AGENDA
EXECUTIVE COMMITTEE
REGULAR MEETING
MONDAY, AUGUST 29, 2022 – 3:00 PM
ADMINISTRATION CENTER - AUDITORIUM
121 W MAIN STREET, PORT WASHINGTON, WI 53074

The public can access the meeting by viewing the live stream at the link which will be opened five minutes before the call to order:

Executive Committee Live Stream

The public can submit comments here: Public Comment Form
Public Comment Policy & Instructions For Submitting Public Comments Online

1. CALL TO ORDER
Roll Call

2. PROPER NOTICE

3. PUBLIC COMMENTS, CORRESPONDENCE, COMMUNICATIONS

4. APPROVAL OF MINUTES

a. August 1, 2022

5. ACTION ITEMS

a. Resolution: Appointment of County Treasurer

6. DISCUSSION ITEMS

a. Securitization of Opioid Settlement Payments

b. Schedule of County Board Meetings

7. COUNTY ADMINISTRATOR'S REPORT

a. 2023 Budget

b. Wage and Benefit Study

c. Land & Water Management Director Recruitment

d. Lasata Campus Update

e. Clay Bluffs Cedar Gorge Nature Preserve

8. COMMITTEE REPORTS

9. NEXT MEETING DATES

October 3 - 1:00 PM
October 5 - 10:30 AM
October 6 - 8:00 AM

10. ADJOURNMENT

A quorum of members of committees or the full County Board of Ozaukee County may be in attendance at this meeting for purposes related to committee or board duties, however, no formal action will be taken by these committees or the board at this meeting.

Persons with disabilities requiring accommodations for attendance at this meeting should contact the County Clerk's Office at 262-284-8110, twenty-four (24) hours in advance of the meeting.

Executive Committee

AGENDA INFORMATION SHEET

AGENDA DATE: **August 29, 2022**
DEPARTMENT: **County Clerk**
DIRECTOR: **Julie Winkelhorst**
PREPARER: **Julie Winkelhorst**

Agenda Summary August 1, 2022

<https://www.co.ozaukee.wi.us/AgendaCenter/ViewFile/Minutes/_08012022-3118>

RESOLUTION NO. (ID # 8869)

APPOINTMENT OF COUNTY TREASURER

WHEREAS, Joshua H. Morrison has resigned from the position of County Treasurer effective October 28. 2022; and

WHEREAS, Wisconsin Statutes 17.21(3) authorizes the county board to appoint a successor for the residue of the unexpired term.

NOW, THEREFORE, BE IT RESOLVED, by the Ozaukee County Board of Supervisors to authorize the County Administrator to seek applications for the position of the County Treasurer; and

FURTHER RESOLVED, that the applicants be reviewed and two, or more, qualified finalists be presented to the Executive Committee for interview; and

FURTHER RESOLVED, that a finalist be selected by the Executive Committee and presented for appointment by the Ozaukee County Board of Supervisors at the October 5, 2022 County Board Meeting;

Dated at Port Washington, Wisconsin, this 7th day of September, 2022.

SUMMARY: County Treasurer Appointment.

VOTE REQUIRED: Majority

EXECUTIVE COMMITTEE

Executive Committee

AGENDA INFORMATION SHEET

AGENDA DATE: **August 29, 2022**
DEPARTMENT: **Administrator**
DIRECTOR: **Jason Dzwinel**
PREPARER: **Jason Dzwinel**

Agenda Summary Appointment of County Treasurer

BACKGROUND INFORMATION: This resolution directs the County Administrator to seek applications for the County Treasurer opening and authorizes the Executive Committee to interview and select a candidate for appointment to the position.

ATTACHMENTS:

- Filling Vacanacy in the Elected Office of the Treasurer (PDF)

OZAUKEE COUNTY
OFFICE OF THE CORPORATION COUNSEL

Rhonda K. Gorden
Corporation Counsel

Rik Kluessendorf
Assistant Corporation Counsel

To: Jason Dzwinel

From: Rhonda Gorden
Corporation Counsel

Date: July 12, 2022

Re: Filling Vacancy in Elective Office of County Treasurer

You requested an opinion on filling the upcoming vacancy of the office of County Treasurer due to the incumbent filing his resignation.

Chapter 17 of the Wisconsin Statutes provides clear direction on filling a vacancy in the office of County Treasurer as follows:

> 17.21 Vacancies in elective county offices; how filled; term. Vacancies in elective county offices shall be filled in the manner and for terms as follows:
>
> (3) COUNTY CLERK, TREASURER, AND SURVEYOR. In the office of county clerk, treasurer, or surveyor, by appointment by the county board for the residue of the unexpired term unless a special election is ordered by the county board, in which case the person appointed shall serve until his or her successor is elected and qualified. The county board may, if a vacancy occurs before June 1 in the year preceding expiration of the term of office, order a special election to fill the vacancy. If the county board orders a special election during the period beginning on June 1 and ending on November 30 of any year, the special election shall be held concurrently with the succeeding spring election. If the county board orders a special election during the period beginning on December 1 and ending on May 31 of the succeeding year, the special election shall be held on the Tuesday after the first Monday in November following the date of the order. A person so elected shall serve for the residue of the unexpired term.
>
> (6) APPOINTMENTS, HOW REPORTED. . . . (1) Appointments of the county board under sub. (3) shall be reported by the county clerk to the secretary of state. . .

The above provision provides two options for filling this vacancy, 1) appointing a treasurer to fill the vacancy until the next election or 2) hold a special election depending on the timing of the vacancy. In this case, a special election is an option because the office is being vacated "before June 1 in the year preceding expiration of the term of office." The incumbent's term will not expire until January 2025.

1201 South Spring Street, Room 221, Port Washington, Wisconsin 53074-0994
Telephone: 262-284-8400 Milw. Metro: 262-238-8400 Fax: 262-284-8366 Milw. Metro: 262-238-8366

A provision in Chapter 59 also addresses vacancies in the office of County Treasurer as follows:

> 59.25 Treasurer. (2) DEPUTIES; OATH; SALARY; TEMPORARY VACANCY.
>
> (a) The treasurer shall appoint one deputy to aid the treasurer, under the treasurer's direction, in the discharge of the duties of the office of treasurer. . . Such deputy, in the absence of the treasurer from the treasurer's office or in case of a vacancy in said office or any disability of the treasurer to perform the duties of the office of treasurer, unless another is appointed therefor as provided in par. (b), shall perform all of the duties of the office of treasurer until such vacancy is filled or such disability is removed. . .
>
> (b) If any treasurer is incapable of discharging the duties of the office of treasurer, the board may, if it sees fit, appoint a person treasurer who shall serve until such disability is removed. A person so appointed or appointed to fill a vacancy in the office of treasurer, upon giving an official bond with like sureties as are required of such treasurer, shall perform all the duties of such office, and thereupon the powers and duties of any deputy performing the duties of the last treasurer shall cease.

As indicated, the Chapter 59 provision applies only to temporary vacancies. As this vacancy is permanent due to the incumbent treasurer resigning, it is Chapter 17 that applies to filling the vacancy; the Chapter 59 provision applies only to the time between the incumbent vacating the office and the time that the County Board either appoints a treasurer or elects a new treasurer who assumes office under Chapter 17.

Based on the above, the County Board has a decision to make as to how they wish to fill this vacancy, by appointment or special election. I recommend that a discussion/potential action item be placed on the next Executive Committee agenda and then County Board agenda for the Board to provide direction for filling this vacancy. If by appointment, a committee or staff could be directed to advertise the position, interview and vet candidates and present the results to the Executive Committee and Board at a subsequent meeting.

Executive Committee

AGENDA INFORMATION SHEET

AGENDA DATE: **August 29, 2022**
DEPARTMENT: **Administrator**
DIRECTOR: **Jason Dzwinel**
PREPARER: **Jason Dzwinel**

Agenda Summary Securitization of Opioid Settlement Payments

Committee discussion to determine if the securitization of opioid settlement payments should be pursued.

ATTACHMENTS:

- WCA Presentation_Opioid Settlement_PMA Securities_2022-05-31_rev 06-30_ (PDF)
- Ozaukee Securitizaiton Example (PDF)

PMA™ SECURITIES

Wisconsin Opioid Settlements

Introduction & Securitization of Payments Considerations for Wisconsin Participating Local Governments

PMA Securities, LLC
770 N Jefferson St., Suite 200
Milwaukee, WI 53202

May 31, 2022 (rev. June 30)

Today's Municipal Advisor Presenters

Michele Wiberg
Managing Director
mwiberg@pmanetwork.com
414-436-1834

Brian Della, CFA
Director
bdella@pmanetwork.com
414-436-3523

PMA Overview

PMA has over 140 employees located in nine states that provide **Financial Advisory Services** and **Investment Products and Services** for our governmental clients.

PMA COMPANIES	
PMA Securities, LLC	PMA Securities, LLC PMA Asset Management, LLC PMA Financial Network, LLC
FINANCIAL ADVISORY SERVICES	INVESTMENT PRODUCTS & SERVICES
• Long-Term Financial Planning • Debt Transaction Management • Continuing Disclosure Services • Economic Development (TID) • Enterprise Cash Flow Modeling • Referendum Assistance • Policy Development	• Pooled Investment Options (WISC) • Competitively Bid CDs / Securities • Bond Proceeds Management (BPM) • Arbitrage Rebate • Cash Flow Management • Separately Managed Accounts • OPEB Investment Management

National Prescription Opioid Litigation (NPOL)

On February 25, 2022, the Wisconsin Department of Justice announced final approval of an opioi agreement (Opioid Litigation Case No. MDL 2804) with:

- Johnson & Johnson (Janssen)
- The nation's three major pharmaceutical distributors (Cardinal, McKesson, and AmerisourceBergen)

The payments from Johnson & Johnson will begin in 2022 and continue over nine (9) years (2023-2031).

The payments from the Distributors will begin in 2022 and continue over 16 years (2023-2038).

Under 2021 Wisconsin Act 57, 30% of the payments are allocated to the State of Wisconsin and th balance of 70% is allocated to units of local government that joined this litigation (the "LGs").

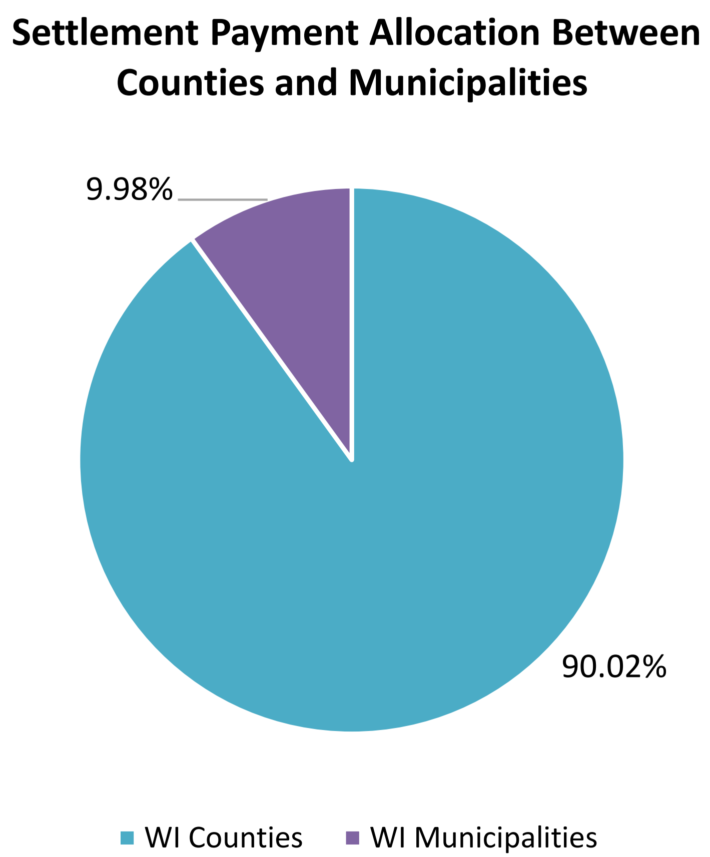
Additionally, Act 57 allows LGs to sell for cash or other consideration the right to receive any paymer under a settlement agreement (i.e., securitization).

Up to 20% of the settlement payments to the LGs are allocated for legal expenses.

WI Participating Local Governments

Counties

- 71 of Wisconsin's 72 counties elected to participate (Polk County did not join)



Towns, Villages, and Cities

- Milwaukee County
  - City of Milwaukee (7.8% of LG Total)
  - City of Cudahy
  - City of Franklin
  - City of Greenfield
  - City of Oak Creek
  - City of South Milwaukee
  - City of Wauwatosa
  - City of West Allis
- Racine County
  - Village Mount Pleasant
  - Village of Sturtevant
  - Village of Union Grove
  - Town of Yorkville
- Kenosha County
  - City of Kenosha
  - Village of Pleasant Prairie
- Douglas County – City of Superior
- Marinette County – City of Marinette

Allowable Use of Settlement Payments

Treatment

A. Treat Opioid Use Disorder (OUD)

B. Support people in treatment and recovery

C. Connections to care

D. Address the needs of criminal justice-involved persons

E. Address the needs of pregnant or parenting women and their families, including babies with neonatal abstinence syndrome

Prevention

F. Prevent over-prescribing and ensure appropriate prescribing and dispensing of opioids

G. Prevent misuse of opioids

H. Prevent overdose deaths and other harms (harm reduction)

Other Strategies

I. First Responders

J. Justice, planning and coordination

K. Training

L. Research

J&J Settlement Payments

J&J Settlement
Total WI State & LG Share
$ 74,982,858

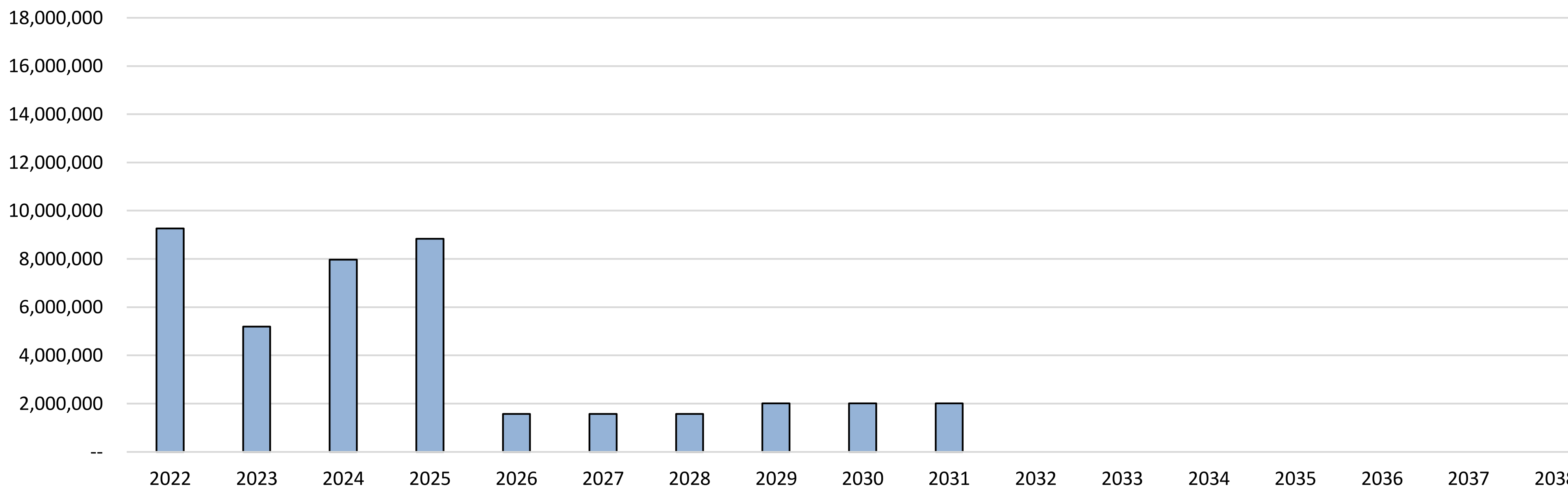
State Share (30%)
$ 22,494,857

LG Share (70%)
$ 52,488,001

LG Legal (20%)
$ 10,497,60

LG Remediation (80%)
$ 41,990,40

Scheduled Total J&J Abatement Payments to Wisconsin Local Governments



Distributor Settlement Payments

Distributor Settlement
Total WI State & LG Share
$ 326,227,069

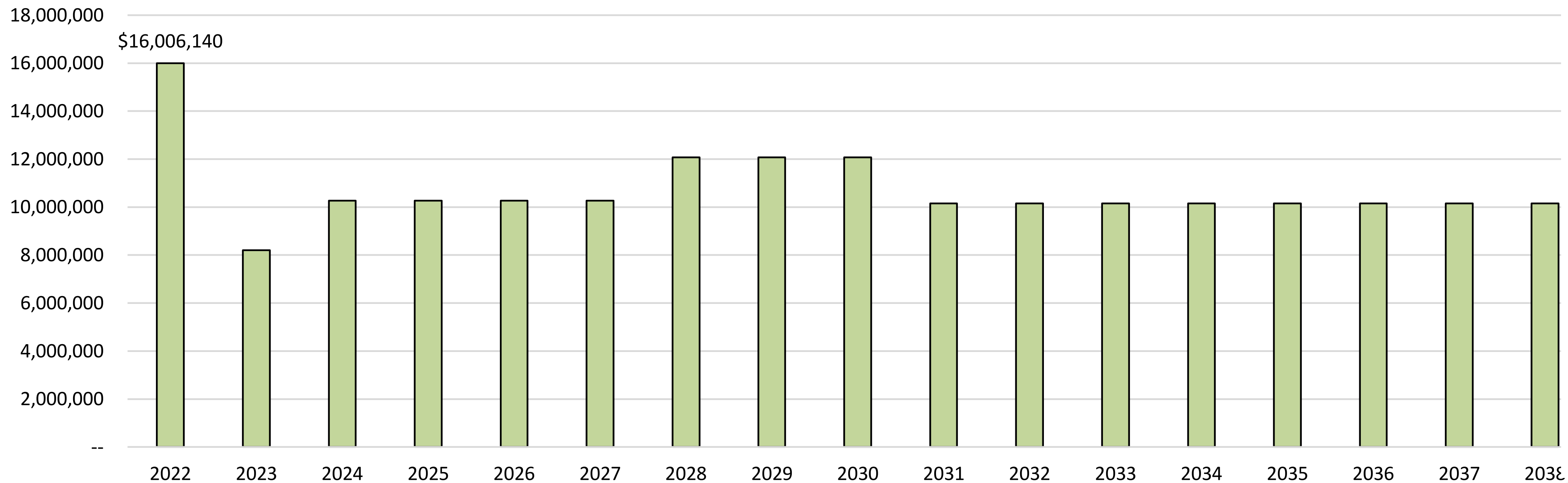
State Share (30%)
$ 97,868,121

LG Share (70%)
$ 228,358,949

LG Legal (20%)
$ 45,671,79

LG Remediation (80%)
$ 182,687,15

Scheduled Total Distributor Abatement Payments to Wisconsin Local Governments



Securitization of Distributor Payments

Both the J&J and Distributor payments can be securitized (Act 57).

Because the Distributor payments go out longer (2038), are a larger dollar amount, and the credit qualit of the Distributors are lower than that of J&J (Aaa), we are focusing on the securitization of th Distributor payments.

Local Government Perspective

- LGs sell their claim for future (2023-2038) Distributor settlement payments to investors
- In return the LGs receive (i) cash up front and (ii) smaller residual payments through 2038
- Transfer majority of risk that Distributors do not make future settlement payments as agreed upon

Investor Perspective

- Investors buy bonds backed by the promise of the Distributors to make their respective schedule settlement payments
- The interest rate on the bonds would likely be based on the credit quality of the Distributors
  - All three Distributors are currently rated "Baa2" by Moody's (Investment Grade)

Participants in the Debt Issuance Process

PUBLIC FINANCE AUTHORITY

Public Finance Authority (PFA)

- Issuer of the Bonds.
- A "conduit" or pass though Issuer.
- Only required to make debt service payments if Settlement payments are made by the Distributors.

Local Governments Participating in the Securitization

- LGs that want to receive an up-front payment by investors in the bonds issued by the PFA in retur for selling certain Settlement payment rights.
- Intergovernmental Agreement among Issuer (PFA) and participating Local Governments.

PMA Securities, LLC

- Municipal Advisor to the Local Governments participating in the securitization.
- Has a fiduciary duty to its municipal advisor clients (Duty of Care and Duty of Loyalty).

Citigroup Global Markets

- Municipal Underwriter that buys the bonds from the PFA and sells them to investors.

Example Securitization of Distributor Payments

The adjacent table provides the "rough math" behind a securitization of scheduled Distributor payments to LGs for remediation purposes.

1. Start with total Distributor payments to LGs ('23-'38)
2. Select desired Debt Service Coverage (1.20x)
3. Calculate maximum allowable Debt Service
4. Determine interest rate (US Treasury rate plus a "spread")
5. Calculate how much principal could be issued
6. Scheduled "residual" of 1/6 of Distributor payments to LG

		Distributor		Example Debt Service			Residual	No… al
		LG Payments	Desired		5.50% AIC	Debt	Pass Through	D… s
PMT	Year	(Excl. 2022)	Coverage	Principal	Interest	Service	To Local Gov.	T… %
					5/6 of Total		1/6 of Total	
3	2023	8,201,888	1.20x	1,926,455	4,908,452	6,834,907.0	1,366,981	
4	2024	10,265,825	1.20x	3,730,396	4,824,458	8,554,854.0	1,710,971	
5	2025	10,265,825	1.20x	3,914,304	4,640,550	8,554,854.0	1,710,971	
6	2026	10,265,825	1.20x	4,115,108	4,439,746	8,554,854.0	1,710,971	
7	2027	10,265,825	1.20x	4,329,505	4,225,349	8,554,854.0	1,710,971	
8	2028	12,073,847	1.20x	6,065,221	3,996,318	10,061,539.0	2,012,308	
9	2029	12,073,847	1.20x	6,390,014	3,671,525	10,061,539.0	2,012,308	
10	2030	12,073,847	1.20x	6,736,352	3,325,187	10,061,539.0	2,012,308	
11	2031	10,149,287	1.20x	5,496,989	2,960,750	8,457,739.0	1,691,548	
12	2032	10,149,287	1.20x	5,793,826	2,663,913	8,457,739.0	1,691,548	
13	2033	10,149,287	1.20x	6,106,114	2,351,625	8,457,739.0	1,691,548	
14	2034	10,149,287	1.20x	6,440,729	2,017,010	8,457,739.0	1,691,548	
15	2035	10,149,287	1.20x	6,796,257	1,661,482	8,457,739.0	1,691,548	
16	2036	10,149,287	1.20x	7,174,129	1,283,610	8,457,739.0	1,691,548	
17	2037	10,149,287	1.20x	7,575,880	881,859	8,457,739.0	1,691,548	
18	2038	10,149,287	1.20x	8,003,160	454,579	8,457,739.0	1,691,548	
Total	2023-38	166,681,019		90,594,438			27,780,167	
			5.50% AIC	54.4%			16.7%	…%
				Up Front			Residual	T…
			Alt. Rate		vs. 5.50%			
		Sensitivity	5.00% AIC	56.3%	2.0%		16.7%	…%
		Analysis	6.00% AIC	52.5%	-1.9%		16.7%	…%
			6.50% AIC	50.7%	-3.7%		16.7%	…%

No. 1: Scheduled Cash Flows (No Securitization)

Below provides the total scheduled Settlement payments to Wisconsin Local Governments for remedia purposes. Discounting the 2023-2038 Distributor Payments at the risk-free rate (US Treasuries) provide a present value of approximately $131.6 million.

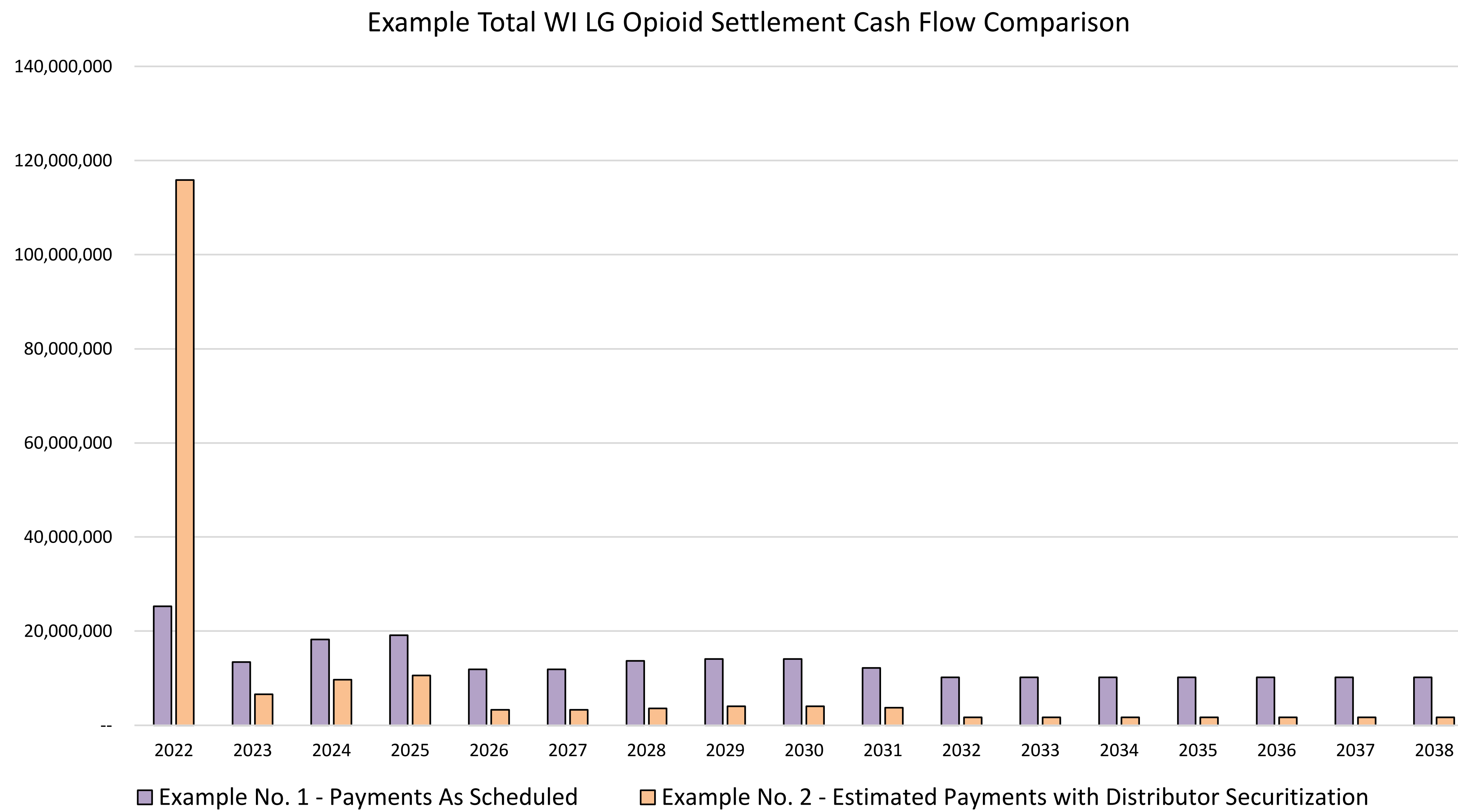
		Example No. 1 - Estimated Payments As Scheduled			
		100.000%	100.000%		
PMT	Year	Janssen Scheduled LG Payment	Distributor Scheduled LG Payment	Total Scheduled LG Payment	Present Value Scheduled PMTs Using USTs
1	2022	2,778,364	7,804,252	10,582,615	10,582,615
2	2022	6,481,979	8,201,888	14,683,867	14,683,867
3	2023	5,188,031	8,201,888	13,389,919	13,113,230
4	2024	7,966,022	10,265,825	18,231,847	17,309,400
5	2025	8,829,488	10,265,825	19,095,313	17,587,372
6	2026	1,575,845	10,265,825	11,841,670	10,599,162
7	2027	1,575,845	10,265,825	11,841,670	10,294,437
8	2028	1,575,845	12,073,847	13,649,692	11,528,436
9	2029	2,006,327	12,073,847	14,080,173	11,550,129
10	2030	2,006,327	12,073,847	14,080,173	11,236,624
11	2031	2,006,327	10,149,287	12,155,613	9,439,266
12	2032	--	10,149,287	10,149,287	7,670,344
13	2033	--	10,149,287	10,149,287	7,426,685
14	2034	--	10,149,287	10,149,287	7,185,189
15	2035	--	10,149,287	10,149,287	6,946,157
16	2036	--	10,149,287	10,149,287	6,709,874
17	2037	--	10,149,287	10,149,287	6,476,610
18	2038	--	10,149,287	10,149,287	6,246,618
	Total	41,990,401	182,687,159	224,677,559	
	P.V. Total	38,952,706	147,633,308	186,586,014	186,586,014
	P.V. 2023-2038		131,627,169		

No. 2: Estimated Cash Flows with Securitization

Below provides the total scheduled Settlement payments to Wisconsin Local Governments with a estimate of the impact of securitizing a portion of the Distributor payments. Discounting the securitize cash flows at the risk-free rate (US Treasuries) provides a present value of approximately $112.5 million.

		Example No. 2 - Estimated Payments with Distributor Securitization					
		100.000%	100.000%	100.000%	100.000%		
		Janssen	Distributor LG Payments			Total	Present Value
		Scheduled	Scheduled	Securitization		Estimated	Estimated PMTs
PMT	Year	LG Payment	2022 PMTs	Proceeds (Est.)	Residual (Est.)	LG Payment	Using USTs
1	2022	2,778,364	7,804,252	--	--	10,582,615	10,582,615
2	2022	6,481,979	8,201,888	90,594,438	--	105,278,304	105,278,304
3	2023	5,188,031	--	--	1,366,981	6,555,012	6,419,560
4	2024	7,966,022	--	--	1,710,971	9,676,993	9,187,382
5	2025	8,829,488	--	--	1,710,971	10,540,459	9,708,087
6	2026	1,575,845	--	--	1,710,971	3,286,816	2,941,941
7	2027	1,575,845	--	--	1,710,971	3,286,816	2,857,361
8	2028	1,575,845	--	--	2,012,308	3,588,153	3,030,529
9	2029	2,006,327	--	--	2,012,308	4,018,634	3,296,532
10	2030	2,006,327	--	--	2,012,308	4,018,634	3,207,054
11	2031	2,006,327	--	--	1,691,548	3,697,874	2,871,531
12	2032	--	--	--	1,691,548	1,691,548	1,278,391
13	2033	--	--	--	1,691,548	1,691,548	1,237,781
14	2034	--	--	--	1,691,548	1,691,548	1,197,531
15	2035	--	--	--	1,691,548	1,691,548	1,157,693
16	2036	--	--	--	1,691,548	1,691,548	1,118,312
17	2037	--	--	--	1,691,548	1,691,548	1,079,435
18	2038	--	--	--	1,691,548	1,691,548	1,041,103
	Total	41,990,401	16,006,140	90,594,438	27,780,167	176,371,145	
	P.V. Total	38,952,706	16,006,140	90,594,438	21,937,859	167,491,142	167,491,142
			P.V. Securitization	112,532,297			
						P.V. Securitization / P.V. Payments 2023-2038	85.5%

Graphical Comparison



No. 3: Securitization and Reinvestment of Proceeds

PMT	Year	Beginning Balance	Interest Earned	Draw	Ending Balance	Scheduled Residual (Est.)	Example Draw Plus Residual (Est.)	Present Valu Draw + Residu Using USTs
		Securitization (Invest to Match Scheduled Distributor Payments To Extent Possible)						
		Securitization Proceeds Cash Flow						
1	2022							
2	2022	--	--	--	90,594,438	--		
3	2023	90,594,438	2,600,060	6,834,907	86,359,591	1,366,981	8,201,888	8,032,
4	2024	86,359,591	2,478,520	8,554,854	80,283,257	1,710,971	10,265,825	9,746,
5	2025	80,283,257	2,304,129	8,554,854	74,032,533	1,710,971	10,265,825	9,455,
6	2026	74,032,533	2,124,734	8,554,854	67,602,412	1,710,971	10,265,825	9,188,
7	2027	67,602,412	1,940,189	8,554,854	60,987,748	1,710,971	10,265,825	8,924,
8	2028	60,987,748	1,750,348	10,061,539	52,676,557	2,012,308	12,073,847	10,197,
9	2029	52,676,557	1,511,817	10,061,539	44,126,835	2,012,308	12,073,847	9,904,
10	2030	44,126,835	441,268	10,061,539	34,506,564	2,012,308	12,073,847	9,635,
11	2031	34,506,564	345,066	8,457,739	26,393,891	1,691,548	10,149,287	7,881,
12	2032	26,393,891	263,939	8,457,739	18,200,091	1,691,548	10,149,287	7,670,
13	2033	18,200,091	182,001	8,457,739	9,924,353	1,691,548	10,149,287	7,426,
14	2034	9,924,353	99,244	8,457,739	1,565,857	1,691,548	10,149,287	7,185,
15	2035	1,565,857	15,659	1,581,516	--	1,691,548	3,273,064	2,240,
16	2036	--	--	--	--	1,691,548	1,691,548	1,118,
17	2037	--	--	--	--	1,691,548	1,691,548	1,079,
18	2038	--	--	--		1,691,548	1,691,548	1,041,
	Total		16,056,974	106,651,412		27,780,167	134,431,579	110,726,

Nominal Securitization with Reinvestment / Nominal Payments 2023-2038	80.7%	=	134,431, / 166,681,
P.V. Securitization with Reinvestment / P.V. Payments 2023-2038	84.1%	=	110,726, / 131,627,

Notes

Present Value calculations are based on individual U.S Treasury Rates over each of the 16 years (years 2023-2038)

Settlement payments or the securitized proceeds thereof are considered moneys of the local government under S. 66.0603 (1m) (i.e., 7-year maximum maturity)

Investment returns in the above example are based on (i) 7-year US Treasury over first seven years and (ii) 1.00% thereafter.

In the above example the LG receives the same annual payment for first 12 years, and receives approximately 20% of scheduled payments years 13-16.

Securitization Summary

DO NOT Securitize a Portion of Distributor Payments

- LG receives a pro rata share of the actual Distributor settlement payments over years 2023-2038
- Local Government can't accelerate the spending of these funds on opioid remediation efforts
- Local Government assumes Distributor credit risk

Securitize a Portion of Distributor Payments

- Each securitization scenario herein involves selling 5/6th of Distributor payments and retaining 1/6th
- Local Government (i) can accelerate spending and (ii) transfers majority of credit risk to investors
- The cost to the LG for these benefits can be measured on a nominal and present value basis

Securitize (Y/N)	Up Front Payments	Interest Earned Years 2023-2038	Payments in Years 2023-2038	Total Payments (Nominal Dollars)	Total Payments (P.V. Dollars)
No	--	not applicable	166,681,019	166,681,019	131,627,169
Yes	90,594,438	not considered	27,780,167	118,374,605	112,532,297
(no reinvestment)	54.4%		16.7%	71.0%	85.5%
Yes	90,594,438	16,056,974	27,780,167	134,431,579	110,726,839
(reinvestment)	54.4%	9.6%	16.7%	80.7%	84.1%

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Net Distributor Payments to WI LGs (2023-2038)
Ex. No. 1 - As Scheduled (No Securitization)
Ex. No. 2 - Distributor Payments Partially Securitized (No Reinvestment)
Ex. No. 3 - Distributor Payments Partially Securitized (Reinvested)

Ozaukee County

1.036% Share of Total

	Year	Example No. 1 Do Not Securitize Est. Payments	Example No. 2 Securitize - DO NOT Reinvest Est. Cash Flow	Example No. 3 Securitize - Reinvest Est. Cash Flow
	2022	--	938,558	--
1	2023	84,972	14,162	84,972
2	2024	106,354	17,726	106,354
3	2025	106,354	17,726	106,354
4	2026	106,354	17,726	106,354
5	2027	106,354	17,726	106,354
6	2028	125,085	20,848	125,085
7	2029	125,085	20,848	125,085
8	2030	125,085	20,848	125,085
9	2031	105,147	17,524	105,147
10	2032	105,147	17,524	105,147
11	2033	105,147	17,524	105,147
12	2034	105,147	17,524	105,147
13	2035	105,147	17,524	33,909
14	2036	105,147	17,524	17,524
15	2037	105,147	17,524	17,524
16	2038	105,147	17,524	17,524
	"Nominal" Total:	1,726,815	1,226,361	1,392,711
	"Nominal" Capture:		71.0%	80.7%
	"Present Value" Total:	1,363,657	1,165,835	1,147,130
	"Present Value" Capture:		85.5%	84.1%
	LG Distributor Payment Risk:	100%	17%	17%

Notes:
Present Value calculations are based on individual U.S Treasury rates over each of the 16 years. (years 2023-2038)
Settlement payments or the securitized proceeds thereof are considered moneys of the local government under S. 66.0603 (1m). (i.e., 7-year maximum maturity)
Investment returns in Example No. 3 are based on (i) 7-year US Treasury over first seven years and (ii) 1.00% thereafter.
In Example No. 3 the County receives the same annual payment for the first 12 years, and receives approximately 20% of scheduled payments in years 13-16.
The 84.1% P.V. Capture in Ex. No. 3 is lower than the 85.5% capture in Ex. No. 2 because investment rate beginning in year 8 (2030) is 1.00%. (lower than current U.S. Treasuries)

Attachment: Ozaukee Securitizaiton Example (Securitization of Opioid Settlement Payments)