

FINAL OFFICIAL STATEMENT DATED NOVEMBER 5, 2019

NEW ISSUES

Not Bank Qualified

Moody's Rated "Aaa"

See "RATING" herein

In the opinion of Quarles & Brady LLP, Bond Counsel, assuming continued compliance with the requirements of the Internal Revenue Code of 1986, as amended (the "Code") under existing law interest on the 2019A Bonds is excludable from gross income and is not an item of tax preference for federal income tax purposes. See "TAX EXEMPTION - The 2019A Bonds" herein for a more detailed discussion of some of the federal income tax consequences of owning the 2019A Bonds. The interest on the 2019A Bonds is not exempt from present Wisconsin income or franchise taxes. The 2019A Bonds will not be designated by the City as "Qualified Tax Exempt Obligations" for purposes of Section 265(b)(3) of the Code.

In the opinion of Quarles & Brady LLP, Bond Counsel, under existing law interest on the 2019B Bonds is included in gross income for federal income tax purposes. See "TAXABILITY OF INTEREST - The 2019B Bonds" herein. The interest on the 2019B Bonds is not exempt from present Wisconsin income or franchise taxes.

**CITY OF WAUWATOSA
MILWAUKEE COUNTY, WISCONSIN**

Dated: December 2, 2019

Due: December 1, as shown herein

\$12,765,000 General Obligation Corporate Purpose Bonds, Series 2019A

The General Obligation Corporate Purpose Bonds, Series 2019A (the "2019A Bonds") will be dated December 2, 2019, and will be in the denomination of \$5,000 each or any multiple thereof. The 2019A Bonds mature serially on December 1 of the years 2020 through 2039. Interest on the 2019A Bonds shall be payable commencing on June 1, 2020 and semi-annually thereafter on December 1 and June 1 of each year.

The 2019A Bonds are being issued pursuant to Chapter 67 of the Wisconsin Statutes. The 2019A Bonds will be general obligations of the City for which its full faith and credit and taxing powers are pledged which taxes may, under current law, be levied without limitation as to rate or amount. The 2019A Bonds will be issued for the public purposes of paying the cost of street improvement projects, water system projects, sewerage projects, consisting of storm sewer improvements, construction of police facilities and parks and public grounds projects (collectively, the "2019A Projects") and for the public purpose of current refunding certain outstanding obligations of the City, specifically: a portion of the City's Waterworks System Revenue Bonds, Series 2010, dated October 25, 2010 (the "2010 Bonds").

The 2019A Bonds maturing on December 1, 2028 and thereafter are subject to call and prior redemption, at the option of the City, on December 1, 2027 or any date thereafter, in whole or in part, and if in part, from maturities selected by the City and by lot within each maturity at a price of par plus accrued interest to the date of redemption. (See "REDEMPTION PROVISIONS" herein.)

\$1,260,000 Taxable General Obligation Community Development Bonds, Series 2019B

The Taxable General Obligation Community Development Bonds, Series 2019B (the "2019B Bonds") will be dated December 2, 2019, and will be in the denomination of \$5,000 each or any multiple thereof. The 2019B Bonds mature serially on December 1 of the years 2020 through 2027 with term bonds maturing December 1, 2029, December 1, 2031 and December 1, 2034 (collectively, the "Term Bonds") as shown herein. Interest on the 2019B Bonds shall be payable commencing on June 1, 2020 and semi-annually thereafter on December 1 and June 1 of each year. Associated Trust Company, National Association, Green Bay, Wisconsin will serve as mandatory redemption agent for the Term Bonds.

The 2019B Bonds are being issued pursuant to Chapter 67 of the Wisconsin Statutes. The 2019B Bonds will be general obligations of the City for which its full faith and credit and taxing powers are pledged which taxes may, under current law, be levied without limitation as to rate or amount. The 2019B Bonds will be issued for the public purpose of providing financial assistance to community development projects under Section 66.1105, Wisconsin Statutes, by paying project costs of the City's Tax Incremental District No. 7.

The 2019B Bonds maturing on December 1, 2029 and thereafter are subject to call and prior redemption, at the option of the City, on December 1, 2027 or any date thereafter, in whole or in part, and if in part, from maturities selected by the City and by lot within each maturity at a price of par plus accrued interest to the date of redemption. The Term Bonds are also subject to mandatory redemption as described herein. (See "REDEMPTION PROVISIONS" herein.)

The Financial Advisor to the City is:



The 2019A Bonds and the 2019B Bonds (together, the "Bonds") will be issued only as fully registered obligations in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). DTC will act as securities depository of the Bonds. Individual purchases may be made in book entry form only in denominations of \$5,000 principal amount or any integral multiple thereof. Purchasers will not receive certificates representing their interest in the Bonds purchased. (See "BOOK-ENTRY-ONLY SYSTEM" herein.)

The Bonds are offered when, as and if issued, subject to the receipt of the approving opinions of Quarles & Brady LLP, Milwaukee, Wisconsin, Bond Counsel. Quarles & Brady LLP will also serve as Disclosure Counsel to the City. The anticipated settlement date for the Bonds is on or about December 2, 2019.

FHN Financial
2019A Bonds

Dougherty & Company LLC
2019B Bonds

MATURITY SCHEDULES

\$12,765,000 General Obligation Corporate Purpose Bonds, Series 2019A

Dated: December 2, 2019 Due: As shown below Callable: December 1, 2027

<u>(December 1)</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP No.</u> <u>943505⁽¹⁾</u>	<u>(December 1)</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP No.</u> <u>943505⁽¹⁾</u>
2020	\$1,010,000	3.000%	1.200%	AA5	2030	\$500,000	2.375%	2.440%	AL1
2021	485,000	4.000	1.210	AB3	2031	510,000	2.500	2.530	AM9
2022	490,000	4.000	1.250	AC1	2032	525,000	2.500	2.610	AN7
2023	820,000	4.000	1.280	AD9	2033	535,000	2.625	2.680	AP2
2024	900,000	3.000	1.400	AE7	2034	550,000	2.625	2.740	AQ0
2025	980,000	3.000	1.450	AF4	2035	155,000	2.750	2.800	AR8
2026	1,085,000	3.000	1.550	AG2	2036	160,000	2.750	2.860	AS6
2027	1,150,000	4.000	1.580	AH0	2037	165,000	2.875	2.910	AT4
2028	1,190,000	3.000	1.850	AJ6	2038	165,000	2.875	2.960	AU1
2029	1,220,000	3.000	1.950	AK3	2039	170,000	3.000	3.000	AV9

\$1,260,000 Taxable General Obligation Community Development Bonds, Series 2019B

Dated: December 2, 2019 Due: As shown below Callable: December 1, 2027

<u>(December 1)</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP No.</u> <u>943505⁽¹⁾</u>	<u>(December 1)</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP No.</u> <u>943505⁽¹⁾</u>
2020	\$70,000	3.000%	1.850%	AW7	2024	\$75,000	3.000%	2.000%	BA4
2021	70,000	3.000	1.900	AX5	2025	80,000	3.000	2.100	BB2
2022	70,000	3.000	2.000	AY3	2026	80,000	3.000	2.200	BC0
2023	75,000	3.000	2.000	AZ0	2027	85,000	3.000	2.300	BD8

			<u>CUSIP No.</u> <u>943505⁽¹⁾</u>
\$175,000 Term Bonds due December 1, 2029 - Rate: 2.500%	Yield: 2.500%		BF3
\$185,000 Term Bonds due December 1, 2031 - Rate: 2.750%	Yield: 2.750%		BH9
\$295,000 Term Bonds due December 1, 2034 - Rate: 3.000%	Yield: 3.000%		BLO

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**CITY OF WAUWATOSA
(Milwaukee County, Wisconsin)**

MAYOR

Kathleen Ehley

COMMON COUNCIL

Allison L. Bryne, Alderperson
Cheryl Berdan, President
Kathleen Causier, Alderperson
John J. Dubinski, Alderperson
Ernst Franzen, Alderperson
Tim J. Hanson, Alderperson
Jason Kofroth, Alderperson
Heather Kuhl, Alderperson
James Moldenhauer, Alderperson
Kelly Rifelj, Alderperson
Matt Stippich, Alderperson
Joel Tilleson, Alderperson
Michael G. Walsh, Alderperson
Nancy Welch, Alderperson
Jason G. Wilke, Alderperson
Craig Wilson, Alderperson

ADMINISTRATIVE STAFF

James Archambo, City Administrator
John Ruggini, Finance Director
Melanie Kollmansberger, City Clerk
Alan R. Kesner, City Attorney

PROFESSIONAL SERVICES

Financial Advisor:	Robert W. Baird & Co. Incorporated, Milwaukee, Wisconsin
Bond Counsel:	Quarles & Brady LLP, Milwaukee, Wisconsin
Disclosure Counsel:	Quarles & Brady LLP, Milwaukee, Wisconsin
Paying Agent:	Officers of the City *
Mandatory Redemption Agent for the Term Bonds:	Associated Trust Company, National Association, Green Bay, Wisconsin

* The contact person for fiscal agent matters is John Ruggini, Finance Director.

REGARDING USE OF THIS OFFICIAL STATEMENT

This Official Statement is being distributed in connection with the sale of the Bonds referred to in this Official Statement and may not be used, in whole or in part, for any other purpose. No dealer, broker, salesman or other person is authorized to make any representations concerning the Bonds other than those contained in this Official Statement, and if given or made, such other information or representations may not be relied upon as statements of the City of Wauwatosa, Wisconsin (the "City"). This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful to make such an offer, solicitation or sale.

Unless otherwise indicated, the City is the source of the information contained in this Official Statement. Certain information in this Official Statement has been obtained by the City or on its behalf from The Depository Trust Company and other non-City sources that the City believes to be reliable. No representation or warranty is made, however, as to the accuracy or completeness of such information. Nothing contained in this Official Statement is a promise of or representation by Robert W. Baird & Co. Incorporated (the "Financial Advisor"). The Financial Advisor has provided the following sentence for inclusion in this Official Statement. The Financial Advisor has reviewed and the Underwriter(s) will review the information in this Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Financial Advisor and the Underwriter(s) do not guarantee the accuracy or completeness of such information. The information and opinions expressed in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale made under this Official Statement shall, under any circumstances, create any implication that there has been no change in the financial condition or operations of the City or other information in this Official Statement, since the date of this Official Statement.

This Official Statement contains statements that are "forward-looking statements" as that term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. When used in this Official Statement, the words "estimate," "intend," "project" or "projection," "expect" and similar expressions are intended to identify forward-looking statements. Forward-looking statements are subject to risks and uncertainties, some of which are discussed herein, that could cause actual results to differ materially from those contemplated in such forward-looking statements. Investors and prospective investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date of this Official Statement.

This Official Statement should be considered in its entirety. No one factor should be considered more or less important than any other by reason of its position in this Official Statement. Where statutes, ordinances, reports or other documents are referred to in this Official Statement, reference should be made to those documents for more complete information regarding their subject matter.

The Bonds will not be registered under the Securities Act of 1933, as amended, or the securities laws of any state of the United States, and will not be listed on any stock or other securities exchange. Neither the Bonds and Exchange Commission nor any other federal, state, municipal or other governmental entity shall have passed upon the accuracy or adequacy of this Official Statement.

IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITER(S) MAY OR MAY NOT OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICES OF THE BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME WITHOUT NOTICE. THE PRICES AND OTHER TERMS RESPECTING THE OFFERING AND SALE OF THE BONDS MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER(S) AFTER THE BONDS ARE RELEASED FOR SALE AND THE BONDS MAY BE OFFERED AND SOLD AT PRICES OTHER THAN THE INITIAL OFFERING PRICES, INCLUDING SALES TO DEALERS WHO MAY SELL THE BONDS INTO INVESTMENT ACCOUNTS.

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SUMMARY - 2019A BONDS

Issuer:	City of Wauwatosa, Milwaukee County, Wisconsin.
Issue:	\$12,765,000 General Obligation Corporate Purpose Bonds, Series 2019A
Dated Date:	December 2, 2019
Interest Due:	Commencing June 1, 2020 and on each December 1 and June 1 thereafter. Interest on the 2019A Bonds shall be computed on the basis of a 30-day month and a 360-day year.
Principal Due:	December 1, 2020 through 2039.
Redemption Provision:	The 2019A Bonds maturing on and after December 1, 2028 shall be subject to call and prior payment, at the option of the City, on December 1, 2027 or on any date thereafter at a price of par plus accrued interest. The amounts and maturities of the 2019A Bonds to be redeemed shall be selected by the City. If less than the entire principal amount of any maturity is to be redeemed, the 2019A Bonds of that maturity which are to be redeemed shall be selected by lot. Notice of such call shall be given by sending a notice thereof by registered or certified mail, facsimile or electronic transmission, overnight express delivery, or in any other manner required by DTC not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of each 2019A Bond to be redeemed at the address shown on the registration books. (See "REDEMPTION PROVISIONS" herein.)
Security:	The full faith, credit and resources of the City are pledged to the payment of the principal of and the interest on the 2019A Bonds as the same become due and, for said purposes, there are levied on all the taxable property in the City, direct, annual irrevocable taxes in each year and in such amounts which will be sufficient to meet such principal and interest payments when due. Under current law, such taxes may be levied without limitation as to rate or amount.
Purpose:	The 2019A Bonds will be issued for the public purposes of paying the cost of street improvement projects, water system projects, sewerage projects, consisting of storm sewer improvements, construction of police facilities and parks and public grounds projects (collectively, the "2019A Projects") and for the public purpose of current refunding certain outstanding obligations of the City, specifically: a portion of the City's Waterworks System Revenue Bonds, Series 2010, dated October 25, 2010 (the "2010 Bonds").
Tax Exemption:	Interest on the 2019A Bonds is excludable from gross income for present Federal income tax purposes. (See "TAX EXEMPTION - The 2019A Bonds" herein.)
Not Bank Qualified:	The 2019A Bonds shall <u>not</u> be designated as "qualified tax-exempt obligations".
Credit Rating:	The 2019A Bonds have been assigned a "Aaa" rating by Moody's Investors Service, Inc. (See "RATINGS" herein.)
Bond Years:	105,669.54 years.
Average Life:	8.278 years.
Record Date:	The 15 th day of the calendar month next preceding each interest payment date.

Information set forth on this page is qualified by the entire Official Statement. A full review of the entire Official Statement should be made by potential investors.

SUMMARY - 2019B BONDS

Issuer:	City of Wauwatosa, Milwaukee County, Wisconsin.
Issue:	\$1,260,000 Taxable General Obligation Community Development Bonds, Series 2019B
Dated Date:	December 2, 2019
Interest Due:	Commencing June 1, 2020 and on each December 1 and June 1 thereafter. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months.
Principal Due:	December 1, 2020 through 2027. Term Bonds due December 1, 2029, December 1, 2031 and December 1, 2034.
Redemption Provision:	The 2019B Bonds maturing on and after December 1, 2029 shall be subject to call and prior payment, at the option of the City, on December 1, 2027 or on any date thereafter at a price of par plus accrued interest. The amounts and maturities of the 2019B Bonds to be redeemed shall be selected by the City. If less than the entire principal amount of any maturity is to be redeemed, the 2019B Bonds of that maturity which are to be redeemed shall be selected by lot. Notice of such call shall be given by sending a notice thereof by registered or certified mail, facsimile or electronic transmission, overnight express delivery, or in any other manner required by DTC not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of each 2019B Bond to be redeemed at the address shown on the registration books. The Term Bonds are also subject to mandatory redemption as described herein. Associated Trust Company, National Association, Green Bay, Wisconsin will serve as mandatory redemption agent for the Term Bonds. (See "REDEMPTION PROVISIONS" herein.)
Security:	The full faith, credit and resources of the City are pledged to the payment of the principal of and the interest on the 2019B Bonds as the same become due and, for said purposes, there are levied on all the taxable property in the City, direct, annual irrepealable taxes in each year and in such amounts which will be sufficient to meet such principal and interest payments when due. Under current law, such taxes may be levied without limitation as to rate or amount.
Purpose:	The 2019B Bonds will be issued for the public purpose of providing financial assistance to community development projects under Section 66.1105, Wisconsin Statutes, by paying project costs of the City's Tax Incremental District No. 7.
Tax Status:	Interest on the 2019B Bonds is included in gross income for present Federal income tax purposes. (See "TAXABILITY OF INTEREST - The 2019B Bonds" herein.)
Credit Rating:	The 2019B Bonds have been assigned a "Aaa" rating by Moody's Investors Service, Inc. (See "RATINGS" herein.)
Bond Years:	10,741.50 years.
Average Life:	8.525 years.
Record Date:	The 15 th day of the calendar month next preceding each interest payment date.

Information set forth on this page is qualified by the entire Official Statement. A full review of the entire Official Statement should be made by potential investors.

INTRODUCTORY STATEMENT

This Official Statement presents certain information relating to the City of Wauwatosa, Wisconsin (the "City" and the "State" respectively) in connection with the sale of the City's \$12,765,000 General Obligation Corporate Purpose Bonds, Series 2019A (the "2019A Bonds") and \$1,260,000 Taxable General Obligation Community Development Bonds, Series 2019B (the "2019B Bonds" and together with the 2019A Bonds, the "Bonds"). The Bonds are issued pursuant to the Constitution and laws of the State and the resolutions (the "Resolutions") adopted by the Common Council and other proceedings and determinations related thereto.

All summaries of statutes, documents and resolutions contained in this Official Statement are subject to all the provisions of, and are qualified in their entirety by reference to such statutes, documents and resolutions, and references herein to the Bonds are qualified in their entirety by reference to the form thereof included in the Award Resolutions (defined herein). Copies of the Resolutions may be obtained from the Financial Advisor (defined herein) upon request.

THE FINANCING PLAN

The 2019A Bonds

The 2019A Bonds will be issued for the public purposes of paying the cost of street improvement projects, water system projects, sewerage projects, consisting of storm sewer improvements, construction of police facilities and parks and public grounds projects (collectively, the "2019A Projects").

In addition, a portion of the 2019A Bonds will be issued for the public purpose of current refunding a portion of the following issue (the "2010 Bonds"):

Issue:	Waterworks System Revenue Bonds, Series 2010
Original Amount:	\$7,750,000
Dated Date:	October 25, 2010
Redemption Date:	January 1, 2020

<u>(January 1)</u>	<u>Principal Amount/Bonds To Be Refunded</u>	<u>Principal Amount/Bonds Not Refunded</u>	<u>Interest Rate</u>
2020		\$275,000	4.00%
2021	\$275,000		3.00
2022	275,000		4.00
2023	600,000		3.25
2024	625,000		3.25
2025	650,000		4.00
2026	700,000		3.50
2027	725,000		3.50
2028	750,000		4.00
2029	775,000		4.00
TOTAL	<u>\$5,375,000</u>	<u>\$275,000</u>	

A portion of the proceeds of the 2019A Bonds will be deposited in a segregated account and used to current refund the portion of the 2010 Bonds as noted above.

The 2019B Bonds

The 2019B Bonds will be issued for the public purpose of providing financial assistance to community development projects under Section 66.1105, Wisconsin Statutes, by paying project costs of the City's Tax Incremental District No. 7 (the "2019B Project").

REDEMPTION PROVISIONS

Optional Redemption - 2019A Bonds

At the option of the City, the 2019A Bonds maturing on December 1, 2028 and thereafter shall be subject to redemption prior to maturity on December 1, 2027 or on any date thereafter. Said 2019A Bonds shall be redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity, by lot, at the principal amount thereof, plus accrued interest to the date of redemption. If less than all of the 2019A Bonds of a maturity are to be redeemed, selection of the 2019A Bonds to be so redeemed shall be by lot conducted by DTC in accordance with its rules and practices (see "BOOK-ENTRY-ONLY SYSTEM" herein).

Optional Redemption - 2019B Bonds

At the option of the City, the 2019B Bonds maturing on December 1, 2029 and thereafter shall be subject to redemption prior to maturity on December 1, 2027 or on any date thereafter. Said 2019B Bonds shall be redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity, by lot, at the principal amount thereof, plus accrued interest to the date of redemption. If less than all of the 2019B Bonds of a maturity are to be redeemed, selection of the 2019B Bonds to be so redeemed shall be by lot conducted by DTC in accordance with its rules and practices (see "BOOK-ENTRY-ONLY SYSTEM" herein).

Mandatory Redemption - 2019B Bonds

The 2019B Bonds maturing on December 1, 2029, December 1, 2031 and December 1, 2034 (collectively, the "Term Bonds") are subject to mandatory sinking fund redemption on December 1 of each of the years and in the amounts set forth below at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date. As and for a sinking fund for the redemption of the Term Bonds, the City shall cause to be deposited in the Debt Service Fund Account a sum which is sufficient to redeem the following principal amounts of such Term Bonds plus accrued interest to the redemption date:

<u>2029 Term Bonds</u>		<u>2031 Term Bonds</u>	
<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2028	\$85,000	2030	\$90,000
2029 (maturity)	90,000	2031 (maturity)	95,000

<u>2034 Term Bonds</u>	
<u>Year</u>	<u>Amount</u>
2032	\$ 95,000
2033	100,000
2034 (maturity)	100,000

The City will call the Term Bonds for redemption on the dates and in the amounts set forth above and direct its officers and agents to take the necessary steps to select the Term Bonds to be redeemed on the dates and amounts set forth above and give appropriate notice of said redemption to the registered holders of the Term Bonds so redeemed. Associated Trust Company, National Association, Green Bay, Wisconsin will serve as mandatory redemption agent for the Term Bonds.

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ESTIMATED SOURCES AND USES

The 2019A Bonds

Sources of Funds	
Par Amount of 2019A Bonds	\$12,765,000.00
Net Reoffering Premium	806,542.55
Estimated Investment Earnings	8,226.74
Water Revenue Debt Service Reserve Fund Reduction	474,295.74
Total Sources of Funds:	<u>\$14,054,065.03</u>
Uses of Funds	
Deposit to 2019A Projects Fund	\$ 8,290,000.00
Deposit to Debt Service Fund (for Current Refunding)	5,375,000.00
Underwriter's Discount	64,295.97
Bid Premium for Deposit to Debt Service Fund	322,608.33
Deposit to Debt Service Fund (Rounding)	2,160.73
Total Uses of Funds:	<u>\$14,054,065.03</u>

The 2019B Bonds

Sources of Funds	
Par Amount of 2019B Bonds	\$1,260,000.00
Reoffering Premium	23,225.40
Total Sources of Funds:	<u>\$1,283,225.40</u>
Uses of Funds	
Deposit to 2019B Project Fund	\$1,260,000.00
Underwriter's Discount	16,936.25
Bid Premium for Deposit to Debt Service Fund	6,289.15
Total Uses of Funds:	<u>\$1,283,225.40</u>

CONSTITUTIONAL AND STATUTORY CONSIDERATIONS AND LIMITATIONS CONCERNING THE CITY'S POWER TO INCUR INDEBTEDNESS

The Constitution and laws of the State limit the power of the City (and other municipalities of the State) to issue obligations and to contract indebtedness. Such constitutional and legislative limitations include the following, in summary form and as generally applicable to the City.

Purpose

The City may not borrow money or issue notes or bonds therefore for any purpose except those specified by statute, which include among others the purposes for which the Bonds are being issued.

General Obligation Bonds

The principal amount of every sum borrowed by the City and secured by an issue of bonds may be payable at one time in a single payment or at several times in two or more installments; however, no installment may be made payable later than the termination of twenty years immediately following the date of the bonds. The Common Council of the City is required to levy a direct, annual, irrevocable tax sufficient in amount to pay the interest on such bonds as it falls due and also to pay and discharge the principal thereof at maturity. Bonds issued by the City to refinance or refund outstanding notes or bonds issued by the City may be payable no later than twenty years following the original date of such notes or bonds.

Refunding Bonds

In addition to being authorized to issue bonds, the City is authorized to borrow money using refunding bonds for refunding existing debt. To evidence such indebtedness, the City must issue its refunding bonds (with interest)

payable within a period not exceeding twenty years following the initial date of the debt to be refunded. Such refunding bonds constitute a general obligation of the City. Refunding bonds are not subject to referendum.

Bond or Note Anticipation Notes

In anticipation of issuing general obligation bonds or notes, the City is authorized to borrow money using bond or note anticipation notes. The bond or note anticipation notes shall in no event be general obligations of the City, and do not constitute an indebtedness of the City, nor a charge against its general credit or taxing power. The bond or note anticipation notes are payable only from (a) proceeds of the bond or note anticipation notes set aside for payment of interest on the bond or note anticipation notes as they become due, and, (b) proceeds to be derived from the issuance and sale of general obligation bonds or notes which proceeds are pledged for the payment of the principal of and interest on the bond or note anticipation notes. The maximum term of any bond or note anticipation notes (including any refunding) is five years.

Promissory Notes

In addition to being authorized to issue bonds, the City is authorized to borrow money using notes for any public purpose. To evidence such indebtedness, the City must issue to the lender its promissory notes (with interest) payable within a period not exceeding ten years following the date of said notes. Such notes constitute a general obligation of the City. Notes may be issued to refinance or refund outstanding notes. However, such notes may be payable not later than twenty years following the original date of such notes.

Debt Limit

The City has the power to contract indebtedness for purposes specified by statute so long as the principal amount thereof does not exceed five percent of the equalized value of taxable property within the City. For information with respect to the City's percent of legal debt incurred, see the caption "Debt Limit," herein.

THE RESOLUTIONS

The following is a summary of the Resolutions adopted by the Common Council pursuant to the procedures prescribed by Wisconsin Statutes. Reference is made to the Resolutions for a complete recital of their terms.

Initial Resolutions

By way of the initial resolutions adopted on October 1, 2019 (the "2019A Initial Resolutions"), the Common Council authorized the issuance of general obligation bonds for the following public purposes and in the following not to exceed amounts:

- \$4,570,000 for street improvement projects;
- \$2,750,000 for water system projects;
- \$1,000,000 for sewerage projects, consisting of storm sewer improvements;
- \$610,000 for construction of police facilities;
- \$70,000 for parks and public grounds projects; and
- \$4,900,000 for refunding obligations of the City, including interest on them.

By way of an initial resolution adopted on October 1, 2019 (the "2019B Initial Resolution") the Common Council authorized the issuance of general obligation bonds in an amount not to exceed \$1,260,000 for the public purpose of providing financial assistance to community development projects under Section 66.1105, Wisconsin Statutes, by paying project costs of the City's Tax Incremental District No. 7.

The 2019A Initial Resolutions and the 2019B Initial Resolution are subject to referendum if within 30 days after their adoption, a sufficient petition requesting a referendum is filed by the electors of the City. The petition period expires on October 31, 2019.

Sale Resolutions

By way of a resolution adopted on October 1, 2019, the Common Council combined the issues approved by the 2019A Initial Resolutions into one issue of bonds designated as General Obligation Corporate Purpose Bonds, Series

2019A in an amount not to exceed \$13,900,000, authorized that the 2019A Bonds be offered at a public sale, directed the City Clerk to give notice of the sale of the 2019A Bonds, and provided for the preparation of an Official Statement.

By way of a resolution adopted on October 1, 2019, the Common Council provided for the issuance of Taxable General Obligation Community Development Bonds, Series 2019B in an amount not to exceed \$1,260,000, authorized that the 2019B Bonds be offered at a public sale, directed the City Clerk to give notice of the sale of the 2019B Bonds, and provided for the preparation of an Official Statement.

Award Resolution - 2019A Bonds

By way of a resolution adopted on November 5, 2019 (the "Award Resolution for the 2019A Bonds"), the Common Council accepted the bid of the 2019A Underwriter (defined herein) for the purchase of the 2019A Bonds, in accordance with bid specifications, provided the details and form of the 2019A Bonds, and set out certain covenants with respect thereto. The Award Resolution for the 2019A Bonds pledges the full faith, credit and resources of the City to payments of the principal of and interest on the 2019A Bonds. Pursuant to the Award Resolution for the 2019A Bonds, the amount of direct, annual, irrevocable taxes levied for collection in the years 2020 through 2039 which will be sufficient to meet the principal and interest payments on the 2019A Bonds when due will be specified (or monies to pay such debt service will otherwise be appropriated). The Award Resolution for the 2019A Bonds establishes separate and distinct from all other funds of the City a debt service fund with respect to payment of principal of and interest on the 2019A Bonds.

Award Resolution - 2019B Bonds

By way of a resolution adopted on November 5, 2019 (the "Award Resolution for the 2019B Bonds" and together with the Award Resolution for the 2019A Bonds, the "Award Resolutions"), the Common Council accepted the bid of the 2019B Underwriter (defined herein) for the purchase of the 2019B Bonds, in accordance with bid specifications, provided the details and form of the 2019B Bonds, and set out certain covenants with respect thereto. The Award Resolution for the 2019B Bonds pledges the full faith, credit and resources of the City to payments of the principal of and interest on the 2019B Bonds. Pursuant to the Award Resolution for the 2019B Bonds, the amount of direct, annual, irrevocable taxes levied for collection in the years 2020 through 2034 which will be sufficient to meet the principal and interest payments on the 2019B Bonds when due will be specified (or monies to pay such debt service will otherwise be appropriated). The Award Resolution for the 2019B Bonds establishes separate and distinct from all other funds of the City a debt service fund with respect to payment of principal of and interest on the 2019B Bonds.

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THE CITY

The Common Council

The City has a mayor/alderman form of government with the 16 members of the Common Council elected to serve alternating four-year terms. The Council President is elected to that position by the Council members. The Mayor is also elected for a four-year term and is responsible for conducting the Council meetings.

Kathleen Ehley, Mayor
(Term Expires April 2020)

<u>Name</u>	<u>Aldermanic District</u>	<u>Term Expiration</u>
James Moldenhauer	1	April, 2020
Matt Stippich	1	April, 2022
Kathleen Causier	2	April, 2022
John J. Dubinski	2	April, 2020
Tim J. Hanson	3	April, 2022
Nancy Welch	3	April, 2020
Ernst Franzen	4	April, 2020
Michael G. Walsh	4	April, 2022
Heather Kuhl	5	April, 2022
Joel Tilleson	5	April, 2020
Allison L. Bryne	6	April, 2022
Kelly Rifelj	6	April, 2020
Cheryl Berdan (President)	7	April, 2020
Jason Kofroth	7	April, 2022
Jason G. Wilke	8	April, 2020
Craig Wilson	8	April, 2022

Source: *The City.*

Board of Public Debt Commissioners

The City created a board of public debt commissioners (the "Board") in May 1938. The Board consists of three resident citizens, the City Finance Director and Assistant Finance Director, three of whom shall constitute a quorum. The Mayor appoints, subject to the approval of a majority of the Common Council, three members for rotating three year terms. The members receive no compensation and the Board maintains its own records of proceedings, makes its own rules and provides for its own meetings, except when ordered by the Mayor. The Board oversees the issuance and retirement of municipal bonds issued by the City.

The current Board members are:

John Ruggini, Finance Director
Derik Summerfield, Assistant Finance Director
Marlyn Spear
Steve Kreklow
John Major

Source: *The City.*

Administration

The City Administrator has the responsibility of administering the day-to-day operations of the City and executing the policy decisions of the Common Council. The Finance Director is responsible for the financial operations of the City and has responsibility for the formulation and enforcement of the budget for all departments. The present members of the administration and their years of service are listed below.

<u>Name</u>	<u>Position</u>	<u>Years of Service</u>
James Archambo	City Administrator	13
John Ruggini	Finance Director	8
Melanie Kollmansberger	City Clerk	4
Alan R. Kesner	City Attorney	18

Source: *The City.*

Employment Relations

<u>Department</u>	<u>Number of Employees*</u>
Administrative Services	12.66
Assessor	6.00
City Clerk/Elections	5.00
Development	32.92
Finance	9.56
Fire	103.57
Fleet Maintenance	10.00
Health	12.80
Information Systems	6.00
Library	26.58
Mayor	2.00
Municipal Complex	4.00
Municipal Court	2.89
Police	120.68
Public Works	59.79
Traffic Electrical Maintenance	6.28
Water	<u>18.88</u>
Total	<u>439.61</u>

*Full-time equivalent ("FTE").

Source: The City.

The following two bargaining units represent the respective number of City employees:

<u>Union/Association</u>	<u>Contract Term</u>	<u>Number of Members</u>
Wauwatosa Professional Firefighter's Association	1/1/17 – 12/31/19	90
Wauwatosa Peace Officers Association	1/1/19 – 12/31/21	73

Source: The City.

According to the City, relations between the City and the bargaining units are termed satisfactory.

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, after significant changes were made to the law in 2011, very limited rights to collectively bargain with municipal employers. MERA was amended by 2011 Wisconsin Act 10 (the "Act") and by 2011 Wisconsin Act 32.

As a result of the 2011 amendments to MERA, the City is prohibited from bargaining collectively with municipal employees, other than public safety employees 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 the 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, other than public safety employees and transit employees, including binding interest arbitration. Strikes by any municipal employee or labor organization are expressly prohibited. Furthermore, if strikes do occur, they may be enjoined by the courts. Additionally, because the only legal subject of bargaining is total base wages, all bargaining over items such as just cause, benefits, and terms of conditions of employment are prohibited and cannot be included in a collective bargaining agreement. Impasse resolution for public safety employees and transit employees is subject to final and binding arbitration procedures, which do not include a right to strike. Interest arbitration is available for transit employees if certain conditions are met.

Pension Plan

All eligible employees in the City are covered under the Wisconsin Retirement System ("WRS") established under Chapter 40 of the Wisconsin Statutes. 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 ("Chapter 40"). 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 may not pay the employees' required contribution. During the fiscal year ended December 31, 2016 ("Fiscal Year 2016"), the fiscal year ended December 31, 2017 ("Fiscal Year 2017"), and the fiscal year ended December 31, 2018 ("Fiscal Year 2018"), the City's portion of contributions to WRS (not including any employee contributions) totaled \$2,721,212, \$3,004,354 and \$3,146,087, respectively.

The City implemented Governmental Accounting Standards Board Statement No. 68 ("GASB 68") for 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, 2017, the total pension liability of the WRS was calculated as \$101.43 billion and the fiduciary net position was calculated as \$104.40 billion, resulting in a net pension asset of \$2.97 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 2018, the City reported an asset of \$8,546,816 for its proportionate share of the net pension liability of the WRS. The net pension asset was measured as of December 31, 2017 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 0.28785707% of the aggregate WRS net pension asset as of December 31, 2017.

The calculation of the total pension liability and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. Such changes may have a significant impact on the calculation of the net pension liability of the WRS, which may also cause the ETF Board to change the contribution requirements for employers and employees. For more detailed information regarding the WRS and such actuarial assumptions, see Note 5. A. of the City's Financial Statements for the Year Ended December 31, 2018.

Other Post-Employment Benefits

The City provides "other post-employment benefits" ("OPEB") (i.e., post-employment benefits, other than pension benefits, owed to its employees and former employees) to employees who have terminated their employment with the City and have satisfied specified eligibility standards through a single-employer defined benefit plan. Membership of the plan consisted of 127 retirees receiving benefits and 332 active eligible plan members as of December 31, 2018, the date of the latest actuarial valuation. Such benefits are no longer offered to employees hired on or after January 1, 2015, other than public safety employees. Under the new police union contract, new employees will receive a defined contribution benefit instead of the defined benefit OPEB.

OPEB calculations are required to be updated every two years. Prior to fiscal years beginning after June 15, 2017, OPEB calculations were required to be prepared in accordance with Statement No. 45 of the Governmental Accounting Standards Board ("GASB 45") regarding retiree health and life insurance benefits, and related standards. For fiscal years beginning after June 15, 2017, OPEB calculations are required to be prepared in accordance with

Statements No. 74 and 75 of the Governmental Accounting Standards Board ("GASB 74/75"). An actuarial study for the plan was most recently completed pursuant to GASB 74/75 by Milliman, Inc. in May 2019 with an actuarial valuation date of December 31, 2018.

For Fiscal Year 2018, benefit payments to the plan totaled \$3,593,299. The City's current funding practice is to make annual contributions to the plan in the amounts at least equal to the benefits paid to retirees in a particular year on a "pay-as-you-go" basis.

Under GASB 74/75, a net OPEB liability (or asset) is calculated as the difference between the plan's total OPEB liability and the plan's fiduciary net position, which terms have similar meanings as under GASB 68 and GASB 73 for pension plans.

As of December 31, 2018, the total OPEB liability was \$34,960,827 and the plan fiduciary net position was \$0, resulting in a net OPEB liability of \$34,960,827.

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. For more detailed information regarding such actuarial assumptions, see Note 5.C. in "Appendix A - Basic Financial Statements and Related Notes for the year ended December 31, 2018" attached hereto.

GENERAL INFORMATION

Location

The City is adjacent to the City of Milwaukee in Milwaukee County (the "County"). The City has been a municipal corporation since 1897. It encompasses 13.07 square miles and has a 2019 population estimate of 48,314.

Transportation

The City is located along two interstate highways, three U.S. highways, and several state highways. The City is also served by passenger and freight railroads and Mitchell International Airport in the City of Milwaukee.

Services

The City provides the full range of municipal services, including police and fire protection, parks, public works operations, parking, water and sewer utilities, community development, and general administrative services.

Public Safety

The City has a police force of 120.7 FTE positions providing public safety and protection for the City's residents and a fire department of 103.6 FTEs providing fire protection and ambulance service.

Education

The Wauwatosa School District serves the City and offers a comprehensive program for students in prekindergarten through the twelfth grade. The District currently has nine elementary schools, two middle schools and two high schools. Enrollment for 2018-19 is 7,364 students. The District has 808.55 FTE employees and has a 2017 estimated population of 46,638*.

Opportunities for post-secondary education may be obtained at the University of Wisconsin – Milwaukee, and various other colleges located within the Milwaukee metropolitan area. Milwaukee Area Technical College District, a two-year technical college and many others are within commuting distance, including Marquette University, Concordia University Wisconsin, Mount Mary University, Alverno College, Cardinal Stritch University and Carroll University.

*Source: U.S.Census Bureau.

DEMOGRAPHIC AND ECONOMIC INFORMATION

Population

	Milwaukee <u>County</u>	City of <u>Wauwatosa</u>
Estimate, 2019	946,296	48,314
Estimate, 2018	950,381	47,781
Estimate, 2017	945,416	47,389
Estimate, 2016	948,930	47,160
Census, 2010	947,735	46,396

Source: Wisconsin Department of Administration, Demographic Services Center

Per Return Adjusted Gross Income

<u>Year</u>	State of <u>Wisconsin</u>	Milwaukee <u>County</u>	City of <u>Wauwatosa</u>
2017	\$56,698	\$50,516	\$81,811
2016	55,267	49,692	81,077
2015	54,227	48,533	75,583
2014	52,050	45,980	72,920
2013	50,670	45,620	71,210

Source: Wisconsin Department of Revenue, Division of Research & Policy

Unemployment Rate

	State of <u>Wisconsin</u>	Milwaukee <u>County</u>	City of <u>Wauwatosa</u>
August, 2019	3.3%	4.4%	2.9%
August, 2018	2.9	3.9	2.9
Average, 2018	3.0%	3.6%	2.7%
Average, 2017	3.3	4.0	2.9
Average, 2016	4.0	5.0	3.4
Average, 2015	4.6	5.7	3.6
Average, 2014	5.4	6.9	4.2

Source: Wisconsin Department of Workforce Development.

Building Permits

<u>Year</u>	Construction Value of <u>Building Permits</u>
2019 ⁽¹⁾	\$134,753,277
2018	117,682,712
2017	122,487,507
2016	202,971,842
2015	151,530,889
2014	191,029,545

⁽¹⁾Through August 31, 2019.

Source: City

Largest Employers

Listed below are the largest employers in the City.

<u>Employer</u>	<u>Product/Business</u>	<u>Approximate Employment</u>
Milwaukee Regional Medical Center	Medical facilities	17,000
Briggs & Stratton Corp.	Small engine manufacturer	1,500
Wauwatosa School District	Education	808.55 FTE
GE Healthcare Global Parts Co., Inc.	Medical equipment and supplies	671
Harley Davidson Inc.	Motorcycle manufacturer	650
Lutheran Home	Nursing home; assisted living	475
City of Wauwatosa	Municipal government	439.61 FTE
UnitedHealth Care	Insurance	365
St. Camillus Health System	Nursing homes, assisted living	363
Bostik, Inc.	Adhesives	270

Source: D&B Credit, MNI, Milwaukee Business Journal (August 16, 2019), and employer websites, September, 2019.

Largest Taxpayers

Listed below are the largest taxpayers in the City:

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2018 Assessed Valuation</u>	<u>2018 Equalized Valuation</u>
Mayfair Mall LLC ⁽¹⁾	Shopping center & office tower	\$448,586,500	\$502,167,805
Burleigh Mayfair LLC	Shopping center	102,328,000	114,550,543
Wheaton Franciscan Healthcare	Hospital, outpatient center	52,024,300	58,238,330
Bel Marquette I LLC (GE)	Healthcare headquarters	51,692,500	57,866,898
H-D Capital Drive LLC (Harley Davidson)	Motorcycle manufacturer	39,020,700	43,681,518
Mayfair Property Partners LLC	Apartment complex	33,200,000	37,165,566
Nordstrom Inc. ⁽¹⁾	Retail	32,946,600	36,881,899
Briggs & Stratton Corp.	Small engine manufacturer	29,202,500	32,690,585
Meadowland Research LLC	Office building	26,463,300	29,624,202
Meijer Stores Limited Partnership ⁽¹⁾	Retail	25,095,600	28,093,138
	TOTAL	\$840,560,000	\$940,960,484

The above taxpayers represent 14.84% of the City's 2018 Equalized Value (TID IN) (\$6,342,128,700). The City's 2019 Equalized Value (TID IN) (\$6,543,192,600).

⁽¹⁾Assessment under appeal by taxpayer. The City is involved in litigation with General Growth Properties, the owner of Mayfair Mall, involving a dispute over the taxable value of Mayfair Mall of approximately \$100,000,000 over several years. See "LITIGATION" herein.

Source: City of Wauwatosa. Information for 2019 is not yet available.

TAX LEVIES AND COLLECTIONS

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. Real property taxes may be paid in full by January 31 or in two equal installments payable by January 31 and July 31. Municipalities also have the option of adopting payment plans which allow taxpayers to pay their real property taxes and special assessments in three or more 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. Any amounts paid after July 31 are paid to the county treasurer. For municipalities which have not adopted an installment payment plan, the town, city or village treasurer settles with other taxing jurisdictions for collections through the preceding month on January 15 and February 20. For municipalities which have adopted an installment payment plan, the town, city or village treasurer settles with other taxing jurisdictions for collections through the preceding month on January 15, February 15 and the

15th day of each month following a month in which an installment payment is due. 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. The 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 role are collected from each taxing entity in the year following the levy year. Since, in practice, all delinquent real property taxes are withheld from the county's share of taxes, the City receives 100 percent of the real property taxes it levies for real property taxes. See "Levy Limits" herein for information on additional limitations on City tax levies.

Set forth below are tax levies for City purposes and the tax rate per \$1,000 assessed valuation on all taxable property in the City for collection years 2015-2019:

<u>Levy/Collection Year</u>	<u>City Tax Rate</u>	<u>City Levy</u>	<u>Uncollected Personal Property Taxes as of December 31 of Each Year</u>	<u>Percent of Levy Collected</u>
2018/2019	\$7.97	\$42,852,058	\$131,771 *	99.69%
2017/2018	7.77	41,946,785	94,132	99.78
2016/2017	7.68	41,106,546	43,921	99.89
2015/2016	7.62	40,058,445	26,291	99.93
2014/2015	7.79	39,050,136	35,841	99.91

*As of October 10, 2019. The amount is higher than prior years due to the bankruptcy of a large department store.

Source: The City.

ASSESSED TAX RATES

The following are the mill rates per \$1,000 of assessed value for the City for the last five collection years.

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
State	\$ 0.00 ⁽¹⁾	\$ 0.00 ⁽¹⁾	\$ 0.17	\$ 0.18	\$ 0.17
County	6.68	6.77	6.43	6.50	6.22
Sewer District	1.89	1.88	1.81	1.80	1.74
Technical College District	1.37	1.37	1.30	1.30	1.29
School District	8.62	8.59	8.90	8.59	8.55
City	7.97	7.77	7.68	7.62	7.79
School and County Tax Credits	<u>(2.76)</u>	<u>(2.82)</u>	<u>(2.59)</u>	<u>(2.67)</u>	<u>(2.37)</u>
Net Tax Rate	\$23.77	\$23.56	\$23.70	\$23.33	\$23.39
Ratio of Assessed to Equalized Value	89.33%	91.83%	96.97%	96.69%	98.62%

⁽¹⁾ State property taxes were eliminated in the State's 2017-19 budget act.

Source: The City.

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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 the percentage change in the political subdivision's January 1 equalized value due to new construction less improvements removed or zero percent). The base amount in any year to which the levy limit applies is the actual levy for the immediately preceding year. In 2018, and in each year thereafter, the base amount is the actual levy for the immediately preceding year plus the amount of the payment from the State under Section 79.096 of the Wisconsin Statutes (an amount equal to the property taxes formerly levied on certain items of personal property), and the levy limit is the base amount multiplied by the valuation factor, minus the amount of the payment from the State under Section 79.096 of the Wisconsin Statutes. This levy limitation is an overall limit, applying to levies for operations as well as for other purposes.

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

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

Special provisions are made with respect to property taxes levied to pay general obligation debt service. Those are described below. In addition, the statute provides for certain other exclusions from and adjustments to the tax levy limit. Among the items excluded from the limit are amounts levied for any revenue shortfall for debt service on a revenue bond issued under Section 66.0621. Among the adjustments permitted is an adjustment applicable when a tax increment district terminates, which allows an amount equal to the prior year's allowable levy multiplied by 50% of the political subdivision's percentage growth due to the district's termination.

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

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

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

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

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

ASSESSED AND EQUALIZED VALUATIONS

All equalized valuations of property in the State of Wisconsin are determined by the State of Wisconsin, Department of Revenue, Supervisor of Assessments Office. Equalized valuations are the State's estimate of full market value. The State determines assessed valuations of all manufacturing property in the State. Assessed valuations of residential and commercial property are determined by local assessors.

Set forth in the table below are the assessed and equalized valuations of property located within the City for the years 2015 through 2019. The City's equalized valuation (TID IN) has increased by 18.04 percent since 2015 with an average annual increase of 4.23 percent.

<u>Year</u>	<u>Assessed Valuation</u>	<u>Equalized Valuation (TID IN)</u>	<u>Equalized Valuation (TID OUT)</u>
2019	Not Available	\$6,543,192,600	\$6,166,167,500
2018	\$5,674,110,200	6,342,128,700	6,007,585,200
2017	5,655,505,200	6,155,392,800	5,873,146,600
2016	5,530,368,800	5,699,272,300	5,519,699,400
2015	5,359,174,200	5,543,348,500	5,435,690,500

Source: Wisconsin Department of Revenue.

The equalized valuation by class in the City for 2019 (TID IN) is as follows:

	<u>2019 Equalized Value</u>	<u>Percent of Total</u>
Real Estate		
Residential	\$3,761,181,200	57.48%
Commercial	2,409,160,900	36.82
Manufacturing	137,531,200	2.10
Total Real Estate	<u>\$6,307,873,300</u>	<u>96.40%</u>
Total Personal Property	235,319,300	3.60%
Total	<u>\$6,543,192,600</u>	<u>100.00%</u>

Source: Wisconsin Department of Revenue.

Tax Incremental Districts

The City has Tax Incremental Districts ("TIDs") created under Wisconsin Statutes Section 66.1105. TID valuations totaling \$377,025,100 have been excluded from the City's tax base for 2019.

<u>TID #</u>	<u>TID Creation Date</u>	<u>Base Value</u>	<u>2019 Current Value</u>	<u>Increment</u>
006	2010	\$26,768,400	\$131,158,500	\$104,390,100
007	2013	20,815,000	169,482,700	148,667,700
008	2014	21,723,600	50,998,300	29,274,700
009	2015	5,128,200	16,584,700	11,456,500
010	2015	3,970,400	60,368,700	56,398,300
011	2015	11,163,400	37,491,500	26,328,100
012	2018	35,541,200	36,050,900	509,700
			Total	<u>\$377,025,100</u>

Source: Wisconsin Department of Revenue.

CITY DEBT STRUCTURE

Total Outstanding General Obligation Debt Summary (As of December 2, 2019)

<u>Type of Obligation</u>	<u>Date of Issue</u>	<u>Original Amount Issued</u>	<u>Final Maturity Dates</u>	<u>Current Amount Outstanding</u>
Taxable General Obligation Refunding Bonds, Series 2010A	8/03/10	\$ 8,450,000	3/01/24	\$ 3,605,000
General Obligation Promissory Notes, Series 2011	11/29/11	12,500,000	11/01/21	4,100,000
General Obligation Promissory Notes, Series 2012	8/21/12	12,400,000	6/01/22	4,725,000
General Obligation Promissory Notes, Series 2013	8/20/13	6,250,000	6/01/23	2,075,000
General Obligation Sewerage Bonds, Series 2013	11/19/13	9,475,000	11/01/33	8,300,000
General Obligation Promissory Notes, Series 2014A	12/02/14	16,370,000	12/01/24	10,200,000
Taxable General Obligation Promissory Notes, Series 2014B	12/02/14	5,240,000	12/01/24	3,200,000
General Obligation Community Development Bonds, Series 2015A	4/01/15	6,200,000	4/01/35	5,650,000
General Obligation Corporate Purpose Bonds, Series 2015B	12/01/15	26,375,000	12/01/30	18,225,000
Taxable General Obligation Community Development Bonds, Series 2015C	12/01/15	7,400,000	12/01/30	5,675,000
General Obligation Corporate Purpose Bonds, Series 2016B	12/20/16	15,190,000	12/01/36	12,995,000
General Obligation Corporate Purpose Bonds, Series 2017A	11/03/17	14,280,000	11/01/32	12,090,000
Taxable General Obligation Community Development Bonds, Series 2018A	11/20/18	3,690,000	11/01/34	3,515,000
General Obligation Corporate Purpose Bonds, Series 2018B	11/20/18	10,020,000	11/01/33	9,420,000
General Obligation Promissory Notes, Series 2018C	11/20/18	6,350,000	11/01/28	5,825,000
General Obligation Corporate Purpose Bonds, Series 2019A	12/02/19	12,765,000	12/01/39	12,765,000 ¹
Taxable General Obligation Community Development Bonds, Series 2019B	12/02/19	1,260,000	12/01/34	<u>1,260,000</u> ¹
				Total General Obligation Debt 123,625,000
				Less Remaining 2019 Principal Payments (<u>0</u>)
				Net General Obligation Debt <u>\$ 123,625,000</u>

¹ New issues.

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Direct Indebtedness

Set forth below is the direct general obligation indebtedness of the City, including principal and interest payments due on existing debt, as well as debt service on the Bonds. Interest on the 2019A Bonds has been calculated using an average rate of 2.97 percent. The bond years for the 2019A Bonds are 105,669.54, and the average life is 8.278 years. Interest on the 2019B Bonds has been calculated using an average rate of 2.87 percent. The bond years for the 2019B Bonds are 10,741.50 and the average life is 8.525 years.

Year	Outstanding Bonds & Notes		The 2019A Bonds		The 2019B Bonds		Total	Less: Projected	Less:	Total Projected
	Principal	Interest	Principal	Interest	Principal	Interest		Enterprise Offsetting Revenues*	Projected TID Offsetting Revenues*	
2019	\$12,275,000	\$ 3,599,823					\$ 15,874,823	(\$6,347,188)	(\$2,904,158)	\$6,623,477
2020	12,150,000	3,316,549	\$1,010,000	\$397,723	\$ 70,000	\$36,361	16,980,633	(6,747,954)	(3,095,359)	7,137,321
2021	12,815,000	2,982,164	485,000	368,531	70,000	34,363	16,755,058	(6,962,087)	(3,120,938)	6,672,033
2022	12,240,000	2,626,540	490,000	349,131	70,000	32,263	15,807,934	(6,495,829)	(3,150,464)	6,161,641
2023	12,155,000	2,261,601	820,000	329,531	75,000	30,163	15,671,295	(6,052,681)	(3,086,064)	6,532,551
2024	11,655,000	1,912,564	900,000	296,731	75,000	27,913	14,867,208	(5,517,582)	(3,789,714)	5,559,912
2025	8,745,000	1,578,526	980,000	269,731	80,000	25,663	11,678,920	(4,036,138)	(2,489,851)	5,152,931
2026	7,175,000	1,306,289	1,085,000	240,331	80,000	23,263	9,909,883	(4,027,888)	(1,880,589)	4,001,406
2027	5,915,000	1,091,539	1,150,000	207,781	85,000	20,863	8,470,183	(3,599,288)	(1,975,939)	2,894,956
2028	5,350,000	895,489	1,190,000	161,781	85,000	18,313	7,700,583	(2,869,988)	(1,929,714)	2,900,881
2029	4,510,000	726,624	1,220,000	126,081	90,000	16,188	6,688,893	(2,007,238)	(1,917,349)	2,764,306
2030	4,675,000	582,843	500,000	89,481	90,000	13,938	5,951,261	(1,212,450)	(1,929,849)	2,808,963
2031	3,160,000	428,473	510,000	77,606	95,000	11,463	4,282,541	(1,180,369)	(1,039,629)	2,062,544
2032	3,260,000	318,866	525,000	64,856	95,000	8,850	4,272,573	(1,172,619)	(1,170,816)	1,929,138
2033	2,930,000	203,149	535,000	51,731	100,000	6,000	3,825,880	(1,131,869)	(1,331,074)	1,362,938
2034	1,280,000	94,669	550,000	37,688	100,000	3,000	2,065,357	(345,750)	(1,309,107)	410,500
2035	1,035,000	48,500	155,000	23,250			1,261,750	(366,375)	(895,375)	0
2036	550,000	20,625	160,000	18,988			749,613	(360,550)	(389,063)	0
2037			165,000	14,588			179,588	(179,588)	0	0
2038			165,000	9,844			174,844	(174,844)	0	0
2039			170,000	5,100			175,100	(175,100)	0	0
	<u>121,875,000</u>	<u>23,994,831</u>	<u>12,765,000</u>	<u>3,140,486</u>	<u>1,260,000</u>	<u>308,599</u>	<u>163,343,916</u>	<u>(60,963,370)</u>	<u>(37,405,050)</u>	<u>64,975,495</u>
Less 2019 Sinking Funds	<u>(12,275,000)</u>	<u>(3,599,823)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(15,874,823)</u>	<u>6,347,188</u>	<u>2,904,158</u>	<u>(6,623,477)</u>
TOTAL	<u><u>\$109,600,000</u></u>	<u><u>\$20,395,008</u></u>	<u><u>\$12,765,000</u></u>	<u><u>\$3,140,486</u></u>	<u><u>\$1,260,000</u></u>	<u><u>\$308,599</u></u>	<u><u>\$147,469,093</u></u>	<u><u>(\$54,616,182)</u></u>	<u><u>(\$34,500,892)</u></u>	<u><u>\$58,352,019</u></u>

*Offsetting revenues includes water, storm sewer, sanitary sewer and TID revenues. The actual amount of these offsetting revenues is not guaranteed. Under State law, the City is required to levy an amount sufficient to meet the debt service on its outstanding general obligation debt, but such levy may be abated by the use of such offsetting revenues, if and to the extent available.

Total Outstanding Revenue Debt Summary (as of December 2, 2019)

Waterworks System

Type of Obligation	Date of Issue	Original Amount	Final Maturity Dates	Current Amount Outstanding
Revenue Bonds, Series 2010	10/25/10	\$ 7,750,000	1/01/29 ⁽¹⁾	\$ 5,650,000 ⁽¹⁾
Refunding Revenue Bonds, Series 2011	11/29/11	2,400,000	1/01/22	825,000
Revenue Bonds, Series 2013	11/19/13	4,575,000	1/01/34	3,650,000
Revenue Bonds, Series 2016A	6/21/16	4,225,000	1/01/36	3,650,000
Revenue Bonds, Series 2017B	11/03/17	3,000,000	1/01/37	2,900,000
Revenue Bonds, Series 2018D	11/20/18	3,620,000	1/01/38	<u>3,405,000</u>
Total Waterworks System Revenue Debt				\$ 20,080,000
Less the 2010 Bonds to be Refunded				<u>(5,375,000)</u>
Net Waterworks System Revenue Debt				<u>\$ 14,705,000</u>

¹ The 2010 Bonds maturing on January 1, 2021 through 2029 will be called for redemption on January 1, 2020 and paid with a portion of the proceeds of the 2019A Bonds.

No Default on City Indebtedness

The City has no record of default on any prior debt repayment obligations.

Future Financings

The City borrows annually for its capital projects. Other than the preceding, the City currently anticipates issuing no additional debt in the next 12 months.

Debt Ratios

Outstanding general obligation direct debt as a percentage of equalized value and on a per capita basis for the current year as of December 2, 2019, and for the past five years ended December 31 follows:

Year	Ratios of General Obligation Debt to Equalized Valuation and Population				
	Outstanding General Obligation Debt	Equalized Valuation	Percent of Equalized Value	Population ⁽¹⁾	Per Capita
2019	\$ 123,625,000 ⁽²⁾	\$ 6,543,192,600	1.89%	48,314	\$ 2,558.78
2018	121,874,985	6,342,128,700	1.92	47,781	2,550.70
2017	113,269,987	6,155,392,800	1.84	47,389	2,390.22
2016	109,709,985	5,699,272,300	1.92	47,160	2,326.34
2015	103,970,024	5,543,348,500	1.88	46,947	2,214.63
2014	84,685,021	5,350,627,100	1.58	46,766	1,810.82

¹ Estimated by the Wisconsin Department of Administration.

² Unaudited (Includes the Bonds, less 2019 payments).

Overlapping Indebtedness

Set forth below is information relating to the outstanding overlapping and underlying indebtedness of the City.

Name of Entity	Amount of Debt (Net of 2019 Principal Payments)	Percent Chargeable to City	Outstanding Debt Chargeable to City
Wauwatosa School District	\$ 124,900,000	100.00%	\$124,900,000
Milwaukee County ⁽¹⁾	502,620,597	9.74	48,955,246
Milwaukee Metropolitan Sewerage District ⁽²⁾	741,118,486	9.93	73,593,066
Milwaukee Area Technical College ⁽³⁾	97,465,000	7.80	7,602,270
TOTAL	<u>\$1,466,104,083</u>		<u>\$255,050,582</u>

¹ Milwaukee County expects to issue an additional approximately \$31,000,000 general obligation promissory notes in 2019, and such amount is not included in the table above.

² The District anticipates borrowing additional general obligations totaling \$7,160,000 from the State of Wisconsin Clean Water Fund Loan program in October through December, 2019. Such amount is not included in the table above.

³ Does not include the \$1.5 million General Obligation Promissory Notes, Series 2019-20D expected to be issued October 15, 2019.

NOTE: This summary may not reflect all of the City's outstanding overlapping and underlying indebtedness.

Source: Wisconsin Department of Revenue. Information provided by each municipal entity through publicly available disclosure documents available on EMMA.msrb.org and direct inquiries.

Statistical Summary

The table below reflects direct, overlapping and underlying bonded indebtedness net of all 2019 principal payments.

Equalized Valuation (2019) as certified by Wisconsin Department of Revenue	\$6,543,192,600
Direct Bonded Indebtedness Including the Bonds	\$123,625,000
Direct, Overlapping and Underlying Bonded Indebtedness Including the Bonds	\$378,675,582
Direct Bonded Indebtedness as a Percentage of Equalized Valuation	1.89%
Direct, Overlapping and Underlying Bonded Indebtedness as a Percentage of Equalized Valuation	5.79%
Population of City (2019 Estimate)*	48,314
Direct Bonded Indebtedness Per Capita	\$2,558.78
Direct, Overlapping and Underlying Bonded Indebtedness Per Capita	\$7,837.80

*Source: Wisconsin Department of Administration, Demographic Services Center

Debt Limit

As described under the caption "CONSTITUTIONAL AND STATUTORY CONSIDERATIONS AND LIMITATIONS CONCERNING THE CITY'S POWER TO INCUR INDEBTEDNESS—*Debt Limit*," the total indebtedness of the City may not exceed five percent of the equalized value of property in the City. Set forth in the table below is a comparison of the outstanding indebtedness of the City, as of the closing of the Bonds, as a percentage of the applicable debt limit.

Equalized Valuation (2019) as certified by Wisconsin Department of Revenue	\$6,543,192,600
Legal Debt Percentage Allowed	<u>5.00%</u>
Legal Debt Limit	\$327,159,630
General Obligation Debt Outstanding Including the Bonds	<u>\$123,625,000</u>
Unused Margin of Indebtedness	\$203,534,630
Percent of Legal Debt Incurred	37.79%
Percentage of Legal Debt Available	62.21%

FINANCIAL INFORMATION

The financial operations of the City are accounted for primarily through its general fund. Most taxes and non-tax revenues (such as license fees, fines and costs and user's fees) are paid into the general fund and current operating expenditures are made from the general fund pursuant to appropriations made by the Common Council.

Budgeting Process

The City is required by State law to annually formulate a budget and to hold public hearings thereon prior to the determination of the amounts to be financed, in whole or in part, by general property taxes, funds on hand or estimated revenues from other sources. The budget must list all existing indebtedness of the City and include anticipated revenues from all sources during the ensuing year, and must list all proposed appropriations for each department, activity and reserve account during the ensuing year. The budget must show actual revenues and expenditures for the preceding year, actual revenues and expenditures for not less than the first six months of the current year and estimated revenues and expenditures for the balance of the current year.

As part of the budgeting process, public hearings are held on the proposed budget, at which time any resident or taxpayer in the City may be heard. At an annual budget meeting in November or December of each year the Common Council adopts the final budget for the succeeding year and levies taxes based on assessed valuations of property less any increment attributable to Tax Increment Districts. The amounts of taxes so levied and the amounts of the various appropriations in the final budget (after any alterations made pursuant to public hearings) may not be changed unless authorized by a vote of two-thirds of the entire membership of the Common Council. Failure to publish notice of any such alteration within ten days thereafter shall preclude any change in the budget.

**GENERAL FUND SUMMARY
FOR THE YEARS ENDED DECEMBER 31**

	2019 Adopted <u>Budget</u>	2018 <u>Actual</u>	2017 <u>Actual</u>	2016 <u>Actual</u>	2015 <u>Actual</u>
Revenues:					
Taxes	\$44,721,917	\$44,119,064	\$43,015,401	\$35,397,278	\$34,505,008
Intergovernmental revenues	5,781,149	5,730,536	5,237,279	5,500,775	4,910,552
Licenses and permits	1,485,515	1,579,421	1,923,852	2,185,359	2,178,435
Penalties and forfeitures	1,375,000	1,194,649	1,064,340	1,086,121	1,031,435
Public improvement revenues	7,000	2,010	10,369	10,827	26,956
Public charges for services	3,275,198	3,162,824	3,021,454	3,180,829	3,007,983
Intergovernmental charges for services	1,651,729	1,663,509	1,595,442	1,553,480	1,581,449
Commercial revenues	<u>1,836,504</u>	<u>1,201,052</u>	<u>875,001</u>	<u>710,144</u>	<u>726,769</u>
Total Revenues	60,134,012	58,653,065	56,743,138	49,624,813	47,968,587
Expenditures:					
Current:					
General government	5,908,777	6,353,838	6,700,779	6,086,548	5,624,297
Protection of persons and property	32,859,185	32,136,484	30,957,890	30,275,241	28,998,448
Health and sanitation	3,768,680	3,689,989	3,599,464	3,352,250	3,413,231
Highway and transportation	4,749,290	4,414,178	4,285,759	4,505,666	4,562,105
Education and recreation	0	0	432,569	78,817	54,294
Conservation and development	2,255,537	1,534,098	1,467,358	1,541,127	1,570,493
Unclassified	418,702	148,437	185,860	419,956	407,231
Capital outlay	<u>0</u>	<u>353,092</u>	<u>266,014</u>	<u>235,643</u>	<u>180,269</u>
Total Expenditures	<u>49,960,171</u>	<u>48,630,116</u>	<u>47,895,693</u>	<u>46,495,248</u>	<u>44,810,368</u>
Excess of Revenues Over (Under) Expenditures	<u>10,173,841</u>	<u>10,022,949</u>	<u>8,847,445</u>	<u>3,129,565</u>	<u>3,158,219</u>
Other Financing Sources (Uses)					
Operating transfers in	1,184,904	1,009,633	1,012,599	987,755	884,940
Operating transfers out	<u>(11,358,745)</u>	<u>(10,477,748)</u>	<u>(9,534,949)</u>	<u>(2,303,610)</u>	<u>(3,347,408)</u>
Net change in fund balances	0	554,834	325,095	1,813,710	695,751
Fund Balances – Beginning of Year	<u>23,315,381</u>	<u>22,760,547</u>	<u>22,435,452</u>	<u>20,621,742</u>	<u>19,925,991</u>
Fund Balances - End of Year	<u>\$23,315,381</u>	<u>\$23,315,381</u>	<u>\$22,760,547</u>	<u>\$22,435,452</u>	<u>\$20,621,742</u>

The amounts shown for the years ended December 31, 2015 through 2018 are excerpts from the audit reports which have been examined by CliftonLarsonAllen LLP, Certified Public Accountants, Milwaukee, Wisconsin (the "Auditor"). The amounts shown for the year ended December 31, 2019 are shown on a budgetary basis as provided by the City. The comparative statement of revenues and expenditures should be read in conjunction with other financial statements and notes thereto appearing in Appendix A to this Official Statement.

Financial Information

A copy of the City's Basic Financial Statements and Related Notes for the fiscal year ended December 31, 2018, including the accompanying independent auditor's report, is included as Appendix A to this Official Statement. Potential purchasers should read such 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, assessment, procedures or evaluation with respect to such financial statements since the date thereof, or relating to this Official Statement, nor has the City requested that the Auditor consent to the use of such financial statements in this Official Statement. Although the inclusion of the financial statements in this Official Statement is not intended to demonstrate the fiscal condition of the City since the date of

the financial statements, in connection with the issuance of the Bonds, the City represents that there has 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.

The Government Finance Officers Association of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year ended December 31, 2017. This is the seventh consecutive year the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized CAFR that satisfies both generally accepted accounting principles and applicable legal requirements.

UNDERWRITING

The 2019A Bonds have been purchased at a public sale by a group of Underwriters for whom FHN Financial is acting as Managing Underwriter (the "2019A Underwriter"). The 2019B Bonds have been purchased at a public sale by a group of Underwriters for whom Dougherty & Company LLC is acting as Managing Underwriter (the "2019B Underwriter" and with the 2019A Underwriter, the "Underwriters"). The Underwriters intend to offer the Bonds to the public initially at the prices which produce the yields set forth on the inside cover of this Official Statement plus accrued interest from December 2, 2019, if any, which prices may subsequently change without any requirement of prior notice. The Underwriters reserve the right to join with dealers and other underwriters in offering the Bonds to the public. The Underwriters may offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) at prices lower than the public offering prices. In connection with this offering, the Underwriters may over allocate or effect transactions which stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

The reoffering yields shown on the inside page of the Official Statement have been provided by the Underwriters and not by the City.

RATING

The Bonds have been assigned a "Aaa" rating by Moody's Investors Service, Inc. ("Moody's"). Such rating reflects only the view of Moody's, and an explanation of the significance of such rating may be obtained therefrom. 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 the rating will remain in effect for any given period of time or that it will not be revised, either upward or downward, or withdrawn entirely, by Moody's if, in their judgment, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Bonds.

Such rating is not to be construed as a recommendation of the rating agency to buy, sell or hold the Bonds, and the rating assigned by the rating agency should be evaluated independently. Except as may be required by the Undertakings described under the heading "CONTINUING DISCLOSURE" neither the City nor the Underwriter(s) undertake responsibility to bring to the attention of the owners of the Bonds any proposed change in or withdrawal of such rating or to oppose any such revision or withdrawal.

TAX EXEMPTION

The 2019A Bonds

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 2019A Bonds under existing law substantially in the following form:

"The interest on the 2019A Bonds is excludable for federal income tax purposes from the gross income of the owners of the 2019A Bonds. The interest on the 2019A Bonds 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. The Code contains requirements that must be satisfied subsequent to the issuance of the 2019A Bonds in order for interest on the 2019A Bonds 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 2019A Bonds to be included in gross income retroactively to the date of issuance of the 2019A Bonds. 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 2019A Bonds."

The interest on the 2019A Bonds is not exempt from present Wisconsin income or franchise taxes.

Prospective purchasers of the 2019A Bonds should be aware that ownership of the 2019A Bonds 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 2019A Bonds 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 2019A Bonds. 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 2019A Bonds may be enacted. Prospective purchasers of the 2019A Bonds 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.

See Appendix B "Forms of Legal Opinions for the Bonds".

Original Issue Discount

To the extent that the initial public offering price of certain of the 2019A Bonds is less than the principal amount payable at maturity, such 2019A Bonds ("Discounted 2019A Bonds") will be considered to be issued with original issue discount. The original issue discount is the excess of the stated redemption price at maturity of a Discounted 2019A Bond over the initial offering price to the public, excluding underwriters or other intermediaries, at which price a substantial amount of such Discounted 2019A Bonds were sold (issue price). With respect to a taxpayer who purchases a Discounted 2019A Bond in the initial public offering at the issue price and who holds such Discounted 2019A Bond to maturity, the full amount of original issue discount will constitute interest that is not includible in the gross income of the owner of such Discounted 2019A Bond for federal income tax purposes and such owner will not, subject to the caveats and provisions herein described, realize taxable capital gain upon payment of such Discounted 2019A Bond upon maturity.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discounted 2019A Bond, on days that are determined by reference to the maturity date of such Discounted 2019A Bond. The amount treated as original issue discount on a Discounted 2019A Bond for a particular semiannual accrual period is generally equal to (a) the product of (i) the yield to maturity for such Discounted 2019A Bond (determined by compounding at the close of each accrual period) and (ii) the amount that would have been the tax basis of such Discounted 2019A Bond at the beginning of the particular accrual period if held by the original purchaser; and less (b) the amount of any interest payable for such Discounted 2019A Bond during the accrual period. The tax basis is determined by adding to the initial public offering price on such Discounted 2019A Bond the sum of the amounts that have been treated as original issue discount for such purposes during all prior periods. If a Discounted 2019A Bond is sold or exchanged between semiannual compounding dates, original issue discount that would have been accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

For federal income tax purposes, the amount of original issue discount that is treated as having accrued with respect to such Discounted 2019A Bond is added to the cost basis of the owner in determining gain or loss upon disposition of a Discounted 2019A Bond (including its sale, exchange, redemption, or payment at maturity). Amounts received upon disposition of a Discounted 2019A Bond that are attributable to accrued original issue discount will be treated as tax-exempt interest, rather than as taxable gain.

The accrual or receipt of original issue discount on the Discounted 2019A Bonds may result in certain collateral federal income tax consequences for the owners of such Discounted 2019A Bonds. The extent of these collateral tax consequences will depend upon the owner's particular tax status and other items of income or deduction.

The Code contains additional provisions relating to the accrual of original issue discount. Owners who purchase Discounted 2019A Bonds at a price other than the issue price or who purchase such Discounted 2019A Bonds in the

secondary market should consult their own tax advisors with respect to the tax consequences of owning the Discounted 2019A Bonds. Under the applicable provisions governing the determination of state and local taxes, accrued interest on the Discounted 2019A Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment until a later year. Owners of Discounted 2019A Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the Discounted 2019A Bonds.

Bond Premium

To the extent that the initial offering price of certain of the 2019A Bonds is more than the principal amount payable at maturity, such 2019A Bonds ("Premium 2019A Bonds") will be considered to have bond premium.

Any Premium 2019A Bond purchased in the initial offering at the issue price will have "amortizable bond premium" within the meaning of Section 171 of the Code. The amortizable bond premium of each Premium 2019A Bond is calculated on a daily basis from the issue date of such Premium 2019A Bond until its stated maturity date (or call date, if any) on the basis of a constant interest rate compounded at each accrual period (with straight line interpolation between the compounding dates). An owner of a Premium 2019A Bond that has amortizable bond premium is not allowed any deduction for the amortizable bond premium; rather the amortizable bond premium attributable to a taxable year is applied against (and operates to reduce) the amount of tax-exempt interest payments on the Premium 2019A Bonds. During each taxable year, such an owner must reduce his or her tax basis in such Premium 2019A Bond by the amount of the amortizable bond premium that is allocable to the portion of such taxable year during which the holder held such Premium 2019A Bond. The adjusted tax basis in a Premium 2019A Bond will be used to determine taxable gain or loss upon a disposition (including the sale, exchange, redemption, or payment at maturity) of such Premium 2019A Bond.

Owners of Premium 2019A Bonds who did not purchase such Premium 2019A Bonds in the initial offering at the issue price should consult their own tax advisors with respect to the tax consequences of owning such Premium 2019A Bonds. Owners of Premium 2019A Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the Premium 2019A Bonds.

Not Designated As Qualified Tax-Exempt Obligations

The City will not designate the 2019A Bonds as "qualified tax-exempt obligations" for purposes of Section 265 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.

TAXABILITY OF INTEREST

The 2019B Bonds

Interest on the 2019B Bonds is included in gross income for present federal income tax purposes.

Interest on the 2019B Bonds is not exempt from present Wisconsin income or franchise taxes.

Bond Premium

To the extent that the initial offering price of the 2019B Bonds ("Premium 2019B Bonds") is more than the principal amount payable at maturity, the Premium 2019B Bonds will be considered to have "bond premium" equal to the difference between the issue price and the stated redemption price at maturity.

Any Premium 2019B Bond purchased in the initial offering at the issue price will have "amortizable bond premium" within the meaning of Section 171 of the Code. Owners of Premium 2019B Bonds, the interest on which is subject to tax, may make an election to amortize the bond premium and to offset the taxable interest income with the amortizable bond premium for the year. Any amortizable bond premium that reduces the amount of interest income also reduces the owner's adjusted tax basis in the 2019B Bond by a corresponding amount. The adjusted tax basis in a Premium 2019B Bond will be used to determine taxable gain or loss upon a disposition (for example, upon a sale, exchange, redemption, or payment at maturity) of such Premium 2019B Bond. If the election is made, it is effective for all 2019B Bonds acquired during that year and all future years unless the taxpayer receives permission from the IRS to revoke the election. Owners of Premium 2019B Bonds should consult with their tax advisors regarding the calculation and treatment of bond premium for federal income tax purposes, as well as the manner of making the election.

Owners of the Premium 2019B Bonds who do not purchase such Premium 2019B Bonds in the initial offering at the issue price should consult with their tax advisors regarding the tax consequences of owning the Premium 2019B Bonds.

Owners of Premium 2019B Bonds should consult with their tax advisors regarding the state and local tax consequences of owning such Premium 2019B Bonds.

CONTINUING DISCLOSURE

In order to assist the Underwriter(s), which will reoffer the Bonds, in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission, pursuant to the Securities Exchange Act of 1934 (the "Rule"), the City shall covenant pursuant to the Award Resolutions adopted by the Common Council to enter into undertakings (the "Undertakings") for the benefit of holders including beneficial holders of the Bonds to provide certain financial information and operating data relating to the City annually to the Municipal Securities Rulemaking Board (the "MSRB"), and to provide notices of the occurrence of certain events enumerated in the Rule electronically or in the manner otherwise prescribed by the MSRB to the MSRB. **The Undertakings provide that the annual report will be filed not later than 270 days after the end of each fiscal year. The City's fiscal year ends December 31st.** The details and terms of the Undertakings, as well as the information to be contained in the annual report or the notices of material events, are set forth in the Continuing Disclosure Certificates to be executed and delivered by the City at the time the Bonds are delivered. Such Certificates will be in substantially the forms attached hereto as Appendix C. A failure by the City to comply with the Undertakings will not constitute an event of default on the Bonds (although holders will have the right to obtain specific performance of the obligations under the Undertakings). Nevertheless, such a failure must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

In the previous five years the City has not failed to comply in all material respects with any previous undertakings under the Rule.

The City will file its continuing disclosure information using the Electronic Municipal Market Access ("EMMA") system. Investors will be able to access continuing disclosure information filed with the MSRB at www.emma.msrb.org.

BOOK-ENTRY-ONLY SYSTEM

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds. The Bonds 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 Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

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.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“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 Bonds 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 Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds 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 Bonds 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 Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds 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.

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 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds 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 the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds 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.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC’s MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the 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 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds 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.

A Beneficial Owner shall give notice to elect to have its Bonds purchased or tendered, through its Participant, to Agent, and shall effect delivery of such Bonds by causing the Direct Participant to transfer the Participant’s interest in the Bonds, on DTC’s records, to Agent. The requirement for physical delivery of Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Bonds are transferred by Direct Participants on DTC’s records and followed by a book-entry credit of tendered Bonds to Agent’s DTC account.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the City or Registrar. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

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, Bond certificates will be printed and delivered to DTC.

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 City takes no responsibility for the accuracy thereof.

LITIGATION

There is no controversy or litigation of any nature now pending or, to the knowledge of the City, threatened, restraining or enjoining the issuance, sale, execution or delivery of the Bonds, or in any way contesting or affecting the validity of the Bonds or any proceedings of the City taken with respect to the issuance or sale thereof.

The City is currently involved in property tax litigation with the owner of Mayfair Mall. The matter is titled as Mayfair Mall LLC v. City of Wauwatosa. The case involves a dispute in the taxable value of the City's largest taxpayer, Mayfair Mall, and involves a difference of opinion approximating \$100,000,000 per year over several years. The trial for the years 2013 to 2015 has concluded with a finding in favor of the City. The plaintiff's time for perfecting their appeal is still running, but they have indicated that they intend to appeal. The trial court decision is lengthy, detailed and strongly drafted in favor of the City and the City is comfortable that its position in this matter continues to be well-supported and expects to have a strong opportunity for continued success on appeal; however, the outcome of the matter cannot be predicted.

LEGAL MATTERS

Legal matters incident to the authorization and issuance of the Bonds are subject to the unqualified approving legal opinions of Quarles & Brady LLP, Bond Counsel. Such opinions will be issued on the basis of the law existing at the time of the issuance of the Bonds. A copy of such opinions will be available at the time of the delivery of the Bonds.

Quarles & Brady LLP has also been retained by the City to serve as Disclosure Counsel to the City with respect to the Bonds. Although, as Disclosure Counsel to the City, Quarles & Brady LLP has assisted the City with certain disclosure matters, Quarles & Brady LLP has not undertaken to independently verify the accuracy, completeness or sufficiency of this Official Statement or other offering material relating to the Bonds and assumes no responsibility whatsoever nor shall have any liability to any other party for the statements or information contained or incorporated by reference in this Official Statement. Further, Quarles & Brady LLP makes no representation as to the suitability of the Bonds for any investor.

Quarles & Brady LLP from time to time serves as counsel to the Financial Advisor with respect to issuers other than the City and transactions other than the issuance of the Bonds.

MUNICIPAL BANKRUPTCY

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

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

Nevertheless, there can be no assurance (a) that State law will not change in the future, while the Bonds are outstanding, in a way that would allow the City to file for bankruptcy relief under Chapter 9 of the Bankruptcy Code; or (b) even absent such a change in State law, that an executive order or other executive action could not effectively

authorize the City to file for relief under Chapter 9. If, in the future, the City were to file a bankruptcy case under Chapter 9, the relevant bankruptcy court would need to consider whether the City could properly do so, which would involve questions regarding State law authority as well as other questions such as whether the City is a municipality for bankruptcy purposes. If the relevant bankruptcy court concluded that the City could properly file a bankruptcy case, and that determination was not reversed, vacated, or otherwise substantially altered on appeal, then the rights of holders of the Bonds could be modified in bankruptcy proceedings. Such modifications could be adverse to holders of the Bonds, and there could ultimately be no assurance that holders of the Bonds would be paid in full or in part on the Bonds. Further, under such circumstances, there could be no assurance that the Bonds would not be treated as general, unsecured debt by a bankruptcy court, meaning that claims of holders of the Bonds could be viewed as having no priority (a) over claims of other creditors of the City; (b) to any particular assets of the City, or (c) to revenues otherwise designated for payment to holders of the Bonds.

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

FINANCIAL ADVISOR

Robert W. Baird & Co. Incorporated, Milwaukee, Wisconsin, has been retained as financial advisor (the “Financial Advisor” or “Baird”) in connection with the issuance of the Bonds. To the best of the Financial Advisor’s knowledge, the information contained in this Official Statement is true and accurate. However, the Financial Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of such information.

The Financial Advisor’s duties, responsibilities, and fees in connection with this issuance arise solely from the services for which it is engaged to perform as financial advisor on the Bonds. Baird’s compensation for serving as financial advisor on the Bonds is conditional on the successful closing of the Bonds.

On April 1, 2019, Baird Financial Corporation, the parent company of Robert W. Baird & Co. Incorporated (“Baird”), acquired HL Financial Services, LLC, its subsidiaries, affiliates and assigns (collectively “Hilliard Lyons”). As a result of such common control, Baird and Hilliard Lyons are now affiliated. It is expected that Hilliard Lyons will merge with and into Baird later in 2019.

MISCELLANEOUS

Any statement made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized.

The execution and delivery of this Official Statement by its Clerk has been duly authorized by the City.

AUTHORIZATION

This Official Statement has been approved for distribution to prospective purchasers and the Underwriter of the Bonds. The City, acting through its Clerk will provide to the Underwriter of the Bonds at the time of delivery of the Bonds, certificates confirming that, to the best of its knowledge and belief, the Official Statement with respect to the Bonds, together with any supplements thereto, at the time of acceptance of the adoption of the Award Resolutions and at the time of delivery of the Bonds, was true and correct in all material respect and did not at any time contain an untrue statement of a material fact or omit to state a material fact required to be stated, where necessary to make the statements in light of the circumstances under which they were made, not misleading.

CITY OF WAUWATOSA

By /s/ Melanie Kollmansberger
City Clerk

APPENDIX A

BASIC FINANCIAL STATEMENTS AND RELATED NOTES FOR THE YEAR ENDED DECEMBER 31, 2018

**CITY OF WAUWATOSA
MILWAUKEE COUNTY, WISCONSIN**

**CLIFTON LARSON ALLEN LLP
MILWAUKEE, WISCONSIN**

A copy of the City's Basic Financial Statements and Related Notes for the fiscal year ended December 31, 2018, including the accompanying independent auditor's report, is included as Appendix A to this Official Statement. Potential purchasers should read such 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, assessment, procedures or evaluation with respect to such financial statements since the date thereof, or relating to this Official Statement, nor has the City requested that the Auditor consent to the use of such financial statements in this Official Statement. Although the inclusion of the financial statements in this Official Statement is not intended to demonstrate the fiscal condition of the City since the date of the financial statements, in connection with the issuance of the Bonds, the City represents that there has 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.

APPENDIX B

**FORMS OF LEGAL OPINIONS
FOR THE BONDS**

APPENDIX C

**FORMS OF
CONTINUING DISCLOSURE CERTIFICATES
FOR THE BONDS**