

PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER 6, 2019

NEW ISSUES:
FULL BOOK-ENTRY

Moody's "Aa2"

S&P "AA"

Fitch "AA"

See "RATINGS" herein

In the opinion of Quarles & Brady LLP, and Crump Law Firm, LLC, Co-Bond Counsel, under existing law interest on the 2019A Bonds and 2019C Notes is excludable from gross income and is not an item of tax preference for federal income tax purposes. See "TAX STATUS – 2019A Bonds and 2019C Notes" herein for a more complete discussion. In the opinion of Co-Bond Counsel, under existing law interest on the 2019B Bonds is included in gross income for federal income tax purposes. See "TAX STATUS – 2019B Bonds" herein. The interest on the Obligations (as hereinafter defined) is not exempt from present Wisconsin income or franchise taxes.

OFFICIAL STATEMENT

Milwaukee County, Wisconsin

Dated: Date of Delivery

Delivery: Expected on October 2, 2019

\$21,415,000*

General Obligation Refunding Bonds, Series 2019A

The \$21,415,000* General Obligation Refunding Bonds, Series 2019A (the "2019A Bonds"), are being issued by Milwaukee County, Wisconsin (the "County") pursuant to Chapter 67 of the *Wisconsin Statutes* for the public purpose of refinancing certain obligations of the County as further described herein. Interest on the 2019A Bonds is payable semiannually on each April 1 and October 1, commencing on April 1, 2020.

\$520,000*

Taxable General Obligation Refunding Bonds, Series 2019B

The \$520,000* Taxable General Obligation Refunding Bonds, Series 2019B (the "2019B Bonds"), are being issued by the County pursuant to Chapter 67 of the *Wisconsin Statutes* for the public purpose of refinancing certain obligations of the County as further described herein. Interest on the 2019B Bonds is payable semiannually on each April 1 and October 1, commencing on April 1, 2020.

\$8,535,000*

General Obligation Promissory Notes, Series 2019C

The \$8,535,000* General Obligation Promissory Notes, Series 2019C (the "2019C Notes"), are being issued by the County pursuant to Chapter 67 of the *Wisconsin Statutes* for the public purpose of financing certain capital projects of the County as further described herein. Interest on the 2019C Notes is payable semiannually on each February 1 and August 1, commencing on February 1, 2020.

The 2019A Bonds, 2019B Bonds and the 2019C Notes will collectively be referred to as the "Obligations". The Obligations are not subject to call and prior redemption. The Obligations will be general obligations of the County for which its full faith and credit and unlimited taxing powers are pledged.

SEE INSIDE COVER PAGE FOR MATURITY AND PRICING SCHEDULE AND CUSIP NUMBERS

The Obligations will be issued as fully registered obligations without coupons and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). DTC will act as securities depository of the Obligations. Individual purchases may be made in book-entry form only, in the principal amount of \$5,000 and integral multiples thereof. Purchasers will not receive certificates representing their interest in the Obligations purchased. Principal of and interest on the Obligations will be paid to DTC, which will in turn remit such principal and interest to its participants for subsequent disbursement to the beneficial owners of the Obligations. (See "Book-Entry-Only System" herein.)

Not Bank Qualified: The Obligations will not be designated as "qualified tax-exempt obligations"

Co-Financial Advisors: PFM Financial Advisors LLC and Independent Public Advisors, LLC

Bids Received and Opened: Thursday, September 12, 2019 at 10:00 A.M. Central Time
By Capital Finance Manager in the Milwaukee County Comptroller's Office

(THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.)

* Preliminary, subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. These securities may not be sold, nor may offers to buy be accepted, prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy these securities, nor shall there be any sale of these securities, in any jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. This Preliminary Official Statement is in a form deemed final as of its date for purposes of SEC Rule 15c2-12(b)(1), except for the omission of certain information described in the rule, but is subject to revision, amendment, and completion in a Final Official Statement.

OFFICIAL TERMS OF OFFERING

\$8,535,000*

**General Obligation Promissory Notes, Series 2019C
Milwaukee County, Wisconsin**

Dated Date of Delivery

Irrevocable, sealed bids and electronic bids for the \$8,535,000* General Obligation Promissory Notes, Series 2019C (the “2019C Notes”) will be received by the Capital Finance Manager in the Comptroller’s Office until 10:00 a.m., Central Time on September 12, 2019 at 901 North Ninth Street, Room 301, Milwaukee County Courthouse, Milwaukee, Wisconsin 53233, after which the sealed bids will be opened and electronic bids will be retrieved and tabulated for approval by the Comptroller. Electronic bids must be submitted through Parity® (see “Electronic Bidding” below).

TERMS OF THE 2019C NOTES

The 2019C Notes will be dated the date of delivery, and will mature on August 1 in the year and in the principal amount as follows:

Maturity Schedule

<u>Maturity</u> <u>(August 1)</u>	<u>Principal</u> <u>Amount*</u>
2020	\$ 825,000
2021	830,000
2022	860,000
2023	860,000
2024	860,000
2025	860,000
2026	860,000
2027	860,000
2028	860,000
2029	860,000

Interest on said 2019C Notes will be payable semiannually February 1 and August 1 of each year commencing on February 1, 2020.

CALL FEATURE

The 2019C Notes are not subject to prior redemption.

REGISTRATION

The 2019C Notes will be issued as fully registered bonds without coupons and, when issued, will be registered only in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”). The County will assume no liability for the failure of DTC, its participants or other nominees to promptly transfer payments to beneficial owners of the 2019C Notes. In the event that the securities depository relationship with DTC for the 2019C Notes is terminated and the County does not appoint a successor depository, the County will prepare, authenticate and deliver, at its expense, fully registered certificated 2019C Notes in the denomination of \$5,000 or any integral multiple thereof in the aggregate principal amount of 2019C Notes of the same maturities and with the same interest rate or rates then outstanding to the beneficial owners of the 2019C Notes.

* Preliminary, subject to change.

SECURITY AND PURPOSE

The 2019C Notes are general obligations of the County. The principal of and interest on the 2019C Notes will be payable from ad valorem taxes, which shall be levied without limitation as to rate or amount upon all taxable property located in the territory of the County. Proceeds of the 2019C Notes will be used for the public purpose of financing certain capital projects of the County as further described herein and to pay the cost of issuing the 2019C Notes.

BID SPECIFICATIONS

Bids shall be received on an interest rate basis in an integral multiple of One-Hundredth (1/100) or One-Twentieth (1/20) of one percent (1%). All 2019C Notes shall bear the same interest rate. A rate of interest must be named for each maturity; a zero rate of interest shall not be named; and the premium, if any, must be paid in cash as part of the purchase price. No supplemental interest shall be specified. Each bid shall offer to purchase all of the 2019C Notes and shall offer a price (payable in federal or other immediately available funds) which is not less than \$8,449,650 (99.0% of par), nor greater than \$8,705,700 (102% of par), plus accrued interest to the date of delivery. The County reserves the right, in its discretion, to reject any or all bids, and to waive any informality in any bid.

GOOD FAITH DEPOSIT

A Good Faith Deposit in the amount of \$85,350 is only required by the successful bidder for the 2019C Notes. The successful bidder for the 2019C Notes is required to submit such Good Faith Deposit payable to the order of the County in the form of a wire transfer in federal funds.

The successful bidder shall submit the Good Faith Deposit within two hours after verbal award is made. The successful bidder should provide as quickly as it is available, evidence of wire transfer by providing the County the federal funds reference number. If the Good Faith Deposit is not received in the time allotted, the bid of the successful bidder may be rejected and the County may direct the next lowest bidder to submit a Good Faith Deposit and thereafter may award the sale of the 2019C Notes to the same. If the successful bidder fails to comply with the Good Faith Deposit requirement as described herein, the successful bidder is nonetheless obligated to pay to the County \$85,350 as liquidated damages due to the failure of the successful bidder to timely deposit the Good Faith Deposit.

Submission of a bid to purchase the 2019C Notes serves as acknowledgement and acceptance of the terms of the Good Faith Deposit requirement.

The Good Faith Deposit so wired will be retained by the County until the delivery of the 2019C Notes, at which time the Good Faith Deposit will be applied against the purchase price of the 2019C Notes or the good faith deposit will be retained by the County as partial liquidated damages in the event of the failure of the successful bidder to take up and pay for such 2019C Notes in compliance with this Official Terms of Offering and of its bid. No interest on the Good Faith Deposit will be paid by the County. The balance of the purchase price must be wired in federal funds to the account detailed in the closing memorandum, simultaneously with delivery of the 2019C Notes.

INSURANCE ON 2019C NOTES

In the event the successful bidder obtains a bond insurance policy for all or a portion of the 2019C Notes, by or on behalf of it or any other member of its underwriting group, the successful bidder is responsible for making sure that disclosure information is provided about the credit enhancement provider (for example, through a wrapper to the Official Statement). The County will cooperate with the successful bidder in this manner. The costs of obtaining any bond insurance policy and the costs of providing disclosure information about the credit enhancement provider shall be paid by the successful bidder.

ELECTRONIC BIDDING

The County assumes no responsibility or liability for electronic bids. If any provisions in this Official Terms of Offering conflict with information provided by Parity®, this Official Terms of Offering shall control. Further information about the electronic bidding service providers, including any fee charged and applicable requirements, may be obtained from:

Parity®/IPREO
1359 Broadway, 2nd Floor
New York, New York 10018
(212) 849-5021 phone

AWARD

The 2019C Notes will be awarded to the bidder whose proposal shall result in the lowest true interest cost to the County. The true interest cost is computed as the discount rate which, when used with semiannual compounding to determine the present worth of the principal and interest payments as of the date of the 2019C Notes, produces an amount equal to the purchase price. The County's computation of the true interest cost of each bid, in accordance with customary practice, will be controlling. If two or more bids provide the same lowest true interest cost, the County shall determine which proposal shall be accepted, and such determination shall be final. A computation by a bidder of such true interest cost contained in any bid shall be for information only and shall not constitute a part of the bid. The successful bidder shall pay accrued interest from the date of the 2019C Notes to the date of delivery and payment of the purchase price.

The County will reserve the right to: (i) waive non-substantive informalities of any bid or of matters relating to the receipt of bids and award of the 2019C Notes, (ii) reject all bids without cause, and (iii) reject any bid which the County determines to have failed to comply with the terms hereof.

ESTABLISHMENT OF THE ISSUE PRICE

The successful bidder shall assist the County in establishing the issue price of the 2019C Notes and shall execute and deliver to the County prior to Closing a certificate acceptable to Co-Bond Counsel setting forth the reasonably expected Initial Public Offering Price to the public (the "Initial Public Offering Price"), or the sales price or prices of the 2019C Notes, together with the supporting pricing wires or equivalent communications.

The County intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the 2019C Notes) will apply to the initial sale of the 2019C Notes (the "competitive sale requirements") because:

- (1) the County shall disseminate this Official Terms of Offering to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the County may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the County anticipates awarding the sale of the 2019C Notes to the bidder who submits a firm offer to purchase the 2019C Notes at the highest price (or lowest interest cost), as set forth in this Official Terms of Offering.

In the event the County receives less than three bids that conform to the parameters contained herein such that the competitive sale requirements are not satisfied, the County intends to treat the Initial Public Offering Price of each maturity of the 2019C Notes as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). Consequently, bidders should assume for purposes of making their bids that, if the competitive sale requirements described above are not met, and less than 10% of any maturity has been sold to the public at the Initial Public Offering Price as of the sale date, the bidder will be required to comply with the hold-the-offering-price rule described below.

The County will advise the apparent winning bidder within one hour of receipt of bids if the hold-the-offering-price rule will apply as to any maturities for which less than 10% has been sold to the public on the sale date at the Initial Public Offering Price (“the 10% test”). If so advised, the winning bidder shall immediately notify the County as to any maturities for which the 10% test has been met as of the sale date, and shall apply the hold-the-offering-price rule to all other maturities. Bids will not be subject to cancellation in the event the competitive sale requirements are not met and the hold-the-offering-price-rule is applied. In the event that the competitive sale requirements are not satisfied, the issue price certificate shall be modified as necessary in the reasonable judgment of Co-Bond Counsel and the County.

By submitting a bid, the successful bidder shall, on behalf of the underwriters participating in the purchase of the 2019C Notes, (i) confirm that the underwriters have offered or will offer each maturity of the 2019C Notes to the public on or before the date that the 2019C Notes are awarded by the County to the successful bidder at the Initial Public Offering Price set forth in the bid submitted by the winning bidder, and (ii) agree, on behalf of the underwriters participating in the purchase of the 2019C Notes, that, if the competitive sale requirements are not met, the underwriters will neither offer nor sell 2019C Notes of any maturity to which the hold-the-offering-price rule applies to any person at a price that is higher than the Initial Public Offering Price for such maturity during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth business day after the sale date; or
- (2) the date on which the underwriters have sold at least 10% of that maturity of the 2019C Notes to the public at a price that is no higher than the Initial Public Offering Price for such maturity.

The winning bidder shall promptly advise the County when the underwriters have sold 10% of that maturity of the 2019C Notes to the public at a price that is no higher than the Initial Public Offering Price if that occurs prior to the close of the fifth (5th) business day after the sale date.

The County acknowledges that, in making the representation set forth above, the successful bidder will rely on (i) the agreement of each underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the 2019C Notes to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the 2019C Notes to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. The County further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the 2019C Notes.

By submitting a bid, each bidder confirms that:

(iii) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the sale of the 2019C Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to:

(C) report the prices at which it sells to the public the 2019C Notes of each maturity allotted to it until it is notified by the successful bidder that either the 10% test has been satisfied as to the 2019C Notes of that maturity or all 2019C Notes of that maturity have been sold to the public, and

(D) comply with the hold-the-offering-price rule, if and for so long as directed by the successful bidder and in the related pricing wires; and

(iv) any agreement among underwriters relating to the sale of the 2019C Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail

distribution agreement to be employed in connection with the initial sale of the 2019C Notes to the public to require each broker-dealer that is a party to such retail distribution agreement to:

(C) report the prices at which it sells to the public the unsold 2019C Notes of each maturity allotted to it until it is notified by the successful bidder or such underwriter that either the 10% test has been satisfied as to the 2019C Notes of that maturity or all 2019C Notes of that maturity have been sold to the public, and

(D) comply with the hold-the-offering-price rule, if and for so long as directed by the successful bidder or such underwriter and as set forth in the related pricing wires.

Sales of any 2019C Notes to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Official Terms of Offering. Further, for purposes of this Official Terms of Offering:

(i) “public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an underwriter or a related party,

(v) “underwriter” means (A) any person that agrees pursuant to a written contract with the County (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the 2019C Notes to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the 2019C Notes to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the 2019C Notes to the public),

(vi) a purchaser of any of the 2019C Notes is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(vii) “sale date” means the date the 2019C Notes are awarded by the County to the winning bidder.

SETTLEMENT

The 2019C Notes will be delivered in typewritten form, registered in the name of Cede & Co., as nominee of The Depository Trust Company, securities depository of the 2019C Notes for the establishment of book-entry accounts at the direction of the successful bidder, within approximately 45 days after the award. Delivery of the 2019C Notes is currently anticipated to be on or about October 2, 2019. Delivery will be subject to receipt by the successful bidder of the approving legal opinions of Quarles & Brady LLP and Crump Law Firm, LLC, Co-Bond Counsel to the County, which opinions will be made available at the time of delivery of the 2019C Notes, and of customary closing papers, including a non-litigation certificate. On the date of settlement, payment for the 2019C Notes shall be made in federal or equivalent funds, which shall be received at the offices of the County, or its designee, not later than 11:00 a.m., Central Time. Except as compliance with the terms of payment for the 2019C Notes shall have been made impossible by action of the County, or its agents, the successful bidder shall be liable to the County for any loss suffered by the County by reason of the successful bidder’s non-compliance with said terms for payment.

By submitting a bid, any bidder makes the representation that it understands Co-Bond Counsel represent the County in the 2019C Bond transaction and, if such bidder has retained either Co-Bond Counsel in an unrelated matter, such bidder represents that the signatory to the bid is duly authorized to, and does thereby consent to and waive for and on behalf of such bidder, any conflict of interest of such Co-Bond Counsel arising from any adverse position to the County in this matter; and such consent and waiver shall supersede any formalities otherwise required in any separate understandings, guidelines or contractual arrangements between the bidder and Co-Bond Counsel.

LEGAL OPINIONS

The successful bidder will be furnished without cost, the unqualified approving legal opinions of Quarles & Brady LLP, Milwaukee, Wisconsin, and Crump Law Firm, LLC, Milwaukee, Wisconsin, Co-Bond Counsel to the County.

CUSIP NUMBERS

The County will assume no obligation for the assignment of CUSIP numbers on the 2019C Notes or for the correctness of any numbers printed thereon. The County will permit such numbers to be assigned and printed at the expense of the successful bidder, but neither the failure to print such numbers on any 2019C Notes nor any error with respect thereto will constitute cause for failure or refusal by the successful bidder to accept delivery of the 2019C Notes.

CERTIFICATION REGARDING OFFICIAL STATEMENT

The County will deliver, at closing, a certificate, executed by appropriate officers of the County acting in their official capacities, to the effect that the facts contained in the Official Statement relating to the County and the 2019C Notes are true and correct in all material respects, and that the Official Statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE

In order to assist bidders in complying with SEC Rule 15c2-12, as amended, the County will covenant to undertake (pursuant to a certificate executed by an authorized officer of the County), to provide annual reports and timely notice of certain events for the benefit of holders of the 2019C Notes. The details and terms of the undertaking are set forth in a Continuing Disclosure Certificate to be executed and delivered by the County, a form of which is included in the Preliminary Official Statement and in the final Official Statement.

TRANSCRIPT OF PROCEEDINGS

A transcript of the proceedings relative to the issuance of the 2019C Notes will be furnished to the successful bidder without cost, including a closing certificate stating that there is no litigation pending or threatened affecting the validity of or the security for the 2019C Notes.

IRREGULARITIES

The Comptroller reserves the right to reject any and all bids and to waive any and all irregularities.

OFFICIAL STATEMENT

A copy of the County's Preliminary Official Statement may be obtained by contacting PFM Financial Advisors LLC, 115 South 84th Street, Suite 315, Milwaukee, Wisconsin 53214 (414/771-2700) or Pamela Bryant, Capital Finance Manager, Milwaukee County Comptroller's Office, 901 North Ninth Street, Milwaukee, Wisconsin 53233 (414/278-4396). The Preliminary Official Statement may be obtained from the following website: www.i-dealprospectus.com. The Preliminary Official Statement is in a form deemed final as of its date for purposes of Securities and Exchange Rule 15c2-12(b)(1) (the "Rule"), but is subject to minor revision, amendment and completion in a final Official Statement in accordance with the Rule.

By awarding the 2019C Notes to any underwriter or underwriting syndicate, the County agrees that within seven business days after the date of such award it shall provide the senior managing underwriter of the successful syndicate with an electronic copy of a final Official Statement.

The County designates the senior managing underwriter of the syndicate to which the 2019C Notes are awarded as its agent for purposes of distributing copies of the final Official Statement to each participating underwriter. Any underwriter executing and delivering an Official Bid Form with respect to the 2019C Notes agrees thereby that if its bid is accepted by the County (i) it shall accept such designation and (ii) it will enter into a contractual relationship with all participating underwriters of the County for purposes of assuring the receipt by each such participating underwriter of the final Official Statement.

/s/ Scott B. Manske
Milwaukee County Comptroller