June 4, 2020

Sale Day Report for

City of Stoughton, Wisconsin
$2,415,000 General Obligation Promissory Notes, Series 2020A

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Sale Day Report – June 4, 2020

City of Stoughton, Wisconsin
$2,415,000 General Obligation Promissory Notes, Series 2020A

Purpose: To finance the 2020 Capital Improvement Plan projects.

Rating: **Rating: Moody's Investor's Service "Aa2"**

Number of Bids: 4

Low Bidder: Baird, Milwaukee, Wisconsin

Comparison from Lowest to Highest Bid: (TIC as bid)	Low Bid	High Bid	Interest Difference
	1.1550%	1.2425%	$12,057

Summary of Sale Results:	
Principal Amount*:	$2,415,000.00
Underwriter's Discount:	$20,567
Reoffering Premium:	$161,644
True Interest Cost:	1.1550%
Costs of Issuance:	$47,200
Yields:	0.30% - 1.20%
Total P&I	$2,727,837

Notes: Associated Trust Company, N.A., Green Bay, Wisconsin will serve as Paying Agent on the Notes.

The Notes maturing April 1, 2028 and thereafter are callable April 1, 2027 or any date thereafter.

* Subsequent to bid opening, the issue size was decreased to $2,415,000.00.

Closing Date: June 18, 2020

Designated Official Action: Award the sale of $2,415,000 General Obligation Promissory Notes, Series 2020A.

Attachments:

- Bid Tabulation
- Sources and Uses of Funds
- Updated Debt Service Schedules/Tax Levy Impact
- Updated Issue Allocation
- Debt Limit Calculation
- Rating Report
- BBI Graph

BID TABULATION

$2,440,000* General Obligation Promissory Notes, Series 2020A

City of Stoughton, Wisconsin

SALE: June 4, 2020

AWARD: BAIRD

Rating: Moody's Investor's Service "Aa2"

Tax Exempt - Bank Qualified

NAME OF BIDDER	MATURITY (April 1)	RATE	REOFFERING YIELD	PRICE	NET INTEREST COST	TRUE INTEREST RATE
BAIRD				$2,585,745.80	$176,434.20	1.1550%
Milwaukee, Wisconsin	2021	3.000%	0.300%			
C.L. King & Associates	2022	3.000%	0.350%			
Vining-SparksIBG,Limited Partnership	2023	3.000%	0.450%			
Dougherty & Company, LLC	2024	3.000%	0.550%			
Loop Capital Markets	2025	3.000%	0.650%			
Fidelity Capital Markets	2026	2.000%	0.800%			
Davenport & Co. L.L.C.	2027	2.000%	0.900%			
Country Club Bank	2028	2.000%	1.000%			
Duncan-Williams, Inc.	2029	2.000%	1.100%			
SumRidge Partners	2030	2.000%	1.200%			
Sierra Pacific Securities						
Isaak Bond Investments, Inc						
Midland Securities						
Wintrust Investments, LLC						
FMS Bonds Inc.						
Central States Capital Markets						
Multi-Bank Securities Inc.						
First Southern LLC						
Dinosaur Securities						
First Bankers' Banc Securities, Inc.						
Mountainside Securities LLC						
NORTHLAND SECURITIES, INC.				$2,568,489.75	$184,118.03	1.2097%
Minneapolis, Minnesota						
BANKERS' BANK				$2,547,806.35	$187,255.87	1.2339%
Madison, Wisconsin						

* Subsequent to bid opening the issue size was decreased to $2,415,000.

Adjusted Price - $2,556,077.60 Adjusted Net Interest Cost - $171,759.35 Adjusted TIC - 1.1552%

NAME OF BIDDER	MATURITY (April 1)	RATE	REOFFERING YIELD	PRICE	NET INTEREST COST	TRUE INTEREST RATE
BOK FINANCIAL SECURITIES, INC. Milwaukee, Wisconsin				$2,546,571.35	$188,490.87	1.2425%

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Capital Financing Plan Sizing

	ESTIMATED GO Notes 2020	FINAL SALE GO Notes 2020
Projects		
Levy Funded	1,968,974	1,968,974
Stormwater Utility Funded	400,000	400,000
Project Needs	2,368,974	2,368,974
Reoffering Premium (built into rates)	0	(161,644)
Bid Premium Deposit to Debt Service	0	141,078
Issuance Expenses		
Municipal Advisor	21,900	21,900
Bond Counsel	13,000	11,500
Rating fee	13,000	13,000
Paying Agent	850	800
Underwriter Fees	24,400	20,567
Total Funds Needed	2,442,124	2,416,174
Less Interest Earnings 1% (3 months)	(5,922)	(5,922)
Rounding	3,798	4,748
Size of Issue	2,440,000	2,415,000

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Projected Impact of Proposed Projects

Existing Debt Payments

1	2	3	4	6	7	8
YEAR	Equalized Value Projection	Change in Value	Total Payment (P&I)	Total Less Non Levy Revenues	Net Debt Service Levy	Debt Service Tax Rate
2019	1,110,930,600	8.93%	4,669,817	(1,562,666)	3,107,152	2.80
2020	1,176,283,200	5.88%	5,240,432	(1,895,819)	3,344,613	2.84
2021	1,211,571,696	3.00%	4,231,544	(1,026,261)	3,205,283	2.65
2022	1,247,918,847	3.00%	4,573,938	(1,462,140)	3,111,798	2.49
2023	1,285,356,412	3.00%	4,244,763	(1,366,747)	2,878,015	2.24
2024	1,323,917,105	3.00%	4,264,947	(1,368,438)	2,896,509	2.19
2025	1,363,634,618	3.00%	4,212,084	(1,347,915)	2,864,170	2.10
2026	1,404,543,656	3.00%	3,893,425	(1,214,680)	2,678,746	1.91
2027	1,446,679,966	3.00%	3,273,621	(1,176,601)	2,097,020	1.45
2028	1,490,080,365	3.00%	2,044,123	(997,474)	1,046,649	0.70
2029	1,534,782,776	3.00%	1,928,179	(855,819)	1,072,360	0.70
2030	1,580,826,259	3.00%	993,154	(397,279)	595,875	0.38
2031	1,628,251,047	3.00%	991,879	(396,979)	594,900	0.37
2032	1,677,098,578	3.00%	998,479	(397,829)	600,650	0.36
2033	1,727,411,536	3.00%	998,741	(398,179)	600,563	0.35
2034	1,779,233,882	3.00%	1,002,116	(397,816)	604,300	0.34
2035	1,832,610,898	3.00%	669,529	(62,454)	607,075	0.33
2036	1,887,589,225	3.00%	671,654	(62,454)	609,200	0.32
2037	1,944,216,902	3.00%	610,675		610,675	0.31
2038	2,002,543,409	3.00%	611,125		611,125	0.31
TOTALS			53,905,392	(17,571,382)	36,334,010	

Projected Debt Service

9	10	12	13	14	15	16	67	73	74	75	76	77	78	80
		General Obligation Notes, 2020 $2,415,000 Dated 6-18-20					Less Abatements: Stormwater Revenues	Total Projected Debt Service Less Abatements	Net Debt Service Levy	Levy Change	Debt Service Tax Rate	Impact on a $ 100,000 of Value: Taxes	Impact on a $ 100,000 of Value: Change	
	YEAR	Prin (4/1)	Rate	Interest	Premium	Total								YEAR
	2019								3,107,152	509,818	2.80	279.69	25.02	2019
	2020								3,344,613	237,461	2.84	284.34	4.65	2020
	2021	150,000	3.00%	71,187	(71,187)	150,000	(10,000)	140,000	3,345,283	670	2.76	276.11	(8.23)	2021
	2022	125,000	3.00%	50,725	(50,725)	125,000	(10,000)	115,000	3,226,798	(118,485)	2.59	258.57	(17.54)	2022
	2023	250,000	3.00%	45,100	(19,166)	275,934	(30,338)	245,597	3,123,612	(103,186)	2.43	243.02	(15.56)	2023
	2024	180,000	3.00%	38,650		218,650	(32,425)	186,225	3,082,734	(40,878)	2.33	232.85	(10.17)	2024
	2025	175,000	3.00%	33,325		208,325	(31,675)	176,650	3,040,820	(41,914)	2.23	222.99	(9.86)	2025
	2026	210,000	2.00%	28,600		238,600	(40,950)	197,650	2,876,396	(164,424)	2.05	204.79	(18.20)	2026
	2027	400,000	2.00%	22,500		422,500	(40,250)	382,250	2,479,270	(397,126)	1.71	171.38	(33.42)	2027
	2028	475,000	2.00%	13,750		488,750	(79,150)	409,600	1,456,249	(1,023,021)	0.98	97.73	(73.65)	2028
	2029	225,000	2.00%	6,750		231,750	(77,650)	154,100	1,226,460	(229,789)	0.80	79.91	(17.82)	2029
	2030	225,000	2.00%	2,250		227,250	(95,950)	131,300	727,175	(499,285)	0.46	46.00	(33.91)	2030
	2031								594,900	(132,275)	0.37	36.54	(9.46)	2031
	2032								600,650	5,750	0.36	35.81	(0.72)	2032
	2033								600,563	(88)	0.35	34.77	(1.05)	2033
	2034								604,300	3,738	0.34	33.96	(0.80)	2034
	2035								607,075	2,775	0.33	33.13	(0.84)	2035
	2036								609,200	2,125	0.32	32.27	(0.85)	2036
	2037								610,675	1,475	0.31	31.41	(0.86)	2037
	2038								611,125	450	0.31	30.52	(0.89)	2038
	TOTALS	2,415,000		312,837	(141,078)	2,586,759	(448,388)	2,138,372	38,472,382					TOTALS

NOTES

Pre Sale	2,440,000	307,738	0	2,747,738
Difference	(25,000)	5,098	(141,078)	(160,979)

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Allocation of General Obligation Notes, 2020

	Levy					Storm Sewer Utility					TOTAL			
Year	Principal	Rate	Interest	Premium	Total	Principal	Rate	Interest	Premium	Total	Principal	Interest	Premium	Total
2020														
2021	140,000	3.00%	59,569	(59,569)	140,000	10,000	3.00%	11,618	(11,618)	10,000	150,000	71,187	(71,187)	150,000
2022	115,000	3.00%	42,025	(42,025)	115,000	10,000	3.00%	8,700	(8,700)	10,000	125,000	50,725	(50,725)	125,000
2023	225,000	3.00%	36,925	(16,328)	245,597	25,000	3.00%	8,175	(2,837)	30,338	250,000	45,100	(19,166)	275,934
2024	155,000	3.00%	31,225		186,225	25,000	3.00%	7,425		32,425	180,000	38,650	-	218,650
2025	150,000	3.00%	26,650		176,650	25,000	3.00%	6,675		31,675	175,000	33,325	-	208,325
2026	175,000	2.00%	22,650		197,650	35,000	2.00%	5,950		40,950	210,000	28,600	-	238,600
2027	365,000	2.00%	17,250		382,250	35,000	2.00%	5,250		40,250	400,000	22,500	-	422,500
2028	400,000	2.00%	9,600		409,600	75,000	2.00%	4,150		79,150	475,000	13,750	-	488,750
2029	150,000	2.00%	4,100		154,100	75,000	2.00%	2,650		77,650	225,000	6,750	-	231,750
2030	130,000	2.00%	1,300		131,300	95,000	2.00%	950		95,950	225,000	2,250	-	227,250
	$ 2,005,000		$ 251,294	$ (117,922)	$ 2,138,372	$ 410,000		$ 61,543	$ (23,155)	$ 448,388	$ 2,415,000	$ 312,837	$ (141,078)	$ 2,586,759

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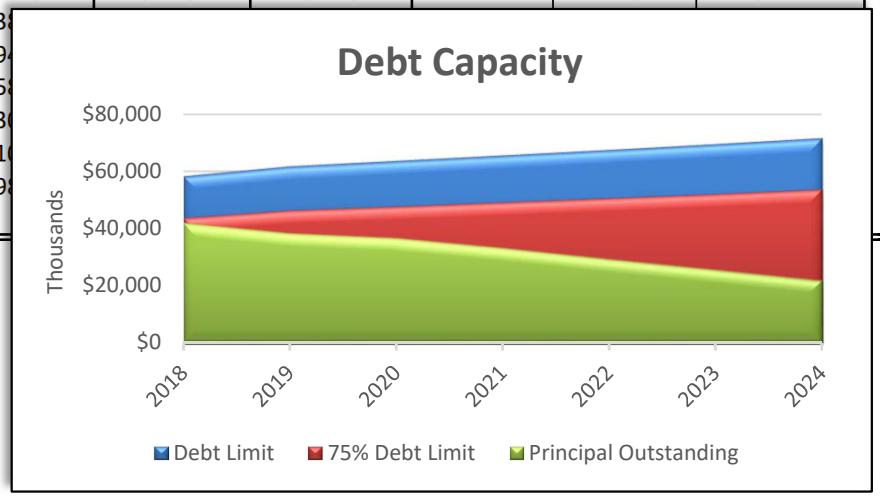
Debt Limit Calculation

Year	Projected Equalized Value (TID IN)	Change in EV	Existing General Obligation Debt							Residual Capacity	Year
			Debt Limit	75% Debt Limit	Principal Outstanding	% of Limit	2020 Notes	Principal Outstanding	% of Limit		
2018	1,163,261,500	9.17%	58,163,075	43,622,306	42,022,834	72.25%		42,022,834	72.25%	16,140,241	2018
2019	1,233,724,300	6.06%	61,686,215	46,264,661	38,409,944	62.27%		38,409,944	62.27%	23,276,271	2019
2020	1,270,736,029	3.00%	63,536,801	47,652,601	34,265,214	53.93%	2,415,000	36,680,214	57.73%	26,856,587	2020
2021	1,308,858,110	3.00%	65,442,905	49,082,179	30,944,192	47.28%	2,265,000	33,209,192	50.75%	32,233,713	2021
2022	1,348,123,853	3.00%	67,406,193	50,554,644	27,201,910	40.36%	2,140,000	29,341,910	43.53%	38,064,283	2022
2023	1,388,567,569	3.00%	69,428,378	52,071,284	23,698,323	34.13%	1,890,000	25,588,323	36.86%	43,840,055	2023
2024	1,430,224,596	3.00%	71,511,230	53,633,422	20,078,448	28.08%	1,710,000	21,788,448	30.47%	49,722,782	2024
2025	1,473,131,334	3.00%	73,656,567	55,242,425	16,412,114	22.28%	1,535,000	17,947,114	24.37%	55,709,453	2025
2026	1,517,325,274	3.00%	75,866,264	56,899,698	12,969,335	17.09%	1,325,000	14,294,335	18.84%	61,571,929	2026
2027	1,562,845,032	3.00%	78,142,252	58,606,689	10,060,058	12.87%	925,000	10,985,058	14.06%	67,157,194	2027
2028	1,609,730,383	3.00%	80,486,519	60,364,889	8,314,276	10.33%	450,000	8,764,276	10.89%	71,722,243	2028
2029	1,658,022,294	3.00%	82,901,115	62,175,836	6,631,847	8.00%	225,000	6,856,847	8.27%	76,044,268	2029
2030	1,707,762,963	3.00%	85,3						6.84%	79,545,390	2030
2031	1,758,995,852	3.00%	87,9						5.72%	82,922,842	2031
2032	1,811,765,728	3.00%	90,5						4.61%	86,408,893	2032
2033	1,866,118,699	3.00%	93,3						3.54%	90,000,967	2033
2034	1,922,102,260	3.00%	96,1						2.50%	93,706,475	2034
2035	1,979,765,328	3.00%	98,9						1.82%	97,187,930	2035

NOTES:



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CREDIT OPINION
1 June 2020

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CLIENT SERVICES

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EMEA	44-20-7772-5454

Stoughton (City of), WI

Update to credit analysis

Summary

The City of Stoughton, WI's (Aa2) credit profile benefits from a moderately sized and growing tax base near Madison (Aaa stable) and stable financial performance. The profile is additionally supported by the city's average resident income levels, maintenance of strong reserves, modest pension liability and conservative financial management. The favorable characteristics are weighed against the city's above average debt burden and elevated fixed costs.

We regard the coronavirus outbreak as a social risk under our ESG framework, given the substantial implications for public health and safety. We do not see any material immediate credit risks for the City of Stoughton. However, the situation surrounding Coronavirus is rapidly evolving and the longer term impact will depend on both the severity and duration of the crisis. If our view of the credit quality of the city changes, we will update our opinion at that time.

Credit strengths

» Positive demographic trends benefitting from access to Madison metro

» Strong operating reserves and liquidity

Credit challenges

» Above average debt burden that will remain high due to regular planned issuing

» Elevated fixed costs

Rating outlook

Outlooks are generally not assigned to local governments with this amount of debt.

Factors that could lead to an upgrade

» Continued tax base growth coupled with strengthened resident income levels

» Debt burden moderation and lower fixed costs

Factors that could lead to a downgrade

» Material decline in operating reserves or liquidity

» Growth in the city's debt or pension burdens

Key indicators

Exhibit 1

Stoughton (City of) WI	2015	2016	2017	2018	2019
Economy/Tax Base					
Total Full Value ($000)	$954,262	$1,000,797	$1,065,541	$1,163,262	$1,233,724
Population	12,976	13,041	13,058	13,080	13,080
Full Value Per Capita	$73,541	$76,742	$81,601	$88,934	$94,321
Median Family Income (% of US Median)	113.3%	112.6%	113.0%	107.8%	107.8%
Finances					
Operating Revenue ($000)	$11,737	$12,049	$12,706	$13,314	$14,465
Fund Balance ($000)	$4,439	$4,520	$5,343	$5,378	$6,242
Cash Balance ($000)	$3,494	$6,899	$4,566	$5,106	$5,740
Fund Balance as a % of Revenues	37.8%	37.5%	42.1%	40.4%	43.2%
Cash Balance as a % of Revenues	29.8%	57.3%	35.9%	38.4%	39.7%
Debt/Pensions					
Net Direct Debt ($000)	$21,946	$25,966	$27,158	$32,748	$36,383
3-Year Average of Moody's ANPL ($000)	$9,038	$13,153	$15,539	$17,880	$19,191
Net Direct Debt / Full Value (%)	2.3%	2.6%	2.5%	2.8%	2.9%
Net Direct Debt / Operating Revenues (x)	1.9x	2.2x	2.1x	2.5x	2.5x
Moody's - adjusted Net Pension Liability (3-yr average) to Full Value (%)	0.9%	1.3%	1.5%	1.5%	1.6%
Moody's - adjusted Net Pension Liability (3-yr average) to Revenues (x)	0.8x	1.1x	1.2x	1.3x	1.3x

Source: Audited financial statements, US Census Bureau, Moody's Investors Service

Profile

The City of Stoughton is in southeastern Wisconsin (Aa1 stable), approximately 15 miles southeast of the City of Madison (Aaa stable). The city provides public safety (police and fire), water, sewer, storm sewer and electric service to approximately 13,000 residents.

Detailed credit considerations

Economy and tax base: growing tax base benefitting from location near Madison

The district's moderate tax base will continue to benefit from its proximity to Madison (Aaa stable), strong tax base growth and average resident wealth and income levels. The district's $1.2 billion property tax base has grown at an average annual rate of 6.3% over the past five years and is now well above its prior peak of $983 million in 2010. Officials expect similar growth over the near-term given continued development including the construction of 200 new homes and commercial development within the city's business park.

The district is mostly residential (74% of assessed valuation), but also has a commercial and manufacturing presence (24%). The top 10 taxpayers represent only 6% of assessed valuation. The district's estimated population of about 13,000 has exhibited steady growth over the past few decades, including a 3.7% increase from 2010 to 2018. Resident income levels are in line with those of the nation, with median family income 108% of the US.

The coronavirus is driving an unprecedented economic slowdown. We currently forecast US GDP to decline significantly during 2020 with a gradual recovery commencing toward the end of the year. Local governments with the highest exposure to tourism, hospitality, healthcare, retail and oil and gas could suffer particularly severe impacts.

Financial operations and reserves: stable financial position with solid reserves and liquidity

The city's stable financial operations and conservative budgeting are a credit strength and will support the maintenance of healthy operating reserves. In fiscal 2020, management expects balanced to slight surplus results. Officials report that cost savings related to

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coronavirus closures and capital expenditure reductions outweigh a reduction in revenue from fees and charges for services such as park and recreation fees and court fees. The city's revenue mix provides relative stability, given it is primarily funded by property taxes at 63% of total operating revenue, followed by fees and charges for services at 11%.

Over the last five years, the city has consistently run a surplus and increased available general fund balance to $5.4 million in 2019 from $4.3 million in 2015. The city closed fiscal 2019 with an available operating fund (general and debt service funds) balance of $6.2 million, equivalent to 43% of revenue.

The general fund also receives annual PILOT payments from the city's utility systems, the amounts of which are based on the net assets of the utilities. In fiscal 2019, the city's water and electric utility systems transferred $912,000 to the general fund, which accounted for 6.2% of general fund revenue. The city's waterworks (A1) and electric (A2) systems are expected to remain self supporting while providing annual transfers to the general fund.

LIQUIDITY

Available operating fund cash was $5.7 million at the close of fiscal 2019, equivalent to a strong 40% of revenue. In addition to strong governmental liquidity, the city maintains healthy liquidity across business enterprises with the water enterprise at 312 days cash on hand, the sewer enterprise at 326 days cash on hand, the stormwater enterprise at 457 days cash on hand and the electric enterprise at 158 days cash on hand.

Debt and pensions: elevated debt burden and high fixed cost; modest pension burden

We expect Stoughton's debt burden to remain above average due to planned additional borrowing. Inclusive of the city's Series 2020 bonds, the city's net direct debt will total $36 million or a 2.8% of full value and 2.4x fiscal 2019 operating revenue. The city plans to issue up to $13.5 million of general obligation (GO) debt over the next three years for capital projects. However, officials expect to delay or reduce an originally planned $4.1 million borrowing in 2021 to 2022 for the purpose of prioritizing planning and design of capital improvements.

Total fixed costs, consisting of debt service and pension contributions, was elevated at 33% of operating revenue in fiscal 2019.

DEBT STRUCTURE

All of the city's outstanding debt is long-term and fixed rate. Principal amortization is fairly rapid with 82% of principal scheduled for repayment within 10 years. The Series 2020 notes, and the outstanding GOULT debt ($36 million), is secured by the city's full faith and credit and pledge to levy unlimited ad valorem property taxes.

DEBT-RELATED DERIVATIVES

The city has no exposure to any debt-related derivatives.

PENSIONS AND OPEB

Stoughton participates in the Wisconsin Retirement System (WRS), a statewide cost-sharing plan. Contributions are determined using a level contribution actuarial method in an effort to keep employer and employee contribution rates at a level percentage of payroll over time, and are set at 100% of the plan's funding requirement. As a result, WRS remains one of the stronger funded public employee retirement systems in the country, with statewide employer contributions to WRS in 2018 totaling 152.9% of the amount needed to tread water[1].

The city's adjusted net pension liability (ANPL) was $18.8 million in 2019, up from $14.9 million in 2016, bringing the three-year average to $19.2 million, or 1.3 times operating revenue and 1.6% of full value. Moody's ANPL reflects the use of a market-based discount rate to value pension liabilities rather than the assumed rate of investment return on plan assets. In comparison, the reported net pension liability (NPL), based on the plan's 6.95% discount rate, was $2.6 million in fiscal 2019. Stoughton's other post-employment benefits (OPEB) obligations do not pose a material cost. The OPEB liability reflects an implicit ratesubsidy for retirees who pay to remain on the city's healthcare plan and life insurance benefits to eligible employees. These liabilities are funded on a pay-as-you-go basis, with no reported contributions and a net OPEB liability of $633,238 in 2018.

ESG considerations

ENVIRONMENTAL

Environmental considerations are not a primary credit driver. According to data of Moody's affiliate Four Twenty Seven, the City of Stoughton is located in Dade County, an area with very high risk to rainfall exposure and flooding. However, management reports minimal flooding events within the city.

SOCIAL

We regard the coronavirus outbreak as a social risk under our ESG framework, given the substantial implications for public health and safety. The city's demographic benefits from population growth and its proximity to the Madison metropolitan area will likely support long-term growth after coronavirus economic declines subside. Overall population has increased a 3.7% since the 2010 census and unemployment rates are below state and nation averages. The city's wealth and income profile is average, evidenced by median family income (MFI) equal to 108% of the nation and median home value equal to 99% of the nation.

GOVERNANCE

The city's financial management practices are strong, including its conservative budget assumptions and positive financial operations. The city's formal fund balance policy is to maintain a minimum unassigned general fund balance equivalent to 20-25% of general fund budgeted expenditures.

Wisconsin cities have an Institutional Framework score of "A", which is moderate. The sector's major revenue source, property tax revenue, is subject to a cap that restricts cities from increasing their operating property tax levies except to capture amounts represented by net new construction growth. Revenues and expenditures tend to be predictable. Across the sector, fixed and mandated costs are generally high. Many cities utilize tax increment districts to attract economic development, often issuing debt to fund initial infrastructure in undeveloped areas. While tax increment districts are ultimately expected to generate revenue sufficient to cover initial city outlay, cities are exposed to economic downturns which could halt development.

Rating methodology and scorecard factors

The US Local Government General Obligation Rating Methodology includes a scorecard, a tool providing a composite score of a local government's credit profile based on the weighted factors we consider most important, universal and measurable, as well as possible notching factors dependent on individual credit strengths and weaknesses. Its purpose is not to determine the final rating, but rather to provide a standard platform from which to analyze and compare local government credits.

Exhibit 2

Stoughton (City of) WI		
Scorecard Factors	**Measure**	**Score**
Economy/Tax Base (30%) [1]		
Tax Base Size: Full Value (in 000s)	$1,233,724	A
Full Value Per Capita	$94,321	Aa
Median Family Income (% of US Median)	107.8%	Aa
Finances (30%)		
Fund Balance as a % of Revenues	43.2%	Aaa
5-Year Dollar Change in Fund Balance as % of Revenues	14.4%	Aa
Cash Balance as a % of Revenues	39.7%	Aaa
5-Year Dollar Change in Cash Balance as % of Revenues	15.9%	Aa
Management (20%)		
Institutional Framework	A	A
Operating History: 5-Year Average of Operating Revenues / Operating Expenditures (x)	1.0x	Aa
Debt and Pensions (20%)		
Net Direct Debt / Full Value (%)	2.8%	A
Net Direct Debt / Operating Revenues (x)	2.4x	A
3-Year Average of Moody's Adjusted Net Pension Liability / Full Value (%)	1.6%	Aa
3-Year Average of Moody's Adjusted Net Pension Liability / Operating Revenues (x)	1.3x	A
	Scorecard-Indicated Outcome	Aa2
	Assigned Rating	Aa2

[1] Economy measures are based on data from the most recent year available.
[2] Notching Factors are specifically defined in the US Local Government General Obligation Debt methodology.
[3] Standardized adjustments are outlined in the GO Methodology Scorecard Inputs publication.
Source: Audited financial statements, US Census Bureau, Moody's Investors Service

Endnotes

1 Employer contributions that tread water equal the sum of current year service cost and interest on reported net pension liabilities at the start of the year, using reported actuarial assumptions. If plan assumptions are met exactly, contributions equal to the tread water indicator will prevent the reported net pension liabilities from growing. Net liabilities may decrease or increase in a given year due to factors other than the contribution amount, such as investment performance that exceeds or falls short of a plan's assumed rate of return.

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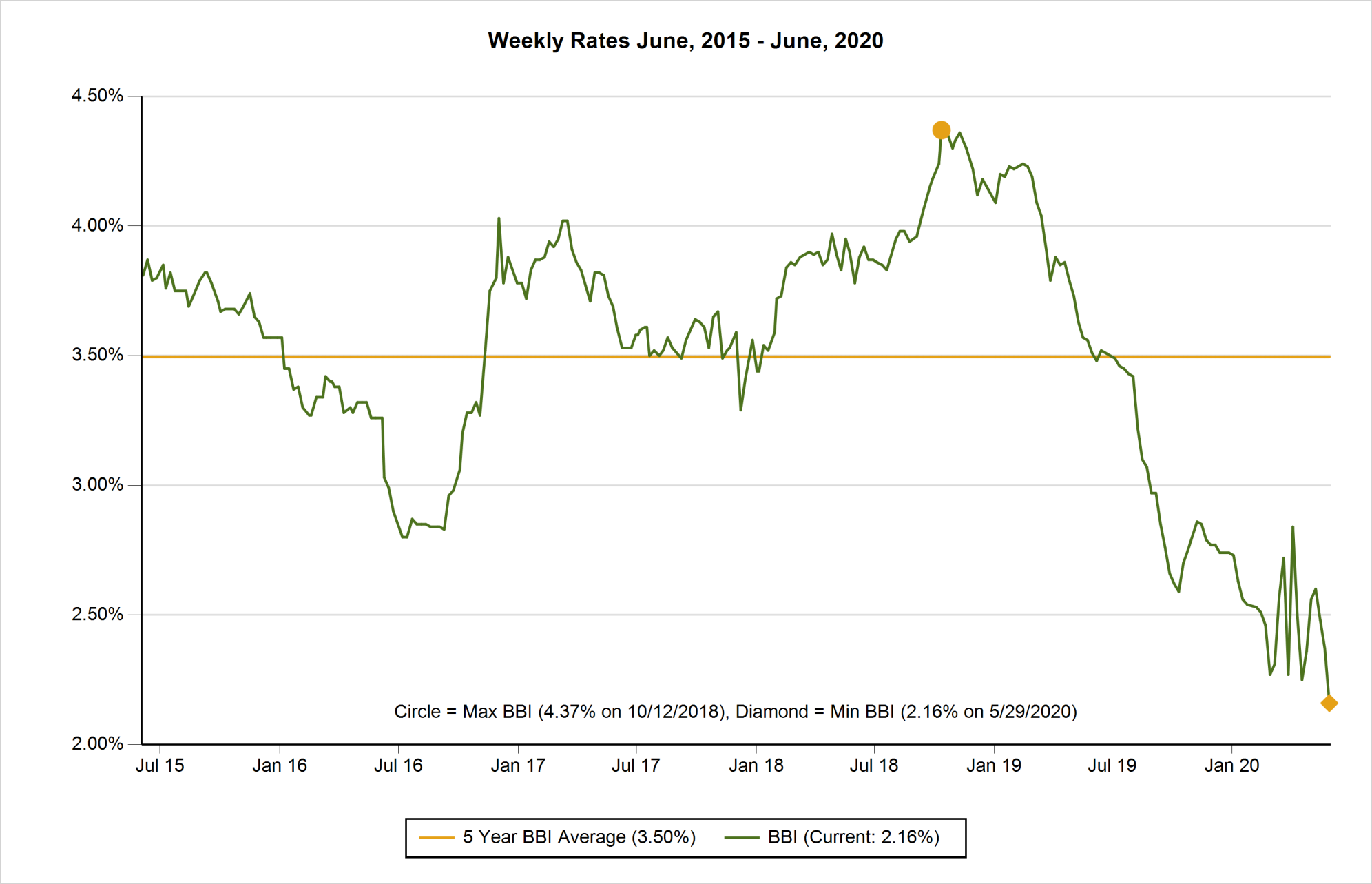
5 YEAR TREND IN MUNICIPAL BOND INDICES



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

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