



CITY OF APPLETON

Finance Department
100 N Appleton St
Appleton, WI 54911
p: 920-832-6442
f: 920-832-6044
www.appletonwi.gov

MEMORANDUM

Date: November 5, 2025
To: Finance Committee
From: Jeri Ohman, Finance Director
Subject: Debt Redemption Agent Services

Four of Appleton's outstanding debt issues include features requiring additional administration for certain principal payments. This feature (mandatory redemption of term bonds) requires special notification to the Depository Trust Company ("DTC"), the entity which distributes debt payments received from the City to holders of the debt. DTC recently altered the method with which notification must be submitted.

A recommended best practice for the City's administration of debt which includes mandatory redemption features is the engagement of a redemption agent to serve on the City's behalf coordinating the redemption notice. All of the City's debt issued since 2018, with mandatory redemption features, has appointed Associated as redemption agent at the time of issuance.

A missed or improperly formatted notification may delay debt service payments reaching bond holders. Use of a redemption agent greatly reduces the risk of improperly noticed redemptions and/or delayed payments.

Adoption of Resolution No. 2025-16 authorizes, approves, and appoints Associated to act as redemption agent for the following obligations of the City:

\$2,510,000 Water System Revenue Bonds, Series 2012, dated 8/8/2012
\$23,830,000 Water System Revenue Refunding Bonds, Series 2016, dated 10/4/2016
\$13,190,000 Stormwater Revenue Refunding Bonds, Series 2012, dated 8/8/2012
\$14,935,000 Stormwater Revenue Refunding Bonds, Series 2016, dated 10/4/2016

The cost for these services is \$4,500 for the Water Utility and \$4,500 for the Stormwater Utility.

Please feel free to contact me if you have any questions.