

FINAL OFFICIAL STATEMENT DATED APRIL 4, 2023

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) for taxable years beginning after December 31, 2022. 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 City will designate the Notes as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

New Issue

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

CITY OF WEST BEND, WISCONSIN (Washington County)

\$3,285,000 GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2023A

PURPOSE/AUTHORITY/SECURITY: The \$3,285,000 General Obligation Promissory Notes, Series 2023A (the "Notes") of the City of West Bend, Wisconsin (the "City") are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the City, for public purposes, including paying the costs of financing capital projects and TID No. 16 projects in the City. 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: April 26, 2023

DATE OF DELIVERY: April 26, 2023

SERIAL MATURITIES: April 1 as follows:

CUSIP					CUSIP				
		Interest					Interest		
Year	Amount	Rate	Yield	Base	Year	Amount	Rate	Yield	Base
				951428					951428
2024	\$50,000	4.000%	2.940%	JG7	2029	\$350,000	4.000%	2.710%	JM4
2025	\$275,000	4.000%	2.820%	JH5	2030	\$375,000	4.000%	2.720%	JN2
2026	\$300,000	4.000%	2.730%	JJ1	2031	\$410,000	4.000%	2.750%*	JP7
2027	\$325,000	4.000%	2.700%	JK8	2032	\$425,000	4.000%	2.800%*	JQ5
2028	\$330,000	4.000%	2.700%	JL6	2033	\$445,000	4.000%	2.900%*	JR3

*Priced to call

INTEREST: October 1, 2023 and semiannually thereafter.

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

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).

The Notes are offered, subject to prior sale, when, as and if accepted by the Underwriter named below and subject to an opinion as to the validity and tax exemption by Quarles & Brady LLP, Milwaukee, Wisconsin, Bond Counsel, and certain other conditions. It is expected that delivery of the Notes will be made on or about April 26, 2023 against payment therefor. Subject to applicable securities laws and prevailing market conditions, the Underwriter intends, but is not obligated, to effect secondary market trading in the Notes. For information with respect to the Underwriter, see "Underwriting" herein.

BAIRD

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 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 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 Official Statement is not to be construed as a contract with the Syndicate Manager or Syndicate Members. Statements contained herein which involve estimates or matters of opinion are intended solely as such and are not to be construed as representations of fact. Ehlers and Associates, Inc. prepared this Official Statement and any addenda thereto relying on information of the 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 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.

The Underwriter has reviewed the information in this Final Official Statement in accordance with, and as a part of, the Underwriter's responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

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").

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

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

		<u>Term Expires</u>
Joel Ongert	Mayor	April 2026
John Butschlick	Council President	April 2024
Mark Allen	Aldersperson	April 2025
Brett Bergquist	Aldersperson	April 2024
Jed Dolnick	Aldersperson	April 2024
Justice Madl	Aldersperson	April 2024
John Spartz	Aldersperson	April 2025
Matt Sternig	Aldersperson	April 2025
Aaron Zingsheim	Aldersperson	April 2025

ADMINISTRATION

Jay Shambeau, City Administrator
Carrie Winklbauer, Treasurer/Finance Director
Lizbet Santana, City Clerk

PROFESSIONAL SERVICES

Ian Prust, City Attorney, Hartford, Wisconsin
Quarles & Brady LLP, Bond Counsel, Milwaukee, Wisconsin
Ehlers and Associates, Inc., Municipal Advisors, Waukesha, Wisconsin
(Other office located in Roseville, Minnesota)

INTRODUCTORY STATEMENT

This Final Official Statement contains certain information regarding the City of West Bend, Wisconsin (the "City") and the issuance of its \$3,285,000 General Obligation Promissory Notes, Series 2023A (the "Notes"). Any descriptions or summaries of the Notes, statutes, or documents included herein are not intended to be complete and are qualified in their entirety by reference to such statutes and documents and the form of the Notes included in the resolution awarding the sale of the Notes (the "Award Resolution") adopted by the Common Council on April 3, 2023.

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 Final Official Statement is available at emma.msrb.org.

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 April 26, 2023. The Notes will mature on April 1 in the years and amounts set forth on the cover of this Final Official Statement. Interest will be payable on April 1 and October 1 of each year, commencing October 1, 2023, 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").

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 Authorizing Resolution.

The City has selected Bond Trust Services Corporation, Roseville, Minnesota, to act as paying agent (the "Paying Agent"). Bond Trust Services Corporation and Ehlers are affiliate companies. The 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, 2031 shall be subject to optional redemption prior to maturity on April 1, 2030 or any date thereafter, at a price of par plus accrued interest 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.

AUTHORITY; PURPOSE

The Notes are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the City, for public purposes, including paying the costs of financing capital projects and TID No. 16 projects in the City.

SOURCES AND USES

Sources			
	Par Amount of Notes	\$3,285,000	
	Reoffering Premium	201,777	
	Estimated Interest Earnings	<u>12,188</u>	
	Total Sources		\$3,498,965
Uses			
	Total Underwriter's Discount	\$23,856	
	Costs of Issuance	46,373	
	Deposit to Project Construction Fund	3,250,000	
	Premium Deposit to Debt Service	177,922	
	Rounding Amount	<u>815</u>	
	Total Uses		\$3,498,965

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.

CONCURRENT FINANCING

By means of a separate Official Statement, the City will be offering for sale its General Obligation Community Development Bonds, Series 2023B (the "Concurrent Obligations" or the "Series 2023B Bonds"), which are scheduled to close on April 26, 2023.

RATING

The City has received a rating of "AA"/Stable on the Notes from S&P Global Ratings ("S&P"), and bidders were notified as to the assigned rating prior to the sale. Such rating, if any, 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 (Syndicate Manager) 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.

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

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

The fire equipment lease dated April 15, 2020 was not filed within the 10 business day requirement. The lease was filed along with a failure notice on May 4, 2020. Except to the extent that the preceding is deemed to be material, the City believes it has not failed to comply in the previous five years in all material respects with its prior undertakings under the Rule. The City has reviewed its continuing disclosure responsibilities along with any changes to the Rule, to ensure compliance. Ehlers is currently engaged as dissemination agent for the City.

LEGAL OPINION

An opinion as to the validity of the 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 this Official Statement or participated in its preparation (except with respect to the section entitled "TAX EXEMPTION" in the Official Statement and the "FORM OF LEGAL OPINION" found in Appendix B of the Official Statement).

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) for taxable years beginning after December 31, 2022. 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.

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 Notes") will be considered to have bond premium.

Any Premium Note 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 Note is calculated on a daily basis from the issue date of such Premium Note 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 Note 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 Notes. During each taxable year, such an owner must reduce his or her tax basis in such Premium Note 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 Note. The adjusted tax basis in a Premium Note will be used to determine taxable gain or loss upon a disposition (including the sale, exchange, redemption, or payment at maturity) of such Premium Note.

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

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

QUALIFIED TAX-EXEMPT OBLIGATIONS

The City will designate the Notes as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

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 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 Official Statement, and its assistance in preparing this Official Statement should not be construed as a representation that it has independently verified such information.

MUNICIPAL ADVISOR AFFILIATED COMPANIES

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

UNDERWRITING

The Underwriter named on the cover page hereof (the "Underwriter") has agreed to purchase the Notes from the City for a purchase price of \$3,462,921.76 plus accrued interest to the date of closing. The Underwriter will be obligated to purchase all such Notes if any such Notes are purchased. The Underwriter may offer and sell the Notes to certain dealers (including dealers depositing the Notes into investment trusts) at prices lower than the offering prices derived from the coupons and yields for each maturity set forth on the cover page.

INDEPENDENT AUDITORS

The basic financial statements of the City for the fiscal year ended December 31, 2021 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 Official Statement.

RISK FACTORS

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

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

Future Changes in Law: Various State and federal laws, regulations and constitutional provisions apply to the City and to the 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 Authorizing 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.

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

The Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") provides for federal payments from the Coronavirus Relief Fund to the State for the discrete purpose of covering expenses directly incurred as a result of COVID-19 between March 1 and December 30, 2020. On May 27, 2020, Governor Tony Evers announced a program titled, "Routes to Recovery: Local Government Aid Grants," which distributed \$190 million of the State's Coronavirus Relief Fund monies to all counties, cities, villages and towns across Wisconsin for unbudgeted eligible expenditures incurred due to COVID-19 between March 1 and November 17, 2020. The State allocated funds based on population with a guaranteed minimum allocation of \$5,000. The City's allocation was \$522,225. These funds were disbursed up to the amount of the allocation after eligible expenditures were reported through the State's cost tracker application. On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021, which provides local governments an additional \$130.2 billion through the Coronavirus Local Fiscal Recovery Fund. These funds can be used to mitigate increased expenditures, lost revenue and economic hardship related to the COVID-19 pandemic, with half received in 2021 and half received in 2022. The City's allocation is \$3,303,654.

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

2022 Equalized Value	\$3,991,313,500
2022 Equalized Value Reduced by Tax Increment Valuation	\$3,599,889,700
2022 Assessed Value	\$2,994,174,800

2022 EQUALIZED VALUE BY CLASSIFICATION

	2022 Equalized Value ¹	Percent of Total Equalized Value
Residential	\$2,604,933,800	65.265%
Commercial	1,238,832,300	31.038%
Manufacturing	91,958,500	2.304%
Agricultural	102,400	0.003%
Undeveloped	312,600	0.008%
Forest	288,000	0.007%
Other	421,200	0.011%
Personal Property	<u>54,464,700</u>	<u>1.365%</u>
Total	<u><u>\$3,991,313,500</u></u>	<u><u>100.000%</u></u>

TREND OF VALUATIONS

Year	Assessed Value	Equalized Value ¹	Percent Increase/Decrease in Equalized Value
2018	\$2,771,114,850	\$2,766,661,500	3.23%
2019	2,798,588,050	2,956,923,800	6.88%
2020	2,915,523,600	3,200,372,200	8.23%
2021	2,935,607,600	3,483,278,500	8.84%
2022	2,994,174,800	3,991,313,500	14.59%

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

¹ Includes tax increment valuation.

LARGER TAXPAYERS

Taxpayer	Type of Business/Property	2022 Equalized Value ¹	Percent of City's Total Equalized Value
West Bend Mutual	Insurance Company	\$88,815,427	2.23%
Froedtert Health Inc.	Medical Facility	59,862,356	1.50%
Mills Fleet Farm	Retail	42,716,670	1.07%
Meijer Stores	Retail	36,133,094	0.91%
River Shores Lofts	Condos/Apartments	36,008,207	0.90%
Kwik Trip	Convenience Store	29,262,557	0.73%
Ireit West Bend Main	Grocery Store	24,667,583	0.62%
Manitou Equipment America LLC (Gehl Company)	Commercial	23,274,762	0.58%
Realty Income Properties 19 LLC Retail (Walmart)		22,633,665	0.57%
Exchangeright Net (Roundy's)	Grocery Store	<u>21,975,508</u>	<u>0.55%</u>
Total		\$385,349,829	9.65%
City's Total 2022 Equalized Value ²		\$3,991,313,500	

Source: The City.

DEBT

DIRECT DEBT³

General Obligation Debt (see schedules following)

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

\$50,490,000

¹ Calculated by dividing the 2022 Assessed Values by the 2022 Aggregate Ratio of assessment for the City.

² Includes tax increment valuation.

³ Outstanding debt is as of the dated date of the Notes.

Lease Obligations

Issue Date	Original Amount	Purpose	Final Maturity	Principal Outstanding
4/15/20	\$ 1,303,912	Fire equipment	4/15/30	\$ 1,072,647
12/22/20	106,292	Small wheel loader	12/21/25	65,644
2/24/23	132,754	Wheel loader	2/24/26	132,754

DEBT PAYMENT HISTORY

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

FUTURE FINANCING

In addition to the Concurrent Obligations, 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	\$3,991,313,500
Multiply by 5%	<u>0.05</u>
Statutory Debt Limit	\$199,565,675
Less: General Obligation Debt	<u>(50,490,000)</u>
Unused Debt Limit	<u><u>\$149,075,675</u></u>

City of West Bend, Wisconsin
Schedule of Bonded Indebtedness
General Obligation Debt Secured by Taxes
(As of 04/26/2023)

Dated Amount	Refunding Bonds Series 2011B		Refunding Bonds Series 2012B		Corporate Purpose Bonds Series 2013A		Promissory Notes Series 2013B		Police Facility Bonds Series 2014A	
	12/21/2011 \$1,840,000	04/01	05/09/2012 \$6,805,000	04/01	06/06/2013 \$9,060,000	05/01	06/06/2013 \$820,000	05/01	02/26/2014 \$1,740,000	02/01
Maturity										
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2023	0	2,820	0	29,759	340,000	167,225	65,000	569	0	18,353
2024	50,000	4,990	970,000	49,819	350,000	160,313			80,000	35,745
2025	50,000	3,565	1,025,000	29,228	850,000	146,813			85,000	33,638
2026	50,000	2,015	815,000	9,169	905,000	125,938			90,000	31,275
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										
	190,000	14,010	2,810,000	117,975	6,620,000	900,088	65,000	569	1,095,000	251,585

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City of West Bend, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 04/26/2023)

Dated Amount	Maturity	Promissory Notes Series 2014B		Corporate Purpose Bonds Series 2015A		Corporate Purpose Bonds Series 2016A		Promissory Notes Series 2016C		Promissory Notes Series 2017A	
		Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
		02/26/2014 \$6,370,000		06/10/2015 \$3,850,000		03/29/2016 \$5,525,000		06/01/2016 \$800,000		05/11/2017 \$2,230,000	
		02/01		04/01		03/01		06/01		03/01	
Calendar Year Ending		Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2023		0	5,500	0	18,255	0	27,238	85,000	4,084	0	13,689
2024		400,000	5,500	390,000	30,855	475,000	49,725	85,000	2,936	285,000	23,103
2025				415,000	18,975	450,000	40,475	85,000	1,789	285,000	15,906
2026				425,000	6,375	460,000	31,375	90,000	608	290,000	9,868
2027						300,000	23,775			300,000	3,375
2028						290,000	17,513				
2029						325,000	10,188				
2030						245,000	3,063				
2031											
2032											
2033											
2034											
2035											
2036											
2037											
2038											
2039											
2040											
2041											
2042		400,000	11,000	1,230,000	74,460	2,545,000	203,350	345,000	9,416	1,160,000	65,940

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City of West Bend, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 04/26/2023)

Dated Amount	Maturity	Promissory Notes Series 2018A	Corporate Purpose Bonds Series 2019A		Taxable Refunding Bonds Series 2019B		Taxable Community Development Bonds Series 2020A		Corporate Purpose Bonds Series 2020B	
			04/03/2019 \$4,890,000	04/01	04/03/2019 \$1,975,000	03/01	02/05/2020 \$3,530,000	02/01	05/07/2020 \$6,190,000	05/01
Calendar Year Ending		Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal
2023		300,000	51,600	0	53,200	0	46,165	0	415,000	126,319
2024		260,000	43,200	460,000	97,200	425,000	91,868	50,000	460,000	117,569
2025		330,000	34,350	435,000	79,300		90,645	80,000	490,000	108,069
2026		335,000	24,375	445,000	61,700		88,885	100,000	495,000	98,219
2027		335,000	14,325	455,000	45,975		86,835	100,000	505,000	88,219
2028		310,000	4,650	470,000	32,100		84,465	120,000	510,000	75,519
2029				485,000	17,775		81,593	135,000	515,000	60,144
2030				170,000	7,950		78,219	155,000	520,000	44,619
2031				180,000	2,700		74,193	180,000	160,000	35,219
2032							69,488	200,000	165,000	31,969
2033							64,128	220,000	170,000	28,619
2034							57,960	245,000	170,000	25,219
2035							51,009	265,000	175,000	21,769
2036							43,305	290,000	180,000	18,219
2037							34,899	305,000	180,000	14,506
2038							25,840	325,000	185,000	10,628
2039							16,039	345,000	190,000	6,525
2040							5,475	365,000	195,000	2,194
2041										
2042										
		1,870,000	172,500	3,100,000	397,900	425,000	11,263	3,480,000	5,680,000	913,541

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City of West Bend, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 04/26/2023)

Dated Amount	Taxable Refunding Bonds Series 2020C		Corporate Purpose Bonds Series 2021A		Taxable Community Development Bonds Series 2021B		Promissory Notes Series 2022A		Promissory Notes Series 2023A	
	10/15/2020 \$3,775,000	03/01	05/06/2021 \$5,370,000	04/01	11/03/2021 \$2,835,000	04/01	05/11/2022 \$3,455,000	04/01	04/26/2023 \$3,285,000	04/01
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2023	0	16,244	0	45,386	0	25,596	0	65,675	0	56,575
2024	625,000	26,238	330,000	87,473	160,000	50,633	300,000	123,850	50,000	130,400
2025	410,000	15,888	330,000	80,873	160,000	49,313	335,000	107,975	275,000	123,900
2026	215,000	9,638	330,000	74,273	160,000	47,593	340,000	91,100	300,000	112,400
2027	150,000	5,988	345,000	65,798	160,000	45,513	345,000	73,975	325,000	99,900
2028	150,000	3,700	340,000	55,523	160,000	43,153	350,000	56,600	330,000	86,800
2029	100,000	2,363	350,000	45,173	165,000	40,551	360,000	40,650	350,000	73,200
2030	100,000	1,188	365,000	36,273	165,000	37,705	365,000	27,975	375,000	58,700
2031	45,000	281	370,000	30,310	170,000	34,690	370,000	16,950	410,000	43,000
2032			380,000	25,528	180,000	31,360	380,000	5,700	425,000	26,300
2033			385,000	20,459	180,000	27,760			445,000	8,900
2034			390,000	15,130	180,000	23,980				
2035			400,000	9,400	190,000	19,910				
2036			400,000	3,200	135,000	16,200				
2037					140,000	12,900				
2038					140,000	9,435				
2039					150,000	5,738				
2040					150,000	1,913				
2041										
2042										
	1,795,000	81,525	4,715,000	594,795	2,745,000	523,940	3,145,000	610,450	3,285,000	820,075

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City of West Bend, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 04/26/2023)

Community Development Bonds
Series 2023B

Dated Amount	04/26/2023 \$3,790,000	
Maturity	04/01	
Calendar Year Ending	Principal	Interest
2023	0	69,363
2024	0	161,100
2025	0	161,100
2026	100,000	158,600
2027	150,000	152,350
2028	150,000	144,850
2029	175,000	136,725
2030	175,000	127,975
2031	200,000	118,600
2032	200,000	109,600
2033	200,000	101,600
2034	250,000	92,600
2035	250,000	82,600
2036	250,000	72,600
2037	250,000	62,600
2038	250,000	52,600
2039	290,000	41,800
2040	300,000	30,000
2041	300,000	18,000
2042	300,000	6,000
	3,790,000	1,900,663

Calendar Year Ending	Principal Outstanding	% Paid	Calendar Year Ending
2023	49,285,000	2.39%	2023
2024	43,080,000	14.68%	2024
2025	36,990,000	26.74%	2025
2026	31,045,000	38.51%	2026
2027	26,465,000	47.58%	2027
2028	22,190,000	56.05%	2028
2029	18,125,000	64.10%	2029
2030	15,100,000	70.09%	2030
2031	12,615,000	75.01%	2031
2032	10,275,000	79.65%	2032
2033	8,250,000	83.66%	2033
2034	6,895,000	86.34%	2034
2035	5,615,000	88.88%	2035
2036	4,360,000	91.36%	2036
2037	3,485,000	93.10%	2037
2038	2,585,000	94.88%	2038
2039	1,610,000	96.81%	2039
2040	600,000	98.81%	2040
2041	300,000	99.41%	2041
2042	0	100.00%	2042
	59,256,051		

OVERLAPPING DEBT¹

Taxing District	2022 Equalized Value²	% In City	Total G.O. Debt³	City's Proportionate Share
Washington County	\$20,790,695,300	19.2000%	\$16,350,000	\$3,139,200
Moraine Park Technical College District	36,896,794,736	10.8200%	27,775,000	3,005,255
West Bend School District	7,283,354,161	54.8000%	7,315,000	<u>4,008,620</u>
City's Share of Total Overlapping Debt				<u><u>\$10,153,075</u></u>

DEBT RATIOS

	G.O. Debt	Debt/Equalized Value \$3,991,313,500	Debt/ Per Capita 32,067
Total General Obligation Debt	\$50,490,000	1.27%	\$1,574.52
City's Share of Total Overlapping Debt	<u>10,153,075</u>	<u>0.25%</u>	<u>316.62</u>
Total	\$60,643,075	1.52%	\$1,891.14

¹ 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.

² Includes tax increment valuation.

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

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
2018/19	\$19,662,557	100%	\$7.81
2019/20	20,402,865	100%	7.43
2020/21	21,104,099	100%	7.22
2021/22	21,163,943	100%	6.66
2022/23	22,532,475	In Process	6.26

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

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

PROPERTY TAX RATES

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

Year Levied/ Year Collected	Schools¹	County	Local	Total
2018/19	\$8.61	\$2.39	\$7.81	\$18.81
2019/20	8.59	2.29	7.43	18.31
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

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

LEVY LIMITS

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

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

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

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

Special provisions are made with respect to property taxes levied to pay general obligation debt service. Those are described below. In addition, the statute provides for certain other adjustments to and exclusions from the tax levy limit. Among the exclusions, Section 66.0602(3)(e)5. of the Wisconsin Statutes provides that the levy limit does not apply to "the amount that a political subdivision levies in that year to make up any revenue shortfall for the debt service on a revenue bond issued under Section 66.0621 by that political subdivision." Recent positions taken by 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 will be authorized after July 1, 2005 and therefore the levy limits do not apply to taxes levied to pay debt service on the Notes.

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 an Administrator, Clerk and Treasurer/Finance Director are responsible for administrative details and financial records.

EMPLOYEES; PENSIONS

The City employs a staff of 211 full-time, 86 part-time, and 51 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, 2019 ("Fiscal Year 2019"), the fiscal year ended December 31, 2020 ("Fiscal Year 2020") and the fiscal year ended December 31, 2021 ("Fiscal Year 2021"), the City's portion of contributions to WRS (not including any employee contributions) totaled \$1,401,971, \$1,614,772 and \$1,605,213 respectively.

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

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

As of December 31, 2020, the total pension liability of the WRS was calculated as \$118.72 billion and the fiduciary net position of the WRS was calculated as \$124.97 billion, resulting in a net pension asset of \$6.24 billion.

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 2021, the City reported an asset of \$8,608,649 for its proportionate share of the net pension asset of the WRS. The net pension asset was measured as of December 31, 2020 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 0.13788976% of the aggregate WRS net pension asset as of December 31, 2020.

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

Recognized and Certified Bargaining Units

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

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

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

The following bargaining units represent employees of the City:

Bargaining Unit	Expiration Date of Current Contract
West Bend Police Protective Association	December 31, 2024
West Bend Police Supervisors Association	December 31, 2024
Local 2025, International Association of Firefighters	December 31, 2024
Dispatcher and Clerical Association, Local 503	December 31, 2023

OTHER POST EMPLOYMENT BENEFITS

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

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

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

For Fiscal Year 2021, the City's portion of contributions to the LRLIF totaled \$4,742. For Fiscal Year 2021, the City reported a liability of \$1,308,165 for its proportionate share of the net OPEB liability of the LRLIF. The net OPEB liability was measured as of December 31, 2020 based on the City's share of contributions to the LRLIF relative to the contributions of all participating employers. The City's proportion was 0.23781700% of the aggregate LRLIF net OPEB liability as of December 31, 2020.

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

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

LITIGATION

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

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.

ENTERPRISE FUNDS

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

	2019	2020	2021
Water			
Total Operating Revenues	\$4,823,275	\$4,896,326	\$5,329,677
Less: Operating Expenses	<u>(3,725,101)</u>	<u>(4,477,581)</u>	<u>(3,710,134)</u>
Operating Income	\$1,098,174	\$418,745	\$1,619,543
Plus: Depreciation	990,523	998,833	1,116,506
Interest Income	<u>120,956</u>	<u>28,042</u>	<u>(551)</u>
Revenues Available for Debt Service	<u><u>\$2,209,653</u></u>	<u><u>\$1,445,620</u></u>	<u><u>\$2,735,498</u></u>
Sewer			
Total Operating Revenues	\$3,583,596	\$4,126,700	\$4,386,220
Less: Operating Expenses	<u>(4,082,088)</u>	<u>(4,655,460)</u>	<u>(4,422,433)</u>
Operating Income	(\$498,492)	(\$528,760)	(\$36,213)
Plus: Depreciation	1,294,284	1,319,380	1,334,971
Interest Income	<u>343,245</u>	<u>161,357</u>	<u>66,740</u>
Revenues Available for Debt Service	<u><u>\$1,139,037</u></u>	<u><u>\$951,977</u></u>	<u><u>\$1,365,498</u></u>

FUNDS ON HAND (as of February 28, 2023)

Fund	Total Cash and Investments
General	\$19,905,242
Debt Service	3,096,049
Capital Projects	4,068,749
Water Utility	6,935,005
Sewer Utility	13,388,947
Taxi	(27,515)
Library	1,700,339
BID	377,078
Communications	1,186,638
Room Tax	378,971
Park & Recreation	77,305
American Rescue Plan	3,381,466
OPEB Trust	1,189,007
Outreach Services	181,591
Library Trust	1,675
TIF 3	678,191
TIF 4	(14,675)
TIF 5	441,240
TIF 6	\$15,822
TIF 7	\$16,782
TIF 8	\$22,211
TIF 9	\$477,130
TIF 10	\$571,220
TIF 11	\$458,910
TIF 12	\$1,190,927
TIF 13	\$31,416
TIF 14	\$686,066
TIF 15	(\$135,164)
Park Trust	\$468,431
Economic Development	\$841,330
FAPS	\$112,130
Total Funds on Hand	<u><u>\$61,702,514</u></u>

SUMMARY GENERAL FUND INFORMATION

Following are summaries of the revenues and expenditures and fund balances for the City's General Fund. These summaries are not purported to be the complete audited financial statements of the City, and potential purchasers should read the included financial statements in their entirety for more complete information concerning the City. Copies of the complete statements are available upon request. Appendix A includes the 2021 audited financial statements.

FISCAL YEAR ENDING DECEMBER 31					
	2019 Audited	2020 Audited	2021 Audited	2022 Projected 1)	2023 Adopted Budget 2)
Revenues					
Taxes	\$15,286,399	\$15,861,267	\$16,700,372	\$16,770,582	\$17,984,204
Intergovernmental revenues	3,905,454	4,902,056	3,708,397	3,483,115	3,445,685
Licenses and permits	836,724	765,724	1,019,583	973,656	685,713
Fines, forfeitures and penalties	412,815	280,116	344,530	326,370	407,600
Public charges for services	1,847,204	1,768,038	2,012,140	2,618,441	2,310,256
Intergovernmental charges for services	436,560	445,231	455,016	465,916	479,943
Special assessments	17,102	95,625	131,630	20,389	2,000
Investment income	360,636	180,776	(18,726)	(47,851)	209,600
Miscellaneous	309,891	203,851	908,844	184,435	131,328
Total Revenues	\$23,412,785	\$24,502,684	\$25,261,786	\$24,795,053	\$25,656,329
Expenditures					
Current:					
General government	\$4,636,756	\$4,611,678	\$4,515,530	\$4,822,487	\$5,378,437
Public safety	11,890,167	12,590,834	12,978,032	13,559,407	14,990,903
Public works	4,699,772	5,136,775	4,764,616	4,812,048	5,295,411
Leisure activities	1,483,938	1,850,476	1,446,823	1,668,627	1,660,396
Conservation and development	664,692	767,978	384,117	671,005	485,495
Capital Outlay/Contingency	1,000,814	16,140	1,410,205	0	99,200
Debt service	10,300	10,789	185,832	0	0
Total Expenditures	\$24,386,439	\$24,984,670	\$25,685,155	\$25,533,574	\$27,909,842
Excess of revenues over (under) expenditures	(973,654)	(481,986)	(423,369)	(738,521)	(2,253,513)
Other Financing Sources (Uses)					
Capital leased issued	\$29,660	\$1,410,205	\$0	\$106,238	\$0
Sale of Property	34,670	445,735	328,465	91,758	40,000
Transfers In	668,709	667,480	651,953	1,420,762	2,227,438
Transfers Out	(171,945)	(509,639)	(10,000)	(24,200)	(13,925)
Total Other Financing Sources (Uses)	531,434	2,013,781	970,418	1,594,558	2,253,513
Net Changes in Fund Balances	(412,560)	1,531,795	547,049	856,037	0
General Fund Balance January 1	\$8,793,144	\$8,380,584	\$9,912,379	\$ 10,459,428	
Rounding Adjustment	0	0	0	0	
General Fund Balance December 31	\$8,380,584	\$9,912,379	\$10,459,428	\$11,315,465	
DETAILS OF DECEMBER 31 FUND BALANCE					
Nonspendable	\$1,177,107	\$2,902,401	\$1,241,879	\$ 1,302,741	
Committed	0	0	0	0	
Assigned	349,953	559,657	791,288	710,232	
Unassigned	6,518,409	6,111,129	8,105,021	9,085,610	
Total	\$8,380,584	\$9,912,379	\$10,459,428	\$11,315,465	

1) As of December 31, 2022.

2) 2023 Budget adopted on November 7, 2022.

GENERAL INFORMATION

LOCATION

The City, with a 2020 U.S. Census population of 31,752 and a current estimated population of 32,067 comprises an area of 30 square miles and is located approximately 35 miles northwest of Milwaukee, Wisconsin. West Bend is the County Seat of Washington County.

LARGER EMPLOYERS¹

Larger employers in the City include the following:

Firm	Type of Business/Product	Estimated No. of Employees
West Bend Mutual Insurance	Property/casualty insurance company	881
West Bend Joint School District No. 1	Elementary and secondary education	717
Washington County	County government and services	658
Wal-Mart	Retail	600
Serigraph Inc.	Commercial screen and lithograph printing	532
St. Joseph's Hospital	Hospital	479
Cedar Community	Nursing and convalescent homes	400 ²
West Bend Clinic	Health care	400
The City	Municipal government and services	348
YMCA Kettle Moraine	Community service, health and fitness	333

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

¹ This does not purport to be a comprehensive list and is based on available data obtained through a survey of individual employers, as well as the sources identified above.

² Five locations in the City.

BUILDING PERMITS

	2019	2020	2021	2022	2023 ¹
<u>New Single Family Homes</u>					
No. of building permits	16	46	20	11	2
Valuation	\$4,073,120	\$10,830,661	\$5,168,150	\$3,823,614	\$544,940
<u>New Multiple Family Buildings</u>					
No. of building permits	13	16	19	5	0
Valuation	\$7,203,980	\$6,149,800	\$25,530,000	\$33,310,145	\$0
<u>New Commercial/Industrial</u>					
No. of building permits	42	6	7	12	0
Valuation	\$34,468,906	\$21,630,000	\$19,892,214	\$8,028,705	\$0
<u>All Building Permits</u>					
<i>(including additions and remodelings)</i>					
No. of building permits	417	529	505	461	37
Valuation	\$52,150,134	\$57,318,335	\$68,468,858	\$68,150,840	\$5,849,556

Source: The City.

¹ As of February 28, 2023.

U.S. CENSUS DATA

Population Trend: The City

2010 U.S. Census	31,078
2020 U.S. Census	31,752
Percent of Change 2010 - 2020	2.17%
2022 Estimated Population	32,067

Income and Age Statistics

	The City	Washington County	State of Wisconsin	United States
2021 per capita income	\$35,329	\$42,585	\$36,754	\$37,638
2021 median household income	\$66,980	\$85,574	\$67,080	\$69,021
2021 median family income	\$85,628	\$100,989	\$85,623	\$85,028
2021 median gross rent	\$918	\$967	\$916	\$1,163
2021 median value owner occupied units	\$191,300	\$259,000	\$200,400	\$244,900
2021 median age	39.8 yrs.	43.2 yrs.	39.6 yrs.	38.4 yrs.

	State of Wisconsin	United States
City % of 2021 per capita income	96.12%	93.87%
City % of 2021 median family income	100.01%	100.71%

Housing Statistics

	<u>The City</u>		Percent of Change
	2010	2021	
All Housing Units	13,593	14,381	5.80%

Source: 2010 and 2020 Census of Population and Housing, and 2021 American Community Survey (Based on a five-year estimate), U.S. Census Bureau (<https://data.census.gov/cedsci>).

EMPLOYMENT/UNEMPLOYMENT DATA

Year	<u>Average Employment</u>		<u>Average Unemployment</u>		
	The City	Washington County	The City	Washington County	State of Wisconsin
2018	16,625	75,867	2.8%	2.5%	3.0%
2019	16,506	75,579	3.0%	2.7%	3.2%
2020	15,738	72,478	6.2%	5.7%	6.3%
2021 ¹	16,238	74,781	3.4%	3.1%	3.8%
2022, December ¹	16,111	74,196	1.9%	1.8%	2.3%

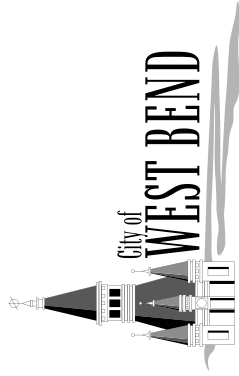
Source: Wisconsin Department of Workforce Development.

¹ Preliminary

FINANCIAL STATEMENTS

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

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



CITY OF WEST BEND, WISCONSIN

**ANNUAL
COMPREHENSIVE
FINANCIAL REPORT**
FISCAL YEAR ENDED DECEMBER 31, 2021

City of West Bend, Wisconsin
Annual Comprehensive Financial Report
Year Ended December 31, 2021

Prepared by the Finance Department:
Carrie Winkbauer, CPA – Finance Director

City of West Bend

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FINANCE DEPARTMENT

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

June 9, 2022

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

Wisconsin Statutes and the Wisconsin Administrative Code require that municipalities with a population greater than 25,000 publish at the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. The attached Annual Comprehensive Financial Report of the City of West Bend for the fiscal year ended December 31, 2021 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, 2021.

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, 2021 are fairly presented in accordance with GAAP. The auditor's opinion is located at the front of the Financial Section of this report.

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

PROFILE OF THE CITY OF WEST BEND

The City of West Bend is located in Washington County, approximately 32 miles northwest of the City of Milwaukee, in the southeast corner of Wisconsin. The City of West Bend was incorporated in 1885 and was known as the rest stop as the halfway point for travelers going from Milwaukee to Fond du Lac. The City covers approximately 15.71 square miles and has a population of 32,269 as of January 1, 2021 per the State of Wisconsin Department of Administration.

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

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

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

FACTORS AFFECTING FINANCIAL CONDITION

Local Economy

The City continues to experience moderate and controlled growth in terms of the residential, commercial, and manufacturing sectors. The change in equalized value of property within the City has averaged a 7.0% increase per year since 2017. The increases in equalized value for residential, commercial, and manufacturing class real property averaged 6.6%, 8.9%, and 4.0% respectively over that same period. The value of net new construction as a percentage of total property value in the City has averaged 1.96% over the last five years. This managed growth was based on past infrastructure investment with no significant additional expenditures required.

Residential growth has included an average of 115.6 dwelling units per year since 2017. Single and two family residential development have occurred within previously platted subdivisions with 56 dwelling units constructed in 2021. Multifamily residential growth (120 dwelling units) has been focused within the redevelopment portions around the downtown area. Commercial construction remains consistently strong with \$24,098,122 million in development investment occurring within 2021. Substantial service and retail commercial related construction activity has continued including 2021/2022 approvals for Big Lots, Home Goods, Sierra, Five Below and other service related businesses (Panera and Chipotle). Industrial development is hampered by

an insufficient supply of medium to large scale industrial sites for development. In response, the City has acquired and started development of a 200+ acre industrial park to meet this need and to continue the long term development of the City's manufacturing employment base. Construction of a 90,700 sq. ft. manufacturing facility for Milwaukee Tool Corporation has been completed within the new West Bend Manufacturing Center in 2021. Construction of the first phase of the park (Forge Place) was constructed in 2021.

Public and private investment occurred within the downtown portion of the City continuing the growth in activity and investment of this vibrant economic center. Improvements to the downtown Riverwalk and associated parkways continue in 2021/2022 and have spurred reinvestments in this traditional downtown environment. Development of a \$27.5 million mixed-use development (177 residential units, 6,800+ sq. ft. commercial space) on the former brewery site commenced in 2021, continuing the downtown redevelopment effort.

Financial Planning

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

The City adopts an annual Capital Budget and publishes a Five-Year Capital Plan in its Operating Budget. The overall goal of the City is to pay down more debt than what is being borrowed annually. The City borrowed additional funds in 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 2021. This rating is due to a healthy unassigned fund balance and conservative financial management of the City of West Bend.

Financial Policies

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

- **Fund Balance** – adopted this policy in 2014 to serve as a guide to improve the undersigned 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 2020 median value percentage was 29.0%. The City is currently at 31.44% as of December 31, 2021.
- **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 20.75%. The City strives to reduce this percentage to abide by this policy. During 2019 this policy was updated to include the percentage of debt limit to general obligation debt shall be 10% below the median value for comparative municipalities in Wisconsin as defined by the policy. The most recent calculation for this reference median computation was for 2016 at 45%.
- **Balanced Budget Policy** – adopted in 2017 as a recommendation from the Government Finance Officers Association (GFOA) *Building a Better Budget Document* book. This policy states the various ways that the General Fund Operating Budget, Special Revenue Funds Budgets, and Enterprise Budgets are considered balanced.
- **Investment Policy** – This policy serves as a guideline for the framework of the City's daily investment activities. This policy follows the guidelines in the Wisconsin State Statutes and requires collateralization of 102% of the value of the City's investments.
- **Purchasing Policy** – updated in 2015 to incorporate new credit card purchasing guidelines and the new credit card rebate program being implemented. This policy provides guidelines for the City on purchases of goods, purchasing procedures, public works construction, seminars & training reimbursements, petty cash procedures, credit card purchases, and disposal of surplus property.

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

Impact of COVID-19

The City of West Bend continues to monitor the number of confirmed cases of COVID-19 within the city limits and applies updates to policies/procedures according to recommendations from the Centers for Disease Control and Prevention (CDC) and the Washington Ozaukee County Health Department. The effects of COVID-19 on the City's operational and financial performance will depend on future developments, including the continued spread of the virus and related governmental or other regulatory actions.

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, 2020. This was the third year the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized 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 of the financial operations of the City.

Respectfully submitted,



Carrie Winkbauer, CPA
Finance Director





Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

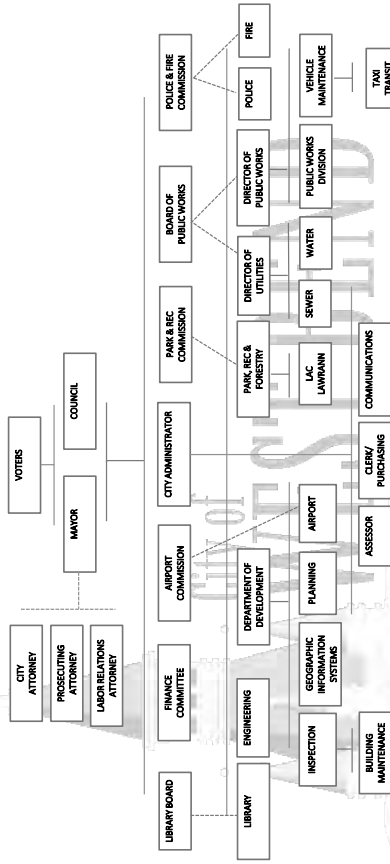
**City of West Bend
Wisconsin**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morrell
Executive Director/CEO

CITY OF WEST BEND ORGANIZATIONAL CHART



DIRECTORY OF OFFICIALS (As of April 2022)

MAYOR

Christophe E. Jenkins



COMMON COUNCIL

John Butschlick - District 1



Mark Allen - District 2



Brett Bergquist - District 3



Randall Koehler - District 4



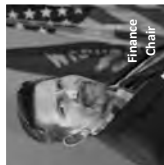
Jed Dolnick - District 5



Tracy Ahrens - District 6



Justice Maadi - District 7



Meghann Kennedy - District 8



DEPARTMENT HEADS

Jay Shambeau
City Administrator

Tim Dehring
Police Chief

Michelle Hoey
Human Resources Director

Mike Jentsch
Parks, Recreation and Forestry Director

Gerald Kudek
Fire Chief

Kurt Lulich
IT Director

Max Marechal
City Engineer

Ruth Mueller
Utilities Director

Doug Neumann
Public Works Director

Mark Plotrowicz
Development Director

Steve Thiry
Library Director

Jessica Wildes
Communications and Economic Development Director

Carrie Winklbauer
Finance Director

Jeff Yoder
City Assessor

Vacant
City Clerk

ISSUING COMPREHENSIVE ANNUAL FINANCIAL REPORT

Carrie Winklbauer, CPA, Finance Director
Amy Miller, Assistant Finance Director

INDEPENDENT AUDITORS' REPORT



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, 2021 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 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, 2021 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 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.

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 auditor's 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.

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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.

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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 auditor's report thereon. Our opinions on the 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 9, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

CITY OF WEST BEND

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2021
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, 2021.

Financial Highlights

- The assets and deferred outflows of resources of the City of West Bend exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$177,968,670 (net position). Of this amount, there is \$11,763,389 of unrestricted net position.
- The City's total net position increased by \$6,184,254.
- At the close of the current fiscal year, the City of West Bend's governmental funds reported combined ending fund balances of \$17,735,243, an increase of \$3,089,717 from the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$8,105,021, or 31% of total 2022 budgeted General Fund expenditures.
- The City's General Obligation debt increased by \$1,567,525 during 2021, and total debt increased by \$1,429,265 due to debt taken on for street improvements and TIF district projects, offset by scheduled repayments.

Overview of the Financial Statements

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

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

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

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

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CITY OF WEST BEND

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2021
UNAUDITED

Both of the government-wide financial statements distinguish functions of the City of West Bend that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of West Bend include general government, public safety, public works, leisure activities, and community development.

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

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

The government-wide financial statements can be found on pages 1-2 of this report.

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

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

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

The City of West Bend maintains twenty-seven 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-four governmental funds are combined into a single, aggregated presentation. Nonmajor governmental fund data is provided in the form of combining statements elsewhere in this report.

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

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

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CITY OF WEST BEND

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2021
UNAUDITED

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

The basic proprietary fund financial statements can be found on pages 7-10 of this report.

Fiduciary funds. *Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City of West Bend's own programs. The only fiduciary funds maintained by the City of West Bend include an OPEB Trust fund as well as a Custodial – Tax Collection Fund which records the tax roll and tax collections for other taxing jurisdictions within the City of West Bend. The accounting used for fiduciary funds is much like that used for governmental funds.

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

Notes to Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 13-62 of this report.

Supplementary Information: The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 76-83 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 \$177,968,670.

The largest portion of the City of West Bend's net position (\$153,224,394) 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 (\$12,980,887), or resources that are subject to external restrictions on how they may be used. The remaining portion of unrestricted net position is \$11,763,389.

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

There was an increase of \$6,022,117 in restricted net position. This increase is due mainly to the increase in the net pension asset from 2020 to 2021, which requires restricted net position equal to the amount of the net pension asset.

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CITY OF WEST BEND

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2021
UNAUDITED

The governmental activities' net position increased by \$4,368,620 during the current fiscal year.

City of West Bend Net Position December 31, 2021 and 2020

	Governmental Activities		Business-Type Activities		Total	
	2020	2021	2020	2021	2020	2021
Current and Other Assets	\$ 48,755,817	\$ 58,616,813	\$ 24,931,090	\$ 26,865,871	\$ 73,686,907	\$ 85,482,684
Capital Assets	149,293,238	150,684,110	50,512,169	50,126,739	199,805,407	200,810,849
Total Assets	198,049,055	209,300,923	75,443,259	76,992,610	273,492,314	286,293,533
Unamortized loss on refunding	472,714	339,517	-	-	472,714	339,517
Pension related items	9,334,841	13,158,541	835,394	1,156,420	10,170,235	14,314,961
OPEB related items	2,171,533	3,748,408	124,580	194,694	2,296,113	3,943,102
Total Deferred Outflows	11,979,088	17,246,466	959,974	1,351,114	12,939,062	18,597,580
Long-term Liabilities	65,254,064	69,743,612	4,646,442	4,379,693	69,900,506	74,123,305
Current and Other Liabilities	2,595,338	4,988,701	550,675	491,618	3,146,013	5,480,319
Total Liabilities	67,849,402	74,732,313	5,197,117	4,871,311	73,046,519	79,603,624
Pension related items	11,926,703	17,372,611	1,012,408	1,473,529	12,939,111	18,846,140
OPEB related items	2,104,294	1,825,154	91,416	80,958	2,195,710	1,906,112
Unearned revenues	26,465,620	26,566,567	-	-	26,465,620	26,566,567
Total Deferred Inflows	40,496,617	45,764,332	1,103,824	1,554,487	41,600,441	47,318,819
Net Investment in Capital Assets	106,737,618	107,062,906	46,658,474	46,786,130	152,639,083	153,224,394
Restricted	6,298,244	11,860,484	660,526	1,120,403	6,958,770	12,980,887
Unrestricted (deficit)	(11,353,738)	(12,872,646)	22,783,292	24,011,393	12,186,563	11,763,389
Total Net Position	\$101,682,124	\$106,050,744	\$70,102,292	\$71,917,926	\$171,784,416	\$177,968,670

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CITY OF WEST BEND

MANAGEMENT'S DISCUSSION AND ANALYSIS December 31, 2021 UNAUDITED

Changes in Net Position

	Governmental Activities 2020	2021	Business-type Activities 2020	2021	Total Primary Government 2020	2021
Revenues						
Program revenues:						
Charges for services	\$ 4,265,006	\$ 5,449,651	\$ 9,025,381	\$ 9,717,108	\$ 13,290,387	\$ 15,166,759
Operating grants/contribution	3,769,125	3,471,679	-	-	3,769,125	3,471,679
Capital grants/contribution	2,006,768	1,084,581	84,123	-	2,090,891	1,084,581
Total Program Revenue	10,040,899	10,005,911	9,109,504	9,717,108	19,150,403	19,723,019
General revenues:						
Property taxes	24,278,810	26,127,745	-	-	24,278,810	26,127,745
Other taxes	508,955	754,167	-	-	508,955	754,167
Intergovernmental revenues	2,332,085	2,354,186	-	-	2,332,085	2,354,186
Investment income	263,411	9,847	189,399	66,189	452,910	76,036
Miscellaneous revenue	715,130	1,256,089	111,086	1,956	826,216	1,258,025
Total General revenue	28,098,391	30,502,034	300,485	68,125	28,398,876	30,570,159
Total revenues	38,139,290	40,507,945	9,409,989	9,785,233	47,549,279	50,293,178
Program expenses						
General government	5,214,375	4,980,348	-	-	5,214,375	4,980,348
Public safety	11,935,794	11,829,101	-	-	11,935,794	11,829,101
Public works	10,526,514	10,877,656	-	-	10,526,514	10,877,656
Leisure activities	4,717,386	3,911,497	-	-	4,717,386	3,911,497
Conservation and development	3,328,744	2,953,899	-	-	3,328,744	2,953,899
Interest and fiscal charges	1,614,343	1,360,450	-	-	1,614,343	1,360,450
Water	-	-	4,557,229	3,770,215	4,557,229	3,770,215
Sewer	-	-	4,660,681	4,425,758	4,660,681	4,425,758
Total expenses	37,337,156	35,912,951	9,217,910	8,195,973	46,555,066	44,108,924
Increase (decrease) before transfers	(361,032)	4,594,994	192,079	1,589,260	(168,953)	6,184,254
Transfers	117,545	(226,374)	(117,545)	226,374	-	-
Change in Net Position	919,679	4,368,620	74,534	1,815,634	994,213	6,184,254
Net Position – Beginning of Year	100,762,445	101,682,124	70,027,758	70,102,292	170,790,203	171,784,416
Net Position – End of Year	\$101,682,124	\$106,050,744	\$70,102,292	\$71,917,926	\$171,784,416	\$177,968,670

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CITY OF WEST BEND

MANAGEMENT'S DISCUSSION AND ANALYSIS December 31, 2021 UNAUDITED

Governmental Activities: The net position in the governmental activities increased by \$4,368,620 during the fiscal year. This was due to increases related to the City's net pension asset and grant revenue.

Business-type Activities: Business-type activities increased the City of West Bend's net position by \$1,815,634. This increase resulted from operations, pension-related items, and capital contributions.

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

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

As of the end of the current fiscal year, the City of West Bend's governmental funds reported combined ending fund balances of \$17,735,243, an increase of \$3,089,717. Approximately \$4.39 million of this total fund balance constitutes unassigned fund balance. For 2021, approximately \$1.6 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 \$8,105,021, while total general fund balance was \$10,459,428. Unassigned fund balance represents 31% of total 2022 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 \$547,049. The Debt Service fund balance at year end was \$724,898, an increase of \$24,751 from the prior year. The Capital Projects fund balance increased by \$2,693,699 from the prior year due primarily to a decrease in unspent debt proceeds.

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

Unrestricted net position of the Water Utility at the end of the year amounted to \$6,081,147 and for the Sewer Utility \$17,930,246. The total increase in net position for the Water Utility was \$1,594,206. The total increase in net position for the Sewer Utility was \$221,428.

General Fund Budgetary Highlights

Revenues

- Investment income below budget by \$284,726.
- Building permits revenues above budget by \$24,305.
- Municipal court fines and penalties below budget by \$64,987.
- Ambulance fees above budget by \$105,955.
- Payment in lieu of taxes from Water Utility below budget by \$53,869.
- State Shared Revenue was cut by \$44,351.
- Insurance recoveries above budget by \$650,453 due to landfill insurance funds received.
- Sale of property above budget by \$296,970.

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CITY OF WEST BEND

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2021

UNAUDITED

Expenditures

- Health insurance below final budget by \$191,326.
- Police costs below budget by \$520,508.
- Fire costs below budget by \$111,476.
- 2021 Public Works type expenditures within General Fund below budget by \$498,031, due to engineering and snow and ice control costs being below budget.
- Within authorized statutory debt limits at 29.1% 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, 2021 amounts to \$200,810,849 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, machinery and equipment, construction in progress, and infrastructure. Infrastructure includes streets, bridges, sidewalks, drainage systems, sewer lines, and other infrastructure. Capital assets net of accumulated depreciation increased \$1,005,432 during 2021. The increase in capital assets was due to the purchase of a fire ladder truck and airport loader. 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, 2021 and 2020

	Governmental Activities		Business-Type Activities		Total
	2020	2021	2020	2021	
Land and Improvements	\$19,920,340	\$ 19,753,161	\$552,571	\$ 552,571	\$ 20,305,732
Right of Way	40,511,677	40,261,156	-	-	40,511,677
Buildings	18,457,206	18,321,150	-	-	18,457,206
Machinery and Equipment	7,741,283	8,647,255	-	-	7,741,283
Infrastructure	62,329,905	63,163,372	-	-	62,329,905
Construction in Progress	332,827	538,016	321,258	229,269	654,085
Water Utility Plant	-	-	26,064,005	26,268,728	26,064,005
Sewer Utility Plant	-	-	23,574,335	23,076,171	23,574,335
Total	\$149,293,238	\$150,684,110	\$50,512,169	\$ 50,126,739	\$199,805,407
					\$200,810,849

Long Term Debt: At the end of the current fiscal year, the City of West Bend had total debt outstanding of \$52,680,879. Of this amount, \$51,398,900 represents general obligation debt, which is secured by the taxing authority of the city, and \$1,281,979 represents capital lease agreements for the Police Department, Fire Department, and the Airport. The City's total outstanding general obligation debt increased by \$1,567,525 due to the additional borrowing for TIFs 12, 14, and 15. Please refer to footnote disclosure Note 3 for more information regarding long-term obligations.

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CITY OF WEST BEND

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2021

UNAUDITED

Economic Factors

- The unemployment rate for the City of West Bend was 3.3% in December 2021. This compares to the state's average unemployment rate of 3.8% and the national average rate of 3.7% (no seasonal adjustments to these rates).
- Equalized value increased approximately 8.84% for 2021 showing continued increase over the past several years.
- Continued emphasis on downtown/brownfield redevelopment in TIF District Nos. 12 and 15.
- Tax increment levy sharing from TIF District Nos. 4 and 6 to TIF District Nos. 5 and 9 will continue in future years.
- Building permit activity for residential construction continued showing signs of growth along with reasonable activity expected for commercial/industrial construction.
- TIF District 14 was created in early 2020. The district is comprised of 216 acres on the southeast corner of the City and is referred to as the West Bend Manufacturing Center. Milwaukee Tool was the first to purchase 20 acres in TIF 14. Milwaukee Tool completed construction and occupied a 94,700 sq. ft. facility. The initial investment is estimated at \$26M. Milwaukee Tool will create 50 full-time jobs in West Bend within three years and is projected to provide up to 100 jobs by 2025.
- TIF District 15 was created in spring 2021. Initial development of 177 dwelling units and 6,500 sq. ft. commercial space started in summer of 2021 with an anticipated value of \$35M upon completion in 2023.

The extent of the impact of COVID-19 on the City's operational and financial performance will depend on future developments, including the duration and spread of the outbreak and related governmental or other regulatory actions. The City will receive the second installment in 2022 from the American Rescue Plan Act, with a total funding of approximately \$3.3 million to continue to address the impacts of COVID-19.

2022 Budget Outlook

- The City did not need to use fund balance for 2021 tax rate that funds the 2022 Operating Budget and looks to continue the trend of growing the unrestricted fund balance to a healthy level.
- The City looks to reduce overall general obligation debt.
- Attention to tax rate stabilization will likely continue for future budgets.

Requests for Information: This financial report is designed to provide a general overview of the City of West Bend's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

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

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City of West Bend
Statement of Net Position
December 31, 2021

	Primary Government		
	Governmental Activities	Business - Type Activities	Component Unit
Assets			
Cash and investments	\$ 23,611,459	\$ 17,718,397	\$ 41,329,856
Taxes receivable	26,735,166	-	26,735,166
Special assessments receivable	64,481	932,183	996,664
Other receivables (net)	2,635,877	1,806,847	4,442,724
Loans receivable	468,205	-	468,205
Internal balances	(4,828,438)	-	-
Prepaid items and inventories	1,198,220	120,597	1,318,817
Land held for resale	507,000	-	507,000
Other assets	-	339,006	339,006
Restricted assets:			
Cash and investments	288,211	448,386	736,597
Net pension asset	7,936,632	672,017	8,608,649
Capital assets:			
Land	14,656,650	552,571	15,209,221
Right of ways	40,261,156	-	40,261,156
Construction in progress	538,016	229,269	767,285
Other capital assets, net of depreciation	95,228,288	49,344,899	144,573,187
Total assets	209,300,923	76,992,610	286,293,533
			354,324
Deferred Outflows of Resources			
Unamortized loss on refunding	339,517	-	339,517
Pension related items	13,158,541	1,156,420	14,314,961
OPEB related items	3,748,408	194,694	3,943,102
Total deferred outflows of resources	17,246,466	1,351,114	18,597,580
			-
Liabilities			
Accounts payable and other current liabilities	3,336,874	491,618	3,828,492
Unearned revenue	1,651,827	-	1,651,827
Noncurrent liabilities:			
Due within one year	7,492,111	602,833	8,094,944
Due in more than one year	46,344,313	3,033,446	49,377,759
Net OPEB liability	15,907,188	743,414	16,650,602
Total liabilities	74,732,313	4,871,311	79,603,624
			1,156
Deferred Inflows of Resources			
Pension related items	17,372,611	1,473,529	18,846,140
OPEB related items	1,825,154	80,958	1,906,112
Unearned revenues	26,566,567	-	26,566,567
Total deferred inflows of resources	45,764,332	1,554,487	47,318,819
			103,433
Net Position			
Net investment in capital assets	107,062,906	46,786,130	153,849,036
Restricted for loans	149,704	-	149,704
Restricted for tourism	252,732	-	252,732
Restricted for donations	422,615	-	422,615
Restricted for future HRA payments	284,426	-	284,426
Restricted for library	743,476	-	743,476
Restricted for pension	7,936,632	672,017	8,608,649
Restricted for debt service	429,529	-	429,529
Restricted for replacement	-	448,386	448,386
Restricted for TIF related projects	1,641,370	-	1,641,370
Unrestricted (deficit)	(12,872,646)	24,011,393	11,138,747
Total net position	\$ 106,050,744	\$ 71,917,926	\$ 177,968,670
			\$ 249,735

See notes to financial statements

City of West Bend

Statement of Activities
Year Ended December 31, 2021

	Program Revenues			Net (Expense) Revenues and Charges in Net Position		
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Component Unit
Primary Government						
General government:						
Public safety	\$ 4,980,348	\$ 756,020	\$ 179,857	\$ -	\$ (4,045,471)	\$ -
Public works	2,699,472	17,198	21,365	(9,221,065)	-	(9,221,065)
Police	1,985,525	1,985,525	-	(1,985,525)	-	-
Library	3,911,907	-	-	(1,759,848)	-	(1,759,848)
Leisure activities	2,953,909	673,351	1,487,208	(2,320,082)	-	(2,320,082)
Conservation and development	1,360,450	-	-	(1,360,450)	-	-
Interest and fiscal charges	35,912,951	5,449,651	3,471,679	(25,907,640)	-	(25,907,640)
Total general government	57,303,152	12,372,744	5,160,109	(40,768,299)	-	(40,768,299)
Business-type activities:						
Water	3,770,215	5,329,677	-	-	1,559,462	1,559,462
Sewer	4,453,328	4,387,431	-	-	(66,897)	(66,897)
Total business-type activities	8,195,573	9,717,108	-	-	1,521,135	1,521,135
Total primary government	\$ 44,108,524	\$ 15,067,759	\$ 3,471,679	\$ (25,907,640)	\$ 1,521,135	\$ (24,386,505)
Component Units						
Business improvement district	\$ -	\$ -	\$ 103,667	\$ -	\$ -	\$ 103,667
General Revenues						
Taxes:						
Property taxes, levied for general purposes	-	-	-	16,638,467	-	16,638,467
Property taxes, levied for special revenue funds	-	-	-	3,479,235	-	3,479,235
Property taxes, levied for debt service	-	-	-	3,479,235	-	3,479,235
Property taxes, levied for TIF	-	-	-	5,268,511	-	5,268,511
Other taxes	-	-	-	754,167	-	754,167
Intergovernmental revenues not restricted to specific programs	-	-	-	2,354,186	-	2,354,186
Investment income	-	-	-	68,490	-	68,490
Miscellaneous	-	-	-	1,258,089	-	1,258,089
Total general revenues	-	-	-	30,532,034	-	30,532,034
Transfers	-	-	-	(226,374)	-	(226,374)
Change in net position	-	-	-	4,368,620	1,815,634	6,184,254
Net Position, Beginning	-	-	-	101,682,124	70,102,292	171,784,416
Net Position, Ending	-	-	-	\$ 106,050,744	\$ 71,917,926	\$ 177,968,670
						\$ 249,735

See notes to financial statements

City of West Bend

Balance Sheet
Governmental Funds
December 31, 2021

	General	Debt Service	Capital Projects	Nonmajor Governmental Funds	Total
Assets					
Cash and investments	\$ 9,061,736	\$ 724,898	\$ 5,175,701	\$ 8,649,124	\$ 23,611,459
Receivables:					
Taxes	17,058,070	3,306,925	-	6,370,171	26,735,166
Delinquent personal property taxes	12,622	-	-	-	12,622
Accounts (net)	712,450	-	562,313	1,277,750	2,552,513
Special assessments	64,481	-	-	-	64,481
Delinquent special assessments	49,979	-	-	-	49,979
Accrued interest	20,763	-	-	-	20,763
Loans	-	-	-	468,205	468,205
Due from other funds	1,233,083	-	11,443	-	1,244,526
Due from component units	-	-	-	-	-
Inventories	982,106	-	-	-	982,106
Prepaid items	197,172	-	-	18,942	216,114
Advances to other funds	-	-	-	245,000	245,000
Restricted cash and investments	-	-	-	288,211	288,211
Total assets	\$ 29,392,462	\$ 4,031,823	\$ 5,749,457	\$ 17,317,403	\$ 56,491,145
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ 1,139,324	\$ -	\$ 815,484	\$ 370,324	\$ 2,325,132
Accrued liabilities	668,803	-	-	32,398	701,201
Deposits	14,116	-	-	-	14,116
Due to other governments	1,056	-	-	-	1,056
Due to other funds	137,833	-	-	233,229	391,062
Unearned revenue	-	-	-	1,651,827	1,651,827
Advances from other funds	-	-	-	5,926,902	5,926,902
Total liabilities	1,981,132	-	815,484	8,214,880	11,011,296
Deferred Inflows of Resources					
Unearned revenue	16,887,421	3,306,925	-	6,372,221	26,566,567
Unavailable revenue	64,461	-	348,500	765,058	1,178,039
Total deferred inflows of resources	16,951,902	3,306,925	348,500	7,137,279	27,744,606
Fund Balances					
Nonspendable	1,241,879	-	-	18,942	1,260,821
Restricted	321,240	724,898	3,772,752	4,169,762	8,988,652
Committed	-	-	-	1,495,369	1,495,369
Assigned	791,288	-	812,721	-	1,604,009
Unassigned (deficit)	8,105,021	-	-	(3,718,629)	4,386,392
Total fund balances	10,459,428	724,898	4,585,473	1,965,444	17,735,243
Total liabilities, deferred inflows of resources and fund balances	\$ 29,392,462	\$ 4,031,823	\$ 5,749,457	\$ 17,317,403	\$ 56,491,145

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, 2021

Fund Balance, Total Governmental Funds	\$ 17,735,243
Amounts reported for governmental activities in the statement of net position are different because:	
Land held for resale used in governmental funds is not a financial resource and, therefore, is not reported in the funds.	507,000
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.	
Land	14,656,650
Right of ways	40,261,156
Construction in progress	538,016
Other capital assets, net of depreciation	95,228,288
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.	1,178,039
The net pension asset does not relate to current financial resources and is not reported in the governmental funds.	7,936,632
Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the funds.	13,158,541
Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the funds.	(17,372,611)
Deferred outflows of resources related to OPEB do not relate to current financial resources and are not reported in the funds.	3,748,408
Deferred inflows of resources related to OPEB do not relate to current financial resources and are not reported in the funds.	(1,825,154)
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	(48,133,900)
Capital leases	(1,281,979)
Compensated absences	(3,539,095)
Other post-employment benefits	(15,907,188)
Accrued interest	(295,369)
Unamortized loss on refunding	339,517
Unamortized debt premium	(881,450)
Net Position of Governmental Activities	\$ 106,050,744

See notes to financial statements

City of West Bend

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended December 31, 2021

	General	Debt Service	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Taxes	\$ 16,700,372	\$ 3,479,735	\$ -	\$ 6,701,805	\$ 26,881,912
Intergovernmental	3,708,387	-	194,074	1,878,553	5,781,024
Licenses and permits	1,019,583	-	-	337,638	1,357,221
Fines, forfeitures and penalties	344,530	-	-	-	344,530
Public charges for services	2,012,140	-	-	929,085	2,941,225
Intergovernmental charges for services	455,016	-	125,000	83,763	663,779
Special assessments	131,630	-	-	-	131,630
Investment income (loss)	(18,726)	876	2,285	25,412	9,847
Miscellaneous	908,844	-	861,600	75,154	1,845,598
Total revenues	25,261,786	3,480,611	1,182,959	10,031,410	39,956,766
Expenditures					
Current:					
General government	4,515,530	-	-	36,095	4,551,625
Public safety	12,978,032	-	-	-	12,978,032
Public works	4,764,616	-	-	1,141,196	5,905,812
Leisure activities	1,446,823	-	-	2,469,724	3,916,547
Conservation and development	384,117	-	-	1,070,994	1,455,111
Capital outlay	1,410,205	-	4,281,267	3,520,241	9,211,713
Debt service:					
Principal retirement	138,260	2,840,000	-	3,312,475	6,290,735
Interest and fiscal charges	47,572	604,109	95,875	919,293	1,666,849
Total expenditures	25,685,155	3,444,109	4,377,142	12,470,018	45,976,424
Excess (deficiency) of revenues over expenditures	(423,369)	36,502	(3,194,183)	(2,438,608)	(6,019,658)
Other Financing Sources (Uses)					
General obligation debt issued	-	-	5,370,000	2,835,000	8,205,000
Premium on debt issued	-	-	254,023	-	254,023
Sale of property	328,465	-	-	22,500	350,965
Transfers in	651,953	288,775	493,480	2,276,782	3,710,990
Transfers out	(10,000)	(300,526)	(229,621)	(2,871,456)	(3,411,603)
Total other financing sources (uses)	970,418	(11,751)	5,887,882	2,262,826	9,109,375
Net change in fund balances	547,049	24,751	2,693,699	(175,782)	3,089,717
Fund Balances, Beginning	9,912,379	700,147	1,891,774	2,141,226	14,645,526
Fund Balances, Ending	\$ 10,459,428	\$ 724,898	\$ 4,585,473	\$ 1,965,444	\$ 17,735,243

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, 2021

Net Change in Fund Balances, Total Governmental Funds \$ 3,089,717

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. Some items are reported as capital outlay in the fund financial statements but are not capitalized in the government-wide statements. Some items reported as capital outlay were contributed to the utilities. Depreciation is reported in the government-wide statements. Net book value of assets retired

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. 200,214

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 8,205,000

Principal repaid 6,290,735

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 236,876

Accrued interest on debt 112,410

Net OPEB liability (2,666,817)

Net pension asset 3,964,346

Deferred outflows of resources related to pensions 3,823,700

Deferred inflows of resources related to OPEB (5,445,908)

Deferred inflows of resources related to OPEB 1,576,875

Governmental funds report 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

Amortization of loss on refunding (145,343)

(133,197)

Change in Net Position of Governmental Activities \$ 4,368,620

See notes to financial statements

City of West Bend
Statement of Net Position
Proprietary Funds
December 31, 2021

Assets	Business-Type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Total
Current assets:			
Cash and investments	\$ 6,571,670	\$ 6,649,613	\$ 13,221,283
Trade receivables	1,077,858	1,077,858	2,155,716
Accounts receivable	946,280	843,789	1,790,069
Due from other funds	11,311	146,390	157,701
Inventories	115,043	-	115,043
Prepaid items	3,580	1,974	5,554
Current portion of advances to other funds	-	95,000	95,000
Total current assets	7,651,943	7,749,485	15,401,428
Noncurrent assets:			
Restricted assets:			
Replacement account	-	448,386	448,386
Net pension asset	391,282	280,735	672,017
Capital assets:			
Property and equipment	48,835,438	53,642,971	100,478,409
Accumulated depreciation	(20,049,689)	(30,531,270)	(50,580,959)
Construction work in progress	205,177	24,092	229,269
Other assets:			
Prepaid assessments receivable	257,425	674,758	932,183
Advances to other funds	-	5,586,902	5,586,902
Designated project investments	-	4,497,114	4,497,114
Property held for future use	163,124	-	163,124
Preliminary survey and investigation	-	100,882	100,882
Nonutility property	-	75,000	75,000
Total noncurrent assets	27,802,777	34,799,570	62,602,347
Total assets	35,454,720	42,549,055	78,003,775
Deferred Outflows of Resources			
Pension related items	689,956	466,464	1,156,420
OPEB related items	152,512	42,182	194,694
Total deferred outflows of resources	842,468	508,646	1,351,114
Liabilities			
Current liabilities:			
Accounts payable	165,668	194,185	360,053
Accrued liabilities	97,764	33,801	131,565
Due to other funds	790,336	220,829	1,011,165
Current portion of general obligation debt	445,000	30,000	475,000
Current portion of compensated absences	86,746	41,085	127,833
Total current liabilities	1,585,716	519,900	2,105,616
Long-term liabilities net of current maturities:			
General obligation debt payable	2,745,609	120,000	2,865,609
Compensated absences	128,514	39,323	167,837
OPEB liability	626,493	116,921	743,414
Total long-term liabilities	3,500,616	276,244	3,776,860
Total liabilities	5,086,332	796,144	5,882,476
Deferred Inflows of Resources			
Pension related items	870,908	602,621	1,473,529
OPEB related items	67,182	13,776	80,958
Total deferred inflows of resources	938,090	616,397	1,554,487
Net Position			
Net investment in capital assets	23,800,337	22,985,793	46,786,130
Restricted for replacement	-	448,386	448,386
Restricted for pension	391,282	280,735	672,017
Unrestricted	6,081,147	17,930,246	24,011,393
Total net position	\$ 30,272,766	\$ 41,645,160	\$ 71,917,926

See notes to financial statements

City of West Bend

Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
Year Ended December 31, 2021

	Business-Type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Total
Operating Revenues	\$ 5,329,677	\$ 4,386,220	\$ 9,715,897
Operating Expenses			
Operation and maintenance	2,593,628	3,087,462	5,681,090
Depreciation	1,116,506	1,334,971	2,451,477
Total operating expenses	3,710,134	4,422,433	8,132,567
Operating income (loss)	1,619,543	(36,213)	1,583,330
Nonoperating Revenues (Expenses)			
Investment income	(551)	66,740	66,189
Amortization of premium net of issuance costs	(88,166)	(3,325)	(91,491)
Income from merchandising and jobbing	28,085	-	28,085
Miscellaneous revenues	-	1,211	1,211
	1,639	297	1,936
Total nonoperating revenue (expenses)	(58,993)	64,923	5,930
Income (loss) before transfers	1,560,550	28,710	1,589,260
Capital Contributions and Transfers			
Capital contributions	434,094	91,667	525,761
Transfers in	246,515	118,767	365,282
Transfers out	(646,953)	(17,716)	(664,669)
Total capital contributions and transfers	33,656	192,718	226,374
Change in net position	1,594,206	221,428	1,815,634
Net Position, Beginning	28,678,560	41,423,732	70,102,292
Net Position, Ending	\$ 30,272,766	\$ 41,645,160	\$ 71,917,926

See notes to financial statements

City of West Bend

Statement of Cash Flows
Proprietary Funds
Year Ended December 31, 2021

	Business-Type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Total
Cash Flows From Operating Activities			
Cash received from customers	\$ 5,333,610	\$ 4,485,179	\$ 9,818,789
Cash paid to suppliers for goods and services	(1,572,437)	(2,403,691)	(3,976,128)
Cash payments to employees for services	(993,455)	(781,880)	(1,775,335)
Net cash flows from operating activities	2,767,718	1,299,608	4,067,326
Cash Flows From Investing Activities			
Investments sold and matured	-	131,778	131,778
Investments purchased	(956,353)	(2,912,418)	(3,868,771)
Investment income	623	42,250	42,873
Net cash flows from investing activities	(955,730)	(2,738,390)	(3,694,120)
Cash Flows From Noncapital Financing Activities			
Transfers from (to) other funds	228,799	118,767	347,566
Advances to (received from) other funds	-	(625,651)	(625,651)
Paid to municipality for tax equivalent	(649,374)	-	(649,374)
Net cash flows from noncapital financing activities	(420,575)	(506,884)	(927,459)
Cash Flows From Capital and Related Financing Activities			
Acquisition and construction of capital assets	(1,010,660)	(652,314)	(1,662,974)
Special assessments received	-	6,137	6,137
Debt retired	(430,000)	(95,000)	(525,000)
Interest paid	(94,512)	(3,601)	(98,113)
Net cash flows from capital and related financing activities	(1,535,172)	(704,778)	(2,239,950)
Net change in cash and cash equivalents	(143,759)	(2,650,444)	(2,794,203)
Cash and Cash Equivalents, Beginning	5,759,076	11,333,139	17,092,215
Cash and Cash Equivalents, Ending	\$ 5,615,317	\$ 8,682,695	\$ 14,298,012

See notes to financial statements

City of West Bend

Statement of Cash Flows
Proprietary Funds
Year Ended December 31, 2021

	Business-Type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Total
Reconciliation of Operating Income (Loss) to Net Cash Flows			
From Operating Activities			
Operating income (loss)	\$ 1,619,543	\$ (53,929)	\$ 1,565,614
Nonoperating revenue (expense)	23,576	1,508	25,084
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:			
Noncash items included in income:			
Depreciation	1,116,506	1,334,971	2,451,477
Depreciation charged to other accounts	68,977	-	68,977
Changes in assets, liabilities, and deferred outflows/inflows of resources:			
Accounts receivable	(77,556)	100,029	22,473
Due from other funds	4,039	(1,581)	2,458
Inventories	(11,825)	-	(11,825)
Prepaid items	1,766	821	2,587
Accounts payable	82,246	65,282	147,528
Accrued liabilities	5,038	(516)	4,522
Due to other funds	12,251	(70,670)	(58,419)
Customer deposits	(7,958)	-	(7,958)
OPEB related assets, liabilities, and deferrals	36,086	5,942	42,028
Compensated absences	(2,006)	(2,090)	(4,096)
Pension related assets, liabilities and deferrals	(102,965)	(80,159)	(183,124)
Net cash flows from operating activities	\$ 2,767,718	\$ 1,299,608	\$ 4,067,326
Reconciliation of Cash and Cash Equivalents to Statement of Net Position Accounts			
Cash and investments	\$ 6,571,670	\$ 6,649,613	\$ 13,221,283
Replacement account	-	448,386	448,386
Designated project investments	-	4,497,114	4,497,114
Total cash and investments	6,571,670	11,595,113	18,166,783
Less noncash equivalents	(956,353)	(2,912,418)	(3,868,771)
Cash and cash equivalents	\$ 5,615,317	\$ 8,682,695	\$ 14,298,012
Noncash Capital and Related Financing Activities			
Municipality financed additions to utility plant	\$ 434,094	\$ 91,667	\$ 525,761
Interest accrued on advances	-	23,634	23,634

See notes to financial statements

City of West Bend

Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2021

	OPEB Trust	Custodial Fund Tax Collection Fund
Assets		
Cash and investments	\$ -	\$ 21,367,843
Taxes receivable	-	12,330,142
Accrued interest receivable	24,962	-
Restricted assets		
Certificates of deposit, negotiable	1,145,006	-
Total assets	\$ 1,169,968	\$ 33,697,985
Liabilities		
Due to other taxing units	\$ -	\$ 33,594,552
Due to component unit	-	103,433
Total liabilities	\$ -	\$ 33,697,985
Net Position		
Restricted for OPEB	\$ 1,169,968	\$ -
Total net position	\$ 1,169,968	\$ -

See notes to financial statements
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City of West Bend

Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Year Ended December 31, 2021

	OPEB Trust	Custodial Fund Tax Collection Fund
Additions		
Property taxes collected for county	\$ -	\$ 5,002,470
Property taxes collected for technical college	-	1,353,124
Property taxes collected for school district	-	17,824,664
Net investment income	13,213	-
Total additions	13,213	24,180,258
Deductions		
Benefit payments	14,848	-
Property taxes collected for county	-	5,002,470
Property taxes collected for technical college	-	1,353,124
Property taxes collected for school district	-	17,824,664
Total deletions	14,848	24,180,258
Change in net position	(1,635)	-
Net Position, Beginning	1,171,603	-
Net Position, Ending	\$ 1,169,968	\$ -

See notes to financial statements
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City of West Bend

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December 31, 2021

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City of West Bend

Notes to Financial Statements
December 31, 2021

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, 2021. The District does not issue separate financial statements.

City of West Bend

Notes to Financial Statements
December 31, 2021

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 2021, which are material to these financial statements. Also, the Redevelopment Authority does not own any assets nor is it liable for any debt. Therefore, no financial statements are presented in this report. The Redevelopment Authority does not issue separate financial statements.

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

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

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

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City of West Bend

Notes to Financial Statements
December 31, 2021

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

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

The City reports the following major governmental funds:

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

The City reports the following major enterprise funds:

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

The City reports the following nonmajor governmental funds:

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

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

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

TIF District No. 3	TIF District No. 9
TIF District No. 4	TIF District No. 10
TIF District No. 5	TIF District No. 11
TIF District No. 6	TIF District No. 12
TIF District No. 7	TIF District No. 13
TIF District No. 8	TIF District No. 14
	TIF District No. 15

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City of West Bend

Notes to Financial Statements
December 31, 2021

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

Library

In addition, the City reports the following fund type:

Fiduciary funds are used to account for and report assets held by the City in a trustee capacity or 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.

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City of West Bend

Notes to Financial Statements
December 31, 2021

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, 2021, there were \$1,834,711 of unrecorded unearned special assessments, which are not receivables because collection is subject to certain events occurring in the future. No formal repayment schedule has been established.

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

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

The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water utility and sewer utility are charges to customers for sales and services. The rates used in the water utility were approved by the Public Service Commission. Sewer service charges are billed at rates established by the City Council. Special assessments are recorded as receivables and contribution revenue when levied. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

All Financial Statements

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

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

Deposits and Investments

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

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City of West Bend

Notes to Financial Statements
December 31, 2021

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

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

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

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

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

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

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

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on methods and inputs outlined in Note 3. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances.

City of West Bend

Notes to Financial Statements
December 31, 2021

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, 2021, the fair value of the City's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

See Note 3 for further information.

Receivables

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

Property tax calendar – 2021 tax roll:

Lien date and levy date	December 2021
Tax bills mailed	December 2021
Payment in full or	January 31, 2022
First installment due	January 31, 2022
Second installment due	July 31, 2022
Personal property taxes in full	January 31, 2022
Tax sale – 2021 delinquent real estate taxes	October 2024

Delinquent real estate taxes as of July 31 are paid in full by the county, which assumes the collection thereof. No provision for uncollectible accounts receivable has been made in the accompanying enterprise fund financial statements because the water and sewer utilities have the right by law to place delinquent bills on the tax roll.

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

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

City of West Bend

Notes to Financial Statements
December 31, 2021

Inventories and Prepaid Items

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

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

Restricted Assets

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

Capital Assets

Government-Wide Statements

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 for general capital assets and infrastructure assets and \$500 for utility assets and an estimated useful life in excess of one year. All capital assets are valued at historical cost or estimated historical cost, if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

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

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

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

City of West Bend

Notes to Financial Statements
December 31, 2021

Fund Financial Statements

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

Other Assets

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

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

Deferred Outflows of Resources

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

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

Compensated Absences

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

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

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2021, are determined on the basis of current salary rates and include salary related payments.

Long-Term Obligations/Conduit Debt

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

City of West Bend

Notes to Financial Statements
December 31, 2021

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

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

The City has approved the issuance of industrial revenue bonds (IRB) for the benefit of private business enterprises. IRB's are secured by mortgages or revenue agreements on the associated projects and do not constitute indebtedness of the City. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The total amount of IRBs outstanding at the end of the year is approximately \$2,940,618 made up of two issues.

Deferred Inflows of Resources

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

Equity Classifications

Government-Wide Statements

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

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

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City of West Bend

Notes to Financial Statements
December 31, 2021

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

	Governmental Activities	Business-Type Activities	Adjustments	Total
Net investment in capital assets	\$ 107,062,906	\$ 46,786,130	\$ (624,642)	\$ 153,224,394
Unrestricted (deficit)	(12,872,646)	24,011,393	624,642	11,763,389

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

Fund Financial Statements

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

- Nonspendable** - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- Restricted** - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- Committed** - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the City Council. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the City Council that originally created the commitment.
- Assigned** - Includes spendable fund balance amounts that are intended to be used for specific purposes that are not considered restricted or committed. Fund balance may be assigned through the following: 1) The council may take official action to assign amounts; and 2) All remaining positive spendable amounts in governmental funds, other than the general fund, that are neither restricted nor committed. Assignments may take place after the end of the reporting period.
- Unassigned** - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

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

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City of West Bend

Notes to Financial Statements
December 31, 2021

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 31% of the 2022 budgeted general fund expenditures at December 31, 2021.

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

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

Postemployment Benefits Other Than Pensions (OPEB)

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

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

City of West Bend

Notes to Financial Statements
December 31, 2021

2. Stewardship, Compliance and Accountability

Budgetary Information

A budget has been adopted for the general fund, certain special revenue funds, the debt service fund and certain capital projects funds. A budget has not been formally adopted for the Capital Projects major fund, Park Development special revenue fund, EMS – FAPS Grant fund, the Library special revenue fund, the Library permanent fund, American Rescue Plan special revenue fund and TIF District No. 15. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds.

Excess Expenditures and Other Financing Uses Over Appropriations

Fund	Budgeted Expenditures and Other Financing Uses	Actual Expenditures and Other Financing Uses	Excess Expenditures and Other Financing Uses Over Budget
TIF District No. 3	\$ 592,867	\$ 609,013	\$ 16,146
TIF District No. 5	589,895	613,124	23,229
TIF District No. 7	66,356	161,914	95,558
TIF District No. 8	2,075	2,202	127
TIF District No. 10	824,646	843,517	18,871
TIF District No. 13	98,207	99,899	1,692
TIF District No. 14	782,960	2,453,679	1,670,719
Public Library	1,495,241	1,577,131	81,890

Deficit Balances

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year-end. As of December 31, 2021, the following individual funds held a deficit balance:

Fund	Amount	Reason
TIF District No. 3	\$ 1,497,481	Uncovered costs
TIF District No. 8	10,398	Uncovered costs
TIF District No. 10	188,695	Uncovered costs
TIF District No. 12	2,022,055	Uncovered costs

TIF district deficits are anticipated to be funded with future incremental taxes levied over the life of the districts, which is 27 years for the districts created before October 1, 1985 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, 2021

Limitations on the City's Tax Levy

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

	Carrying Value	Bank Balance	Associated Risks
Demand deposits	\$ 7,047,270	\$ 7,661,964	Custodial credit
Certificates of deposit – negotiable	3,608,289	3,608,289	Custodial credit, credit concentration of credit, interest rate
U.S. agencies – implicitly guaranteed	2,796,298	2,796,298	Custodial credit, credit, concentration of credit, interest rate
Municipal bonds	2,383,486	2,383,486	Custodial credit, credit, concentration of credit, interest rate
Commercial Paper	729,645	729,645	Custodial credit, credit, concentration of credit, interest rate
LGIP	48,006,569	48,006,569	Credit
Petty cash	7,745	-	N/A
Total cash and investments	\$ 64,579,302	\$ 65,186,251	
Reconciliation to financial statements:			
Per statement of net position:			
Unrestricted cash and investments	\$ 41,329,856		
Restricted cash and investments	736,597		
Per statement of fiduciary net position	22,512,849		
Total cash and investments	\$ 64,579,302		

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City of West Bend

Notes to Financial Statements
December 31, 2021

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

Investment Type	December 31, 2021		
	Level 1	Level 2	Level 3
Certificates of deposit – negotiable	\$ -	\$ 3,608,289	\$ -
U.S. agencies – implicitly guaranteed	-	2,796,298	-
Municipal bonds	-	2,383,486	-
Commercial paper	-	729,645	-
Total	\$ -	\$ 9,517,718	\$ -

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City of West Bend

Notes to Financial Statements
December 31, 2021

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, 2021, the City does not have any deposits exposed to custodial credit risk.

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

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

Credit Risk

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

As of December 31, 2021, the City's investments were rated as follows:

Investment Type	Standard & Poor's	Moody's Investor Service
U.S. agencies – implicitly guaranteed	AA+	Aaa
Municipal bonds	AA+, AA, not rated	Aa1, Aa2, Aa3, A1, not rated

The City also had investments in the Local Government Investment Pool, commercial paper 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, 2021, 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	\$ 2,796,298	\$ -	\$ 2,796,298	\$ -
Municipal bonds	2,383,486	1,693,451	690,035	-
Certificates of deposit	3,608,289	2,027,527	1,580,762	-
Commercial paper	729,645	729,645	-	-
Total	\$ 9,517,718	\$ 4,450,623	\$ 5,067,095	\$ -

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

City of West Bend

Notes to Financial Statements
December 31, 2021

Receivables

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

General fund	\$ 62,601
Nonmajor governmental funds	468,205
Total amount not due within one year	\$ 530,806

An allowance for doubtful accounts has been established in the amount of \$366,102, which relates to ambulance billings reported in the general fund.

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

	Unavailable	Unearned
Property taxes receivable for subsequent year	\$ -	\$ 26,409,327
Developer payments receivable	363,558	-
Special assessments receivable	64,481	-
Grant reimbursements	750,000	-
Subsequent period prepayments	-	157,240
Grant funds not yet spent	-	1,651,827
Total unavailable/unearned review for governmental funds	\$ 1,178,039	\$ 28,218,394
Unearned revenue included in liabilities		\$ 1,651,827
Unearned revenue included in deferred inflows		26,566,567
Total unearned revenue for governmental funds		\$ 28,218,394

City of West BendNotes to Financial Statements
December 31, 2021**Restricted Assets**

The following represent the balances of the restricted assets:

Net Pension Asset

Restricted assets have been reported in connection with the net pension asset balance since this balance must be used to fund employee benefits. The City reported \$8,608,649 in restricted assets for pension at December 31, 2021.

OPEB Asset

Restricted assets have been reported in connection with the OPEB Trust fiduciary fund since this balance must be used to fund other postemployment benefits. The City reported \$1,145,006 in restricted assets for OPEB in the fiduciary fund at December 31, 2021.

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 \$448,386 in restricted assets for the replacement account at December 31, 2021.

There are also restricted assets \$288,211 reported in the nonmajor governmental funds for the parkland acquisition trust.

City of West BendNotes to Financial Statements
December 31, 2021**Capital Assets**

Capital asset activity for the year ended December 31, 2021 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 14,656,650	\$ -	\$ -	14,656,650
Right of ways	40,511,677	173,544	424,065	40,261,156
Construction in progress	332,827	538,016	332,827	538,016
Total capital assets not being depreciated	55,501,154	711,560	756,892	55,455,822
Capital assets being depreciated:				
Land improvements	8,939,578	-	-	8,939,578
Buildings	28,795,874	381,412	-	29,177,286
Machinery and equipment	22,654,187	2,470,798	1,925,604	23,199,381
Streets	83,642,608	1,863,989	312,706	85,193,891
Bridges	4,685,943	-	-	4,685,943
Traffic signals	2,871,548	17,799	-	2,889,347
Dams	650,000	-	-	650,000
Storm water system	34,003,146	1,984,020	32,943	35,954,223
Street lights	542,000	-	-	542,000
Other	1,331,800	-	-	1,331,800
Total capital assets being depreciated	188,116,684	6,718,018	2,271,253	192,563,449
Less accumulated depreciation for:				
Land improvements	(3,675,888)	(167,179)	-	(3,843,067)
Buildings	(10,338,668)	(517,468)	-	(10,856,136)
Machinery and equipment	(14,912,904)	(1,241,189)	1,601,947	(14,552,126)
Streets	(44,400,589)	(2,129,847)	268,771	(46,261,665)
Bridges	(2,485,013)	(93,719)	-	(2,578,732)
Traffic signals	(1,755,085)	(96,215)	-	(1,851,300)
Dams	(412,000)	(13,000)	-	(425,000)
Storm water system	(15,273,782)	(600,436)	32,943	(15,841,275)
Street lights	(346,880)	(10,840)	-	(357,720)
Other	(723,791)	(44,349)	-	(768,140)
Total accumulated depreciation	(94,324,600)	(4,914,222)	1,903,661	(97,335,161)
Net capital assets being depreciated	93,792,084	1,803,796	367,592	95,228,288
Total governmental activities capital assets, net of depreciation	\$ 149,293,238	\$ 2,515,356	\$ 1,124,484	\$ 150,684,110

Depreciation expense was charged to functions as follows:

Governmental Activities

General government	\$ 317,964
Public safety	560,780
Public works, including infrastructure assets	3,339,612
Leisure activities	672,215
Conservation and development	23,751
Total governmental activities depreciation expense	\$ 4,914,222

City of West Bend

Notes to Financial Statements
December 31, 2021

	Beginning Balance	Additions	Deletions	Ending Balance
Business-Type Activities				
Capital assets not being depreciated:				
Land	\$ 552,571	\$ -	-	\$ 552,571
Construction in progress	321,258	1,501,970	1,593,959	229,269
Total capital assets not being depreciated	873,829	1,501,970	1,593,959	781,840
Capital assets being depreciated:				
Water utility plant	45,063,850	1,423,807	169,260	46,318,397
Sewer utility plant	52,966,218	854,640	213,417	53,607,441
Total capital assets being depreciated	98,030,068	2,278,447	382,677	99,925,838
Less accumulated depreciation for:				
Water utility plant	(18,999,845)	(1,219,084)	169,260	(20,049,669)
Sewer utility plant	(29,391,883)	(1,352,804)	213,417	(30,531,270)
Total accumulated depreciation	(48,391,728)	(2,571,888)	382,677	(50,580,939)
Net capital assets being depreciated	49,638,340	(293,441)	-	49,344,899
Total business-type activities capital assets, net of depreciation	\$ 50,512,169	\$ 1,208,529	\$ 1,593,959	\$ 50,126,739

Depreciation expense was charged to functions as follows:

Business-Type Activities	
Water	\$ 1,116,506
Sewer	1,334,971
Total business-type activities depreciation expense	\$ 2,451,477

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

City of West Bend

Notes to Financial Statements
December 31, 2021

Interfund Receivables/Payables, Advances and Transfers

Interfund Receivables/Payables

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

Receivable Fund	Payable Fund	Amount
General	Water utility	\$ 790,336
General	Sewer utility	209,518
General	Nonmajor governmental funds	233,229
Capital projects	General	11,443
Water utility	Sewer utility	11,311
Sewer utility	General	146,390
Subtotal, fund financial statements		1,402,227
Less fund eliminations		(255,983)
Less government-wide eliminations		(292,780)
Less interfund advances		(5,681,902)
Total internal balances, government-wide statement of net position		\$ (4,828,438)
Receivable Fund	Payable Fund	Amount
Governmental Activities	Business-Type Activities	\$ 999,854
Business-Type Activities	Governmental Activities	(5,828,292)
Total government-wide financial statements		\$ (4,828,438)

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, 2021

Advances

The following is a schedule of interfund advances:

Receivable Fund	Payable Fund	Amount	Amount Not Due Within One Year
Communications	Economic Development	\$ 245,000	\$ 233,333
Sewer utility	TIF District No. 3	1,813,092	1,813,092
Sewer utility	TIF District No. 8	12,789	12,789
Sewer utility	TIF District No. 9	54,180	54,180
Sewer utility	TIF District No. 10	514,841	514,841
Sewer utility	TIF District No. 12	2,342,000	2,292,000
Sewer utility	Economic Development	945,000	900,000
Subtotal, interfund advances		5,926,902	\$ 5,820,235
Less fund eliminations		(245,000)	
Total, interfund advances		\$ 5,681,902	

The sewer utility is advancing funds to the TIF Districts No. 3, No. 8, No. 10 and No. 12. The sewer utility is charging these funds interest on the advance based on the average outstanding advance balance during the year. The rate varies from year to year. The 2021 rate was 1.02%. No repayment schedules have been established for these advances. The sewer utility has also advanced funds to TIF Districts No. 5, No. 7, No. 9, No. 11, No. 12 and No. 13; however, these advances were determined to be uncollectible in 2013, with the exception of \$54,180 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 \$2,148,514. The sewer utility is also advancing funds to the economic development fund. The economic development fund is paying \$45,000 annually in principal over a 30-year period, which began in 2013 plus interest calculated at 0.69%.

The communications fund is advancing funds to the economic development fund. Interest is being charged at 0.69% on this advance and repayment is scheduled for \$11,667 annually over a 30-year period beginning in 2013.

City of West Bend

Notes to Financial Statements
December 31, 2021

Transfers

The following is a schedule of interfund transfers:

Fund Transferred To	Fund Transferred From	Amount	Principal Purpose
General	Water utility	\$ 646,953	Payment in lieu of taxes
General	Nonmajor governmental funds	5,000	Refer to general note
Debt service	Capital project	229,621	Refer to general note
Capital projects	Debt service	100,000	Refer to general note
Nonmajor governmental funds	Nonmajor governmental funds	2,086,191	Increment sharing
Capital projects	General	10,000	Refer to general note
Capital projects	Nonmajor governmental funds	383,480	Refer to general note
Debt service	Nonmajor governmental funds	59,154	Refer to general note
Nonmajor governmental funds	Debt service	190,591	Refer to general note
Sewer utility	Nonmajor governmental funds	118,767	Refer to general note
Water utility	Nonmajor governmental funds	218,864	Refer to general note
Water utility	Debt service	9,935	Refer to general note
Water utility	Sewer utility	17,716	Refer to general note
Subtotal, fund financial statements		4,076,272	
Less fund eliminations		(3,081,753)	
Less government-wide eliminations		(695,132)	
Less transfer of capital from governmental activities to business-type activities		(525,761)	
Total transfers, government-wide statement of activities		\$ (226,374)	
Fund Transferred To	Fund Transferred From	Amount	
Governmental Activities	Business-Type Activities	\$ 646,953	
Business-Type Activities	Governmental Activities	(873,327)	
Total		\$ (226,374)	

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, 2021

Long-Term Obligations

Long-term obligations activity for the year ended December 31, 2021 were as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds and Notes Payable					
General obligation debt	\$ 45,985,000	\$ 8,205,000	\$ 6,105,000	\$ 48,085,000	\$ 6,000,000
General obligation notes from direct borrowings or direct placements	96,375	-	47,475	48,900	48,900
Unamortized debt premiums	736,107	254,025	108,682	881,450	-
Total bonds and notes payable	46,817,482	8,459,025	6,261,157	49,015,350	6,048,900
Other Liabilities					
Vested compensated absences	2,648,906	269,908	561,373	2,357,441	117,872
Sick leave	948,579	996,548		996,548	
Vacation	178,486	277,436	270,816	185,106	185,105
Compensatory time	1,420,239	-	138,260	1,281,979	143,686
Capital lease payable	5,196,210	1,543,892	1,919,028	4,821,074	1,443,211
Total other liabilities	52,013,692	10,002,917	8,180,185	53,836,424	7,492,111
Total governmental activities long-term liabilities	\$ 52,013,692	\$ 10,002,917	\$ 8,180,185	\$ 53,836,424	\$ 7,492,111
Business-Type Activities					
Bonds and Notes Payable					
General obligation debt	\$ 3,750,000	\$ -	\$ 485,000	\$ 3,265,000	\$ 475,000
Unamortized bond premium	103,695	-	28,086	75,609	-
Total bonds and notes payable	3,853,695	-	513,086	3,340,609	475,000
Other Liabilities					
Compensated absences	171,933	144,806	21,069	295,670	127,833
Total other liabilities	171,933	144,806	21,069	295,670	127,833
Total business-type activities long-term liabilities	\$ 4,025,628	\$ 144,806	\$ 534,155	\$ 3,636,279	\$ 602,833

City of West Bend

Notes to Financial Statements
December 31, 2021

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, 2021 was \$174,163,925. Total general obligation debt outstanding at year-end was \$51,398,900.

Governmental Activities General Obligation Debt

	Date of Issue	Due Date	Interest Rates	Original Indebtedness	Balance 12/31/21
General obligation refunding bonds	10/19/10	04/01/22	0.75-3.00%	\$ 6,800,000	\$ 275,000
General obligation refunding bonds	12/21/11	04/01/27	0.50-3.10%	1,840,000	290,000
General obligation taxable refunding bonds	05/09/12	03/01/22	0.55-2.70%	1,620,000	170,000
General obligation notes	05/09/12	05/01/22	0.35-2.00%	2,955,000	320,000
General obligation refunding bonds	05/09/12	04/01/26	2.00-2.25%	6,570,000	4,470,000
State trust fund loan *	06/04/12	03/15/22	3.00%	432,400	48,900
General obligation refunding bonds - 2013 A	06/06/13	05/01/33	1.00-3.00%	9,060,000	6,960,000
General obligation refunding notes - 2013 C	06/06/13	04/01/23	0.30-2.25%	5,980,000	125,000
General obligation notes - 2013 B	06/06/13	05/01/23	0.40-1.75%	820,000	175,000
General obligation bonds - 2014 A	02/26/14	02/01/34	0.50-4.00%	1,740,000	1,250,000
General obligation notes - 2014 B	02/26/14	02/01/24	2.00-2.75%	6,210,000	1,200,000
General obligation bonds - 2015 A	06/10/15	04/01/26	1.50-3.00%	3,730,000	1,985,000

* Debt issue is a direct borrowing or direct placement

City of West Bend

Notes to Financial Statements
December 31, 2021

Governmental Activities
General Obligation Debt
(cont.)

	<u>Date of Issue</u>	<u>Due Date</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance 12/31/21</u>
General obligation bonds – 2016 A	03/29/16	03/01/30	2.60-2.50%	\$ 4,750,000	\$ 2,930,000
General obligation refunding bonds – 2016 B	03/29/16	04/01/22	0.90-1.90%	1,135,000	285,000
General obligation notes – 2017 A	05/11/17	03/01/27	2.03%	1,530,000	1,200,000
General obligation notes – 2018 A	05/03/18	11/01/28	3.00%	2,030,000	1,695,000
General obligation notes – 2019 A	04/03/19	04/01/31	3.00-4.00%	3,540,000	2,990,000
General obligation refunding bonds – 2019 B	04/03/19	03/01/24	2.625-2.65%	1,975,000	1,175,000
General obligation bonds – 2020 A	02/05/20	02/01/40	1.80-3.00%	3,530,000	3,530,000
General obligation bonds – 2020 B	05/07/20	05/01/40	2.00-3.00%	5,890,000	5,740,000
General obligation refunding bonds – 2020 C	10/15/20	03/01/31	1.05-2.00%	3,750,000	3,115,000
General obligation bonds – 2021 A	05/06/21	04/01/36	1.25-3.00%	5,370,000	5,370,000
Taxable general obligation bonds – 2021 B	11/03/21	04/01/40	0.20-2.55%	2,835,000	2,835,000
Total governmental activities, general obligation debt				\$ 48,133,900	\$ 32,855,000

Total governmental activities, general obligation debt

Business-type Activities
General obligation debt

	<u>Date of Issue</u>	<u>Due Date</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance 12/31/21</u>
General obligation refunding bonds	05/09/12	04/01/26	2.00-2.25%	\$ 235,000	\$ 150,000
General obligation refunding bonds	03/29/16	03/01/30	2.60-2.50%	775,000	530,000
General obligation notes	06/01/16	06/01/26	1.35%	800,000	425,000
General obligation notes	05/11/17	03/01/27	2.03%	700,000	445,000
General obligation notes	05/03/18	05/01/28	3.00%	530,000	395,000
General obligation notes	04/03/19	04/01/31	3.00-4.00%	1,350,000	1,050,000
General obligation notes	05/07/20	05/01/40	2.00%-3.00%	300,000	270,000
Total business-type activities, general obligation debt				\$ 3,265,000	\$ 3,265,000

Total business-type activities, general obligation debt

City of West Bend

Notes to Financial Statements
December 31, 2021

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 6,000,000	\$ 1,160,618	\$ 475,000	\$ 81,410
2023	5,315,000	1,021,549	495,000	67,671
2024	5,385,000	882,795	470,000	54,199
2025	5,040,000	748,824	440,000	42,239
2026	4,755,000	621,303	450,000	31,101
2027-2031	13,065,000	1,734,225	935,000	43,500
2032-2036	5,855,000	643,994	-	-
2037-2040	2,670,000	146,091	-	-
Total	\$ 48,085,000	\$ 6,959,399	\$ 3,265,000	\$ 320,120

Governmental Activities
Notes from Direct Borrowings
and Direct Placements

<u>Years</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 48,900	\$ 1,467
Total	\$ 48,900	\$ 1,467

Other Debt Information

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

City of West Bend

Notes to Financial Statements
December 31, 2021

The City entered into a lease agreement during 2019 for police equipment and into lease agreements in 2021 for fire and airport equipment. Principal and interest due on the capital leases as of December 31, 2021, are as follows:

Years	Capital Leases Payable	
	Principal	Interest
2022	\$ 143,686	\$ 31,356
2023	142,509	32,533
2024	146,601	28,442
2025	150,810	24,233
2026	131,936	19,904
2027 - 2030	566,437	40,925
Total	\$ 1,281,979	\$ 177,393

Net Position/Fund Balances

Governmental activities net position reported on the government-wide statement of net position at December 31, 2021 includes the following:

Governmental Activities

Net investment in capital assets	
Land	\$ 14,656,650
Right of ways	40,261,156
Construction in progress	538,016
Other capital assets, net of accumulated depreciation	95,228,288
Less capital related long-term debt outstanding	(48,615,478)
Less unamortized premiums	(881,450)
Plus unamortized loss on refunding	339,517
Plus unspent capital related debt proceeds	5,536,207
Total net investment in capital assets	\$ 107,062,906

City of West Bend

Notes to Financial Statements
December 31, 2021

Governmental fund balances reported on the fund financial statements at December 31, 2021 include the following:

Fund Balance	Major Funds			Nonmajor Funds	Total
	General Fund	Debt Service	Capital Projects		
Nondisposable					
Inventories	\$ 982,106	\$ -	\$ -	\$ -	\$ 982,106
Prepaid items	197,172	-	-	18,942	216,114
Delinquent personal property taxes	12,622	-	-	-	12,622
Delinquent special assessments	49,979	-	-	-	49,979
Restricted for:					
Debt services	-	724,898	-	-	724,898
Library purposes	-	-	-	743,072	743,072
Fire department equipment funds	7,702	-	-	-	7,702
Fire department training funds	2,516	-	-	-	2,516
Rescue squad	4,616	-	-	-	4,616
Parks and recreation	12,660	-	-	326,634	339,314
Park impact fee	9,300	-	-	-	9,300
EMS	-	-	-	52,667	52,667
Transit	-	-	-	20,281	20,281
Loans	-	-	-	149,704	149,704
Future HRA payments	284,426	-	-	-	284,426
Tourism	-	-	-	252,732	252,732
Grants - ARPA	-	-	-	468	468
TIF related projects	-	-	-	2,624,204	2,624,204
Future capital related projects (unspent proceeds)	-	-	3,772,752	-	3,772,752
Committed to:					
Communications	-	-	-	1,425,624	1,425,624
Recreation programs	-	-	-	69,745	69,745
Assigned to:					
Carryforwards	791,288	-	-	-	791,288
Future capital projects	-	-	812,721	-	812,721
Unassigned (deficit)	8,105,021	-	-	(3,718,629)	4,386,392
Total fund balances	\$ 10,459,428	\$ 724,898	\$ 4,585,473	\$ 1,965,444	\$ 17,735,243

Business-type Activities

Invested in capital assets, net of related debt	
Land	\$ 552,571
Construction in progress	229,269
Other capital assets, net of accumulated depreciation	49,344,899
Less unrelated long-term debt outstanding	(3,265,000)
Less unamortized debt premium	(75,609)
Total amount not due within one year	\$ 46,786,130

City of West Bend

Notes to Financial Statements
December 31, 2021

Component Unit

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

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

a. Basis of Accounting/Measurement Focus

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

b. Deposits and Investments

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

	Carrying Value	Bank Balance
Demand deposits	\$ 250,891	\$ 250,891

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, 2021, the component unit's bank balance of \$250,891 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, 2021, the Business Improvement District has a receivable of \$103,433 from the City's tax collection fund for the subsequent year's annual assessment.

City of West Bend

Notes to Financial Statements
December 31, 2021

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>.

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, 2021

Post-Retirement Adjustments

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

Year	Core Fund Adjustment	Variable Fund Adjustment
2011	(1.2)%	11.0%
2012	(7.0)	(7.0)
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

Contributions

Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for General category employees and Executives and Elected Officials. Starting January 1, 2016, the Executives and Elected Officials category merged into the General Employee category. Required contributions for protective employees are the same rate as general employees. 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 \$1,623,628 in contributions from the City.

Contribution rates for the plan year reported as of December 31, 2021 are:

Employee Category	Employee	Employer
General (Executives & Elected Officials)	6.75%	6.75%
Protective with Social Security	6.75%	11.65%
Protective without Social Security	6.75%	16.25%

City of West Bend

Notes to Financial Statements
December 31, 2021

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

At December 31, 2021, the City reported an asset of \$8,608,649 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2020 and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2019 rolled forward to December 31, 2020. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension asset was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2020, the City's proportion was 0.13788976%, which was an increase of 0.00388007% from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021, the City recognized pension expense of \$(910,490).

At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 12,459,358	\$ 2,683,723
Changes of actuarial assumptions	195,261	-
Net differences between projected and actual earnings on pension plan investments	-	16,162,037
Changes in proportion and differences between employer contributions and proportionate share of contributions	55,129	380

Employer contributions – January 1, 2021 to end of current fiscal year

	1,605,213	-
Total	\$ 14,314,961	\$ 18,846,140

\$1,605,213 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability/(asset) in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Years Ended December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2022	\$ (1,574,556)
2023	(418,009)
2024	(2,913,634)
2025	(1,230,193)

City of West Bend

Notes to Financial Statements
December 31, 2021

Actuarial Assumptions

The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2019
Measurement Date of Net Pension Liability	December 31, 2020
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	7.0 %
Discount Rate:	7.0 %
Salary Increases:	
Inflation	3.0 %
Seniority/Merit	0.1 % - 5.6 %
Mortality:	Wisconsin 2018 Mortality Table
Post-retirement Adjustments*:	1.9 %

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

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. The Total Pension Liability for December 31, 2020 is based upon a roll-forward of the liability calculated from the December 31, 2019 actuarial valuation.

City of West Bend

Notes to Financial Statements
December 31, 2021

Long-Term Expected Return on Plan Assets

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

Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Global Equities	51	7.2	4.7
Fixed Income	25	3.2	0.8
Inflation Sensitive Assets	16	2.0	(0.4)
Real Estate	8	5.6	3.1
Private Equity/Debt	11	10.2	7.6
Multi-Asset	4	5.8	3.3
Total Core Fund	115	6.6	4.1

Variable Fund Asset Class

U.S. Equities	70	6.6	4.1
International Equities	30	7.4	4.9
Total Variable Fund	100	7.1	4.6

New England Pension Consultants Long-Term US CPI (Inflation) Forecast: 2.4%
Asset Allocations are managed within established ranges, target percentages may differ from actual monthly allocations

City of West Bend

Notes to Financial Statements
December 31, 2021

Single Discount Rate

A single discount rate of 7.00% was used to measure the total pension liability (asset) for the current and prior year. This single discount rate was based on the expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.00%. (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, 2020. 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 7.00% expected rate of return implies that a dividend of approximately 2.1% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability (asset).

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

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

	1% Decrease to Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase to Discount Rate (8.00%)
City's proportionate share of the Net pension liability (asset)	\$ 8,194,240	\$ (8,608,649)	\$ (20,950,246)

Pension Plan Fiduciary Net Position

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

At December 31, 2021, 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, 2021

Self Insurance

For health claims, the uninsured risk of loss is \$90,000 per incident and \$3,619,573 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, 2021. The City does not allocate overhead costs or other nonincremental costs to the claims liability. Changes in the current claims liability, which is recorded in the general fund follows:

Claims Liability

	Prior Year	Current Year
Unpaid claims, beginning of year	\$ 270,255	\$ 304,366
Current year claims and changes in estimates	4,297,372	2,541,567
Claim payments	(4,263,261)	(3,217,544)
Unpaid claims, end of year	\$ 304,366	\$ 371,611

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, 2021

Joint Venture

Mid-Moraine Municipal Court

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

Municipality	% Fines
City of West Bend	21.56%
Village of Germantown	9.82
City of Hartford	11.92
Village of Kewaskum	4.08
Village of Slinger	7.66
Village of Jackson	7.03
City of Port Washington	6.60
Village of Grafton	4.94
Village of Saukville	6.54
Town of Hartford	0.44
Town of Trenton	0.84
Village of Newburg	0.53
City of Cedarburg	4.30
Village of Fredonia	0.59
Village of Thiensville	2.07
City of Mequon	11.08
Total	100.00%

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

Financial information of the court as of December 31, 2021 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, 2021, the City reported activity related to the City's health insurance OPEB and Local Retire Life Insurance Fund OPEB as follows:

	Health Insurance OPEB plan	LRLIF OPEB plan	Total
Deferred outflow of resources	\$ 3,381,677	\$ 561,425	\$ 3,943,102
Deferred inflow of resources	1,753,933	152,179	1,906,112
OPEB liability	15,342,437	1,308,165	16,650,602
OPEB expense	1,074,479	162,242	1,236,721

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City of West Bend

Notes to Financial Statements
December 31, 2021

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 non-union 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, 2021, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	33
Active plan members	169
	<u>202</u>

Net OPEB Liability

The City's net OPEB liability of \$15,342,437 was measured as of December 31, 2020 and was determined by an actuarial valuation as of December 31, 2019 rolled forward to December 31, 2020.

Actuarial Assumptions and Other Inputs

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

Inflation	2.00%
Salary increases	3% inflation plus 0.1%-4.8% merit
Healthcare cost trend rates	6.50% decreasing by 0.1% per year to an ultimate rate of 5.0%
Retirees' share of benefit-related costs	50% nonpolice union, 100% police union
The discount rate of 2.25% was based on the Bond Buyer 20-Bond GO Index.	

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City of West Bend

Notes to Financial Statements
December 31, 2021

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

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of the WRS experience study for the period 2015-2017 conducted in 2018.

Changes in the Net OPEB Liability

	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability
Balances at December 31, 2020	\$ 14,014,888	\$ 1,161,076	\$ 12,853,812
Changes for the Year:			
Service cost	611,605	-	611,605
Interest	386,970	-	386,970
Difference Between Expected and Actual Experience	1,329,918	-	1,329,918
Changes in assumptions*	638,332	-	638,332
Benefit payments	(498,140)	(30,845)	(467,295)
Net investment income	-	10,905	(10,905)
Net changes	2,468,685	(19,940)	2,488,625
Balances at December 31, 2021	\$ 16,483,573	\$ 1,141,136	\$ 15,342,437

*Changes in assumptions included an updated discount rate;

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

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

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

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

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

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

City of West Bend

Notes to Financial Statements
December 31, 2021

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

For the year ended December 31, 2021, the City recognized OPEB expense of \$1,074,479. At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual experiences	\$ 1,306,262	\$ 5,156
Changes of actuarial assumptions	1,628,684	1,748,777
Net differences between projected and actual earnings on OPEB plan investments	29,754	-
Employer contributions, subsequent to measurement date	416,977	-
Total	\$ 3,381,677	\$ 1,753,933

Deferred outflows of \$416,977 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, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ended December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2022	\$ 107,409
2023	107,409
2024	107,409
2025	102,984
2026	98,864
Thereafter	686,692

Plan Description – OPEB Trust

Plan Description

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

City of West Bend

Notes to Financial Statements
December 31, 2021

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 non-union 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, 2021, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	33
Active plan members	<u>189</u>
Total	<u>202</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 negotiable certificates of deposit as follows:

Midland States Bank	4.6%
CIBC Bank	14.0%
Royal Business Park	14.6%
New Omni Bank, N.A.	14.4%
Western Alliance Bank	17.9%
First Internet Bank of Indiana	18.3%
First National Bank	16.2%

Rate of Return

For the year ended December 31, 2021, the annual money-weighted rate of return on investments, net of investment expense, was 78%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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City of West Bend

Notes to Financial Statements
December 31, 2021

Net OPEB Liability

The components of the net OPEB liability of the City at December 31, 2021, were as follows:

Total OPEB liability	\$ 17,449,479
Less plan fiduciary net position	<u>(1,145,005)</u>
City's net OPEB liability	<u>\$ 16,304,474</u>

Plan fiduciary net position as a percentage of the total OPEB liability 6.56%

Actuarial Assumptions and Other Inputs

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

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

Assumptions related to the investment rate of return and discount rate changed since the 2020 valuation. Mortality rates were based on the Wisconsin 2018 Mortality Table as the base table and project future improvements with MP-2018 generational improvement scale (multiplied by 60%).

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

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

Discount Rate

The discount rate used to measure the total OPEB liability was 2.00%. 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, 2021 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2020 rolled forward to December 31, 2021.

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City of West Bend

Notes to Financial Statements
December 31, 2021

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

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.00%) or 1-percentage-point higher (3.00%) than the current discount rate:

	1% Decrease (1.00%)	Discount Rate (2.00%)	1% Decrease (3.00%)
Net OPEB liability	\$ 17,652,305	\$ 16,304,474	\$ 15,043,314

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

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

	Healthcare Cost Trend Rates		
	1% Decrease		1% Decrease
Net OPEB liability	\$ 14,431,725	\$ 16,304,474	\$ 18,498,792

OPEB Plan Fiduciary Net Position

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

Local Retiree Life Insurance Fund (LRLIF)**Plan Description**

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

ETF issues a standalone 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 <https://etfonline.wi.gov/ETFGASBPUBLICWeb/gasb75local.dol>.

Benefits Provided

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

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City of West Bend

Notes to Financial Statements
December 31, 2021

Contributions

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

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

Contribution rates for the plan year reported as of December 31, 2021 are:

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

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

Life Insurance Member Contribution Rates for the Plan Year

Attained Age	Basic	Supplemental
Under 30	\$0.05	\$0.05
30-34	0.06	0.06
34-39	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 \$4,742 in contributions from the employer.

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City of West BendNotes to Financial Statements
December 31, 2021**OPEB Liabilities, OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs**

At December 31, 2021, the City reported a liability of \$1,308,165 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2020 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2020 rolled forward to December 31, 2020. 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, 2020, the City's proportion was 0.23781700%, which was an increase of 0.00124400% from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021, the City recognized OPEB expense of \$162,242.

At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ -	\$ 62,421
Net differences between projected and actual earnings on OPEB plan investments	19,046	-
Changes in assumptions	508,895	89,758
Changes in proportion and differences between employer contributions and proportionate share of contributions	28,580	-
Employer contributions subsequent to the measurement date	4,904	-
Total	<u>\$ 561,425</u>	<u>\$ 152,179</u>

\$4,904 reported as deferred outflows related to OPEB resulting from the LRLIF Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ended December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2022	\$ 77,417
2023	75,357
2024	73,236
2025	65,874
2026	77,073
Thereafter	35,385

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City of West BendNotes to Financial Statements
December 31, 2021**Actuarial Assumptions**

The total OPEB liability in the January 1, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	January 1, 2020
Measurement Date of Net OPEB Liability:	December 31, 2020
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield:	2.12 %
Long-Term Expected Rate of Return:	4.25 %
Discount Rate:	2.25 %
Salary Increases:	
Inflation	3.00 %
Seniority/Merit	0.1 % - 5.6 %
Mortality:	Wisconsin 2018 Mortality Table

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. The Total OPEB Liability for December 31, 2020 is based upon a roll-forward of the liability calculated from the January 1, 2020 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.

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City of West Bend

Notes to Financial Statements
December 31, 2021

Local OPEB Life Insurance Asset Allocation Targets and Expected Returns As of December 31, 2020

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return %
U.S. Credit Bonds	Barclays Credit	50%	1.47%
U.S. Long Credit Bonds	Barclays Long Credit	5	2.90
U.S. Mortgages	Barclays MBS	50	0.82
Inflation			2.20
Long-Term Expected Rate of Return			4.25

The long-term expected rate of return and expected inflation rate remained unchanged from the prior year at 4.25% and 2.20%, respectively. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting volatility and correlation.

Single Discount Rate

A single discount rate of 2.25% was used to measure the total OPEB liability for the current year, as opposed to a discount rate of 2.87% for the prior year. The significant change in the discount rate was primarily caused by the decrease in the municipal bond rate from 2.74% as of December 31, 2019 to 2.12% as of December 31, 2020. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

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

City of West Bend

Notes to Financial Statements
December 31, 2021

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

The following presents the City's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 2.25%, as well as what the City's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (1.25%) or 1-percentage-point higher (3.25%) than the current rate:

	1% Decrease to Discount Rate (1.25%)	Current Discount Rate (2.25%)	1% Increase to Discount Rate (3.25%)
City's proportionate share of the net OPEB liability	\$ 1,779,479	\$ 1,308,165	\$ 951,724

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 May 2022, the City issued \$3,455,000 in general obligation corporate promissory notes, Series 2022A, for financing the capital projects. Interest rates are 3.0 - 5.0% with final maturity in 2032.

TIF District No. 6 was amended in May 2022 to add territory to allow for business expansion in the District.

Effect of New Accounting Standards on Current-Period Financial Statements

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

- Statement No. 87, Leases
- Statement No. 91, Conduit Debt Obligations
- Statement No. 92, Omnibus 2020
- Statement No. 93, Replacement of Interbank Offered Rates
- Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements
- Statement No. 96, Subscription-Based Information Technology Arrangements
- Statement No. 97, Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an amendment of GASB Statements No. 14 and No. 84 and a supersession of GASB Statement No. 32

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

City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 16,691,755	\$ 16,691,755	\$ 16,700,372	\$ 8,617
Intergovernmental	3,484,560	3,542,784	3,708,397	165,613
Licenses and permits	761,615	785,360	1,019,583	234,223
Fines, forfeitures and penalties	410,600	410,600	344,530	(66,070)
Public charges for services	1,883,260	1,911,229	2,012,140	100,911
Intergovernmental charges for services	455,000	455,000	455,016	16
Special assessments	2,000	128,352	131,630	3,278
Investment income (loss)	266,000	266,000	(18,726)	(284,726)
Miscellaneous revenues	175,028	219,401	908,844	689,443
Total revenues	24,129,818	24,410,481	25,261,786	851,305
Expenditures				
Current:				
General government	4,860,146	4,800,453	4,515,530	284,923
Public safety	13,316,448	13,624,841	12,978,032	646,809
Public works	4,763,109	5,262,647	4,764,616	498,031
Leisure activities	1,449,627	1,521,691	1,446,823	74,868
Conservation and development	395,810	437,074	384,117	52,957
Capital outlay	43,000	216,499	1,410,205	(1,193,706)
Debt service:				
Principal	-	-	138,260	(138,260)
Interest	-	-	47,572	(47,572)
Total expenditures	24,828,140	25,863,205	25,685,155	178,050
Excess (deficiency) of revenues over expenditures	(698,322)	(1,452,724)	(423,369)	1,029,355
Other Financing Sources (Uses)				
Sale of property	7,500	31,495	328,465	296,970
Transfers in	700,822	705,822	651,953	(53,869)
Transfers out	(10,000)	(10,000)	(10,000)	-
Total other financing sources (uses)	698,322	727,317	970,418	243,101
Net change in fund balances	-	(725,407)	547,049	1,272,456
Fund Balances, Beginning	9,912,379	9,912,379	9,912,379	-
Fund Balances, Ending	\$ 9,912,379	\$ 9,186,972	\$ 10,459,428	\$ 1,272,456

REQUIRED SUPPLEMENTARY INFORMATION

See notes to required supplementary information
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City of West Bend

Schedule of Proportionate Share of the Net Pension Liability (Asset)

Wisconsin Retirement System

Year Ended December 31, 2021

Fiscal Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/21	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, 2021

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/21	\$ 1,605,213	\$ 1,605,213	\$ -	\$ 15,163,207	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 %

Schedule of Proportionate Share of the Net Life Insurance OPEB Liability

Local Retiree Life Insurance Fund

Year Ended December 31, 2021

Fiscal Year Ending	Proportion of the Net OPEB Liability	Proportionate Share of the Net OPEB Liability	Covered Payroll	Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
12/31/21	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 %

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, 2021

	2021	2020	2019	2018
Total OPEB Liability				
Service cost	\$ 611,695	\$ 464,261	\$ 783,846	\$ 740,648
Interest	386,970	485,574	585,765	379,621
Changes of benefit terms	-	-	-	-
Disbursements for benefits expected and actual experience	1,329,018	-	186,171	(7,816)
Changes of assumptions	638,332	1,364,500	(2,623,166)	-
Benefit payments	(458,140)	(413,311)	(510,754)	(568,460)
Net change in total OPEB liability	2,468,685	1,901,024	(1,778,128)	543,993
Total OPEB liability, beginning	14,014,888	12,113,864	13,891,992	13,347,999
Total OPEB liability, ending (a)	\$ 16,483,573	\$ 14,014,888	\$ 12,113,864	\$ 13,891,992
Fiduciary Net Position				
Contributions, employer	\$ -	\$ 1,160,000	\$ -	\$ -
Net investment income	10,905	1,076	-	-
Benefit payments	(30,845)	-	-	-
Net change in fiduciary net position	(19,940)	1,161,076	-	-
Fiduciary Net Position, Beginning	1,161,076	-	-	-
Fiduciary Net Position, Ending (b)	\$ 1,141,136	\$ 1,161,076	\$ -	\$ -
Net OPEB Liability (a) - (b)	\$ 15,342,437	\$ 12,853,812	\$ 12,113,864	\$ 13,891,992
Fiduciary Net Position as a Percentage of the Total OPEB Liability	6.92%	8.28%	0.00%	0.00%
Covered payroll	\$ 13,578,000	\$ 13,139,385	\$ 13,139,385	\$ 13,712,222
Net OPEB liability as a percentage of covered payroll	112.59%	97.83%	92.20%	101.31%

Notes to Schedule:

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

Benefit charges: There were no charges to the benefits.

Changes of assumptions: Updated discount rate

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

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

See notes to required supplementary information

City of West Bend

Schedule of Changes in the Net OPEB Liability and Related Ratios

OPEB Trust
Last 10 Fiscal Years*

	2021	2020	2019
Total OPEB Liability			
Service cost	\$ 685,487	\$ 611,605	\$ 464,261
Interest on the total OPEB liability	373,901	386,970	485,574
Differences between expected and actual experience	-	1,329,918	-
Changes of assumptions or other inputs	323,495	638,332	1,364,500
Benefit payments	(416,977)	(498,140)	(413,311)
Net change in the total OPEB liability	\$ 965,906	\$ 2,468,685	\$ 1,901,024
Total OPEB liability, beginning	\$ 16,483,573	\$ 14,014,888	\$ 12,113,864
Total OPEB liability, ending (a)	\$ 17,449,479	\$ 16,483,573	\$ 14,014,888
Fiduciary Net Position			
Employer contributions	\$ -	\$ -	\$ 1,160,000
Net investment income	18,717	10,905	1,076
Benefit payments	(14,848)	(30,845)	-
Net change in plan fiduciary net position	\$ 3,869	\$ (19,940)	\$ 1,161,076
Total fiduciary net position, beginning	\$ 1,141,136	\$ 1,161,076	\$ -
Total fiduciary, ending (b)	\$ 1,145,005	\$ 1,141,136	\$ 1,161,076
Net OPEB liability, ending = (a) - (b)	\$ 16,304,474	\$ 15,342,437	\$ 12,853,812
Covered payroll	13,578,000	13,578,000	13,139,385
Net OPEB liability as a percent of covered payroll	120.08%	112.99%	97.83%

Notes to the Schedule:

Benefit charges: No changes in benefits

Changes in assumptions: The discount rate was updated to 2.00%.

*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 as are available until 10 years are presented.

See notes to required supplementary information

City of West Bend

Schedule of Investment Returns - OPEB Trust Last 10 Fiscal Years*

	2021	2020	2019
Annual money-weighted rate of return, net of investment expense	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.

See notes to required supplementary information

City of West Bend

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

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

Notes to the Schedule:

Actuarial cost method
Asset valuation method
Amortization method
Discount rate
Inflation

Entry Age Normal
Market Value
30-year Level Dollar
2.00%
2.00%

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

See notes to required supplementary information
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City of West Bend

Notes to Required Supplementary Information
December 31, 2021

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 \$791,288. 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. No significant change in assumptions from the prior year were noted.

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. The *Single Discount Rate* assumption used to develop the Total OPEB Liability changed from the prior year. Please refer to the Actuarial Assumptions section above for additional details.

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GENERAL FUND

SUPPLEMENTARY INFORMATION

City of West Bend

General Fund
Detailed Schedule of Revenues and Other Financing Sources (Major Fund)
Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Taxes				
General property tax	\$ 16,635,266	\$ 16,635,266	\$ 16,638,667	\$ 3,401
Mobile home taxes	50	50	54	4
Taxes from housing authority	38,000	38,000	39,137	1,137
Taxes from cell towers	7,014	7,014	8,760	1,746
Delinquent property chargebacks	3,925	3,925	4,277	352
Interest on taxes	7,500	7,500	9,477	1,977
Total	16,691,755	16,691,755	16,700,372	8,617
Intergovernmental Revenues				
Shared taxes from state	1,600,786	1,600,786	1,556,435	(44,351)
Fire insurance tax from state	144,000	144,000	155,800	11,800
Federal aid, FEMA Grant	-	15,534	15,534	-
State aid, emergency medical services	-	-	45,085	45,085
State aid, personal property aid	73,760	73,760	73,760	-
State aid, service to state facilities	107,497	107,497	106,398	(1,099)
State aid, police training	9,600	13,453	14,929	1,476
State aid, road allotment	1,194,447	1,194,447	1,194,447	-
State aid, exempt computer aid	112,095	112,095	112,095	-
State aid, recycling streets	130,020	130,020	130,020	-
State aid, recycling assistance	108,355	108,355	108,857	502
State aid, fire training	4,000	4,000	6,200	2,200
State aid, Emerald Ash borer grant	-	25,000	25,000	25,000
State aid, WEDC Grant	-	2,570	150,000	150,000
State aid, senior picnic program NRPA	-	3,000	2,570	-
Sumner Rotary Grant	-	3,267	3,000	-
Fireman's Life Rehab Grant	-	3,267	3,267	-
WI Urban Wildlife-Deer Management	-	5,000	5,000	-
Total	3,484,560	3,542,784	3,706,397	165,613

Licenses and Permits

Liquor and malt beverage licenses
Operators' licenses
Weights and measures
Cigarette licenses
Bicycle licenses
Dog licenses
Cat licenses
Amusement device licenses
Other miscellaneous licenses
Building permits
State building permits
Electrical permits
Plumbing permits

51,050	51,050	85,225	34,175
27,710	27,710	29,663	1,953
15,820	15,820	16,014	194
2,900	2,900	3,400	500
1,400	1,400	1,400	-
19,750	19,750	19,872	122
6,315	6,315	8,905	2,590
3,620	3,620	3,815	195
8,630	8,630	12,113	3,483
240,000	240,000	264,305	24,305
1,750	1,750	1,520	(230)
52,000	52,000	80,973	28,973
73,000	73,000	79,990	6,990

City of West Bend

General Fund
Detailed Schedule of Revenues and Other Financing Sources (Major Fund)
Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Licenses and Permits (cont.)				
Erosion control	\$ 14,500	\$ 14,500	\$ 17,900	\$ 3,400
Occupancy permits	10,000	10,000	12,360	2,360
Heating permits	41,500	41,500	63,760	22,260
Sign permits	10,000	10,000	19,665	9,665
Sidewalk permits	5,500	5,500	8,785	3,285
Street opening permits applied	20,000	20,000	31,552	11,552
Zoning	14,675	14,675	22,350	7,675
Yardwaste drop permits	78,295	78,295	77,135	(1,160)
Storm water management permits	1,500	1,500	7,230	5,730
Plan examination fees	26,150	26,150	36,946	10,796
Engineering inspection fees	35,000	58,745	113,070	54,325
Plan handling fees	500	500	1,520	1,020
Other regulatory permits / fees	50	50	115	65
Total	761,615	785,360	1,019,583	234,223
Fines, Forfeitures and Penalties				
Parking violations	87,100	87,100	81,648	(5,452)
Municipal court fines and penalties	316,500	316,500	251,513	(64,987)
Awards and damages	7,000	7,000	11,369	4,369
Total	410,600	410,600	344,530	(66,070)
Public Charges for Services				
Copy revenue	20	20	-	(20)
Clerk fees	100	100	20	(80)
Treasurer fees	13,800	13,800	16,100	2,300
NSF charges	2,040	2,040	1,520	(520)
License publication fees	1,660	1,660	1,515	(145)
Police department fees	195,000	195,000	192,641	(2,359)
Registration suspension fees	3,500	3,500	3,050	(450)
False alarm assessments	8,450	8,450	15,200	6,750
Fire department fees	16,000	16,000	18,551	2,551
Ambulance fees	1,339,500	1,339,500	1,445,455	105,955
Snow and ice control	1,000	1,000	-	(1,000)
Airport	64,700	64,700	79,657	14,957
Sale of street materials and services	13,000	28,749	26,310	(2,439)
Sale of materials and services, sanitation	2,000	2,000	3,954	1,954
Grinders revenue	100	100	-	(100)
Outside services	60,000	60,000	27,828	(32,172)
Other recreation revenues	5,815	5,815	24,774	18,959
Weed control	1,000	1,000	2,725	1,725
Subdivision fees	4,400	4,400	5,420	1,020
Site plan revenue	11,500	11,500	10,980	(520)
Refuse and garbage collection	250	250	-	(250)
Lac Lawramm Conservancy revenues	22,025	22,025	22,895	870
Street tree revenue	-	12,220	-	-
Cemetery site and admin services	-	-	300	300
Special event fee	-	-	2,200	2,200
Leisure-building rental	57,400	57,400	64,193	6,793
Uncollectible receivable collected	60,000	60,000	34,632	(25,368)
Total	1,883,260	1,911,229	2,012,140	100,911

City of West Bend

General Fund
Detailed Schedule of Revenues and Other Financing Sources (Major Fund)
Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Intergovernmental Charges for Services				
Local fire protection services	\$ 455,000	\$ 455,000	\$ 455,016	\$ 16
Special Assessments				
Street construction	-	92,832	92,832	-
Sidewalks	-	33,520	33,520	-
Administrative fees	2,000	2,000	5,278	3,278
Total	2,000	128,352	131,630	3,278
Investment Income (loss)				
Investment income on temporary investments	285,000	285,000	(19,423)	(284,423)
Interest on special assessments	1,000	1,000	697	(303)
Total	286,000	286,000	(18,726)	(284,726)
Miscellaneous Revenues				
Rent of city property	31,097	31,097	35,452	4,355
Rent of airport property	65,731	65,731	68,040	2,309
Sale of materials	3,200	4,888	5,596	708
Insurance recoveries	30,000	66,751	717,204	650,453
Miscellaneous donations	-	5,934	34,135	28,201
Commercial card rebate	45,000	45,000	48,417	3,417
Total	175,028	219,401	908,844	689,443
Other Financing Sources				
Sale of property	7,500	31,495	328,465	296,970
Transfers in	-	5,000	5,000	-
Transfers in, tax equivalent	700,822	700,822	646,953	(53,869)
Total	708,322	737,317	980,418	243,101
Total revenues and other financing sources	\$ 24,838,140	\$ 25,147,798	\$ 26,242,204	\$ 1,094,406

City of West Bend

General Fund
Detailed Schedule of Expenditures and Other Financing Uses (Major Fund)
Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
General Government				
Council	\$ 41,217	\$ 41,217	\$ 38,640	\$ 2,577
Mayor	7,820	7,820	8,023	(203)
Administrator	130,017	70,324	70,193	131
Clerk:				
Legislative support	181,123	181,123	171,971	9,152
Elections	28,509	28,509	25,151	3,358
Personnel:				
Recruitment	149,478	149,478	147,225	2,253
Financial administration:				
Treasury	346,412	346,412	335,286	11,126
Assessment of property	271,897	271,897	243,658	28,239
Independent auditing	48,595	48,595	42,371	6,224
Legal counseling	94,698	94,698	232,935	(138,237)
Municipal buildings	475,235	475,235	476,970	(1,735)
Risk management	559,683	559,683	440,156	119,527
Health insurance	2,280,920	2,280,920	2,069,594	191,326
GIS	26,413	26,413	23,912	2,501
Information systems	225,034	225,034	168,363	56,671
Other general government	13,095	13,095	21,082	(7,987)
Total	4,860,146	4,800,453	4,515,530	284,923
Public Safety				
Police:				
Patrol	7,094,682	7,217,173	6,740,448	476,725
Criminal and juvenile investigation	909,089	912,518	880,623	31,885
Crossing guards		91,730	79,842	11,888
Fire:				
Fire administration	802,123	955,782	887,618	68,164
Suppression	2,774,148	2,774,148	2,764,955	9,193
Prevention	188,847	191,623	182,573	9,050
Training	393,863	396,514	364,910	31,604
Rescue	794,499	817,886	824,421	(6,535)
Building inspection	181,377	181,377	188,147	(6,770)
Sealer of weights and measures	11,200	11,200	11,200	-
Hydrant rental	33,915	33,915	31,599	2,316
Communications system	40,975	40,975	21,696	19,279
Total	13,316,448	13,624,841	12,978,032	646,809

City of West Bend

General Fund
Detailed Schedule of Expenditures and Other Financing Uses (Major Fund)
Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance With	
	Original	Final		Final Budget	
Public Works					
Garage	\$ 392,447	\$ 392,447	\$ 341,737	\$ 50,710	
Public works administration	109,945	109,945	97,493	12,452	
Engineering	304,974	573,936	352,936	221,000	
Streets and related facilities	12,350	12,350	6,704	5,646	
Street maintenance	1,115,254	1,117,395	1,092,232	25,163	
Snow and ice control	458,576	458,576	289,115	169,461	
Traffic control	52,716	103,074	117,748	(14,674)	
Street lighting	790,000	790,000	768,018	21,982	
Storm sewers	49,783	49,783	51,119	(1,336)	
Airport	86,823	264,900	227,138	37,762	
Garbage and refuse collection	114,688	114,688	113,355	1,333	
Recycling	619,175	619,175	535,747	83,428	
Sanitary landfill	656,376	656,376	771,274	(114,896)	
Total	4,763,109	5,262,647	4,764,616	498,031	
Leisure Activities					
Recreation administration	312,331	318,524	329,064	(10,540)	
Other summer recreation	-	38,665	8,358	30,307	
Parks	599,658	608,234	563,784	44,450	
Public areas	537,638	556,268	545,617	10,651	
Total	1,449,627	1,521,691	1,446,823	74,868	
Conservation and Development					
Forestry	50,028	87,236	47,134	40,102	
Lac Lawrann Conservancy	55,462	58,462	56,921	1,541	
Urban development	214,413	214,413	208,175	6,238	
Economic development	75,907	76,963	71,887	5,076	
Total	395,810	437,074	384,117	52,957	
Capital Outlay					
Airport	43,000	43,000	106,292	(63,292)	
Parks	-	163,099	-	163,099	
Public areas	-	10,400	-	10,400	
Public safety	-	-	1,303,913	(1,303,913)	
Total	43,000	216,499	1,410,205	(1,193,706)	
Debt Service					
Principal	-	-	136,260	(136,260)	
Interest and fiscal charges	-	-	47,572	(47,572)	
Total	-	-	185,832	(185,832)	
Other Financing Uses					
Transfers out	10,000	10,000	10,000	-	
Total expenditures and other financing uses	\$ 24,838,140	\$ 25,873,205	\$ 25,695,155	\$ 178,050	

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, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 3,479,735	\$ 3,479,735	\$ 3,479,735	\$ -
Investment income	1,100	1,100	876	(224)
Total revenues	3,480,835	3,480,835	3,480,611	(224)
Expenditures				
Debt service:				
Principal	2,940,000	2,990,000	2,840,000	150,000
Interest and fiscal charges	552,422	891,451	604,109	287,342
Total expenditures	3,492,422	3,881,451	3,444,109	437,342
Excess of revenues over expenditures	(11,587)	(400,616)	36,502	437,118
Other Financing Sources (Uses)				
Transfers in	11,587	783,548	288,775	(494,773)
Transfers out	-	(382,932)	(300,526)	82,406
Total other financing sources (uses)	11,587	400,616	(11,751)	(412,367)
Net change in fund balance	-	-	24,751	24,751
Fund Balance, Beginning	700,147	700,147	700,147	-
Fund Balance, Ending	\$ 700,147	\$ 700,147	\$ 724,898	\$ 24,751

NONMAJOR GOVERNMENTAL FUNDS

City of West Bend

Combining Balance Sheet
 Nonmajor Governmental Funds
 December 31, 2021

	Special Revenue Funds			
	Taxi Transit System	Public Library	Room Tax	Communications
Assets				
Cash and investments	\$ 15,463	\$ 849,578	\$ 83,955	\$ 1,158,037
Taxes receivable	-	811,015	-	-
Accounts receivable	167,475	47,869	189,306	77,628
Loans receivable	-	-	-	-
Prepaid items	-	404	-	18,538
Advances to other funds	-	-	-	245,000
Restricted cash and investments	-	-	-	-
Total assets	\$ 182,938	\$ 1,708,866	\$ 273,261	\$ 1,499,203
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable	\$ 135,757	\$ 111,628	\$ 913	\$ 14,037
Accrued liabilities	1,121	21,166	1,116	7,541
Due to other funds	25,779	145,449	18,500	33,463
Unearned revenue	-	-	-	-
Advances from other funds	-	-	-	-
Total liabilities	162,657	278,243	20,529	55,041
Deferred Inflows of Resources				
Unearned revenue	-	811,015	-	-
Unavailable	-	-	-	-
Total deferred inflows of resources	-	811,015	-	-
Fund Balances (Deficit)				
Nonspendable	-	404	-	18,538
Restricted	20,281	619,204	252,732	-
Committed	-	-	-	1,425,624
Unassigned (deficit)	-	-	-	-
Total fund balances (deficit)	20,281	619,608	252,732	1,444,162
Total liabilities, deferred inflows of resources and fund balances	\$ 182,938	\$ 1,708,866	\$ 273,261	\$ 1,499,203

	Special Revenue Funds				Capital Project Funds		
	Economic Develop- ment	Park Develop- ment	Library	EMS FAPS Grant	Recreation	American Rescue Plan	TIF District No. 3 District No. 4
\$	872,242	\$ 41,386	\$ 77,269	\$ 52,667	\$ 81,473	\$ 1,652,295	\$ 316,521 \$ 17,717
-	-	-	-	-	-	-	542,143 1,415,146
-	-	-	-	-	50	-	-
468,205	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	288,211	-	-	-	-	-
\$ 1,340,447	\$ 329,597	\$ 77,269	\$ 52,667	\$ 81,523	\$ 1,652,295	\$ 858,664	\$ 1,432,863
\$	743	\$ 913	\$ -	\$ -	\$ 286	\$ -	\$ 910
-	-	-	-	-	1,454	-	-
-	-	-	-	-	10,038	-	-
-	-	-	-	-	-	1,651,827	-
1,190,000	-	-	-	-	-	-	1,813,092
1,190,743	913	-	-	-	11,778	1,651,827	910
\$	-	2,050	\$ -	\$ -	\$ -	\$ -	542,143 1,415,146
-	-	-	-	-	-	-	-
-	-	2,050	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
149,704	326,634	77,269	52,667	69,745	-	-	16,807
149,704	326,634	77,269	52,667	69,745	468	(1,497,481)	16,807
\$ 1,340,447	\$ 329,597	\$ 77,269	\$ 52,667	\$ 81,523	\$ 1,652,295	\$ 858,664	\$ 1,432,863

City of West Bend

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2021

	Capital Project Funds				
	TIF District No. 5	TIF District No. 6	TIF District No. 7	TIF District No. 8	TIF District No. 9
Assets					
Cash and investments	\$ 273,824	\$ 41,135	\$ 24,066	\$ 2,391	\$ 1,054,305
Taxes receivable	256,019	1,092,429	192,518	23,534	28,938
Accounts receivable	8,049	-	-	-	15,277
Loans receivable	-	-	-	-	-
Prepaid items	-	-	-	-	-
Advances to other funds	-	-	-	-	-
Restricted cash and investments	-	-	-	-	-
Total assets	\$ 537,892	\$ 1,133,564	\$ 216,584	\$ 25,925	\$ 1,098,520
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities:					
Accounts payable	\$ -	\$ 910	\$ -	\$ -	\$ 500
Accrued liabilities	-	-	-	-	-
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Advances from other funds	-	-	-	12,789	54,180
Total liabilities	-	910	-	12,789	54,680
Deferred Inflows of Resources					
Unearned revenue	256,019	1,092,429	192,518	23,534	28,938
Unavailable	-	-	-	-	15,058
Total deferred inflows of resources	256,019	1,092,429	192,518	23,534	43,996
Fund Balances (Deficit)					
Nonspendable	-	-	-	-	-
Restricted	281,873	40,225	24,066	-	999,844
Committed	-	-	-	-	-
Unassigned (deficit)	-	-	-	(10,398)	-
Total fund balances (deficit)	281,873	40,225	24,066	(10,398)	999,844
Total liabilities, deferred inflows of resources and fund balances	\$ 537,892	\$ 1,133,564	\$ 216,584	\$ 25,925	\$ 1,098,520

	Capital Project Funds							
	TIF District No. 10	TIF District No. 11	TIF District No. 12	TIF District No. 13	TIF District No. 14	TIF District No. 15	Permanent Fund Library	Total Nonmajor Funds
\$	326,146	32,263	330,957	74,775	729,905	494,155	46,599	8,649,124
684,798	606,846	551,039	102,596	63,150	-	-	-	6,370,171
-	-	503,000	19,096	250,000	-	-	-	1,277,750
-	-	-	-	-	-	-	-	468,205
-	-	-	-	-	-	-	-	18,942
-	-	-	-	-	-	-	-	243,000
-	-	-	-	-	-	-	-	268,211
\$ 1,010,944	\$ 639,109	\$ 1,384,996	\$ 196,467	\$ 1,043,055	\$ 494,155	\$ 46,599	\$ 46,599	\$ 17,317,403
\$	-	\$ -	14,012	-	72,240	16,565	-	370,324
-	-	-	-	-	-	-	-	32,398
-	-	-	-	-	-	-	-	233,229
-	-	-	-	-	-	-	-	1,651,827
514,841	-	2,342,000	-	-	-	-	-	5,926,902
514,841	-	2,355,012	-	-	72,240	16,565	-	8,214,680
684,798	606,846	551,039	102,596	63,150	-	-	-	6,372,221
-	-	500,000	-	250,000	-	-	-	765,058
684,798	606,846	1,051,039	102,596	313,150	-	-	-	7,137,279
-	-	-	-	-	-	-	-	18,942
-	32,263	-	93,871	657,665	477,590	46,599	46,599	4,169,762
(188,695)	-	(2,022,055)	-	-	-	-	-	1,495,369
(188,695)	32,263	(2,022,055)	93,871	657,665	477,590	46,599	46,599	1,965,444
\$ 1,010,944	\$ 639,109	\$ 1,384,996	\$ 196,467	\$ 1,043,055	\$ 494,155	\$ 46,599	\$ 46,599	\$ 17,317,403

City of West Bend

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds
 Year Ended December 31, 2021

	Special Revenue Funds			
	Taxi Transit System	Public Library	Room Tax	Communications
Revenues				
Taxes	\$ -	\$ 740,832	\$ 449,911	\$ -
Intergovernmental	812,234	610,223	95,775	84,566
Licenses and permits	-	-	-	320,088
Public charges for services	322,427	54,230	-	-
Intergovernmental charges for services	-	83,763	-	-
Investment income	-	726	7	2,413
Miscellaneous	-	4,110	7,500	183
Total revenues	1,134,661	1,483,884	553,193	407,250
Expenditures				
Current:				
General government	-	-	-	-
Public works	1,134,696	-	-	-
Leisure activities	-	1,570,866	312,825	334,753
Conservation and development	-	-	-	-
Capital outlay	-	6,265	-	19,093
Debt service:	-	-	-	-
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	1,134,696	1,577,131	312,825	353,846
Excess (deficiency) of revenues over expenditures	(35)	(83,247)	240,368	53,404
Other Financing Sources (Uses)				
General obligation debt issued	-	-	-	-
Sale of property	17,563	-	-	4,937
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	17,563	-	-	4,937
Net change in fund balances	17,528	(83,247)	240,368	58,341
Fund Balance, Beginning	2,753	702,855	12,364	1,385,821
Fund Balance, Ending	\$ 20,281	\$ 619,608	\$ 252,732	\$ 1,444,162

	Special Revenue Funds				Capital Project Funds		
	Economic Develop- ment	Park Develop- ment	Library	EMS FAPS Grant	Recreation	American Rescue Plan	TIF District No. 3 TIF District No. 4
\$	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	17,550	-	-	-	-	-
-	-	292,892	-	-	259,536	-	-
-	-	-	-	-	-	-	-
16,019	-	258	22	-	49	468	35
-	-	11,758	5,362	-	-	-	-
16,019	322,458	-	5,384	-	259,585	468	593,195
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	11,062	2,223	6,500	-	-	6,264
3,570	-	-	-	-	237,995	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	163
-	-	-	-	-	-	-	150
8,602	-	-	-	-	-	-	215,643
-	-	-	-	-	-	-	265,000
12,172	11,062	2,223	6,500	237,995	-	241,417	3,843
3,847	311,386	3,161	(6,500)	21,590	468	129,708	1,231,615
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	(388,480)	-	-	-	-	(145,526)	(1,227,919)
-	(388,480)	-	-	-	-	(145,526)	(1,227,919)
3,847	(77,084)	3,161	(6,500)	21,590	468	(15,818)	3,686
145,857	403,718	74,108	59,167	48,155	-	(1,481,663)	13,111
\$ 149,704	\$ 326,634	\$ 77,269	\$ 52,867	\$ 69,745	\$ 468	\$ (1,497,481)	\$ 16,807

City of West Bend

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended December 31, 2021

	Capital Project Funds				
	TIF District No. 5	TIF District No. 6	TIF District No. 7	TIF District No. 8	TIF District No. 9
Revenues					
Taxes	\$ 333,406	\$ 929,018	\$ 129,322	\$ 23,426	\$ 237,604
Intergovernmental	3,362	4,667	32,570	(138)	1,458
Licenses and permits	-	-	-	-	-
Public charges for services	-	-	-	-	-
Intergovernmental charges for services	-	-	-	-	-
Investment income	238	25	15	2	792
Miscellaneous	-	-	-	-	5,395
Total revenues	337,006	933,710	161,907	23,290	245,249
Expenditures					
Current:					
General government	1,923	6,265	1,923	1,923	1,918
Public works	-	-	-	-	-
Leisure activities	-	-	-	-	-
Conservation and development	-	-	-	-	-
Capital outlay	203	150	196	150	2,077
Debt service:					
Principal retirement	552,344	-	61,061	-	813,795
Interest and fiscal charges	35,423	-	3,198	129	74,978
Total expenditures	589,893	6,415	66,378	2,202	892,768
Excess (deficiency) of revenues over expenditures	(252,887)	927,295	95,529	21,088	(647,519)
Other Financing Sources (Uses)					
General obligation debt issued	-	-	-	-	-
Sale of property	-	-	-	-	-
Transfers in	158,534	-	-	-	1,927,657
Transfers out	(23,231)	(931,610)	(95,536)	-	-
Total other financing sources (uses)	135,303	(931,610)	(95,536)	-	1,927,657
Net change in fund balances	(117,584)	(4,315)	(7)	21,088	1,280,138
Fund Balances (Deficit), Beginning	399,457	44,540	24,073	(31,486)	(280,294)
Fund Balances (Deficit), Ending	\$ 281,873	\$ 40,225	\$ 24,066	\$ (10,398)	\$ 999,844

	Capital Project Funds							
	TIF District No. 10	TIF District No. 11	TIF District No. 12	TIF District No. 13	TIF District No. 14	TIF District No. 15	Permanent Fund Library	Total Nonmajor Funds
\$	770,820	\$ 544,338	\$ 443,316	\$ 79,255	\$ -	\$ -	-	\$ 6,701,805
(2,808)	40,582	116,965	(49)	-	-	-	-	1,876,553
-	-	-	-	-	-	-	-	337,638
-	-	-	-	-	-	-	-	929,085
-	-	-	-	-	-	-	-	83,763
314	96	51	66	1,180	45	-	2,262	25,412
-	-	8,000	19,096	13,750	-	-	-	75,154
768,326	585,016	568,332	98,388	14,930	45	2,262	10,031,410	
1,923	1,923	1,923	1,923	1,923	-	-	-	36,095
-	-	-	-	-	-	-	-	1,141,196
-	-	-	-	-	-	-	-	2,469,724
-	-	-	66,848	-	1,000,576	-	-	1,070,994
14,240	311	1,192,975	-	2,248,403	35,865	-	-	3,520,241
666,032	515,000	194,164	29,436	-	-	-	-	3,312,475
161,322	67,683	80,793	1,692	203,353	36,860	-	-	919,293
843,517	584,917	1,469,855	99,899	2,453,679	1,073,301	-	-	12,470,018
(75,191)	99	(901,523)	(1,531)	(2,438,749)	(1,073,256)	2,262	(2,438,608)	
-	-	660,000	-	565,000	1,610,000	-	-	2,835,000
-	-	-	-	-	-	-	-	22,500
-	-	-	-	190,591	-	-	-	2,276,782
-	-	-	-	-	(59,154)	-	-	(2,871,456)
-	-	660,000	-	755,591	1,550,846	-	-	2,262,826
(75,191)	99	(241,523)	(1,531)	(1,683,158)	477,590	2,262	(175,782)	
(113,504)	32,164	(1,780,532)	95,402	2,340,823	-	44,337	2,141,226	
\$ (186,695)	\$ 32,263	\$ (2,022,055)	\$ 93,871	\$ 657,865	\$ 477,590	\$ 46,599	\$ 1,865,444	

City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Taxi Transit System Fund

Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 730,424	\$ 730,424	\$ 812,234	\$ 81,810
Public charges for services	447,500	447,500	322,427	(125,073)
Total revenues	1,177,924	1,177,924	1,134,661	(43,263)
Expenditures				
Current:				
Public works	1,177,924	1,195,487	1,134,696	60,791
Excess (deficiency) of revenues over expenditures	-	(17,563)	(35)	17,528
Other Financing Sources				
Sale of property	-	17,563	17,563	-
Total other financing sources	-	17,563	17,563	-
Net change in fund balance	-	-	17,528	17,528
Fund Balance, Beginning	2,753	2,753	2,753	-
Fund Balance, Ending	\$ 2,753	\$ 2,753	\$ 20,281	\$ 17,528

City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Public Library Fund

Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 740,832	\$ 740,832	\$ 740,832	\$ -
Intergovernmental	636,017	636,017	610,223	(25,794)
Public charges for services	54,815	54,815	54,230	(585)
Intergovernmental charges for service	52,047	52,047	83,763	31,716
Investment income	8,000	8,000	726	(7,274)
Miscellaneous	1,750	3,530	4,110	580
Total revenues	1,493,461	1,495,241	1,493,884	(1,357)
Expenditures				
Current:				
Leisure activities	1,490,486	1,492,266	1,570,866	78,600
Capital outlay	2,975	2,975	6,265	3,290
Total expenditures	1,493,461	1,495,241	1,577,131	(81,890)
Net change in fund balance	-	-	(83,247)	(83,247)
Fund Balance, Beginning	702,855	702,855	702,855	-
Fund Balance, Ending	\$ 702,855	\$ 702,855	\$ 619,608	\$ (83,247)

City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Room Tax Fund
Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 302,226	\$ 302,226	\$ 449,911	\$ 147,685
Intergovernmental	-	95,775	95,775	-
Investment income	500	500	7	(493)
Miscellaneous	7,500	7,500	7,500	-
Total revenues	310,226	406,001	553,193	147,192
Expenditures				
Current:				
Leisure activities	323,884	419,659	312,825	106,834
Net change in fund balance	(13,658)	(13,658)	240,368	254,026
Fund Balance, Beginning	12,364	12,364	12,364	-
Fund Balance, Ending	\$ (1,294)	\$ (1,294)	\$ 252,732	\$ 254,026

City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Communications Fund
Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 79,566	\$ 84,566	\$ 84,566	\$ -
Licenses and permits	275,525	275,525	320,088	44,563
Investment income	9,750	9,750	2,413	(7,337)
Miscellaneous	-	-	183	183
Total revenues	364,841	369,841	407,250	37,409
Expenditures				
Current:				
Leisure activities	361,920	388,515	334,753	33,762
Capital outlay	10,000	16,712	19,093	(2,381)
Total expenditures	371,920	385,227	353,846	31,381
Excess (deficiency) of revenues over expenditures	(7,079)	(15,386)	53,404	68,790
Other Financing Sources				
Sale of city property	-	-	4,937	4,937
Total other financing sources	-	-	4,937	4,937
Net change in fund balance	(7,079)	(15,386)	58,341	73,727
Fund Balance, Beginning	1,365,821	1,365,821	1,385,821	-
Fund Balance, Ending	\$ 1,378,742	\$ 1,370,435	\$ 1,444,162	\$ 73,727

City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Economic Development Fund

Year Ended December 31, 2021

	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	
Revenues					
Investment income	\$ 21,503	\$ 21,503	\$ 16,019	\$ (5,484)	
Expenditures					
Current:					
Conservation and development	5,000	5,000	3,570	1,430	
Debt service:					
Interest and fiscal charges	8,602	8,602	8,602	-	
Total expenditures	13,602	13,602	12,172	1,430	
Net change in fund balance	7,901	7,901	3,847	(4,054)	
Fund Balance, Beginning	145,857	145,857	145,857	-	
Fund Balance, Ending	\$ 153,758	\$ 153,758	\$ 149,704	\$ (4,054)	

City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Recreation Fund

Year Ended December 31, 2021

	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	
Revenues					
Public charges for services	\$ 250,497	\$ 250,497	\$ 259,536	\$ 9,039	
Investment income	1,500	1,500	49	(1,451)	
Total revenues	251,997	251,997	259,585	7,588	
Expenditures					
Current:					
Leisure activities	251,997	251,997	237,995	14,002	
Net change in fund balance	-	-	21,590	21,590	
Fund Balance, Beginning	48,155	48,155	48,155	-	
Fund Balance, Ending	\$ 48,155	\$ 48,155	\$ 69,745	\$ 21,590	

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, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 549,483	\$ 549,483	\$ 549,483	\$ -
Intergovernmental	43,384	43,384	43,383	(1)
Investment income	-	-	329	329
Total revenues	592,867	592,867	593,195	328
Expenditures				
Current:				
General government	8,426	8,426	6,264	2,162
Conservation and Development	219,586	219,586	219,586	-
Capital outlay	163	163	163	-
Debt service:				
Principal retirement	215,643	215,643	215,643	-
Interest and fiscal charges	3,523	3,523	21,831	(18,308)
Total expenditures	447,341	447,341	483,487	(16,146)
Excess (deficiency) of revenues over expenditures	145,526	145,526	129,708	(15,818)
Other Financing Sources				
Transfers out	(145,526)	(145,526)	(145,526)	-
Total other financing sources	(145,526)	(145,526)	(145,526)	-
Net change in fund balance	-	-	(15,818)	(15,818)
Fund Balance (Deficit), Beginning	(1,481,663)	(1,481,663)	(1,481,663)	-
Fund Balance (Deficit), Ending	\$ (1,481,663)	\$ (1,481,663)	\$ (1,497,481)	\$ (15,818)

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, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 1,471,074	\$ 1,471,074	\$ 1,471,074	\$ -
Intergovernmental	35,763	35,763	35,763	-
Investment income	-	-	35	35
Total revenues	1,506,837	1,506,837	1,506,872	35
Expenditures				
Current:				
General government	9,925	9,925	6,264	3,661
Capital outlay	150	150	150	-
Debt service:				
Principal retirement	265,000	265,000	265,000	-
Interest and fiscal charges	3,843	3,843	3,843	-
Total expenditures	278,918	278,918	275,257	3,661
Excess of revenues over expenditures	1,227,919	1,227,919	1,231,615	3,696
Other Financing Uses				
Transfers out	(1,227,919)	(1,227,919)	(1,227,919)	-
Net change in fund balance	-	-	3,696	3,696
Fund Balance, Beginning	13,111	13,111	13,111	-
Fund Balance, Ending	\$ 13,111	\$ 13,111	\$ 16,807	\$ 3,696

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, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 336,357	\$ 336,357	\$ 333,406	\$ (2,951)
Intergovernmental	3,362	3,362	3,362	-
Investment income	-	-	238	238
Total revenues	339,719	339,719	337,006	(2,713)
Expenditures				
Current:				
General government	1,925	1,925	1,923	2
Capital outlay	203	203	203	-
Debt service:				
Principal retirement	552,344	552,344	552,344	-
Interest and fiscal charges	35,423	35,423	35,423	-
Total expenditures	589,895	589,895	589,893	2
Excess (deficiency) of revenues over expenditures	(250,176)	(250,176)	(252,887)	(2,711)
Other Financing Sources (Uses)				
Transfers in	158,534	158,534	158,534	-
Transfers out	-	-	(23,231)	(23,231)
Total other financing sources (uses)	158,534	158,534	135,303	(23,231)
Net change in fund balance	(91,642)	(91,642)	(117,584)	(25,942)
Fund Balance, Beginning	399,457	399,457	399,457	-
Fund Balance, Ending	\$ 307,815	\$ 307,815	\$ 281,873	\$ (25,942)

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, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 929,018	\$ 929,018	\$ 929,018	\$ -
Intergovernmental	4,667	4,667	4,667	-
Investment income	-	-	25	25
Total revenues	933,685	933,685	933,710	25
Expenditures				
Current:				
General government	9,925	9,925	6,265	3,660
Capital outlay	150	150	150	-
Total expenditures	10,075	10,075	6,415	3,660
Excess of revenues over expenditures	923,610	923,610	927,295	3,685
Other Financing Uses				
Transfers out	(931,610)	(931,610)	(931,610)	-
Total other financing uses	(931,610)	(931,610)	(931,610)	-
Net change in fund balance	(8,000)	(8,000)	(4,315)	3,685
Fund Balance, Beginning	44,540	44,540	44,540	-
Fund Balance, Ending	\$ 36,540	\$ 36,540	\$ 40,225	\$ 3,685

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, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 149,932	\$ 149,932	\$ 129,322	\$ (20,610)
Intergovernmental	32,570	32,570	32,570	-
Investment income	-	-	15	15
Total revenues	182,502	182,502	161,907	(20,595)
Expenditures				
Current:				
General government	1,925	1,925	1,923	2
Capital outlay	172	172	196	(24)
Debt service:				
Principal retirement	61,061	61,061	61,061	-
Interest and fiscal charges	3,198	3,198	3,198	-
Total expenditures	66,356	66,356	66,378	(22)
Excess (deficiency) of revenues over expenditures	116,146	116,146	95,529	(20,617)
Other Financing Sources (Uses)				
Transfers out	-	-	(95,536)	(95,536)
Total other financing sources (uses)	-	-	(95,536)	(95,536)
Net change in fund balance	116,146	116,146	(7)	(116,153)
Fund Balance, Beginning	24,073	24,073	24,073	-
Fund Balance, Ending	140,219	140,219	24,066	(116,153)

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, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 23,426	\$ 23,426	\$ 23,426	\$ -
Intergovernmental	-	-	(138)	(138)
Investment income	-	-	2	2
Total revenues	23,426	23,426	23,290	(136)
Expenditures				
Current:				
General government	1,925	1,925	1,923	2
Capital outlay	150	150	150	-
Debt service:				
Interest and fiscal charges	-	-	129	(129)
Total expenditures	2,075	2,075	2,202	(127)
Net change in fund balance	21,351	21,351	21,088	(263)
Fund Balance (Deficit), Beginning	(31,486)	(31,486)	(31,486)	-
Fund Balance (Deficit), Ending	(10,135)	(10,135)	(10,398)	(263)

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, 2021

	Budgeted Amounts		Variance with	
	Original	Final	Actual	Final Budget
Revenues				
Taxes	\$ 90,887	\$ 90,887	\$ 237,604	\$ 146,717
Intergovernmental	1,458	1,458	1,458	-
Investment income	-	-	792	792
Miscellaneous	-	5,395	5,395	-
Total revenues	92,345	97,740	245,249	147,509
Expenditures				
Current:				
General government	1,925	1,925	1,918	7
Capital outlay	1,129,307	1,134,702	2,077	1,132,625
Debt service:				
Principal retirement	813,795	813,795	813,795	-
Interest and fiscal charges	74,975	74,975	74,978	(3)
Total expenditures	2,020,002	2,025,397	892,768	1,132,629
Excess (deficiency) of revenues over expenditures	(1,927,657)	(1,927,657)	(647,519)	1,280,138
Other Financing Sources (Uses)				
Transfers in	1,927,657	1,927,657	1,927,657	-
Total other financing sources (uses)	1,927,657	1,927,657	1,927,657	-
Net change in fund balance	-	-	1,280,138	1,280,138
Fund Balance (Deficit), Beginning	(280,294)	(280,294)	(280,294)	-
Fund Balance (Deficit), Ending	\$ (280,294)	\$ (280,294)	\$ 999,844	\$ 1,280,138

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, 2021

	Budgeted Amounts		Variance with	
	Original	Final	Actual	Final Budget
Revenues				
Taxes	\$ 770,820	\$ 770,820	\$ 770,820	\$ -
Intergovernmental	(2,808)	(2,808)	(2,808)	-
Investment income	-	-	314	314
Total revenues	768,012	768,012	768,326	314
Expenditures				
Current:				
General government	1,925	1,925	1,923	2
Capital outlay	566	566	14,240	(13,674)
Debt service:				
Principal retirement	666,032	666,032	666,032	-
Interest and fiscal charges	156,123	156,123	161,322	(5,199)
Total expenditures	824,646	824,646	843,517	(18,871)
Net change in fund balance	(56,634)	(56,634)	(75,191)	(18,557)
Fund Balance (Deficit), Beginning	(113,504)	(113,504)	(113,504)	-
Fund Balance (Deficit), Ending	\$ (170,138)	\$ (170,138)	\$ (188,695)	\$ (18,557)

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, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 544,338	\$ 544,338	\$ 544,338	\$ -
Intergovernmental	40,582	40,582	40,582	-
Investment income	-	-	96	96
Total revenues	584,920	584,920	585,016	96
Expenditures				
Current:				
General government	1,925	1,925	1,923	2
Capital outlay	313	313	311	2
Debt service:				
Principal retirement	515,000	515,000	515,000	-
Interest and fiscal charges	67,682	67,682	67,683	(1)
Total expenditures	584,920	584,920	584,917	3
Net change in fund balance	-	-	99	99
Fund Balance, Beginning	32,164	32,164	32,164	-
Fund Balance, Ending	\$ 32,164	\$ 32,164	\$ 32,263	\$ 99

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, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 411,216	\$ 443,316	\$ 443,316	\$ -
Intergovernmental	116,965	116,965	116,965	-
Investment income	-	-	51	51
Miscellaneous	-	-	8,000	8,000
Total revenues	528,181	560,281	568,332	8,051
Expenditures				
Current:				
General government	1,925	1,925	1,923	2
Capital outlay	216,412	1,635,402	1,192,975	442,427
Debt service:				
Principal retirement	194,164	194,164	194,164	-
Interest and fiscal charges	65,680	80,790	80,793	(3)
Total expenditures	478,181	1,912,281	1,469,855	442,426
Excess (deficiency) of revenues over expenditures	50,000	(1,352,000)	(901,523)	450,477
Other Financing Sources				
General obligation debt issued	-	660,000	660,000	-
Transfers in	-	742,000	-	(742,000)
Total other financing sources	-	1,402,000	660,000	(742,000)
Net change in fund balance	50,000	50,000	(241,523)	(291,523)
Fund Balance (Deficit), Beginning	(1,780,532)	(1,780,532)	(1,780,532)	-
Fund Balance (Deficit), Ending	\$ (1,730,532)	\$ (1,730,532)	\$ (2,022,055)	\$ (291,523)

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, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 79,255	\$ 79,255	\$ 79,255	\$ -
Intergovernmental	(48)	(48)	(49)	(1)
Investment income	-	-	66	66
Miscellaneous	19,000	19,000	19,096	96
Total revenues	98,207	98,207	98,368	161
Expenditures				
Current:				
General government	1,925	1,925	1,923	2
Conservation and development	65,154	65,154	66,848	(1,694)
Debt service:				
Principal retirement	29,436	29,436	29,436	-
Interest and fiscal charges	1,692	1,692	1,692	-
Total expenditures	98,207	98,207	99,899	(1,692)
Net change in fund balance	-	-	(1,531)	(1,531)
Fund Balance, Beginning	95,402	95,402	95,402	-
Fund Balance, Ending	\$ 95,402	\$ 95,402	\$ 93,871	\$ (1,531)

City of West Bend

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - TIF District No. 14 Fund
Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Investment income	\$ -	\$ -	\$ 1,180	\$ 1,180
Miscellaneous	-	27,500	13,750	(13,750)
Total revenues	-	27,500	14,930	(12,570)
Expenditures				
Current:				
General government	-	286	1,923	(1,637)
Capital outlay	-	583,408	2,248,403	(1,664,995)
Debt service:				
Interest and fiscal charges	190,460	199,266	203,353	(4,087)
Total expenditures	190,460	782,960	2,453,679	(1,670,719)
Excess (deficiency) of revenues over expenditures	(190,460)	(755,460)	(2,438,749)	(1,683,289)
Other Financing Sources				
General obligation debt issued	-	565,000	565,000	-
Transfers in	190,268	190,268	190,591	323
Total other financing sources	190,268	755,268	755,591	323
Net change in fund balance	(192)	(192)	(1,683,158)	(1,682,966)
Fund Balance, Beginning	2,340,823	2,340,823	2,340,823	-
Fund Balance, Ending	\$ 2,340,631	\$ 2,340,631	\$ 657,665	\$ (1,682,966)

CITY OF WEST BEND
INTRODUCTION TO THE STATISTICAL SECTION
December 31, 2021

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.

CONTENTS

Page

Financial Trends – Schedules 1 - 4

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These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity – Schedules 5 - 8

108 - 111

These schedules contain information to help the reader assess the factors affecting the City's most significant revenue source, property taxes.

Debt Capacity – Schedules 9 - 13

112 - 116

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.

Demographic and Economic Information – Schedules 14 - 15

117 - 118

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.

Operating Information – Schedules 16 - 17

119 - 120

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.

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

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Schedule 1										
City of West Bend										
Net Investment in Capital Assets										
Governmental Activities										
Net investment in capital assets	\$ 107,862,864	\$ 106,737,618	\$ 105,112,415	\$ 108,895,084	\$ 101,544,888	\$ 99,388,906	\$ 93,831,111	\$ 86,283,669	\$ 91,034,382	\$ 89,218,651
Unrestricted (deficit)	(12,872,646)	(11,353,738)	(10,753,868)	(13,130,731)	(6,458,888)	(2,376,633)	(6,468,775)	(4,596,880)	(12,099,346)	(11,550,745)
Total governmental activities net position	\$ 106,050,744	\$ 101,682,124	\$ 100,762,445	\$ 98,539,411	\$ 99,657,413	\$ 97,200,771	\$ 96,337,731	\$ 84,331,366	\$ 82,542,142	\$ 79,409,633
Business-Type Activities										
Net investment in capital assets	\$ 46,796,130	\$ 46,658,474	\$ 44,688,612	\$ 46,814,880	\$ 47,682,331	\$ 47,672,108	\$ 48,458,234	\$ 48,480,883	\$ 49,534,396	\$ 47,211,028
Restricted	1,120,403	660,236	718,575	1,474,296	1,217,465	910,046	997,566	784,833	991,006	820,012
Unrestricted	23,137,928	23,137,928	23,137,928	23,137,928	23,137,928	23,137,928	23,137,928	23,137,928	23,137,928	23,137,928
Total business-type activities net position	\$ 71,017,928	\$ 70,102,298	\$ 70,002,798	\$ 69,705,505	\$ 68,825,528	\$ 67,942,297	\$ 66,444,906	\$ 66,400,437	\$ 65,311,481	\$ 67,205,774
Primary Government										
Net investment in capital assets	\$ 153,724,594	\$ 153,639,000	\$ 154,865,819	\$ 151,650,112	\$ 148,328,796	\$ 145,700,548	\$ 143,944,610	\$ 133,483,613	\$ 138,409,530	\$ 134,178,769
Restricted	12,800,887	6,958,730	3,104,671	2,460,344	3,358,883	3,108,546	5,973,231	4,079,312	4,999,012	2,960,799
Unrestricted	11,703,889	12,186,543	12,873,894	9,350,460	17,266,238	18,250,974	14,015,637	13,189,660	15,050,357	15,050,357
Total primary government activities net position	\$ 177,988,620	\$ 171,784,216	\$ 170,765,205	\$ 169,245,961	\$ 168,842,771	\$ 167,152,865	\$ 163,973,297	\$ 149,761,585	\$ 148,153,223	\$ 146,965,407

Note: The Net Investment in Capital Assets and Unrestricted Net Positions 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.

PRIMARY GOVERNMENT									
EXPENSE									
Schedule 2									
City of West Bend									
Current Year									
Last Ten Fiscal Years									
(accrual basis of accounting)									
2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
\$ 4,980,348	\$ 5,214,375	\$ 4,839,019	\$ 4,795,134	\$ 4,644,495	\$ 4,574,441	\$ 5,138,982	\$ 4,399,948	\$ 4,264,520	\$ 1,485,601
\$ 11,829,101	\$ 11,955,94	\$ 13,474,781	\$ 13,670,939	\$ 12,994,096	\$ 12,592,070	\$ 11,712,386	\$ 11,282,203	\$ 10,622,009	\$ 14,712,457
10,877,666	10,262,514	9,265,945	8,901,707	9,237,914	8,718,819	9,648,833	9,626,674	10,074,108	9,110,517
1,051,435	693,431	1,212,836	769,232	1,756,182	1,855,612	1,813,154	1,642,329	5,547,891	5,601,940
2,953,899	3,248,94	2,891,590	1,966,449	2,319,357	1,902,899	1,093,130	336,282	551,865	1,720,039
1,360,601	1,614,443	1,222,469	1,469,278	1,558,210	1,914,644	2,091,479	2,529,221	3,609,553	3,080,235
35,212,951	37,837,156	36,526,625	34,969,908	33,495,932	32,676,886	34,160,022	33,027,231	34,619,916	34,751,478
Business-type activities									
3,770,215	4,572,229	3,886,001	3,961,876	3,742,254	3,414,123	3,978,663	3,670,703	3,396,658	3,242,994
4,425,258	4,602,881	4,080,532	3,604,988	3,712,440	3,882,506	3,945,631	3,603,908	3,499,088	3,375,504
8,195,373	9,175,107	7,966,533	7,566,864	7,454,694	7,296,629	7,924,294	7,274,611	6,895,727	6,618,535
\$ 44,108,294	\$ 46,255,066	\$ 44,690,128	\$ 42,538,837	\$ 42,949,826	\$ 39,773,515	\$ 41,864,426	\$ 40,398,840	\$ 41,955,640	\$ 40,650,029
Total primary government expenses									
Business-type activities									
\$ 746,003	\$ 496,141	\$ 512,078	\$ 468,520	\$ 573,235	\$ 476,081	\$ 463,076	\$ 316,095	\$ 712,047	\$ 245,762
2,569,672	2,314,444	2,477,444	2,427,136	2,616,254	2,210,867	2,355,629	2,282,217	2,201,695	2,135,413
991,971	793,499	884,637	836,391	906,232	866,448	893,318	796,550	1,098,934	969,868
648,811	700,279	610,637	599,694	614,600	609,331	575,134	512,134	569,767	535,400
4,687,457	4,596,559	4,784,856	4,804,746	4,699,921	4,604,936	4,828,154	4,691,921	4,579,196	4,455,480
3,471,679	3,793,125	3,036,979	3,175,036	3,120,340	3,188,661	3,117,176	2,281,156	2,467,140	2,714,739
1,094,541	2,062,768	2,246,455	2,062,798	1,891,042	1,911,608	6,544,988	398,099	944,460	1,812,142
10,095,311	20,262,899	132,80,000	30,038,862	9,339,171	9,700,039	14,257,596	6,313,592	7,862,379	8,973,085
Business-type activities									
5,139,627	4,861,326	4,812,275	4,460,605	4,379,087	4,482,511	4,891,679	4,780,032	4,909,810	5,074,512
4,387,481	4,129,055	3,586,445	3,653,158	3,644,840	3,761,893	3,775,384	3,633,125	3,072,556	3,765,506
-	-	-	-	-	-	-	-	29,865	11,633
-	84,123	-	-	743,465	3,807	13,544	13,949	24,510	15,653
9,717,108	9,095,504	8,408,120	8,513,769	9,246,377	8,048,207	8,674,581	8,401,604	8,029,640	8,931,516
Total primary government program revenues									
\$ 13,722,013	\$ 39,254,003	\$ 18,466,100	\$ 18,609,625	\$ 18,625,343	\$ 18,469,446	\$ 22,932,147	\$ 13,741,98	\$ 16,574,619	\$ 17,904,601

PRIMARY GOVERNMENT									
NET EXPENSES/REVENUE									
Schedule 2									
City of West Bend									
Current Year									
Last Ten Fiscal Years									
(accrual basis of accounting)									
2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
\$ (5,497,449)	\$ (7,796,429)	\$ (6,329,659)	\$ (4,674,418)	\$ (6,136,761)	\$ (3,275,647)	\$ (6,882,459)	\$ (6,374,608)	\$ (7,977,629)	\$ (5,276,291)
1,521,135	1,084,661	468,587	944,890	1,851,678	1,851,678	1,146,627	1,148,983	786,233	1,023,863
(24,385,905)	(17,694,668)	(15,861,078)	(12,973,207)	(24,375,083)	(21,424,069)	(18,732,779)	(25,034,668)	(24,953,24)	(23,743,428)
Total primary government net (expense)/revenue									
GENERAL REVENUES									
Business-type activities									
\$ 16,038,669	\$ 15,799,884	\$ 15,321,296	\$ 14,489,145	\$ 14,340,742	\$ 13,727,471	\$ 14,618,619	\$ 13,387,419	\$ 13,393,316	\$ 11,113,097
70,832	716,985	1,109,433	1,012,497	1,099,588	895,546	614,664	603,899	617,025	425,442
3,479,735	3,442,319	3,118,210	3,071,253	3,017,148	2,993,935	3,053,668	3,443,897	3,171,742	3,563,288
5,208,511	4,200,622	3,306,471	5,237,222	4,537,080	4,891,775	4,911,961	5,035,078	5,039,421	4,460,057
2,354,186	2,332,085	2,066,911	2,137,070	2,010,865	2,033,133	2,046,336	3,068,432	2,838,542	2,707,200
9,847	283,411	619,771	475,894	782,130	183,854	85,605	58,722	39,183	802,526
1,256,089	715,130	272,904	1,074,815	459,352	283,330	177,590	149,284	152,068	173,444
(2,62,374)	117,545	639,281	554,304	724,893	680,321	843,190	1,526,679	3,749,890	4,892,903
30,727,600	28,215,816	28,530,629	29,179,972	26,597,450	26,155,417	29,593,527	27,746,463	29,510,046	30,135,791
Total governmental activities general revenues									
Business-type activities									
66,189	383,399	444,201	334,938	130,159	108,789	89,995	-	63,171	63,589
-	-	-	-	-	-	-	-	-	21,066
-	-	-	-	-	-	-	-	-	47,904
-	-	-	-	-	-	-	-	-	42,174
-	-	-	-	-	-	-	-	-	2,700
1,918	111,086	12,701	9,362	3,227	16,555	-	21,181	1,293	2,700
2,262,374	(117,445)	(819,291)	(554,304)	(724,893)	(680,321)	(843,190)	(1,526,679)	(3,749,890)	(4,892,903)
294,499	242,440	(162,379)	(103,949)	(571,471)	(555,571)	(793,146)	(1,172,251)	(1,274,400)	(1,217,460)
Total business-type activities general revenues									
\$ 30,570,193	\$ 28,398,876	\$ 28,383,200	\$ 27,970,023	\$ 26,015,986	\$ 25,999,840	\$ 29,130,392	\$ 26,634,468	\$ 26,685,640	\$ 26,006,307
CHANGE IN NET POSITION									
\$ 4,846,620	\$ 919,429	\$ 2,223,034	\$ 3,305,866	\$ 459,642	\$ 2,879,420	\$ 6,021,101	\$ 1,588,024	\$ 3,332,599	\$ 4,393,400
1,815,634	745,534	331,268	734,950	1,240,261	1,240,261	896,532	1,637,38	(1,442,029)	(2,095,521)
\$ 6,186,254	\$ 1,664,963	\$ 2,554,302	\$ 4,040,816	\$ 1,700,903	\$ 4,119,681	\$ 6,917,633	\$ 3,225,412	\$ 1,890,569	\$ 2,297,879
Total primary government change in net position									

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

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Fund										
Nonspendable	\$ 1,241,879	\$ 2,902,401	\$ 1,177,107	\$ 1,243,055	\$ 1,468,705	\$ 1,428,893	\$ 1,615,263	\$ 1,693,884	\$ 751,405	\$ 965,408
Restricted	321,240	339,152	355,115	295,564	255,244	288,529	221,023	246,992	33,225	32,775
Committed	81,062,021	6,111,129	6,518,409	6,653,913	5,733,726	5,338,255	4,078,984	3,558,917	3,092,486	2,474,948
Assigned										
Total general fund	10,459,428	9,912,379	8,380,584	8,793,144	8,233,932	7,438,604	6,520,943	5,809,100	5,037,522	3,651,600

All Other Governmental Funds

Nonspendable	18,942	29,840	37,056	-	-	-	-	-	-	-
Restricted	8,667,412	6,352,601	5,615,308	3,320,811	3,546,367	3,805,037	5,400,277	7,703,710	5,150,544	3,875,726
Committed	1,659,509	1,455,350	1,585,361	1,585,350	1,455,350	1,455,350	1,455,350	1,455,350	1,455,350	1,455,350
Assigned	632,056	1,224,089	1,224,089	418,762	1,016,017	802,107	607,159	1,659,243	1,370,286	4,924,622
Total all other governmental funds	(3,718,629)	(3,687,479)	(3,444,300)	(2,219,539)	(3,506,061)	(2,135,393)	(2,022,088)	(898,563)	(1,937,473)	(2,853,556)

Total all other governmental funds

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

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Revenues										
Taxes	\$ 21,681,932	\$ 24,780,023	\$ 24,503,812	\$ 23,932,946	\$ 23,119,415	\$ 22,386,180	\$ 21,750,907	\$ 22,851,300	\$ 22,869,591	\$ 22,078,197
Intergovernmental	5,781,024	6,740,057	6,484,146	5,610,465	4,991,479	5,532,612	5,081,326	5,081,326	5,739,544	5,577,134
Fees, forfeitures, and penalties	344,501	280,116	412,815	437,060	412,772	408,008	469,913	495,588	398,697	419,075
Public charges for services	2,941,235	2,092,444	2,732,546	2,654,986	2,640,841	2,328,997	2,263,554	2,031,960	2,038,400	2,058,737
Special assessments	331,630	96,625	17,152	36,711	39,666	17,525	113,063	51,693	58,862	194,444
Investment income	763,411	609,721	478,914	282,134	282,134	282,134	282,134	282,134	282,134	282,134
Other revenues	1,845,564	69,411	1,091,721	1,091,721	1,091,721	1,091,721	1,091,721	1,091,721	1,091,721	1,091,721
Total revenues	39,956,766	36,748,864	38,077,981	36,511,125	34,505,544	34,376,027	34,183,336	33,073,334	33,020,474	33,916,214
Expenditures										
Current	4,551,625	4,833,070	4,666,687	4,608,175	4,476,591	4,238,018	4,607,544	4,118,870	3,807,601	3,999,365
Capital	5,905,812	6,299,469	6,027,167	5,648,373	5,702,207	5,186,974	4,918,320	4,621,480	4,868,688	5,445,243
Public works	3,916,547	4,041,075	3,975,562	3,913,953	3,738,258	4,213,984	3,536,700	3,675,215	3,336,524	3,746,655
Capital outlay	9,211,713	9,253,201	4,146,609	4,184,838	3,911,945	3,307,461	3,511,622	4,876,867	11,088,588	7,207,582
Interest and fees	6,280,735	10,068,368	11,300,052	7,138,447	6,732,381	10,386,938	13,279,763	13,208,603	10,762,773	11,976,647
Interest and fees charges	1,666,849	1,473,139	1,478,909	1,489,633	1,515,465	1,806,619	1,987,796	1,188,417	2,314,285	2,841,199
Debt service	45,976,434	49,307,208	44,325,902	38,975,460	37,530,255	40,328,433	43,026,706	41,890,728	47,984,284	46,756,285
Total expenditures	(61,018,688)	(122,448,344)	(80,948,921)	(2,454,367)	(2,864,691)	(5,902,138)	(8,871,170)	(10,767,864)	(14,063,880)	(12,840,181)
Excess (deficiency) of revenues over expenditures	8,270,100	9,410,000	3,546,000	2,010,000	1,300,000	1,315,000	-	4,286,000	6,096,000	3,897,460
Other Financial Sources										
Refunding bonds issued	254,023	3,750,000	1,975,000	-	-	4,370,000	3,730,000	10,125,000	9,765,000	11,730,000
Grants on capital projects	1,403,205	457,251	29,610	59,676	48,941	111,061	203,302	3,914,000	384,188	11,091
Capital bonds	955,000	448,700	42,000	30,000	21,000	-	-	-	(5,114,509)	(6,317,388)
Payment to refund bond interest agent	3,720,000	3,438,000	3,012,405	1,742,214	1,535,882	1,382,002	1,309,518	1,511,651	1,440,011	5,214,125
Transfer in	(1,411,601)	(1,314,484)	(1,273,184)	(1,180,000)	(811,179)	(890,111)	(529,850)	(763,181)	(482,841)	(1,211,221)
Transfer out	9,030,175	15,064,283	8,407,489	2,777,255	2,277,099	5,500,017	4,815,944	35,793,181	34,273,000	13,880,188
Total other financing sources (uses)	\$ 1,089,217	\$ 3,116,009	\$ 460,538	\$ 218,888	\$ (637,600)	\$ (482,110)	\$ 4,005,239	\$ 4,984,537	\$ 155,400	\$ (1,015,013)
Net change in fund balances	20.75%	27.20%	31.12%	24.60%	23.83%	32.89%	36.40%	37.36%	32.73%	35.42%
Ratio of total debt service expenditures to total noncapital expenditures										

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

Fiscal Year	Real Property										Total Taxable Value (\$)	Total Equalized Value (\$)	Total Assessed Value (\$)	Ratio of Assessed Value to Equalized
	Residential	Commercial	Manufacturing	Agricultural	Undeveloped	Forest	Other	Personal Property	Total Taxable Value (\$)	Total Equalized Value (\$)				
2012	\$ 1,860,021,200	\$ 343,274,000	\$ 645,796,900	\$ 80,000	\$ 372,200	\$ 90,200	\$ 300,200	\$ 44,002,000	\$ 2,935,607,600	\$ 3,482,278,500				84.28%
2013	1,899,792,000	350,000,000	650,000,000	80,000	372,200	90,200	300,200	44,002,000	2,976,364,600	3,523,038,800				84.50%
2014	1,897,792,000	351,000,000	650,000,000	80,000	372,200	90,200	300,200	43,901,800	2,978,386,000	3,526,501,800				84.50%
2015	1,842,497,200	388,885,900	712,966,900	80,400	152,600	90,200	300,200	46,232,050	2,771,116,850	2,766,661,500			7,7943	901.6%
2016	1,651,393,300	703,386,900	656,605,600	80,400	152,600	90,200	300,200	56,044,300	2,465,456,300	2,468,139,500			8,5100	91.89%
2017	1,651,393,300	703,386,900	656,605,600	80,400	152,600	90,200	300,200	56,044,300	2,465,456,300	2,468,139,500			8,5100	91.89%
2018	1,651,393,300	703,386,900	656,605,600	80,400	152,600	90,200	300,200	56,044,300	2,465,456,300	2,468,139,500			8,5100	91.89%
2019	1,651,393,300	703,386,900	656,605,600	80,400	152,600	90,200	300,200	56,044,300	2,465,456,300	2,468,139,500			8,5100	91.89%
2020	1,651,393,300	703,386,900	656,605,600	80,400	152,600	90,200	300,200	56,044,300	2,465,456,300	2,468,139,500			8,5100	91.89%
2021	1,651,393,300	703,386,900	656,605,600	80,400	152,600	90,200	300,200	56,044,300	2,465,456,300	2,468,139,500			8,5100	91.89%
2022	1,651,393,300	703,386,900	656,605,600	80,400	152,600	90,200	300,200	56,044,300	2,465,456,300	2,468,139,500			8,5100	91.89%

Source: Statement of Assessor 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 recalculation of all property was completed in 2005, 2011, and 2018.
- 2- Equalized values are determined by the Wisconsin Department of Revenue.

Schedule 6
City of West Bend Assessor's Office
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	Non-Major	TID Apportionment	Total Direct	West Bend School District	Washington County	Moraine Park Technical College	State of Wisconsin (1)	State Credit	School Credit	State Credit				
2021	2022	\$ 5,6947	\$ 1,2384	\$ 0,2763	\$ 0,6886	\$ 7,8980	\$ 9,4571	\$ 2,4426	\$ 0,6373	\$ -	\$ (1,3390)	\$ -	\$ (1,3390)	\$ 19,0959			
2020	2021	\$ 5,7038	1,2787	0,2541	0,6913	7,9094	8,7516	2,4564	0,6644	-	(1,3190)	-	(1,3190)	18,4831			
2019	2020	\$ 5,6443	1,3899	0,2562	0,5600	7,8948	8,4246	2,4228	0,6518	-	(1,3360)	-	(1,3360)	17,9647			
2018	2019	\$ 5,4860	1,3508	0,2387	0,6987	7,7943	7,9585	2,3892	0,6347	-	(1,3570)	-	(1,3570)	17,3906			
2017	2018	\$ 5,8777	1,6619	0,2895	0,8501	8,5083	8,8643	2,7000	0,7061	-	(1,3860)	-	(1,3860)	17,2008			
2016	2017	\$ 5,9222	1,7411	0,2936	0,5719	8,5883	8,8862	2,6400	0,7372	-	(1,4659)	-	(1,4659)	19,4161			
2015	2016	\$ 5,9222	1,7411	0,2936	0,5719	8,5883	8,8862	2,6400	0,7372	-	(1,4659)	-	(1,4659)	19,4161			
2014	2015	\$ 5,6927	1,2099	0,2699	0,5296	8,5121	8,5611	2,6792	0,7070	-	(1,3211)	-	(1,3211)	19,2698			
2013	2014	\$ 5,5563	2,1800	0,2582	0,5109	8,5453	9,0618	2,8309	0,5518	0,1678	(1,3094)	0,1678	(1,3094)	20,6188			
2012	2013	\$ 5,5939	2,0400	0,3742	0,5372	8,5156	8,5793	2,8653	1,5333	0,1689	(1,2934)	0,1689	(1,2934)	20,3690			

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
2021 and Nine Years Ago

Taxpayer	2021				2012			
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Value	Percentage of Total City Taxable Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Value	Percentage of Total City Taxable Value
West Bend Mutual Insurance	\$ 66,865,600	1	2.28%	2.62%	\$ 63,420,950	1	2.62%	
Froedtert Health, Inc.	45,555,200	2	1.55%	0.60%	14,508,400	3	0.60%	
Mills Fleet Farm	32,528,400	3	1.11%					
Meijer Stores	28,202,500	4	0.96%					
River Shores-Cast Iron Condo	23,764,800	5	0.81%					
Iret West Bend Main (Pick N Save-S)	18,507,500	6	0.63%	0.45%	10,898,200	8	0.45%	
Manitou Equipment (GEHL Co.)	17,564,400	7	0.60%	0.82%	19,880,450	2	0.82%	
Realty Income Properties (Wal-Mart Stores)	16,705,000	8	0.57%	0.57%	13,719,650	5	0.57%	
Exchange Right Net (Pick N Save-N)	16,487,700	9	0.56%					
Paradise Pavilion (Kohl's & Hobby Lobby)	15,821,200	10	0.54%	0.52%	12,697,100	6	0.52%	
Healthcare Reit, Inc.				0.59%	14,393,600	4	0.59%	
Menard				0.50%	12,071,200	7	0.50%	
GenCap West Bend (Pick N Save-N)				0.43%	10,537,750	9	0.43%	
Total	\$ 282,002,300		9.61%	7.53%	\$ 182,505,950	10	7.53%	

Source: City of West Bend Assessor's Office

Note: Assessed values include real and personal property.

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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	Amount	Percentage
2021	2022	\$ 60,433,151	\$ 21,367,822	35.36%		\$ -		\$ 21,367,822	35.36%	
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	76.43%	
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%		14,552,797		38,154,675	75.55%	
2014	2015	50,049,421	24,868,426	49.69%		20,093,111		44,961,537	89.83%	
2013	2014	53,879,167	24,856,013	46.13%		23,724,396		48,580,409	90.17%	
2012	2013	53,180,186	26,032,965	48.95%		21,499,230		47,532,195	89.38%	

Source: City Finance Department records and Tax Settlements

Note: The City of West Bend used a new tax software for the 2015 levy year, which implemented a two installment plan for tax collection. For levy years 2012 through 2014, the City of West Bend collected tax payments until July 31st using a four installment payment plan.

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

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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	Capital Leases	General Obligation Bonds/Notes (1)	Water Revenue Bonds	City of West Bend				
2021	\$ 49,015,350	\$ -	\$ -	\$ 1,281,979	\$ -	\$ -	\$ 53,637,938	2.55%	\$ 1,662	
2020	46,817,482	-	-	1,420,239	-	-	52,091,416	2.60%	1,625	
2019	43,380,438	-	-	19,360	-	-	47,545,545	2.47%	1,480	
2018	49,260,212	-	-	-	-	-	53,732,764	2.88%	1,685	
2017	54,613,681	60,000	-	-	-	1,095,000	59,312,552	3.43%	1,880	
2016	59,845,884	115,000	-	-	-	1,410,000	64,578,377	3.92%	2,039	
2015	65,296,953	170,000	-	-	-	1,725,000	69,882,164	4.33%	2,212	
2014	74,671,016	225,000	-	-	-	2,030,000	79,906,458	5.12%	2,534	
2013	73,032,000	275,000	-	-	-	3,825,000	79,209,141	5.23%	2,521	
2012	67,106,487	325,000	4,315,000	-	-	4,230,000	78,264,814	5.19%	2,494	

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.

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

Fiscal Year	General Outstanding Debt (1)	Restricted Debt Service	Net General Obligation Debt	Equalized Valuation	Percent of Net Debt to Equalization	Estimated Population	Debt Per Capita
2021	\$ 52,355,959	\$ 724,898	\$ 51,631,061	\$ 3,483,278,500	1.48%	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	3.16%	31,531	2,453
2013	75,109,141	8,586	75,100,555	2,378,068,900	3.16%	31,425	2,390
2012	69,394,814	93,856	69,300,958	2,412,368,200	2.87%	31,380	2,211

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.

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Schedule 11
City of West Bend
Computation of Direct and Overlapping Debt
December 31, 2021

Jurisdiction	Governmental		Percent Applicable to City of West Bend	Amount Applicable to City of West Bend
	Outstanding	Obligation Debt		
Direct Debt				
City of West Bend	\$ 50,297,329		100%	\$ 50,297,329
Overlapping Debt				
Washington County	22,485,000		17.51%	3,936,076
West Bend School District	25,880,000		50.49%	13,067,847
Moraine Park Technical College	31,460,000		9.88%	3,109,349
Total Overlapping Debt	<u>79,825,000</u>			<u>20,113,272</u>
Total Direct and Overlapping Debt	<u>\$ 130,122,329</u>			<u>\$ 70,410,601</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 Total Debt Margin
Last Ten Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Equalized Value (1)	\$ 3,483,278,500	\$ 3,200,372,200	\$ 2,956,523,800	\$ 2,766,661,500	\$ 2,600,395,200	\$ 2,485,757,000	\$ 2,418,080,000	\$ 2,388,772,200	\$ 2,378,084,500	\$ 2,412,368,200
Debt Limit (2)	174,453,025	160,018,610	147,844,150	138,333,075	134,006,975	124,286,330	120,984,000	119,438,660	118,909,445	120,818,420
Total General Obligation Debt	51,898,000	49,831,375	47,002,455	52,077,207	57,180,854	61,982,835	66,828,764	70,713,525	74,887,128	70,747,601
Amount of Debt Applicable to Debt Limitation	51,898,000	49,831,375	47,002,455	52,077,207	57,180,854	61,982,835	66,828,764	70,713,525	74,887,128	70,747,601
Total Debt Applicable to Debt Limit	51,898,000	49,831,375	47,002,455	52,077,207	57,180,854	61,982,835	66,828,764	70,713,525	74,887,128	70,747,601
Less: Assets in Debt Service Fund Available for Payment of Principal	274,898	703,147	148,285	140,866	137,843	65,540	52,503	1,404,634	8,596	93,856
Net Debt Applicable to Debt Limit	50,623,102	49,131,228	46,854,169	51,936,341	57,043,011	61,917,295	66,876,234	75,308,881	74,878,542	70,653,745
Remaining Legal Debt Margin	123,489,923	110,887,382	100,990,021	86,396,734	76,863,364	62,370,095	54,027,766	44,129,769	44,024,903	49,364,805
Total Debt Applicable to the Limit as a Percentage of Debt Limit	29.10%	30.70%	31.69%	37.54%	42.57%	49.82%	55.31%	63.05%	63.07%	58.98%

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

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

Fiscal Year	Direct Operating Revenues (1)	Direct Operating Expenses (2)	Net Revenue Available for Debt Service	Principal	Interest	Total	Coverage (3)
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	-	-	-	-
2017	4,910,092	2,600,919	2,309,173	345,000	39,073	384,073	5.36
2016	4,902,563	2,386,048	2,516,515	345,000	39,073	384,073	6.01
2015	4,898,018	2,897,098	2,000,920	345,000	39,073	384,073	6.55
2014	4,827,770	2,544,925	2,282,845	345,000	39,073	384,073	5.21
2013	4,945,220	2,185,072	2,760,148	445,000	130,059	575,059	5.94
2012	5,093,856	2,243,685	2,850,171	445,000	130,059	575,059	4.96

- 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	City of West Bend	State of Wisconsin
2021	32,769	\$ 2,101,970,391	\$ 65,139	\$ 58,564	3.30%	3.00%	3.00%	3.80%
2020	32,058	2,003,817,348	62,506	55,487	6.30%	5.90%	6.30%	6.30%
2019	32,122	1,926,645,438	59,979	53,383	2.90%	2.70%	2.70%	3.40%
2018	31,881	1,868,258,481	58,601	50,756	2.70%	2.50%	2.50%	3.00%
2017	31,546	1,727,458,960	54,760	48,941	3.00%	2.80%	2.80%	3.30%
2016	31,676	1,648,767,476	52,051	47,275	3.70%	3.50%	3.50%	4.20%
2015	31,599	1,615,024,890	51,110	45,942	4.10%	3.80%	3.80%	4.60%
2014	31,531	1,559,617,853	49,463	44,414	4.90%	4.60%	4.60%	5.40%
2013	31,425	1,514,747,850	48,202	42,728	7.80%	5.70%	5.70%	6.70%
2012	31,380	1,507,620,720	48,044	42,537	8.30%	6.10%	6.10%	7.00%

- 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 (2021 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
2021 and Nine Years Ago

	2021			2012		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Taxpayer	1,268	1	7.84%	855	3	5.42%
West Bend Mutual Insurance	834	2	5.16%	878	2	5.56%
Washington County	821	3	5.08%	1,150	1	7.29%
West Bend Joint School District No. 1	766	4	4.74%	575	5	3.64%
St. Joseph's Hospital	600	5	3.71%	372	8	2.36%
Wal-Mart	580	6	3.59%			
Serigraph Inc.	550	7	3.40%	787	4	4.99%
Cedar Community	333	8	2.06%	423	7	2.68%
YMCA Kettle Moraine	321	9	1.98%	470	6	2.98%
City of West Bend	311	10	1.92%			
West Bend Clinic				236	9	1.50%
Regal Ware, Inc.				185	10	1.17%
Samaritan Health Center						
Total	6,384		39.48%	5,931		37.59%

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	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Government	-	-	-	-	-	-	-	-	-	-
Council (8 Council Members)	1.00	1.25	1.25	1.25	1.25	1.25	1.25	1.00	1.00	1.00
Mayor	-	-	-	-	-	-	-	-	-	-
City Attorney	1.00	1.25	1.25	1.25	1.25	1.25	1.25	1.00	1.00	1.00
Administration	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	2.35
Clerk	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.25
Human Resources	Varies	Varies	Varies	Varies	Varies	Varies	Varies	Varies	Varies	Varies
Elections	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Information Systems	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Assessor	4.75	4.75	4.75	4.75	4.75	4.75	4.75	4.75	4.75	4.75
Municipal Building Maintenance	5.35	5.35	5.35	5.35	5.35	5.35	5.35	5.35	5.35	5.35
Information Systems	2.00	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	1.00	1.00
Emergency Government	-	-	-	-	-	-	-	-	-	-
Public Safety	77.00	77.00	77.00	77.00	77.00	77.00	77.00	77.00	77.00	77.00
Police	40.70	40.70	40.70	40.70	40.70	40.70	40.70	40.70	40.70	40.70
Fire	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25
Building Inspection	14.05	14.05	14.05	14.05	14.05	14.05	14.05	14.05	14.05	14.05
Public Works	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Public Works	14.05	14.05	14.05	14.05	14.05	14.05	14.05	14.05	14.05	14.05
Public Works	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Vehicle Maintenance	4.95	4.95	4.95	4.95	4.95	4.95	4.95	4.95	4.95	4.95
Airport	0.68	0.65	0.37	0.58	1.50	1.50	1.50	0.58	0.58	0.58
Leisure Activities	17.95	19.65	20.65	20.65	19.65	19.65	19.65	20.71	30.00	31.50
Parks	-	-	-	-	-	-	-	-	-	-
Recreation	1.00	1.50	1.50	1.50	1.50	1.06	1.06	-	-	-
Conservation and Development	3.50	3.50	3.50	3.50	4.00	4.00	4.00	5.00	6.00	7.00
Economic Development	8.50	8.50	8.50	8.50	8.50	8.50	8.50	8.00	8.00	8.00
Department of Development	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50
Enterprise Funds	-	-	-	-	-	-	-	-	-	-
Sewer Utility	1.10	1.10	1.10	1.10	1.10	1.10	1.10	0.48	-	-
Water Utility	19.06	19.16	19.23	18.83	19.05	19.05	19.43	20.88	19.25	18.75
Other Non-Major Special Revenue Funds	3.25	3.25	3.25	3.25	3.25	3.25	3.25	2.75	2.75	2.25
Library	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50
Community TV	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Recreation	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Room Tax	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total	248.4	251.2	252.0	250.2	249.3	250.4	251.6	253.8	272.4	276.6

Source: City of West Bend's Annual Operating Budgets

Schedule 1.7
City of West Bend
Operating Indicators and Information
Assets by Function/Department
Last Ten Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Public Safety										
Police										
Calls for Service	15,198	13,405	14,258	14,391	14,877	14,599	15,339	14,873	13,390	13,721
Police Service Activities	51,077	47,115	50,202	51,002	52,000	51,000	52,000	50,000	49,000	48,000
Arrests	1,081	1,050	1,187	1,187	2,308	2,511	2,920	3,206	2,573	2,497
Citations	3,323	2,918	4,183	5,087	4,318	5,366	5,643	6,090	5,573	4,847
Patrol/Vehicles	13	13	13	13	13	13	13	13	13	13
Fire Department										
Fire Calls	477	454	464	463	400	441	400	472	443	449
Fire Stations	3	3	3	3	3	3	3	3	3	3
Fire Apparatus	18	18	18	18	18	18	18	18	18	18
Fire Hydrants	4	4	4	4	4	4	4	4	4	4
EMS Responses	4,282	3,812	3,809	3,789	3,662	3,452	3,465	3,381	3,167	3,094
Public Works										
Refuse/Recycling	10,954	9,981	9,964	9,913	9,861	9,803	9,787	9,757	9,729	9,709
Recycle Cost per Unit	\$ 320	\$ 312	\$ 305	\$ 298	\$ 291	\$ 284	\$ 278	\$ 272	\$ 266	\$ 260
Recycling Tonnage	2,113.93	2,493.11	2,535.60	2,767.13	2,786.09	2,683.37	2,680.07	2,808.16	2,864.49	2,840.28
Refuse Tonnage	8,011.61	8,098.33	7,155.08	7,382.39	7,374.68	7,007.28	7,021.97	6,961.27	6,879.86	6,866.58
Street Lights (City owned)	232	232	232	232	276	276	276	276	276	276
Street Signs	7,007	7,007	7,007	7,237	7,237	7,237	7,237	7,237	7,237	7,237
Parks and Recreation										
Acres of Park Land	1,425	1,425	1,425	1,425	1,425	1,425	1,425	1,425	1,425	1,425
Recreation Programs	34	27	40	39	36	39	40	41	35	36
Law/Lawman Programs	14	14	14	14	14	14	14	14	14	14
Special Events	10,393	-	17,893	18,102	19,246	20,344	21,471	17,886	16,278	24,398
Shelter Reservations	608	288	479	503	459	448	415	385	333	274
Libraries										
Books	405,682	341,135	459,608	498,524	501,678	494,226	502,327	541,221	598,919	570,205
User Visits	148,673	121,762	208,619	216,713	228,513	226,648	227,682	246,501	252,994	275,102
Registered Borrowers	33,879	40,111	41,560	41,295	46,947	49,201	62,530	61,486	60,237	56,653
Water										
Number of Customers	12,189	12,096	12,049	12,003	11,845	11,797	11,881	11,895	11,774	11,680
Gallons Sold	844,450,000	811,170,000	802,884,938	880,235,000	839,025,000	846,547,000	863,002,000	835,029,000	879,530,000	925,662,000
Hydrants Pushed	784	558	610	625	570	448	660	528	481	518
Miles of Water Main	1,455	1,455	1,455	1,455	1,455	1,455	1,455	1,455	1,455	1,455
Miles of Water Main	145.55	145.17	145	145	145	144.5	144.5	144.5	144	144
Sewer/LIBELLY										
Number of Customers	11,735	11,728	11,703	11,703	11,553	11,538	11,348	11,522	11,398	11,344
Miles of Sanitary Sewer	137	137	137	137	137	137	137	137	137	137

Sources: 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, totals only include persons arrested.

FORM OF LEGAL OPINION

(See following pages)

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

April 26, 2023

Re: City of West Bend, Wisconsin ("Issuer")
\$3,285,000 General Obligation Promissory Notes, Series 2023A,
dated April 26, 2023 ("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>
2024	\$ 50,000	4.00%
2025	275,000	4.00
2026	300,000	4.00
2027	325,000	4.00
2028	330,000	4.00
2029	350,000	4.00
2030	375,000	4.00
2031	410,000	4.00
2032	425,000	4.00
2033	445,000	4.00

Interest is payable semi-annually on April 1 and October 1 of each year commencing on October 1, 2023.

The Notes maturing on April 1, 2031 and thereafter are subject to redemption prior to maturity, at the option of the Issuer, on April 1, 2030 or on any date thereafter. Said 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.

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) for taxable years beginning after December 31, 2022. 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.
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 \$3,285,000 General Obligation Promissory Notes, Series 2023A, dated April 26, 2023 (the "Securities"). The Securities are being issued pursuant to a resolution adopted on April 3, 2023 (the "Resolution") and delivered to Robert W. Baird & Co., Inc. (the "Purchaser") on the date hereof. Pursuant to the Resolution, the Issuer has covenanted and agreed to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events. In addition, the Issuer hereby specifically covenants and agrees as follows:

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

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

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

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

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

"Final Official Statement" means the Final Official Statement dated April 4, 2023 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 Administrator of the Issuer who can be contacted at 1115 S. Main Street, West Bend, Wisconsin 53095, phone (262) 335-5171, 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 ended December 31, 2022, 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 26th day of April, 2023.

(SEAL)

Christophe E. Jenkins
Mayor

Lizbet Santana
City Clerk