,640	59,445
Total net position	\$ 110,327,062	\$ 77,164,836	\$ 187,491,898	\$ 59,445

See notes to financial statements

**City of West Bend**

Statement of Activities

Year Ended December 31, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position			Component Unit
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-Type Activities	Total	
<b>Primary Government</b>								
Governmental activities:								
General government	\$ 8,047,963	\$ 532,072	\$ 211,045	\$ -	\$ (7,304,846)	\$ -	\$ (7,304,846)	\$ -
Public safety	16,443,464	2,805,189	104,197	2,620	(13,531,458)	-	(13,531,458)	-
Public works	11,496,409	941,703	2,154,498	422,183	(7,978,025)	-	(7,978,025)	-
Leisure activities	7,640,841	572,484	1,007,883	155,690	(5,904,784)	-	(5,904,784)	-
Conservation and development	3,258,988	417,619	-	1,794,769	(1,046,600)	-	(1,046,600)	-
Interest and fiscal charges	1,541,693	-	-	-	(1,541,693)	-	(1,541,693)	-
Total governmental activities	<u>48,429,358</u>	<u>5,269,067</u>	<u>3,477,623</u>	<u>2,375,262</u>	<u>(37,307,406)</u>	<u>-</u>	<u>(37,307,406)</u>	<u>-</u>
Business-type activities:								
Water	4,414,207	5,448,830	-	-	-	1,034,623	1,034,623	-
Sewer	4,767,347	4,557,108	-	384,395	-	174,156	174,156	-
Total business-type activities	<u>9,181,554</u>	<u>10,005,938</u>	<u>-</u>	<u>384,395</u>	<u>-</u>	<u>1,208,779</u>	<u>1,208,779</u>	<u>-</u>
Total primary government	<u>\$ 57,610,912</u>	<u>\$ 15,275,005</u>	<u>\$ 3,477,623</u>	<u>\$ 2,759,657</u>	<u>(37,307,406)</u>	<u>1,208,779</u>	<u>(36,098,627)</u>	<u>-</u>
<b>Component Units</b>								
Business improvement district	<u>\$ 338,358</u>	<u>\$ -</u>	<u>\$ 107,143</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(231,215)</u>
<b>General Revenues</b>								
Taxes:								
Property taxes, levied for general purposes					17,945,132	-	17,945,132	-
Property taxes, levied for special revenue funds					915,338	-	915,338	-
Property taxes, levied for debt service					3,429,846	-	3,429,846	-
Property taxes, levied for TIF					6,090,398	-	6,090,398	-
Other taxes					894,530	-	894,530	-
Intergovernmental revenues not restricted to specific programs					3,657,534	-	3,657,534	-
Investment income					1,892,548	1,219,470	3,112,018	7,601
Miscellaneous					388,803	10,385	399,188	-
Total general revenues					<u>35,214,129</u>	<u>1,229,855</u>	<u>36,443,984</u>	<u>7,601</u>
Transfers					<u>(24,485)</u>	<u>24,485</u>	<u>-</u>	<u>-</u>
Change in net position					<u>(2,117,762)</u>	<u>2,463,119</u>	<u>345,357</u>	<u>(223,614)</u>
<b>Net Position, Beginning</b>					<u>112,444,824</u>	<u>74,701,717</u>	<u>187,146,541</u>	<u>283,059</u>
<b>Net Position, Ending</b>					<u>\$ 110,327,062</u>	<u>\$ 77,164,836</u>	<u>\$ 187,491,898</u>	<u>\$ 59,445</u>

See notes to financial statements

**City of West Bend**Balance Sheet -  
Governmental Funds  
December 31, 2023

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
<b>Assets</b>					
Cash and investments	\$ 10,997,130	\$ 720,528	\$ 3,229,438	\$ 8,619,085	\$ 23,566,181
Receivables:					
Taxes	18,475,356	3,577,619	-	7,195,557	29,248,532
Delinquent personal property taxes	10,705	-	-	-	10,705
Accounts (net)	1,966,035	-	48,628	857,753	2,872,416
Leases	16,400	-	-	-	16,400
Special assessments	51,925	-	-	-	51,925
Delinquent special assessments	77,836	-	-	-	77,836
Accrued interest	15,136	-	-	-	15,136
Loans	-	-	-	145,138	145,138
Due from other funds	1,273,926	-	53,694	-	1,327,620
Due from component units	47	-	-	-	47
Inventories	992,688	-	-	-	992,688
Prepaid items	228,011	-	-	33,949	261,960
Restricted cash and investments	-	-	-	594,063	594,063
	<u>-</u>	<u>-</u>	<u>-</u>	<u>594,063</u>	<u>594,063</u>
Total assets	<u>\$ 34,105,195</u>	<u>\$ 4,298,147</u>	<u>\$ 3,331,760</u>	<u>\$ 17,445,545</u>	<u>\$ 59,180,647</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>					
<b>Liabilities</b>					
Accounts payable	\$ 1,265,174	\$ -	\$ 321,135	\$ 541,797	\$ 2,128,106
Accrued liabilities	745,379	-	-	34,937	780,316
Deposits	43,847	-	-	-	43,847
Due to other governments	4,456	-	250	-	4,706
Due to other funds	432,931	-	-	258,049	690,980
Unearned revenue	-	-	-	2,156,379	2,156,379
Advances from other funds	-	-	-	4,484,192	4,484,192
	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,484,192</u>	<u>4,484,192</u>
Total liabilities	<u>2,491,787</u>	<u>-</u>	<u>321,385</u>	<u>7,475,354</u>	<u>10,288,526</u>
<b>Deferred Inflows of Resources</b>					
Deferred revenue	18,237,422	3,577,619	-	7,196,582	29,011,623
Lease related items	15,599	-	-	-	15,599
Unavailable revenue	51,925	-	45,000	15,058	111,983
	<u>18,304,946</u>	<u>3,577,619</u>	<u>45,000</u>	<u>7,211,640</u>	<u>29,139,205</u>
<b>Fund Balances</b>					
Nonspendable	1,309,240	-	-	33,949	1,343,189
Restricted	205,205	720,528	2,643,285	4,041,852	7,610,870
Committed	-	-	-	1,662,068	1,662,068
Assigned	858,249	-	322,090	-	1,180,339
Unassigned (deficit)	10,935,768	-	-	(2,979,318)	7,956,450
	<u>13,308,462</u>	<u>720,528</u>	<u>2,965,375</u>	<u>2,758,551</u>	<u>19,752,916</u>
Total fund balances	<u>13,308,462</u>	<u>720,528</u>	<u>2,965,375</u>	<u>2,758,551</u>	<u>19,752,916</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 34,105,195</u>	<u>\$ 4,298,147</u>	<u>\$ 3,331,760</u>	<u>\$ 17,445,545</u>	<u>\$ 59,180,647</u>

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, 2023

**Fund Balance, Total Governmental Funds** \$ 19,752,916

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 12,271,836  
Right of ways 40,316,302  
Other capital assets, net of depreciation 101,728,084

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. 111,983

The net pension liability does not related to current financial resources and is not  
reported in the governmental funds. (6,901,861)

Deferred outflows of resources related to pensions do not relate to current financial  
resources and are not reported in the funds. 25,784,678

Deferred inflows of resources related to pensions do not relate to current financial  
resources and are not reported in the funds. (14,468,803)

Deferred outflows of resources related to OPEB do not relate to current financial  
resources and are not reported in the funds. 3,206,246

Deferred inflows of resources related to OPEB do not relate to current financial  
resources and are not reported in the funds. (4,421,688)

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 (46,990,000)  
Financed purchase (1,167,355)  
Lease payable (346,393)  
Subscription payable (7,329)  
Compensated absences (3,788,733)  
Other postemployment benefits (13,824,304)  
Accrued interest (334,758)  
Unamortized loss on refunding 132,747  
Unamortized debt premium (1,233,506)

**Net Position of Governmental Activities** \$ 110,327,062

See notes to financial statements

## City of West Bend

Statement of Revenues, Expenditures and Changes in Fund Balances -  
Governmental Funds  
Year Ended December 31, 2023

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>					
Taxes	\$ 18,003,554	\$ 3,429,846	\$ -	\$ 7,841,844	\$ 29,275,244
Intergovernmental	3,573,274	-	-	3,199,915	6,773,189
Licenses and permits	774,337	-	-	303,107	1,077,444
Fines, forfeitures and penalties	335,259	-	-	-	335,259
Public charges for services	2,287,432	-	-	1,109,343	3,396,775
Intergovernmental charges for services	479,943	-	71,980	1,800,565	2,352,488
Special assessments	93,800	-	-	-	93,800
Investment income	975,223	71,297	220,023	626,005	1,892,548
Miscellaneous	501,709	-	303,479	47,173	852,361
	<u>27,024,531</u>	<u>3,501,143</u>	<u>595,482</u>	<u>14,927,952</u>	<u>46,049,108</u>
<b>Expenditures</b>					
Current:					
General government	5,462,523	-	-	47,243	5,509,766
Public safety	14,045,790	-	-	-	14,045,790
Public works	5,366,300	-	-	1,560,506	6,926,806
Leisure activities	1,792,398	-	-	3,025,185	4,817,583
Conservation and development	560,937	-	-	418,636	979,573
Capital outlay	232,886	-	4,822,939	6,929,447	11,985,272
Debt service:					
Principal retirement	240,029	3,005,000	-	2,632,552	5,877,581
Interest and fiscal charges	37,026	745,303	64,777	745,178	1,592,284
	<u>27,737,889</u>	<u>3,750,303</u>	<u>4,887,716</u>	<u>15,358,747</u>	<u>51,734,655</u>
Excess (deficiency) of revenues over expenditures	<u>(713,358)</u>	<u>(249,160)</u>	<u>(4,292,234)</u>	<u>(430,795)</u>	<u>(5,685,547)</u>
<b>Other Financing Sources (Uses)</b>					
General obligation debt issued	-	-	3,030,000	4,045,000	7,075,000
Finance purchase issued	179,910	-	-	-	179,910
Proceeds on lease assets	336,567	-	-	-	336,567
Premium on debt issued	-	-	184,787	249,450	434,237
Sale of property	99,007	-	-	21,788	120,795
Transfers in	2,105,394	408,385	1,531	2,473,815	4,989,125
Transfers out	(14,525)	(104,707)	(162,783)	(4,731,595)	(5,013,610)
	<u>2,706,353</u>	<u>303,678</u>	<u>3,053,535</u>	<u>2,058,458</u>	<u>8,122,024</u>
Total other financing sources (uses)	<u>2,706,353</u>	<u>303,678</u>	<u>3,053,535</u>	<u>2,058,458</u>	<u>8,122,024</u>
Net change in fund balances	1,992,995	54,518	(1,238,699)	1,627,663	2,436,477
<b>Fund Balances, Beginning</b>	<u>11,315,467</u>	<u>666,010</u>	<u>4,204,074</u>	<u>1,130,888</u>	<u>17,316,439</u>
<b>Fund Balances, Ending</b>	<u>\$ 13,308,462</u>	<u>\$ 720,528</u>	<u>\$ 2,965,375</u>	<u>\$ 2,758,551</u>	<u>\$ 19,752,916</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, 2023

**Net Change in Fund Balances, Total Governmental Funds** \$ 2,436,477

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.	11,985,272
Some items reported as capital outlay were not capitalized	(5,267,703)
Depreciation is reported in the government-wide statements	(5,318,351)
Net book value of assets retired	(361,046)

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.	(1,277,973)
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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	(7,075,000)
Financed purchase issued	(179,910)
Principal repaid	5,877,581
Lease liability issued	(336,567)
Subscription liability adjustments	(14,733)

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	(283,040)
Accrued interest on debt	91,554
Net OPEB liability	3,166,000
Net pension liability/asset	(17,226,191)
Deferred outflows of resources related to pensions	5,666,136
Deferred inflows of resources related to pensions	9,813,054
Deferred outflows of resources related to OPEB	(554,880)
Deferred inflows of resources related to OPEB	(2,886,764)

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	(272,192)
Amortization of loss on refunding	(99,486)

**Change in Net Position of Governmental Activities** \$ (2,117,762)

## City of West Bend

Statement of Net Position -

Proprietary Funds

December 31, 2023

	<b>Business-Type Activities - Enterprise Funds</b>		
	<b>Water Utility</b>	<b>Sewer Utility</b>	<b>Total</b>
<b>Assets</b>			
Current assets:			
Cash and investments	\$ 5,539,487	\$ 9,985,520	\$ 15,525,007
Interest receivable	69,805	17,498	87,303
Accounts receivable	927,146	954,767	1,881,913
Due from other funds	225,637	165,184	390,821
Inventories	153,244	-	153,244
Prepaid items	-	300	300
Current portion of lease receivable	196,282	-	196,282
Current portion of advances to other funds	-	100,000	100,000
Total current assets	<u>7,111,601</u>	<u>11,223,269</u>	<u>18,334,870</u>
Noncurrent assets:			
Restricted assets:			
Replacement account	-	405,872	405,872
Capital assets:			
Property and equipment	50,509,204	55,763,845	106,273,049
Accumulated depreciation	(21,949,779)	(32,624,781)	(54,574,560)
Construction work in progress	1,585,469	180,829	1,766,298
Other assets:			
Special assessments receivable	257,425	671,032	928,457
Lease receivable	6,275,463	-	6,275,463
Advances to other funds	-	4,384,192	4,384,192
Designated project investments	-	4,293,207	4,293,207
Property held for future use	163,124	-	163,124
Preliminary survey and investigation	23,000	100,882	123,882
Nonutility property	-	75,000	75,000
Total noncurrent assets	<u>36,863,906</u>	<u>33,250,078</u>	<u>70,113,984</u>
Total assets	<u>43,975,507</u>	<u>44,473,347</u>	<u>88,448,854</u>
<b>Deferred Outflows of Resources</b>			
Pension related items	1,293,068	951,431	2,244,499
OPEB related items	122,496	28,444	150,940
Total deferred outflows of resources	<u>1,415,564</u>	<u>979,875</u>	<u>2,395,439</u>

See notes to financial statements

## City of West Bend

Statement of Net Position -

Proprietary Funds

December 31, 2023

	<b>Business-Type Activities - Enterprise Funds</b>		
	<b>Water Utility</b>	<b>Sewer Utility</b>	<b>Total</b>
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	\$ 635,420	\$ 194,889	\$ 830,309
Accrued liabilities	61,794	11,139	72,933
Due to other funds	836,499	190,962	1,027,461
Current portion of financed purchase	2,315	1,081	3,396
Current portion of general obligation debt	440,000	30,000	470,000
Current portion of subscriptions	1,223	942	2,165
Current portion of lease liability	29,031	14,165	43,196
Current portion of compensated absences	127,061	83,237	210,298
Total current liabilities	<u>2,133,343</u>	<u>526,415</u>	<u>2,659,758</u>
Long-term liabilities net of current maturities:			
General obligation debt payable	1,798,153	60,000	1,858,153
Net pension liability	330,958	249,057	580,015
Financed purchase liability	5,150	2,404	7,554
Compensated absences	134,205	47,336	181,541
Lease liability	65,300	58,483	123,783
OPEB liability	506,461	92,903	599,364
Total long-term liabilities	<u>2,840,227</u>	<u>510,183</u>	<u>3,350,410</u>
Total liabilities	<u>4,973,570</u>	<u>1,036,598</u>	<u>6,010,168</u>
<b>Deferred Inflows of Resources</b>			
Pension related items	733,206	527,473	1,260,679
OPEB related items	186,114	53,203	239,317
Lease related items	6,169,293	-	6,169,293
Total deferred inflows of resources	<u>7,088,613</u>	<u>580,676</u>	<u>7,669,289</u>
<b>Net Position</b>			
Net investment in capital assets	27,803,722	23,152,818	50,956,540
Restricted for replacement	-	405,872	405,872
Unrestricted	5,525,166	20,277,258	25,802,424
Total net position	<u>\$ 33,328,888</u>	<u>\$ 43,835,948</u>	<u>\$ 77,164,836</u>

See notes to financial statements

**City of West Bend**

## Statement of Revenues, Expenses and Changes in Net Position -

## Proprietary Funds

Year Ended December 31, 2023

	<b>Business-Type Activities - Enterprise Funds</b>		
	<b>Water Utility</b>	<b>Sewer Utility</b>	<b>Total</b>
<b>Operating Revenues</b>	<u>\$ 5,448,830</u>	<u>\$ 4,554,973</u>	<u>\$ 10,003,803</u>
<b>Operating Expenses</b>			
Operation and maintenance	3,206,076	3,376,263	6,582,339
Depreciation	<u>1,166,907</u>	<u>1,387,988</u>	<u>2,554,895</u>
Total operating expenses	<u>4,372,983</u>	<u>4,764,251</u>	<u>9,137,234</u>
Operating income (loss)	<u>1,075,847</u>	<u>(209,278)</u>	<u>866,569</u>
<b>Nonoperating Revenues (Expenses)</b>			
Investment income	300,459	780,227	1,080,686
Lease interest income	138,784	-	138,784
Interest expense	(60,830)	(3,096)	(63,926)
Amortization of premium net of issuance costs	19,606	-	19,606
Income from merchandising and jobbing	-	2,135	2,135
Miscellaneous revenues	<u>10,243</u>	<u>142</u>	<u>10,385</u>
Total nonoperating revenue (expenses)	<u>408,262</u>	<u>779,408</u>	<u>1,187,670</u>
Income (loss) before transfers	<u>1,484,109</u>	<u>570,130</u>	<u>2,054,239</u>
<b>Transfers and Capital Contributions</b>			
Capital contributions	200,303	184,092	384,395
Transfers in	13,679	537,983	551,662
Transfers out	<u>(513,498)</u>	<u>(13,679)</u>	<u>(527,177)</u>
Total transfers and capital contributions	<u>(299,516)</u>	<u>708,396</u>	<u>408,880</u>
Change in net position	1,184,593	1,278,526	2,463,119
<b>Net Position, Beginning</b>	<u>32,144,295</u>	<u>42,557,422</u>	<u>74,701,717</u>
<b>Net Position, Ending</b>	<u>\$ 33,328,888</u>	<u>\$ 43,835,948</u>	<u>\$ 77,164,836</u>

See notes to financial statements

**City of West Bend**

Statement of Cash Flows -  
Proprietary Funds  
Year Ended December 31, 2023

	<b>Business-Type Activities - Enterprise Funds</b>		
	<b>Water Utility</b>	<b>Sewer Utility</b>	<b>Total</b>
<b>Cash Flows From Operating Activities</b>			
Cash received from customers	\$ 5,523,215	\$ 4,583,035	\$ 10,106,250
Cash paid to suppliers for goods and services	(2,058,786)	(2,574,102)	(4,632,888)
Cash payments to employees for services	(1,035,618)	(848,966)	(1,884,584)
Net cash flows from operating activities	<u>2,428,811</u>	<u>1,159,967</u>	<u>3,588,778</u>
<b>Cash Flows From Investing Activities</b>			
Investments sold and matured (purchased)	(41,322)	782,811	741,489
Investment income	406,159	714,122	1,120,281
Net cash flows from investing activities	<u>364,837</u>	<u>1,496,933</u>	<u>1,861,770</u>
<b>Cash Flows From Noncapital Financing Activities</b>			
Transfers from (to) other funds	13,679	537,983	551,662
Advances to (received from) other funds	-	1,138,125	1,138,125
Paid to municipality for tax equivalent	(572,159)	(13,679)	(585,838)
Net cash flows from noncapital financing activities	<u>(558,480)</u>	<u>1,662,429</u>	<u>1,103,949</u>
<b>Cash Flows From Capital and Related Financing Activities</b>			
Acquisition and construction of capital assets	(3,054,487)	(1,137,967)	(4,192,454)
Leases paid	(2,157)	(1,007)	(3,164)
Special assessments received	-	2,256	2,256
Debt retired	(465,000)	(30,000)	(495,000)
Interest paid	(67,421)	(2,431)	(69,852)
Net cash flows from capital and related financing activities	<u>(3,589,065)</u>	<u>(1,169,149)</u>	<u>(4,758,214)</u>
Net change in cash and cash equivalents	(1,353,897)	3,150,180	1,796,283
<b>Cash and Cash Equivalents, Beginning</b>	<u>5,919,488</u>	<u>9,415,730</u>	<u>15,335,218</u>
<b>Cash and Cash Equivalents, Ending</b>	<u>\$ 4,565,591</u>	<u>\$ 12,565,910</u>	<u>\$ 17,131,501</u>

See notes to financial statements

## City of West Bend

Statement of Cash Flows -  
Proprietary Funds  
Year Ended December 31, 2023

	<b>Business-Type Activities - Enterprise Funds</b>		
	<b>Water Utility</b>	<b>Sewer Utility</b>	<b>Total</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Flows From Operating Activities</b>			
Operating income (Loss)	\$ 1,075,847	\$ (209,278)	\$ 866,569
Nonoperating revenue	10,243	2,277	12,520
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:			
Noncash items included in income:			
Depreciation	1,166,907	1,387,988	2,554,895
Depreciation charged to other accounts	71,565	-	71,565
Changes in assets, liabilities, and deferred outflows/inflows of resources:			
Accounts receivable	192,888	(20,038)	172,850
Due from other funds	2,339	11,908	14,247
Inventories	(11,090)	-	(11,090)
Prepaid items	1,784	833	2,617
Accounts payable	49,775	(97,560)	(47,785)
Accrued liabilities	12,367	4,106	16,473
Due to other funds	58,732	2,637	61,369
Customer deposits	(642)	-	(642)
OPEB related assets, liabilities and deferrals	39,332	14,810	54,142
Compensated absences	14,313	9,454	23,767
Lease related deferrals	(344,235)	-	(344,235)
Pension related assets, liabilities and deferrals	87,445	52,830	140,275
Other current liabilities	1,241	-	1,241
Net cash flows from operating activities	<u>\$ 2,428,811</u>	<u>\$ 1,159,967</u>	<u>\$ 3,588,778</u>
<b>Reconciliation of Cash and Cash Equivalents to Statement of Net Position Accounts</b>			
Cash and investments	\$ 5,539,487	\$ 9,985,520	\$ 15,525,007
Replacement account	-	405,872	405,872
Designated project investments	-	4,293,207	4,293,207
Total cash and investments	5,539,487	14,684,599	20,224,086
Less noncash equivalents	<u>(973,896)</u>	<u>(2,118,689)</u>	<u>(3,092,585)</u>
Cash and cash equivalents	<u>\$ 4,565,591</u>	<u>\$ 12,565,910</u>	<u>\$ 17,131,501</u>
<b>Noncash Capital and Related Financing Activities</b>			
Developer financed additions to utility plant	<u>\$ 200,303</u>	<u>\$ 184,092</u>	<u>\$ 384,395</u>
Lease liability addition	<u>\$ -</u>	<u>\$ 68,767</u>	<u>\$ 68,767</u>
Interest accrued on advances	<u>\$ -</u>	<u>\$ 58,475</u>	<u>\$ 58,475</u>

See notes to financial statements

# City of West Bend

## Statement of Fiduciary Net Position -

### Fiduciary Funds

December 31, 2023

	<u>OPEB Trust</u>	<u>Custodial Fund Tax Collection Fund</u>
<b>Assets</b>		
Cash and investments	\$ -	\$ 22,864,148
Taxes receivable	-	6,592,245
Accrued interest receivable	21,220	-
Restricted cash and investments	1,226,088	-
	<u>1,247,308</u>	<u>29,456,393</u>
Total assets		
<b>Liabilities</b>		
Due to other taxing units	-	29,343,839
Due to component unit	-	112,554
	<u>-</u>	<u>29,456,393</u>
Total liabilities		
<b>Net Position</b>		
Restricted for OPEB	<u>1,247,308</u>	<u>-</u>
Total net position	<u>\$ 1,247,308</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, 2023

	<u>OPEB Trust</u>	<u>Custodial Fund Tax Collection Fund</u>
<b>Additions</b>		
Property taxes collected for county	\$ -	\$ 4,869,904
Property taxes collected for technical college	-	1,295,256
Property taxes collected for school district	-	17,307,571
Net investment income	<u>57,079</u>	<u>-</u>
Total additions	<u>57,079</u>	<u>23,472,731</u>
<b>Deductions</b>		
Property taxes collected for county	-	4,869,904
Property taxes collected for technical college	-	1,295,256
Property taxes collected for school district	<u>-</u>	<u>17,307,571</u>
Total deletions	<u>-</u>	<u>23,472,731</u>
Change in net position	57,079	-
<b>Net Position, Beginning</b>	<u>1,190,229</u>	<u>-</u>
<b>Net Position, Ending</b>	<u>\$ 1,247,308</u>	<u>\$ -</u>

See notes to financial statements

# City of West Bend

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December 31, 2023

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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, 2023. The District does not issue separate financial statements.

## 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 2023, 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

In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement establishes accounting and financial reporting requirements related to subscription-based information technology arrangements (SBITAs) for government end users. This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA and (4) requires note disclosures regarding a SBITA. This standard was implemented January 1, 2023.

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:

- a. Total assets/deferred outflows of resources, liabilities/deferred inflows of resources, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type and
- b. The same element of the individual governmental fund or enterprise fund that met the 10% test is at least 5% of the corresponding total for all governmental and enterprise funds combined.
- c. In addition, any other governmental or enterprise fund that the 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 is 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 is 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.

# City of West Bend

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Notes to Financial Statements  
December 31, 2023

The City reports the following nonmajor governmental funds:

Special Revenue Funds are 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	Park Development
Public Library	Library
Room Tax	EMS FAPS Grant
Communications	Recreation
Economic Development	American Rescue Plan

Capital Projects Funds are 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. 10
TIF District No. 4	TIF District No. 11
TIF District No. 5	TIF District No. 12
TIF District No. 6	TIF District No. 13
TIF District No. 7	TIF District No. 14
TIF District No. 8	TIF District No. 15
TIF District No. 9	TIF District No. 16

Permanent Fund is 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 controlled by the City and for the benefit of 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.

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, 2023, there were \$1,824,073 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.

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.

## City of West Bend

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Notes to Financial Statements  
December 31, 2023

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% 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.

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, 2023, 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.

# City of West Bend

Notes to Financial Statements  
December 31, 2023

## 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 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 - 2023 tax roll:

Lien date and levy date	December 2023
Tax bills mailed	December 2023
Payment in full or	January 31, 2024
First installment due	January 31, 2024
Second installment due	July 31, 2024
Personal property taxes in full	January 31, 2024
Tax sale, 2023 delinquent real estate taxes	October 2026

Accounts receivable have been shown net of an allowance for uncollectible accounts. 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.

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

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

Lease assets are typically amortized over the lease term.

**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 assets 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, 2023, 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 financed purchases.

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.

## City of West Bend

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Notes to Financial Statements  
December 31, 2023

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 \$2,229,676 made up of two issues.

### Leases

The City is a lessor because it leases capital assets to other entities. As a lessor, the City reports a lease receivable and corresponding deferred inflow of resources in both the fund financial statements and government-wide financial statements. The City continues to report and depreciate the capital assets being leased as capital assets of the primary government.

The City is a lessee because it leases capital assets from other entities. As a lessee, the City reports a lease liability and an intangible right-to-use capital asset (known as the lease asset) on the government-wide financial statements and proprietary fund statements. In the governmental fund financial statements, the City recognizes lease proceeds and capital outlay at initiation of the lease, and the outflow of resources for the lease liability as a debt service payment.

### Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net assets 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:

- a. **Net Investment in Capital Assets** - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- b. **Restricted Net Position** - Consists of net position with constraints placed on 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.
- c. **Unrestricted Net Position** - All other net position that does not meet the definition of *restricted* or *net investment in capital assets*.

## City of West Bend

Notes to Financial Statements  
December 31, 2023

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:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Adjustments</u>	<u>Total</u>
Net investment in capital assets	\$ 107,723,381	\$ 50,956,540	\$ (374,936)	\$ 158,304,985
Unrestricted (deficit)	(976,720)	25,802,424	374,936	25,200,640

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:

- a. **Nonspendable** - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. **Restricted** - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. **Committed** - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the 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.
- d. **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.
- e. **Unassigned** - Includes residual positive fund balance within the general fund which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

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

The 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.

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% of the ensuing year's budgeted general fund expenditures, with a targeted maximum of 10% above the median value for comparable municipalities in Wisconsin as defined by the policy. Actual unassigned general fund balance was 37% of the 2024 budgeted general fund expenditures at December 31, 2023.

### **Basis for Existing Rates**

Current water rates were approved by the PSCW effective April 1, 2021.

Current sewer rates were approved by the City Council on January 1, 2020.

### **Pension**

The fiduciary net position of the Wisconsin Retirement System (WRS) has been determined using the flow of economic resources measurement focus and accrual basis of accounting. This includes for purposes of measuring the following:

- Net Pension Liability (Asset),
- Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions,
- Pension Expense (Revenue).

Information about the fiduciary net position of the WRS and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by the 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 following:

- Net OPEB Liability;
- Deferred Outflows of Resources and Deferred Inflows of Resources Related to Other Postemployment Benefits; and
- OPEB Expense (Revenue).

## City of West Bend

Notes to Financial Statements  
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Information about the fiduciary net position of the LRLIF and additions to/deduction from LRLIF's fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments (including refunds of member 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, Library special revenue fund and the Library permanent fund. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds.

#### Excess Expenditures and Other Financing Uses Over Appropriations

<b>Fund</b>	<b>Budgeted Expenditures and Other Financing Uses</b>	<b>Actual Expenditures and Other Financing Uses</b>	<b>Excess Expenditures and Other Financing Uses Over Budget</b>
TIF District No. 3	\$ 386,893	\$ 431,606	\$ (44,713)
TIF District No. 4	1,446,945	1,447,234	(289)
TIF District No. 6	1,008,821	1,010,648	(1,827)
TIF District No. 10	847,099	861,050	(13,951)
TIF District No. 11	627,814	638,063	(10,249)
TIF District No. 14	432,555	447,042	(14,487)
Recreation	361,522	393,466	(31,924)

#### Deficit Balances

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year-end. As of December 31, 2023, the following individual funds held a deficit balance:

<b>Fund</b>	<b>Amount</b>	<b>Reason</b>
TIF District No. 3	\$ 1,354,403	Unrecovered costs
TIF District No. 10	390,496	Unrecovered costs
TIF District No. 12	1,234,419	Unrecovered 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.

## City of West Bend

Notes to Financial Statements  
December 31, 2023

### 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 net new construction or 0%. 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.

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

	<u>Carrying Value</u>	<u>Bank Balance</u>	<u>Associated Risks</u>
Demand deposits	\$ 13,070,189	\$ 12,338,796	Custodial credit
Certificates of deposit, negotiable	5,228,731	5,228,731	Custodial credit, credit, concentration of credit, interest rate
U.S. agencies, implicitly guaranteed	3,494,532	3,494,532	Custodial credit, credit, concentration of credit, interest rate
Municipal bonds	564,118	564,118	Custodial credit, credit, concentration of credit, interest rate
U.S. Treasuries	933,303	933,303	Custodial credit, interest rate
LGIP	45,175,838	45,175,838	Credit
Petty cash	7,855	-	N/A
	<u>\$ 68,474,566</u>	<u>\$ 67,735,318</u>	
Reconciliation to financial statements:			
Per statement of net position:			
Unrestricted cash and investments	\$ 43,384,395		
Restricted cash and investments	999,935		
Per statement of fiduciary net position	<u>24,090,236</u>		
Total cash and investments	<u>\$ 68,474,566</u>		

## City of West Bend

Notes to Financial Statements  
December 31, 2023

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 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 identical assets in active markets - U.S. Treasuries
- 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, 2023			
	Level 1	Level 2	Level 3	Total
Certificates of deposit, negotiable	\$ -	\$ 5,228,731	\$ -	\$ 5,228,731
U.S. agencies, implicitly guaranteed	-	3,494,532	-	3,494,532
Municipal bonds	-	564,118	-	564,118
U.S. Treasuries	933,303	-	-	933,303
Total	<u>\$ 933,303</u>	<u>\$ 9,287,381</u>	<u>\$ -</u>	<u>\$ 10,220,684</u>

### 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.

As of December 31, 2023, 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.

## City of West Bend

Notes to Financial Statements  
December 31, 2023

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, 2023, the City's investments were rated as follows:

Investment Type	Standard & Poor's	Moody's Investor Service
U.S. agencies, implicitly guaranteed	AA+, A-1+, not rated	Aaa, Aa1, not rated
Municipal bonds	AAA, AA, not rated	Aa2, Aaa, not rated
Certificates of deposit (negotiable)	not rated	not rated

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.

As of December 31, 2023, 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	\$ 3,494,532	\$ 1,258,486	\$ 2,236,046	\$ -
Municipal bonds	564,118	219,924	344,194	-
Certificates of deposit	5,228,731	3,439,048	1,789,683	-
U.S. Treasuries	933,303	933,303	-	-
Total	<u>\$ 10,220,684</u>	<u>\$ 5,850,761</u>	<u>\$ 4,369,923</u>	<u>\$ -</u>

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, loans and leases as follows:

General fund	\$ 104,941
Nonmajor governmental funds	<u>145,138</u>
Total amount not due within one year	<u>\$ 250,079</u>

An allowance for doubtful accounts has been established in the amount of \$575,543 which relates to ambulance billings reported in the general fund.

## City of West Bend

Notes to Financial Statements  
December 31, 2023

Governmental funds report *unavailable, unearned or deferred 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 or deferred revenue* reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned/Deferred</u>
Property taxes receivable for subsequent year	\$ -	\$ 28,869,294
Developer payments receivable	60,058	-
Special assessments receivable	51,925	-
Subsequent period prepayments	-	142,329
Grant funds not yet spent	-	2,156,379
Lease related amounts	-	15,599
	<hr/>	<hr/>
Total unavailable/unearned/deferred revenue for governmental funds	<u>\$ 111,983</u>	<u>\$ 31,183,601</u>
Unearned revenue included in liabilities		\$ 2,156,379
Deferred revenue included in deferred inflows		<u>29,027,222</u>
Total unearned/deferred revenue for governmental funds		<u>\$ 31,183,601</u>

### Restricted Assets

The following represent the balances of the restricted assets:

#### 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 \$405,872 in restricted assets for the replacement account at December 31, 2023.

The City also reported \$594,063 in restricted assets in the nonmajor governmental funds for acquisition and development of parks, parkways, and open spaces. These funds are restricted by state statutes.

# City of West Bend

Notes to Financial Statements  
December 31, 2023

## Capital Assets

Capital asset activity for the year ended December 31, 2023 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Governmental Activities</b>				
Capital assets not being depreciated/amortized:				
Land	\$ 14,656,650	\$ -	\$ 2,384,814	\$ 12,271,836
Right of ways	40,316,302	-	-	40,316,302
Construction in progress	199,709	-	199,709	-
Total capital assets not being depreciated	<u>55,172,661</u>	<u>-</u>	<u>2,584,523</u>	<u>52,588,138</u>
Capital assets being depreciated/amortized:				
Land improvements	8,939,578	502,544	676,046	8,766,076
Buildings	31,007,956	502,028	147,630	31,362,354
Machinery and equipment	22,960,990	2,330,202	1,386,742	23,904,450
Streets	87,841,929	3,231,198	733,755	90,339,372
Bridges	4,685,943	-	-	4,685,943
Traffic signals	2,907,065	409,246	50,000	3,266,311
Dams	650,000	-	-	650,000
Storm water system	38,200,950	1,674,789	109,401	39,766,338
Street lights	542,000	353,827	370,000	525,827
Other	1,331,800	298,258	-	1,630,058
Total capital assets being depreciated	<u>199,068,211</u>	<u>9,302,092</u>	<u>3,473,574</u>	<u>204,896,729</u>
Less accumulated depreciation/amortization for:				
Land improvements	(4,010,027)	(168,887)	522,626	(3,656,288)
Buildings	(11,376,758)	(561,344)	111,801	(11,826,301)
Machinery and equipment	(14,754,567)	(1,387,164)	1,214,945	(14,859,248)
Streets	(48,217,066)	(2,258,484)	733,755	(49,741,795)
Bridges	(2,672,451)	(93,719)	-	(2,766,170)
Traffic signals	(1,948,105)	(108,768)	50,000	(2,006,873)
Dams	(438,000)	(13,000)	-	(451,000)
Storm water system	(16,410,333)	(664,098)	109,401	(16,965,030)
Street lights	(375,769)	(17,510)	370,000	(23,279)
Other	(812,489)	(60,172)	-	(872,661)
Total accumulated depreciation/amortization	<u>(100,962,822)</u>	<u>(5,318,351)</u>	<u>3,112,528</u>	<u>(103,168,645)</u>
Net capital assets being depreciated/ amortized	<u>98,105,389</u>	<u>3,983,741</u>	<u>361,046</u>	<u>101,728,084</u>
Total governmental activities capital assets, net of depreciation/ amortization	<u>\$ 153,278,050</u>	<u>\$ 3,983,741</u>	<u>\$ 2,945,569</u>	<u>\$ 154,316,222</u>

## City of West Bend

Notes to Financial Statements  
December 31, 2023

Depreciation expense was charged to functions as follows:

### Governmental Activities

General government	\$ 324,508
Public safety	632,449
Public works, including infrastructure assets	3,638,147
Leisure activities	720,308
Conservation and development	<u>2,939</u>

Total governmental activities depreciation expense \$ 5,318,351

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Business-Type Activities</b>				
Capital assets not being depreciated:				
Land	\$ 552,571	\$ -	\$ -	\$ 552,571
Construction in progress	<u>804,321</u>	<u>4,062,099</u>	<u>3,100,122</u>	<u>1,766,298</u>
Total capital assets not being depreciated	<u>1,356,892</u>	<u>4,062,099</u>	<u>3,100,122</u>	<u>2,318,869</u>
Capital assets being depreciated:				
Water utility plant	47,657,650	2,622,733	288,220	49,992,163
Sewer utility plant	<u>54,764,579</u>	<u>1,471,001</u>	<u>507,265</u>	<u>55,728,315</u>
Total capital assets being depreciated	<u>102,422,229</u>	<u>4,093,734</u>	<u>795,485</u>	<u>105,720,478</u>
Less accumulated depreciation for:				
Water utility plant	(20,976,742)	(1,261,257)	288,220	(21,949,779)
Sewer utility plant	<u>(31,744,058)</u>	<u>(1,387,988)</u>	<u>507,265</u>	<u>(32,624,781)</u>
Total accumulated depreciation	<u>(52,720,800)</u>	<u>(2,649,245)</u>	<u>795,485</u>	<u>(54,574,560)</u>
Net capital assets being depreciated	<u>49,701,429</u>	<u>1,444,489</u>	<u>-</u>	<u>51,145,918</u>
Total business-type activities capital assets, net of depreciation	<u>\$ 51,058,321</u>	<u>\$ 5,506,588</u>	<u>\$ 3,100,122</u>	<u>\$ 53,464,787</u>

# City of West Bend

Notes to Financial Statements  
December 31, 2023

Depreciation expense was charged to functions as follows:

### Business-Type Activities

Water	\$ 1,166,907
Sewer	<u>1,387,988</u>
Total business-type activities depreciation expense	<u>\$ 2,554,895</u>

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

### Interfund Receivables/Payables, Advances and Transfers

#### Interfund Receivables/Payables

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Water utility	\$ 513,498
General	Sewer utility	179,378
General	Nonmajor governmental funds	258,049
Capital projects	General	42,251
Water utility	Sewer utility	11,584
Water utility	General	214,053
Sewer utility	General	165,184
Capital projects	General	11,443
General	Water Utility	<u>323,001</u>
Subtotal, fund financial statements		1,718,441
Less fund eliminations		(323,327)
Less government-wide eliminations		(758,474)
Less interfund advances		<u>(4,484,192)</u>
Total internal balances, government-wide statement of net position		<u>\$ (3,847,552)</u>
<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Governmental Activities	Business-Type Activities	\$ 1,015,877
Business-Type Activities	Governmental Activities	<u>(4,863,429)</u>
Total government-wide financial statements		<u>\$ (3,847,552)</u>

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, 2023

### Advances

The following is a schedule of interfund advances:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Amount Not Due Within One Year</u>
Sewer utility	TIF District No. 3	\$ 1,695,860	\$ 1,695,860
Sewer utility	TIF District No. 9	54,180	54,180
Sewer utility	TIF District No. 10	536,409	536,409
Sewer utility	TIF District No. 12	<u>2,197,743</u>	<u>2,097,743</u>
Subtotal, interfund advances			<u>\$ 4,384,192</u>
Total, interfund advances		<u>\$ 4,484,192</u>	

The sewer utility is advancing funds to TIF Districts No. 3, No. 9, 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. The 2023 rate was 2.69%. 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 and No. 12. However, these advances were determined to be uncollectible in 2013, with the exception of \$54,180 advanced to TIF No. 9 in 2015. \$1,750,000 was advanced to TIF No. 12 in 2017 and \$742,000 in 2021. Interest is being charged at 2.385% on this advance. The amount due within one year is based on the subsequent year's budget, however, a formal repayment schedule has not been established. An allowance is set up in the amount of \$835,757.

# City of West Bend

Notes to Financial Statements  
December 31, 2023

## 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	\$ 513,498	Payment in lieu of taxes
General	Nonmajor governmental funds	1,591,896	Refer to general note
Nonmajor governmental funds	Nonmajor governmental funds	2,354,583	Refer to general note
Capital projects	Nonmajor governmental funds	1,531	Refer to general note
Debt Service	Nonmajor governmental funds	245,602	Refer to general note
Debt Service	Capital projects	162,783	Refer to general note
Sewer utility	Nonmajor governmental funds	537,983	Refer to general note
Nonmajor governmental funds	General	14,525	Refer to general note
Water Utility	Sewer Utility	13,679	Refer to general note
Nonmajor governmental funds	Debt service	<u>104,707</u>	Reallocate debt proceeds
Subtotal, fund financial statements		5,540,787	
Less fund eliminations		(4,489,306)	
Less government-wide eliminations		<u>(1,075,966)</u>	
Total transfers, government-wide statement of activities		<u>\$ (24,485)</u>	
<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	
Governmental Activities	Business-Type Activities	\$ 513,498	
Business-Type Activities	Governmental Activities	<u>(537,983)</u>	
Total		<u>\$ (24,485)</u>	

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

# City of West Bend

Notes to Financial Statements  
December 31, 2023

## Long-Term Obligations

Long-term obligations activity for the year ended December 31, 2023 were as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<b>Governmental Activities</b>					
Bonds and notes payable:					
General obligation debt	\$ 45,540,000	\$ 7,075,000	\$ 5,625,000	\$ 46,990,000	\$ 5,735,000
Unamortized debt premiums	961,314	434,237	162,045	1,233,506	-
Total bonds and notes payable	<u>46,501,314</u>	<u>7,509,237</u>	<u>5,787,045</u>	<u>48,223,506</u>	<u>5,735,000</u>
Other liabilities:					
Vested compensated absences:					
Sick leave	2,406,696	316,509	124,396	2,598,809	129,940
Vacation	920,511	993,291	920,511	993,291	993,291
Compensatory time	178,486	305,062	286,915	196,633	196,633
Financed purchases	1,188,329	179,910	200,884	1,167,355	201,484
Subscription payable	-	14,733	7,404	7,329	7,329
Lease payable	54,119	336,567	44,293	346,393	74,679
Total other liabilities	<u>4,748,141</u>	<u>2,146,072</u>	<u>1,584,403</u>	<u>5,309,810</u>	<u>1,603,356</u>
Total governmental activities long-term liabilities	<u>\$ 51,249,455</u>	<u>\$ 9,655,309</u>	<u>\$ 7,371,448</u>	<u>\$ 53,533,316</u>	<u>\$ 7,338,356</u>
<b>Business-Type Activities</b>					
Bonds and notes payable:					
General obligation debt	\$ 2,790,000	\$ -	\$ 495,000	\$ 2,295,000	\$ 470,000
Unamortized debt premiums	52,759	-	19,606	33,153	-
Total bonds and notes payable	<u>2,842,759</u>	<u>-</u>	<u>514,606</u>	<u>2,328,153</u>	<u>470,000</u>
Other liabilities:					
Compensated absences	354,216	142,135	104,512	391,839	210,298
Financed purchases	14,114	-	3,164	10,950	3,396
Subscription payable	4,351	-	2,186	2,165	2,165
Lease payable	92,561	112,706	38,288	166,979	43,196
Total other liabilities	<u>465,242</u>	<u>254,841</u>	<u>148,150</u>	<u>571,933</u>	<u>259,055</u>
Total business-type activities long-term liabilities	<u>\$ 3,308,001</u>	<u>\$ 254,841</u>	<u>\$ 662,756</u>	<u>\$ 2,900,086</u>	<u>\$ 729,055</u>

# City of West Bend

Notes to Financial Statements  
December 31, 2023

## 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% of the equalized value of taxable property within the City's jurisdiction. The debt limit as of December 31, 2023, was \$220,643,170. Total general obligation debt outstanding at year-end was \$49,285,000.

	<u>Date of Issue</u>	<u>Due Date</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance 12/31/23</u>
<b>Governmental Activities</b>					
General obligation debt:					
General obligation refunding bonds	12/21/11	04/01/27	0.50-3.10%	\$ 1,840,000	\$ 190,000
General obligation refunding bonds - 2012B	05/09/12	04/01/26	2.00-2.25	6,570,000	2,720,000
General obligation refunding bonds - 2013A	06/06/13	05/01/33	1.00-3.00	9,060,000	6,280,000
General obligations bonds - 2014A	02/26/14	02/01/34	0.50-4.00	1,740,000	1,095,000
General obligations bonds - 2014B	02/26/14	02/01/24	2.00-2.75	6,210,000	400,000
General obligation bonds - 2015A	06/10/15	04/01/26	1.50-3.00	3,730,000	1,230,000
General obligation bonds - 2016A	03/29/16	03/01/30	2.60-2.50	4,750,000	2,120,000
General obligation notes - 2017A	05/11/17	03/01/27	2.03	1,530,000	855,000
General obligation notes - 2018A	05/03/18	11/01/28	3.00	2,030,000	1,280,000
General obligation notes - 2019A	04/03/19	04/01/31	3.00-4.00	3,540,000	2,385,000
General obligation notes - 2019B	04/03/19	03/01/24	2.625-2.65	1,975,000	425,000
General obligation notes - 2020A	02/05/20	02/01/40	1.80-3.00	3,530,000	3,480,000
General obligation notes - 2020B	05/07/20	05/01/40	2.00-3.00	5,890,000	5,055,000
General obligation notes - 2020C	10/15/20	03/01/31	1.05-2.00	3,750,000	1,795,000
General obligation notes - 2021A	05/06/21	04/01/36	1.25-3.00	5,370,000	4,715,000
Taxable general obligation bonds - 2021B	11/03/21	04/01/40	0.20-2.55	2,835,000	2,745,000
General obligation notes - 2022A	05/11/22	04/01/32	3.00-5.00	3,455,000	3,145,000
General obligation notes - 2023A	04/26/23	10/01/33	4.00	3,285,000	3,285,000
General obligation notes - 2023B	04/26/23	10/01/42	4.00-5.00	3,790,000	<u>3,790,000</u>
Total governmental activities, general obligation debt					<u>\$ 46,990,000</u>

# City of West Bend

Notes to Financial Statements  
December 31, 2023

	<u>Date of Issue</u>	<u>Due Date</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance 12/31/23</u>
<b>Business-Type Activities</b>					
General obligation debt:					
General obligation refunding bonds	05/09/12	04/01/26	2.00-2.25%	\$ 235,000	\$ 90,000
General obligation refunding bonds	03/29/16	03/01/30	2.60-2.50	775,000	425,000
General obligation notes	06/01/16	06/01/26	1.35	800,000	260,000
General obligation notes	05/11/17	03/01/27	2.03	700,000	305,000
General obligation notes	05/03/18	05/01/28	3.00	530,000	290,000
General obligation notes	04/03/19	04/01/31	3.00-4.00	1,350,000	715,000
General obligation notes	10/15/20	03/01/31	2.00-3.00	300,000	210,000
Total business-type activities, general obligation debt					<u>\$ 2,295,000</u>

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities General Obligation Debt</u>		<u>Business-Type Activities General Obligation Debt</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 5,735,000	\$ 1,243,946	\$ 470,000	\$ 54,198
2025	5,650,000	1,099,561	440,000	42,239
2026	5,495,000	953,301	450,000	31,102
2027	4,245,000	816,511	335,000	21,175
2028	4,015,000	693,819	260,000	13,225
2029-2033	13,600,000	2,027,039	340,000	9,100
2034-2038	5,665,000	778,908	-	-
2039-2042	2,585,000	133,683	-	-
Total	<u>\$ 46,990,000</u>	<u>\$ 7,746,768</u>	<u>\$ 2,295,000</u>	<u>\$ 171,039</u>

## 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.

## Lease Disclosure

### Leases Payable

On January 1, 2022, the City of West Bend, WI entered into a 28-month lease as Lessee for the use of Vehicle 23RQS9. An initial lease liability was recorded in the amount of \$9,272. As of December 31, 2023, the value of the lease liability is \$1,329. City of West Bend, WI is required to make monthly fixed payments of \$332. The lease has an interest rate of 0.3300%. The value of the right to use asset as of December 31, 2023 of \$9,272 with accumulated amortization of \$7,763 is included with Vehicles on the Lease Class activities table found below.

On October 27, 2022, City of West Bend, WI entered into a 36-month lease as Lessee for the use of Water Utility - Backhoe # 2. An initial lease liability was recorded in the amount of \$47,592. As of December 31, 2023, the value of the lease liability is \$28,245. City of West Bend, WI is required to make monthly fixed payments of \$1,385. The lease has an interest rate of 3.2380%. The value of the right to use asset as of December 31, 2023 of \$47,592 with accumulated amortization of \$18,701 is included with Equipment on the Lease Class activities table found below.

On August 31, 2022, City of West Bend, WI entered into a 36-month lease as Lessee for the use of Water Utility - Backhoe # 1. An initial lease liability was recorded in the amount of \$43,832. As of December 31, 2023, the value of the lease liability is \$23,448. City of West Bend, WI is required to make monthly fixed payments of \$1,257. The lease has an interest rate of 2.1843%. The value of the right to use asset as of December 31, 2023 of \$43,832 with accumulated amortization of \$20,060 is included with Equipment on the Lease Class activities table found below. City of West Bend, WI has the option to purchase the Equipment for \$81,349.

On January 1, 2022, City of West Bend, WI entered into a 29-month lease as Lessee for the use of Vehicle 23RQRG. An initial lease liability was recorded in the amount of \$9,579. As of December 31, 2023, the value of the lease liability is \$1,656. City of West Bend, WI is required to make monthly fixed payments of \$332. The lease has an interest rate of 0.3300%. The value of the right to use asset as of December 31, 2023 of \$9,579 with accumulated amortization of \$7,864 is included with Vehicles on the Lease Class activities table found below.

On January 1, 2022, City of West Bend, WI entered into a 51-month lease as Lessee for the use of Vehicle 23RQVH. An initial lease liability was recorded in the amount of \$20,155. As of December 31, 2023, the value of the lease liability is \$10,727. City of West Bend, WI is required to make monthly fixed payments of \$400. The lease has an interest rate of 0.5517%. The value of the right to use asset as of December 31, 2023 of \$20,155 with accumulated amortization of \$9,368 is included with Vehicles on the Lease Class activities table found below.

On January 1, 2022, City of West Bend, WI entered into a 28-month lease as Lessee for the use of Vehicle 23RQSF. An initial lease liability was recorded in the amount of \$9,272. As of December 31, 2023, the value of the lease liability is \$1,329. City of West Bend, WI is required to make monthly fixed payments of \$332. The lease has an interest rate of 0.3300%. The value of the right to use asset as of December 31, 2023 of \$9,272 with accumulated amortization of \$7,763 is included with Vehicles on the Lease Class activities table found below.

On January 1, 2022, City of West Bend, WI entered into a 28-month lease as Lessee for the use of Vehicle 23RQS6. An initial lease liability was recorded in the amount of \$9,272. As of December 31, 2023, the value of the lease liability is \$1,329. City of West Bend, WI is required to make monthly fixed payments of \$332. The lease has an interest rate of 0.3300%. The value of the right to use asset as of December 31, 2023 of \$9,272 with accumulated amortization of \$7,763 is included with Vehicles on the Lease Class activities table found below.

## City of West Bend

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Notes to Financial Statements  
December 31, 2023

On January 1, 2022, City of West Bend, WI entered into a 27-month lease as Lessee for the use of Vehicle 23RQQX. An initial lease liability was recorded in the amount of \$16,821. As of December 31, 2023, the value of the lease liability is \$1,875. City of West Bend, WI is required to make monthly fixed payments of \$625. The lease has an interest rate of 0.3300%. The value of the right to use asset as of December 31, 2023 of \$16,821 with accumulated amortization of \$14,609 is included with Vehicles on the Lease Class activities table found below.

On January 1, 2022, City of West Bend, WI entered into a 27-month lease as Lessee for the use of Vehicle 23RQQ4. An initial lease liability was recorded in the amount of \$10,836. As of December 31, 2023, the value of the lease liability is \$1,208. City of West Bend, WI is required to make monthly fixed payments of \$403. The lease has an interest rate of 0.3300%. The value of the right to use asset as of December 31, 2023 of \$10,836 with accumulated amortization of \$9,333 is included with Vehicles on the Lease Class activities table found below.

On January 1, 2022, City of West Bend, WI entered into a 26-month lease as Lessee for the use of Outreach Van Lease. An initial lease liability was recorded in the amount of \$9,487. As of December 31, 2023, the value of the lease liability is \$732. City of West Bend, WI is required to make monthly fixed payments of \$366. The lease has an interest rate of 0.3300%. The value of the right to use asset as of December 31, 2023 of \$9,487 with accumulated amortization of \$8,592 is included with Vehicles on the Lease Class activities table found below.

On October 20, 2023, City of West Bend, WI entered into a 60-month lease as Lessee for the use of Vehicle 274L29. An initial lease liability was recorded in the amount of \$32,150. As of December 31, 2023, the value of the lease liability is \$30,935. City of West Bend, WI is required to make monthly fixed payments of \$570. The lease has an interest rate of 2.7360%. The value of the right to use asset as of December 31, 2023 of \$32,150 with accumulated amortization of \$1,260 is included with Vehicles on the Lease Class activities table found below.

On October 20, 2023, City of West Bend, WI entered into a 60-month lease as Lessee for the use of Vehicle 274L2D. An initial lease liability was recorded in the amount of \$32,261. As of December 31, 2023, the value of the lease liability is \$30,977. City of West Bend, WI is required to make monthly fixed payments of \$571. The lease has an interest rate of 2.7360%. The value of the right to use asset as of December 31, 2023 of \$32,261 with accumulated amortization of \$1,265 is included with Vehicles on the Lease Class activities table found below.

On October 20, 2023, City of West Bend, WI entered into a 60-month lease as Lessee for the use of Vehicle 274M3V. An initial lease liability was recorded in the amount of \$32,261. As of December 31, 2023, the value of the lease liability is \$30,977. City of West Bend, WI is required to make monthly fixed payments of \$571. The lease has an interest rate of 2.7360%. The value of the right to use asset as of December 31, 2023 of \$32,261 with accumulated amortization of \$1,265 is included with Vehicles on the Lease Class activities table found below.

On October 20, 2023, City of West Bend, WI entered into a 60-month lease as Lessee for the use of Vehicle 274M42. An initial lease liability was recorded in the amount of \$32,253. As of December 31, 2023, the value of the lease liability is \$30,969. City of West Bend, WI is required to make monthly fixed payments of \$571. The lease has an interest rate of 2.7360%. The value of the right to use asset as of December 31, 2023 of \$32,253 with accumulated amortization of \$1,264 is included with Vehicles on the Lease Class activities table found below.

## City of West Bend

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Notes to Financial Statements  
December 31, 2023

On October 20, 2023, City of West Bend, WI entered into a 60-month lease as Lessee for the use of Vehicle 274M3W. An initial lease liability was recorded in the amount of \$32,261. As of December 31, 2023, the value of the lease liability is \$30,977. City of West Bend, WI is required to make monthly fixed payments of \$571. The lease has an interest rate of 2.7360%. The value of the right to use asset as of December 31, 2023 of \$32,261 with accumulated amortization of \$1,265 is included with Vehicles on the Lease Class activities table found below.

On December 4, 2023, City of West Bend, WI entered into a 60-month lease as Lessee for the use of Vehicle 274XM8. An initial lease liability was recorded in the amount of \$32,377. As of December 31, 2023, the value of the lease liability is \$31,906. City of West Bend, WI is required to make monthly fixed payments of \$570. The lease has an interest rate of 2.7360%. The value of the right to use asset as of December 31, 2023 of \$32,377 with accumulated amortization of \$478 is included with Vehicles on the Lease Class activities table found below.

On December 4, 2023, City of West Bend, WI entered into a 60-month lease as Lessee for the use of Vehicle 274XM9. An initial lease liability was recorded in the amount of \$32,377. As of December 31, 2023, the value of the lease liability is \$31,906. City of West Bend, WI is required to make monthly fixed payments of \$570. The lease has an interest rate of 2.7360%. The value of the right to use asset as of December 31, 2023 of \$32,377 with accumulated amortization of \$478 is included with Vehicles on the Lease Class activities table found below.

On December 4, 2023, City of West Bend, WI entered into a 60-month lease as Lessee for the use of Vehicle 274XMD. An initial lease liability was recorded in the amount of \$32,326. As of December 31, 2023, the value of the lease liability is \$31,855. City of West Bend, WI is required to make monthly fixed payments of \$569. The lease has an interest rate of 2.7360%. The value of the right to use asset as of December 31, 2023 of \$32,326 with accumulated amortization of \$478 is included with Vehicles on the Lease Class activities table found below.

On December 4, 2023, City of West Bend, WI entered into a 60-month lease as Lessee for the use of Vehicle 274XMB. An initial lease liability was recorded in the amount of \$32,437. As of December 31, 2023, the value of the lease liability is \$31,967. City of West Bend, WI is required to make monthly fixed payments of \$571. The lease has an interest rate of 2.7360%. The value of the right to use asset as of December 31, 2023 of \$32,437 with accumulated amortization of \$479 is included with Vehicles on the Lease Class activities table found below.

On December 4, 2023, City of West Bend, WI entered into a 60-month lease as Lessee for the use of Vehicle 274XMC. An initial lease liability was recorded in the amount of \$32,377. As of December 31, 2023, the value of the lease liability is \$31,906. City of West Bend, WI is required to make monthly fixed payments of \$570. The lease has an interest rate of 2.7360%. The value of the right to use asset as of December 31, 2023 of \$32,377 with accumulated amortization of \$478 is included with Vehicles on the Lease Class activities table found below.

On December 4, 2023, City of West Bend, WI entered into a 60-month lease as Lessee for the use of Vehicle 274XNL. An initial lease liability was recorded in the amount of \$32,377. As of December 31, 2023, the value of the lease liability is \$31,906. City of West Bend, WI is required to make monthly fixed payments of \$570. The lease has an interest rate of 2.7360%. The value of the right to use asset as of December 31, 2023 of \$32,377 with accumulated amortization of \$478 is included with Vehicles on the Lease Class activities table found below.

## City of West Bend

Notes to Financial Statements  
December 31, 2023

On December 4, 2023, City of West Bend, WI entered into a 60-month lease as Lessee for the use of Vehicle 274XNK. An initial lease liability was recorded in the amount of \$32,316. As of December 31, 2023, the value of the lease liability is \$31,846. City of West Bend, WI is required to make monthly fixed payments of \$569. The lease has an interest rate of 2.7360%. The value of the right to use asset as of December 31, 2023 of \$32,316 with accumulated amortization of \$478 is included with Vehicles on the Lease Class activities table found below.

On December 4, 2023, City of West Bend, WI entered into a 60-month lease as Lessee for the use of Vehicle 274XNM. An initial lease liability was recorded in the amount of \$32,437. As of December 31, 2023, the value of the lease liability is \$31,967. City of West Bend, WI is required to make monthly fixed payments of \$571. The lease has an interest rate of 2.7360%. The value of the right to use asset as of December 31, 2023 of \$32,437 with accumulated amortization of \$479 is included with Vehicles on the Lease Class activities table found below.

December 20, 2023, City of West Bend, WI entered into a 60-month lease as Lessee for the use of Vehicle 274XNH. An initial lease liability was recorded in the amount of \$31,618. As of December 31, 2023, the value of the lease liability is \$31,401. City of West Bend, WI is required to make monthly fixed payments of \$561. The lease has an interest rate of 2.7360%. The value of the right to use asset as of December 31, 2023 of \$31,618 with accumulated amortization of \$192 is included with Vehicles on the Lease Class activities table found below.

### Lessee - Lease Assets by Major Classes

Asset Class	As of Fiscal Year-End	
	Lease Asset Value	Accumulated Amortization
Vehicles	\$ 546,521	\$ 83,393
Equipment	91,424	38,762
Total leases	<u>637,945</u>	<u>122,155</u>

### Principal and Interest Requirements to Maturity

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2024	\$ 74,679	\$ 8,260	\$ 82,939
2025	69,581	6,483	76,064
2026	67,797	4,668	72,465
2027	68,444	2,821	71,265
2028	65,892	930	66,822

Fiscal Year	Business-Type Activities		
	Principal Payments	Interest Payments	Total Payments
2024	\$ 43,196	\$ 3,861	\$ 47,057
2025	54,811	2,447	57,258
2026	22,776	1,603	24,379
2027	23,407	972	24,379
2028	22,789	325	23,115

### Lessor - Lease Receivables

On January 1, 2022, City of West Bend, WI entered into a 231-month lease as Lessor for the use of Verizon Hospital Tower. An initial lease receivable was recorded in the amount of \$590,108. As of December 31, 2023, the value of the lease receivable is \$546,885. The lessee is required to make monthly fixed payments of \$2,429. The lease has an interest rate of 1.5180%. The value of the deferred inflow of resources as of December 31, 2023 was \$528,798, and City of West Bend, WI recognized lease revenue of \$30,655 during the fiscal year. The lessee has 3 extension option(s), each for 60 months.

On January 1, 2022, City of West Bend, WI entered into a 183-month lease as Lessor for the use of Verizon Barton Tower. An initial lease receivable was recorded in the amount of \$465,455. As of December 31, 2023, the value of the lease receivable is \$412,943. The lessee is required to make annual fixed payments of \$29,810. The lease has an interest rate of 1.3690%. The value of the deferred inflow of resources as of December 31, 2023 was \$404,490, and City of West Bend, WI recognized lease revenue of \$30,483 during the fiscal year. The lessee has 3 extension option(s), each for 60 months.

On January 1, 2022, City of West Bend, WI entered into a 85-month lease as Lessor for the use of USPS Ground Lease. An initial lease receivable was recorded in the amount of \$21,737. As of December 31, 2023, the value of the lease receivable is \$16,400. The lessee is required to make monthly fixed payments of \$247. The lease has an interest rate of 0.9780%. The value of the deferred inflow of resources as of December 31, 2023 was \$15,599, and City of West Bend, WI recognized lease revenue of \$3,069 during the fiscal year. The lessee has 1 extension option(s), each for 60 months.

On January 1, 2022, City of West Bend, WI entered into a 70-month lease as Lessor for the use of U.S. Cellular University Tower. An initial lease receivable was recorded in the amount of \$185,590. As of December 31, 2023, the value of the lease receivable is \$130,526. The lessee is required to make annual fixed payments of \$27,300. The lease has an interest rate of 0.8330%. The value of the deferred inflow of resources as of December 31, 2023 was \$122,707, and City of West Bend, WI recognized lease revenue of \$31,441 during the fiscal year. The lessee has 1 extension option(s), each for 60 months.

On January 1, 2022, City of West Bend, WI entered into a 342-month lease as Lessor for the use of U.S. Cellular 10th Avenue Tower. An initial lease receivable was recorded in the amount of \$4,031,760. As of December 31, 2023, the value of the lease receivable is \$3,972,523. The lessee is required to make quarterly fixed payments of \$22,050. The lease has an interest rate of 1.7390%. The value of the deferred inflow of resources as of December 31, 2023 was \$3,749,352, and City of West Bend, WI recognized lease revenue of \$141,204 during the fiscal year. The lessee has 5 extension option(s), each for 60 months. The lessee had a termination period of 2 months as of the lease commencement.

On January 1, 2022, City of West Bend, WI entered into a 284-month lease as Lessor for the use of T-Mobile Hospital Tower. An initial lease receivable was recorded in the amount of \$920,520. As of December 31, 2023, the value of the lease receivable is \$875,262. The lessee is required to make annual fixed payments of \$35,010. The lease has an interest rate of 1.6810%. The value of the deferred inflow of resources as of December 31, 2023 was \$842,730, and City of West Bend, WI recognized lease revenue of \$38,895 during the fiscal year. The lessee has 4 extension option(s), each for 60 months. The lessee had a termination period of 3 months as of the lease commencement.

## City of West Bend

Notes to Financial Statements  
December 31, 2023

On January 1, 2022, City of West Bend, WI entered into a 146-month lease as Lessor for the use of AT & T 10th Ave Tower. An initial lease receivable was recorded in the amount of \$503,087. As of December 31, 2023, the value of the lease receivable is \$432,855. The lessee is required to make annual fixed payments of \$38,245. The lease has an interest rate of 1.2720%. The value of the deferred inflow of resources as of December 31, 2023 was \$420,820, and City of West Bend, WI recognized lease revenue of \$41,134 during the fiscal year. The lessee has 2 extension option(s), each for 60 months.

On January 1, 2022, City of West Bend, WI entered into a 63-month lease as Lessor for the use of T-Mobile Barton Tower. An initial lease receivable was recorded in the amount of \$161,244. As of December 31, 2023, the value of the lease receivable is \$100,751. The lessee is required to make annual fixed payments of \$30,255. The lease has an interest rate of 0.6860%. The value of the deferred inflow of resources as of December 31, 2023 was \$100,396, and City of West Bend, WI recognized lease revenue of \$30,423 during the fiscal year. The lessee has 1 extension option(s), each for 60 months.

On January 1, 2022, City of West Bend, WI entered into a 18-month lease as Lessor for the use of General Fund - U.S. Cellular Tower. An initial lease receivable was recorded in the amount of \$30,856. The lessee is required to make annual fixed payments of \$30,912. The lease has an interest rate of 0.3300%. The value of the lease receivable and deferred inflow of resources as of December 31, 2023 was \$0, and City of West Bend, WI recognized lease revenue of \$10,913 during the fiscal year.

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2024	\$ 3,098	\$ 144	\$ 3,242
2025	3,153	114	3,267
2026	3,184	83	3,267
2027	3,216	51	3,267
2028	3,247	20	3,267
2029-2033	502	-	502

Fiscal Year	Business-Type Activities		
	Principal Payments	Interest Payments	Total Payments
2024	\$ 196,282	\$ 104,697	\$ 300,979
2025	209,838	102,173	312,011
2026	224,391	99,457	323,848
2027	201,032	96,536	297,568
2028	178,889	93,666	272,555
2029-2033	1,096,834	422,308	1,519,142
2034-2038	1,119,783	331,418	1,451,201
2039-2043	1,288,093	230,460	1,518,553
2044-2048	1,378,204	114,536	1,492,740
2049-2050	578,399	10,209	588,608

## City of West Bend

Notes to Financial Statements  
December 31, 2023

### Regulated Leases

The City maintains certain regulated leases that, in accordance with GASB No. 87, do not recognize a lease receivable or a deferred inflow of resources. Regulated leases are subject to external laws, regulations or legal rulings. The following summarizes these regulated leases:

On January 1, 2022, City of West Bend, WI entered into a 336-month Regulated lease as Lessor for the use of WI Dept of Military Affairs. As of December 31, 2023, the value of the expected future minimum receipts is \$1,595,212. The lessee is required to make semi-annual fixed payments of \$18,991. City of West Bend, WI recognized lease revenue of \$37,981 during the fiscal year. The lessee has 13 extension option(s), each for 24 months.

On January 1, 2022, City of West Bend, WI entered into a 215-month Regulated lease as Lessor for the use of West Bend Air. As of December 31, 2023, the value of the expected future minimum receipts is \$99,044. The lessee is required to make quarterly fixed payments of \$1,548. City of West Bend, WI recognized lease revenue of \$6,190 during the fiscal year. The lessee has one (1) extension option(s), each for 215 months.

On January 1, 2022, City of West Bend, WI entered into 31 separate regulated lease agreements for the use of airport hangars. As of December 31, 2023, the value of the expected future minimum receipts is \$1,553,287. The lessee is required to make annual fixed payments. The City recognized \$43,861 in lease revenue during the fiscal year. The lessees have extension options.

Fiscal Year	Governmental Activities Future Minimum Expected Receipts
2024	\$ 95,630
2025	95,630
2026	95,630
2027	95,630
2028	95,630
2029-2033	516,131
2034-2038	554,112
2039-2043	555,437
2044-2048	577,666
2049-2053	244,187
2054-2058	138,635
2059-2063	121,072
2064-2068	48,249
2069-2072	13,904

### Subscription Liabilities

For the year ended December 31, 2023, the financial statements include the adoption of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. For additional information, refer to the disclosures below.

## City of West Bend

Notes to Financial Statements  
December 31, 2023

On January 1, 2023, City of West Bend, WI entered into a 2-month subscription for the use of Debtbook Software. An initial subscription liability was recorded in the amount of \$19,084. As of December 31, 2023, the value of the subscription liability is \$9,493. City of West Bend, WI is required to make annual fixed payments of \$9,750.00. The subscription has an interest rate of 2.7070%. The value of the right to use asset as of December 31, 2023 of \$19,084 with accumulated amortization of \$8,267 is included with Software on the Subscription Class activities table found below.

### Amount of Subscription Assets by Major Classes of Underlying Asset

Asset Class	As of Fiscal Year-End	
	Subscription Asset Value	Accumulated Amortization
Software	\$ 19,084	\$ 8,267
Total subscriptions	\$ 19,084	\$ 8,267

### Principal and Interest Requirements to Maturity

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2024	\$ 7,329	\$ 198	\$ 7,527

Fiscal Year	Business-Type Activities		
	Principal Payments	Interest Payments	Total Payments
2024	\$ 2,165	\$ 59	\$ 2,223

### Net Position/Fund Balances

Governmental activities net position reported on the government-wide statement of net position at December 31, 2023 includes the following:

#### Governmental Activities

Net investment in capital assets:	
Land	\$ 12,271,836
Right-of-way	40,316,302
Other capital assets, net of accumulated depreciation/amortization	101,728,084
Less capital related long-term debt outstanding	(47,781,645)
Less leases outstanding	(346,393)
Less SBITA	(7,329)
Less unamortized premiums	(1,233,506)
Plus unamortized loss on refunding	132,747
Plus unspent capital related debt proceeds	2,643,285
Total net investment in capital assets	\$ 107,723,381

# City of West Bend

Notes to Financial Statements  
December 31, 2023

Governmental fund balances reported on the fund financial statements at December 31, 2023 include the following:

	Major Funds			Nonmajor Funds	Total
	General Fund	Debt Service	Capital Projects		
<b>Fund Balance</b>					
Nonspendable:					
Inventories	\$ 992,688	\$ -	\$ -	\$ -	\$ 992,688
Prepaid items	228,011	-	-	33,949	261,960
Delinquent personal property taxes	10,705	-	-	-	10,705
Delinquent special assessments	77,836	-	-	-	77,836
Restricted for:					
Debt service	-	720,528	-	-	720,528
Library purposes	-	-	-	771,231	771,231
Fire department equipment	7,702	-	-	-	7,702
Fire department training	1,520	-	-	-	1,520
Rescue squad	4,616	-	-	-	4,616
Parks and recreation	2,680	-	-	592,453	595,133
Park impact fee	11,600	-	-	-	11,600
Police department crime prevention	17,896	-	-	-	17,896
Police department explorers	18,574	-	-	-	18,574
Transit	-	-	-	36,397	36,397
EMS	-	-	-	67,826	67,826
Loan programs	-	-	-	192,700	192,700
Future HRA payments	140,617	-	-	-	140,617
Tourism	-	-	-	480,175	480,175
TIF related projects	-	-	-	1,693,183	1,693,183
Grants, ARPA	-	-	-	207,887	207,887
Future capital related projects (unspent proceeds)	-	-	2,643,285	-	2,643,285
Committed to:					
Communications	-	-	-	1,561,662	1,561,662
Recreation programs	-	-	-	100,406	100,406
Assigned to:					
Carryforwards	858,249	-	-	-	858,249
Future capital projects	-	-	322,090	-	322,090
Unassigned (deficit)	10,935,768	-	-	(2,979,318)	7,956,450
Total fund balances	<u>\$ 13,308,462</u>	<u>\$ 720,528</u>	<u>\$ 2,965,375</u>	<u>\$ 2,758,551</u>	<u>\$ 19,752,916</u>

## Business-Type Activities

Net investment in capital assets:

Land	\$ 552,571
Construction in progress	1,766,298
Other capital assets, net of accumulated depreciation	51,145,918
Less unrelated long-term debt outstanding	<u>(2,508,247)</u>

Total amount not due within one year \$ 50,956,540

## City of West Bend

Notes to Financial Statements  
December 31, 2023

### 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:

	<u>Carrying Value</u>	<u>Bank Balance</u>
Demand deposits	\$ 60,133	\$ 60,133

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, 2023, the component unit's bank balance of \$60,133 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, 2023, the Business Improvement District has a receivable of \$112,554 from the City's tax collection fund for the subsequent year's annual assessment.

## 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, 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 Annual Comprehensive Financial Report (ACFR), which can be found at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

Additionally, ETF issued a standalone Wisconsin Retirement System Financial Report, which can also be found using the link above.

#### 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, 2023

### Postretirement 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:

<u>Year</u>	<u>Core Fund Adjustment</u>	<u>Variable Fund Adjustment</u>
2013	(9.6)%	9.0%
2014	4.7	25
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)
2020	1.7	21.0
2021	5.1	13.0
2022	7.4	15.0

### 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 was merged into the General Employee category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the reporting period, the WRS recognized \$1,670,004 in contributions from the City.

Contribution rates for the plan year reported as of December 31, 2023 are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (Executives & Elected Officials)	6.50%	6.50%
Protective with Social Security	6.50	12.00
Protective without Social Security	6.50	16.40

**Pension Liability, Pension Expense (Revenue), Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At December 31, 2023, the City reported a liability of \$7,481,876 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021 rolled forward to December 31, 2022. 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 liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2022, the City's proportion was 0.14122867%, which was an increase of 0.00252900% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the City recognized pension expense of \$3,557,278.

At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between projected and actual experience	\$ 11,916,311	\$ 15,655,357
Changes of actuarial assumptions	1,471,246	-
Net differences between projected and actual earnings on pension plan investments	12,709,981	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	23,364	74,125
Employer contributions - January 1, 2023 to end of current fiscal year	<u>1,908,275</u>	<u>-</u>
Total	<u>\$ 28,029,177</u>	<u>\$ 15,729,482</u>

\$1,908,275 reported as deferred outflows of resources 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/(asset) in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<b>Years ending December 31:</b>	<b>Deferred Outflows of Resources and Deferred Inflows of Resources (Net)</b>
2024	\$ 424,455
2025	2,148,776
2026	2,196,814
2027	5,621,375

**Actuarial Assumptions**

The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2021
Measurement Date of Net Pension Liability (Asset):	December 31, 2022
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Salary Increases:	
Wage Inflation	3.0%
Seniority/Merit	0.1%-5.6%
Mortality:	2020 WRS Experience Mortality Table
Postretirement Adjustments*:	1.7%

\* No postretirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.7% is the assumed annual adjustment based on the investment return assumption and the postretirement discount rate.

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. The Total Pension Liability for December 31, 2022 is based upon a roll-forward of the liability calculated from the December 31, 2021 actuarial valuation.

## City of West Bend

Notes to Financial Statements  
December 31, 2023

### 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:

<b>Asset Allocation Targets and Expected Returns* as of December 31, 2022</b>			
<b>Core Fund Asset Class</b>	<b>Asset Allocation %</b>	<b>Long-Term Expected Nominal Rate of Return %</b>	<b>Long-Term Expected Real Rate of Return %**</b>
Public Equity	48	7.6	5
Public Fixed Income	25	5.3	2.7
Inflation Sensitive	19	3.6	1.1
Real Estate	8	5.2	2.6
Private Equity/Debt	15	9.6	6.9
Total Core Fund***	115	7.4	4.8
<b>Variable Fund Asset</b>			
U.S. Equities	70	7.2	4.6
International Equities	30	8.1	5.5
Total Variable Fund	100	7.7	5.1

\* *Asset Allocations are managed within established ranges; target percentages may differ from actual monthly allocations*

\*\* *New England Pension Consultants Long Term U.S. CPI (Inflation) Forecast: 2.5%*

\*\*\* *The investment policy used for the Core Fund involves reducing equity exposure by leveraging lower-volatility assets, such as fixed income securities. This results in an asset allocation beyond 100%. Currently, an asset allocation target of 15% policy leverage is used subject to an allowable range of up to 20%.*

**Single Discount Rate**

A single discount rate of 6.8% was used to measure the total pension liability, for the current and prior year. This discount rate was based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 4.05%. (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, 2022. 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 WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% 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 6.80%, 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 (5.80%) or 1-percentage-point higher (7.80%) than the current rate:

	<b>1% Decrease to Discount Rate (5.80%)</b>	<b>Current Discount Rate (6.80%)</b>	<b>1% Increase to Discount Rate (7.80%)</b>
City's proportionate share of the net pension liability (asset)	\$ 24,832,104	\$ 7,481,876	\$ (4,453,592)

**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://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements> and reference report number 15-11.

At December 31, 2023, 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  
December 31, 2023

### Self Insurance

For health claims, the uninsured risk of loss is \$90,000 per incident and \$2,945,826 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, 2023. 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

	<u>Prior Year</u>	<u>Current Year</u>
Unpaid claims, beginning of year	\$ 371,611	\$ 205,795
Current year claims and changes in estimates	2,333,973	5,693,489
Claim payments	<u>(2,911,379)</u>	<u>(5,626,185)</u>
Unpaid claims, end of year	<u>\$ 205,795</u>	<u>\$ 273,069</u>

### 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, 2023

## 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:

<u>Municipality</u>	<u>% Fines</u>
City of West Bend	17.69%
Village of Germantown	9.95
City of Hartford	10.96
Village of Kewaskum	3.25
Village of Slinger	10.28
Village of Jackson	8.26
City of Port Washington	7.16
Village of Grafton	3.58
Village of Saukville	4.90
Town of Hartford	0.52
Town of Trenton	0.87
Village of Newburg	0.81
City of Cedarburg	3.21
Village of Fredonia	0.52
Village of Thiensville	2.10
Town of Polk	0.25
Town of West Bend	0.25
City of Mequon	15.44
Total	<u>100.00%</u>

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, 2023 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

At December 31, 2023, the City reported activity related to the City's health insurance OPEB and Local Retire Life Insurance Fund OPEB as follows:

	<u>Health Insurance OPEB Plan</u>	<u>LRLIF OPEB Plan</u>	<u>Total</u>
Deferred outflow of resources	\$ 2,996,630	\$ 360,556	\$ 3,357,186
Deferred inflow of resources	3,999,615	661,390	4,661,005
OPEB liability	13,563,165	860,503	14,423,668
OPEB expense	849,013	78,373	927,386

# City of West Bend

Notes to Financial Statements  
December 31, 2023

Other postemployment benefits attributable to the governmental activities will be liquidated primarily by the general fund.

## 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.

### Benefits Provided

RBP provides health insurance benefits for retirees and their spouses. The benefit terms provide for payment of 100% of health insurance premiums for eligible police and fire employees for a defined period of years or until Medicare-eligibility. Eligible nonunion employees hired on or before December 31, 2011, will be provided with 100% of health insurance premiums for up to three 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% of the health care premium, but are receiving an implicit benefit due to the blended rate.

### Employees Covered by Benefit Terms

At December 31, 2023, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	36
Active plan members	<u>209</u>
	<u>245</u>

### Net OPEB Liability

The City's net OPEB liability of \$13,563,165 was measured as of December 31, 2022 and was determined by an actuarial valuation as of that date.

### Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2022 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 0.1%-4.8% merit
Healthcare cost trend rates	7.0% decreasing to 6.5%, then decreasing by 0.1% per year down to 4.5%, and level thereafter
Retirees' share of benefit-related costs	50% nonpolice union, 100% police union

## City of West Bend

Notes to Financial Statements  
December 31, 2023

The discount rate was updated to 4.25% and based on the S&P Municipal Bond 20 Year High Grade Index.

Mortality rates are based on the 2020 WRS Experience Table for Active Employees and Healthy Retirees projected with mortality improvements using the fully generational MP-2021 projection scale from a base year of 2010.

The actuarial assumptions used in the December 31, 2022 valuation were based on the results of the WRS experience study for the period 2018-2020.

### Changes in the Net OPEB Liability

	<u>Total OPEB Liability</u>	<u>Fiduciary Net Position</u>	<u>Net OPEB Liability</u>
Balances, December 31, 2022	\$ 17,449,479	\$ 1,145,005	\$ 16,304,474
Changes for the year:			
Service cost	733,867	-	733,867
Interest	350,300	-	350,300
Difference between expected and actual experience	(1,450,402)	-	(1,450,402)
Changes in assumptions*	(1,733,279)	-	(1,733,279)
Benefit payments	(602,786)	-	(602,786)
Net investment income	-	39,009	(39,009)
Net changes	<u>(2,702,300)</u>	<u>39,009</u>	<u>(2,741,309)</u>
Balances, December 31, 2023	<u>\$ 14,747,179</u>	<u>\$ 1,184,014</u>	<u>\$ 13,563,165</u>

\* 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 (3.25%) or 1-percentage-point higher (5.25%) than the current discount rate:

	<u>1% Decrease (3.25%)</u>	<u>Discount Rate (4.25%)</u>	<u>1% Increase (5.25%)</u>
Net OPEB liability	\$ 14,758,354	\$ 13,563,165	\$ 12,465,477

## City of West Bend

Notes to Financial Statements  
December 31, 2023

### 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 (6.0% decreasing to 3.5%) or 1-percentage-point higher (8.0% decreasing to 5.5%) than the current healthcare cost trend rates of 7.0% decreasing to 4.5%:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Net OPEB liability	\$ 12,199,087	\$ 13,563,165	\$ 15,136,643

### OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2023, the City recognized OPEB expense of \$849,013. At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between projected and actual experiences	\$ 969,352	\$ 1,293,072
Changes of actuarial assumptions	1,435,217	2,706,543
Net differences between projected and actual earnings on OPEB plan investments	3,853	-
Employer contributions, subsequent to measurement date	588,208	-
Total	<u>\$ 2,996,630</u>	<u>\$ 3,999,615</u>

Deferred outflows of \$588,208 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, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<b>Years ending December 31:</b>	<u>Deferred Outflows of Resources and Deferred Inflows of Resources (Net)</u>
2024	\$ (212,255)
2025	(216,679)
2026	(220,797)
2027	(222,158)
2028	51,843
Thereafter	(770,646)

**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 postemployment 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.

The benefit terms provide for payment of 100% of health insurance premiums for eligible police and fire employees for a defined period of years or until Medicare-eligibility. Eligible nonunion employees hired on or before December 31, 2011, will be provided with 100% of health insurance premiums for up to three 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% of the health care premium, but are receiving an implicit benefit due to the blended rate.

**Employees Covered by Benefit Terms**

At December 31, 2023, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	36
Active plan member	<u>209</u>
Total	<u><u>245</u></u>

**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 deposits and negotiable certificates of deposit as follows:

Deposits	4.6 %
WISC Term Series	95.4

## City of West Bend

Notes to Financial Statements  
December 31, 2023

### Rate of Return

For the year ended December 31, 2023, the annual money-weighted rate of return on investments, net of investment expense, was 4.737%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

### Net OPEB Liability

The components of the net OPEB liability of the City at December 31, 2023, were as follows:

Total OPEB liability	\$ 15,301,858
Less plan fiduciary net position	<u>1,226,087</u>
City's net OPEB liability	<u>\$ 14,075,771</u>
Plan fiduciary net position as a percentage of the total OPEB liability	8.01%

### Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2022 actuarial valuation, rolled forward to December 31, 2023 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	3.00% inflation plus 0.1-4.8% merit
Investment Rate of Return	2.50%
Healthcare cost trend rates	7.00% decreasing to 6.5%, then decreasing by 0.1% per year to 4.5% and level after that

Assumptions related to the investment rate of return and discount rate changed since the 2022 valuation. Mortality rates were based on the 2020 WRS Experience Tables for Active Employees and Healthy Retirees projected with mortality improvements using the fully generational MP-2021 projection scale from a base year of 2010.

The actuarial assumptions used in the valuation were based on an experience study conducted in 2021 using Wisconsin Retirement System (WRS) experience from 2018-20

The Plan assets are held as fixed income, therefore, the long-term expected rate of return on OPEB plan investments was based on a 20-year AA municipal bond rate index applied to all periods of projected benefit payments.

## City of West Bend

Notes to Financial Statements  
December 31, 2023

### Discount Rate

The discount rate used to measure the total OPEB liability was 4.00%. 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, 2023 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2022.

### 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 (3.00%) or 1-percentage-point higher (5.00%) than the current discount rate:

	<u>1% Decrease (3.00%)</u>	<u>Discount Rate (4.00%)</u>	<u>1% Increase (5.00%)</u>
Net OPEB liability	\$ 15,288,001	\$ 14,075,771	\$ 12,959,643

### 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 (6.0% decreasing to 3.5%) or 1-percentage-point higher (8.0% decreasing to 5.5%) than the current healthcare cost trend rates (7.0% decreasing to 4.5%):

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Net OPEB liability	\$ 12,551,164	\$ 14,075,771	\$ 15,839,090

### 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 postemployment life insurance benefits for all eligible employees.

ETF issues a standalone Annual Comprehensive Financial Report (ACFR), 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 the link above.

**Benefits Provided**

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

**Contributions**

The Group Insurance Board approves contribution rates annually, based on recommendations from the insurance carrier. Recommended rates are based on an annual valuation, taking into consideration an estimate of the present value of future benefits and the present value of future contributions. A portion of employer contributions made during a member's working lifetime funds a postretirement 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 member 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, 2023 are:

<u>Coverage Type</u>	<u>Employer Contribution</u>
50% Postretirement Coverage	40% of member contribution
25% Postretirement Coverage	20% of member contribution

## City of West Bend

Notes to Financial Statements  
December 31, 2023

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:

<b>Life Insurance Member Contribution Rates* for the Plan Year</b>		
<b><u>Attained Age</u></b>	<b><u>Basic</u></b>	<b><u>Supplemental</u></b>
Under 30	\$0.05	\$0.05
30-34	0.06	0.06
35-39	0.07	0.07
40-44	0.08	0.08
45-49	0.12	0.12
50-54	0.22	0.22
55-59	0.39	0.39
60-64	0.49	0.49
65-69	0.57	0.57

\*Disabled members under age 70 receive a waiver-of-premium benefit.

During the reporting period, the LRLIF recognized \$4,531 in contributions from the employer.

### **OPEB Liabilities, OPEB Expense (Revenue) and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs**

At December 31, 2023, the City reported a liability of \$860,503 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2022 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2022 rolled forward to December 31, 2022. 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, 2022, the City's proportion was 0.22586400%, which was a decrease of 0.017459000% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the City recognized OPEB expense (revenue) of \$78,373.

## City of West Bend

Notes to Financial Statements  
December 31, 2023

At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experiences	\$ -	\$ 84,214
Net differences between projected and actual earnings on plan investments	16,146	-
Changes in actuarial assumptions	309,159	507,933
Changes in proportion and differences between employer contributions and proportionate share of contributions	30,460	69,243
Employer contributions subsequent to the measurement date	<u>4,791</u>	<u>-</u>
Total	<u>\$ 360,556</u>	<u>\$ 661,390</u>

\$4,791 reported as deferred outflows of resources related to OPEB resulting from the LRLIF Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense (revenue) as follows:

<u>Years ending December 31:</u>	<u>Deferred Outflows of Resources and Deferred Inflows of Resources (Net)</u>
2024	\$ (20,458)
2025	(27,499)
2026	(17,060)
2027	(59,806)
2028	(92,232)
Thereafter	(88,570)

## City of West Bend

Notes to Financial Statements  
December 31, 2023

### Actuarial Assumptions

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

Actuarial Valuation Date:	January 1, 2022
Measurement Date of Net OPEB Liability (Asset):	December 31, 2022
Experience Study:	January 1, 2018 - December 31, 2020, Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield*	3.72%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	3.76%
Salary Increases:	
Wage Inflation	3.0%
Seniority/Merit	0.10%-5.6%
Mortality:	2020 WRS Experience Mortality Table

\*Based on the Bond Buyers GO index.

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, 2022 is based upon a roll-forward of the liability calculated from the January 1, 2022 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.

#### State OPEB Life Insurance Asset Allocation Targets and Expected Returns as of December 31, 2022

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return
U.S. Intermediate Credit Bonds	Bloomberg U.S. Interim Credit	50.00 %	2.45 %
U.S. Mortgages	Bloomberg U.S. MBS	50.00	2.83
Inflation			2.30
Long-Term Expected Rate of Return			4.25

## City of West Bend

Notes to Financial Statements  
December 31, 2023

The long-term expected rate of return remained unchanged from the prior year at 4.25%. 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. The expected inflation rate remained unchanged from the prior year at 2.30%.

### Single Discount Rate

A single discount rate of 3.76% was used to measure the total OPEB liability for the current year, as opposed to a discount rate of 2.17% for the prior year. The significant change in the discount rate was primarily caused by the increase in the municipal bond rate from 2.06% as of December 31, 2021 to 3.72% as of December 31, 2022. 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.

### Sensitivity of the City's Proportionate Share of the Net OPEB Liability (Asset) 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 3.76%, 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 (2.76%) or 1-percentage-point higher (4.76%) than the current rate:

	<u>1% Decrease to Discount Rate (2.76%)</u>	<u>Current Discount Rate (3.76%)</u>	<u>1% Increase to Discount Rate (4.76%)</u>
City's proportionate share of the net OPEB liability (asset)	\$ 1,173,204	\$ 860,503	\$ 620,853

### 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

In April 2024, the City approved the issuance of \$4,375,000 in general obligation promissory notes, Series 2024A, for financing capital projects and projects in TIF District No 16. Interest rates are 4.0 – 5.0% with final maturity in 2039.

## City of West Bend

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Notes to Financial Statements  
December 31, 2023

In April 2024, the City approved the sale of land to GenX Holdings, LLC in the amount of \$450,000. In addition, the Common Council approved Industrial Revenue Bond financing for GenX Holdings, LLC Project, in an amount not to exceed \$4,160,000.

In May 2024, the Common Council approved increases in both the water and sewer rates.

In June 2024, the Common Council approved the issuance and sale of up to \$1,176,591 General Obligation Water System Promissory Notes, Series 2024B for the treatment of wells for PFAS.

### **Effect of New Accounting Standards on Current-Period Financial Statements**

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

- Statement No. 100, *Accounting Changes and Error Corrections—an Amendment of GASB Statement No. 62*
- Statement No. 101, *Compensated Absences*
- Statement No. 102, *Certain Risk Disclosures*
- Statement No. 103, *Financial Reporting Model Improvements*

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

**REQUIRED SUPPLEMENTARY INFORMATION**

## City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

General Fund

Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 17,992,204	\$ 17,992,204	\$ 18,003,554	\$ 11,350
Intergovernmental	3,441,685	3,564,820	3,573,274	8,454
Licenses and permits	696,713	748,670	774,337	25,667
Fines, forfeitures and penalties	407,600	407,600	335,259	(72,341)
Public charges for services	2,093,256	2,166,291	2,287,432	121,141
Intergovernmental charges for services	479,943	479,943	479,943	-
Special assessments	2,000	48,177	93,800	45,623
Investment income	201,600	201,600	975,223	773,623
Miscellaneous	181,328	332,173	501,709	169,536
Total revenues	<u>25,496,329</u>	<u>25,941,478</u>	<u>27,024,531</u>	<u>1,083,053</u>
<b>Expenditures</b>				
Current:				
General government	5,303,521	5,249,604	5,462,523	(212,919)
Public safety	14,990,903	15,335,580	14,045,790	1,289,790
Public works	5,278,911	6,255,463	5,366,300	889,163
Leisure activities	1,660,396	1,720,719	1,792,398	(71,679)
Conservation and development	485,495	651,786	560,937	90,849
Capital outlay	16,500	97,269	232,886	(135,617)
Debt service:				
Principal	10,643	10,643	240,029	(229,386)
Interest	3,473	3,473	37,026	(33,553)
Total expenditures	<u>27,749,842</u>	<u>29,324,537</u>	<u>27,737,889</u>	<u>1,586,648</u>
Excess (deficiency) of revenues over expenditures	<u>(2,253,513)</u>	<u>(3,383,059)</u>	<u>(713,358)</u>	<u>2,669,701</u>
<b>Other Financing Sources (Uses)</b>				
Sale of property	40,000	67,574	99,007	31,433
Finance purchases issued	-	-	179,910	179,910
Proceeds on leased assets	-	-	336,567	336,567
Transfers in	2,227,438	3,330,010	2,105,394	(1,224,616)
Transfers out	(13,925)	(14,525)	(14,525)	-
Total other financing sources (uses)	<u>2,253,513</u>	<u>3,383,059</u>	<u>2,706,353</u>	<u>(676,706)</u>
Net change in fund balances	-	-	1,992,995	1,992,995
<b>Fund Balances, Beginning</b>	<u>11,315,467</u>	<u>11,315,467</u>	<u>11,315,467</u>	<u>-</u>
<b>Fund Balances, Ending</b>	<u>\$ 11,315,467</u>	<u>\$ 11,315,467</u>	<u>\$ 13,308,462</u>	<u>\$ 1,992,995</u>

See notes to required supplementary information

## City of West Bend

Schedule of Proportionate Share of the Net Pension Liability (Asset) -  
 Wisconsin Retirement System  
 Year Ended December 31, 2023

<u>Fiscal Year Ending</u>	<u>Proportion of the Net Pension Liability (Asset)</u>	<u>Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Covered Payroll</u>	<u>Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
12/31/23	0.14122867 %	\$ 7,481,876	\$ 15,776,216	47.43 %	95.72 %
12/31/22	0.13869967 %	(11,179,448)	15,163,206	73.73 %	106.02 %
12/31/21	0.13788976 %	(8,608,649)	15,407,868	55.87 %	105.26 %
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 %	99.12 %
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, 2023

<u>Fiscal Year Ending</u>	<u>Contractually Required Contributions</u>	<u>Contributions in Relation to the Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
12/31/23	\$ 1,908,275	\$ 1,908,275	\$ -	\$ 16,686,300	11.44 %
12/31/22	1,670,002	1,670,002	-	15,776,216	10.59 %
12/31/21	1,605,213	1,605,213	-	15,163,206	10.59 %
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 %

See notes to required supplementary information

## City of West Bend

### Schedule of Proportionate Share of the Net Life Insurance OPEB Liability -

Local Retiree Life Insurance Fund

Year Ended December 31, 2023

<b>Fiscal Year Ending</b>	<b>Proportion of the Net OPEB Liability</b>	<b>Proportionate Share of the Net OPEB Liability</b>	<b>Covered Payroll</b>	<b>Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll</b>	<b>Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability</b>
12/31/23	0.22586400 %	\$ 860,503	\$ 14,515,000	5.83 %	29.57 %
12/31/22	0.24332300 %	1,438,129	14,749,000	9.75 %	29.57 %
12/31/21	0.23781700 %	1,308,165	14,004,000	9.34 %	31.36 %
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 %

### Schedule of Employer Contributions - Local Retiree Life Insurance Fund

Year Ended December 31, 2023

<b>Fiscal Year Ending</b>	<b>Contractually Required Contributions</b>	<b>Contributions in Relation to the Contractually Required Contributions</b>	<b>Contribution Deficiency (Excess)</b>	<b>Covered Payroll</b>	<b>Contributions as a Percentage of Covered Payroll</b>
12/31/23	\$ 4,791	\$ 4,791	\$ -	\$ 16,686,300	0.03 %
12/31/22	4,495	4,495	-	15,776,216	0.03 %
12/31/21	4,904	4,904	-	15,163,206	0.03 %
12/31/20	4,733	4,733	-	15,407,868	0.03 %
12/31/19	4,705	4,705	-	14,443,039	0.03 %
12/31/18	4,549	4,549	-	14,256,588	0.03 %

See notes to required supplementary information

**City of West Bend**

Schedule of Changes in Employer's Total OPEB Liability and Related Ratios -  
Health Insurance  
December 31, 2023

	2023	2022	2021	2020	2019	2018
<b>Total OPEB Liability</b>						
Service cost	\$ 733,867	\$ 685,487	\$ 611,605	\$ 464,261	\$ 783,846	\$ 740,648
Interest	350,300	373,901	386,970	485,574	385,785	379,621
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	(1,450,402)	-	1,329,918	-	186,171	(7,816)
Changes of assumptions	(1,733,279)	323,495	638,332	1,364,500	(2,623,166)	-
Benefit payments	(602,786)	(416,977)	(498,140)	(413,311)	(510,764)	(568,460)
Net change in total OPEB liability	(2,702,300)	965,906	2,468,685	1,901,024	(1,778,128)	543,993
Total OPEB liability, beginning	17,449,479	16,483,573	14,014,888	12,113,864	13,891,992	13,347,999
Total OPEB liability, ending (a)	\$ 14,747,179	\$ 17,449,479	\$ 16,483,573	\$ 14,014,888	\$ 12,113,864	\$ 13,891,992
<b>Fiduciary Net Position</b>						
Contributions, employer	\$ -	\$ -	\$ -	\$ 1,160,000	\$ -	\$ -
Net investment income	39,009	18,717	10,905	1,076	-	-
Benefit payments	-	(14,848)	(30,845)	-	-	-
Net change in fiduciary net position	39,009	3,869	(19,940)	1,161,076	-	-
Fiduciary Net Position, Beginning	1,145,005	1,141,136	1,161,076	-	-	-
Fiduciary Net Position, Ending (b)	\$ 1,184,014	\$ 1,145,005	\$ 1,141,136	\$ 1,161,076	\$ -	\$ -
Net OPEB Liability (a) - (b)	\$ 13,563,165	\$ 16,304,474	\$ 15,342,437	\$ 12,853,812	\$ 12,113,864	\$ 13,891,992
Fiduciary Net Position as a percentage of the Total OPEB Liability	6.56%	6.56%	6.92%	8.28%	0.00%	0.00%
Covered payroll	\$ 14,963,665	\$ 13,578,000	\$ 13,578,000	\$ 13,139,385	\$ 13,139,385	\$ 13,712,222
Net OPEB liability as a percentage of covered payroll	90.64%	120.08%	112.99%	97.83%	92.20%	101.31%

**Notes to Schedule:**

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

*Changes in benefit terms.* There were no changes of benefit terms.

*Changes in assumptions.* The discount rate was updated based on the S&P Municipal Bond 20 Year High Grade Index to 4.25%

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.

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

## City of West Bend

### Schedule of Changes in the Net OPEB Liability and Related Ratios -

OPEB Trust

Last 10 Fiscal Years\*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<b>Total OPEB Liability</b>					
Service cost	\$ 424,783	\$ 733,867	\$ 685,487	\$ 611,605	\$ 464,261
Interest on the total OPEB liability	623,282	350,300	373,901	386,970	485,574
Differences between expected and actual experience	(192,845)	(1,450,402)	-	1,329,918	-
Changes of assumptions or other inputs	287,667	(1,733,279)	323,495	638,332	1,364,500
Benefit payments	<u>(588,208)</u>	<u>(602,786)</u>	<u>(416,977)</u>	<u>(498,140)</u>	<u>(413,311)</u>
Net change in the total OPEB liability	<u>\$ 554,679</u>	<u>\$ (2,702,300)</u>	<u>\$ 965,906</u>	<u>\$ 2,468,685</u>	<u>\$ 1,901,024</u>
Total OPEB liability, beginning	\$ 14,747,179	\$ 17,449,479	\$ 16,483,573	\$ 14,014,888	\$ 12,113,864
Total OPEB liability, ending (a)	\$ 15,301,858	\$ 14,747,179	\$ 17,449,479	\$ 16,483,573	\$ 14,014,888
<b>Fiduciary Net Position</b>					
Employer contributions	\$ -	\$ -	\$ -	\$ -	\$ 1,160,000
Net investment income	42,073	39,009	18,717	10,905	1,076
Benefit payments	<u>-</u>	<u>-</u>	<u>(14,848)</u>	<u>(30,845)</u>	<u>-</u>
Net change in plan fiduciary net position	<u>\$ 42,073</u>	<u>\$ 39,009</u>	<u>\$ 3,869</u>	<u>\$ (19,940)</u>	<u>\$ 1,161,076</u>
Total fiduciary net position, beginning	\$ 1,184,014	\$ 1,145,005	\$ 1,141,136	\$ 1,161,076	\$ -
Total fiduciary, ending (b)	<u>\$ 1,226,087</u>	<u>\$ 1,184,014</u>	<u>\$ 1,145,005</u>	<u>\$ 1,141,136</u>	<u>\$ 1,161,076</u>
Net OPEB liability, ending = (a) - (b)	\$ 14,075,771	\$ 13,563,165	\$ 16,304,474	\$ 15,342,437	\$ 12,853,812
Covered payroll	14,963,665	14,963,665	13,578,000	13,578,000	13,139,385
Net OPEB liability as a percent of covered payroll	94.07%	90.64%	120.08%	112.99%	97.83%

#### **Notes to the Schedule:**

*Benefit changes:* No changes in benefits

*Changes in assumptions:* The discount rate was updated to 4.00%.

\*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.

**City of West Bend**Schedule of Investment Returns - OPEB Trust  
Last 10 Fiscal Years\*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Annual money-weighted rate of return, net of investment expense	4.737%	3.000%	0.780%	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.

**City of West Bend**Schedule of Employer Contributions - OPEB Trust  
Last 10 Fiscal Years\*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Actuarially Determined Contribution (ADC)	\$ 1,251,177	\$ 1,409,721	\$ 1,409,721	\$ 1,183,377	\$ 1,183,377
Contributions in Relation to the ADC	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,160,000</u>
Contribution Deficiency / (Excess)	<u>\$ 1,251,177</u>	<u>\$ 1,409,721</u>	<u>\$ 1,409,721</u>	<u>\$ 1,183,377</u>	<u>\$ 23,377</u>
Covered Payroll	\$ 14,963,665	\$ 14,963,665	\$ 13,578,000	\$ 13,578,000	\$ 13,139,385
Contributions as a percentage of Covered-Employee Payroll	\$ -	\$ -	\$ -	\$ -	\$ -

**Notes to the Schedule:**

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value
Amortization method	30-year Level Dollar
Discount rate	4.00%
Inflation	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.

## 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 \$858,249. 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.* Based on a three-year experience study conducted in 2021 covering January 1, 2018 through December 31, 2020, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year-end December 31, 2021, including the following:

- Lowering the long-term expected rate of return from 7.0% to 6.8%
- Lowering the discount rate from 7.0% to 6.8%
- Lowering the price inflation rate from 2.5% to 2.4%
- Lowering the postretirement adjustments from 1.9% to 1.7%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table

Based on a three-year experience study conducted in 2018 covering January 1, 2015 through December 31, 2017, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year-ended December 31, 2018, including the following:

- Lowering the long-term expected rate of return from 7.2% to 7.0%
- Lowering the discount rate from 7.2% to 7.0%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Lowering the postretirement adjustments from 2.1% to 1.9%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Mortality Table to the Wisconsin 2018 Mortality Table

**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.* In addition to the rate changes detailed in the tables above, the State of Wisconsin Employee Trust Fund Board adopted economic and demographic assumption changes based on a three year experience study performed for the Wisconsin Retirement System. These assumptions are used in the actuarial valuations of OPEB liabilities (assets) for the retiree life insurance programs and are summarized below.

The assumption changes that were used to measure the December 31, 2021 total OPEB liabilities, including the following:

- Lowering the price inflation rate from 2.5% to 2.4%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table

The assumption changes that were used to measure the December 31, 2018 total OPEB liabilities, including the following:

- Lowering the long-term expected rate of return from 5.00% to 4.25%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Mortality Table to the Wisconsin 2018 Mortality Table

## **SUPPLEMENTARY INFORMATION**

**GENERAL FUND**

**City of West Bend**

## Detailed Schedule of Revenues and Other Financing Sources (Major Fund) -

General Fund

Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>Taxes</b>				
General property tax	\$ 17,941,438	\$ 17,941,438	\$ 17,945,132	\$ 3,694
Mobile home taxes	50	50	44	(6)
Taxes from housing authority	35,000	35,000	38,963	3,963
Taxes from cell towers	7,441	7,441	10,984	3,543
Delinquent property chargebacks	275	275	712	437
Interest on taxes	8,000	8,000	7,719	(281)
<b>Total</b>	<b>17,992,204</b>	<b>17,992,204</b>	<b>18,003,554</b>	<b>11,350</b>
<b>Intergovernmental Revenues</b>				
Shared taxes from state	1,540,969	1,540,969	1,518,048	(22,921)
Fire insurance tax from state	160,000	160,000	185,163	25,163
State aid, emergency medical services	-	-	33,132	33,132
State aid, personal property aid	68,294	68,294	68,294	-
State aid, service to state facilities	120,380	120,380	92,290	(28,090)
State aid, police training	9,600	102,735	101,658	(1,077)
State aid, road allotment	1,187,090	1,187,090	1,187,246	156
State aid, exempt computer aid	112,095	112,095	112,095	-
State aid, connecting streets	130,400	130,400	130,400	-
State aid, recycling assistance	108,857	108,857	108,268	(589)
State aid, fire training	4,000	4,000	6,680	2,680
State aid, conservation and development	-	30,000	30,000	-
<b>Total</b>	<b>3,441,685</b>	<b>3,564,820</b>	<b>3,573,274</b>	<b>8,454</b>
<b>Licenses and Permits</b>				
Liquor and malt beverage licenses	64,210	64,210	75,933	11,723
Operators' licenses	25,855	25,855	28,172	2,317
Weights and measures	16,165	16,165	15,368	(797)
Cigarette licenses	3,300	3,300	3,200	(100)
Bicycle licenses	1,400	1,400	1,285	(115)
Dog licenses	19,915	19,915	22,382	2,467
Amusement device licenses	8,160	8,160	7,680	(480)
Cat licenses	3,815	3,815	3,675	(140)
Other miscellaneous licenses	10,485	10,485	13,190	2,705
Building permits	180,000	180,000	183,429	3,429
State building permits	1,500	1,500	344	(1,156)
Electrical permits	50,000	50,000	41,790	(8,210)
Plumbing permits	68,000	68,000	53,292	(14,708)
Erosion control	14,250	14,250	12,500	(1,750)
Occupancy permits	19,600	19,600	10,900	(8,700)
Heating permits	40,000	40,000	40,651	651
Sign permits	10,000	10,000	14,075	4,075
Sidewalk permits	8,000	8,000	5,760	(2,240)
Street opening permits applied	22,000	22,000	34,625	12,625
Zoning	15,075	15,075	22,415	7,340
Yardwaste drop permits	76,000	76,000	76,580	580
Storm water management permits	5,000	5,000	14,370	9,370
Plan examination fees	33,000	33,000	39,359	6,359
Engineering inspection fees	-	51,957	51,957	-
Plan handling fees	500	500	1,350	850
Other regulatory permits / fees	483	483	55	(428)
<b>Total</b>	<b>696,713</b>	<b>748,670</b>	<b>774,337</b>	<b>25,667</b>

**City of West Bend**

## Detailed Schedule of Revenues and Other Financing Sources (Major Fund) -

General Fund

Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>Fines, Forfeitures and Penalties</b>				
Parking violations	\$ 87,100	\$ 87,100	\$ 84,235	\$ (2,865)
Municipal court fines and penalties	313,500	313,500	244,088	(69,412)
Awards and damages	7,000	7,000	6,936	(64)
Total	407,600	407,600	335,259	(72,341)
<b>Public Charges for Services</b>				
Clerk fees	2,623	2,623	68	(2,555)
Treasurer fees	16,050	16,050	19,972	3,922
NSF charges	1,600	1,600	1,760	160
License publication fees	1,214	1,214	1,297	83
Police department fees	195,000	195,000	209,833	14,833
Registration suspension fees	3,500	3,500	1,484	(2,016)
False alarm assessments	10,150	10,150	7,050	(3,100)
Fire department fees	10,000	10,000	9,339	(661)
Ambulance fees	1,540,000	1,540,000	1,676,927	136,927
Snow and ice control	1,000	1,000	-	(1,000)
Airport	84,899	143,899	127,624	(16,275)
Sale of street materials and services	12,000	13,061	9,105	(3,956)
Sale of materials and services, sanitation	2,100	2,100	6,117	4,017
Grinders revenue	100	100	-	(100)
Outside services	40,000	40,000	38,802	(1,198)
Other recreation revenues	5,675	5,675	18,765	13,090
Weed control	2,500	2,500	6,923	4,423
Subdivision fees	5,900	5,900	3,000	(2,900)
Site plan revenue	11,020	11,020	11,060	40
Refuse and garbage collection	250	250	-	(250)
Lac Lawrann Conservancy revenues	23,525	23,525	23,177	(348)
Street tree revenue	-	12,974	12,974	-
Cemetery site and admin services	-	-	50	50
Special event fee	-	-	800	800
Leisure-building rental	64,150	64,150	81,415	17,265
Uncollectible receivable collected	60,000	60,000	19,890	(40,110)
Total	2,093,256	2,166,291	2,287,432	121,141
<b>Intergovernmental Charges for Services</b>				
Local fire protection services	479,943	479,943	479,943	-
<b>Special Assessments</b>				
Street construction	-	6,960	6,960	-
Sidewalks	-	39,217	39,217	-
Storm sewer	-	-	5,081	5,081
Sanitary sewers and laterals	-	-	1,971	1,971
Interest on special assessments	-	-	36,747	36,747
Administrative fees	2,000	2,000	3,824	1,824
Total	2,000	48,177	93,800	45,623
<b>Investment Income</b>				
Investment income on temporary investments	200,000	200,000	972,947	772,947
Interest on special assessments	1,600	1,600	2,103	503
Interest on leases	-	-	173	173
Total	201,600	201,600	975,223	773,623

**City of West Bend**

## Detailed Schedule of Revenues and Other Financing Sources (Major Fund) -

General Fund

Year Ended December 31, 2023

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With Final Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>Miscellaneous</b>				
Lease revenue	\$ -	\$ -	\$ 13,982	\$ 13,982
Rent of city property	31,097	31,097	28,127	(2,970)
Rent of airport property	67,031	67,031	39,731	(27,300)
Sale of materials	3,200	3,200	7,847	4,647
Insurance recoveries	30,000	46,303	136,514	90,211
Miscellaneous donations	-	134,542	223,202	88,660
Commercial card rebate	50,000	50,000	52,306	2,306
<b>Total</b>	<b>181,328</b>	<b>332,173</b>	<b>501,709</b>	<b>169,536</b>
<b>Other Financing Sources</b>				
Sale of property	40,000	67,574	99,007	31,433
Finance purchase issued	-	-	179,910	179,910
Proceeds on leased assets	-	-	336,567	336,567
Transfers in	1,562,361	2,664,933	1,591,896	(1,073,037)
Transfers in, tax equivalent	665,077	665,077	513,498	(151,579)
<b>Total</b>	<b>2,267,438</b>	<b>3,397,584</b>	<b>2,720,878</b>	<b>(676,706)</b>
<b>Total revenues and other financing sources</b>	<b>\$ 27,763,767</b>	<b>\$ 29,339,062</b>	<b>\$ 29,745,409</b>	<b>\$ 406,347</b>

## City of West Bend

### Detailed Schedule of Expenditures and Other Financing Uses (Major Fund) -

General Fund

Year Ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>General Government</b>				
Council	\$ 42,058	\$ 42,058	\$ 42,637	\$ (579)
Mayor	7,835	7,835	8,432	(597)
Administrator	199,330	145,413	114,942	30,471
Clerk:				
Legislative support	188,814	188,814	179,397	9,417
Elections	45,530	45,530	41,099	4,431
Personnel:				
Recruitment	193,984	193,984	191,456	2,528
Financial administration:				
Treasury	398,259	398,259	343,876	54,383
Assessment of property	319,769	319,769	333,233	(13,464)
Independent auditing	56,361	56,361	53,892	2,469
Legal counseling	95,298	95,298	347,147	(251,849)
Municipal buildings	548,175	548,175	533,621	14,554
Risk management	590,035	590,035	511,384	78,651
Health insurance	2,151,938	2,151,938	2,315,187	(163,249)
GIS	28,189	28,189	27,247	942
Information technology	432,896	432,896	376,509	56,387
Other general government	5,050	5,050	42,464	(37,414)
	<u>5,303,521</u>	<u>5,249,604</u>	<u>5,462,523</u>	<u>(212,919)</u>
Total				
<b>Public Safety</b>				
Police:				
Patrol	7,585,763	7,721,768	7,224,053	497,715
Criminal and juvenile investigation	970,183	971,707	860,052	111,655
Crossing guards	95,435	95,435	84,518	10,917
Fire:				
Fire administration	863,942	1,061,540	893,898	167,642
Suppression	3,495,461	3,496,334	3,087,794	408,540
Prevention	200,797	205,798	204,962	836
Training	473,473	477,149	448,765	28,384
Rescue	972,692	972,692	883,832	88,860
Building inspection	239,821	239,821	283,382	(43,561)
Sealer of weights and measures	11,600	11,600	6,000	5,600
Hydrant rental	33,436	33,436	28,134	5,302
Communications system	48,300	48,300	40,400	7,900
	<u>14,990,903</u>	<u>15,335,580</u>	<u>14,045,790</u>	<u>1,289,790</u>
Total				

## City of West Bend

### Detailed Schedule of Expenditures and Other Financing Uses (Major Fund) -

General Fund

Year Ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Public Works</b>				
Garage	\$ 418,964	\$ 418,964	\$ 393,957	\$ 25,007
Public works administration	176,604	604,806	225,699	379,107
Engineering	415,846	723,677	434,831	288,846
Streets and related facilities	12,500	12,500	7,500	5,000
Street maintenance	1,253,529	1,254,044	1,391,187	(137,143)
Snow and ice control	475,895	475,895	311,210	164,685
Traffic control	52,816	53,843	108,058	(54,215)
Street lighting	784,500	784,584	781,787	2,797
Storm sewers	50,263	50,263	39,012	11,251
Airport	135,430	374,323	99,218	275,105
Garbage and refuse collection	134,237	134,237	263,186	(128,949)
Recycling	713,927	713,927	648,847	65,080
Sanitary landfill	654,400	654,400	661,808	(7,408)
Total	<u>5,278,911</u>	<u>6,255,463</u>	<u>5,366,300</u>	<u>889,163</u>
<b>Leisure Activities</b>				
Recreation administration	363,917	371,775	450,468	(78,693)
Other summer recreation	-	31,802	1,203	30,599
Parks	679,509	689,985	622,644	67,341
Public areas	616,970	627,157	718,083	(90,926)
Total	<u>1,660,396</u>	<u>1,720,719</u>	<u>1,792,398</u>	<u>(71,679)</u>
<b>Conservation and Development</b>				
Forestry	50,028	121,319	71,966	49,353
Lac Lawrann Conservancy	80,702	90,702	87,139	3,563
Urban development	269,518	269,518	202,452	67,066
Economic development	85,247	170,247	199,380	(29,133)
Total	<u>485,495</u>	<u>651,786</u>	<u>560,937</u>	<u>90,849</u>
<b>Capital Outlay</b>				
Airport	16,500	16,500	-	16,500
Economic development	-	35,195	34,976	219
Parks	-	18,000	18,000	-
Public works	-	-	179,910	(179,910)
Public areas	-	27,574	-	27,574
Total	<u>16,500</u>	<u>97,269</u>	<u>232,886</u>	<u>(135,617)</u>
<b>Debt Service</b>				
Principal	10,643	10,643	240,029	(229,386)
Interest and fiscal charges	3,473	3,473	37,026	(33,553)
Total	<u>14,116</u>	<u>14,116</u>	<u>277,055</u>	<u>(262,939)</u>
<b>Other Financing Uses</b>				
Transfers out	13,925	14,525	14,525	-
Total expenditures and other financing uses	<u>\$ 27,763,767</u>	<u>\$ 29,339,062</u>	<u>\$ 27,752,414</u>	<u>\$ 1,586,648</u>

**DEBT SERVICE FUND**

## 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, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 3,429,846	\$ 3,429,846	\$ 3,429,846	\$ -
Investment income	825	825	71,297	70,472
Total revenues	<u>3,430,671</u>	<u>3,430,671</u>	<u>3,501,143</u>	<u>70,472</u>
<b>Expenditures</b>				
Debt service:				
Principal	3,005,000	3,005,000	3,005,000	-
Interest and fiscal charges	<u>753,767</u>	<u>916,550</u>	<u>745,303</u>	<u>171,247</u>
Total expenditures	<u>3,758,767</u>	<u>3,921,550</u>	<u>3,750,303</u>	<u>171,247</u>
Excess of revenues over expenditures	<u>(328,096)</u>	<u>(490,879)</u>	<u>(249,160)</u>	<u>241,719</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	408,385	408,385	-
Transfers out	<u>-</u>	<u>(276,554)</u>	<u>(104,707)</u>	<u>171,847</u>
Total other financing sources (uses)	<u>-</u>	<u>131,831</u>	<u>303,678</u>	<u>171,847</u>
Net change in fund balance	(328,096)	(359,048)	54,518	413,566
<b>Fund Balance, Beginning</b>	<u>666,010</u>	<u>666,010</u>	<u>666,010</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 337,914</u>	<u>\$ 306,962</u>	<u>\$ 720,528</u>	<u>\$ 413,566</u>

**NONMAJOR GOVERNMENTAL FUNDS**

**City of West Bend**

Combining Balance Sheet -  
 Nonmajor Governmental Funds  
 December 31, 2023

	<b>Special Revenue Funds</b>				
	<b>Taxi Transit System</b>	<b>Public Library</b>	<b>Room Tax</b>	<b>Communications</b>	<b>Economic Develop- ment</b>
<b>Assets</b>					
Cash and investments	\$ 32,476	\$ 812,790	\$ 352,520	\$ 1,544,740	\$ 47,925
Taxes receivable	-	971,609	-	-	-
Accounts receivable	101,851	7,599	129,933	71,295	-
Loans receivable	-	-	-	-	145,138
Prepaid items	-	13,029	-	20,920	-
Restricted cash and investments	-	-	-	-	-
<b>Total assets</b>	<b>\$ 134,327</b>	<b>\$ 1,805,027</b>	<b>\$ 482,453</b>	<b>\$ 1,636,955</b>	<b>\$ 193,063</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>					
<b>Liabilities</b>					
Accounts payable	\$ 75,325	\$ 24,210	\$ 502	\$ 13,293	\$ 363
Accrued liabilities	127	23,426	301	9,378	-
Due to other funds	22,478	113,404	1,475	31,702	-
Unearned revenue	-	-	-	-	-
Advances from other funds	-	-	-	-	-
<b>Total liabilities</b>	<b>97,930</b>	<b>161,040</b>	<b>2,278</b>	<b>54,373</b>	<b>363</b>
<b>Deferred Inflows of Resources</b>					
Deferred revenue	-	971,609	-	-	-
Unavailable	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>971,609</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances (Deficit)</b>					
Nonspendable	-	13,029	-	20,920	-
Restricted	36,397	659,349	480,175	-	192,700
Committed	-	-	-	1,561,662	-
Unassigned (deficit)	-	-	-	-	-
<b>Total fund balances (deficit)</b>	<b>36,397</b>	<b>672,378</b>	<b>480,175</b>	<b>1,582,582</b>	<b>192,700</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 134,327</b>	<b>\$ 1,805,027</b>	<b>\$ 482,453</b>	<b>\$ 1,636,955</b>	<b>\$ 193,063</b>

Special Revenue Funds					Capital Project Funds		
Park Development	Library	EMS FAPS Grant	Recreation	American Rescue Plan	TIF District No. 3	TIF District No. 4	TIF District No. 5
\$ 531	\$ 67,251	\$ 67,826	\$ 114,114	\$ 2,382,514	\$ 341,457	\$ 14,354	\$ 313,128
-	-	-	-	-	500,132	1,309,689	282,492
-	-	-	90	-	-	-	1,003
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
594,063	-	-	-	-	-	-	-
<u>\$ 594,594</u>	<u>\$ 67,251</u>	<u>\$ 67,826</u>	<u>\$ 114,204</u>	<u>\$ 2,382,514</u>	<u>\$ 841,589</u>	<u>\$ 1,324,043</u>	<u>\$ 596,623</u>
\$ 1,116	\$ -	\$ -	\$ 2,703	\$ 18,248	\$ -	\$ -	\$ -
-	-	-	1,705	-	-	-	-
-	-	-	9,390	-	-	-	-
-	-	-	-	2,156,379	-	-	-
-	-	-	-	-	1,695,860	-	-
1,116	-	-	13,798	2,174,627	1,695,860	-	-
1,025	-	-	-	-	500,132	1,309,689	282,492
-	-	-	-	-	-	-	-
1,025	-	-	-	-	500,132	1,309,689	282,492
-	-	-	-	-	-	-	-
592,453	67,251	67,826	-	207,887	-	14,354	314,131
-	-	-	100,406	-	-	-	-
-	-	-	-	-	(1,354,403)	-	-
592,453	67,251	67,826	100,406	207,887	(1,354,403)	14,354	314,131
<u>\$ 594,594</u>	<u>\$ 67,251</u>	<u>\$ 67,826</u>	<u>\$ 114,204</u>	<u>\$ 2,382,514</u>	<u>\$ 841,589</u>	<u>\$ 1,324,043</u>	<u>\$ 596,623</u>

**City of West Bend**

Combining Balance Sheet -  
 Nonmajor Governmental Funds  
 December 31, 2023

	<b>Capital Project Funds</b>				
	<b>TIF District No. 6</b>	<b>TIF District No. 7</b>	<b>TIF District No. 8</b>	<b>TIF District No. 9</b>	<b>TIF District No. 10</b>
<b>Assets</b>					
Cash and investments	\$ 21,913	\$ 32,612	\$ -	\$ -	\$ 145,913
Taxes receivable	864,338	256,642	-	47,919	779,174
Accounts receivable	-	-	-	332,360	-
Loans receivable	-	-	-	-	-
Prepaid items	-	-	-	-	-
Restricted cash and investments	-	-	-	-	-
<b>Total assets</b>	<b>\$ 886,251</b>	<b>\$ 289,254</b>	<b>\$ -</b>	<b>\$ 380,279</b>	<b>\$ 925,087</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>					
<b>Liabilities</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ 500	\$ -
Accrued liabilities	-	-	-	-	-
Due to other funds	-	-	-	33,075	-
Unearned revenue	-	-	-	-	-
Advances from other funds	-	-	-	54,180	536,409
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>87,755</b>	<b>536,409</b>
<b>Deferred Inflows of Resources</b>					
Deferred revenue	864,338	256,642	-	47,919	779,174
Unavailable	-	-	-	15,058	-
<b>Total deferred inflows of resources</b>	<b>864,338</b>	<b>256,642</b>	<b>-</b>	<b>62,977</b>	<b>779,174</b>
<b>Fund Balances (Deficit)</b>					
Nonspendable	-	-	-	-	-
Restricted	21,913	32,612	-	229,547	-
Committed	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	(390,496)
<b>Total fund balances (deficit)</b>	<b>21,913</b>	<b>32,612</b>	<b>-</b>	<b>229,547</b>	<b>(390,496)</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 886,251</b>	<b>\$ 289,254</b>	<b>\$ -</b>	<b>\$ 380,279</b>	<b>\$ 925,087</b>

Capital Project Funds							
TIF District No. 11	TIF District No. 12	TIF District No. 13	TIF District No. 14	TIF District No. 15	TIF District No. 16	Permanent Fund Library	Total Nonmajor Funds
\$ 35,529	\$ 1,012,227	\$ 9,828	\$ 371,958	\$ 659,812	\$ 193,036	\$ 44,631	\$ 8,619,085
658,049	841,556	75,695	471,470	136,792	-	-	7,195,557
-	-	-	-	213,622	-	-	857,753
-	-	-	-	-	-	-	145,138
-	-	-	-	-	-	-	33,949
-	-	-	-	-	-	-	594,063
<u>\$ 693,578</u>	<u>\$ 1,853,783</u>	<u>\$ 85,523</u>	<u>\$ 843,428</u>	<u>\$ 1,010,226</u>	<u>\$ 193,036</u>	<u>\$ 44,631</u>	<u>\$ 17,445,545</u>
\$ -	\$ 2,378	\$ -	\$ 995	\$ 391,125	\$ 11,039	\$ -	\$ 541,797
-	-	-	-	-	-	-	34,937
-	46,525	-	-	-	-	-	258,049
-	-	-	-	-	-	-	2,156,379
-	2,197,743	-	-	-	-	-	4,484,192
-	2,246,646	-	995	391,125	11,039	-	7,475,354
658,049	841,556	75,695	471,470	136,792	-	-	7,196,582
-	-	-	-	-	-	-	15,058
<u>658,049</u>	<u>841,556</u>	<u>75,695</u>	<u>471,470</u>	<u>136,792</u>	<u>-</u>	<u>-</u>	<u>7,211,640</u>
-	-	-	-	-	-	-	33,949
35,529	-	9,828	370,963	482,309	181,997	44,631	4,041,852
-	-	-	-	-	-	-	1,662,068
-	(1,234,419)	-	-	-	-	-	(2,979,318)
<u>35,529</u>	<u>(1,234,419)</u>	<u>9,828</u>	<u>370,963</u>	<u>482,309</u>	<u>181,997</u>	<u>44,631</u>	<u>2,758,551</u>
<u>\$ 693,578</u>	<u>\$ 1,853,783</u>	<u>\$ 85,523</u>	<u>\$ 843,428</u>	<u>\$ 1,010,226</u>	<u>\$ 193,036</u>	<u>\$ 44,631</u>	<u>\$ 17,445,545</u>

**City of West Bend**

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -  
 Nonmajor Governmental Funds  
 Year Ended December 31, 2023

	<b>Special Revenue Funds</b>				
	<b>Taxi Transit System</b>	<b>Public Library</b>	<b>Room Tax</b>	<b>Communications</b>	<b>Economic Develop- ment</b>
<b>Revenues</b>					
Taxes	\$ -	\$ 915,338	\$ 587,266	\$ -	\$ -
Intergovernmental	1,030,301	-	-	79,566	-
Licenses and permits	-	-	-	289,958	-
Public charges for services	419,623	48,688	-	199,501	-
Intergovernmental charges for services	-	650,149	-	-	-
Investment income	50	64,747	18,031	67,066	37,899
Miscellaneous	-	9,677	-	2,000	-
	<u>1,449,974</u>	<u>1,688,599</u>	<u>605,297</u>	<u>638,091</u>	<u>37,899</u>
Total revenues					
	<u>1,449,974</u>	<u>1,688,599</u>	<u>605,297</u>	<u>638,091</u>	<u>37,899</u>
<b>Expenditures</b>					
Current:					
General government	-	-	-	-	-
Public works	1,492,801	-	-	-	-
Leisure activities	-	1,673,950	447,442	491,577	-
Conservation and development	-	-	-	-	1,753
Capital outlay	-	-	-	70,087	-
Debt service:					
Principal retirement	-	4,384	-	8,168	-
Interest and fiscal charges	-	10	-	23	7,820
	<u>1,492,801</u>	<u>1,678,344</u>	<u>447,442</u>	<u>569,855</u>	<u>9,573</u>
Total expenditures					
	<u>1,492,801</u>	<u>1,678,344</u>	<u>447,442</u>	<u>569,855</u>	<u>9,573</u>
Excess (deficiency) of revenues over expenditures	<u>(42,827)</u>	<u>10,255</u>	<u>157,855</u>	<u>68,236</u>	<u>28,326</u>
<b>Other Financing Sources (Uses)</b>					
General obligation debt issued	-	-	-	-	-
Premium on debt issued	-	-	-	-	-
Sale of property	21,788	-	-	-	-
Transfers in	13,925	-	-	-	-
Transfers out	-	-	-	-	-
	<u>35,713</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)					
	<u>35,713</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(7,114)	10,255	157,855	68,236	28,326
<b>Fund Balance (Deficit), Beginning</b>	<u>43,511</u>	<u>662,123</u>	<u>322,320</u>	<u>1,514,346</u>	<u>164,374</u>
<b>Fund Balance (Deficit), Ending</b>	<u>\$ 36,397</u>	<u>\$ 672,378</u>	<u>\$ 480,175</u>	<u>\$ 1,582,582</u>	<u>\$ 192,700</u>

Park Development	Special Revenue Funds				Capital Project Funds		
	Library	EMS FAPS Grant	Recreation	American Rescue Plan	TIF District No. 3	TIF District No. 4	TIF District No. 5
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 541,809	\$ 1,416,440	\$ 298,150
-	-	33,852	66,200	-	33,210	30,505	3,077
13,149	-	-	-	-	-	-	-
119,469	100	-	321,962	-	-	-	-
-	-	-	-	1,150,416	-	-	-
23,745	2,171	-	4,077	157,094	20,980	471	16,454
6,212	6,931	-	1,000	-	-	-	-
<u>162,575</u>	<u>9,202</u>	<u>33,852</u>	<u>393,239</u>	<u>1,307,510</u>	<u>595,999</u>	<u>1,447,416</u>	<u>317,681</u>
-	-	-	-	-	2,311	2,311	2,022
-	-	67,705	-	-	-	-	-
9,890	8,880	-	393,446	-	-	-	-
-	-	-	-	-	374,608	-	-
-	10,082	-	-	1,150,416	150	150	181
-	-	-	-	-	10,000	-	245,000
-	-	-	-	-	44,537	-	12,394
<u>9,890</u>	<u>18,962</u>	<u>67,705</u>	<u>393,446</u>	<u>1,150,416</u>	<u>431,606</u>	<u>2,461</u>	<u>259,597</u>
<u>152,685</u>	<u>(9,760)</u>	<u>(33,853)</u>	<u>(207)</u>	<u>157,094</u>	<u>164,393</u>	<u>1,444,955</u>	<u>58,084</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
600	-	-	-	-	-	-	680,000
(18,684)	(1,631)	-	-	-	-	(1,444,773)	(710,379)
<u>(18,084)</u>	<u>(1,631)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,444,773)</u>	<u>(30,379)</u>
134,601	(11,391)	(33,853)	(207)	157,094	164,393	182	27,705
<u>457,852</u>	<u>78,642</u>	<u>101,679</u>	<u>100,613</u>	<u>50,793</u>	<u>(1,518,796)</u>	<u>14,172</u>	<u>286,426</u>
<u>\$ 592,453</u>	<u>\$ 67,251</u>	<u>\$ 67,826</u>	<u>\$ 100,406</u>	<u>\$ 207,887</u>	<u>\$ (1,354,403)</u>	<u>\$ 14,354</u>	<u>\$ 314,131</u>

**City of West Bend**

 Combining Statement of Revenues, Expenditures and Changes in Fund Balances -  
 Nonmajor Governmental Funds  
 Year Ended December 31, 2023

	<b>Capital Project Funds</b>				
	<b>TIF District No. 6</b>	<b>TIF District No. 7</b>	<b>TIF District No. 8</b>	<b>TIF District No. 9</b>	<b>TIF District No. 10</b>
<b>Revenues</b>					
Taxes	\$ 1,001,671	\$ 287,291	\$ 23,396	\$ 247,994	\$ 797,835
Intergovernmental	7,151	22,073	-	1,211,718	135
Licenses and permits	-	-	-	-	-
Public charges for services	-	-	-	-	-
Intergovernmental charges for services	-	-	-	-	-
Investment income	965	1,578	197	11,160	14,624
Miscellaneous	-	-	-	-	-
<b>Total revenues</b>	<b>1,009,787</b>	<b>310,942</b>	<b>23,593</b>	<b>1,470,872</b>	<b>812,594</b>
<b>Expenditures</b>					
Current:					
General government	3,849	2,022	7,587	2,022	1,023
Public works	-	-	-	-	-
Leisure activities	-	-	-	-	-
Conservation and development	-	-	-	-	-
Capital outlay	150	192	14,700	1,366,020	1,465
Debt service:					
Principal retirement	-	55,000	-	595,000	720,000
Interest and fiscal charges	-	1,005	-	46,870	138,562
<b>Total expenditures</b>	<b>3,999</b>	<b>58,219</b>	<b>22,287</b>	<b>2,009,912</b>	<b>861,050</b>
Excess (deficiency) of revenues over expenditures	1,005,788	252,723	1,306	(539,040)	(48,456)
<b>Other Financing Sources (Uses)</b>					
General obligation debt issued	-	-	-	-	-
Premium on debt issued	-	-	-	-	-
Sale of property	-	-	-	-	-
Transfers in	-	-	-	1,672,952	-
Transfers out	(1,006,649)	(251,656)	(10,850)	(926,390)	-
<b>Total other financing sources (uses)</b>	<b>(1,006,649)</b>	<b>(251,656)</b>	<b>(10,850)</b>	<b>746,562</b>	<b>-</b>
Net change in fund balances	(861)	1,067	(9,544)	207,522	(48,456)
<b>Fund Balances (Deficit), Beginning</b>	<b>22,774</b>	<b>31,545</b>	<b>9,544</b>	<b>22,025</b>	<b>(342,040)</b>
<b>Fund Balances (Deficit), Ending</b>	<b>\$ 21,913</b>	<b>\$ 32,612</b>	<b>\$ -</b>	<b>\$ 229,547</b>	<b>\$ (390,496)</b>

Capital Project Funds							
TIF District No. 11	TIF District No. 12	TIF District No. 13	TIF District No. 14	TIF District No. 15	TIF District No. 16	Permanent Fund Library	Total Nonmajor Funds
\$ 600,564	\$ 776,542	\$ 59,203	\$ 257,232	\$ 31,113	\$ -	\$ -	\$ 7,841,844
26,620	96,391	48	-	559,068	-	-	3,199,915
-	-	-	-	-	-	-	303,107
-	-	-	-	-	-	-	1,109,343
-	-	-	-	-	-	-	1,800,565
6,631	54,271	850	26,039	88,480	8,425	-	626,005
-	4,000	-	13,750	3,603	-	-	47,173
<u>633,815</u>	<u>931,204</u>	<u>60,101</u>	<u>297,021</u>	<u>682,264</u>	<u>8,425</u>	<u>-</u>	<u>14,927,952</u>
11,876	2,022	1,680	6,496	2,022	-	-	47,243
-	-	-	-	-	-	-	1,560,506
-	-	-	-	-	-	-	3,025,185
-	550	152	20,801	20,772	-	-	418,636
743	290,782	342	102,678	3,845,013	76,296	-	6,929,447
580,000	235,000	30,000	150,000	-	-	-	2,632,552
45,444	66,435	325	167,067	204,842	9,844	-	745,178
<u>638,063</u>	<u>594,789</u>	<u>32,499</u>	<u>447,042</u>	<u>4,072,649</u>	<u>86,140</u>	<u>-</u>	<u>15,358,747</u>
(4,248)	336,415	27,602	(150,021)	(3,390,385)	(77,715)	-	(430,795)
-	-	-	-	3,790,000	255,000	-	4,045,000
-	-	-	-	232,460	16,990	-	249,450
-	-	-	-	-	-	-	21,788
-	-	-	-	100,315	4,392	1,631	2,473,815
-	-	(113,450)	-	(230,463)	(16,670)	-	(4,731,595)
-	-	(113,450)	-	3,892,312	259,712	1,631	2,058,458
(4,248)	336,415	(85,848)	(150,021)	501,927	181,997	1,631	1,627,663
39,777	(1,570,834)	95,676	520,984	(19,618)	-	43,000	1,130,888
<u>\$ 35,529</u>	<u>\$ (1,234,419)</u>	<u>\$ 9,828</u>	<u>\$ 370,963</u>	<u>\$ 482,309</u>	<u>\$ 181,997</u>	<u>\$ 44,631</u>	<u>\$ 2,758,551</u>

## City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

Taxi Transit System Fund

Year Ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	869,857	1,019,881	1,030,301	10,420
Public charges for services	440,055	440,055	419,623	(20,432)
Investment income	-	-	50	50
	<u>1,309,912</u>	<u>1,459,936</u>	<u>1,449,974</u>	<u>(9,962)</u>
<b>Expenditures</b>				
Current:				
Public works	<u>1,323,837</u>	<u>1,574,561</u>	<u>1,492,801</u>	<u>81,760</u>
Excess (deficiency) of revenues over expenditures	<u>(13,925)</u>	<u>(114,625)</u>	<u>(42,827)</u>	<u>71,798</u>
<b>Other Financing Sources</b>				
Sale of property	-	21,788	21,788	-
Transfers in	<u>13,925</u>	<u>13,925</u>	<u>13,925</u>	<u>-</u>
Total other financing sources	<u>13,925</u>	<u>35,713</u>	<u>35,713</u>	<u>-</u>
Net change in fund balance	-	(78,912)	(7,114)	71,798
<b>Fund Balance, Beginning</b>	<u>43,511</u>	<u>43,511</u>	<u>43,511</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 43,511</u>	<u>\$ (35,401)</u>	<u>\$ 36,397</u>	<u>\$ 71,798</u>

## City of West Bend

### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

Public Library Fund

Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 915,338	\$ 915,338	\$ 915,338	\$ -
Public charges for services	47,689	47,689	48,688	999
Intergovernmental charges for service	636,633	636,633	650,149	13,516
Investment income	1,000	1,000	64,747	63,747
Miscellaneous	1,750	2,822	9,677	6,855
	<u>1,602,410</u>	<u>1,603,482</u>	<u>1,688,599</u>	<u>85,117</u>
Total revenues				
<b>Expenditures</b>				
Current:				
Leisure activities	1,602,410	1,751,990	1,673,950	(78,040)
Debt service:				
Principal retirement	-	-	4,384	4,384
Interest and fiscal charges	-	-	10	10
	<u>1,602,410</u>	<u>1,751,990</u>	<u>1,678,344</u>	<u>73,646</u>
Total expenditures				
Net change in fund balance	-	(148,508)	10,255	158,763
<b>Fund Balance, Beginning</b>	<u>662,123</u>	<u>662,123</u>	<u>662,123</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 662,123</u>	<u>\$ 513,615</u>	<u>\$ 672,378</u>	<u>\$ 158,763</u>

## City of West Bend

### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Room Tax Fund

Year Ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 445,417	\$ 445,417	\$ 587,266	\$ 141,849
Investment income	-	-	18,031	18,031
Miscellaneous	<u>7,500</u>	<u>7,500</u>	<u>-</u>	<u>(7,500)</u>
Total revenues	<u>452,917</u>	<u>452,917</u>	<u>605,297</u>	<u>152,380</u>
<b>Expenditures</b>				
Current:				
Leisure activities	<u>452,917</u>	<u>452,917</u>	<u>447,442</u>	<u>5,475</u>
Net change in fund balance	-	-	157,855	157,855
<b>Fund Balance, Beginning</b>	<u>322,320</u>	<u>322,320</u>	<u>322,320</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 322,320</u>	<u>\$ 322,320</u>	<u>\$ 480,175</u>	<u>\$ 157,855</u>

## City of West Bend

### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

#### Communications Fund

Year Ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$ 79,566	\$ 79,566	\$ 79,566	\$ -
Licenses and permits	303,000	303,000	289,958	(13,042)
Public charges for services	190,000	190,000	199,501	9,501
Investment income	8,000	8,000	67,066	59,066
Miscellaneous	-	-	2,000	2,000
	<u>580,566</u>	<u>580,566</u>	<u>638,091</u>	<u>57,525</u>
Total revenues				
<b>Expenditures</b>				
Current:				
Leisure activities	586,947	586,947	491,577	95,370
Capital outlay	39,255	39,255	70,087	(30,832)
Debt service:				
Principal retirement	-	-	8,168	(8,168)
Interest and fiscal charges	-	-	23	(23)
	<u>626,202</u>	<u>626,202</u>	<u>569,855</u>	<u>56,347</u>
Total expenditures				
Net change in fund balance	(45,636)	(45,636)	68,236	113,872
<b>Fund Balance, Beginning</b>	<u>1,514,346</u>	<u>1,514,346</u>	<u>1,514,346</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 1,468,710</u>	<u>\$ 1,468,710</u>	<u>\$ 1,582,582</u>	<u>\$ 113,872</u>

## City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

Economic Development Fund

Year Ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Investment income	\$ 13,218	\$ 13,218	\$ 37,899	\$ 24,681
<b>Expenditures</b>				
Current:				
Conservation and development	1,900	1,900	1,753	147
Debt service:				
Interest and fiscal charges	7,820	7,820	7,820	-
Total expenditures	9,720	9,720	9,573	147
Net change in fund balance	3,498	3,498	28,326	24,828
<b>Fund Balance, Beginning</b>	164,374	164,374	164,374	-
<b>Fund Balance, Ending</b>	\$ 167,872	\$ 167,872	\$ 192,700	\$ 24,828

## City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

Recreation Fund

Year Ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$ -	\$ -	\$ 66,200	\$ 66,200
Public charges for services	350,732	350,732	321,962	(28,770)
Investment income	1,500	1,500	4,077	2,577
Miscellaneous	-	1,000	1,000	-
	<u>352,232</u>	<u>353,232</u>	<u>393,239</u>	<u>40,007</u>
Total revenues				
<b>Expenditures</b>				
Current:				
Leisure activities	<u>352,232</u>	<u>361,522</u>	<u>393,446</u>	<u>(31,924)</u>
Total expenditures	<u>352,232</u>	<u>361,522</u>	<u>393,446</u>	<u>(31,924)</u>
Net change in fund balance	-	(8,290)	(207)	8,083
<b>Fund Balance, Beginning</b>	<u>100,613</u>	<u>100,613</u>	<u>100,613</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 100,613</u>	<u>\$ 92,323</u>	<u>\$ 100,406</u>	<u>\$ 8,083</u>

## City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -  
American Rescue Plan Act  
Year Ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$ 1,003,500	\$ 1,418,200	\$ 1,150,416	\$ (267,784)
Investment income	<u>-</u>	<u>-</u>	<u>157,094</u>	<u>157,094</u>
Total revenues	<u>1,003,500</u>	<u>1,418,200</u>	<u>1,307,510</u>	<u>(110,690)</u>
<b>Expenditures</b>				
Capital Outlay	<u>1,003,500</u>	<u>1,418,200</u>	<u>1,150,416</u>	<u>267,784</u>
Total expenditures	<u>1,003,500</u>	<u>1,418,200</u>	<u>1,150,416</u>	<u>267,784</u>
Net change in fund balance	-	-	157,094	157,094
<b>Fund Balance, Beginning</b>	<u>50,793</u>	<u>50,793</u>	<u>50,793</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 50,793</u>	<u>\$ 50,793</u>	<u>\$ 207,887</u>	<u>\$ 157,094</u>

## 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, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 541,809	\$ 541,809	\$ 541,809	\$ -
Intergovernmental	33,210	33,210	33,210	-
Investment income	-	-	20,980	20,980
	<u>575,019</u>	<u>575,019</u>	<u>595,999</u>	<u>20,980</u>
Total revenues				
<b>Expenditures</b>				
Current:				
General government	2,022	2,022	2,311	(289)
Conservation and development	374,608	374,608	374,608	-
Capital outlay	150	150	150	-
Debt service:				
Principal retirement	10,000	10,000	10,000	-
Interest and fiscal charges	113	113	44,537	(44,424)
	<u>386,893</u>	<u>386,893</u>	<u>431,606</u>	<u>(44,713)</u>
Total expenditures				
Net change in fund balance	188,126	188,126	164,393	(23,733)
<b>Fund Balance (Deficit), Beginning</b>	<u>(1,518,796)</u>	<u>(1,518,796)</u>	<u>(1,518,796)</u>	<u>-</u>
<b>Fund Balance (Deficit), Ending</b>	<u>\$ (1,330,670)</u>	<u>\$ (1,330,670)</u>	<u>\$ (1,354,403)</u>	<u>\$ (23,733)</u>

## 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, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 1,416,440	\$ 1,416,440	\$ 1,416,440	\$ -
Intergovernmental	30,505	30,505	30,505	-
Investment income	-	-	471	471
	<u>1,446,945</u>	<u>1,446,945</u>	<u>1,447,416</u>	<u>471</u>
Total revenues				
	<u>1,446,945</u>	<u>1,446,945</u>	<u>1,447,416</u>	<u>471</u>
<b>Expenditures</b>				
Current:				
General government	2,022	2,022	2,311	(289)
Capital outlay	150	150	150	-
	<u>2,172</u>	<u>2,172</u>	<u>2,461</u>	<u>(289)</u>
Total expenditures				
	<u>2,172</u>	<u>2,172</u>	<u>2,461</u>	<u>(289)</u>
Excess of revenues over expenditures	<u>1,444,773</u>	<u>1,444,773</u>	<u>1,444,955</u>	<u>182</u>
<b>Other Financing Uses</b>				
Transfers out	<u>(1,444,773)</u>	<u>(1,444,773)</u>	<u>(1,444,773)</u>	<u>-</u>
Net change in fund balance	-	-	182	182
<b>Fund Balance, Beginning</b>	<u>14,172</u>	<u>14,172</u>	<u>14,172</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 14,172</u>	<u>\$ 14,172</u>	<u>\$ 14,354</u>	<u>\$ 182</u>

## 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, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 290,888	\$ 290,888	\$ 298,150	\$ 7,262
Intergovernmental	3,077	3,077	3,077	-
Investment income	-	-	16,454	16,454
	<u>293,965</u>	<u>293,965</u>	<u>317,681</u>	<u>23,716</u>
Total revenues				
<b>Expenditures</b>				
Current:				
General government	2,022	2,022	2,022	-
Capital outlay	4,170	4,170	181	3,989
Debt service:				
Principal retirement	245,000	245,000	245,000	-
Interest and fiscal charges	12,394	12,394	12,394	-
	<u>263,586</u>	<u>263,586</u>	<u>259,597</u>	<u>3,989</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	<u>30,379</u>	<u>30,379</u>	<u>58,084</u>	<u>27,705</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	680,000	680,000	680,000	-
Transfers out	(710,379)	(710,379)	(710,379)	-
	<u>(30,379)</u>	<u>(30,379)</u>	<u>(30,379)</u>	<u>-</u>
Total other financing sources (uses)				
Net change in fund balance	-	-	27,705	27,705
<b>Fund Balance, Beginning</b>	<u>286,426</u>	<u>286,426</u>	<u>286,426</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 286,426</u>	<u>\$ 286,426</u>	<u>\$ 314,131</u>	<u>\$ 27,705</u>

## 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, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 1,001,671	\$ 1,001,671	\$ 1,001,671	\$ -
Intergovernmental	7,150	7,150	7,151	1
Investment income	-	-	965	965
Total revenues	<u>1,008,821</u>	<u>1,008,821</u>	<u>1,009,787</u>	<u>966</u>
<b>Expenditures</b>				
Current:				
General government	2,022	2,022	3,849	(1,827)
Capital outlay	<u>150</u>	<u>150</u>	<u>150</u>	<u>-</u>
Total expenditures	<u>2,172</u>	<u>2,172</u>	<u>3,999</u>	<u>(1,827)</u>
Excess of revenues over expenditures	<u>1,006,649</u>	<u>1,006,649</u>	<u>1,005,788</u>	<u>(861)</u>
<b>Other Financing Uses</b>				
Transfers out	<u>(1,006,649)</u>	<u>(1,006,649)</u>	<u>(1,006,649)</u>	<u>-</u>
Total other financing uses	<u>(1,006,649)</u>	<u>(1,006,649)</u>	<u>(1,006,649)</u>	<u>-</u>
Net change in fund balance	-	-	(861)	(861)
<b>Fund Balance, Beginning</b>	<u>22,774</u>	<u>22,774</u>	<u>22,774</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 22,774</u>	<u>\$ 22,774</u>	<u>\$ 21,913</u>	<u>\$ (861)</u>

## 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, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 287,291	\$ 287,291	\$ 287,291	\$ -
Intergovernmental	22,073	22,073	22,073	-
Investment income	-	-	1,578	1,578
	<u>309,364</u>	<u>309,364</u>	<u>310,942</u>	<u>1,578</u>
Total revenues				
<b>Expenditures</b>				
Current:				
General government	2,022	2,022	2,022	-
Capital outlay	192	192	192	-
Debt service:				
Principal retirement	55,000	55,000	55,000	-
Interest and fiscal charges	1,005	1,005	1,005	-
	<u>58,219</u>	<u>58,219</u>	<u>58,219</u>	<u>-</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	<u>251,145</u>	<u>251,145</u>	<u>252,723</u>	<u>1,578</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	<u>(251,656)</u>	<u>(251,656)</u>	<u>(251,656)</u>	<u>-</u>
Total other financing sources (uses)	<u>(251,656)</u>	<u>(251,656)</u>	<u>(251,656)</u>	<u>-</u>
Net change in fund balance	(511)	(511)	1,067	1,578
<b>Fund Balance, Beginning</b>	<u>31,545</u>	<u>31,545</u>	<u>31,545</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 31,034</u>	<u>\$ 31,034</u>	<u>\$ 32,612</u>	<u>\$ 1,578</u>

## 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, 2023

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 23,396	\$ 23,396	\$ 23,396	\$ -
Investment income	-	-	197	197
Total revenues	<u>23,396</u>	<u>23,396</u>	<u>23,593</u>	<u>197</u>
<b>Expenditures</b>				
Current:				
General government	11,577	7,587	7,587	-
Capital outlay	<u>11,819</u>	<u>14,700</u>	<u>14,700</u>	<u>-</u>
Total expenditures	<u>23,396</u>	<u>22,287</u>	<u>22,287</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>1,109</u>	<u>1,306</u>	<u>197</u>
<b>Other Financing Uses</b>				
Transfers out	<u>-</u>	<u>(10,850)</u>	<u>(10,850)</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>(10,850)</u>	<u>(10,850)</u>	<u>-</u>
Net change in fund balance	-	(9,741)	(9,544)	197
<b>Fund Balance, Beginning</b>	<u>9,544</u>	<u>9,544</u>	<u>9,544</u>	<u>-</u>
<b>Fund Balance (Deficit), Ending</b>	<u>\$ 9,544</u>	<u>\$ (197)</u>	<u>\$ -</u>	<u>\$ 197</u>

**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, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 96,768	\$ 96,768	\$ 247,994	\$ 151,226
Intergovernmental	1,017	1,211,718	1,211,718	-
Investment income	-	-	11,160	11,160
	<u>97,785</u>	<u>1,308,486</u>	<u>1,470,872</u>	<u>162,386</u>
<b>Total revenues</b>				
	<u>97,785</u>	<u>1,308,486</u>	<u>1,470,872</u>	<u>162,386</u>
<b>Expenditures</b>				
Current:				
General government	2,022	2,022	2,022	-
Capital outlay	200,456	1,411,157	1,366,020	45,137
Debt service:				
Principal retirement	595,000	595,000	595,000	-
Interest and fiscal charges	46,869	46,869	46,870	(1)
	<u>844,347</u>	<u>2,055,048</u>	<u>2,009,912</u>	<u>45,136</u>
<b>Total expenditures</b>				
	<u>844,347</u>	<u>2,055,048</u>	<u>2,009,912</u>	<u>45,136</u>
Excess (deficiency) of revenues over expenditures	<u>(746,562)</u>	<u>(746,562)</u>	<u>(539,040)</u>	<u>207,522</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	1,672,952	1,672,952	1,672,952	-
Transfers out	<u>(926,390)</u>	<u>(926,390)</u>	<u>(926,390)</u>	<u>-</u>
	<u>746,562</u>	<u>746,562</u>	<u>746,562</u>	<u>-</u>
<b>Total other financing sources (uses)</b>				
	<u>746,562</u>	<u>746,562</u>	<u>746,562</u>	<u>-</u>
Net change in fund balance	-	-	207,522	207,522
<b>Fund Balance, Beginning</b>	<u>22,025</u>	<u>22,025</u>	<u>22,025</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 22,025</u>	<u>\$ 22,025</u>	<u>\$ 229,547</u>	<u>\$ 207,522</u>

## City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit) - Budget and Actual -

TIF District No. 10 Fund

Year Ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 797,835	\$ 797,835	\$ 797,835	\$ -
Intergovernmental	135	135	135	-
Investment income	-	-	14,624	14,624
	<u>797,970</u>	<u>797,970</u>	<u>812,594</u>	<u>14,624</u>
Total revenues				
<b>Expenditures</b>				
Current:				
General government	2,022	2,022	1,023	999
Capital outlay	567	567	1,465	(898)
Debt service:				
Principal retirement	720,000	720,000	720,000	-
Interest and fiscal charges	124,510	124,510	138,562	(14,052)
	<u>847,099</u>	<u>847,099</u>	<u>861,050</u>	<u>(13,951)</u>
Total expenditures				
Net change in fund balance	(49,129)	(49,129)	(48,456)	673
<b>Fund Balance (Deficit), Beginning</b>	<u>(342,040)</u>	<u>(342,040)</u>	<u>(342,040)</u>	<u>-</u>
<b>Fund Balance (Deficit), Ending</b>	<u>\$ (391,169)</u>	<u>\$ (391,169)</u>	<u>\$ (390,496)</u>	<u>\$ 673</u>

**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, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 600,564	\$ 600,564	\$ 600,564	\$ -
Intergovernmental	26,620	26,620	26,620	-
Investment income	-	-	6,631	6,631
	<u>627,184</u>	<u>627,184</u>	<u>633,815</u>	<u>6,631</u>
Total revenues				
	<u>627,184</u>	<u>627,184</u>	<u>633,815</u>	<u>6,631</u>
<b>Expenditures</b>				
Current:				
General government	2,022	2,022	11,876	(9,854)
Capital outlay	348	348	743	(395)
Debt service:				
Principal retirement	580,000	580,000	580,000	-
Interest and fiscal charges	45,444	45,444	45,444	-
	<u>627,814</u>	<u>627,814</u>	<u>638,063</u>	<u>(10,249)</u>
Total expenditures				
	<u>627,814</u>	<u>627,814</u>	<u>638,063</u>	<u>(10,249)</u>
Net change in fund balance	(630)	(630)	(4,248)	(3,618)
<b>Fund Balance, Beginning</b>	<u>39,777</u>	<u>39,777</u>	<u>39,777</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 39,147</u>	<u>\$ 39,147</u>	<u>\$ 35,529</u>	<u>\$ (3,618)</u>

## 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, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 759,159	\$ 776,542	\$ 776,542	\$ -
Intergovernmental	96,391	96,391	96,391	-
Investment income	-	-	54,271	54,271
Miscellaneous	-	-	4,000	4,000
	<u>855,550</u>	<u>872,933</u>	<u>931,204</u>	<u>58,271</u>
Total revenues				
<b>Expenditures</b>				
Current:				
General government	2,022	2,022	2,022	-
Conservation and development	551	551	551	-
Capital outlay	501,542	518,925	290,781	228,144
Debt service:				
Principal retirement	235,000	235,000	235,000	-
Interest and fiscal charges	66,435	66,435	66,435	-
	<u>805,550</u>	<u>822,933</u>	<u>594,789</u>	<u>228,144</u>
Total expenditures				
Net change in fund balance	50,000	50,000	336,415	286,415
<b>Fund Balance (Deficit), Beginning</b>	<u>(1,570,834)</u>	<u>(1,570,834)</u>	<u>(1,570,834)</u>	<u>-</u>
<b>Fund Balance (Deficit), Ending</b>	<u>\$ (1,520,834)</u>	<u>\$ (1,520,834)</u>	<u>\$ (1,234,419)</u>	<u>\$ 286,415</u>

## 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, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 59,203	\$ 59,203	\$ 59,203	\$ -
Intergovernmental	48	48	48	-
Investment income	-	-	850	850
	<u>59,251</u>	<u>59,251</u>	<u>60,101</u>	<u>850</u>
Total revenues				
<b>Expenditures</b>				
Current:				
General government	2,022	2,022	1,680	342
Conservation and development	152	152	152	-
Capital outlay	-	-	342	(342)
Debt service:				
Principal retirement	30,000	30,000	30,000	-
Interest and fiscal charges	325	325	325	-
	<u>32,499</u>	<u>32,499</u>	<u>32,499</u>	<u>-</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	<u>26,752</u>	<u>26,752</u>	<u>27,602</u>	<u>850</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	<u>(113,450)</u>	<u>(113,450)</u>	<u>(113,450)</u>	<u>-</u>
Total other financing sources (uses)	<u>(113,450)</u>	<u>(113,450)</u>	<u>(113,450)</u>	<u>-</u>
Net change in fund balance	(86,698)	(86,698)	(85,848)	850
<b>Fund Balance, Beginning</b>	<u>95,676</u>	<u>95,676</u>	<u>95,676</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 8,978</u>	<u>\$ 8,978</u>	<u>\$ 9,828</u>	<u>\$ 850</u>

## City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -  
 Budget and Actual - TIF District No. 14 Fund  
 Year Ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 257,232	\$ 257,232	\$ 257,232	\$ -
Investment income	-	-	26,039	26,039
Miscellaneous	-	13,750	13,750	-
	<u>257,232</u>	<u>270,982</u>	<u>297,021</u>	<u>26,039</u>
Total revenues				
<b>Expenditures</b>				
Current:				
General government	2,022	2,022	6,496	(4,474)
Conservation and development	-	13,750	20,801	(7,051)
Capital outlay	99,716	99,716	102,678	(2,962)
Debt service:				
Principal retirement	150,000	150,000	150,000	-
Interest and fiscal charges	167,067	167,067	167,067	-
	<u>418,805</u>	<u>432,555</u>	<u>447,042</u>	<u>(14,487)</u>
Total expenditures				
Net change in fund balance	(161,573)	(161,573)	(150,021)	11,552
<b>Fund Balance, Beginning</b>	<u>520,984</u>	<u>520,984</u>	<u>520,984</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 359,411</u>	<u>\$ 359,411</u>	<u>\$ 370,963</u>	<u>\$ 11,552</u>

**City of West Bend**

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

TIF District No. 15 Fund

Year Ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 31,113	\$ 31,113	\$ 31,113	\$ -
Intergovernmental	-	559,068	559,068	-
Investment income	-	12,528	88,480	75,952
Miscellaneous	-	3,603	3,603	-
Total revenues	<u>31,113</u>	<u>606,312</u>	<u>682,264</u>	<u>75,952</u>
<b>Expenditures</b>				
Current:				
General government	2,022	2,022	2,022	-
Conservation and development	-	20,772	20,772	-
Capital outlay	29,091	4,270,990	3,845,013	425,977
Debt service:				
Interest and fiscal charges	<u>30,953</u>	<u>204,840</u>	<u>204,842</u>	<u>(2)</u>
Total expenditures	<u>62,066</u>	<u>4,498,624</u>	<u>4,072,649</u>	<u>425,975</u>
Excess (deficiency) of revenues over expenditures	<u>(30,953)</u>	<u>(3,892,312)</u>	<u>(3,390,385)</u>	<u>501,927</u>
<b>Other Financing Sources</b>				
General obligation debt issued	-	3,790,000	3,790,000	-
Premium on bonds issued	-	232,460	232,460	-
Transfers in	30,953	100,315	100,315	-
Transfers out	-	(230,463)	(230,463)	-
Total other financing sources	<u>30,953</u>	<u>3,892,312</u>	<u>3,892,312</u>	<u>-</u>
Net change in fund balance	-	-	501,927	501,927
<b>Fund Balance, (Deficit) Beginning</b>	<u>(19,618)</u>	<u>(19,618)</u>	<u>(19,618)</u>	<u>-</u>
<b>Fund Balance (Deficit), Ending</b>	<u>\$ (19,618)</u>	<u>\$ (19,618)</u>	<u>\$ 482,309</u>	<u>\$ 501,927</u>

## City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

TIF District No. 16 Fund

Year Ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Investment income	-	131	8,425	8,294
Total revenues	-	131	8,425	8,294
<b>Expenditures</b>				
Current:				
General government	-	2,174	-	2,174
Capital outlay	-	247,825	76,296	171,529
Debt service:				
Interest and fiscal charges	-	9,844	9,844	-
Total expenditures	-	259,843	86,140	173,703
Excess (deficiency) of revenues over expenditures	-	(259,712)	(77,715)	181,997
<b>Other Financing Sources</b>				
General obligation debt issued	-	255,000	255,000	-
Premium on bonds issued	-	16,990	16,990	-
Transfers in	-	4,392	4,392	-
Transfers out	-	(16,670)	(16,670)	-
Total other financing sources	-	259,712	259,712	-
Net change in fund balance	-	-	181,997	181,997
<b>Fund Balance, Beginning</b>	-	-	-	-
<b>Fund Balance, Ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 181,997</b>	<b>\$ 181,997</b>

CITY OF WEST BEND  
INTRODUCTION TO THE STATISTICAL SECTION  
December 31, 2023

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STATISTICAL SECTION

This part of the City's Annual Comprehensive Financial 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.

<u>CONTENTS</u>	<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.	116 - 120
<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.	121 - 124
<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.	125 - 129
<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.	130 - 131
<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.	132 - 133

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)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b><u>Governmental Activities</u></b>										
Net investment in capital assets	\$ 107,723,381	\$ 110,641,042	\$ 107,062,906	\$ 106,737,618	\$ 109,112,415	\$ 105,895,084	\$ 101,944,883	\$ 99,393,906	\$ 95,819,111	\$ 85,393,669
Restricted	3,580,401	14,496,820	11,860,484	6,298,244	2,385,896	5,775,048	2,141,418	2,189,500	4,974,965	3,334,477
Unrestricted (deficit)	(976,720)	(12,693,038)	(12,872,646)	(11,353,738)	(10,735,866)	(13,130,721)	(4,428,888)	(2,376,635)	(4,466,775)	(4,596,980)
Total governmental activities net position	\$ 110,327,062	\$ 112,444,824	\$ 106,050,744	\$ 101,682,124	\$ 100,762,445	\$ 98,539,411	\$ 99,657,413	\$ 99,206,771	\$ 96,327,301	\$ 84,131,166
<b><u>Business-Type Activities</u></b>										
Net investment in capital assets	\$ 50,956,540	\$ 48,108,886	\$ 46,786,130	\$ 46,658,474	\$ 46,689,492	\$ 46,834,880	\$ 47,492,331	\$ 47,672,108	\$ 48,458,824	\$ 48,480,803
Restricted	405,872	1,070,814	1,120,403	660,526	718,575	1,474,296	1,217,465	919,046	997,956	744,835
Unrestricted (deficit)	25,802,424	25,522,017	24,011,393	22,783,292	22,619,691	21,397,374	20,475,762	19,354,143	17,192,216	16,404,781
Total business-type activities net position	\$ 77,164,836	\$ 74,701,717	\$ 71,917,926	\$ 70,102,292	\$ 70,027,758	\$ 69,706,550	\$ 69,185,558	\$ 67,945,297	\$ 66,648,996	\$ 65,630,419
<b><u>Primary Government</u></b>										
Net investment in capital assets	\$ 158,304,985	\$ 158,252,691	\$ 153,224,394	\$ 152,639,083	\$ 154,852,838	\$ 151,604,157	\$ 148,238,795	\$ 145,792,548	\$ 142,948,419	\$ 132,482,613
Restricted	3,986,273	15,567,634	12,980,887	6,958,770	3,104,471	7,249,344	3,358,883	3,108,546	5,972,921	4,079,312
Unrestricted (deficit)	25,200,640	13,326,216	11,763,389	12,186,563	12,832,894	9,392,460	17,245,293	18,250,974	14,054,957	13,199,660
Total primary government activities net position	\$ 187,491,898	\$ 187,146,541	\$ 177,968,670	\$ 171,784,416	\$ 170,790,203	\$ 168,245,961	\$ 168,842,971	\$ 167,152,068	\$ 162,976,297	\$ 149,761,585

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)

**PRIMARY GOVERNMENT**

**EXPENSES**

Governmental activities

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General government	\$ 8,047,963	\$ 5,049,093	\$ 4,980,348	\$ 5,214,375	\$ 4,839,019	\$ 4,799,184	\$ 4,644,495	\$ 4,574,441	\$ 5,138,982	\$ 4,309,948
Public safety	16,443,464	12,514,158	11,829,101	11,935,794	13,474,781	13,670,939	12,994,096	12,550,970	11,712,386	11,232,203
Public works	11,496,409	8,827,640	10,877,656	10,526,514	9,205,845	8,901,707	9,257,914	8,718,819	9,648,833	9,692,674
Leisure activities	7,640,841	2,905,228	3,911,497	4,717,386	4,899,901	4,961,761	4,721,860	3,718,113	4,584,932	4,984,803
Conservation and development	3,258,988	3,680,895	2,953,899	3,328,744	2,893,590	1,166,649	2,319,357	1,500,299	1,003,390	335,282
Interest and fiscal charges	1,541,693	1,650,669	1,360,450	1,614,343	1,222,489	1,469,728	1,558,210	1,914,244	2,051,479	2,532,321
Total governmental activities expenses	48,429,358	34,627,683	35,912,951	37,337,156	36,535,625	34,969,968	35,495,932	32,976,886	34,140,002	33,087,231

Business-type activities

Water	4,414,207	3,473,894	3,770,215	4,557,229	3,836,001	3,963,876	3,742,254	3,414,123	3,978,363	3,670,703
Sewer	4,767,347	4,501,805	4,425,758	4,660,681	4,088,532	3,604,988	3,712,440	3,382,506	3,546,561	3,640,908
Total business-type activities expenses	9,181,554	7,975,699	8,195,973	9,217,910	7,924,533	7,568,864	7,454,694	6,796,629	7,524,924	7,311,611

Total primary government expenses \$ 57,610,912 \$ 42,603,382 \$ 44,108,924 \$ 46,555,066 \$ 44,460,158 \$ 42,538,832 \$ 42,950,626 \$ 39,773,515 \$ 41,664,926 \$ 40,398,842

**PROGRAM REVENUES**

Governmental activities

Charges for services

General government	\$ 532,072	\$ 557,241	\$ 756,020	\$ 486,161	\$ 517,078	\$ 468,522	\$ 573,225	\$ 476,081	\$ 463,076	\$ 355,085
Public safety	2,805,189	2,931,365	2,569,472	2,334,844	2,477,944	2,427,136	2,416,754	2,210,067	2,355,629	2,282,217
Public works	941,703	1,027,813	991,971	793,399	894,637	858,391	906,232	866,148	853,318	795,550
Leisure activities	572,484	718,587	673,351	170,672	510,659	490,664	428,970	440,452	362,331	331,124
Conservation and development	417,619	470,489	458,837	479,930	554,378	613,405	624,608	607,622	560,848	527,361
Operating grants and contributions	3,477,623	3,737,745	3,471,679	3,769,125	3,036,879	3,175,036	3,120,340	3,188,661	3,117,376	2,228,156
Capital grants and contributions	2,375,262	1,881,860	1,084,581	2,006,768	2,246,455	2,062,708	1,289,042	1,911,908	6,544,988	394,099
Total governmental activities program revenues	11,121,952	11,325,100	10,005,911	10,040,899	10,238,030	10,095,862	9,359,171	9,700,939	14,257,566	6,913,592

Business-type activities

Charges for services

Water	5,448,830	5,402,996	5,329,677	4,896,326	4,823,275	4,860,605	4,878,067	4,882,741	4,876,578	4,780,032
Sewer	4,557,108	4,514,105	4,387,431	4,129,055	3,584,845	3,653,158	3,644,840	3,761,959	3,775,384	3,653,125
Operating grants and contributions	-	-	-	-	-	-	-	3,807	13,544	13,849
Capital grants and contributions	384,395	-	-	84,123	-	-	743,465	-	9,075	13,598
Total business-type activities program revenues	10,390,333	9,917,101	9,717,108	9,109,504	8,408,120	8,513,763	9,266,372	8,648,507	8,674,581	8,460,604

Total primary government program revenues \$ 21,512,285 \$ 21,242,201 \$ 19,723,019 \$ 19,150,403 \$ 18,646,150 \$ 18,609,625 \$ 18,625,543 \$ 18,349,446 \$ 22,932,147 \$ 15,374,196

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

<u>PRIMARY GOVERNMENT</u>	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<u>NET (EXPENSE)/REVENUE</u>										
Governmental activities	\$ (37,307,406)	\$ (23,302,583)	\$ (25,907,040)	\$ (27,296,257)	\$ (26,297,595)	\$ (24,874,106)	\$ (26,136,761)	\$ (23,275,947)	\$ (19,882,436)	\$ (26,173,639)
Business-type activities	1,208,779	1,941,402	1,521,135	(108,406)	483,587	944,899	1,811,678	1,851,878	1,149,657	1,148,993
Total primary government net (expense)/revenue	(36,098,627)	(21,361,181)	(24,385,905)	(27,404,663)	(25,814,008)	(23,929,207)	(24,325,083)	(21,424,069)	(18,732,779)	(25,024,646)
<u>GENERAL REVENUES</u>										
<u>Governmental activities</u>										
Taxes										
Property taxes, levied for general purposes	\$ 17,945,132	\$ 16,720,894	\$ 16,638,667	\$ 15,799,484	\$ 15,221,296	\$ 14,489,156	\$ 14,343,742	\$ 13,572,471	\$ 13,681,619	\$ 13,367,419
Property taxes, levied for special revenue funds	915,338	811,015	740,832	716,985	1,105,423	1,102,497	1,095,588	985,546	624,454	620,899
Property taxes, levied for debt service	3,429,846	3,306,925	3,479,735	3,442,319	3,118,210	2,971,253	3,017,168	2,939,595	3,053,568	3,443,807
Property taxes, levied for TIF districts	6,090,398	5,568,891	5,268,511	4,320,022	5,300,471	5,237,222	4,537,080	4,891,775	4,911,561	5,025,078
Other taxes	894,530	857,352	754,167	508,955	176,412	137,761	125,835	594,792	479,704	434,985
Intergovernmental revenues not restricted	3,657,534	2,361,077	2,354,186	2,332,085	2,066,911	2,137,070	2,010,865	2,023,133	2,046,326	3,068,832
Investment income	1,892,548	260,847	9,847	263,411	619,721	475,894	282,130	183,854	85,605	58,722
Gain on disposal of assets	-	-	-	-	-	-	-	-	-	66,958
Miscellaneous	388,803	336,892	1,256,089	715,130	272,904	1,074,815	450,192	283,330	177,560	149,284
Transfers, internal	(24,485)	(527,230)	(226,374)	117,545	639,281	554,304	724,803	680,921	843,140	1,526,679
Total governmental activities general revenues	35,189,644	29,696,663	30,275,660	28,215,936	28,520,629	28,179,972	26,587,403	26,155,417	25,903,537	27,762,663
<u>Business-type activities</u>										
Property taxes, levied for general purposes	-	-	-	-	-	-	-	-	-	-
Investment income	1,219,470	314,676	66,189	189,399	464,201	334,993	150,159	108,789	89,995	127,012
Gain on asset impairment	-	-	-	-	-	-	-	-	-	246,231
Miscellaneous	10,385	483	1,936	111,086	12,701	9,362	3,227	16,555	-	21,181
Transfers, internal	24,485	527,230	226,374	(117,545)	(639,281)	(554,304)	(724,803)	(680,921)	(843,140)	(1,526,679)
Total business-type activities general revenues	1,254,340	842,389	294,499	182,940	(162,379)	(209,949)	(571,417)	(555,577)	(753,145)	(1,132,255)
Total primary government general revenue	\$ 36,443,984	\$ 30,539,052	\$ 30,570,159	\$ 28,398,876	\$ 28,358,250	\$ 27,970,023	\$ 26,015,986	\$ 25,599,840	\$ 25,150,392	\$ 26,630,408
<u>CHANGE IN NET POSITION</u>										
Governmental activities	\$ (2,117,762)	\$ 6,394,080	\$ 4,368,620	\$ 919,679	\$ 2,223,034	\$ 3,305,866	\$ 450,642	\$ 2,879,470	\$ 6,021,101	\$ 1,589,024
Business-type activities	2,463,119	2,783,791	1,815,634	74,534	321,208	734,950	1,240,261	1,296,301	396,512	16,738
Total primary government change in net position	\$ 345,357	\$ 9,177,871	\$ 6,184,254	\$ 994,213	\$ 2,544,242	\$ 4,040,816	\$ 1,690,903	\$ 4,175,771	\$ 6,417,613	\$ 1,605,762

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<u>General Fund</u>										
Nonspendable	\$ 1,309,240	\$ 1,302,741	\$ 1,241,879	\$ 2,902,401	\$ 1,177,107	\$ 1,243,055	\$ 1,468,705	\$ 1,428,893	\$ 1,619,263	\$ 1,693,884
Restricted	205,205	216,882	321,240	339,192	335,115	295,964	255,244	288,529	221,023	246,992
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	858,249	710,232	791,288	559,657	349,953	590,212	765,307	482,927	602,573	309,307
Unassigned	10,935,768	9,085,612	8,105,021	6,111,129	6,518,409	6,663,913	5,733,776	5,238,255	4,078,084	3,558,917
Total general fund	13,308,462	11,315,467	10,459,428	9,912,379	8,380,584	8,793,144	8,223,032	7,438,604	6,520,943	5,809,100
<u>All Other Governmental Funds</u>										
Nonspendable	33,949	21,569	18,942	29,840	37,056	-	-	-	-	-
Restricted	7,405,665	7,160,623	8,667,412	6,352,601	3,615,308	3,320,811	3,546,367	3,805,037	5,400,277	7,703,730
Committed	1,662,068	1,601,200	1,495,369	1,406,179	1,711,810	1,753,801	1,628,736	1,635,326	1,450,711	1,295,023
Assigned	322,090	668,868	812,721	632,006	1,229,059	478,762	1,016,017	802,107	607,959	1,603,740
Unassigned (deficit)	(2,979,318)	(3,451,288)	(3,718,629)	(3,687,479)	(3,444,300)	(3,219,539)	(3,506,061)	(2,135,391)	(2,022,088)	(398,565)
Total all other governmental funds	\$ 6,444,454	\$ 6,000,972	\$ 7,275,815	\$ 4,733,147	\$ 3,148,933	\$ 2,333,835	\$ 2,685,059	\$ 4,107,079	\$ 5,436,859	\$ 10,203,928

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Revenues</b>										
Taxes	\$ 29,275,244	\$ 27,265,913	\$ 26,881,912	\$ 24,789,023	\$ 24,921,812	\$ 23,952,946	\$ 23,119,415	\$ 22,984,180	\$ 22,750,907	\$ 22,892,190
Intergovernmental	6,773,189	6,982,860	5,781,024	6,740,957	6,484,146	5,401,465	4,991,479	5,522,612	5,493,738	5,082,106
Licenses and permits	1,077,444	1,318,827	1,357,221	1,149,465	1,254,336	1,155,430	1,315,514	1,284,209	1,134,872	1,072,395
Fines, forfeitures, and penalties	335,259	326,369	344,530	280,116	412,815	437,060	412,772	458,038	469,913	494,588
Public charges for services	3,396,775	3,636,445	2,941,225	2,192,344	2,732,546	2,694,936	2,649,941	2,309,997	2,260,554	2,024,960
Intergovernmental charges for services	2,352,488	523,117	663,779	542,151	536,147	577,611	578,438	578,249	577,809	587,959
Special assessments	93,800	20,389	131,630	95,625	17,102	36,711	39,695	17,525	113,061	53,693
Investment income	1,892,548	259,016	9,847	263,411	619,721	475,894	282,134	183,852	85,608	58,719
Miscellaneous	852,361	903,500	1,845,598	695,872	1,099,356	1,789,072	1,176,176	1,037,445	1,297,074	825,724
<b>Total Revenues</b>	<b>46,049,108</b>	<b>41,236,436</b>	<b>39,956,766</b>	<b>36,748,964</b>	<b>38,077,981</b>	<b>36,521,125</b>	<b>34,565,564</b>	<b>34,376,107</b>	<b>34,183,536</b>	<b>33,092,334</b>
<b>Expenditures</b>										
<b>Current</b>										
General government	5,509,766	4,759,102	4,551,625	4,633,670	4,666,687	4,409,775	4,476,591	4,228,918	4,667,544	4,110,870
Public safety	14,045,790	13,313,336	12,978,032	12,590,834	11,890,167	11,570,862	11,056,465	10,810,330	10,719,881	10,633,805
Public works	6,926,806	5,958,172	5,905,812	6,299,489	6,037,167	5,649,372	5,701,207	5,169,974	4,915,320	4,621,480
Leisure activities	4,817,583	4,356,983	3,916,547	4,041,075	3,935,262	3,912,953	3,738,258	4,223,584	3,526,730	3,676,215
Conservation and development	979,573	1,462,997	1,455,111	837,532	737,979	419,612	418,303	510,429	449,052	320,426
Capital outlay	11,985,272	7,584,857	9,211,713	9,253,201	4,140,679	4,184,838	3,911,785	3,307,461	3,511,622	4,876,887
<b>Debt service</b>										
Principal retirement	5,877,581	6,250,257	6,290,735	10,068,268	11,300,052	7,338,447	6,712,181	10,280,928	13,279,761	13,208,603
Interest and fiscal charges	1,592,284	1,272,357	1,666,849	1,473,139	1,418,909	1,489,633	1,515,465	1,806,619	1,984,796	2,188,417
Debt issuance costs	-	-	-	-	-	-	-	-	-	223,025
<b>Total expenditures</b>	<b>51,734,655</b>	<b>44,958,061</b>	<b>45,976,424</b>	<b>49,197,208</b>	<b>44,126,902</b>	<b>38,975,492</b>	<b>37,530,255</b>	<b>40,338,243</b>	<b>43,054,706</b>	<b>43,859,728</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(5,685,547)</b>	<b>(3,721,625)</b>	<b>(6,019,658)</b>	<b>(12,448,244)</b>	<b>(6,048,921)</b>	<b>(2,454,367)</b>	<b>(2,964,691)</b>	<b>(5,962,136)</b>	<b>(8,871,170)</b>	<b>(10,767,394)</b>
<b>Other Financing Sources</b>										
General obligation debt issued	7,075,000	3,455,000	8,205,000	9,420,000	3,540,000	2,030,000	1,530,000	1,515,000	-	4,285,000
Refunding bonds issued	-	-	-	3,750,000	1,975,000	-	-	4,370,000	3,730,000	10,125,000
Finance purchase issued	179,910	64,915	-	1,410,205	29,660	-	-	-	-	-
Proceeds on lease assets	336,567	-	-	-	-	-	-	-	-	-
Premium on debt issued	434,237	209,496	254,023	417,733	226,121	59,676	48,941	113,661	220,302	530,489
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	(1,186,394)	-	-
Sale of property	120,795	100,640	350,965	448,770	41,397	29,275	23,355	56,829	35,984	63,146
Transfers in	4,989,125	4,630,377	3,710,990	3,438,983	1,912,465	1,745,214	1,535,982	1,182,032	1,359,513	1,511,631
Transfers out	(5,013,610)	(5,157,607)	(3,411,603)	(3,321,438)	(1,273,184)	(1,190,910)	(811,179)	(501,111)	(529,855)	(763,335)
<b>Total other financing sources (uses)</b>	<b>8,122,024</b>	<b>3,302,821</b>	<b>9,109,375</b>	<b>15,564,253</b>	<b>6,451,459</b>	<b>2,673,255</b>	<b>2,327,099</b>	<b>5,550,017</b>	<b>4,815,944</b>	<b>15,751,931</b>
<b>Net change in fund balances</b>	<b>\$ 2,436,477</b>	<b>\$ (418,804)</b>	<b>\$ 3,089,717</b>	<b>\$ 3,116,009</b>	<b>\$ 402,538</b>	<b>\$ 218,888</b>	<b>\$ (637,592)</b>	<b>\$ (412,119)</b>	<b>\$ (4,055,226)</b>	<b>\$ 4,984,537</b>
<b>Ratio of total debt service expenditures to total noncapital expenditures</b>	<b>21.66%</b>	<b>20.33%</b>	<b>20.75%</b>	<b>27.20%</b>	<b>31.12%</b>	<b>24.60%</b>	<b>23.35%</b>	<b>32.99%</b>	<b>36.40%</b>	<b>37.36%</b>

Schedule 5  
City of West Bend  
Assessed and Equalized Value of Taxable Property  
Last Ten Fiscal Years

Levy Year	Fiscal Year	Real Property							Personal 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					
2023	2024	\$ 2,809,254,200	\$ 1,369,452,800	\$ 110,935,100	\$ 131,100	\$ 223,200	\$ 297,300	\$ 509,700	\$ 60,587,800	\$ 4,351,391,200	\$ 4,412,863,400	5.9107	98.61%
2022	2023	1,896,354,600	987,432,600	68,994,300	75,800	567,900	90,200	300,200	40,359,200	2,994,174,800	3,991,313,500	8.3437	75.02%
2021	2022	1,880,021,500	943,774,000	66,766,900	80,600	572,100	90,200	300,200	44,002,100	2,935,607,600	3,483,278,500	7.8980	84.28%
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%

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 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 School District	Washington County	Moraine Park Technical College	State of Wisconsin (1)	State School Credit	
2023	2024	\$ 4.1552	\$ 0.9618	\$ 0.2233	\$ 0.5704	\$ 5.9107	\$ 5.2684	\$ 1.6036	\$ 0.5918	\$ -	\$ (1.2068)	\$ 12.1677
2022	2023	5.9921	1.2276	0.3057	0.8183	8.3437	8.4882	2.3884	0.6352	-	(1.3824)	18.4731
2021	2022	5.6947	1.2384	0.2763	0.6886	7.8980	9.4571	2.4426	0.6373	-	(1.3390)	19.0959
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

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  
2023 and Nine Years Ago

Taxpayer	2023			2014		
	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	\$ 87,650,800	1	2.01%	\$ 63,588,150	1	2.65%
Froedtert Health, Inc.	52,230,900	2	1.20%	15,712,550	3	0.65%
River Shores-Cast Iron Condo	35,937,600	3	0.83%			
Meijer Stores	34,768,200	4	0.80%			
Mills Fleet Farm	32,351,500	5	0.74%			
Manitou Equipment (GEHL Co.)	24,402,200	6	0.56%	19,208,200	2	0.80%
Brixmor Paradise Pavilion	24,171,000	7	0.56%	13,819,200	4	0.58%
Hawthorn Lake Prop. (Trails Edge Apts)	24,061,100	8	0.55%			
Kwik Trip Inc.	23,819,900	9	0.55%			
Menard Inc	21,689,500	10	0.50%	10,423,950	9	0.43%
Ireit West Bend Main (Pick N Save-S)				12,714,100	6	0.53%
Realty Income Properties (Wal-Mart Stores)				13,637,000	5	0.57%
Boston Store/Pier 1				11,613,700	7	0.48%
Health Care Reit, Inc.				11,298,900	8	0.47%
3700 River Road, LLC				8,155,450	10	0.34%
<b>Total</b>	<b>\$ 361,082,700</b>		<b>8.30%</b>	<b>\$ 180,171,200</b>		<b>7.50%</b>

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 Fiscal Year of the Levy		Collections of the Levy in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2023	2024	\$ 58,704,925	\$ 22,864,148	38.95%	\$ -	\$ 22,864,148	38.95%
2022	2023	59,977,037	21,896,909	36.51%	23,385,097	45,282,006	75.50%
2021	2022	60,433,151	21,367,822	35.36%	25,005,138	46,372,960	76.73%
2020	2021	58,148,434	24,073,431	41.40%	20,420,546	44,493,977	76.52%
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%

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 year 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 Obligation Bonds/Notes (1)	Other Notes and Loans	Financed Purchase/Leases/Subscriptions	General Obligation Bonds/Notes (1)	City of West Bend Water Revenue Bonds	Financed Purchase/Leases/Subscriptions			
2023	\$ 48,223,506	\$ -	\$ 1,521,077	\$ 2,328,153	\$ -	\$ 180,094	\$ 52,252,830	2.27%	1,620
2022	46,501,314	-	1,242,448	2,842,759	-	106,675	50,693,196	2.30%	1,581
2021	49,015,350	-	1,281,979	3,340,609	-	-	53,637,938	2.51%	1,662
2020	46,817,482	-	1,420,239	3,853,695	-	-	52,091,416	2.60%	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

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 (2)	Net General Obligation Debt	Equalized Valuation	Percent of Net Debt to Equalization	Estimated Population	Debt Per Capita
2023	\$ 50,551,659	\$ 385,770	\$ 50,165,889	\$ 4,412,863,400	1.14%	32,255	\$ 1,567
2022	49,344,073	239,697	49,104,376	3,991,313,500	1.23%	32,067	1,539
2021	52,355,959	429,529	51,926,430	3,483,278,500	1.49%	32,269	1,622
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

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.

2 - Restricted net position for Debt Service - see Statement of Net Position on page 1.

Schedule 11  
City of West Bend  
Computation of Direct and Overlapping Debt  
December 31, 2023

Jurisdiction	Governmental General Obligation Debt Outstanding	Percent Applicable to City of West Bend	Amount Applicable to City of West Bend
Direct Debt			
City of West Bend	\$ 49,744,583	100%	\$ 49,744,583
Overlapping Debt			
Washington County	26,160,000	18.82%	4,922,847
West Bend School District	7,315,000	53.88%	3,941,192
Moraine Park Technical College	<u>53,515,000</u>	10.62%	<u>5,681,709</u>
Total Overlapping Debt	<u>86,990,000</u>		<u>14,545,749</u>
Total Direct and Overlapping Debt	<u><u>\$ 136,734,583</u></u>		<u><u>\$ 64,290,332</u></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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Equalized Value (1)	\$ 4,412,863,400	\$ 3,991,313,500	\$ 3,483,278,500	\$ 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
Debt Limit (2)	220,643,170	199,565,675	174,163,925	160,018,610	147,846,190	138,333,075	134,006,975	124,286,390	120,904,000	119,438,660
Total General Obligation Debt	49,285,000	48,330,000	51,398,900	49,831,375	47,002,455	52,077,207	57,180,654	61,982,835	66,928,764	76,713,525
Amount of Debt Applicable to Debt Limitation										
Total Debt Applicable to Debt Limit	49,285,000	48,330,000	51,398,900	49,831,375	47,002,455	52,077,207	57,180,654	61,982,835	66,928,764	76,713,525
Less: Assets in Debt Service Fund Available for Payment of Principal (3)	720,528	666,010	724,898	700,147	146,286	140,866	137,043	66,540	52,530	1,404,634
Net Debt Applicable to Debt Limit	48,564,472	47,663,990	50,674,002	49,131,228	46,856,169	51,936,341	57,043,611	61,916,295	66,876,234	75,308,891
Remaining Legal Debt Margin	172,078,698	151,901,685	123,489,923	110,887,382	100,990,021	86,396,734	76,963,364	62,370,095	54,027,766	44,129,769
Total Debt Applicable to the Limit as a Percentage of Debt Limit	22.01%	23.88%	29.10%	30.70%	31.69%	37.54%	42.57%	49.82%	55.31%	63.05%

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.

3 - Amount is equal to the Restricted Fund Balance in the Debt Service Fund per the Governmental Funds Balance Sheet.

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)
2023	\$ 5,749,289	\$ 3,206,076	\$ 2,543,213	\$ -	\$ -	\$ -	-
2022	5,468,862	2,418,812	3,050,050	-	-	-	-
2021	5,329,126	2,593,628	2,735,498	-	-	-	-
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

- 1 - Total operating revenues plus investment 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
2023	32,255	\$ 2,303,297,295	\$ 71,409	\$ 64,889	2.60%	2.50%	3.00%
2022	32,067	2,203,163,235	68,705	61,210	2.80%	2.50%	2.90%
2021	32,269	2,133,077,707	66,103	58,564	3.30%	3.00%	3.80%
2020	32,058	2,003,817,348	62,506	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%

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 (2023 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  
2023 and Nine Years Ago

Taxpayer	2023			2014		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
West Bend Mutual Insurance	881	1	5.38%	1,052	1	6.50%
West Bend Joint School District No. 1	717	2	4.38%	1,040	2	6.43%
Washington County	658	3	4.02%	827	3	5.11%
Wal-Mart	600	4	3.66%	370	7	2.29%
Serigraph Inc.	532	5	3.25%	409	6	2.53%
St. Joseph's Hospital	479	6	2.92%			
Cedar Community	400	7	2.44%			
West Bend Clinic	400	8	2.44%	707	4	4.37%
City of West Bend	348	9	2.12%	450	5	2.78%
YMCA Kettle Moraine	333	10	2.03%	350	8	2.16%
Regal Ware, Inc.			0.00%	243	9	1.50%
Roundy's (Pick 'N Save)			0.00%	241	10	1.49%
Total	<u>5,348</u>		<u>32.64%</u>	<u>5,689</u>		<u>32.17%</u>

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	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<u>General Government</u>										
Council (8 Council Members)	-	-	-	-	-	-	-	-	-	-
Mayor	1.00	1.00	1.00	1.25	1.25	1.25	1.25	1.25	1.25	1.00
Attorney	-	-	-	-	-	-	-	-	-	-
Administration	1.50	1.00	1.00	1.25	1.25	1.25	1.25	1.25	1.25	1.25
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	2.00	2.00	2.00
Elections	Varies	Varies	Varies	Varies	Varies	Varies	Varies	Varies	Varies	Varies
Finance	7.30	7.30	7.30	7.30	7.30	7.00	8.00	8.00	8.00	8.00
Assessor	3.20	3.25	3.00	3.00	3.00	3.00	3.00	3.00	4.00	4.00
Municipal Building Maintenance	4.75	4.75	4.75	4.75	4.75	5.75	5.35	5.35	4.84	4.00
Information Technology	4.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
GIS	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00
Emergency Government	-	-	-	-	-	-	-	-	-	-
<u>Public Safety</u>										
Police	76.00	77.00	77.00	77.00	77.00	75.00	75.00	75.00	75.00	75.00
Fire	49.70	40.70	40.70	40.70	40.70	40.70	40.70	40.70	40.70	40.70
Building Inspection	2.25	2.25	2.25	2.25	2.25	2.00	2.00	3.00	2.70	3.50
<u>Public Works</u>										
Public Works	14.95	14.95	14.95	14.95	14.95	14.95	14.60	15.60	16.60	15.98
Engineering	4.00	4.00	3.00	3.00	3.00	3.00	4.00	4.00	3.00	3.00
Vehicle Maintenance	4.95	4.95	4.95	4.95	4.95	4.95	4.95	3.95	3.95	4.60
Airport	0.68	0.68	0.68	0.65	0.37	0.58	1.50	1.50	1.50	0.58
<u>Leisure Activities</u>										
Parks	17.95	17.95	17.95	19.65	20.65	20.65	19.65	19.65	19.65	20.71
Tourism	-	-	-	-	-	-	-	1.06	1.06	-
<u>Conservation and Development</u>										
Economic Development	1.00	1.00	1.00	1.50	1.50	1.50	-	-	-	-
Department of Development	4.00	3.50	3.50	3.50	3.50	3.50	4.00	4.00	4.00	5.00
<u>Enterprise Funds</u>										
Sewer Utility	8.50	8.50	8.50	8.50	8.50	8.50	8.50	8.00	8.00	8.00
Water Utility	16.90	16.90	16.90	16.90	16.90	16.90	16.90	16.90	16.90	18.35
<u>Other Non-Major Special Revenue Funds</u>										
Taxi	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	0.48	-
Library	20.43	19.94	19.06	19.16	19.23	18.83	19.05	19.05	19.43	20.88
Communications	4.31	4.31	3.25	3.25	3.25	3.25	2.50	2.50	2.75	2.75
Recreation	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50
Room Tax	-	-	1.06	1.06	1.06	1.06	1.06	-	-	-
Total	261.97	250.53	248.40	251.17	251.96	250.22	249.86	250.36	251.55	253.80

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Public Safety</b>										
<b>Police</b>										
Calls for Service	14,541	13,922	15,198	13,426	14,258	14,391	14,877	14,599	15,339	14,873
Other Police Activities	48,756	50,483	51,507	44,121	53,452	55,692	58,452	58,479	57,020	56,031
Arrests (1)	1,558	1,318	981	1,050	1,115	1,187	2,309	2,511	2,925	3,206
Citations	2,498	3,110	3,323	2,918	4,183	5,087	4,318	5,366	5,643	6,030
Patrol Vehicles	13	13	13	13	13	13	13	13	13	13
<b>Fire Department</b>										
Fire Calls	501	521	477	454	464	463	400	441	400	472
Fire Stations	3	3	3	3	3	3	3	3	3	3
Fire Appartus	18	18	18	18	18	18	18	18	18	18
Ambulances	4	4	4	4	4	4	4	4	4	4
EMS Responses	4,173	4,545	4,282	3,912	3,809	3,789	3,682	3,452	3,465	3,381
<b>Public Works</b>										
<b>Refuse/ Recycling</b>										
Units Collected	10,129	10,105	10,054	9,991	9,944	9,913	9,861	9,803	9,787	9,757
Recycle Cost per Unit	\$ 3.41	\$ 3.25	\$ 3.20	\$ 3.12	\$ 3.05	\$ 2.98	\$ 2.91	\$ 2.84	\$ 2.78	\$ 2.72
Recycling Tonnage	1,962.44	2,492.29	2,113.93	2,439.11	2,535.60	2,767.13	2,786.09	2,643.57	2,680.07	2,808.16
Refuse Tonnage	7,927.63	7,927.51	8,011.61	8,036.33	7,155.08	7,382.39	7,374.68	7,007.28	7,021.97	6,961.27
Streets (lane miles)	536	535	535	535	535	525	525	525	525	525
Street Lights (City owned)	274	282	282	282	282	276	276	276	276	276
Street Signs	7,207	7,007	7,007	7,007	7,007	7,237	7,237	7,237	7,237	7,237
<b>Parks and Recreation</b>										
Number of Parks	37	37	37	37	37	37	37	37	36	36
Acreage of Park Land	1,425	1,425	1,425	1,425	1,425	1,425	1,425	1,425	1,285	1,285
Recreation Programs	37	32	34	27	40	39	36	39	40	41
Lac Lawrann Programs	13	13	14	7	8	14	15	14	11	12
Beach Attendance	13,864	-	10,353	-	17,973	18,102	19,264	20,545	21,478	17,894
Special Events	50	57	61	14	60	59	55	52	51	47
Shelter Reservations	503	425	408	288	479	503	459	448	415	385
<b>Library</b>										
Circulation	406,714	404,265	405,682	343,135	459,608	498,524	501,628	494,226	502,327	543,221
User Visits	203,126	177,086	149,673	121,762	208,619	216,713	220,513	226,648	227,682	246,901
Registered Borrowers	22,588	22,684	33,879	40,111	41,560	41,255	46,947	45,201	62,530	61,496
<b>Water Utility</b>										
Number of Customers	12,229	12,208	12,169	12,096	12,049	12,003	11,845	11,797	11,861	11,835
Gallons Sold	841,090,963	831,775,306	844,450,000	811,170,000	802,834,938	830,235,000	833,025,000	844,547,000	863,002,000	835,029,000
Hydrants Flushed	552	565	784	598	610	625	570	448	660	528
Number of Hydrants	1,451	1,448	1,446	1,436	1,436	1,441	1,435	1,427	1,425	1,422
Miles of Water Main	145.71	145.55	145.55	145.17	145	145	145	144.5	144.5	144.5
<b>Sewer Utility</b>										
Number of Customers	11,690	11,734	11,735	11,728	11,703	11,703	11,553	11,538	11,348	11,522
Gal Treated (Avg Millions Gal/Day)	4.00	4.10	4.11	5.37	4.82	4.25	4.33	4.35	3.84	4.87
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.

**FORM OF LEGAL OPINION**

(See following pages)

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

May 7, 2025

Re: City of West Bend, Wisconsin ("Issuer")  
\$4,325,000 General Obligation Promissory Notes, Series 2025A,  
dated May 7, 2025 ("Notes")

We have acted as bond counsel to the Issuer in connection with the issuance of the Notes. 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 Notes 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>
2027	\$275,000	___%
2028	350,000	___
2029	400,000	___
2030	450,000	___
2031	500,000	___
2032	525,000	___
2033	575,000	___
2034	615,000	___
2035	635,000	___

Interest is payable semi-annually on April 1 and October 1 of each year commencing on April 1, 2026.

The Notes maturing on April 1, 2033 and thereafter are subject to redemption prior to maturity, at the option of the Issuer, on April 1, 2032 or on any date thereafter. Said Notes 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 Notes maturing in the years \_\_\_\_\_ are subject to mandatory redemption by lot as provided in the Notes, 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 Notes 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 Notes 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 Notes, 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 Notes 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 Notes.

3. The interest on the Notes is excludable for federal income tax purposes from the gross income of the owners of the Notes. The interest on the Notes is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Internal Revenue Code of 1986, as amended (the "Code") on individuals; however, interest on the Notes is taken into account in determining "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on Applicable Corporations (as defined in Section 59(k) of the Code). The Code contains requirements that must be satisfied subsequent to the issuance of the Notes in order for interest on the Notes to be or continue to be excludable from gross income for federal income tax purposes. Failure to comply with certain of those requirements could cause the interest on the Notes to be included in gross income retroactively to the date of issuance of the Notes. The Issuer has agreed to comply with all of those requirements. The opinion set forth in the first sentence of this paragraph is subject to the condition that the Issuer comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the Notes.

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

The rights of the owners of the Notes 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](http://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 \$4,325,000 General Obligation Promissory Notes, Series 2025A, dated May 7, 2025 (the "Securities"). The Securities are being issued pursuant to a resolution adopted on March 17, 2025, as supplemented by an Approving Certificate, dated \_\_\_\_\_, 2025 (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](http://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 \_\_\_\_\_, 2025 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 53095-4658, phone (262) 335-5100, 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, 2024, 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 7th day of May, 2025.

(SEAL)

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Joel Ongert  
Mayor

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Jilline Dobratz  
City Clerk

**NOTICE OF SALE**

**\$4,325,000\* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2025A  
CITY OF WEST BEND, WISCONSIN**

Bids for the purchase of \$4,325,000\* General Obligation Promissory Notes, Series 2025A (the "Notes") 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 10:00 A.M., Central Time, and **ELECTRONIC PROPOSALS** will be received via [bondsale@ehlers-inc.com](mailto:bondsale@ehlers-inc.com) or **PARITY**, in the manner described below, until 10:00 A.M., Central Time, on April 16, 2025, at which time they will be opened, read and tabulated. **The Common Council adopted a resolution on March 17, 2025 (the "Parameters Resolution"), which authorized either the Finance Director or the City Clerk to accept a bid for the Notes if the parameters and conditions set forth in the Parameters Resolution are satisfied. If the parameters and conditions set forth in the Parameters Resolution are not met through the competitive bids received on April 16, 2025, neither the Finance Director nor the City Clerk will have the authority to accept a bid for the Notes, and all bids for the Notes will be rejected.**

**AUTHORITY; PURPOSE; SECURITY**

The Notes are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the City, for public purposes, including paying the cost of 2025 capital improvement projects, such as streets, City Hall, airport, sidewalk, library, parks, the fire department and public works equipment and Indiana Avenue design including water and sanitary sewer in the City's Tax Incremental District No. 16. The Notes 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 Notes as they become due which tax may, under current law, be levied without limitation as to rate or amount.

**DATES AND MATURITIES**

The Notes will be dated May 7, 2025, will be issued as fully registered Notes 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>
2027	\$275,000	2030	\$450,000	2033	\$575,000
2028	350,000	2031	500,000	2034	615,000
2029	400,000	2032	525,000	2035	635,000

**ADJUSTMENT OPTION**

The City reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of \$5,000 each, up to a maximum of \$200,000 per maturity. 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 Notes 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, 2026, to the registered owners of the Notes 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 Notes 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 Notes 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 Notes, 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 Notes. So long as Cede & Co. is the registered owner of the Notes, 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 Notes.

## **PAYING AGENT**

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

## **OPTIONAL REDEMPTION**

At the option of the City, the Notes maturing on or after April 1, 2033 shall be subject to optional redemption prior to maturity on April 1, 2032 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

Redemption may be in whole or in part of the Notes subject to prepayment. If redemption is in part, the selection of the amounts and maturities of the Notes to be redeemed shall be at the discretion of the City. If only part of the Notes 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 Note to be redeemed at the address shown on the registration books.

## **DELIVERY**

On or about May 7, 2025, the Notes 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, an arbitrage certification, and certificates verifying that no litigation in any manner questioning the validity of the Notes is then pending or, to the best knowledge of officers of the City, threatened. Payment for the Notes 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 Notes and the exemption from federal taxation of the interest thereon will be furnished by Quarles & Brady LLP, Bond Counsel to the City ("Bond Counsel"), and will be available at the time of delivery of the Notes. The legal opinion will be issued on the basis of existing law and will state that the Notes are valid and binding general obligations of the City; provided that the rights of the owners of the Notes and the enforceability of the Notes 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 the Preliminary Official Statement or participated in its preparation (except with respect to the section entitled "TAX EXEMPTION" 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 \$4,273,100, nor more than \$4,671,000, plus accrued interest on the principal sum of \$4,325,000 from date of original issue of the Notes 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](mailto:bondsale@ehlers-inc.com); or
- 2) Electronically via **PARITY** in accordance with this Notice of Sale until 10:00 A.M., Central Time, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in **PARITY** conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about **PARITY**, potential bidders may contact IHS Markit (now part of S&P Global) at <https://ihsmarkit.com/products/municipal-issuance.html> or via telephone (844) 301-7334.

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 submission.

**A good faith deposit ("Deposit") in the amount of \$86,500 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 Notes 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 Notes 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 Notes is adjourned, recessed, or continued to another date without award of the Notes having been made.

### **AWARD**

The Notes 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 Notes 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 Notes will not be awarded if the TIC (taking the purchaser's compensation into account) exceeds 5.00% or if the other conditions set forth in the Parameters Resolution are not satisfied.**

### **BOND INSURANCE**

If the Notes 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 Notes 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 Notes are awarded to the winning bidder shall not constitute cause for failure or refusal by the winning bidder to accept delivery of the Notes.

### **CUSIP NUMBERS**

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

### **NOT QUALIFIED TAX-EXEMPT OBLIGATIONS**

The Notes shall not be "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.

### **CONTINUING DISCLOSURE**

In order to assist the Underwriter (Syndicate Manager) 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 Notes. A description of the details and terms of the undertaking is set forth in Appendix D of the Official Statement.

### **NEW ISSUE PRICING**

The winning bidder will be required to provide, in a timely manner, certain information necessary to compute the yield on the Notes pursuant to the provisions of the Internal Revenue Code of 1986, as amended, and to provide a certificate, the form of which will be provided by Bond Counsel upon request.

(a) The winning bidder shall assist the City in establishing the issue price of the Notes and shall execute and deliver to the City at closing an "issue price" or similar certificate satisfactory to Bond Counsel setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Notes, together with the supporting pricing wires or equivalent communications. All actions to be taken by the City under this Notice of Sale to establish the issue price of the Notes may be taken on behalf of the City by the City's municipal advisor identified herein and any notice or report to be provided to the City may be provided to the City's municipal advisor.

(b) The City intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Notes) will apply to the initial sale of the Notes (the "competitive sale requirements") because:

- (1) The City shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential investors;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the City may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the City anticipates awarding the sale of the Notes to the bidder who submits a firm offer to purchase the Notes at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Notes, as specified in this bid.

(c) If all of the requirements of a "competitive sale" are not satisfied, the City shall advise the winning bidder of such fact prior to the time of award of the sale of the Notes to the winning bidder. In such event, any bid submitted will not be subject to cancellation or withdrawal and the City agrees to use the rule selected by the winning bidder on its bid form to determine the issue price for the Notes. On its bid form, each bidder must select one of the following two rules for determining the issue price of the Notes: (1) the first price at which 10% of a maturity of the Notes (the "10% test") is sold to the public as the issue price of that maturity or (2) the initial offering price to the public as of the sale date as the issue price of each maturity of the Notes (the "hold-the-offering-price rule").

(d) If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the hold-the-offering-price rule, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Notes to the public on or before the date of award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Notes, that the underwriters will neither offer nor sell unsold Notes of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5<sup>th</sup>) business day after the sale date; or
- (2) the date on which the underwriters have sold at least 10% of that maturity of the Notes to the public at a price that is no higher than the initial offering price to the public.

The winning bidder will advise the City promptly after the close of the fifth (5<sup>th</sup>) business day after the sale whether it has sold 10% of that maturity of the Notes to the public at a price that is no higher than the initial offering price to the public.

The City acknowledges that in making the representation set forth above, the winning bidder will rely on:

(i) the agreement of each underwriter to comply with requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Notes, as set forth in an agreement among underwriters and the related pricing wires,

(ii) in the event a selling group has been created in connection with the initial sale of the Notes to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Notes, as set forth in a selling group agreement and the related pricing wires, and

(iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Notes to the public, the agreement of each broker-dealer that is party to such agreement to comply with the requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Notes, as set forth in the third-party distribution agreement and the related pricing wires. The City further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price rule of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Notes, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule as applicable to the Notes.

(e) If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the 10% test, the winning bidder agrees to promptly report to the City, Bond Counsel and Ehlers the prices at which the Notes have been sold to the public. That reporting obligation shall continue, whether or not the closing date of the Notes (the "Closing Date") has occurred, until either (i) all Notes of that maturity have been sold or (ii) the 10% test has been satisfied as to each maturity of the Notes, provided that, the winning bidder's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the City or bond counsel.

(f) By submitting a bid, each bidder confirms that:

(i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is party to such third-party distribution agreement, as applicable, to:

(A) report the prices at which it sells to the public the unsold Notes of each maturity allocated to it, whether or not the Closing Date has occurred until either all securities of that maturity allocated to it have been sold or it is notified by the winning bidder that either the 10% test has been satisfied as to the Notes of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the City or bond counsel.

(B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and

(ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group and each broker dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Notes to the public to require each broker-dealer that is a party to such third-party distribution agreement to:

(A) to promptly notify the winning bidder of any sales of Notes that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Notes to the public (each such term being used as defined below), and

(B) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public.

(g) Sales of any Notes to any person that is a related party to an underwriter participating in the initial sale of the Notes to the public (each term being used as defined below) shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

- (i) "public" means any person other than an underwriter or a related party,
- (ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Notes to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Notes to the public),
- (iii) a purchaser of any of the Notes is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) "sale date" means the date that the Notes are awarded by the City to the winning bidder.

#### **PRELIMINARY OFFICIAL STATEMENT**

Bidders may obtain a copy of the Preliminary Official Statement relating to the Notes prior to the bid opening by request from Ehlers at [www.ehlers-inc.com](http://www.ehlers-inc.com) by connecting to the Bond Sales link. The Underwriter (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

Jilline Dobratz, City Clerk  
City of West Bend, Wisconsin

# BID FORM

City of West Bend, Wisconsin (the "City")

April 16, 2025

**RE: \$4,325,000\* General Obligation Promissory Notes, Series 2025A (the "Notes")**

**DATED: May 7, 2025**

For all or none of the above Notes, 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 \$4,273,100 nor more than \$4,671,000) plus accrued interest to date of delivery for fully registered Notes bearing interest rates and maturing in the stated years as follows:

_____ % due	2027	_____ % due	2030	_____ % due	2033
_____ % due	2028	_____ % due	2031	_____ % due	2034
_____ % due	2029	_____ % due	2032	_____ % due	2035

The City reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of \$5,000 each, up to a maximum of \$200,000 per maturity. 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 Notes 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 \$86,500 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 Notes 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 Notes 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 Notes to The Depository Trust Company, New York, New York, in accordance with the Notice of Sale. Delivery is anticipated to be on or about May 7, 2025.

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 Notes.

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 Underwriter (Syndicate Manager), we agree to provide the City with the reoffering price of the Notes within 24 hours of the bid acceptance.

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

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

If the competitive sale requirements are not met, we elect to use either the: \_\_\_\_ 10% test, or the \_\_\_\_ hold-the-offering-price rule to determine the issue price of the Notes.

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 May 7, 2025 of the above bid is \$ \_\_\_\_\_ and the true interest cost (TIC) is \_\_\_\_\_ %.

The foregoing offer is hereby accepted by and on behalf of the City of West Bend, Wisconsin, on April 16, 2025.

By: \_\_\_\_\_  
Title: \_\_\_\_\_