

Research Update:

Elkhart Lake-Glenbeulah School District, WI Series 2026 GO Promissory Notes Assigned 'AA-' Rating; Outlook Stable

March 5, 2026

Overview

- S&P Global Ratings assigned its 'AA-' long-term rating to [Elkhart Lake-Glenbeulah School District](#), Wis.' anticipated \$25.6 million series 2026 general obligation (GO) promissory notes.
- The outlook is stable.

Rationale

Security

The district's full-faith-and-credit GO pledge secures the notes. The 2026 notes represent the second, and remaining, tranche of the \$39.6 million debt approved by voters in November 2024. The proceeds will be used to fund a portion of the cost of constructing a school building as well as a facility improvement project.

Credit highlights

The rating reflects our view of the district's healthy and growing economy, consistent operating surpluses that it expects to continue, and robust reserves, driven by its conservative budgeting and long-term planning practices; these are offset, in our view, by an elevated per-capita debt burden and debt service carrying charges, after incorporating the proposed debt.

The district is in Sheboygan County, approximately 21 miles northwest of Sheboygan and 26 miles northeast of Fond du Lac. Because of this proximity, many district residents commute to the two cities for employment. The district's tax base has grown continuously, mainly due to property value appreciation and new housing developments. Management reports that 40 condos were recently built and that 40 apartments are under construction. The village of Elkhart Lake has plans for additional single-family homes and condo construction and we therefore believe its tax base will continue to grow. The district has seen continuous enrollment growth, which is a main driver of state aid, due to good education quality and the gain of students through open enrollment.

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Supported by healthy operating surpluses in the past three years, the district has seen rapid growth in available reserves, which stood at a robust 61.8% of general fund revenues in fiscal 2025. Management reports that the positive operations in recent years were driven by growing property tax and state aid revenues, receipt of \$606,000 in Elementary & Secondary School Emergency Relief funds, and temporary cuts in capital spending during the pandemic. For fiscal 2026, the district is budgeting for break-even results but projects another surplus similar to fiscal 2025 levels. In addition, the district passed a four-year, \$7 million operational referendum in April 2024, which will generate \$1.75 million in revenue annually and support continued stable operations, in our view.

With the debt issuances in 2025 and 2026, we expect the overall debt burden will remain elevated on a per-capita basis, with above-average debt service carrying charges, which we view as a constraining factor for the rating. However, we recognize that the total debt is only about 3% of the district's current market value, partially offsetting the elevated debt burden, in our view. The district has made cash-flow borrowing in historical years, with the last draw in fiscal 2022, but does not plan to do so in the future because of its healthy fund balance.

The rating reflects our opinion of the district's:

- Growing and diversified economic base, with gross county product per capita and county per capita personal income below the national average but above-average local incomes and robust market value per capita given its status as a tourist destination.
- Robust available reserves, supported by healthy operations in recent years.
- Management policies and practices that are highlighted by consistent budget monitoring, with monthly budget-to-actual reporting to the board, a long-term financial plan that covers the budget year and five future years, a list of future capital needs for which the costs have been incorporated into the recently passed referendums, debt and investment policies that follow state guidelines, and a basic reserve policy with a goal of minimizing cash-flow borrowing. Risk management practices, including for cybersecurity, align with those of peers.
- Elevated debt burden that leads to high net debt per capita, estimated at over \$10,000, and with debt service costs that will rise significantly starting in 2026, although management has no additional debt plans. The district's pension plan is well funded, with limited pension and other postemployment benefits obligations.
- For more information on our institutional framework assessment for Wisconsin school districts, see "[Institutional Framework Assessment: Wisconsin Local Governments](#)," Sept. 10, 2024.

Environmental, social, and governance

We view environmental, social, and governance factors as neutral in our credit analysis.

Outlook

The stable outlook reflects our view that the district's consistent operating surpluses and robust available reserves, which management expects to maintain, will continue to partially offset its elevated debt burden and support rating stability over the two-year outlook horizon.

Downside scenario

We could lower the rating if the district exhibits a trend of operating deficits and its reserves decline materially.

Upside scenario

We could raise the rating if the district's economy broadens and its debt burden materially moderates.

Elkhart Lake-Glenbeulah School District, Wisconsin--credit summary

| | |
|---------------------------------|------|
| Institutional framework (IF) | 2 |
| Individual credit profile (ICP) | 1.85 |
| Economy | 1.5 |
| Financial performance | 1 |
| Reserves and liquidity | 1 |
| Management | 2.00 |
| Debt and liabilities | 3.75 |

Elkhart Lake-Glenbeulah School District, Wisconsin--key credit metrics

| | Most recent | 2025 | 2024 | 2023 |
|--|-------------|-----------|-----------|---------|
| Economy | | | | |
| Real GCP per capita % of U.S. | 88 | -- | -- | 88 |
| County PCPI % of U.S. | 91 | -- | -- | 91 |
| Market value (\$000s) | 1,460,173 | 1,216,688 | 1,090,208 | 944,794 |
| Market value per capita (\$) | 394,855 | 329,012 | 294,810 | 255,074 |
| Top 10 taxpayers % of taxable value | 4.1 | 3.8 | -- | -- |
| County unemployment rate (%) | 2.5 | 2.5 | 2.5 | 2.3 |
| Local median household EBI % of U.S. | 113 | -- | 113 | 110 |
| Local per capita EBI % of U.S. | 128 | -- | 128 | 120 |
| Local population | 3,698 | -- | 3,698 | 3,704 |
| Financial performance | | | | |
| Operating fund revenues (\$000s) | -- | 9,432 | 9,373 | 8,919 |
| Operating fund expenditures (\$000s) | -- | 8,229 | 8,203 | 8,133 |
| Net transfers and other adjustments (\$000s) | -- | (230) | -- | 18 |
| Operating result (\$000s) | -- | 973 | 1,170 | 804 |
| Operating result % of revenues | -- | 10.3 | 12.5 | 9.0 |
| Operating result three-year average % | -- | 10.6 | 9.0 | 5.9 |
| Enrollment | -- | 514 | 511 | 479 |
| Reserves and liquidity | | | | |
| Available reserves % of operating revenues | -- | 61.8 | 51.8 | 41.2 |
| Available reserves (\$000s) | -- | 5,828 | 4,854 | 3,679 |
| Debt and liabilities | | | | |
| Debt service cost % of revenues | -- | 4.0 | 1.7 | 1.8 |
| Net direct debt per capita (\$) | 10,708 | 3,786 | -- | 46 |
| Net direct debt (\$000s) | 39,600 | 14,000 | -- | 170 |

Elkhart Lake-Glenbeulah School District, Wisconsin--key credit metrics

| | Most recent | 2025 | 2024 | 2023 |
|--------------------------------------|-------------|------|------|-------|
| Direct debt 10-year amortization (%) | 39 | 10 | -- | 100 |
| Pension and OPEB cost % of revenues | -- | 3.0 | 3.0 | 3.0 |
| NPLs per capita (\$) | -- | 90 | 85 | 307 |
| Combined NPLs (\$000s) | -- | 331 | 313 | 1,136 |

Financial data may reflect analytical adjustments and are sourced from issuer audit reports or other annual disclosures. Economic data is generally sourced from S&P Global Market Intelligence, the Bureau of Labor Statistics, Claritas, and issuer audits and other disclosures. Local population is sourced from Claritas. Claritas estimates are point in time and not meant to show year-over-year trends. GCP--Gross county product. PCPI--Per capita personal income. EBI--Effective buying income. OPEB--Other postemployment benefits. NPLs--Net pension liabilities.

Ratings List

New Issue Ratings

US\$25,600,000 School District of Elkhart Lake-Glenbeulah, Sheboygan County, Wisconsin, General Obligation Promissory Notes, Series 2026, dated: April 7, 2026, due: March 1, 2046

Long Term Rating AA-/Stable

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at <https://disclosure.spglobal.com/ratings/en/regulatory/ratings-criteria> for further information. A description of each of S&P Global Ratings' rating categories is contained in "S&P Global Ratings Definitions" at <https://disclosure.spglobal.com/ratings/en/regulatory/article/-/view/sourceId/504352>. Complete ratings information is available to RatingsDirect subscribers at www.capitaliq.com. All ratings referenced herein can be found on S&P Global Ratings' public website at www.spglobal.com/ratings.

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