

Finance Committee consideration: July 14, 2022  
County Board consideration: July 19, 2022

July 19, 2022

REVISED PRE-SALE REPORT FOR

## Kenosha County, Wisconsin

**\$13,735,000 General Obligation Promissory Notes,  
Series 2022A**



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**Prepared by:**

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**Advisors:**

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Jonathan Schatz, Municipal Advisor

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# EXECUTIVE SUMMARY OF PROPOSED DEBT

## Proposed Issue:

\$13,735,000 General Obligation Promissory Notes, Series 2022A

## Purposes:

The proposed issue includes financing for the following purposes:

- Budgeted 2022 Capital Projects (see project list). Debt service will be paid from ad valorem property taxes.
- KABA high impact fund. 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. Following issuance of the Notes and Bonds, the County's total General Obligation debt principal outstanding will be approximately \$160 million, which is 16% of its limit. Remaining estimated General Obligation Borrowing Capacity will be approximately \$847 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 2023 through 2032. Interest is payable every six months beginning March 1, 2023.

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, or expects to issue, 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 S&P Global Ratings and Fitch Ratings. The current rating on those bonds is "AAA" and "AA+", 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. We will solicit competitive bids for the purchase of the Notes from underwriters and banks.

We will include an allowance for discount bidding 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.

We recommend that the County review its specific responsibilities related to the Notes with an arbitrage expert in order to utilize one or more of the exceptions listed above.

## **Investment of Note Proceeds:**

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:** S&P Global Ratings and Fitch Ratings

## PROPOSED DEBT ISSUANCE SCHEDULE

Pre-Sale Review by Finance Committee:	July 14, 2022
Pre-Sale Review by County Board:	July 19, 2022
Conference with Rating Agency:	August 1 and 2, 2022
Due Diligence Call to review Official Statement:	Week of August 1, 2022
Distribute Official Statement:	August 9, 2022
County Board Meeting to Award Sale of the Notes:	August 16, 2022
Estimated Closing Date:	September 1, 2022

### Attachments

Project List  
Summary of Existing G.O. Debt  
Multi-year capital project summary  
Estimated Sources and Uses of Funds  
Estimated Proposed Debt Service Schedule  
Tax Impact Analysis  
Debt Capacity and Debt Metrics  
Bond Buyer Index

## EHLERS' CONTACTS

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Kathy Myers, Senior Financial Analyst	(262) 796-6177

## Kenosha County Five Year Capital Outlay/Projects Plan

Project Title	Detail Reference Number	2022 Budget	Changes to Nov Resolution	G.O. Notes	G.O. Bonds	Not Issued
Information Technology Projects	Info Tech-1	\$2,000,000		\$2,000,000		
Land Information - Photo Update	Land Info-1	\$55,000		\$55,000		
KABA - High Impact Fund	KABA-1	\$250,000		\$250,000		
Brookside - Furniture Replacement	Brookside-1	\$25,000		\$25,000		
Brookside - Generator Replacement	Brookside-2	\$25,000		\$25,000		
Brookside - Kitchen Equipment	Brookside-4	\$38,000		\$38,000		
Brookside - Roof Replacement	Brookside-5	\$480,000	-\$480,000	\$0		
Health - Colposcope	Health-1	\$8,000		\$8,000		
Health - Dilute Dispenser	Health-2	\$6,000		\$6,000		
Joint Services Public Safety System Hardware	Jt. Srvs-1	\$15,000		\$15,000		
Joint Services Public Safety System ERP System	Jt. Srvs-2	\$80,000		\$80,000		
South Pike River Project	Planning-1	\$2,243,000	-\$1,500,000		\$743,000	
Building Improvements - Job Center	Fac Hum Svcs-1	\$43,000		\$43,000		
Purchase Lot	Fac Hum Svcs-2	\$115,000		\$115,000		
Job Center Renovation/Relocation	Fac Hum Svcs-3	\$800,000	-\$800,000			\$0
Courthouse Parking Lot	Facilities-1	\$50,000		\$50,000		
Replace Fire System Devices	Facilities-2	\$80,000		\$80,000		
Building Improvements - Civic Center	Facilities-3	\$223,000		\$223,000		
Replace Heat Pumps - KCAB	Facilities-4	\$230,000		\$230,000		
KCC Office Renovation and Elevator	Facilities-5	\$900,000	-\$800,000	\$100,000		
HVAC Replacement - KCDC	Facilities-6	\$2,200,000		\$2,200,000		
Replace Gas Pumps	Fac Saf Bldg-1	\$20,000		\$20,000		
Building Improvements - PSB	Fac Saf Bldg-2	\$113,000		\$113,000		
HVAC Replacement Projects	Cap Proj-1	\$100,000		\$100,000		
Mowers and Equipment Replacement	Golf-4	\$217,000		\$217,000		
Commercial Tent	Parks-1	\$8,000		\$8,000		
Blower	Parks-2	\$10,000		\$10,000		
Equipment Repair Lift	Parks-3	\$24,000		\$24,000		
Flood Plain Property	Parks-4	\$50,000		\$50,000		
Petrifying Springs Pavilions	Parks-5	\$50,000		\$50,000		
Utility Vehicles	Parks-6	\$56,000		\$56,000		
Pickup Trucks	Parks-7	\$70,000		\$70,000		
Mowers and Equipment	Parks-8	\$80,000		\$80,000		
Building Improvements - Kemper Center	Parks-9	\$122,000		\$122,000		
Multi-Use Trail Improvements - Bridges	Parks-10	\$200,000		\$200,000		
Pike River Phase III	Parks-12	\$160,000		\$160,000		
Playground Equipment	Parks-13	\$300,000		\$300,000		
KCVMP Enhancements	Parks-14	\$530,000		\$530,000		
Kemper Shoreline Restoration	Parks-15	\$1,500,000	-\$1,500,000	\$0		
Tasers	Sheriff-1	\$65,000		\$65,000		
Civil Process Operations Software	Sheriff-2	\$150,000		\$150,000		
Portable Radios	Sheriff-3	\$157,000		\$157,000		
Body Cameras	Sheriff-4	\$460,000		\$460,000		
Fleet Vehicles	Sheriff-5	\$886,000		\$886,000		
Pickup Trucks (4)	Hi Equip-1	\$50,000		\$50,000		
Crack Grinders (2)	Hi Equip-2	\$50,000		\$50,000		
One Ton Trucks (6)	Hi Equip-3	\$200,000		\$200,000		
Roller (1)	Hi Equip-4	\$200,000		\$200,000		
Single Axle Truck (7)	Hi Equip-5	\$520,000		\$520,000		
Transportation Infrastructure Improvements	Hi Proj-1	\$2,797,000	-\$900,000	\$1,897,000		
Local Road Improvement Projects	Hi Proj-2	\$27,000		\$27,000		
Highway WG Bridge Reconstruction	Hi Proj-3	\$626,000			\$626,000	
Roundabout at CTH A and CTH Y	Hi Proj-4	\$1,175,000		\$1,175,000		
Reconstruction of Bridge on Highway JB at the Fox River	Hi Proj-5	\$1,450,000			\$1,450,000	
Highway S Reconstruction	Hi Proj-6	\$1,000,000			\$1,000,000	
Highway K Reconstruction - Phase I	Hi Proj-7	\$2,511,000			\$2,511,000	
<b>Total Items from 2022 Budget</b>		<b>\$25,800,000</b>	<b>-\$5,980,000</b>	<b>\$13,490,000</b>	<b>\$6,330,000</b>	<b>\$0</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 Revenues	Less: Premium Deposit	Net Tax Levy	Equalized Value (TID OUT)	Tax Rate Per \$1,000	
2021	20,565,930	(378,955)	(1,603,800)	(1,201,680)	17,381,494	16,130,377,100	\$1.08	2021
2022	21,031,354	(379,934)	(1,609,850)	(1,030,588)	18,010,982	17,404,347,000	7.90%	2022
2023	19,585,929	(395,973)	(1,609,850)	(818,731)	16,761,374	18,100,462,658	4.00%	2023
2024	18,851,860	(397,273)	(1,608,950)	(261,371)	16,584,266	18,829,076,750	4.03%	2024
2025	18,468,748	(403,448)	(1,607,150)		16,458,149	20,004,899,021	6.24%	2025
2026	17,583,135	(410,159)	(1,609,450)		15,563,526	20,379,742,777	1.87%	2026
2027	16,437,510	(406,276)	(1,610,700)		14,420,534	20,761,610,205	1.87%	2027
2028	15,012,760	(402,190)	(1,605,900)		13,004,670	21,150,632,911	1.87%	2028
2029	11,956,560	(408,032)	(1,609,250)		9,939,278	21,546,944,968	1.87%	2029
2030	8,943,260	(264,323)	(1,606,025)		7,072,912	21,950,682,961	1.87%	2030
2031	6,062,493	0	(1,606,400)		4,456,093	22,361,986,034	1.87%	2031
2032	4,245,788		(1,608,600)		2,637,188	22,780,995,939	1.87%	2032
2033	4,038,394		(1,608,600)		2,429,794	23,207,857,083	1.87%	2033
2034	4,081,844		(1,606,400)		2,475,444	23,642,716,579	1.87%	2034
2035	4,070,375		(1,612,000)		2,458,375	24,085,724,298	1.87%	2035
2036	2,448,581		0		2,448,581	24,537,032,918	1.87%	2036
2037	2,447,650				2,447,650	24,996,797,977	1.87%	2037
2038	1,979,725				1,979,725	25,465,177,928	1.87%	2038
2039	1,940,463				1,940,463	25,942,334,195	1.87%	2039
2040	1,351,200				1,351,200	26,428,431,225	1.87%	2040
2041	765,000				765,000	26,923,636,545	1.87%	2041
2042	0				0	27,428,120,823	1.87%	2042
Total	181,302,626	(3,467,609)	(22,519,125)	(2,110,690)	153,205,203			Total

**Notes:**

**Legend:**

Represents +/- 25% Change over previous year



**Table 2**  
**Capital Improvement Plan & Funding Uses**

*Kenosha County, WI*

Projects	Purpose/Dept.	Funding	2022	2023	2024	2025	2026	Totals
<b>Executive</b>	Information Technology	G.O. Debt	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000
	Information Technology	Grants/Aids/ARPA	1,500,000	0	0	0	0	1,500,000
	Land Information	G.O. Debt	55,000	0	0	89,000	0	144,000
<b>Finance/Administration</b>	Economic Development - KABA	G.O. Debt	250,000	250,000	250,000	250,000	250,000	1,250,000
<b>Human Services</b>	Brookside Care Center	G.O. Debt	88,000	825,000	25,000	25,000	25,000	988,000
	Brookside Care Center	Cash	30,000	0	0	0	0	30,000
	Health	G.O. Debt	14,000	0	0	0	0	14,000
<b>Public Works/Development Services</b>	Medical Examiner	G.O. Debt	0	0	80,000	0	0	80,000
	Facilities	G.O. Debt	2,883,000	1,775,000	2,140,000	1,325,000	1,325,000	9,448,000
	Facilities	Grants/Aids/ARPA	0	1,025,000	1,000,000	0	0	2,025,000
	Facilities - Safety Building	G.O. Debt	133,000	160,000	380,000	0	0	673,000
	Facilities - Human Services	G.O. Debt	158,000	0	0	0	0	158,000
	Facilities - Human Services (Taxable)	G.O. Debt	0	0	500,000	500,000	500,000	1,500,000
	Golf	G.O. Debt	217,000	571,000	1,009,000	707,000	395,000	2,899,000
	Golf	Cash	217,000	1,300,000	1,100,000	976,000	0	3,593,000
	Parks	G.O. Debt	1,660,000	1,039,000	743,000	556,000	556,000	4,554,000
	Parks	Grants/Aids/ARPA	1,040,000	2,400,000	200,000	200,000	200,000	4,040,000
	Highway - Equipment	G.O. Debt	1,020,000	1,325,000	2,145,000	1,485,000	1,365,000	7,340,000
	Highway - Projects (Bonds)	G.O. Debt	5,587,000	7,955,000	5,341,000	8,940,000	6,888,000	34,711,000
	Highway - Projects (Notes)	G.O. Debt	3,099,000	0	0	0	0	3,099,000
	Highway - Projects	Grants/Aids/ARPA	13,452,000	6,242,000	1,813,000	11,585,000	313,000	33,405,000
	South Pike River Project (Bonds)	G.O. Debt	743,000	0	0	0	0	743,000
<b>Law Enforcement</b>	South Pike River Project (Notes)	G.O. Debt	0	438,000	1,562,000	0	0	2,000,000
	South Pike River Project	Grants/Aids/ARPA	0	6,000,000	5,438,000	0	0	11,438,000
	Capital Projects	G.O. Debt	100,000	250,000	250,000	250,000	250,000	1,100,000
	Sheriff	G.O. Debt	1,718,000	1,697,000	1,630,000	1,346,000	1,446,000	7,837,000
	Joint Services	G.O. Debt	95,000	0	0	0	0	95,000
<b>Actual CIP Costs</b>			<b>36,059,000</b>	<b>35,252,000</b>	<b>27,606,000</b>	<b>30,234,000</b>	<b>15,513,000</b>	<b>144,664,000</b>

<b>Sources of Funding</b>								
G.O. Debt			19,820,000	18,285,000	18,055,000	17,473,000	15,000,000	88,633,000
Grants/Aids/ARPA			15,992,000	15,667,000	8,451,000	11,785,000	513,000	52,408,000
Equipment Replacement Fund			0	0	0	0	0	0
Cash			247,000	1,300,000	1,100,000	976,000	0	3,623,000
<b>Total</b>			<b>36,059,000</b>	<b>35,252,000</b>	<b>27,606,000</b>	<b>30,234,000</b>	<b>15,513,000</b>	<b>144,664,000</b>

<b>Debt Obligations</b>								
2022 G.O. Notes			13,490,000					13,490,000
2022 G.O. Bonds			6,330,000					6,330,000
2023 G.O. Notes				10,330,000				10,330,000
2023 G.O. Bonds				7,955,000				7,955,000
2024 G.O. Notes					12,214,000			12,214,000
2024 G.O. Bonds					5,341,000			5,341,000
2024 Taxable G.O. Notes					500,000			500,000
2025 G.O. Notes						8,033,000		8,033,000
2025 G.O. Bonds						8,940,000		8,940,000
2025 Taxable G.O. Notes						500,000		500,000
2026 G.O. Notes							7,612,000	7,612,000
2026 G.O. Bonds							6,888,000	6,888,000
2026 Taxable G.O. Notes							500,000	500,000
<b>Total</b>			<b>19,820,000</b>	<b>18,285,000</b>	<b>18,055,000</b>	<b>17,473,000</b>	<b>15,000,000</b>	<b>88,633,000</b>

Notes:

## Table 3

### Capital Improvements Financing Plan

*Kenosha County, WI*

	2022		
	G.O. Notes	Capital Projects - Levy Portion	KABA Portion
<b>CIP Projects<sup>1</sup></b>			
Capital Projects	13,240,000	13,240,000	
Highway Projects			
River Improvements (Bonds)	-		
KABA Economic Development	250,000		250,000
Kemper Shoreline Restoration	-		
Human Services Building (Taxable)	-		
<b>Subtotal Project Costs</b>	<b>13,490,000</b>	<b>13,240,000</b>	<b>250,000</b>
<b>CIP Projects<sup>1</sup></b>	<b>13,490,000</b>	<b>13,240,000</b>	<b>250,000</b>
Municipal Advisor (Ehlers)	50,400	49,464	936
Bond Counsel (Foley)	15,000	14,722	278
Rating Trip Expenses	7,000	6,870	130
Rating Fees (S&P & Fitch)	30,000	29,443	557
Maximum Underwriter's Discount	10.00 137,350	134,800	2,550
Paying Agent (Ehlers)	850	834	16
Arbitrage Calculation (Ehlers)	5,000	4,907	93
<b>Subtotal Issuance Expenses</b>	<b>245,600</b>	<b>241,040</b>	<b>4,560</b>
<b>TOTAL TO BE FINANCED</b>	<b>13,735,600</b>	<b>13,481,040</b>	<b>254,560</b>
Estimated Interest Earnings	0.06% (4,047)	(3,972)	(75)
Assumed spend down (months)	6.00		
Rounding	3,447	2,932	515
<b>NET BOND SIZE</b>	<b>13,735,000</b>	<b>13,480,000</b>	<b>255,000</b>

## Table 4

### Allocation of Debt Service - 2022 G.O. Notes

*Kenosha County, WI*

Year Ending	Capital Projects - Levy Portion				KABA Portion			
	Principal	Est. Rate <sup>1</sup>	Interest	Total	Principal	Est. Rate	Interest	Total
2022				0				0
2023	1,060,000	2.90%	442,728	1,502,728	20,000	2.90%	8,333	28,333
2024	1,080,000	2.95%	411,988	1,491,988	25,000	2.95%	7,753	32,753
2025	1,000,000	3.00%	380,128	1,380,128	25,000	3.00%	7,015	32,015
2026	1,200,000	3.05%	350,128	1,550,128	25,000	3.05%	6,265	31,265
2027	1,405,000	3.10%	313,528	1,718,528	25,000	3.10%	5,503	30,503
2028	1,545,000	3.25%	269,973	1,814,973	25,000	3.25%	4,728	29,728
2029	1,545,000	3.40%	219,760	1,764,760	25,000	3.40%	3,915	28,915
2030	1,545,000	3.50%	167,230	1,712,230	25,000	3.50%	3,065	28,065
2031	1,545,000	3.60%	113,155	1,658,155	30,000	3.60%	2,190	32,190
2032	1,555,000	3.70%	57,535	1,612,535	30,000	3.70%	1,110	31,110
Total	13,480,000		2,726,150	16,206,150	255,000		49,875	304,875

Year Ending	Totals		
	Principal	Interest	Total
2022	0	0	0
2023	1,080,000	451,060	1,531,060
2024	1,105,000	419,740	1,524,740
2025	1,025,000	387,143	1,412,143
2026	1,225,000	356,393	1,581,393
2027	1,430,000	319,030	1,749,030
2028	1,570,000	274,700	1,844,700
2029	1,570,000	223,675	1,793,675
2030	1,570,000	170,295	1,740,295
2031	1,575,000	115,345	1,690,345
2032	1,585,000	58,645	1,643,645
Total	13,735,000	2,776,025	16,511,025

**Notes:**

1) Estimated Rate assumes NONBQ Aa3 sale of 6/28/22 + .50

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

Year	Existing Debt															Levy and Tax Rate			Year		
	Net Tax Levy	Equalized Value (TID OUT)	2022 G.O. Notes	2022 G.O. Bonds	2023 G.O. Notes	2023 G.O. Bonds	2024 G.O. Notes	2024 G.O. Bonds	2024 Taxable G.O. Notes	2025 G.O. Notes	2025 G.O. Bonds	2025 Taxable G.O. Notes	2026 G.O. Notes	2026 G.O. Bonds	2026 Taxable G.O. Notes	Total Net Debt	Total Tax Rate for Debt Service	Levy Change from Prior			
			Dated: 9/1/22	Dated: 9/1/22	Dated: 9/1/23	Dated: 9/1/23	Dated: 9/1/24	Dated: 9/1/24	Dated: 9/1/24	Dated: 9/1/24	Dated: 9/1/24	Dated: 9/1/25	Dated: 9/1/25	Dated: 9/1/25	Dated: 9/1/26	Dated: 9/1/26	Dated: 9/1/26	Service Levy		(Target \$1.50)	Year
			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	Total P&I	Total P&I	Total P&I	Total P&I	Total P&I	Total P&I	Year			
Ending	Net Tax Levy	Equalized Value (TID OUT)	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	Total P&I	Total P&I	Total P&I	Total P&I	Service Levy	(Target \$1.50)	Year	Ending		
2022	18,010,982	17,404,347,000	2.90%-3.70%	2.90%-4.58%	3.4%-4.20%	3.4%-5.08%	3.9%-4.7%	3.9%-5.58%	4.61%-5.55%	4.40%-5.20%	4.40%-6.06%	5.11%-6.05%	4.90%-5.70%	4.90%-6.58%	4.90%-6.58%	18,010,982	\$1.03	629,488	2022		
2023	16,761,374	18,100,462,658	1,531,060	484,244												18,776,678	\$1.04	765,696	2023		
2024	16,584,266	18,829,076,750	1,524,740	482,574	751,085	634,897										19,977,562	\$1.06	1,200,884	2024		
2025	16,458,149	20,004,899,021	1,412,143	485,641	709,525	635,547	959,118	445,350	73,487							21,178,960	\$1.06	1,201,398	2025		
2026	15,563,526	20,379,742,777	1,581,393	483,291	688,830	635,715	1,002,738	443,525	71,415	1,056,978	773,121	76,839				22,377,369	\$1.10	1,198,409	2026		
2027	14,420,534	20,761,610,205	1,749,030	485,666	903,330	635,390	1,233,778	446,415	74,241	1,057,718	776,021	74,541	1,026,083	620,485	74,004	23,577,234	\$1.14	1,199,865	2027		
2028	13,004,670	21,150,632,911	1,844,700	482,606	884,693	634,562	1,599,578	443,815	71,744	1,056,790	778,116	72,143	1,025,948	620,685	76,761	22,596,809	\$1.07	(980,425)	2028		
2029	9,939,278	21,546,944,968	1,793,675	483,994	1,965,793	633,222	2,029,015	445,917	74,181	1,059,165	774,391	74,670	1,034,020	625,290	74,138	21,006,749	\$0.97	(1,590,060)	2029		
2030	7,072,912	21,950,682,961	1,740,295	484,644	2,004,855	636,035	1,963,415	447,512	71,310	1,059,585	775,059	76,857	1,029,770	624,040	76,440	18,062,729	\$0.82	(2,944,019)	2030		
2031	4,456,093	22,361,986,034	1,690,345	484,669	1,942,580	632,775	1,895,415	443,375	73,386	1,058,015	774,879	73,711	1,028,663	622,172	78,377	15,254,453	\$0.68	(2,808,276)	2031		
2032	2,637,188	22,780,995,939	1,643,645	484,049	1,873,380	633,775	1,830,015	443,695	70,157	1,053,590	773,491	75,512	1,025,413	624,677	74,956	13,243,541	\$0.58	(2,010,912)	2032		
2033	2,429,794	23,207,857,083	0	487,764	1,797,450	633,810	1,757,790	448,345	71,900	1,056,205	775,851	76,983	1,024,200	621,027	76,482	11,257,600	\$0.49	(1,985,942)	2033		
2034	2,475,444	23,642,716,579		435,364	0	632,850	1,758,960	447,075	63,329	1,055,705	776,851	73,130	1,029,650	621,447	77,653	9,447,456	\$0.40	(1,810,144)	2034		
2035	2,458,375	24,085,724,298		444,164		635,569	0	445,090	0	1,052,000	776,451	74,234	1,026,525	625,772	78,475	7,616,653	\$0.32	(1,830,803)	2035		
2036	2,448,581	24,537,032,918		446,789		636,894		447,171		0	774,611	0	1,020,005	623,692	63,929	6,461,671	\$0.26	(1,154,982)	2036		
2037	2,447,650	24,996,797,977		438,401		631,775		448,171			775,961		0	625,452	0	5,367,410	\$0.21	(1,094,261)	2037		
2038	1,979,725	25,465,177,928		494,401		635,400		443,052			775,386			625,477		4,953,441	\$0.19	(413,969)	2038		
2039	1,940,463	25,942,334,195		527,241		632,244		447,040			777,824			623,877		4,948,688	\$0.19	(4,754)	2039		
2040	1,351,200	26,428,431,225		557,441		632,989		444,571			772,924			620,602		4,379,726	\$0.17	(568,961)	2040		
2041	765,000	26,923,636,545		535,244		631,989		446,211			775,905			625,602		3,779,951	\$0.14	(599,776)	2041		
2042	0	27,428,120,823		522,900		634,575		446,411			776,685			623,190		3,003,761	\$0.11	(776,190)	2042		
2043	0	27,942,057,925		0		630,480		445,397			774,785			624,070		2,474,732	\$0.09	(529,029)	2043		
2044	0	28,465,624,974				0		438,157			775,590			622,545		1,836,292	\$0.06	(638,440)	2044		
2045	0	28,999,002,412						0			763,776			623,915		1,387,691	\$0.05	(448,601)	2045		
2046	0	29,542,374,061									0			612,835		612,835	\$0.02	(774,856)	2046		
Total	153,205,203		16,511,025	9,731,082	13,521,520	12,680,489	16,029,820	8,906,293	715,151	10,565,750	15,497,680	748,621	10,270,275	12,456,849	751,215				Total		

**Notes:**  
2022 issues adjusted for current rates plus 50 basis points. Rate assumptions for 2023-2026 also adjusted

**Table 6**  
**General Obligation Debt Capacity Analysis & Debt Metrics**  
*Kenosha County, WI*

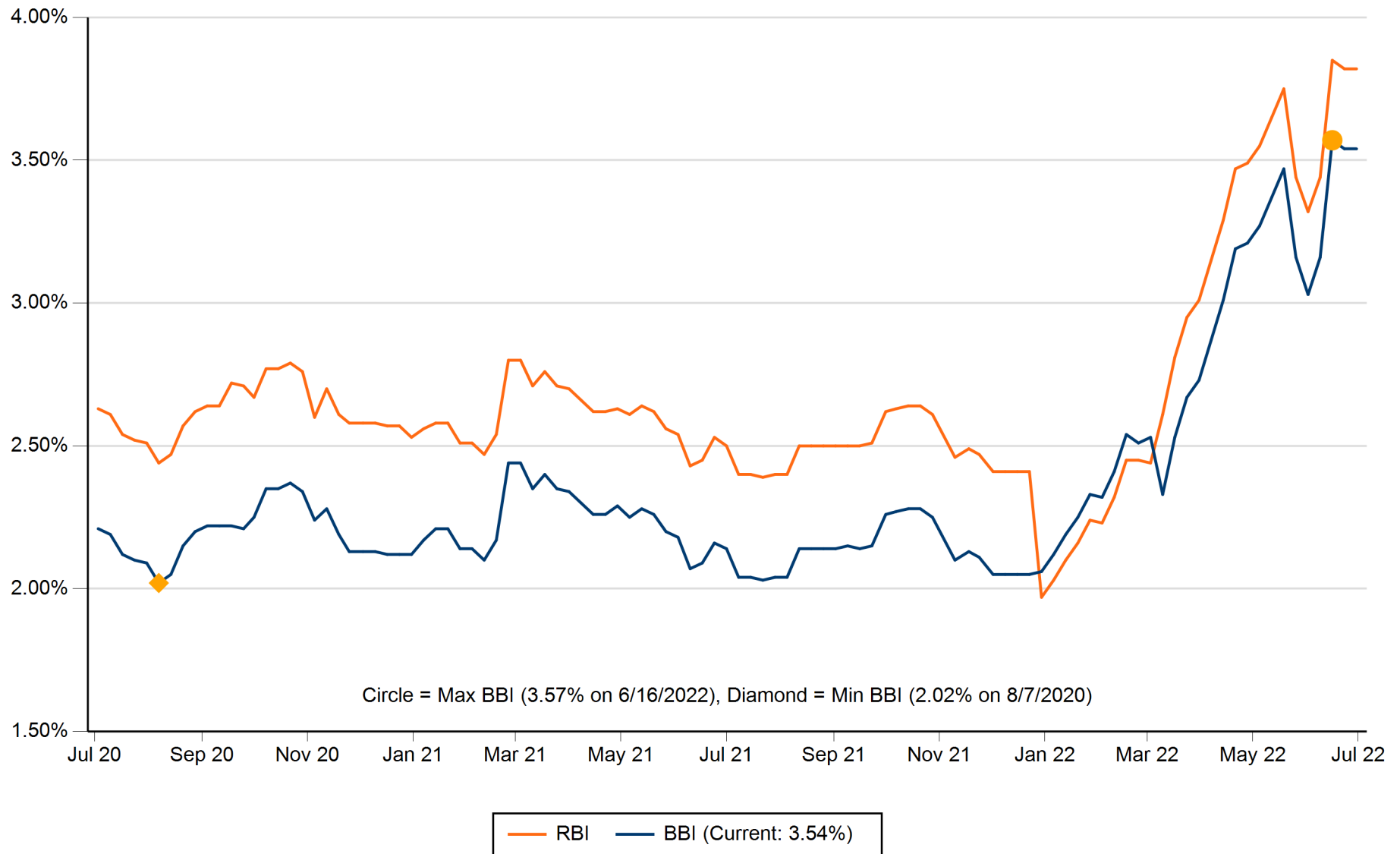
Existing Debt									
Year Ending	Projected Equalized Value (TID IN)	Existing Principal Debt Limit	Existing Principal Outstanding	Subtract Principal for Refundings	Subtract City Portion of Debt	Subtract KABA Portion	Subtract Brookside Portion	Net Principal Outstanding	Adjusted Debt Burden
2021	19,742,921,700	987,146,085	155,890,000	(103,604)	(3,003,512)	(2,872,212)	(17,325,000)	132,585,672	0.67%
2022	20,144,394,247	1,007,219,712	138,995,000	(88,553)	(2,708,057)	(2,330,000)	(16,325,000)	117,543,390	0.58%
2023	20,554,030,742	1,027,701,537	123,080,000	(70,351)	(2,390,654)	(1,855,000)	(15,295,000)	103,468,996	0.50%
2024	20,971,997,201	1,048,599,860	107,440,000	(61,839)	(2,064,809)	(1,360,000)	(14,235,000)	89,718,352	0.43%
2025	21,398,463,012	1,069,923,151	91,770,000	(53,139)	(1,725,458)	(1,040,000)	(13,145,000)	75,806,403	0.35%
2026	21,833,601,011	1,091,680,051	76,555,000	(44,426)	(1,370,912)	(730,000)	(12,020,000)	62,389,662	0.29%
2027	22,277,587,546	1,113,879,377	62,080,000	(35,290)	(1,009,612)	(495,000)	(10,860,000)	49,680,098	0.22%
2028	22,730,602,552	1,136,530,128	48,655,000	(25,730)	(641,560)	(330,000)	(9,670,000)	37,987,710	0.17%
2029	23,192,829,624	1,159,641,481	37,940,000	(15,691)	(256,624)	(190,000)	(8,435,000)	29,042,685	0.13%
2030	23,664,456,089	1,183,222,804	29,975,000	(6,215)	(0)	(80,000)	(7,160,000)	22,728,785	0.10%
2031	24,145,675,084	1,207,283,654	24,715,000			0	(5,840,000)	18,875,000	0.08%
2032	24,636,675,632	1,231,833,782	21,135,000				(4,465,000)	16,670,000	0.07%
2033	25,137,662,723	1,256,883,136	17,650,000				(3,035,000)	14,615,000	0.06%
2034	25,648,837,392	1,282,441,870	14,015,000				(1,550,000)	12,465,000	0.05%
2035	26,170,406,804	1,308,520,340	10,280,000				0	10,280,000	0.04%
2036	26,702,582,336	1,335,129,117	8,055,000					8,055,000	0.03%
2037	27,245,579,664	1,362,278,983	5,780,000					5,780,000	0.02%
2038	27,799,618,849	1,389,980,942	3,920,000					3,920,000	0.01%
2039	28,364,924,428	1,418,246,221	2,060,000					2,060,000	0.01%
2040	28,941,725,502	1,447,086,275	750,000					750,000	0.00%
2041	29,530,255,833	1,476,512,792	0					0	0.00%
2042	30,130,753,935	1,506,537,697							
2043	30,743,463,173	1,537,173,159							
2044	31,368,631,860	1,568,431,593							
2045	32,006,513,361	1,600,325,668							
2046	32,657,366,189	1,632,868,309							

Notes:

Proposed Debt												
Total Proposed Debt	Subtract New KABA	Combined Net Principal: Existing & Proposed	Adjusted Debt Burden (0.80% max)	Remaining Debt Burden to Limit	Adj. Direct Debt Per Capita (\$550 target)	Population Estimate with 2% Growth	Statutory Borrowing Capacity	Remaining Statutory Borrowing Capacity	Total Expenditures with 2% Growth	Debt Service levy as a % of total expenditures (15% Max)		
Year Ending												
2021	0	0	\$132,585,672	0.67%	762	173,924	987,146,085	987,146,085	205,588,833	9%		2021
2022	20,225,000	(255,000)	\$137,513,390	0.68%	775	177,402	1,007,219,712	986,994,712	209,700,610	9%		2022
2023	37,590,000	(490,000)	\$140,568,996	0.68%	777	180,951	1,027,701,537	990,111,537	213,894,622	9%		2023
2024	54,100,000	(700,000)	\$143,118,352	0.68%	775	184,570	1,048,599,860	994,499,860	218,172,514	10%		2024
2025	69,485,000	(890,000)	\$144,401,403	0.67%	767	188,261	1,069,923,151	1,000,438,151	222,535,965	10%		2025
2026	81,095,000	(1,055,000)	\$142,429,662	0.65%	742	192,026	1,091,680,051	1,010,585,051	226,986,684	10%		2026
2027	75,720,000	(940,000)	\$124,460,098	0.56%	635	195,867	1,113,879,377	1,038,159,377	231,526,418	10%		2027
2028	69,700,000	(820,000)	\$106,867,710	0.47%	535	199,784	1,136,530,128	1,066,830,128	236,156,946	9%		2028
2029	61,965,000	(695,000)	\$90,312,685	0.39%	443	203,780	1,159,641,481	1,097,676,481	240,880,085	7%		2029
2030	53,995,000	(570,000)	\$76,153,785	0.32%	366	207,855	1,183,222,804	1,129,227,804	245,697,687	6%		2030
2031	45,885,000	(435,000)	\$64,325,000	0.27%	303	212,012	1,207,283,654	1,161,398,654	250,611,640	5%		2031
2032	37,620,000	(295,000)	\$53,995,000	0.22%	250	216,253	1,231,833,782	1,194,213,782	255,623,873	4%		2032
2033	30,770,000	(180,000)	\$45,205,000	0.18%	205	220,578	1,256,883,136	1,226,113,136	260,736,351	4%		2033
2034	25,455,000	(90,000)	\$37,830,000	0.15%	168	224,989	1,282,441,870	1,256,986,870	265,951,078	3%		2034
2035	21,690,000	(30,000)	\$31,940,000	0.12%	139	229,489	1,308,520,340	1,286,830,340	271,270,099	2%		2035
2036	18,875,000	0	\$26,930,000	0.10%	115	234,079	1,335,129,117	1,316,254,117	276,695,501	2%		2036
2037	17,005,000		\$22,785,000	0.08%	95	238,760	1,362,278,983	1,345,273,983	282,229,411	2%		2037
2038	14,985,000		\$18,905,000	0.07%	78	243,536	1,389,980,942	1,374,995,942	287,873,999	2%		2038
2039	12,825,000		\$14,885,000	0.05%	60	248,406	1,418,246,221	1,405,421,221	293,631,479	1%		2039
2040	10,530,000		\$11,280,000	0.04%	45	253,374	1,447,086,275	1,436,556,275	299,504,109	1%		2040
2041	8,125,000		\$8,125,000	0.03%	31	258,442	1,476,512,792	1,468,387,792	305,494,191	1%		2041
2042	5,600,000		\$5,600,000	0.02%	21	263,611	1,506,537,697	1,500,937,697	311,604,075	1%		2042
2043	3,465,000		\$3,465,000	0.01%	13	268,883	1,537,173,159	1,533,708,159	317,836,156	1%		2043
2044	1,845,000		\$1,845,000	0.01%	7	274,261	1,568,431,593	1,566,586,593	324,192,879	0%		2044
2045	575,000		\$575,000	0.00%	2	279,746	1,600,325,668	1,599,750,668	330,676,737	0%		2045
2046	0		\$0	0.00%	0	285,341	1,632,868,309	1,632,868,309	337,290,272	0%		2046

## 2 YEAR TREND IN MUNICIPAL BOND INDICES

Weekly Rates July, 2020 - July, 2022



Source: The Bond Buyer

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.

The Revenue Bond Index (RBI) shows the average yield on a group of revenue bonds that mature in 30 years and have an average rating equivalent to Moody's A1 and S&P's A+.

