

The logo for BAIRD is a blue parallelogram tilted to the right, with the word "BAIRD" in white, bold, serif capital letters centered inside.

BAIRD

# City of Waukesha

Presentation to Finance Committee

February 22, 2022

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## Timeline

- Finance Committee considers plan of finance / parameters resolutions ..... February 22, 2022
- City Council considers plan of finance / parameters resolutions..... March 1, 2022
  - Preparations are made for issuance
    - ✓ Official Statement
    - ✓ Bond Rating
    - ✓ Marketing
- Signature of Certificate to award Taxable NAN (finalizes terms and interest rates)..... March 2, 2022
- 2022 NAN Closing (funds available) ..... March 16, 2022
- Signature of Certificate to award bonds/notes (finalizes terms and interest rates)..... March 30, 2022
- Closing (funds available)..... April 20, 2022
- 2021 NAN Paid off..... May 15, 2022
- 2022 Taxable NAN Paid off ..... June 16, 2022

# City of Waukesha

## Borrowing / Structure / Purpose



Item 1: NAN	
<b>Size</b>	\$3,650,000
<b>Issue</b>	Note Anticipation Notes
<b>Structure</b>	7/1/2023
<b>First Interest</b>	1/1/2023
<b>Call Feature</b>	5/15/2023
<b>Rating</b>	MIG 1
<b>Purpose</b>	Sewer
<b>Proj. Amt.</b>	\$3,650,000
<b>TIC</b>	1.55%

Item 4: Sewerage System - Refund portion of 2021 NAN	
<b>Size</b>	\$6,035,000
<b>Issue</b>	Sewer System Revenue Bonds
<b>Structure</b>	5/1/2023-2042
<b>First Interest</b>	11/1/2022
<b>Call Feature</b>	5/1/2031
<b>Rating</b>	Aa2
<b>Purpose</b>	Refund Sewerage portion of 2021 NAN
<b>Refunded Par</b>	\$5,975,000
<b>TIC</b>	2.87%

Item 2: CIP	
<b>Size</b>	\$23,760,000
<b>Issue</b>	G.O. Promissory Notes
<b>Structure</b>	10/1/2023-2031
<b>First Interest</b>	10/1/2022
<b>Call Feature</b>	10/1/2029
<b>Rating</b>	Aa2
<b>Purpose</b>	2022 CIP
<b>Proj. Amt.</b>	\$23,756,684
<b>TIC</b>	2.19%

Item 5: TID Development Incentive	
<b>Size</b>	\$4,669,000
<b>Issue</b>	Taxable Note Anticipation Notes
<b>Structure</b>	9/16/2022
<b>First Interest</b>	9/16/2022
<b>Call Feature</b>	6/16/2022
<b>Rating</b>	NR
<b>Purpose</b>	TID #11(#30) and #26 Development Incentive
<b>Incentive</b>	\$2,000,000 TID #11(#30); \$2,650,000 TID #26
<b>TIC</b>	1.50%

Item 3: G.O. - Refund portions of 2021 NANs	
<b>Size</b>	\$15,480,000
<b>Issue</b>	General Obligation Refunding Bonds
<b>Structure</b>	10/1/2024-2037
<b>First Interest</b>	4/1/2023
<b>Call Feature</b>	10/1/2029
<b>Rating</b>	Aa2
<b>Purpose</b>	Refund police (levy) portion of 2021 NANs
<b>Refunded Par</b>	\$16,740,000; par amount of the refunding bonds plus a premium generated from the issuance will be sufficient to refund the NANs
<b>TIC</b>	2.61%

Item 6: Refund Development Incentive NAN	
<b>Size</b>	\$5,085,000
<b>Issue</b>	Taxable General Obligation Refunding Bonds
<b>Structure</b>	10/1/2025 - 10/1/2037 TID #11(#30) and 10/1/2039 TID #26
<b>First Interest</b>	10/1/2022
<b>Call Feature</b>	10/1/2029
<b>Rating</b>	Aa2
<b>Purpose</b>	Refund TID #11(#30) and #26 Development Incentive / Cap Int.
<b>Refunded Par</b>	\$4,669,000
<b>TIC</b>	2.89%



LEVY YEAR	YEAR DUE	EXISTING				*	TOTAL DEBT SERVICE (Levy Supported)	ANTICIPATED PREMIUM USAGE (2020 GOPNs)	ANTICIPATED PREMIUM USAGE (2021 GOPNs)	YEAR DUE
		DEBT SERVICE (General Fund)	DEBT SERVICE (Cemetery)	DEBT SERVICE (Transit Buses)	DEBT SERVICE (Storm Sewer - Levy)					
2021	2022	\$22,552,153	\$49,292	\$187,750	\$178,080	*	\$22,967,274	(\$699,300)	(\$629,400)	2022
2022	2023	\$21,553,659	\$53,225	\$187,650	\$177,030	*	\$21,971,564	(\$280,421)	(\$442,723)	2023
2023	2024	\$18,260,634	\$47,000	\$192,400	\$176,180	*	\$18,676,214			2024
2024	2025	\$16,756,331	\$45,800	\$188,700	\$175,075	*	\$17,165,906			2025
2025	2026	\$15,504,591	\$44,600		\$173,715	*	\$15,722,906			2026
2026	2027	\$13,877,281	\$43,400		\$177,100	*	\$14,097,781			2027
2027	2028	\$11,999,131	\$46,800			*	\$12,045,931			2028
2028	2029	\$10,242,031				*	\$10,242,031			2029
2029	2030	\$7,210,606				*	\$7,210,606			2030
2030	2031	\$3,354,906				*	\$3,354,906			2031
2031	2032	\$3,355,956				*	\$3,355,956			2032
2032	2033	\$2,970,825				*	\$2,970,825			2033
2033	2034	\$2,705,800				*	\$2,705,800			2034
2034	2035	\$2,702,450				*	\$2,702,450			2035
2035	2036	\$1,927,800				*	\$1,927,800			2036
2036	2037					*				2037
		<u>\$154,974,156</u>	<u>\$330,117</u>	<u>\$756,500</u>	<u>\$1,057,180</u>	*	<u>\$157,117,952</u>	<u>(\$979,721)</u>	<u>(\$1,072,123)</u>	

# City of Waukesha

## 2022 Example Financing Plan (continued)



YEAR DUE	Projects		ITEM #3			ITEM #2				COMBINED DEBT SERVICE (Levy Supported)	YEAR DUE
	POLICE FACILITY <b>\$16,740,000</b> NANs, SERIES 2021A - FINAL Dated April 20, 2021 (First interest 1/1/22) (Due 7/1/22) NET INTEREST <sup>(A)</sup> TIC= 0.61%		POLICE FACILITY - REFINANCING OF 2021 NAN <b>\$15,480,000</b> G.O. REFUNDING BONDS - POS Dated April 20, 2022 (First interest 4/1/23)			2022 CIP <b>\$23,760,000</b> G.O. PROMISSORY NOTES - POS Dated April 20, 2022 (First interest 10/1/22)					
	PRINCIPAL (10/1)	INTEREST (4/1 & 10/1) TIC= 2.61%	TOTAL	PRINCIPAL (10/1)	INTEREST (4/1 & 10/1) TIC= 2.19%	LESS: HYPOTHETICAL BID PREMIUM	TOTAL				
	Police Facility.....\$16,737,230			General Fund..... \$23,756,684							
	Rounding.....\$2,770			Rounding..... \$3,316							
2022	\$102,305						\$0	\$21,740,879	2022		
2023		\$874,972	\$874,972	\$2,160,000	\$482,972	(\$482,972)	\$2,160,000	\$24,283,393	2023		
2024		\$604,588	\$1,424,588	\$2,270,000	\$971,938	(\$971,938)	\$2,270,000	\$22,370,801	2024		
2025		\$563,588	\$1,423,588	\$2,380,000	\$858,438	(\$96,417)	\$3,142,021	\$21,731,515	2025		
2026	NANs principal refinanced with 2022 Bonds on 5/15/22.	\$520,588	\$1,425,588	\$2,500,000	\$739,438		\$3,239,438	\$20,387,931	2026		
2027		\$475,338	\$1,425,338	\$2,625,000	\$614,438		\$3,239,438	\$18,762,556	2027		
2028		\$426,650	\$1,426,650	\$2,755,000	\$483,188		\$3,238,188	\$16,710,769	2028		
2029	NANs interest paid with funds on hand.	\$375,400	\$1,425,400	\$2,895,000	\$345,438		\$3,240,438	\$14,907,869	2029		
2030		\$321,588	\$1,421,588	\$3,040,000	\$200,688		\$3,240,688	\$11,872,881	2030		
2031		\$285,838	\$1,425,838	\$3,135,000	\$101,888		\$3,236,888	\$8,017,631	2031		
2032		\$248,788	\$1,423,788					\$4,779,744	2032		
2033		\$210,600	\$1,425,600					\$4,396,425	2033		
2034		\$171,113	\$1,426,113					\$4,131,913	2034		
2035		\$130,325	\$1,425,325					\$4,127,775	2035		
2036		\$88,238	\$1,423,238					\$3,351,038	2036		
2037		\$44,850	\$1,424,850					\$1,424,850	2037		
	\$102,305	\$5,342,460	\$20,822,460	\$23,760,000	\$5,878,360	(\$2,631,264)	\$27,007,096	\$202,997,969			

(A) Excess bid premium of \$255,744.51 used to offset interest.

# City of Waukesha

## 2022 Example Financing Plan – TID #11 (#30) & #26 Development Incentive



		<b>ITEM #5</b>				<b>ITEM #6</b>						
		<b>Projects</b>				<b>Projects</b>						
		TIF #11 (#30).....	\$2,000,000			TIF #11 (#30).....		\$2,185,000				
		TIF #26.....	\$2,650,000			TIF #26.....		\$2,900,000				
		Rounding.....	\$96			Capitalized Interest.....		\$324,128				
		<b>TIF #11(#30) &amp; TIF #26</b>				<b>TIF #11 (#30) &amp; TIF #26 - REFINANCING OF 2022 TAXABLE NAN</b>						
		<b>\$4,669,000</b>				<b>\$5,085,000</b>						
		<b>TAXABLE NAN - POS</b>				<b>TAXABLE G.O. REFUNDING BONDS - POS</b>						
		<i>Dated March 16, 2022</i>				<i>Dated April 20, 2022</i>						
		<i>(First interest 9/16/22)</i>				<i>(First interest 10/1/22)</i>						
		<b>ALLOCATION BY PURPOSE</b>				<b>ALLOCATION BY PURPOSE</b>						
LEVY YEAR	YEAR DUE			TIF #11 (#30)	TIF #26	PRINCIPAL (10/1)	INTEREST (4/1 & 10/1)	LESS: CAPITALIZED INTEREST	TOTAL	TIF #11 (#30)	TIF #26	YEAR DUE
		(Due 9/16/22)										
		INTEREST										
		RATE=										
		1.50%										
2021	2022	\$17,509		\$7,534	\$9,975		\$59,233	(\$59,233)	\$0	\$0	\$0	2022
2022	2023						\$132,448	(\$132,448)	\$0	\$0	\$0	2023
2023	2024						\$132,448	(\$132,448)	\$0	\$0	\$0	2024
2024	2025					\$310,000	\$132,448		\$442,448	\$200,330	\$242,118	2025
2025	2026					\$315,000	\$127,178		\$442,178	\$202,865	\$239,313	2026
2026	2027					\$325,000	\$121,508		\$446,508	\$205,165	\$241,343	2027
2027	2028	Assumes Taxable NAN principal & interest refunded with Taxable Bonds on 6/16/22 call date.				\$330,000	\$115,333		\$445,333	\$202,220	\$243,113	2028
2028	2029					\$335,000	\$108,568		\$443,568	\$204,043	\$239,525	2029
2029	2030					\$340,000	\$101,030		\$441,030	\$200,443	\$240,588	2030
2030	2031					\$350,000	\$92,700		\$442,700	\$201,523	\$241,178	2031
2031	2032					\$360,000	\$83,775		\$443,775	\$202,315	\$241,460	2032
2032	2033					\$370,000	\$74,235		\$444,235	\$202,810	\$241,425	2033
2033	2034					\$380,000	\$64,060		\$444,060	\$202,998	\$241,063	2034
2034	2035					\$390,000	\$53,040		\$443,040	\$202,778	\$240,263	2035
2035	2036					\$405,000	\$41,340		\$446,340	\$202,228	\$244,113	2036
2036	2037					\$415,000	\$28,785		\$443,785	\$201,338	\$242,448	2037
2037	2038					\$225,000	\$15,298		\$240,298	\$0	\$240,298	2038
2038	2039					\$235,000	\$7,873		\$242,873	\$0	\$242,873	2039
						\$5,085,000	\$1,491,296	(\$324,128)	\$6,252,168	\$2,631,053	\$3,621,115	



## 2022 Example Financing Plan – Sewer Utility

YEAR DUE	SEWER UTILITY EXISTING DEBT SERVICE (G.O. Debt)	SEWER EXISTING DEBT SERVICE (Senior Revenue)	SEWER EXISTING DEBT SERVICE (Junior Revenue)	FINAL			POS			Projects		SEWER COMBINED DEBT SERVICE (G.O. & Revenue) (Senior & Junior)	SEWER COMBINED DEBT SERVICE (Senior Revenue) <sup>(C)</sup>	YEAR DUE
				\$5,975,000 NaNs, Series 2021A Dated April 20, 2021 (First interest 1/1/22) (Due 7/1/22) NET INTEREST <sup>(A)</sup> TIC = 0.61%	\$6,035,000 Sewer System Revenue Bonds, Series 2022 Dated April 20, 2022 (First interest 11/1/22)		\$3,650,000 NaNs Dated April 20, 2022 (First interest 1/1/23) (Due 7/1/23) NET INTEREST <sup>(B)</sup> TIC = 1.55%			\$3,650,000 Sewer.....\$3,650,000				
2022	\$911,376	\$6,260,083	\$3,111,616	\$36,516								\$10,444,022	\$6,421,030	2022
2023	\$911,073	\$6,300,324	\$3,648,427		\$195,000	\$124,432	\$124,432		\$85,868			\$11,370,348	\$6,810,848	2023
2024	\$885,721	\$6,296,179	\$4,544,899		\$200,000	\$229,656	\$424,656					\$12,146,581	\$6,715,960	2024
2025	\$885,489	\$6,295,818	\$4,544,425		\$210,000	\$219,781	\$419,781					\$12,145,263	\$6,715,349	2025
2026	\$885,250	\$6,298,441	\$4,543,941		\$225,000	\$209,531	\$419,531					\$12,151,289	\$6,722,097	2026
2027	\$885,006	\$6,304,047	\$4,543,449		\$235,000	\$198,656	\$423,656					\$12,154,658	\$6,726,203	2027
2028	\$884,755	\$6,298,636	\$4,542,948		\$245,000	\$187,156	\$422,156					\$12,146,495	\$6,718,792	2028
2029	\$884,497	\$6,295,808	\$4,542,438		\$260,000	\$175,156	\$420,156					\$12,145,111	\$6,718,176	2029
2030	\$884,232	\$6,290,461	\$4,541,918		\$275,000	\$162,369	\$422,369					\$12,140,271	\$6,714,121	2030
2031	\$883,961	\$6,292,184	\$4,541,389		\$290,000	\$148,659	\$423,659					\$12,141,714	\$6,716,365	2031
2032	\$883,682	\$6,286,690	\$4,540,850	NAN principal refinanced with Bonds on 5/15/22.	\$290,000	\$134,181	\$424,181					\$12,133,097	\$6,708,565	2032
2033	\$883,396	\$6,290,351	\$4,540,301	Interest to be paid with sewer revenues.	\$300,000	\$121,875	\$421,875					\$12,133,097	\$6,708,565	2032
2034	\$883,102	\$6,289,442	\$4,539,742		\$310,000	\$111,963	\$421,963					\$12,136,011	\$6,712,314	2033
2035		\$4,495,331	\$4,539,173		\$320,000	\$101,725	\$421,725					\$12,134,012	\$6,711,167	2034
2036		\$3,565,747	\$4,538,593		\$330,000	\$91,163	\$421,163					\$9,455,666	\$4,916,493	2035
2037		\$3,309,400	\$4,538,003		\$340,000	\$80,275	\$420,275					\$8,524,615	\$3,986,022	2036
2038		\$2,853,351	\$4,537,402		\$355,000	\$68,981	\$423,981					\$8,271,385	\$3,733,381	2037
2039		\$1,261,140	\$4,536,790		\$365,000	\$57,281	\$422,281					\$7,813,035	\$3,275,633	2038
2040		\$1,058,250	\$4,536,167		\$375,000	\$45,256	\$420,256					\$6,218,186	\$1,681,396	2039
2041		\$742,737	\$3,918,394		\$390,000	\$32,825	\$422,825					\$6,017,242	\$1,481,075	2040
2042			\$3,917,844		\$400,000	\$19,988	\$419,988					\$5,081,118	\$1,162,724	2041
2043			\$3,917,284		\$415,000	\$6,744	\$421,744					\$4,339,588	\$421,744	2042
2044			\$3,916,714									\$3,917,284		2043
2045			\$3,916,133									\$3,916,714		2044
2046			\$3,915,541									\$3,916,133		2045
2047			\$3,914,938									\$3,915,541		2046
2048			\$3,914,325									\$3,914,938		2047
2049			\$3,913,700									\$3,914,325		2048
2050			\$3,913,063									\$3,913,700		2049
2051			\$1,417,132									\$3,913,063		2050
TOTAL	\$11,551,539	\$99,084,419	\$124,527,539	\$36,516	\$6,035,000	\$2,527,654	\$8,562,654		\$85,868			\$243,848,534	\$107,769,456	

(A) Excess bid premium of \$91,282.77 used to offset interest.

(B) Excess bid premium of \$50,690.61 used to offset interest.

(C) Includes interest payments for the Note Anticipation Notes (NaNs).