

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

BAIRD

City of Appleton

Presentation to Finance Committee

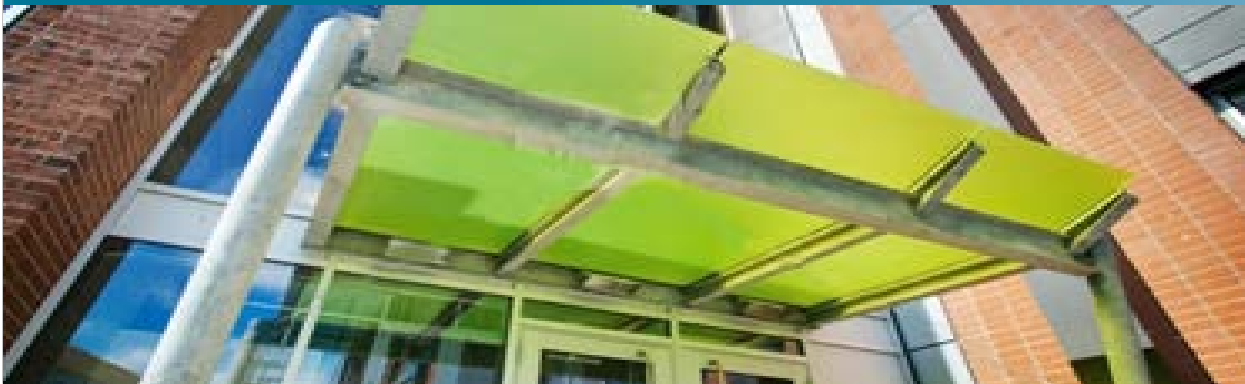
Water System and Storm Water System Revenue Bonds

July 9, 2014

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City of Appleton

PRESENTATION TO FINANCE COMMITTEE

WATER SYSTEM AND STORM WATER SYSTEM REVENUE BONDS

July 9, 2014



Timeline

- Finance Committee considers plan of finance July 9, 2014
 - Preparations are made for issuance
 - ✓ Official Statement
 - ✓ Bond Rating
 - ✓ Marketing
- Bond Pricing August 19, 2014
- Special Finance Committee considers award resolution..... August 20, 2014
- Common Council meeting to award Bonds August 20, 2014
- Closing (funds available)September 10, 2014

City of Appleton

PRESENTATION TO FINANCE COMMITTEE

WATER SYSTEM AND STORM WATER SYSTEM REVENUE BONDS

July 9, 2014

Borrowing Amount / Structure / Purpose



Amount:	\$4,000,000
Issue:	Water System Revenue Bonds
Purpose:	Water System Projects
Structure:	Matures April 1, 2016-2034
First Interest:	April 1, 2015
Callable:	April 1, 2021
Estimated Interest Rate:	3.61%

Amount:	\$3,575,000
Issue:	Storm Water System Revenue Bonds
Purpose:	Storm Water System Projects
Structure:	Matures April 1, 2016-2034
First Interest:	April 1, 2015
Callable:	April 1, 2021
Estimated Interest Rate:	3.58%

City of Appleton

PRESENTATION TO FINANCE COMMITTEE

WATER SYSTEM AND STORM WATER SYSTEM REVENUE BONDS

July 9, 2014



Example Financing Plan – Water System Revenue Bonds

* \$4,000,000 *						
* Water System Revenue Bonds *						
* Dated September 10, 2014 *						
* (First Interest January 1, 2015) *						
* 2014 Projects Financed: \$4,000,000 *						
YEAR DUE	NET EXISTING WATER DEBT (Revenue Only)	PRINCIPAL (1/1)	INTEREST (1/1 & 7/1) TIC =	TOTAL	COMBINED WATER DEBT (Revenue Only)	DEBT SERVICE COVERAGE (2013 Net Revenues)
2014	\$8,781,279				\$8,781,279	1.36
2015	\$8,641,519		\$111,267	\$111,267	\$8,752,786	1.36
2016	\$8,638,506	\$160,000	\$136,050	\$296,050	\$8,934,556	1.34
2017	\$8,653,206	\$160,000	\$132,850	\$292,850	\$8,946,056	1.34
2018	\$8,640,813	\$165,000	\$129,600	\$294,600	\$8,935,413	1.34
2019	\$8,145,200	\$170,000	\$126,250	\$296,250	\$8,441,450	1.42
2020	\$8,143,244	\$175,000	\$121,925	\$296,925	\$8,440,169	1.42
2021	\$7,831,356	\$180,000	\$116,600	\$296,600	\$8,127,956	1.47
2022	\$7,826,600	\$185,000	\$111,125	\$296,125	\$8,122,725	1.47
2023	\$3,686,219	\$190,000	\$105,500	\$295,500	\$3,981,719	3.00
2024	\$3,683,788	\$195,000	\$99,725	\$294,725	\$3,978,513	3.00
2025	\$3,390,381	\$200,000	\$92,800	\$292,800	\$3,683,181	3.24
2026	\$3,235,784	\$210,000	\$84,600	\$294,600	\$3,530,384	3.38
2027	\$2,202,120	\$220,000	\$76,000	\$296,000	\$2,498,120	4.78
2028	\$2,206,285	\$225,000	\$67,100	\$292,100	\$2,498,385	4.78
2029	\$960,460	\$235,000	\$57,900	\$292,900	\$1,253,360	9.53
2030	\$956,516	\$245,000	\$48,300	\$293,300	\$1,249,816	9.56
2031	\$956,005	\$255,000	\$38,300	\$293,300	\$1,249,305	9.56
2032	\$723,425	\$265,000	\$27,900	\$292,900	\$1,016,325	11.75
2033	\$547,038	\$275,000	\$17,100	\$292,100	\$839,138	14.23
2034		\$290,000	\$5,800	\$295,800	\$295,800	40.38
	<u>\$97,849,743</u>	<u>\$4,000,000</u>	<u>\$1,706,692</u>	<u>\$5,706,692</u>	<u>\$103,556,435</u>	
2013 Net Revenues Available for Debt Service:					\$11,944,790	
(Additional Bonds Test requires <u>1.1x</u> max annual debt service)						

City of Appleton

PRESENTATION TO FINANCE COMMITTEE

WATER SYSTEM AND STORM WATER SYSTEM REVENUE BONDS

July 9, 2014



Example Financing Plan – Storm Water System Revenue Bonds

* \$3,575,000						
* Storm Water System Revenue Bonds						
* Dated September 10, 2014						
* (First Interest April 1, 2015)						
* 2014 Projects Financed: \$3,500,000						
YEAR	EXISTING	PRINCIPAL	INTEREST	TOTAL	COMBINED	DEBT
DUE	STORM WATER	(4/1)	(4/1 & 10/1)		STORM WATER	SERVICE
	DEBT		TIC =		DEBT	COVERAGE
	(Revenue Only)		3.58%		(Revenue Only)	(2013 Net Revenues)
2014	\$3,945,652				\$3,945,652	1.35
2015	\$4,150,190		\$130,334	\$130,334	\$4,280,524	1.24
2016	\$4,138,240	\$140,000	\$121,750	\$261,750	\$4,399,990	1.21
2017	\$4,150,921	\$145,000	\$118,900	\$263,900	\$4,414,821	1.21
2018	\$4,151,821	\$145,000	\$116,000	\$261,000	\$4,412,821	1.21
2019	\$4,156,943	\$150,000	\$113,050	\$263,050	\$4,419,993	1.21
2020	\$4,157,065	\$155,000	\$109,225	\$264,225	\$4,421,290	1.20
2021	\$3,993,281	\$160,000	\$104,500	\$264,500	\$4,257,781	1.25
2022	\$3,640,812	\$165,000	\$99,625	\$264,625	\$3,905,437	1.36
2023	\$3,491,234	\$170,000	\$94,600	\$264,600	\$3,755,834	1.42
2024	\$3,209,060	\$175,000	\$89,425	\$264,425	\$3,473,485	1.53
2025	\$2,959,806	\$180,000	\$83,200	\$263,200	\$3,223,006	1.65
2026	\$2,954,015	\$185,000	\$75,900	\$260,900	\$3,214,915	1.66
2027	\$2,684,280	\$195,000	\$68,300	\$263,300	\$2,947,580	1.81
2028	\$2,284,922	\$205,000	\$60,300	\$265,300	\$2,550,222	2.09
2029	\$1,830,619	\$210,000	\$52,000	\$262,000	\$2,092,619	2.55
2030	\$811,006	\$220,000	\$43,400	\$263,400	\$1,074,406	4.96
2031	\$807,281	\$230,000	\$34,400	\$264,400	\$1,071,681	4.97
2032	\$812,069	\$240,000	\$25,000	\$265,000	\$1,077,069	4.95
2033	\$490,800	\$245,000	\$15,300	\$260,300	\$751,100	7.09
2034		\$260,000	\$5,200	\$265,200	\$265,200	20.09
	\$58,820,017	\$3,575,000	\$1,560,409	\$5,135,409	\$63,955,426	

2013 Net Revenues Available for Debt Service: **\$5,326,556**

(Additional Bonds Test requires 1.2x max annual debt service)