

The logo for the law firm BAIRD, consisting of the word "BAIRD" in white, serif, all-caps font, set against a dark blue, trapezoidal background that is wider at the top and tapers towards the bottom.

City of Waukesha

Presentation to Finance Committee

February 27, 2018

Bradley D. Viegut, Managing Director

bviegut@rwbaird.com

777 East Wisconsin Avenue
Milwaukee, WI 53202
Phone 414.765.3827
Fax 414.298.7354



Timeline

- Finance Committee considers plan of finance / initial resolutions February 27, 2018
- City Council considers plan of finance / initial resolutions..... March 20, 2018
 - Preparations are made for issuance
 - ✓ Official Statement
 - ✓ Bond Rating
 - ✓ Marketing
- City Council considers award resolutions (finalizes terms and interest rates) April 17, 2018
- Closing (funds available)..... May 8, 2018

City of Waukesha

Borrowing / Structure / Purpose



Item 1: CIP	
Size	\$12,675,000
Issue	G.O. Promissory Notes, Series 2018A
Structure	10/1/2019-2027
First Interest	10/1/2018
Call Feature	TBD
Purpose	2018 CIP
Proj. Amt.	\$12,675,000
TIC	2.70%

Item 4: Sewerage System	
Size	\$5,605,000
Issue	Sewerage System Revenue Refunding Bonds
Structure	5/1/2019-2038
First Interest	11/1/2018
Call Feature	TBD
Purpose	Refund sewer portion of 2017 NAN
Refunded Par	\$5,185,000
TIC	3.52%

Item 2: TID #11	
Size	\$1,035,000
Issue	Taxable G.O. Promissory Notes, Series 2018B
Structure	4/1/2019-4/1/2027
First Interest	4/1/2019
Call Feature	TBD
Purpose	TID #11 Incentive Payment
Incentive Amt.	\$1,000,000
TIC	3.50%

Item 5: NAN	
Size	\$3,350,000
Issue	Note Anticipation Notes
Structure	7/1/2019
First Interest	1/1/2019
Call Feature	4/1/2019
Purpose	Sewer
Proj. Amt.	\$3,350,000
TIC	2.29%

Item 3: Refunding a portion of 2017 NAN	
Size	\$3,155,000
Issue	G.O. Refunding Bonds, Series 2018C
Structure	10/1/2019-2033
First Interest	10/1/2018
Call Feature	TBD
Purpose	Refund West Bypass portion of 2017 NAN
Refunded Par	\$3,180,000
TIC	3.15%

City of Waukesha

2018 Example Financing Plan



LEVY YEAR	YEAR DUE	EXISTING					*	TOTAL DEBT SERVICE (Levy Supported)	ANTICIPATED PREMIUM USAGE (2015 GOPNs)	ANTICIPATED PREMIUM USAGE (2016 GOPNs)	ANTICIPATED PREMIUM USAGE (2017 GOPNs)	YEAR DUE
		DEBT SERVICE (General Fund)	DEBT SERVICE (Parking Util.)	DEBT SERVICE (Cemetery)	DEBT SERVICE (Transit Buses)	DEBT SERVICE (Storm Sewer - Levy)						
2017	2018	\$14,089,454	\$385,989	\$67,692	\$192,400	\$197,919	*	\$14,933,454	(\$195,300)	(\$54,647)	(\$231,164)	2018
2018	2019	\$12,608,702	\$3,027	\$61,784	\$189,200	\$197,319	*	\$13,060,031				2019
2019	2020	\$12,074,534	\$3,006	\$58,056	\$191,000	\$196,519	*	\$12,523,115				2020
2020	2021	\$11,524,560	\$3,013	\$55,818	\$187,700	\$200,519	*	\$11,971,609				2021
2021	2022	\$9,673,493	\$3,006	\$5,056	\$187,750	\$184,119	*	\$10,053,424				2022
2022	2023	\$8,150,037	\$3,026	\$5,090	\$187,650	\$183,119	*	\$8,528,922				2023
2023	2024	\$5,072,513			\$192,400	\$181,919	*	\$5,446,831				2024
2024	2025	\$3,533,813			\$188,700	\$180,519	*	\$3,903,031				2025
2025	2026	\$2,290,263				\$180,569	*	\$2,470,831				2026
2026	2027	\$668,113				\$180,469	*	\$848,581				2027
2027	2028	\$382,163					*	\$382,163				2028
2028	2029	\$379,363					*	\$379,363				2029
2029	2030	\$381,163					*	\$381,163				2030
2030	2031	\$382,363					*	\$382,363				2031
2031	2032	\$381,563					*	\$381,563				2032
2032	2033						*					2033
		<u>\$81,592,093</u>	<u>\$401,066</u>	<u>\$253,496</u>	<u>\$1,516,800</u>	<u>\$1,882,988</u>	*	<u>\$85,646,443</u>	<u>(\$195,300)</u>	<u>(\$54,647)</u>	<u>(\$231,164)</u>	

City of Waukesha

2018 Example Financing Plan (continued)

Items 1 and 3



YEAR DUE	ITEM 1: CIP				FINAL (WEST BYPASS)	ITEM 3: REFINANCE 2017 NAN (WEST BYPASS)			COMBINED DEBT SERVICE (Levy Supported)	YEAR DUE
	PRINCIPAL (10/1)	INTEREST (4/1 & 10/1) TIC= 2.70%	BID PREMIUM	TOTAL	NET INTEREST ^(A) (Due 7/1/18) TIC= 1.43%	PRINCIPAL (10/1)	INTEREST (4/1 & 10/1) TIC= 3.15%	TOTAL		
	\$12,675,000 G.O. PROMISSORY NOTES Dated May 8, 2018 (First interest 10/1/18)				\$3,180,000 NANs Dated May 23, 2017 (First interest 1/1/18)	\$3,155,000 G.O. REFUNDING BONDS Dated May 8, 2018 (First interest 10/1/18)				
2018		\$175,380	(\$175,380)	\$0	\$48,292		\$42,619	\$42,619	\$14,543,253	2018
2019	\$1,470,000	\$441,515	(\$285,750)	\$1,625,765	Assumes NAN principal refinanced with 2018 Bonds on 5/17/18. Interest paid with funds on hand.	\$165,000	\$107,293	\$272,293	\$14,958,089	2019
2020	\$1,230,000	\$397,415		\$1,627,415		\$170,000	\$102,343	\$272,343	\$14,422,873	2020
2021	\$1,265,000	\$360,515		\$1,625,515	\$175,000	\$97,243	\$272,243	\$13,869,367	2021	
2022	\$1,320,000	\$309,915		\$1,629,915	\$180,000	\$90,243	\$270,243	\$11,953,581	2022	
2023	\$1,370,000	\$257,115		\$1,627,115	\$190,000	\$83,043	\$273,043	\$10,429,079	2023	
2024	\$1,425,000	\$202,315		\$1,627,315	\$195,000	\$75,443	\$270,443	\$7,344,589	2024	
2025	\$1,485,000	\$145,315		\$1,630,315	\$205,000	\$67,643	\$272,643	\$5,805,989	2025	
2026	\$1,530,000	\$96,310		\$1,626,310	\$210,000	\$60,878	\$270,878	\$4,368,019	2026	
2027	\$1,580,000	\$45,820		\$1,625,820	\$215,000	\$53,948	\$268,948	\$2,743,349	2027	
2028					\$225,000	\$47,713	\$272,713	\$654,875	2028	
2029					\$230,000	\$40,963	\$270,963	\$650,325	2029	
2030					\$235,000	\$33,603	\$268,603	\$649,765	2030	
2031					\$245,000	\$25,848	\$270,848	\$653,210	2031	
2032					\$255,000	\$17,640	\$272,640	\$654,203	2032	
2033					\$260,000	\$8,970	\$268,970	\$268,970	2033	
	\$12,675,000	\$2,431,615	(\$461,129)	\$14,645,485	\$48,292	\$3,155,000	\$955,426	\$4,110,426	\$103,969,535	

(A) Excess bid premium of \$14,248.47 used to offset interest.

City of Waukesha

2018 Example Financing Plan – Sewer Utility

Items 4 and 5



YEAR DUE	SEWER UTILITY						FINAL	ITEM 4	ITEM 5	SEWER COMBINED DEBT SERVICE (G.O. & Revenue)	SEWER COMBINED DEBT SERVICE (Revenue Debt) ^(E)	2016 Audited NET REVENUES (C)	PROJECTED COVERAGE RATIO (A)	
	EXISTING DEBT SERVICE (G.O. Debt)	EXISTING DEBT SERVICE (Revenue Debt)					\$5,185,000 NANs Dated May 23, 2017 (First interest 1/1/18) (Due 7/1/18)	\$5,605,000 Sewer System Revenue Refunding Bonds Dated May 8, 2018 (First interest 11/1/18)	\$3,350,000 NANs Dated May 8, 2018 (First interest 1/1/19) (Due 7/1/19)	TIC =	TIC =	TIC =		
	'14 Revenue Bonds	'16 Revenue Bonds	'17 Revenue Bonds	'14 Clean Water Fund Loan (B)	'15 Clean Water Fund Loan (B)		PRINCIPAL (5/1)	INTEREST (5/1 & 11/1)	TOTAL	NET INTEREST ^(D)				
2018	\$647,028	\$549,475	\$252,800	\$456,025	\$1,934,968	\$969,164		\$96,566	\$96,566		\$4,985,485	\$4,338,456	\$7,213,302	1.66
2019	\$645,446	\$550,625	\$255,050	\$456,475	\$1,934,535	\$968,998	\$195,000	\$197,048	\$392,048	\$102,984	\$5,306,160	\$4,660,714	\$7,213,302	1.55
2020	\$647,992	\$551,475	\$256,475	\$455,650	\$1,934,089	\$968,828	\$200,000	\$189,148	\$389,148		\$5,203,657	\$4,555,665	\$7,213,302	1.58
2021	\$645,189	\$550,425	\$257,050	\$458,450	\$1,933,632	\$968,654	\$210,000	\$180,948	\$390,948		\$5,204,349	\$4,559,159	\$7,213,302	1.58
2022	\$301,860	\$547,425	\$252,550	\$456,025	\$1,933,164	\$968,477	\$220,000	\$172,348	\$392,348		\$4,851,848	\$4,549,988	\$7,213,302	1.59
2023	\$301,972	\$548,925	\$252,975	\$458,375	\$1,932,682	\$968,295	\$230,000	\$163,348	\$393,348		\$4,856,572	\$4,554,600	\$7,213,302	1.58
2024	\$274,651	\$549,825	\$253,250	\$455,500	\$1,932,188	\$968,110	\$235,000	\$154,048	\$389,048		\$4,822,572	\$4,547,920	\$7,213,302	1.59
2025	\$274,579	\$550,125	\$253,375	\$454,650	\$1,931,681	\$967,920	\$245,000	\$145,489	\$390,489		\$4,822,819	\$4,548,240	\$7,213,302	1.59
2026	\$274,505	\$549,825	\$257,400	\$455,525	\$1,931,161	\$967,726	\$255,000	\$137,614	\$392,614		\$4,828,756	\$4,554,250	\$7,213,302	1.58
2027	\$274,429	\$548,925	\$255,300	\$457,175	\$1,930,627	\$967,527	\$260,000	\$128,853	\$388,853		\$4,822,836	\$4,548,407	\$7,213,302	1.59
2028	\$274,351	\$552,325	\$253,000	\$454,775	\$1,930,079	\$967,324	\$270,000	\$119,180	\$389,180		\$4,821,035	\$4,546,683	\$7,213,302	1.59
2029	\$274,271	\$550,025	\$255,400	\$456,875	\$1,929,517	\$967,117	\$280,000	\$109,843	\$389,843		\$4,823,047	\$4,548,776	\$7,213,302	1.59
2030	\$274,189	\$547,125	\$257,400	\$458,375	\$1,928,940	\$966,904	\$290,000	\$100,865	\$390,865		\$4,823,799	\$4,549,609	\$7,213,302	1.59
2031	\$274,105	\$548,288	\$254,100	\$459,275	\$1,928,347	\$966,687	\$300,000	\$91,573	\$391,573		\$4,822,375	\$4,548,270	\$7,213,302	1.59
2032	\$274,019	\$548,403	\$255,500	\$454,675	\$1,927,739	\$966,465	\$310,000	\$81,771	\$391,771		\$4,818,572	\$4,544,554	\$7,213,302	1.59
2033	\$273,930	\$547,698	\$256,500	\$454,575	\$1,927,116	\$966,239	\$320,000	\$71,455	\$391,455		\$4,817,512	\$4,543,582	\$7,213,302	1.59
2034	\$273,839	\$551,070	\$253,375	\$458,775	\$1,926,475	\$966,007	\$330,000	\$60,605	\$390,605		\$4,820,146	\$4,546,307	\$7,213,302	1.59
2035			\$256,175	\$458,325		\$965,769	\$345,000	\$48,699	\$393,699		\$2,073,968	\$2,073,968	\$7,213,302	3.48
2036			\$253,750	\$458,363			\$355,000	\$35,924	\$390,924		\$1,103,036	\$1,103,036	\$7,213,302	6.54
2037				\$457,875			\$370,000	\$22,230	\$392,230		\$850,105	\$850,105	\$7,213,302	8.49
2038							\$385,000	\$7,508	\$392,508		\$392,508	\$392,508	\$7,213,302	18.38
TOTAL	\$6,206,358	\$9,341,983	\$4,841,425	\$9,135,738	\$32,826,942	\$17,416,210	\$79,458	\$5,605,000	\$2,315,058	\$7,920,058	\$102,984	\$87,871,155	\$81,664,797	

(A) Based on 2016 Audited Net Revenues. Rate covenants will require coverage of at least 1.25x max annual debt service (revenue debt only).
 (B) Repayment amounts reflect maximum amount authorized not disbursed.
 (C) Net Revenues based on 2016 Audited Net Revenues. Assumes no increase thereafter.
 (D) Excess bid premium of \$18,076.94 used to offset interest.
 (E) Includes interest payments for the Note Anticipation Notes (NANs).

	2016 Audited
Gross Revenues:	\$13,706,353
Less: Current Expenses:	(\$6,493,051) ⁽¹⁾
Net Revenues:	\$7,213,302

(1) Less Depreciation

City of Waukesha

2018 Example Financing Plan – TID #11

Item 2



ITEM 2: TID #11					
\$1,035,000					
TAXABLE G.O. PROMISSORY NOTES					
<i>Dated May 8, 2018</i>					
<i>(First interest 4/1/19)</i>					
LEVY YEAR	YEAR DUE	PRINCIPAL (4/1)	INTEREST (4/1 & 10/1)	TOTAL	YEAR DUE
			TIC= 3.50%		
2017	2018				2018
2018	2019	\$95,000	\$44,077	\$139,077	2019
2019	2020	\$100,000	\$28,813	\$128,813	2020
2020	2021	\$100,000	\$26,113	\$126,113	2021
2021	2022	\$100,000	\$23,213	\$123,213	2022
2022	2023	\$100,000	\$20,138	\$120,138	2023
2023	2024	\$135,000	\$16,369	\$151,369	2024
2024	2025	\$135,000	\$11,914	\$146,914	2025
2025	2026	\$135,000	\$7,290	\$142,290	2026
2026	2027	\$135,000	\$2,464	\$137,464	2027
		\$1,035,000	\$180,388	\$1,215,388	