

The logo for BAIRD, featuring the word "BAIRD" in white, uppercase, sans-serif font inside a dark blue parallelogram shape that is tilted to the right.

BAIRD

The logo for BAIRD's 100th anniversary, featuring the number "100" in a large, blue, sans-serif font with a white diagonal slash through the first zero, and the word "YEARS" in a smaller, blue, sans-serif font below it.

100
YEARS

City of Waukesha

Presentation to Finance Committee

March 10, 2020

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Timeline

- Finance Committee considers plan of finance / initial resolutions March 10, 2020
- City Council considers plan of finance / initial resolutions.....March 17, 2020
 - Preparations are made for issuance
 - ✓ Official Statement
 - ✓ Bond Rating
 - ✓ Marketing
- City Council considers award resolutions (finalizes terms and interest rates).....April 21, 2020
- Closing (funds available)..... May 14, 2020
- NAN Payoff May 22, 2020

City of Waukesha

Borrowing / Structure / Purpose



Item 1: NAN	
Size	\$28,560,000
Issue	Note Anticipation Notes
Structure	7/1/2021
First Interest	1/1/2021
Call Feature	5/15/2021
Rating	MIG-1
Purpose	City Hall/Buchner/Sewer
Proj. Amt.	\$28,558,117
Est. TIC	1.72%

Item 2: CIP	
Size	\$23,255,000
Issue	G.O. Promissory Notes
Structure	10/1/2021-2029
First Interest	10/1/2020
Call Feature	Noncallable
Rating	Aa2
Purpose	2020 CIP
Proj. Amt.	\$23,252,665
Est. TIC	1.70%

Item 3: G.O. - NAN Refunding	
Size	\$8,825,000
Issue	General Obligation Refunding Bonds
Structure	10/1/2021-2035
First Interest	10/1/2020
Call Feature	10/1/2030
Rating	Aa2
Purpose	Refund levy portion of 2019 NAN
Refunded Par	\$10,000,000
Est. TIC	2.18%

Item 4: Sewerage System - NAN Refunding	
Size	\$4,560,000
Issue	Sewerage System Revenue Refunding Bonds
Structure	5/1/2021-2040
First Interest	11/1/2020
Call Feature	5/1/2030
Rating	Aa2
Purpose	Refund Sewerage portion of 2019 NAN
Refunded Par	\$4,700,000
Est. TIC	2.55%

City of Waukesha

2020 Example Financing Plan (continued)



YEAR DUE	CITY HALL 2019	CITY HALL - REFINANCING OF 2019 NAN			Projects	Projects			2020 CIP		ALLOCATION BY PURPOSE		COMBINED DEBT SERVICE (Levy Supported)	YEAR DUE
	G.O. REFUNDING BONDS	G.O. REFUNDING BONDS	PRINCIPAL	INTEREST	TOTAL	G.O. PROMISSORY NOTES	PRINCIPAL	INTEREST	BID PREMIUM	GENERAL FUND	PARKING (Non-Levy)			
	\$10,000,000 NANs Dated May 7, 2019 (First interest 1/1/20) (Due 7/1/20) NET INTEREST ^(A) TIC= 2.08%	\$8,825,000 G.O. REFUNDING BONDS Dated May 14, 2020 (First interest 10/1/20)				\$24,310,000 NANs Dated May 14, 2020 (First interest 1/1/21) (Due 7/1/21) NET INTEREST ^(B) TIC= 1.72%	\$23,255,000 G.O. PROMISSORY NOTES Dated May 14, 2020 (First interest 10/1/20)							
2020	\$216,460			\$136,534	\$136,534	\$503,706		\$265,495	(\$265,495)	\$0	\$0	\$16,548,483	2020	
2021		\$425,000		\$358,775	\$783,775		\$650,000	\$697,650	(\$697,650)	\$565,000	\$85,000	\$17,499,562	2021	
2022		\$450,000		\$337,525	\$787,525		\$3,030,000	\$678,150	(\$638,311)	\$2,986,765	\$83,074	\$17,499,458	2022	
2023	Assumes NAN principal	\$470,000		\$315,025	\$785,025		\$2,555,000	\$587,250		\$3,056,500	\$85,750	\$16,044,991	2023	
2024	refinanced with 2020 Bonds	\$490,000		\$296,225	\$786,225	Notes are callable 5/15/2021	\$2,630,000	\$510,600		\$3,056,950	\$83,650	\$12,968,850	2024	
2025	on 5/22/20. Interest paid	\$510,000		\$276,625	\$786,625	or any date thereafter.	\$2,715,000	\$431,700		\$3,060,150	\$86,550	\$11,431,150	2025	
2026	with funds on hand.	\$530,000		\$256,225	\$786,225		\$2,790,000	\$350,250		\$3,055,950	\$84,300	\$9,984,850	2026	
2027		\$550,000		\$235,025	\$785,025		\$2,875,000	\$266,550		\$3,059,500	\$82,050	\$8,365,650	2027	
2028		\$580,000		\$207,525	\$787,525		\$2,960,000	\$180,300		\$3,055,500	\$84,800	\$6,301,281	2028	
2029		\$610,000		\$178,525	\$788,525		\$3,050,000	\$91,500		\$3,059,100	\$82,400	\$4,499,681	2029	
2030		\$640,000		\$148,025	\$788,025							\$1,439,831	2030	
2031		\$670,000		\$116,025	\$786,025							\$1,436,831	2031	
2032		\$690,000		\$94,250	\$784,250							\$1,436,906	2032	
2033		\$715,000		\$71,825	\$786,825							\$1,054,950	2033	
2034		\$735,000		\$48,588	\$783,588							\$783,588	2034	
2035		\$760,000		\$24,700	\$784,700							\$784,700	2035	
	\$216,460	\$8,825,000	\$3,101,421	\$11,926,421	\$503,706		\$23,255,000	\$4,059,445	(\$1,601,455)	\$24,955,415	\$757,574	\$128,080,762		

(A) Excess bid premium of \$200,206.57 used to offset interest.

(B) Excess bid premium of \$389,517.77 used to offset interest.

City of Waukesha

2020 Example Financing Plan – Sewer Utility



Projects
Sewer.....\$4,250,000

YEAR DUE	SEWER UTILITY EXISTING DEBT SERVICE (G.O. Debt)	SEWER EXISTING DEBT SERVICE (G.O. & Revenue)	FINAL			PRELIMINARY			PRELIMINARY			SEWER COMBINED DEBT SERVICE (G.O. & Revenue)	SEWER COMBINED DEBT SERVICE (Revenue Debt) ^(E)	2018 NET REVENUES (B)	PROJECTED COVERAGE RATIO (A)	ESTIMATED 2019 NET REVENUES (B)	PROJECTED COVERAGE RATIO (A)	YEAR DUE	
			\$4,700,000 NANs Dated May 7, 2019 (First interest 1/1/20) (Due 7/1/20)	\$4,560,000 Sewer System Revenue Bonds Dated May 14, 2020 (First interest 11/1/20)	PRINCIPAL (5/1)	INTEREST (5/1 & 11/1)	TOTAL	\$4,250,000 NANs Dated May 14, 2020 (First interest 1/1/21) (Due 7/1/21)	NET INTEREST ^(D)	TIC =									
			NET INTEREST ^(C)																
			TIC = 2.08%																
2020	\$647,992	\$6,356,073	\$101,736				\$82,526	\$82,526				\$6,540,335	\$5,892,343	\$9,524,633	1.62	\$12,980,988	2.20	2020	
2021	\$645,189	\$6,361,257		\$150,000	\$174,150	\$324,150			\$88,060			\$6,773,468	\$6,128,278	\$9,524,633	1.55	\$12,980,988	2.12	2021	
2022	\$301,860	\$6,002,572		\$155,000	\$166,525	\$321,525						\$6,324,097	\$6,022,237	\$9,524,633	1.58	\$12,980,988	2.16	2022	
2023	\$301,972	\$6,006,284		\$165,000	\$159,350	\$324,350						\$6,330,634	\$6,028,662	\$9,524,633	1.58	\$12,980,988	2.15	2023	
2024	\$274,651	\$5,975,671		\$170,000	\$152,650	\$322,650						\$6,298,321	\$6,023,670	\$9,524,633	1.58	\$12,980,988	2.15	2024	
2025	\$274,579	\$5,976,386		\$175,000	\$145,750	\$320,750						\$6,297,136	\$6,022,557	\$9,524,633	1.58	\$12,980,988	2.16	2025	
2026	\$274,505	\$5,980,381		\$185,000	\$138,550	\$323,550						\$6,303,931	\$6,029,426	\$9,524,633	1.58	\$12,980,988	2.15	2026	
2027	\$274,429	\$5,977,804		\$190,000	\$130,100	\$320,100						\$6,297,904	\$6,023,475	\$9,524,633	1.58	\$12,980,988	2.16	2027	
2028	\$274,351	\$5,974,653		\$200,000	\$120,350	\$320,350						\$6,295,003	\$6,020,652	\$9,524,633	1.58	\$12,980,988	2.16	2028	
2029	\$274,271	\$5,974,380		\$210,000	\$110,100	\$320,100						\$6,294,480	\$6,020,209	\$9,524,633	1.58	\$12,980,988	2.16	2029	
2030	\$274,189	\$5,971,884		\$220,000	\$99,350	\$319,350						\$6,291,234	\$6,017,044	\$9,524,633	1.58	\$12,980,988	2.16	2030	
2031	\$274,105	\$5,971,825		\$235,000	\$88,856	\$323,856						\$6,295,682	\$6,021,576	\$9,524,633	1.58	\$12,980,988	2.16	2031	
2032	\$274,019	\$5,964,994		\$245,000	\$78,656	\$323,656						\$6,288,650	\$6,014,631	\$9,524,633	1.58	\$12,980,988	2.16	2032	
2033	\$273,930	\$5,967,762		\$250,000	\$69,388	\$319,388						\$6,287,149	\$6,013,219	\$9,524,633	1.58	\$12,980,988	2.16	2033	
2034	\$273,839	\$5,970,150		\$260,000	\$61,100	\$321,100						\$6,291,250	\$6,017,411	\$9,524,633	1.58	\$12,980,988	2.16	2034	
2035		\$3,290,708		\$270,000	\$52,488	\$322,488						\$3,613,195	\$3,613,195	\$9,524,633	2.64	\$12,980,988	3.59	2035	
2036		\$2,359,355		\$280,000	\$43,550	\$323,550						\$2,682,905	\$2,682,905	\$9,524,633	3.55	\$12,980,988	4.84	2036	
2037		\$2,106,629		\$285,000	\$34,369	\$319,369						\$2,425,998	\$2,425,998	\$9,524,633	3.93	\$12,980,988	5.35	2037	
2038		\$1,649,466		\$295,000	\$24,944	\$319,944						\$1,969,410	\$1,969,410	\$9,524,633	4.84	\$12,980,988	6.59	2038	
2039		\$203,125		\$305,000	\$15,194	\$320,194						\$523,319	\$523,319	\$9,524,633	18.20	\$12,980,988	24.81	2039	
2040				\$315,000	\$5,119	\$320,119						\$320,119	\$320,119	\$9,524,633	29.75	\$12,980,988	40.55	2040	
TOTAL	\$4,913,884	\$100,041,359	\$101,736	\$4,560,000	\$1,953,063	\$6,513,063			\$88,060			\$106,744,219	\$101,830,335						

(A) Based on 2018 & Estimated 2019 Net Revenues. Rate covenants will require coverage of at least 1.25x max annual debt service (revenue debt only).
 (B) Net Revenues based on 2018 & Estimated 2019 Net Revenues. Assumes no increase thereafter.
 (C) Excess bid premium of \$94,097.10 used to offset interest paid 1/1/2020.
 (D) Excess bid premium of \$68,097.50 used to offset interest.
 (E) Includes interest payments for the Note Anticipation Notes (NANs).

	2018	ESTIMATED 2019
Gross Revenues:	\$16,158,045	\$20,347,712
Less: Current Expenses:	(\$6,633,412) ⁽¹⁾	(\$7,366,724) ⁽¹⁾
Net Revenues:	\$9,524,633	\$12,980,988

(1) Less Depreciation