



City of Appleton

100 North Appleton Street
Appleton, WI 54911-4799
www.appleton.org

Meeting Agenda - Final-revised Finance Committee

Tuesday, August 25, 2015

4:30 PM

Council Chambers, 6th Floor

1. Call meeting to order
2. Roll call of membership
3. Approval of minutes from previous meeting
[15-1380](#) August 11, 2015 Finance Committee Minutes

Attachments: [MeetingMinutes11-Aug-2015-10-56-08.pdf](#)

4. Public Hearings/Apearances

- [15-1381](#) Brad Viegut, Robert W. Baird and Company, on the 2015 General Obligation Notes, Water and Stormwater Revenue Refunding Bond issues.

Attachments: [prs financing plan GO, water and storm rev.pdf](#)

5. Action Items

- [15-1382](#) Request for Finance Director to sell \$5,830,000 General Obligation Notes.
- [15-1383](#) Request for Finance Director to sell \$21,360,000 Water Revenue Refunding Bonds.
- [15-1384](#) Request for Finance Director to sell \$9,335,000 Stormwater Revenue Refunding Bonds.
- [15-1409](#) The Common Council will go into closed session according to State Statute §19.85(1)(e) for the purpose of discussions of real estate negotiations regarding the railroad and reconvene into open session.

15-1138

Request approval of ordinance permitting absent Alderpersons to appear by phone.

Attachments: [Sec 2-29 Alderperson Appearances \(amended\).pdf](#)

Legislative History

7/7/15	Finance Committee	held
8/11/15	Finance Committee	recommended for approval <i>Motion to amend by Alderperson Lobner to use "electronically" in place of "by telephone" throughout the amendment; second by Alderperson Konetzke.</i>
8/19/15	Common Council	referred to the Finance Committee

15-1343

Resolution introduced by Alderpersons Plank, Lobner and Martin at the August 5, 2015 Common Council meeting relating to Ordinance #9-23 regarding renewal of operating licenses and delinquent accounts:

#12-R-15 ALDERPERSONS: Plank/Lobner/Martin

Whereas ...The City made changes to ordinance #9-23 in order to strengthen the consequences for property owners who are delinquent on payments of taxes and fees to the city, by denying the ability to renew various operating licenses for their premises and,

Whereas ...Tenants of these owners and landlords with delinquent bills have suffered, and could potentially suffer the unintended consequences of not being able to obtain the necessary licensing to continue to conduct business at that rented premises,

Therefore be it resolved that ...The following language be added to the municipal code:

Tenants paying rent to Property Owners, who are indirectly affected by this ordinance, after notification of their Landlord's delinquent bills, and at the expiration of their current operating license, may be issued a 3 6-month provisional license for their business on that premises.

And that ...In order to expedite the process and assist any business owners currently suffering from hardship due to these circumstances, the Finance Committee send a recommendation to the Common Council for consideration at their meeting on August 19.

Legislative History

8/11/15	Finance Committee	recommended for approval <i>Motion by Alderperson Coenen, second by Alderperson Martin to amend language to a "6 month" provisional license.</i>
8/19/15	Common Council	referred to the Finance Committee

6. Information Items

15-1386

Contract 12-12 was awarded to Ryan Incorporated Central for \$3,739,146.62 with a contingency of \$150,000 for Reid Golf Course Ponds/Channel. Change orders were approved totaling \$122,170.55. Final contract amount is \$3,861,317.17 with a contingency of \$27,829.45. Payments issued to date total \$3,860,395.77. Request final payment of \$2,059.52.

15-1387

Contract 18-15 was awarded to MCC Inc, "Asphalt roadway Replacements" for the Wastewater Treatment Plant in the amount of \$84,163.85 with a contingency of \$8,461.85. A positive change orders approved totaled \$1,333.10. Final contract amount is \$83,280.75 with remaining contingency of \$8,461.85. Payments issued to date total \$0. Request to issue the final contract payment of \$83,280.75.

Attachments: [2015 Wastewater Asphalt Replacement -#1 Final Pymt.pdf](#)

7. Adjournment

Notice is hereby given that a quorum of the Common Council may be present during this meeting, although no Council action will be taken.

Reasonable Accommodations for Persons with Disabilities will be made upon Request and if Feasible.

For questions regarding this agenda, please contact Tony Saucerman at (920) 832-6440.



City of Appleton

100 North Appleton Street
Appleton, WI 54911-4799
www.appleton.org

Meeting Minutes Finance Committee

Tuesday, August 11, 2015

4:30 PM

Council Chambers, 6th Floor

1. Call meeting to order

Meeting was called to order at 4:30pm.

2. Roll call of membership

Present: 4 - Alderperson Coenen, Alderperson Konetzke, Alderperson Lobner and Alderperson Martin

Excused: 1 - Alderperson Plank

3. Approval of minutes from previous meeting

[15-1185](#)

Finance Committee minutes for July 7, 2015 and July 15, 2015

Attachments: [Finance Minutes 7-7-15.pdf](#)

[MeetingMinutes15-Jul-2015-04-21-01.pdf](#)

Alderperson Konetzke moved, seconded by Alderperson Martin, that the Minutes be approved. Roll Call. Motion carried by the following vote:

Aye: 4 - Alderperson Coenen, Alderperson Konetzke, Alderperson Lobner and Alderperson Martin

Excused: 1 - Alderperson Plank

4. Public Hearings/Appealances

5. Action Items

[15-1188](#)

Request to approve contract to Northern Electric for Municipal Services Electrical Upgrades in the amount of \$181,900 with a contingency of \$8,100 for a contract not to exceed \$190,000 and to reallocate a not-to-exceed amount of \$90,000 of the positive variance from the Municipal Services Building Trench Drain Repair Capital Improvement Project to perform the Municipal Services Electrical Upgrade project.

Attachments: [2015 Muncipal Services Building Emergency Power Upgrades.pdf](#)

Alderperson Lobner moved, seconded by Alderperson Martin, that the Report

Action Item be recommended for approval. Roll Call. Motion carried by the following vote:

Aye: 4 - Alderperson Coenen, Alderperson Konetzke, Alderperson Lobner and Alderperson Martin

Excused: 1 - Alderperson Plank

[15-1138](#)

Request approval of ordinance permitting absent Alderpersons to appear by phone.

Attachments: [Sec 2-29 Alderperson Appearances \(amended\) .pdf](#)

Motion to amend by Alderperson Lobner to use "electronically" in place of "by telephone" throughout the amendment; second by Alderperson Konetzke.

Alderperson Martin moved, seconded by Alderperson Coenen, that the Report Action Item be recommended for approval as amended. Roll Call. Motion carried by the following vote:

Aye: 4 - Alderperson Coenen, Alderperson Konetzke, Alderperson Lobner and Alderperson Martin

Excused: 1 - Alderperson Plank

[15-1254](#)

RIVERSIDE CEMETERY ASSOCIATION submitting a request for payment for maintenance of Veteran's graves.

Attachments: [Riverside.pdf](#)

Alderperson Martin moved, seconded by Alderperson Konetzke, that the Report Action Item be recommended for approval. Roll Call. Motion carried by the following vote:

Aye: 4 - Alderperson Coenen, Alderperson Konetzke, Alderperson Lobner and Alderperson Martin

Excused: 1 - Alderperson Plank

[15-1336](#)

Request for approval of the Northland-Weiland Relocation Order for Storm Sewer Construction.

Attachments: [Northland-Weiland Pond - Relocation Order.pdf](#)

Alderperson Konetzke moved, seconded by Alderperson Martin, that the Report Action Item be recommended for approval. Roll Call. Motion carried by the following vote:

Aye: 4 - Alderperson Coenen, Alderperson Konetzke, Alderperson Lobner and Alderperson Martin

Excused: 1 - Alderperson Plank

[15-1338](#)

Request to transfer \$15,000 of unused CIP funds from the Application Development project to a Security Assessment Project for 2015.

Attachments: [Fund Transfer Request Finance Memo.pdf](#)

Alderson Martin moved, seconded by Alderson Coenen, that the Report Action Item be recommended for approval. Roll Call. Motion carried by the following vote:

Aye: 4 - Alderson Coenen, Alderson Konetzke, Alderson Lobner and Alderson Martin

Excused: 1 - Alderson Plank

[15-1343](#)

Resolution introduced by Aldersons Plank, Lobner and Martin at the August 5, 2015 Common Council meeting relating to Ordinance #9-23 regarding renewal of operating licenses and delinquent accounts:

#12-R-15 ALDERPERSONS: Plank/Lobner/Martin

Whereas ...The City made changes to ordinance #9-23 in order to strengthen the consequences for property owners who are delinquent on payments of taxes and fees to the city, by denying the ability to renew various operating licenses for their premises and,

Whereas ...Tenants of these owners and landlords with delinquent bills have suffered, and could potentially suffer the unintended consequences of not being able to obtain the necessary licensing to continue to conduct business at that rented premises,

Therefore be it resolved that ...The following language be added to the municipal code:

Tenants paying rent to Property Owners, who are indirectly affected by this ordinance, after notification of their Landlord's delinquent bills, and at the expiration of their current operating license, may be issued a 3 6-month provisional license for their business on that premises.

And that ...In order to expedite the process and assist any business owners currently suffering from hardship due to these circumstances, the Finance Committee send a recommendation to the Common Council for consideration at their meeting on August 19.

Motion by Alderson Coenen, second by Alderson Martin to amend language to a "6 month" provisional license.

Alderson Martin moved, seconded by Alderson Lobner, that the Report Action Item be recommended for approval as amended. Roll Call. Motion carried by the following vote:

Aye: 4 - Alderson Coenen, Alderson Konetzke, Alderson Lobner and Alderson Martin

Excused: 1 - Alderson Plank

[15-1345](#)

Request to approve Rescission of Resolutions of Necessity

Attachments: [Finance - Library - Recission of Resolutions of Necessity - 08-11-15.pdf](#)

Aldersperson Martin moved, seconded by Aldersperson Konetzke, that the Report Action Item be recommended for approval. Roll Call. Motion carried by the following vote:

Aye: 4 - Aldersperson Coenen, Aldersperson Konetzke, Aldersperson Lobner and Aldersperson Martin

Excused: 1 - Aldersperson Plank

6. Information Items

[15-1186](#) Glendale Water Tower Project Change Order #1 - Delete from supplementary conditions "The maximum deductible shall be \$5,000."

Attachments: [Glendale Water Tower Change Order 1.pdf](#)

This Presentation was received and filed

[15-1337](#) Contract 13-15 was awarded to E.D. Chase Co. Inc., "Roof Replacement - Area 6" for the Municipal Services Building in the amount of \$178,583 with a contingency of \$17,500. Change orders approved totals \$715. Final contract amount is \$179,298 with remaining contingency of \$16,785. Payments issued to date total \$169,654. Request to issue the final contract payment of \$9,644.

Attachments: [2015 MSB Roof Replacement - Roof 6 - Final Pymt.pdf](#)

This Presentation was received and filed

[15-1189](#) Risk Management 2015 Mid-Year Budget Report

Attachments: [2015 Risk Mid Year Report.pdf](#)

This Presentation was received and filed

[15-1251](#) Mayor Office 2015 Mid-Year Report.

Attachments: [Mayor's Ofc. 2015 Mid Year Rpt.pdf](#)

This Presentation was received and filed

[15-1252](#) Legal Service 2015 Mid-Year Report.

Attachments: [Legal Services 2015 Mid Year Report.pdf](#)

This Presentation was received and filed

[15-1253](#)

Finance Department 2015 Mid-Year Report.

Attachments: [2015 Finance Mid Year Report.pdf](#)**This Presentation was received and filed**[15-1335](#)

Information Technology 2015 Mid-Year Report.

Attachments: [Mid-Year Review 2015.pdf](#)**This Presentation was received and filed**[15-1187](#)

The following 2015 Budget adjustments were approved by the Mayor and Finance Director in accordance with Policy:

General Fund - Police Department

Donations	+\$15,000
Training - Canine	+ \$7,000
Other Contract/Obligations - Canine purchase	+ \$8,000

to record funds received from the Green Bay Packer organization to support the purchase and training of a 3rd canine to be used for patrol tracking and explosives. An additional \$5,000 - \$6,000 of training costs will be absorbed within the departments's current training budget.

General Fund - Parks & Recreation Department

Donations	+\$12,152
Playground Equipment	+\$12,152

to record funds received from the Kiwanis Club (via the Community Foundation) for the purchase of playground equipment at Green Meadows Park.

General Fund - Library

Other Reimbursements	+\$5,100
Library Materials	+\$5,000
Training & Travel Expense	+ \$100

to record reimbursements from patrons for lost library materials (\$5,000) and from OWLS for reimbursement of training expenses (\$100)

General Fund - Health Department

Other Reimbursements	+\$338
Salaries	+\$247

Fringe Benefits	+\$91
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to record reimbursement for Partner Services activities

Health Grant Funds

MCH Grant	+\$4,805
MCH Grant - Wages & Benefits	+\$4,805
Prevention Grant	+\$7,139
Prevention Grant - Consulting Services/Supplies	+\$7,139
Immunization Grant	+\$5,578
Immunization Grant - Equipment	+\$5,578

to adjust 2015 Health grants to actual award amounts

This Presentation was received and filed

7. Adjournment

A motion was made by Alderperson Lobner, seconded by Alderperson Martin, that this meeting be adjourned. The motion carried by the following vote:

Aye: 4 - Alderperson Coenen, Alderperson Konetzke, Alderperson Lobner and Alderperson Martin

Excused: 1 - Alderperson Plank

The logo for BAIRD, featuring the word "BAIRD" in white, serif, uppercase letters on a blue, parallelogram-shaped background.

City of Appleton

Presentation to Finance Committee

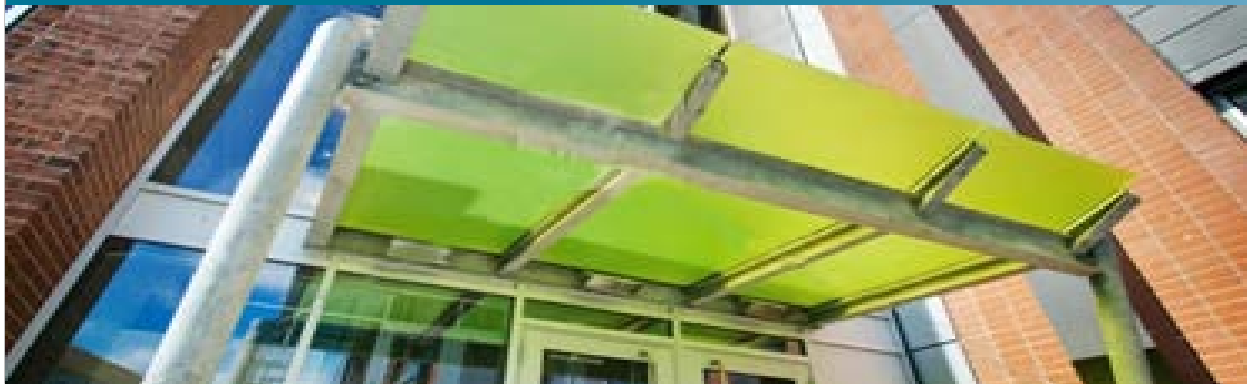
2015 Capital Financing Plan

August 25, 2015

Bradley D. Viegut, Managing Director

bviegut@rwbaird.com

777 East Wisconsin Avenue
Milwaukee, WI 53202
Phone 414.765.3827



City of Appleton

PRESENTATION TO FINANCE COMMITTEE

2015 CAPITAL FINANCING PLAN

August 25, 2015



Timeline

- Finance Committee considers plan of finance August 25, 2015
 - Preparations are made for issuance
 - ✓ Official Statement
 - ✓ Bond/Note Rating
 - ✓ Marketing
- Bond/Note Pricing..... October 6, 2015
- Special Finance Committee considers award resolutions October 7, 2015
- Common Council meeting to award Bonds/Notes October 7, 2015
- Closing (funds available) October 28, 2015

City of Appleton

PRESENTATION TO FINANCE COMMITTEE

2015 CAPITAL FINANCING PLAN

August 25, 2015



Borrowing Amount / Structure / Purpose – General Obligation Promissory Notes

Amount:	\$5,830,000
Issue:	G.O. Promissory Notes
Purpose:	2015 General Fund CIP (\$357,000 for TIF #8)
Structure:	Matures April 1, 2017-2025
First Interest:	April 1, 2016
Callable:	April 1, 2022
Estimated Interest Rate:	2.57%

August 25, 2015

Example Financing Plan – General Obligation Promissory Notes



\$5,830,000											
G.O. Promissory Notes											
Dated October 28, 2015											
(First Interest April 1, 2016)											
2015 Projects Financed: \$5,752,363											
YEAR	EXISTING	*				ALLOCATION		*	COMBINED		
DUE	G.O.	*	PRINCIPAL	INTEREST	TOTAL	TIF#8	LEVY	*	G.O.	%	
	DEBT	*	(4/1)	(4/1 & 10/1)		OFFSET	SUPPORTED	*	DEBT	CHANGE	
	(Net G.O.)	*		Assumed				*	(Net G.O.)		
		*		Rate ⁽¹⁾				*			
		*		2.57%				*			
2014	\$2,886,402	*						*	\$2,886,402		2014
2015	\$2,965,329	*						*	\$2,965,329	2.73%	2015
2016	\$2,966,748	*		\$118,291	\$118,291	\$7,055	\$111,236	*	\$3,077,984	3.80%	2016
2017	\$2,763,439	*	\$160,000	\$127,043	\$287,043	\$42,444	\$244,599	*	\$3,008,038	-2.27%	2017
2018	\$2,276,676	*	\$650,000	\$121,815	\$771,815	\$42,024	\$729,791	*	\$3,006,468	-0.05%	2018
2019	\$2,127,770	*	\$665,000	\$112,440	\$777,440	\$46,488	\$730,953	*	\$2,858,723	-4.91%	2019
2020	\$1,722,676	*	\$745,000	\$100,748	\$845,748	\$45,828	\$799,920	*	\$2,522,596	-11.76%	2020
2021	\$1,735,489	*	\$745,000	\$86,220	\$831,220	\$45,048	\$786,173	*	\$2,521,661	-0.04%	2021
2022	\$1,922,629	*	\$570,000	\$71,415	\$641,415	\$44,138	\$597,278	*	\$2,519,906	-0.07%	2022
2023	\$1,506,113	*	\$720,000	\$54,893	\$774,893	\$43,118	\$731,775	*	\$2,237,888	-11.19%	2023
2024	\$1,522,259	*	\$740,000	\$34,993	\$774,993	\$46,958	\$728,035	*	\$2,250,294	0.55%	2024
2025	\$626,125	*	\$835,000	\$12,316	\$847,316	\$45,664	\$801,653	*	\$1,427,778	-36.55%	2025
2026	\$629,125	*						*	\$629,125	-55.94%	2026
2027	\$630,625	*						*	\$630,625	0.24%	2027
2028	\$635,500	*						*	\$635,500	0.77%	2028
		*						*			
	\$26,916,905	*	\$5,830,000	\$840,173	\$6,670,173	\$408,762	\$6,261,411	*	\$33,178,316		

Project Detail	
TIF#8 Projects	\$357,000
Levy Supported Projects	\$5,395,363
TOTAL	\$5,752,363

1.) This illustration assumes hypothetical interest rates based on current rates for municipal bonds as of August 5, 2015. Actual rates may vary.
This illustration provides information and is not intended to be a recommendation, proposal or suggestion for financing or otherwise considered advice.

City of Appleton

PRESENTATION TO FINANCE COMMITTEE

2015 CAPITAL FINANCING PLAN

August 25, 2015



Borrowing Amount / Structure / Purpose – Water System Revenue Refunding Bonds

Amount:	\$21,360,000
Issue:	Water System Revenue Refunding Bonds
Purpose:	\$5,618,700 Water System Projects \$17,186,471 Refunding Water System Bonds (Partial Advance Refunding of Series 2007C and 2008)
Structure:	Matures January 1, 2017-2035
First Interest:	January 1, 2016
Callable:	January 1, 2023
Estimated Interest Rate:	3.03%

City of Appleton

PRESENTATION TO FINANCE COMMITTEE

2015 CAPITAL FINANCING PLAN

August 25, 2015



Illustration of Hypothetical Refunding – Water System Revenue Refunding Bonds

BEFORE REFINANCING							
Calendar Year	\$12,140,000 Water Sys. Rev. Bonds, Series 07C Dated March 1, 2007			\$15,215,000 Water Sys. Rev. Bonds, Series 08 Dated December 17, 2008			TOTAL DEBT SERVICE
	PRINCIPAL (1/1)	RATE	INTEREST (1/1 & 7/1)	PRINCIPAL (1/1)	RATE	INTEREST (1/1 & 7/1)	
2015	\$610,000	4.250%	\$418,600	\$635,000	3.750%	\$611,241	\$2,274,841
2016	\$635,000	4.250%	\$392,144	\$660,000	4.000%	\$586,135	\$2,273,279
2017	\$665,000	4.250%	\$364,519	\$690,000	4.500%	\$557,410	\$2,276,929
2018	\$690,000	4.250%	\$335,725	\$720,000	4.500%	\$525,685	\$2,271,410
2019	\$720,000	4.250%	\$305,763	\$755,000	5.000%	\$490,610	\$2,271,373
2020	\$755,000	4.750%	\$272,531	\$795,000	5.000%	\$451,860	\$2,274,391
2021	\$790,000	4.750%	\$235,838	\$835,000	5.000%	\$411,110	\$2,271,948
2022	\$830,000	4.750%	\$197,363	\$880,000	5.125%	\$367,685	\$2,275,048
2023	\$870,000	4.750%	\$156,988	\$925,000	5.250%	\$320,854	\$2,272,841
2024	\$915,000	4.750%	\$114,594	\$975,000	5.450%	\$270,004	\$2,274,598
2025	\$955,000	4.750%	\$70,181	\$1,030,000	5.450%	\$215,368	\$2,270,549
2026	\$1,000,000	4.750%	\$23,750	\$1,090,000	5.250%	\$158,688	\$2,272,438
2027				\$1,150,000	5.500%	\$98,450	\$1,248,450
2028				\$1,215,000	5.500%	\$33,413	\$1,248,413
	<u>\$9,435,000</u>		<u>\$2,887,994</u>	<u>\$12,355,000</u>		<u>\$5,098,511</u>	<u>\$29,776,505</u>

Callable 1/1/17 @ Par

Callable 1/1/18 @ Par

CALLABLE MATURITIES

City of Appleton

PRESENTATION TO FINANCE COMMITTEE

2015 CAPITAL FINANCING PLAN

August 25, 2015



Illustration of Hypothetical Refunding – Water System Revenue Refunding Bonds

AFTER REFINANCING									
\$12,140,000 Water Sys. Rev. Bonds, Series 07C Dated March 1, 2007		\$15,215,000 Water Sys. Rev. Bonds, Series 08 Dated December 17, 2008		\$16,060,000 Water Sys. Rev. Ref. Bonds (AR) Dated October 28, 2015 ⁽¹⁾			TOTAL NEW DEBT SERVICE	FUNDS ON HAND APPLIED	POTENTIAL DEBT SERVICE SAVINGS
PRINCIPAL (1/1)	INTEREST (1/1 & 7/1)	PRINCIPAL (1/1)	INTEREST (1/1 & 7/1)	PRINCIPAL (1/1)	INTEREST (1/1 & 7/1)	TOTAL			
					<div>TIC: 2.84%</div>				
\$610,000	\$418,600	\$635,000	\$611,241				\$2,274,841		\$0
\$635,000	\$71,081	\$660,000	\$114,400		\$378,304	\$378,304	\$1,858,785	\$325,000	\$89,494
\$665,000	\$43,456	\$690,000	\$85,675	\$115,000	\$559,300	\$674,300	\$2,158,431		\$118,498
\$690,000	\$14,663	\$720,000	\$53,950	\$115,000	\$557,000	\$672,000	\$2,150,613		\$120,798
***		\$755,000	\$18,875	\$835,000	\$543,325	\$1,378,325	\$2,152,200		\$119,173
***		***		\$1,650,000	\$506,050	\$2,156,050	\$2,156,050		\$118,341
***		***		\$1,695,000	\$455,875	\$2,150,875	\$2,150,875		\$121,073
***		***		\$1,750,000	\$404,200	\$2,154,200	\$2,154,200		\$120,848
***		***		\$1,805,000	\$350,875	\$2,155,875	\$2,155,875		\$116,966
***		***		\$1,865,000	\$286,500	\$2,151,500	\$2,151,500		\$123,098
***		***		\$1,935,000	\$210,500	\$2,145,500	\$2,145,500		\$125,049
***		***		\$2,020,000	\$131,400	\$2,151,400	\$2,151,400		\$121,038
***		***		\$1,115,000	\$68,700	\$1,183,700	\$1,183,700		\$64,750
***		***		\$1,160,000	\$23,200	\$1,183,200	\$1,183,200		\$65,213
\$2,600,000	\$547,800	\$3,460,000	\$884,141	\$16,060,000	\$4,475,229	\$20,535,229	\$28,027,170	\$325,000	\$1,424,335

*** REFINANCED WITH 2015 ISSUE.

ROUNDING AMOUNT..... \$4,231
POTENTIAL GROSS SAVINGS..... \$1,428,566

(1) This illustration represents a mathematical calculation of potential interest cost savings (cost), assuming hypothetical rates based on current rates +20 bps for municipal bonds as of 8/11/15. Actual rates may vary. If actual rates are higher than those assumed, the interest cost savings would be lower. This illustration provides information and is not intended to be a recommendation, proposal or suggestion for a refinancing or otherwise to be considered as advice.

(2) POTENTIAL PRESENT VALUE SAVINGS..... \$1,186,758
POTENTIAL PV SAVINGS %..... 7.545%

(2) Present value calculated using the All Inclusive Cost (AIC) of 3.07% as the discount rate.

Interest Rate Sensitivity		
Change in Rates	Est. PV % Savings	Est. PV \$ Savings
-0.30%	9.836%	\$1,547,160
-0.20%	9.066%	\$1,426,153
-0.10%	8.300%	\$1,305,625
+0.10%	6.792%	\$1,068,343
+0.20%	6.043%	\$950,510
+0.30%	5.304%	\$834,346

City of Appleton

PRESENTATION TO FINANCE COMMITTEE

2015 CAPITAL FINANCING PLAN

August 25, 2015

Example Financing Plan – Water System Revenue Bonds



\$5,300,000 Water System Revenue Bonds, Series 2015 <i>Dated October 28, 2015</i> <i>(First Interest January 1, 2016)</i> <i>2015 Projects Financed: \$5,618,700</i>						
YEAR DUE	NET EXISTING WATER DEBT (Revenue Only) (Net of Refunding)	PRINCIPAL (1/1)	INTEREST (1/1 & 7/1) Assumed TIC ⁽¹⁾ 3.46%	TOTAL	COMBINED WATER DEBT (Revenue Only)	DEBT SERVICE COVERAGE (2014 Net Revenues)
2015	\$8,748,623				\$8,748,623	1.37
2016	\$8,509,963		\$129,836	\$129,836	\$8,639,799	1.38
2017	\$8,817,559	\$205,000	\$190,300	\$395,300	\$9,212,859	1.30
2018	\$8,804,715	\$210,000	\$186,150	\$396,150	\$9,200,865	1.30
2019	\$8,312,478	\$215,000	\$180,825	\$395,825	\$8,708,303	1.37
2020	\$8,307,228	\$220,000	\$174,300	\$394,300	\$8,701,528	1.37
2021	\$7,992,584	\$225,000	\$167,625	\$392,625	\$8,385,209	1.42
2022	\$7,987,878	\$235,000	\$160,725	\$395,725	\$8,383,603	1.42
2023	\$3,851,053	\$240,000	\$153,600	\$393,600	\$4,244,653	2.81
2024	\$3,846,940	\$250,000	\$145,000	\$395,000	\$4,241,940	2.82
2025	\$3,549,833	\$260,000	\$134,800	\$394,800	\$3,944,633	3.03
2026	\$3,396,346	\$270,000	\$124,200	\$394,200	\$3,790,546	3.15
2027	\$2,420,770	\$280,000	\$113,200	\$393,200	\$2,813,970	4.24
2028	\$2,425,873	\$290,000	\$101,800	\$391,800	\$2,817,673	4.24
2029	\$1,246,260	\$305,000	\$89,900	\$394,900	\$1,641,160	7.28
2030	\$1,238,016	\$315,000	\$77,500	\$392,500	\$1,630,516	7.33
2031	\$1,237,905	\$330,000	\$64,600	\$394,600	\$1,632,505	7.32
2032	\$1,005,325	\$340,000	\$51,200	\$391,200	\$1,396,525	8.55
2033	\$828,538	\$355,000	\$37,300	\$392,300	\$1,220,838	9.78
2034	\$285,600	\$370,000	\$22,800	\$392,800	\$678,400	17.61
2035		\$385,000	\$7,700	\$392,700	\$392,700	30.42
	\$92,813,483	\$5,300,000	\$2,313,361	\$7,613,361	\$100,426,844	
2014 Net Revenues Available for Debt Service: <i>(Additional Bonds Test requires 1.1x max annual debt service)</i>					\$11,944,790	

1.) This illustration assumes hypothetical interest rates based on current rates for municipal bonds as of August 11, 2015. Actual rates may vary.
 This illustration provides information and is not intended to be a recommendation, proposal or suggestion for financing or otherwise considered advice.

City of Appleton

PRESENTATION TO FINANCE COMMITTEE

2015 CAPITAL FINANCING PLAN

August 25, 2015



Borrowing Amount / Structure / Purpose – Storm Water System Revenue Refunding Bonds

Amount:	\$9,335,000
Issue:	Storm Water System Revenue Refunding Bonds
Purpose:	\$4,260,000 Storm Water System Projects \$5,207,727 Refunding Storm Water Bonds (Partial Advance Refunding of Series 2006 and 2007)
Structure:	Matures April 1, 2016-2035
First Interest:	April 1, 2016
Callable:	April 1, 2023
Estimated Interest Rate:	3.03%

August 25, 2015

Illustration of Hypothetical Refunding – Storm Water System Revenue Refunding Bonds

BEFORE REFINANCING							
Calendar Year	\$7,855,000 Storm Water Sys Rev Bonds Dated April 1, 2006			\$5,145,000 Storm Water Sys Rev Bonds Dated September 5, 2007			TOTAL DEBT SERVICE
	PRINCIPAL (4/1)	RATE	INTEREST (4/1 & 10/1)	PRINCIPAL (4/1)	RATE	INTEREST	
2015	\$580,000	4.250%	\$201,613	\$220,000	4.250%	\$178,119	\$1,179,731
2016	\$590,000	4.250%	\$176,750	\$230,000	4.250%	\$168,556	\$1,165,306
2017	\$610,000	4.125%	\$151,631	\$240,000	4.250%	\$158,569	\$1,160,200
2018	\$625,000	4.250%	\$125,769	\$250,000	4.500%	\$147,844	\$1,148,613
2019	\$640,000	4.250%	\$98,888	\$265,000	4.375%	\$136,422	\$1,140,309
2020	\$450,000	4.375%	\$75,444	\$275,000	4.500%	\$124,438	\$924,881
2021	\$215,000	4.375%	\$60,897	\$290,000	5.000%	\$111,000	\$676,897
2022	\$225,000	4.375%	\$51,272	\$305,000	5.000%	\$96,125	\$677,397
2023	\$250,000	4.500%	\$40,725	\$320,000	5.000%	\$80,500	\$691,225
2024	\$250,000	4.500%	\$29,475	\$335,000	5.000%	\$64,125	\$678,600
2025	\$260,000	4.500%	\$18,000	\$355,000	5.000%	\$46,875	\$679,875
2026	\$270,000	4.500%	\$6,075	\$370,000	5.000%	\$28,750	\$674,825
2027				\$390,000	5.000%	\$9,750	\$399,750
	\$4,965,000		\$1,036,538	\$3,845,000		\$1,351,072	\$11,197,609

Callable 4/1/2016 @ Par
(Refunding New Money Portion)

Callable 4/1/2017 @ Par

CALLABLE MATURITIES

August 25, 2015



Illustration of Hypothetical Refunding – Storm Water System Revenue Refunding Bonds

AFTER REFINANCING									
Calendar Year	\$7,855,000 Storm Water Sys Rev Bonds Dated April 1, 2006		\$5,145,000 Storm Water Sys Rev Bonds Dated September 5, 2007		\$5,110,000 Storm Water Sys Rev Ref Bonds Dated October 28, 2015 ⁽¹⁾			TOTAL NEW DEBT SERVICE	POTENTIAL DEBT SERVICE SAVINGS
	PRINCIPAL (4/1)	INTEREST (4/1 & 10/1)	PRINCIPAL (4/1)	INTEREST	PRINCIPAL (4/1)	INTEREST (4/1 & 10/1)	TOTAL		
	TIC= 2.58%								
2015	\$580,000	\$201,613	\$220,000	\$178,119				\$1,179,731	\$0
2016	\$590,000	\$85,388	\$230,000	\$26,338	\$55,000	\$138,339	\$193,339	\$1,125,064	\$40,243
2017	\$610,000	\$60,269	\$240,000	\$16,350	\$35,000	\$148,700	\$183,700	\$1,110,319	\$49,881
2018	\$435,000	\$38,444	\$250,000	\$5,625	\$225,000	\$146,100	\$371,100	\$1,100,169	\$48,444
2019	\$440,000	\$19,850	***	\$0	\$495,000	\$136,425	\$631,425	\$1,091,275	\$49,034
2020	\$240,000	\$5,250	***		\$515,000	\$121,275	\$636,275	\$881,525	\$43,356
2021	***		***		\$525,000	\$105,675	\$630,675	\$630,675	\$46,222
2022	***		***		\$545,000	\$89,625	\$634,625	\$634,625	\$42,772
2023	***		***		\$570,000	\$72,900	\$642,900	\$642,900	\$48,325
2024	***		***		\$575,000	\$55,725	\$630,725	\$630,725	\$47,875
2025	***		***		\$595,000	\$38,175	\$633,175	\$633,175	\$46,700
2026	***		***		\$605,000	\$20,175	\$625,175	\$625,175	\$49,650
2027			***		\$370,000	\$5,550	\$375,550	\$375,550	\$24,200
	\$2,895,000	\$410,813	\$940,000	\$226,431	\$5,110,000	\$1,078,664	\$6,188,664	\$10,660,908	\$536,702

*** REFINANCED WITH 2015 ISSUE.

(1) This illustration represents a mathematical calculation of potential interest cost savings (cost), assuming hypothetical rates based on current rates +20bps for municipal bonds as of 8/11/15. Actual rates may vary. If actual rates are higher than those assumed, the interest cost savings would be lower. This illustration provides information and is not intended to be a recommendation, proposal or suggestion for a refinancing or otherwise to be considered as advice.

(2) Present value calculated using the All Inclusive Cost (AIC) of 3.09% as the discount rate.

ROUNDING AMOUNT.....	\$4,661
POTENTIAL GROSS SAVINGS.....	\$541,363
POTENTIAL PRESENT VALUE SAVINGS \$.....	\$452,725
POTENTIAL PRESENT VALUE SAVINGS %.....	9.100%

Interest Rate Sensitivity		
Change in Rates	Est. PV % Savings	Est. PV \$ Savings
-0.30%	11.167%	\$555,578
-0.20%	10.448%	\$519,776
-0.10%	9.740%	\$484,590
+0.10%	8.331%	\$414,453
+0.20%	7.638%	\$379,980
+0.30%	6.951%	\$345,808

City of Appleton

PRESENTATION TO FINANCE COMMITTEE

2015 CAPITAL FINANCING PLAN

August 25, 2015

Example Financing Plan – Storm Water System Revenue Bonds



\$4,225,000

Storm Water System Revenue Bonds, Series 2015

Dated October 28, 2015

(First Interest April 1, 2016)

2015 Projects Financed: \$4,260,000

YEAR DUE	EXISTING STORM WATER DEBT (Revenue Only) (Net of Refunding)	PRINCIPAL (4/1)	INTEREST (4/1 & 10/1) Assumed TIC ⁽¹⁾ 3.40%	TOTAL	COMBINED STORM WATER DEBT (Revenue Only)	DEBT SERVICE COVERAGE (2014 Net Revenues)
2015	\$4,275,973				\$4,275,973	1.46
2016	\$4,350,498		\$133,755	\$133,755	\$4,484,253	1.39
2017	\$4,355,790	\$165,000	\$142,950	\$307,950	\$4,663,740	1.34
2018	\$4,355,328	\$170,000	\$139,600	\$309,600	\$4,664,928	1.34
2019	\$4,362,009	\$175,000	\$135,275	\$310,275	\$4,672,284	1.34
2020	\$4,369,109	\$180,000	\$129,950	\$309,950	\$4,679,059	1.34
2021	\$4,202,884	\$185,000	\$124,475	\$309,475	\$4,512,359	1.38
2022	\$3,854,140	\$190,000	\$118,850	\$308,850	\$4,162,990	1.50
2023	\$3,694,209	\$195,000	\$113,075	\$308,075	\$4,002,284	1.56
2024	\$3,417,535	\$200,000	\$107,150	\$307,150	\$3,724,685	1.68
2025	\$3,168,406	\$210,000	\$101,000	\$311,000	\$3,479,406	1.80
2026	\$3,157,565	\$215,000	\$94,625	\$309,625	\$3,467,190	1.80
2027	\$2,915,880	\$220,000	\$88,100	\$308,100	\$3,223,980	1.94
2028	\$2,538,022	\$230,000	\$80,200	\$310,200	\$2,848,222	2.19
2029	\$2,085,719	\$240,000	\$70,800	\$310,800	\$2,396,519	2.61
2030	\$1,062,806	\$245,000	\$61,100	\$306,100	\$1,368,906	4.56
2031	\$1,060,481	\$260,000	\$51,000	\$311,000	\$1,371,481	4.55
2032	\$1,066,269	\$270,000	\$40,400	\$310,400	\$1,376,669	4.54
2033	\$745,600	\$280,000	\$29,400	\$309,400	\$1,055,000	5.92
2034	\$255,000	\$290,000	\$18,000	\$308,000	\$563,000	11.10
2035		\$305,000	\$6,100	\$311,100	\$311,100	20.08
	\$59,293,221	\$4,225,000	\$1,785,805	\$6,010,805	\$65,304,026	

2014 Net Revenues Available for Debt Service:

\$6,246,581

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

1.) This illustration assumes hypothetical interest rates based on current rates for municipal bonds as of August 11, 2015. Actual rates may vary.
This illustration provides information and is not intended to be a recommendation, proposal or suggestion for financing or otherwise considered advice.

AN ORDINANCE CREATING SECTION 2-29 OF CHAPTER 2 ARTICLE II OF THE MUNICIPAL CODE OF THE CITY OF APPLETON, RELATING TO ADMINISTRATION - COMMON COUNCIL.

(Committee Name -- Date)

The Common Council of the City of Appleton does ordain as follows:

Section 1: That Section 2-29 of Chapter 2, Article II, of the Municipal Code of the City of Appleton, relating to Administration, Common Council, is hereby created to read as follows:

Sec. 2-29. Alderperson absence; participation ~~by phone~~ electronically

An alderperson unable to appear in person at a meeting of the Common Council may request in writing or by email at least twenty-four (24) hours in advance of the meeting the written or emailed permission from the President of the Common Council to participate in the meeting by telephone. The Council President may grant the request only upon finding good cause. An alderperson's appearance ~~by telephone must be noted~~ electronically in the meeting agenda. Telephone participation must occur by speaker phone, with a speaker phone placed in the meeting room so that the physically absent member can hear and can be heard by all those who are present. An alderperson appearing ~~by telephone~~ electronically shall be entitled to participate and vote to the fullest extent possible, but shall not vote on any matter that may require observation of any part of the proceeding, including the demeanor of a witness or viewing exhibits not previously provided. An alderperson participating ~~by telephone~~ electronically shall not count towards a quorum.

Section 2: This ordinance shall be in full force and effect from and after its passage and publication.

Dated: _____

Timothy M. Hanna, Mayor

Dawn A. Collins, City Clerk

J:\Attorney\WORD\Jamie\Ordinances\2015 Ords\Sec 2-29 Alderperson Appearances (created) 07-07-15 Finance Comm.doc



"...meeting community needs...enhancing quality of life."

**PARKS, RECREATION & FACILITIES
MANAGEMENT**

Dean R. Gazza, Director

1819 East Witzke Boulevard
Appleton, Wisconsin 54911-8401
(920) 832-5572 FAX (920) 993-3103
Email - dean.gazza@appleton.org

TO: Finance Committee

FROM: Dean R. Gazza

DATE: 8/24/2015

RE: Informational: Contract 18-15 was awarded to MCC Inc., "Asphalt Roadway Replacements" for the Wastewater Treatment Plant in the amount of \$84,613.85 with a contingency of \$8,461.85. A positive change orders approved totaled \$1,333.10. Final contract amount is \$83,280.75 with remaining contingency of \$8,461.85. Payments issued to date total \$0. Request to issue the final contract payment of \$83,280.75.

The 2015 Capital Improvement Budget includes funding for the replacement of specific sections of asphalt at the Wastewater Treatment Plant. The asphalt replacement was identified in our annual hard surface replacement program as the asphalt roadways were at the end of their useful life.

The 2015 Capital Improvement Budget includes \$94,300 for the replacement of asphalt surfaces at the Wastewater Treatment Plant. The Finance Committee and Council previously approved a contract amount of \$84,613.85. The project final total came in under the contracted amount at \$83,280.75 with a change order of \$1,333.10 in our favor due to needing less gravel sub-base.

Please contact me at 832-5572 or at dean.gazza@appleton.org with any questions.