

The logo for BAIRD is a blue parallelogram tilted to the right, containing the word "BAIRD" in white, uppercase, serif font.

City of Waukesha

Presentation to Finance Committee

March 9, 2021

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Timeline

- Finance Committee considers plan of finance / parameters resolutions March 9, 2021
- City Council considers plan of finance / parameters resolutions..... March 16, 2021
 - Preparations are made for issuance
 - ✓ Official Statement
 - ✓ Bond Rating
 - ✓ Marketing
- Signature of Certificate to award bonds/notes (finalizes terms and interest rates)..... March 30, 2021
- Closing (funds available).....April 20, 2021
- 2016 & 2017 Water NANs Paid off..... May 1, 2021
- 2020 NAN Paid off..... May 15, 2021



Borrowing / Structure / Purpose

Item 1: NAN	
Size	\$22,715,000
Issue	Note Anticipation Notes
Structure	7/1/2022
First Interest	1/1/2022
Call Feature	5/15/2022
Rating	MIG-1
Purpose	Sewer, Police Facility and other projects included in CIP
Proj. Amt.	\$22,712,230 (\$17,737,230 Police Facility & CIP + \$4,975,000 Sewer)
Est. TIC	0.68%

Item 4: Sewerage System - Refund portion of 2020 NAN	
Size	\$4,365,000
Issue	Sewerage System Revenue Bonds
Structure	5/1/2022-2041
First Interest	11/1/2021
Call Feature	5/1/2031
Rating	Aa2
Purpose	Refund Sewerage portion of 2020 NAN
Refunded Par	\$4,250,000
Est. TIC	1.96%

Item 2: CIP	
Size	\$31,545,000
Issue	G.O. Promissory Notes
Structure	10/1/2022-2030
First Interest	10/1/2021
Call Feature	10/1/2028
Rating	Aa2
Purpose	2021 CIP and Frame Park Artificial Turf Project
Proj. Amt.	\$31,544,942 projects (\$30,854,942 CIP + \$690,000 Frame Park)
Est. TIC	1.26%

Item 5: TID Development Incentive	
Size	\$1,623,000
Issue	Taxable G.O. Promissory Notes
Structure	10/1/2024
First Interest	10/1/2021
Call Feature	10/1/2021
Rating	NR
Purpose	TID #22 Development Incentive
Incentive	\$1,600,000
Est. TIC	1.25%

Item 3: G.O. - Refund portions of 2016, 2017 & 2020 NANs	
Size	\$31,315,000
Issue	General Obligation Refunding Bonds
Structure	10/1/2023-2040
First Interest	4/1/2022
Call Feature	10/1/2028
Rating	Aa2
Purpose	Refund 2016 and 2017 Water NAN and levy portion of 2020 NAN
Refunded Par	\$24,310,000 2020 NAN/ \$8,245,000 Water NANs
Est. TIC	1.85%



2021 Example Financing Plan

LEVY YEAR	YEAR DUE	EXISTING					*	TOTAL DEBT SERVICE (Levy Supported)	ANTICIPATED PREMIUM USAGE (2019 GOPNs)	ANTICIPATED PREMIUM USAGE (2020 GOPNs)	YEAR DUE
		DEBT SERVICE (General Fund)	DEBT SERVICE (Parking Util.)	DEBT SERVICE (Cemetery)	DEBT SERVICE (Transit Buses)	DEBT SERVICE (Storm Sewer - Levy)					
2020	2021	\$17,374,763	\$5,010	\$106,244	\$187,700	\$193,198	*	\$17,866,915	(\$201,171)	(\$717,600)	2021
2021	2022	\$17,685,493		\$49,292	\$187,750	\$178,080	*	\$18,100,614		(\$699,300)	2022
2022	2023	\$15,774,309		\$53,225	\$187,650	\$177,030	*	\$16,192,214		(\$280,421)	2023
2023	2024	\$12,478,334		\$47,000	\$192,400	\$176,180	*	\$12,893,914			2024
2024	2025	\$10,970,631		\$45,800	\$188,700	\$175,075	*	\$11,380,206			2025
2025	2026	\$9,720,141		\$44,600		\$173,715	*	\$9,938,456			2026
2026	2027	\$8,098,731		\$43,400		\$177,100	*	\$8,319,231			2027
2027	2028	\$6,216,281		\$46,800			*	\$6,263,081			2028
2028	2029	\$4,460,131					*	\$4,460,131			2029
2029	2030	\$1,430,706					*	\$1,430,706			2030
2030	2031	\$1,429,106					*	\$1,429,106			2031
2031	2032	\$1,429,356					*	\$1,429,356			2032
2032	2033	\$1,044,125					*	\$1,044,125			2033
2033	2034	\$779,700					*	\$779,700			2034
2034	2035	\$777,650					*	\$777,650			2035
2035	2036						*				2036
		<u>\$109,669,459</u>	<u>\$5,010</u>	<u>\$436,360</u>	<u>\$944,200</u>	<u>\$1,250,378</u>	*	<u>\$112,305,407</u>	<u>(\$201,171)</u>	<u>(\$1,697,321)</u>	

City of Waukesha

2021 Example Financing Plan (continued)



YEAR DUE	Projects	CITY HALL/POOL - REFINANCING OF 2020 NAN			Projects	2021 CIP				ALLOCATION BY PURPOSE		COMBINED DEBT SERVICE (Levy Supported)	YEAR DUE
	Pool.....\$7,908,117 City Hall.....\$16,400,000 Rounding.....\$1,883	G.O. REFUNDING BONDS - POS			Police Facility/CIP.....\$17,737,230 Rounding.....\$2,770	PRINCIPAL	INTEREST	HYPOTHETICAL	TOTAL	GENERAL FUND	PARKING (Non-Levy)		
	CITY HALL/POOL 2020				Police Facility & 2021 CIP			BID PREMIUM					
	\$24,310,000	\$23,170,000			\$17,740,000	(10/1)	(4/1 & 10/1)						
	NANs - FINAL	G.O. REFUNDING BONDS - POS			NANs - POS	NET INTEREST ^(A)	NET INTEREST ^(B)						
	Dated May 14, 2020	Dated April 20, 2021			Dated April 20, 2021	TIC=	TIC=						
	(First interest 1/1/21)	(First interest 4/1/22)			(First interest 1/1/22)	1.65%	1.73%						
	(Due 7/1/21)	PRINCIPAL	INTEREST	TOTAL	(Due 7/1/22)								
	NET INTEREST ^(A)	(10/1)	(4/1 & 10/1)		NET INTEREST ^(B)								
	TIC=				TIC=								
	1.65%				0.68%								
2021	\$391,789				\$170,990				\$0	\$0	\$0	\$17,339,932	2021
2022			\$830,854	\$830,854				\$0	\$3,210,000	\$5,000	\$0	\$21,613,159	2022
2023		\$1,380,000	\$574,103	\$1,954,103				\$3,215,000	\$3,210,000	\$5,000	\$0	\$21,282,916	2023
2024		\$1,425,000	\$532,703	\$1,957,703				\$3,280,000	\$3,417,021	\$5,167	\$0	\$18,733,794	2024
2025		\$1,465,000	\$489,953	\$1,954,953				\$3,350,000	\$3,882,178	\$6,398	\$0	\$17,220,419	2025
2026		\$1,510,000	\$446,003	\$1,956,003				\$3,430,000	\$3,885,260	\$11,290	\$0	\$15,776,189	2026
2027		\$1,555,000	\$400,703	\$1,955,703				\$3,500,000	\$3,881,730	\$11,075	\$0	\$14,156,629	2027
2028		\$1,600,000	\$354,053	\$1,954,053				\$3,575,000	\$3,881,695	\$10,860	\$0	\$12,102,181	2028
2029		\$1,650,000	\$306,053	\$1,956,053				\$3,655,000	\$3,885,048	\$10,645	\$0	\$10,297,864	2029
2030		\$1,685,000	\$270,578	\$1,955,578				\$3,730,000	\$3,881,680	\$10,430	\$0	\$7,267,984	2030
2031		\$1,720,000	\$234,350	\$1,954,350				\$3,810,000	\$3,881,700	\$10,215	\$0	\$3,383,456	2031
2032		\$1,760,000	\$197,370	\$1,957,370								\$3,386,726	2032
2033		\$1,795,000	\$159,530	\$1,954,530								\$2,998,655	2033
2034		\$1,835,000	\$120,938	\$1,955,938								\$2,735,638	2034
2035		\$1,875,000	\$81,485	\$1,956,485								\$2,734,135	2035
2036		\$1,915,000	\$41,173	\$1,956,173								\$1,956,173	2036
	\$391,789	\$23,170,000	\$5,039,844	\$28,209,844	\$170,990			\$31,545,000	\$33,806,311	\$81,080		\$172,985,849	

(A) Excess bid premium of \$339,536.89 used to offset interest.

(B) Excess bid premium of \$264,403.57 used to offset interest.



2021 Example Financing Plan – Water Supported

YEAR DUE	Water Utility Supported		FINAL	FINAL	POS			COMBINED DEBT SERVICE (Water Revenue & G.O.)	YEAR DUE
	EXISTING DEBT SERVICE (Revenue)	EXISTING DEBT SERVICE (G.O.)	\$17,400,000 NANs Dated May 10, 2016 (First interest 11/1/16) (Due 5/1/21) (Callable 5/1/18) TIC= 2.28%	\$9,885,000 NANs Dated May 23, 2017 (First interest 11/1/17) (Due 5/1/22) (Callable 5/1/19) TIC= 2.46%	PRINCIPAL (10/1)	INTEREST (4/1 & 10/1) TIC= 2.08%	TOTAL		
2021	\$828,271	\$2,474,684	\$96,000	\$27,675				\$3,426,630	2021
2022	\$828,162	\$2,468,156				\$264,505	\$264,505	\$3,560,823	2022
2023	\$828,051	\$2,468,428			\$100,000	\$182,768	\$282,768	\$3,579,246	2023
2024	\$827,938	\$2,470,878	\$6,400,000 of NAN principal refinanced with 2021 Bonds on 5/1/21. Interest paid with water revenues.	\$1,845,000 of NAN principal refinanced with 2021 Bonds on 5/1/21. Interest paid with water revenues.	\$100,000	\$179,768	\$279,768	\$3,578,583	2024
2025	\$827,823	\$2,465,705			\$100,000	\$176,768	\$276,768	\$3,570,296	2025
2026	\$827,706	\$2,471,595			\$200,000	\$173,768	\$373,768	\$3,673,068	2026
2027	\$827,586	\$1,810,523			\$200,000	\$167,768	\$367,768	\$3,005,876	2027
2028	\$827,464	\$1,812,663	\$11,000,000 of NAN Principal has been previously paid.	\$8,040,000 of NAN Principal has been previously paid.	\$200,000	\$161,768	\$361,768	\$3,001,894	2028
2029	\$827,340	\$1,807,183			\$200,000	\$155,768	\$355,768	\$2,990,290	2029
2030	\$827,213	\$1,813,983			\$200,000	\$151,468	\$351,468	\$2,992,663	2030
2031	\$827,084	\$1,803,403			\$200,000	\$147,168	\$347,168	\$2,977,654	2031
2032	\$826,953	\$1,810,793			\$200,000	\$142,868	\$342,868	\$2,980,613	2032
2033	\$826,819	\$1,410,275			\$200,000	\$138,568	\$338,568	\$2,575,661	2033
2034	\$759,319	\$1,025,200			\$300,000	\$134,268	\$434,268	\$2,218,786	2034
2035	\$759,192	\$561,600			\$495,000	\$127,818	\$622,818	\$1,943,610	2035
2036	\$759,063				\$1,005,000	\$117,175	\$1,122,175	\$1,881,238	2036
2037	\$758,931				\$1,015,000	\$95,568	\$1,110,568	\$1,869,499	2037
2038	\$758,797				\$1,030,000	\$73,745	\$1,103,745	\$1,862,542	2038
2039	\$159,306				\$1,040,000	\$51,600	\$1,091,600	\$1,250,906	2039
2040					\$1,360,000	\$29,240	\$1,389,240	\$1,389,240	2040
	\$14,713,019	\$28,675,065	\$96,000	\$27,675	\$8,145,000	\$2,672,360	\$10,817,360	\$54,329,119	



2021 Example Financing Plan – Sewer Utility

YEAR DUE	SEWER UTILITY EXISTING DEBT SERVICE (G.O. Debt)	SEWER EXISTING DEBT SERVICE (G.O. & Revenue)	FINAL			POS			Projects		SEWER COMBINED DEBT SERVICE (G.O. & Revenue) ^(E)	SEWER COMBINED DEBT SERVICE (Revenue Debt) ^(E)	PROJECTED 2020 NET REVENUES (B)	PROJECTED COVERAGE RATIO (A)	YEAR DUE
			\$4,250,000 NANs Dated May 14, 2020 (First interest 1/1/21) (Due 7/1/21)	\$4,365,000 Sewer System Revenue Bonds Dated April 20, 2021 (First interest 11/1/21)	\$4,975,000 NANs Dated April 20, 2021 (First interest 1/1/22) (Due 7/1/22)	PRINCIPAL (5/1)	INTEREST (5/1 & 11/1)	TOTAL	NET INTEREST ^(D)	Sewer.....\$4,975,000					
			NET INTEREST ^(C) TIC = 1.65%												
2021	\$636,076	\$7,609,614	\$68,495					\$47,952		\$7,785,709	\$7,149,633	\$13,071,921	1.83	2021	
2022	\$299,997	\$7,910,287		\$165,000	\$59,648	\$59,648			\$8,185,237	\$7,885,240	\$13,071,921	1.66	2022		
2023	\$299,846	\$7,967,440		\$170,000	\$109,950	\$274,950			\$8,242,365	\$7,942,519	\$13,071,921	1.65	2023		
2024	\$274,651	\$7,937,953		\$175,000	\$104,925	\$274,925			\$8,212,703	\$7,938,052	\$13,071,921	1.65	2024		
2025	\$274,579	\$7,937,516		\$180,000	\$99,750	\$274,750			\$8,211,941	\$7,937,361	\$13,071,921	1.65	2025		
2026	\$274,505	\$7,940,202		\$185,000	\$94,425	\$274,425			\$8,214,152	\$7,939,646	\$13,071,921	1.65	2026		
2027	\$274,429	\$7,941,086		\$190,000	\$88,950	\$273,950			\$8,214,411	\$7,939,981	\$13,071,921	1.65	2027		
2028	\$274,351	\$7,936,167		\$200,000	\$83,325	\$273,325			\$8,213,642	\$7,939,290	\$13,071,921	1.65	2028		
2029	\$274,271	\$7,933,970		\$205,000	\$77,475	\$277,475			\$8,210,370	\$7,936,098	\$13,071,921	1.65	2029		
2030	\$274,189	\$7,929,394		\$210,000	\$71,400	\$276,400			\$8,204,569	\$7,930,379	\$13,071,921	1.65	2030		
2031	\$274,105	\$7,932,026		\$215,000	\$65,175	\$275,175			\$8,205,826	\$7,931,720	\$13,071,921	1.65	2031		
2032	\$274,019	\$7,922,654		\$220,000	\$58,800	\$273,800			\$8,195,754	\$7,921,736	\$13,071,921	1.65	2032		
2033	\$273,930	\$7,922,654		\$225,000	\$53,100	\$273,100			\$8,200,745	\$7,926,814	\$13,071,921	1.65	2033		
2034	\$273,839	\$7,927,651		\$235,000	\$48,094	\$273,094			\$8,204,958	\$7,931,119	\$13,071,921	1.65	2034		
2035		\$7,927,040		\$240,000	\$42,919	\$277,919			\$5,253,192	\$5,253,192	\$13,071,921	2.49	2035		
2036		\$4,975,617		\$245,000	\$37,575	\$277,575			\$4,322,941	\$4,322,941	\$13,071,921	3.02	2036		
2037		\$4,045,822		\$250,000	\$32,119	\$277,119			\$4,065,975	\$4,065,975	\$13,071,921	3.21	2037		
2038		\$3,789,425		\$255,000	\$26,550	\$276,550			\$3,609,229	\$3,609,229	\$13,071,921	3.62	2038		
2039		\$3,333,361		\$260,000	\$20,869	\$275,869			\$2,016,244	\$2,016,244	\$13,071,921	6.48	2039		
2040		\$1,741,169		\$265,000	\$15,075	\$275,075			\$1,812,730	\$1,812,730	\$13,071,921	7.21	2040		
2041		\$1,538,562		\$275,000	\$9,169	\$274,169			\$1,422,084	\$1,422,084	\$13,071,921	9.19	2041		
2042		\$1,143,990			\$3,094	\$278,094			\$1,143,812	\$1,143,812	\$13,071,921	11.43	2042		
2043		\$1,143,812							\$1,143,631	\$1,143,631	\$13,071,921	11.43	2043		
2044		\$1,143,631							\$1,143,447	\$1,143,447	\$13,071,921	11.43	2044		
2045		\$1,143,447							\$1,143,259	\$1,143,259	\$13,071,921	11.43	2045		
2046		\$1,143,259							\$1,143,067	\$1,143,067	\$13,071,921	11.44	2046		
2047		\$1,143,067							\$1,142,872	\$1,142,872	\$13,071,921	11.44	2047		
2048		\$1,142,872							\$1,142,673	\$1,142,673	\$13,071,921	11.44	2048		
2049		\$1,142,673							\$1,142,470	\$1,142,470	\$13,071,921	11.44	2049		
2050		\$1,142,470							\$1,142,263	\$1,142,263	\$13,071,921	11.44	2050		
TOTAL	\$4,252,790	\$141,608,437	\$68,495	\$4,365,000	\$1,202,385	\$5,567,385		\$47,952	\$147,292,269	\$143,039,479					

(A) Based on projected 2020 Net Revenues. Rate covenants will require coverage of at least 1.25x max annual debt service (revenue debt only).

(B) Net Revenues based on projected 2020 Net Revenues. Assumes no increase thereafter.

(C) Excess bid premium of \$59,359.58 used to offset interest paid 1/1/2021.

(D) Excess bid premium of \$74,149.26 used to offset interest.

(E) Includes interest payments for the Note Anticipation Notes (NANs).

	PROJECTED 2020
Gross Revenues:	\$20,026,855
Less: Current Expenses:	(\$6,954,934) ⁽¹⁾
Net Revenues:	\$13,071,921

(1) Less Depreciation



2021 Example Financing Plan – TID #22 Development Incentive

		TID #22			
		\$1,623,000			
		TAXABLE G.O. PROMISSORY NOTES			
		<i>Dated April 20, 2021</i>			
		<i>(First interest 10/1/21)</i>			
LEVY YEAR	YEAR DUE	PRINCIPAL <i>(10/1)</i>	INTEREST <i>(4/1 & 10/1)</i> <i>TIC=</i> <i>1.25%</i>	TOTAL	YEAR DUE
2020	2021		\$9,073	\$9,073	2021
2021	2022		\$20,288	\$20,288	2022
2022	2023		\$20,288	\$20,288	2023
2023	2024	\$1,623,000	\$20,288	\$1,643,288	2024
		\$1,623,000	\$69,936	\$1,692,936	