

Finance Committee consideration: July 13, 2023  
County Board consideration: July 18, 2023

July 18, 2023

PRE-SALE REPORT FOR

## Kenosha County, Wisconsin

\$16,035,000 General Obligation Promissory Notes,  
Series 2023A



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**Prepared by:**

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**Advisors:**

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Jon Cameron, Senior Municipal Advisor

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**BUILDING COMMUNITIES. IT'S WHAT WE DO.**

# EXECUTIVE SUMMARY OF PROPOSED DEBT

## Proposed Issue:

\$16,035,000 General Obligation Promissory Notes, Series 2023A

## Purposes:

The proposed issue includes financing for the following purposes:

Budgeted capital projects including road and highway improvements, and grants to the Kenosha County Area Business Alliance. Debt service will be paid from ad valorem property taxes.

## Authority:

The Notes are being issued pursuant to Wisconsin Statute(s):

- 67.12(12)

The Notes will be general obligations of the County for which its full faith, credit and taxing powers are pledged.

The Notes count against the County's General Obligation Debt Capacity Limit of 5% of total County Equalized Valuation. At the end of 2023, the County's total General Obligation debt principal outstanding will be approximately \$157,115,000, which is 14% of its limit. Estimated Remaining General Obligation Borrowing Capacity will be approximately \$990 million.

## Term/Call Feature:

The Notes are being issued for a term of 10 years. Principal on the Notes will be due on September 1 in the years 2024 through 2033. Interest is payable every six months beginning March 1, 2024. The Notes will be subject to prepayment at the discretion of the County on September 1, 2030 or any date thereafter.

## Bank Qualification:

Because the County is issuing more than \$10,000,000 in tax-exempt obligations during the calendar year, the County will be not able to designate the Notes as "bank qualified" obligations.

## Rating:

The County's most recent bond issues were rated by FitchRatings and S&P Global Ratings. The current rating on those bonds is "AA+" and "AAA", respectively. The County will request a new rating for the Notes.

### **Basis for Recommendation:**

Based on your objectives, financial situation and need, risk tolerance, liquidity needs, experience with the issuance of Notes and long-term financial capacity, as well as the tax status considerations related to the Notes and the structure, timing and other similar matters related to the Notes, we are recommending the issuance of Notes as a suitable option.

### **Method of Sale/Placement:**

We are recommending the Notes be issued as municipal securities and offered through a competitive underwriting process. You will solicit competitive bids, which we will compile on your behalf, for the purchase of the Notes from underwriters and banks.

An allowance for discount bidding will be incorporated in the terms of the issue. The discount is treated as an interest item and provides the underwriter with all or a portion of their compensation in the transaction.

If the Notes are purchased at a price greater than the minimum bid amount (maximum discount), the unused allowance may be used to reduce your borrowing amount.

### **Premium Pricing:**

In some cases, investors in municipal bonds prefer “premium” pricing structures. A premium is achieved when the coupon for any maturity (the interest rate paid by the issuer) exceeds the yield to the investor, resulting in a price paid that is greater than the face value of the bonds. The sum of the amounts paid in excess of face value is considered “reoffering premium.” The underwriter of the bonds will retain a portion of this reoffering premium as their compensation (or “discount”) but will pay the remainder of the premium to the County. For this issue of Notes, any premium amount received that is in excess of the underwriting discount and any capitalized interest amounts must be placed in the debt service fund and used to pay a portion of the interest payments due on the Notes. We anticipate using any premium amounts received to reduce the issue size.

The amount of premium allowed can be restricted in the bid specifications. Restrictions on premium may result in fewer bids, but may also eliminate large adjustments on the day of sale and unintended results with respect to debt service payment impacts. Ehlers will identify appropriate premium restrictions for the Notes intended to achieve the County’s objectives for this financing.

### **Other Considerations:**

The Notes will be offered with the option of the successful bidder utilizing a term bond structure. By offering underwriters the option to “term up” some of the maturities at the time of the sale, it gives them more flexibility in finding a market for your Notes. This makes your issue more marketable, which can result in lower borrowing costs. In the event that the successful bidder utilizes a term bond structure, we recommend the County retain a paying agent to handle responsibility for processing mandatory redemption/call notices associated with term bonds.

## **Review of Existing Debt:**

We have reviewed all outstanding indebtedness for the County and find that there are no refunding opportunities at this time. We will continue to monitor the market and the call dates for the County's outstanding debt and will alert you to any future refunding opportunities.

## **Continuing Disclosure:**

Because the County has more than \$10,000,000 in outstanding debt (including this issue) and this issue is over \$1,000,000, the County will be agreeing to provide certain updated Annual Financial Information and its Audited Financial Statement annually, as well as providing notices of the occurrence of certain reportable events to the Municipal Securities Rulemaking Board (the "MSRB"), as required by rules of the Securities and Exchange Commission (SEC). The County is already obligated to provide such reports for its existing bonds, and has contracted with Ehlers to prepare and file the reports.

## **Arbitrage Monitoring:**

The County must ensure compliance with certain sections of the Internal Revenue Code and Treasury Regulations ("Arbitrage Rules") throughout the life of the issue to maintain the tax-exempt status of the Notes. These Arbitrage Rules apply to amounts held in construction, escrow, reserve, debt service account(s), etc., along with related investment income on each fund/account.

IRS audits will verify compliance with rebate, yield restriction and records retention requirements within the Arbitrage Rules. The County's specific arbitrage responsibilities will be detailed in the Tax Certificate (the "Tax Compliance Document") prepared by your Bond Attorney and provided at closing.

The Notes may qualify for one or more exception(s) to the Arbitrage Rules by meeting 1) small issuer exception, 2) spend down requirements, 3) bona fide debt service fund limits, 4) reasonable reserve requirements, 5) expenditure within an available period limitations, 6) investments yield restrictions, 7) de minimis rules, or; 8) borrower limited requirements.

An Ehlers arbitrage expert will contact the County within 30 days after the sale date to review the County's specific responsibilities for the Notes. The County is currently receiving arbitrage services from Ehlers in relation to the Notes.

## **Investment of Note Proceeds:**

If requested, Ehlers can assist the County in developing a strategy to invest your Note proceeds until the funds are needed to pay project costs.

## **Other Service Providers:**

This debt issuance will require the engagement of other public finance service providers. This section identifies those other service providers, so Ehlers can coordinate their engagement on your behalf. Where you have previously used a particular firm to provide a service, we have assumed that you will continue that relationship. For services you have not previously

required, we have identified a service provider. Fees charged by these service providers will be paid from proceeds of the obligation, unless you notify us that you wish to pay them from other sources. Our pre-sale bond sizing includes a good faith estimate of these fees, but the final fees may vary. If you have any questions pertaining to the identified service providers or their role, or if you would like to use a different service provider for any of the listed services please contact us.

**Bond Counsel:** Foley & Lardner LLP

**Paying Agent:** Issuer, unless term bonds offered, then Bond Trust Services Corporation

**Rating Agency:** Standard & Poor’s Global Ratings (S&P) and Fitch Ratings.

## PROPOSED DEBT ISSUANCE SCHEDULE

Pre-Sale Consideration by Finance/Administration	July 13, 2023
Pre-Sale Review by County Board:	July 18, 2023
Conference with Rating Agencies:	July 31, 2023
Due Diligence Call to review Official Statement:	Week of July 31, 2023
Distribute Official Statement:	Week of August 8, 2023
Sale Consideration by Finance/Administration	August 15, 2023
County Board Meeting to Award Sale of the Notes:	August 15, 2023
Estimated Closing Date:	September 6, 2023

### Attachments

- 2023 Project List
- Existing G.O. Debt Summary
- Summary of CIP 2023-2027
- Estimated Sources and Uses of Funds
- Estimated Proposed Debt Service Schedule
- Tax Impact Analysis
- G.O. Debt Capacity Analysis
- Debt Metrics
- Bond Buyer Index

## EHLERS' CONTACTS

Greg Johnson, Senior Municipal Advisor	(262) 796-6168
Jon Cameron, Senior Municipal Advisor	(262) 796-6179
Sue Porter, Lead Public Finance Analyst	(262) 796-6167
Kathy Myers, Senior Financial Analyst	(262) 796-6177

# Kenosha County Five Year Capital Outlay/Projects Plan

Project Title	Detail Reference Number	2023 Budget	Change to Initial Resolution	Initial Res. 2022 - #52	Initial Res. 2022 - #50	Initial Res. 2022 - #49
Brookside - Furniture/Equipment Replacement	Brookside-1	\$85,000		\$85,000		
Brookside - Building Improvements	Brookside-2	\$89,000		\$89,000		
Brookside - Sprinkler Pipe Replacement	Brookside-3	\$105,000		\$105,000		
Brookside - Generator Replacement	Brookside-4	\$1,700,000	-\$500,000	\$1,200,000		
KABA - High Impact Fund	KABA-1	\$250,000			\$250,000	
Information Technology Projects	Info Tech-1	\$1,900,000		\$1,900,000		
Joint Services - Computers	Joint Services-1	\$33,000		\$33,000		
Double Walk-In Oven	Sheriff-1	\$41,000		\$41,000		
Tasers	Sheriff-2	\$65,000		\$65,000		
Mail Scanning System	Sheriff-3	\$150,000		\$150,000		
Portable Radios	Sheriff-4	\$180,000		\$180,000		
Body Cameras	Sheriff-5	\$460,000		\$460,000		
Fleet Vehicles	Sheriff-6	\$1,040,000		\$1,040,000		
Energy Efficiency Projects	Cap Proj-1	\$50,000		\$50,000		
HVAC Replacement Projects	Cap Proj-2	\$100,000		\$100,000		
Lakeshore Revetment Wall	Cap Proj-3	\$500,000		\$500,000		
Job Center Renovation	Fac Hum Svcs-1	\$50,000		\$50,000		
Building Improvements - PSB	Fac Saf Bldg-1	\$85,000		\$85,000		
Replace Fire Detection System Devices	Fac Saf Bldg-2	\$175,000		\$175,000		
Replace Fire Detection System Devices	Facilities-1	\$15,000		\$15,000		
Mower	Facilities-2	\$15,000		\$15,000		
Air Compressor	Facilities-3	\$25,000		\$25,000		
Supervisor Vehicle	Facilities-4	\$35,000		\$35,000		
Highway Garage Doors	Facilities-5	\$80,000		\$80,000		
Exterior Building Renovation - (Mol, KCAB)	Facilities-7	\$102,000		\$102,000		
Civic Center Parking Lots	Facilities-8	\$115,000		\$115,000		
Replace Heat Pumps - KCAB	Facilities-9	\$150,000		\$150,000		
HVAC Infrared Heaters - KCC Highway Garage	Facilities-10	\$160,000		\$160,000		
Building Improvements - Civic Center	Facilities-11	\$240,000		\$240,000		
Civic Center Development	Facilities-12	\$250,000		\$250,000		
Replace Generator - KCC	Facilities-13	\$390,000	\$100,000	\$490,000		
HVAC Replacement - KCDC	Facilities-14	\$2,500,000	-\$1,900,000	\$600,000		
Generator Replacement for Communication Tower	Facilities-22	\$100,000	-\$100,000	\$0		
Crew-Cab Trucks (4)	Hwy Equip-1	\$50,000		\$50,000		
Hot Patchers (4)	Hwy Equip-2	\$80,000		\$80,000		
Melter/Applicator (2)	Hwy Equip-3	\$95,000		\$95,000		
Service Truck (1)	Hwy Equip-4	\$150,000		\$150,000		
Vacuum Truck (1)	Hwy Equip-5	\$375,000		\$375,000		
Tri Axle Trucks (8)	Hwy Equip-6	\$600,000	-\$600,000	\$0		
Transportation Infrastructure Improvements	Hwy Proj-1	\$2,726,200		\$2,726,200		
CTH W - State Line to CTH C	Hwy Proj-2	\$161,800				\$161,800
CTH W - Fox River Bank	Hwy Proj-3	\$300,000	-\$300,000			\$0
CTH W - CTH C to CTH F	Hwy Proj-4	\$200,000	-\$200,000			\$0
CTH K Reconstruction - Phase II	Hwy Proj-6	\$200,000	-\$200,000			\$0
Roundabout at CTH A and CTH Y	Hwy Proj-8	\$434,000		\$434,000		
Local Road Improvement Projects - CTH EM	Hwy Proj-9	\$1,763,000		\$1,763,000		
Local Road Improvement Projects - CTH E	Hwy Proj-10	\$150,000		\$150,000		
Local Road Improvement Projects - CTH H	Hwy Proj-11	\$150,000		\$150,000		
Mowers and Equipment	Parks-1	\$45,000		\$45,000		
Petrifying Springs Pavilions	Parks-2	\$50,000		\$50,000		
Pickup Trucks	Parks-3	\$70,000		\$70,000		
Playground Improvements	Parks-4	\$150,000		\$150,000		
Flood Plain Property	Parks-6	\$50,000		\$50,000		
Building Improvements - Kemper Center	Parks-7	\$265,000		\$265,000		
Brighton Dale Utilities	Parks-8	\$300,000		\$300,000		
<b>Total Items from 2023 Budget</b>		<b>\$19,600,000</b>	<b>-\$3,700,000</b>	<b>\$15,488,200</b>	<b>\$250,000</b>	<b>\$161,800</b>

**Total Items after Changes      \$15,900,000**

**Active Initial Resolutions**

Capacity of Initial Resolution 2021-#75 Budgeted Capital Projects Including Road & Highway Projects	\$16,625,000	
Borrowed Amount in 2022 for Projects (see above)	(\$12,780,000)	
Borrowed Amount in 2023 for Projects (see above)	<b>(\$2,515,000)</b>	
Remaining Capacity of Initial Resolution 2021-#75 Budgeted Capital Projects Including Road & Highway Projects	<b>\$1,330,000</b>	Balance of Brookside Roof & KCC Office not borrowed in 2022
Capacity of Initial Resolution 2021 - #76 Highway Bridge and Waterway Projects	\$7,850,000	
Borrowed Amount in 2022 for Projects (see above)	(\$6,235,000)	
Borrowed Amount in 2023 for Projects	<b>\$0</b>	
Remaining Capacity of Initial Resolution 2021 - #76 Available for Future Years	<b>\$1,615,000</b>	Balance of Pike River not borrowed in 2022
Capacity of Initial Resolution 2021 - #77 Improvements Lease Payments for Human Svcs Bldg	\$2,870,000	
Borrowed Amount in 2023 for Projects	<b>\$0</b>	
Remaining Capacity of Initial Resolution 2021 - #77 Available for Future Years	<b>\$2,870,000</b>	
Capacity of Initial Resolution 2022 - #49 Highway Bridge and Waterway Projects	\$19,500,000	
Borrowed Amount in 2023 for Projects	<b>(\$165,000)</b>	
Remaining Capacity of Initial Resolution 2021 - #49 Available for Future Years	<b>\$19,335,000</b>	
Capacity of Initial Resolution 2022 - #50 Grants to the Kenosha Area Business Alliance	\$2,050,000	
Borrowed Amount in 2023 for Projects	<b>(\$255,000)</b>	
Remaining Capacity of Initial Resolution 2021 - #50 Available for Future Years	<b>\$1,795,000</b>	
Capacity of Initial Resolution 2022 - #52 Budgeted Capital Projects Including Road & Highway Projects	\$16,255,000	
Borrowed Amount in 2023 for Projects	<b>(\$13,100,000)</b>	
Remaining Capacity of Initial Resolution 2021 - #52 Available for Future Years	<b>\$3,155,000</b>	

**2023 Authorizing Amounts**

General Obligation Promissory Notes (non-taxable)	\$16,035,000
General Obligation Bonds (non-taxable)	\$0
General Obligation Bonds (taxable)	\$0
	<b>\$16,035,000</b>



# Table 1 Existing G.O. Debt Base Case

Kenosha County, WI

Year Ending	Existing Debt							Year Ending
	Total G.O. Debt Payments	Less: City of Kenosha Debt	Less: Brookside	Less: Premium	Net Tax Levy	Equalized Value (TID OUT)	Tax Rate Per \$1,000	
2022	21,031,354	(379,934)	(1,609,850)	(1,030,588)	18,010,982	17,404,347,000	\$1.03	2022
2023	22,322,798	(395,973)	(1,609,850)	(1,555,600)	18,761,374	20,497,990,000	\$0.92	2023
2024	21,039,129	(397,273)	(1,608,950)	(618,570)	18,414,336	21,216,901,628	\$0.87	2024
2025	20,355,866	(403,448)	(1,607,150)		18,345,268	21,961,027,139	\$0.84	2025
2026	19,627,204	(410,159)	(1,609,450)		17,607,595	22,731,250,842	\$0.77	2026
2027	18,597,329	(406,276)	(1,610,700)		16,580,353	23,528,488,061	\$0.70	2027
2028	17,123,179	(402,190)	(1,605,900)		15,115,088	24,353,686,222	\$0.62	2028
2029	14,008,529	(408,032)	(1,609,250)		11,991,247	25,207,825,979	\$0.48	2029
2030	10,941,279	(264,323)	(1,606,025)		9,070,931	26,091,922,381	\$0.35	2030
2031	8,005,861	0	(1,606,400)		6,399,461	27,007,026,076	\$0.24	2031
2032	6,128,806		(1,608,600)		4,520,206	27,954,224,561	\$0.16	2032
2033	4,492,513		(1,608,600)		2,883,913	28,934,643,475	\$0.10	2033
2034	4,483,163		(1,606,400)		2,876,763	29,949,447,933	\$0.10	2034
2035	4,483,294		(1,612,000)		2,871,294	30,999,843,917	\$0.09	2035
2036	2,866,750				2,866,750	32,087,079,702	\$0.09	2036
2037	2,860,188				2,860,188	33,212,447,345	\$0.09	2037
2038	2,451,463				2,451,463	34,377,284,218	\$0.07	2038
2039	2,448,550				2,448,550	35,582,974,598	\$0.07	2039
2040	1,863,338				1,863,338	36,830,951,312	\$0.05	2040
2041	1,260,463				1,260,463	38,122,697,437	\$0.03	2041
2042	488,213				488,213	39,459,748,068	\$0.01	2042
2043	0				0	40,843,692,138	\$0.00	2043
Total	185,847,910	(3,087,674)	(20,909,275)	(2,174,170)	159,676,791			Total

Notes:

Legend:

Represents +/- 25% Change over previous year

## Table 2 Capital Improvement Plan & Funding Uses

Kenosha County, WI

Projects	Department	Division	Purpose	Plan Issue	2023	2024	2025	2026	2027	Totals
Information technology	Executive	IT	Capital Projects	Notes	\$1,900,000	\$1,900,000	\$1,900,000	\$1,900,000	\$1,900,000	9,500,000
Land Information - Photo Update	Executive	Land Information	Capital Projects	Notes	\$0	\$0	\$88,500	\$0	\$88,500	177,000
KABA High Impact	Finance & Admin.	Economic Development	KABA	Notes	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	1,250,000
Brookside Improvements	Human Services	Brookside Care Center	Capital Projects	Notes	\$1,479,000	\$375,000	\$75,000	\$75,000	\$75,000	2,079,000
Vehicle	Human Services	Medical Examiner	Capital Projects	Notes	\$0	\$55,000	\$0	\$0	\$0	55,000
Facility Improvements	Public Works	Facilities	Capital Projects	Notes	\$2,277,000	\$3,430,000	\$4,337,000	\$1,750,000	\$950,000	12,744,000
Facility Improvements	Public Works	Facilities-Safety Building	Capital Projects	Notes	\$260,000	\$700,000	\$437,000	\$250,000	\$0	1,647,000
Facility Improvements	Public Works	Facilities- Human Services	Capital Projects	Notes	\$50,000	\$50,000	\$0	\$0	\$0	100,000
Golf Course	Public Works	Golf	Capital Projects	Notes	\$0	\$407,500	\$437,500	\$217,500	\$162,500	1,225,000
Parks & Recreation Projects	Public Works	Parks & Recreation	Capital Projects	Notes	\$930,000	\$2,708,000	\$2,525,000	\$2,455,000	\$1,910,000	10,528,000
Highway Equipment	Public Works	Highway	Capital Projects	Notes	\$750,000	\$1,890,000	\$1,705,000	\$1,955,000	\$1,638,000	7,938,000
Highway Improvements	Public Works	Highway	Capital Projects	Notes	5,223,200	6,600,000	5,062,000	5,125,000	4,762,000	26,772,200
Highway Improvements (Highway W & Highway K)	Public Works	Highway	Highway	Notes	161,800	0	0	0	0	161,800
Highway Improvements (Highway W & Highway K)	Public Works	Highway	Highway	Bonds	0	1,390,500	2,208,000	6,468,500	8,100,000	18,167,000
South Pike River Restoration	Public Works	Planning & Development	Waterways	Bonds	0	438,000	1,562,000	0	0	2,000,000
Energy Efficiency Projects	Public Works	Capital Projects	Capital Projects	Notes	\$50,000	\$100,000	\$100,000	\$100,000	\$100,000	450,000
HVAC Replacement Projects	Public Works	Capital Projects	Capital Projects	Notes	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	500,000
Lakeshore Reventment Wall	Public Works	Capital Projects	Capital Projects	Notes	500,000	0	0	0	0	500,000
Sheriff Projects	Law Enforcement	Sheriff	Capital Projects	Notes	1,936,000	2,106,000	1,713,000	1,854,000	1,964,000	9,573,000
Joint Services Projects	Law Enforcement	Joint Services	Capital Projects	Notes	33,000	0	0	0	0	33,000
<b>Actual CIP Costs</b>					<b>15,900,000</b>	<b>22,500,000</b>	<b>22,500,000</b>	<b>22,500,000</b>	<b>22,000,000</b>	<b>105,400,000</b>

Debt Obligations	Purpose								
Notes	Capital Projects			15,488,200	20,421,500	18,480,000	15,781,500	13,650,000	83,821,200
Notes	KABA			250,000	250,000	250,000	250,000	250,000	1,250,000
Notes	Highway			161,800	0	0	0	0	161,800
Bonds	Highway			0	1,390,500	2,208,000	6,468,500	8,100,000	18,167,000
Bonds	Waterways			0	438,000	1,562,000	0	0	2,000,000
<b>Total</b>				<b>15,900,000</b>	<b>22,500,000</b>	<b>22,500,000</b>	<b>22,500,000</b>	<b>22,000,000</b>	<b>105,400,000</b>

Notes:

## Table 3 Sources and Uses

*Kenosha County, WI*

	2023			
	G.O. Notes	Capital Projects Portion	KABA Portion	Highway Portion
<b>CIP Projects</b>				
Capital Projects	15,488,200	15,488,200		
KABA	250,000		250,000	
Highway	161,800			161,800
<b>Subtotal Project Costs</b>	<b>15,900,000</b>	<b>15,488,200</b>	<b>250,000</b>	<b>161,800</b>
<b>CIP Projects</b>	<b>15,900,000</b>	<b>15,488,200</b>	<b>250,000</b>	<b>161,800</b>
Municipal Advisor (Ehlers)	55,600	54,144	884	572
Bond Counsel	20,000	19,476	318	206
Rating Trip Expenses	10,000	9,738	159	103
Rating Fee (S&P and Fitch)	30,000	29,214	477	309
Underwriter's Discount	10.00 160,350	156,150	2,550	1,650
Paying Agent	850	828	14	9
County Debt Expenses	10,000	9,738	159	103
Arb Calc	5,000	4,869	80	51
<b>Subtotal Issuance Expenses</b>	<b>291,800</b>	<b>284,157</b>	<b>4,640</b>	<b>3,003</b>
<b>TOTAL TO BE FINANCED</b>	<b>16,191,800</b>	<b>15,772,357</b>	<b>254,640</b>	<b>164,803</b>
Estimated Interest Earnings	3.00% (159,000)	(154,882)	(2,500)	(1,618)
Assumed spend down (months)	4			
Rounding	2,200	(2,475)	2,860	1,815
<b>NET NOTE SIZE</b>	<b>16,035,000</b>	<b>15,615,000</b>	<b>255,000</b>	<b>165,000</b>

## Table 4 Allocation of Debt Service - 2023 G.O. Notes

*Kenosha County, WI*

Year Ending	Capital Projects Portion				KABA Portion			Highway Portion		
	Principal	Est. Rate <sup>1</sup>	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2023				0			0			0
2024	605,000	3.88%	536,138	1,141,138	20,000	8,852	28,852	15,000	5,739	20,739
2025	1,000,000	3.79%	520,215	1,520,215	20,000	8,201	28,201	15,000	5,238	20,238
2026	960,000	3.66%	482,315	1,442,315	25,000	7,443	32,443	15,000	4,670	19,670
2027	960,000	3.52%	447,179	1,407,179	25,000	6,528	31,528	15,000	4,121	19,121
2028	960,000	3.48%	413,387	1,373,387	25,000	5,648	30,648	15,000	3,593	18,593
2029	2,225,000	3.46%	379,979	2,604,979	25,000	4,778	29,778	15,000	3,071	18,071
2030	2,225,000	3.41%	302,994	2,527,994	25,000	3,913	28,913	15,000	2,552	17,552
2031	2,225,000	3.39%	227,122	2,452,122	30,000	3,060	33,060	20,000	2,040	22,040
2032	2,225,000	3.38%	151,694	2,376,694	30,000	2,043	32,043	20,000	1,362	21,362
2033	2,230,000	3.43%	76,489	2,306,489	30,000	1,029	31,029	20,000	686	20,686
<b>Total</b>	<b>15,615,000</b>		<b>3,537,511</b>	<b>19,152,511</b>	<b>255,000</b>	<b>51,492</b>	<b>306,492</b>	<b>165,000</b>	<b>33,070</b>	<b>198,070</b>

Year Ending	Totals		
	Principal (9/1)	Interest	Total
2023	0	0	0
2024	640,000	550,729	1,190,729
2025	1,035,000	533,654	1,568,654
2026	1,000,000	494,427	1,494,427
2027	1,000,000	457,827	1,457,827
2028	1,000,000	422,627	1,422,627
2029	2,265,000	387,827	2,652,827
2030	2,265,000	309,458	2,574,458
2031	2,275,000	232,222	2,507,222
2032	2,275,000	155,099	2,430,099
2033	2,280,000	78,204	2,358,204
<b>Total</b>	<b>16,035,000</b>	<b>3,622,073</b>	<b>19,657,073</b>

**Notes:**

1) Estimated Rate assumes NON BQ Aa2 sale 6/27/23 + .75

**Table 5**  
**Financing Plan Tax Impact**  
*Kenosha County, WI*

Year Ending	Existing Debt		Proposed Debt										Debt Service Levy			Taxes	Year Ending
	Net Debt Service Levy	Equalized Value (TID OUT)	2023 G.O. Notes	2024 G.O. Notes	2024 G.O. Bonds	2025 G.O. Notes	2025 G.O. Bonds	2026 G.O. Notes	2026 G.O. Bonds	2027 G.O. Notes	2027 G.O. Bonds	Total	Levy Change from Prior Year	Total Tax Rate for Debt Service			
			16,035,000	20,985,000	1,925,000	19,025,000	3,885,000	16,295,000	6,630,000	14,140,000	8,285,000						
	Dated: 9/6/2023	Dated: 9/1/2024	Dated: 9/1/2024	Dated: 9/1/2025	Dated: 9/1/2025	Dated: 9/1/2026	Dated: 9/1/2026	Dated: 9/1/2027	Dated: 9/1/2027								
			3.43%-3.88%	4.75%	4.75%	5%	5%	5.25%	5.25%	5.25%	5.25%						
			Total P&I	Total P&I	Total P&I	Total P&I	Total P&I	Total P&I	Total P&I	Total P&I	Total P&I	Service Levy	Year				
2023	18,761,374	20,497,990,000	0	0	0	0	0	0	0	0	0	18,761,374	750,393	\$0.92	2023		
2024	18,414,336	21,216,901,628	1,190,729	0	0	0	0	0	0	0	0	19,605,064	843,690	\$0.92	2024		
2025	18,345,268	21,961,027,139	1,568,654	1,016,788	151,438	0	0	0	0	0	0	21,082,147	1,477,082	\$0.96	2025		
2026	17,607,595	22,731,250,842	1,494,427	2,030,838	153,588	951,250	314,250	0	0	0	0	22,551,947	1,469,800	\$0.99	2026		
2027	16,580,353	23,528,488,061	1,457,827	1,966,675	150,500	951,250	308,250	2,060,488	543,075	0	0	24,018,417	1,466,471	\$1.02	2027		
2028	15,115,088	24,353,686,222	1,422,627	1,913,225	147,413	1,481,250	312,250	2,012,225	542,838	1,857,350	679,963	25,484,228	1,465,811	\$1.05	2028		
2029	11,991,247	25,207,825,979	2,652,827	1,975,013	149,325	1,904,750	310,750	2,128,175	542,075	1,853,813	677,100	24,185,074	(1,299,154)	\$0.96	2029		
2030	9,070,931	26,091,922,381	2,574,458	2,721,575	151,000	2,805,750	314,000	2,169,675	545,788	1,852,388	678,713	22,884,277	(1,300,797)	\$0.88	2030		
2031	6,399,461	27,007,026,076	2,507,222	3,230,138	152,438	3,709,250	311,750	2,190,138	543,713	1,857,813	679,538	21,581,458	(1,302,819)	\$0.80	2031		
2032	4,520,206	27,954,224,561	2,430,099	4,415,200	153,638	3,162,750	309,250	2,215,350	541,113	1,854,563	679,575	20,281,743	(1,299,715)	\$0.73	2032		
2033	2,883,913	28,934,643,475	2,358,204	4,433,275	149,600	3,491,250	311,500	1,629,788	542,988	2,242,900	678,825	18,722,242	(1,559,501)	\$0.65	2033		
2034	2,876,763	29,949,447,933	0	4,671,850	150,563	2,892,000	308,250	2,265,213	544,075	2,152,088	677,288	16,538,088	(2,184,154)	\$0.55	2034		
2035	2,871,294	30,999,843,917	0	0	146,288	4,835,250	309,750	1,863,888	544,375	2,056,013	679,963	13,306,819	(3,231,269)	\$0.43	2035		
2036	2,866,750	32,087,079,702	0	0	152,013	0	310,750	2,973,313	543,888	1,959,938	676,588	9,483,238	(3,823,581)	\$0.30	2036		
2037	2,860,188	33,212,447,345	0	0	152,263	0	316,250	0	542,613	678,863	677,425	5,227,600	(4,255,638)	\$0.16	2037		
2038	2,451,463	34,377,284,218	0	0	152,275	0	316,000	0	540,550	0	677,213	4,137,500	(1,090,100)	\$0.12	2038		
2039	2,448,550	35,582,974,598	0	0	147,050	0	310,250	0	542,700	0	680,950	4,129,500	(8,000)	\$0.12	2039		
2040	1,863,338	36,830,951,312	0	0	151,825	0	309,250	0	543,800	0	678,375	3,546,588	(582,913)	\$0.10	2040		
2041	1,260,463	38,122,697,437	0	0	151,125	0	312,750	0	543,850	0	679,750	2,947,938	(598,650)	\$0.08	2041		
2042	488,213	39,459,748,068	0	0	150,188	0	310,500	0	542,850	0	679,813	2,171,563	(776,375)	\$0.06	2042		
2043	0	40,843,692,138	0	0	154,013	0	312,750	0	540,800	0	678,563	1,686,125	(485,438)	\$0.04	2043		
2044	0	42,276,174,308	0	0	162,363	0	314,250	0	542,700	0	626,000	1,645,313	(40,813)	\$0.04	2044		
2045	0	43,758,896,921	0	0	0	0	315,000	0	543,288	0	734,750	1,593,038	(52,275)	\$0.04	2045		
2046	0	45,293,622,024	0	0	0	0	0	0	552,563	0	701,413	1,253,975	(339,063)	\$0.03	2046		
2047	0	46,882,173,464	0	0	0	0	0	0	0	0	663,075	663,075	(590,900)	\$0.01	2047		
Total	159,676,791		19,657,073	28,374,575	3,028,900	26,184,750	6,237,750	21,508,250	10,869,638	18,365,725	13,584,875				Total		

**Notes:**

1. TID Out value increase is 3.51% per year.

**Table 6**  
**General Obligation Debt Capacity Analysis - Impact of Financing Plan**

*Kenosha County, WI*

Year Ending	Existing Debt								Proposed Debt				
	Projected Equalized Value (TID IN)	Debt Limit	Existing Principal Outstanding	Subtract Principal for Refundings	Subtract City Portion of Debt	Subtract KABA Portion	Subtract Brookside Portion	Subtract Net Principal Outstanding	Total Proposed Debt	Subtract New KABA	For Policy: Combined Net Principal Outstanding (Existing & Proposed)	Remaining Statutory Borrowing Capacity	Year Ending
2022	22,228,331,000	1,111,416,550	158,995,000	(88,553)	(2,708,057)	(2,585,000)	(16,325,000)	137,288,390	\$0	\$0	\$137,288,390	\$952,421,550	2022
2023	22,953,186,226	1,147,659,311	141,080,000	(70,351)	(2,390,654)	(2,090,000)	(15,295,000)	121,233,996	\$16,035,000	(\$255,000)	\$137,013,996	\$990,544,311	2023
2024	23,701,678,634	1,185,083,932	123,925,000	(61,839)	(2,064,809)	(1,570,000)	(14,235,000)	105,993,352	\$38,305,000	(\$490,000)	\$143,808,352	\$1,022,853,932	2024
2025	24,474,579,020	1,223,728,951	106,990,000	(53,139)	(1,725,458)	(1,225,000)	(13,145,000)	90,841,403	\$60,100,000	(\$705,000)	\$150,236,403	\$1,056,638,951	2025
2026	25,272,683,318	1,263,634,166	90,300,000	(44,426)	(1,370,912)	(890,000)	(12,020,000)	75,974,662	\$80,805,000	(\$915,000)	\$155,864,662	\$1,092,529,166	2026
2027	26,096,813,415	1,304,840,671	74,185,000	(35,290)	(1,009,612)	(630,000)	(10,860,000)	61,650,098	\$99,625,000	(\$1,100,000)	\$160,175,098	\$1,131,030,671	2027
2028	26,947,817,999	1,347,390,900	59,115,000	(25,730)	(641,560)	(440,000)	(9,670,000)	48,337,710	\$94,100,000	(\$980,000)	\$141,457,710	\$1,194,175,900	2028
2029	27,826,573,436	1,391,328,672	46,745,000	(15,691)	(256,624)	(275,000)	(8,435,000)	37,762,685	\$86,485,000	(\$860,000)	\$123,387,685	\$1,258,098,672	2029
2030	28,733,984,666	1,436,699,233	37,110,000	(6,215)	(0)	(140,000)	(7,160,000)	29,803,785	\$76,900,000	(\$735,000)	\$105,968,785	\$1,322,689,233	2030
2031	29,670,986,141	1,483,549,307	30,165,000			(30,000)	(5,840,000)	24,295,000	\$65,500,000	(\$600,000)	\$89,195,000	\$1,387,884,307	2031
2032	30,638,542,786	1,531,927,139	24,890,000			0	(4,465,000)	20,425,000	\$52,985,000	(\$460,000)	\$72,950,000	\$1,454,052,139	2032
2033	31,637,650,990	1,581,882,549	21,085,000				(3,035,000)	18,050,000	\$39,805,000	(\$310,000)	\$57,545,000	\$1,520,992,549	2033
2034	32,669,339,633	1,633,466,982	17,170,000				(1,550,000)	15,620,000	\$28,180,000	(\$185,000)	\$43,615,000	\$1,588,116,982	2034
2035	33,734,671,149	1,686,733,557	13,135,000					13,135,000	\$19,200,000	(\$90,000)	\$32,245,000	\$1,654,398,557	2035
2036	34,834,742,616	1,741,737,131	10,595,000					10,595,000	\$13,580,000	(\$30,000)	\$24,145,000	\$1,717,562,131	2036
2037	35,970,686,886	1,798,534,344	8,000,000					8,000,000	\$11,915,000	\$0	\$19,915,000	\$1,778,619,344	2037
2038	37,143,673,754	1,857,183,688	5,750,000					5,750,000	\$10,845,000	\$0	\$16,595,000	\$1,840,588,688	2038
2039	38,354,911,163	1,917,745,558	3,450,000					3,450,000	\$9,725,000	\$0	\$13,175,000	\$1,904,570,558	2039
2040	39,605,646,443	1,980,282,322	1,680,000					1,680,000	\$8,545,000	\$0	\$10,225,000	\$1,970,057,322	2040
2041	40,897,167,601	2,044,858,380	470,000					470,000	\$7,300,000	\$0	\$7,770,000	\$2,037,088,380	2041
2042	42,230,804,646	2,111,540,232	0					0	\$5,995,000	\$0	\$5,995,000	\$2,105,545,232	2042
2043	43,607,930,956	2,180,396,548							\$4,620,000	\$0	\$4,620,000	\$2,175,776,548	2043
2044	45,029,964,695	2,251,498,235							\$3,215,000	\$0	\$3,215,000	\$2,248,283,235	2044
2045	46,498,370,273	2,324,918,514							\$1,790,000	\$0	\$1,790,000	\$2,323,128,514	2045
2046	48,014,659,854	2,400,732,993							\$630,000	\$0	\$630,000	\$2,400,102,993	2046
2047	49,580,394,911	2,479,019,746							\$0	\$0	\$0	\$2,479,019,746	2047

## Table 7 Debt Metrics

Kenosha County, WI

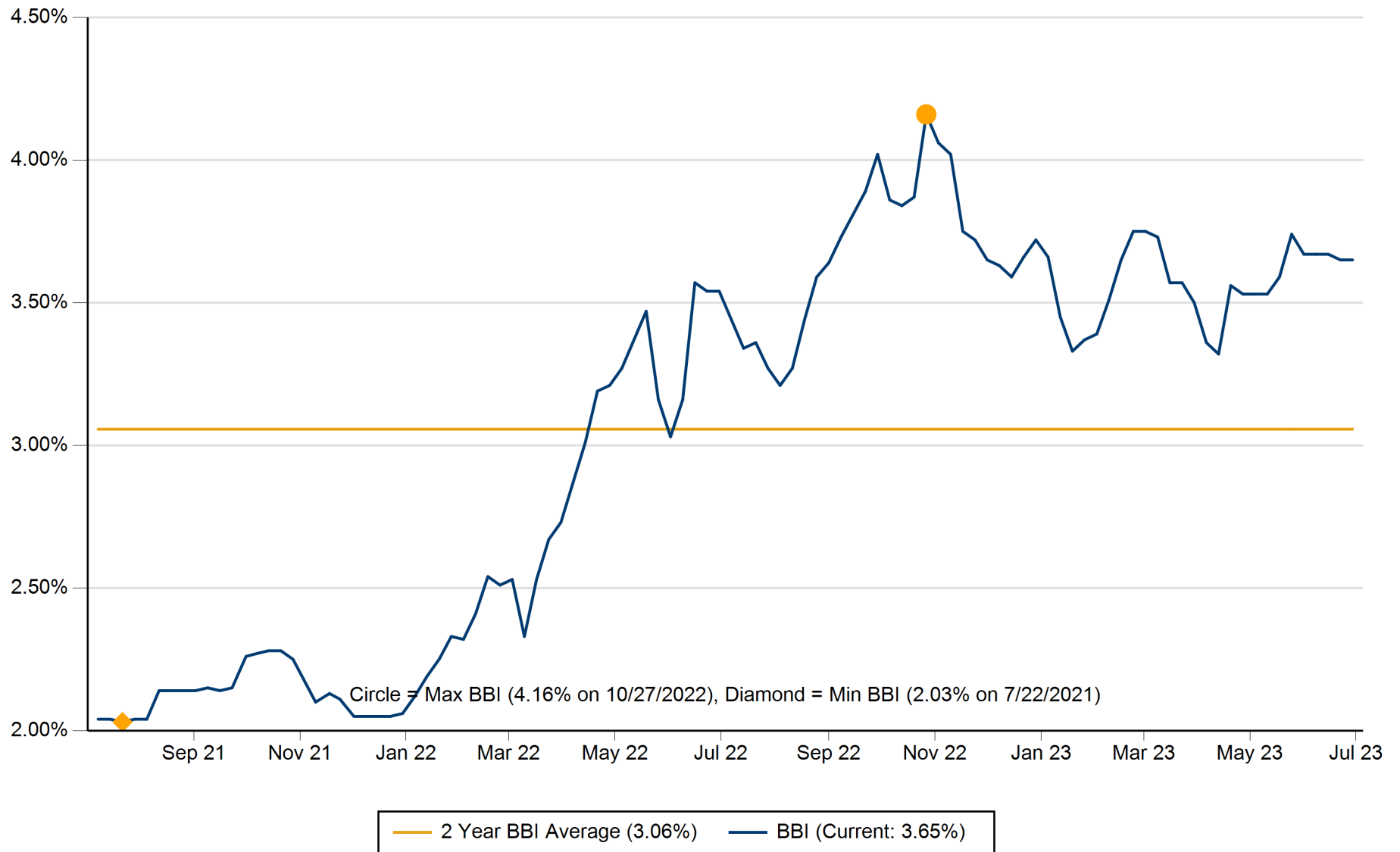
Net Principal Outstanding & Net Levy for Debt Service			Adjusted Debt Burden		Debt Service Levy	Tax Rate for Debt	
Year Ending	For Policy: Combined Net Principal Outstanding Net tax Levy for Debt (Existing & Proposed) Service		Adjusted Debt Burden	Remaining Adjusted Debt Burden	Debt levy as a percentage of total expenditures	Projected Tax Rate for Debt Service	Year Ending
2022	\$137,288,390	\$18,010,982	<b>0.62%</b>	0.18%	8%	\$1.03	2022
2023	\$137,013,996	\$18,761,374	<b>0.60%</b>	0.20%	8%	\$0.92	2023
2024	\$143,808,352	\$19,605,064	<b>0.61%</b>	0.19%	9%	\$0.92	2024
2025	\$150,236,403	\$21,082,147	<b>0.61%</b>	0.19%	9%	\$0.96	2025
2026	\$155,864,662	\$22,551,947	<b>0.62%</b>	0.18%	9%	\$0.99	2026
2027	\$160,175,098	\$24,018,417	<b>0.61%</b>	0.19%	10%	\$1.02	2027
2028	\$141,457,710	\$25,484,228	<b>0.52%</b>	0.28%	10%	\$1.05	2028
2029	\$123,387,685	\$24,185,074	<b>0.44%</b>	0.36%	9%	\$0.96	2029
2030	\$105,968,785	\$22,884,277	<b>0.37%</b>	0.43%	8%	\$0.88	2030
2031	\$89,195,000	\$21,581,458	<b>0.30%</b>	0.50%	8%	\$0.80	2031
2032	\$72,950,000	\$20,281,743	<b>0.24%</b>	0.56%	7%	\$0.73	2032
2033	\$57,545,000	\$18,722,242	<b>0.18%</b>	0.62%	6%	\$0.65	2033
2034	\$43,615,000	\$16,538,088	<b>0.13%</b>	0.67%	5%	\$0.55	2034
2035	\$32,245,000	\$13,306,819	<b>0.10%</b>	0.70%	4%	\$0.43	2035
2036	\$24,145,000	\$9,483,238	<b>0.07%</b>	0.73%	3%	\$0.30	2036
2037	\$19,915,000	\$5,227,600	<b>0.06%</b>	0.74%	2%	\$0.16	2037
2038	\$16,595,000	\$4,137,500	<b>0.04%</b>	0.76%	1%	\$0.12	2038
2039	\$13,175,000	\$4,129,500	<b>0.03%</b>	0.77%	1%	\$0.12	2039
2040	\$10,225,000	\$3,546,588	<b>0.03%</b>	0.77%	1%	\$0.10	2040
2041	\$7,770,000	\$2,947,938	<b>0.02%</b>	0.78%	1%	\$0.08	2041
2042	\$5,995,000	\$2,171,563	<b>0.01%</b>	0.79%	1%	\$0.06	2042
2043	\$4,620,000	\$1,686,125	<b>0.01%</b>	0.79%	0%	\$0.04	2043
2044	\$3,215,000	\$1,645,313	<b>0.01%</b>	0.79%	0%	\$0.04	2044
2045	\$1,790,000	\$1,593,038	<b>0.00%</b>	0.80%	0%	\$0.04	2045
2046	\$630,000	\$1,253,975	<b>0.00%</b>	0.80%	0%	\$0.03	2046

**Notes:**

1. Per policy, adjusted debt burden should not exceed 0.80%.
2. Per policy, debt levy as a percentage of total expenditures should not exceed 15%.
3. Per policy, tax rate for debt service should not exceed \$1.50.

## 2 YEAR TREND IN MUNICIPAL BOND INDICES

Weekly Rates July, 2021 - July, 2023



The Bond Buyer "20 Bond Index" (BBI) shows average yields on a group of municipal bonds that mature in 20 years and have an average rating equivalent to Moody's Aa2 and S&P's AA.

Source: The Bond Buyer

