

May 7, 2020

Sale Day Report for

City of Waterloo, Wisconsin
\$1,165,000 General Obligation Promissory Notes,
Series 2020C



Prepared by:

Dawn Gunderson Schiel, CPFO,
CIPMA
Senior Municipal Advisor

David Ferris, CPA
Municipal Advisor

Sale Day Report – May 7, 2020

City of Waterloo, Wisconsin

\$1,165,000 General Obligation Promissory Notes, Series 2020C

Purpose: The proposed issue includes financing for the purpose of refinancing the State Bank of Sun Prairie loan and 2020 capital projects

Number of Bids: Negotiated Sale

Underwriter: Bankers' Bank, Madison, Wisconsin

Summary of Sale Results:	
Principal Amount*:	\$1,165,000
Underwriter's Discount:	\$6,990
True Interest Cost:	1.5559%
Costs of Issuance:	\$31,720
Yields:	1.10% - 1.60%
Total Net P&I	\$1,223,808

Notes: Bond Trust Services Corporation, Roseville, Minnesota will serve as Paying Agent on the Notes.

The Notes maturing May 1, 2026 and thereafter are callable May 1, 2025 or any date thereafter.

* Subsequent to bid opening, the issue size was decreased to \$1,165,000.

Closing Date: May 28, 2020

City Council Action: Adopt a resolution awarding the sale of \$1,165,000 General Obligation Promissory Notes, Series 2020C.

Attachments:

- Bid Tabulation
- Sources and Uses of Funds
- Debt Service Schedules/Tax Impact Schedule
- BBI Graph

BID TABULATION

\$1,165,000 General Obligation Promissory Notes, Series 2020C

City of Waterloo, Wisconsin

SALE: May 7, 2020

AWARD: BANKERS' BANK

Non-Rated

Tax Exempt - Bank Qualified

NAME OF BIDDER	MATURITY (May 1)	RATE	REOFFERING YIELD	PRICE	NET INTEREST COST	TRUE INTEREST RATE
BANKERS' BANK Madison, Wisconsin	2021	1.100%	1.100%	\$1,158,010.00	\$65,797.87	1.5559%
Farmers & Merchants State Bank Waterloo, Wisconsin	2022	1.150%	1.150%			
	2023	1.200%	1.200%			
	2024	1.250%	1.250%			
	2025 ¹	1.400%	1.400%			
	2026 ¹	1.400%	1.400%			
	2027 ²	1.600%	1.600%			
	2028 ²	1.600%	1.600%			

¹ \$200,000 Term Bond due 2026 with mandatory redemption in 2025.

² \$200,000 Term Bond due 2028 with mandatory redemption in 2027.

Debt Sizing Worksheet

	Presale Taxable G.O. Note 2020A	Final Sale Taxable G.O. Note 2020A	Presale Taxable GO Refunding Bonds 2020B	Final Sale Taxable GO Refunding Bonds 2020B	Presale G.O. Note 2020C	Final Sale G.O. Note 2020C
Capital Projects to be Funded						
2020 Treyburn project (Road)					411,629	411,629
2020 Rood project (Road)					309,846	309,846
Municipal Building Roof Replacement					92,465	92,465
Firemen's Park Baseball field Renovation					49,585	49,585
Firemen's Park Masonry Repairs					17,360	17,360
Firemen's Park Sanitary Sewer Repairs					63,000	63,000
Parks Fund	67,862	67,862				
Land Purchase (2019)	49,462	49,462				
Legal, WE Energies & other fees	17,899	17,899				
Subtotal Capital Projects	135,223	135,223	0	0	943,885	943,885
Refinancing						
Refinance interfund advances to TID #3	749,472	749,472				
Refinance Monona State Bank loan 6/1/20 (TID #3)						
Principal without penalty			133,650	133,650		
Principal with penalty			757,351	757,351		
Interest due 6/1/2020			7,500	8,083		
1% penalty			7,574	7,574		
Transfer from prior debt service						
Refinance State Bank of Sun Prairie (Levy)						
Principal due 6/22 and 10/22					261,500	261,500
Interest due 6/1/2020					142	142
Less levied funds on hand					(81,908)	(81,908)
Subtotal Refinancing	749,472	749,472	906,075	906,658	179,734	179,734
Estimated Issuance Expenses						
Municipal Advisor (Ehlers)	12,300	12,300	12,500	12,500	18,100	16,100
Bond Counsel (Quarles & Brady LLP)	9,500	8,500	9,500	8,750	9,500	9,250
Disclosure Counsel (Quarles & Brady LLP If engaged)	5,700	5,100	5,700	5,250	5,700	5,550
Rating Agency (S&P)	0	0	0	0	0	0
Paying Agent (Bond Trust Services Corporation)	850	622	850	622	850	820
Subtotal Issuance Expenses	28,350	26,522	28,550	27,122	34,150	31,720
Underwriting Discount Allowance @ 1.0% bonds 0.6% Notes	6,440	5,520	9,450	9,450	8,190	6,990
TOTAL TO BE FINANCED	919,485	916,737	944,075	943,230	1,165,959	1,162,329
Estimated Interest Earnings ¹	0	0	0	0	(787)	(787)
Rounding	515	3,263	925	1,770	4,827	3,458
NOTE OR BOND SIZE	920,000	920,000	945,000	945,000	1,170,000	1,165,000



Series 2020C Tax Exempt General Obligation Promissory Notes Debt Service by Issue

FINAL SALE

Year	Street Projects Municipal Bldg Roof & Park Improvements (Levy) \$980,000 <i>Latest Amortization 5-1-2030</i>				Sun Prairie Bank Refunding (Levy) \$185,000 <i>Latest Amortization 5-1-2028</i>				G.O. Promissory Notes, Series 2019C \$1,165,000 <i>Dated 5/28/20</i>				Year
	Prin (5/1)	Est. Rate ²	Interest	Total	Prin (5/1)	Est. Rate ²	Interest	Total	Prin (5/1)	Est. Rate ²	Interest	Total	
2019													2019
2020				0				0	0			0	2020
2021	210,000	1.100%	16,989	226,989	50,000	1.100%	2,807	52,807	260,000	1.100%	19,795	279,795	2021
2022	135,000	1.150%	9,646	144,646	50,000	1.150%	1,325	51,325	185,000	1.150%	10,971	195,971	2022
2023	135,000	1.200%	8,060	143,060	50,000	1.200%	738	50,738	185,000	1.200%	8,798	193,798	2023
2024	100,000	1.250%	6,625	106,625	35,000	1.250%	219	35,219	135,000	1.250%	6,844	141,844	2024
2025	100,000	1.400%	5,300	105,300		1.400%	0	0	100,000	1.400%	5,300	105,300	2025
2026	100,000	1.400%	3,900	103,900		1.400%	0	0	100,000	1.400%	3,900	103,900	2026
2027	100,000	1.600%	2,400	102,400		1.600%	0	0	100,000	1.600%	2,400	102,400	2027
2028	100,000	1.600%	800	100,800		1.600%	0	0	100,000	1.600%	800	100,800	2028
2029													2029
2030													2030
2031													2031
2032													2032
2033													2033
2034													2034
2035													2035
2036													2036
2037													2037
2038													2038
2039													2039
TOTALS	980,000		53,720	1,033,720	185,000		5,088	190,088	1,165,000		58,808	1,223,808	TOTALS

Planning	980,000	73,760	1,053,760	190,000	7,961	197,961	1,170,000	81,721	1,251,721
Difference	0	(20,040)	(20,040)	(5,000)	(2,873)	(7,873)	(5,000)	(22,913)	(27,913)

NOTES:

¹Final Sale rates

FINAL SALE

**Series 2020A Taxable General Obligation Promissory Notes
Debt Service by Issue**

Year	TID #3 Advance 2020A Taxable Notes \$780,000 Latest Amortization 5-1-2030				Municipal Projects 2020A Taxable Notes \$70,000 Latest Amortization 5-1-2030				Park Fund 2020A Taxable Notes \$70,000				Taxable GO Notes 2020A \$920,000 Dated 5/28/20				Year
	Prin (5/1)	Est. Rate ²	Interest	Total	Prin (5/1)	Est. Rate ²	Interest	Total	Prin (6/1)	Est. Rate ²	Interest	Total	Prin (5/1)	Est. Rate ²	Interest	Total	
2019			6,444	6,444			455	455			1,093	1,093	0		7,388	7,388	2019
2020										1.400%	1,150	1,150	70,000	1.400%	16,893	86,893	2020
2021	50,000	1.400%	14,813	64,813	20,000	1.400%	930	20,930		1.400%	1,010	21,010	100,000	1.400%	15,703	115,703	2021
2022	60,000	1.400%	14,043	74,043	20,000	1.400%	650	20,650	20,000	1.700%	700	20,700	110,000	1.700%	14,068	124,068	2022
2023	70,000	1.700%	13,028	83,028	20,000	1.700%	340	20,340	20,000	1.700%	360	20,360	105,000	1.700%	12,240	117,240	2023
2024	75,000	1.700%	11,795	86,795	10,000	1.700%	85	10,085	10,000	1.900%	95	10,095	90,000	1.900%	10,493	100,493	2024
2025	80,000	1.900%	10,398	90,398									85,000	1.900%	8,830	93,830	2025
2026	85,000	1.900%	8,830	93,830									85,000	2.100%	7,130	92,130	2026
2027	85,000	2.100%	7,130	92,130									90,000	2.100%	5,293	95,293	2027
2028	90,000	2.100%	5,293	95,293									90,000	2.350%	3,290	93,290	2028
2029	90,000	2.350%	3,290	93,290									95,000	2.350%	1,116	96,116	2029
2030	95,000	2.350%	1,116	96,116													2030
2031																	2031
2032																	2032
2033																	2033
2034																	2034
2035																	2035
2036																	2036
2037																	2037
2038																	2038
2039																	2039
TOTALS	780,000		96,178	876,178	70,000		2,460	72,460	70,000		4,408	74,408	920,000		102,441	1,022,441	TOTALS
Planning	780,000		115,508	895,508	70,000		3,038	73,038	70,000		5,327	75,327	920,000		123,136	1,043,136	
Differenc	0		(19,330)	(19,330)	0		(578)	(578)	0		(920)	(920)	0		(20,695)	(20,695)	

NOTES:
1 Final Sale rates

**Series 2019B General Obligation Refunding Bond
Debt Service Payments**

FINAL SALE

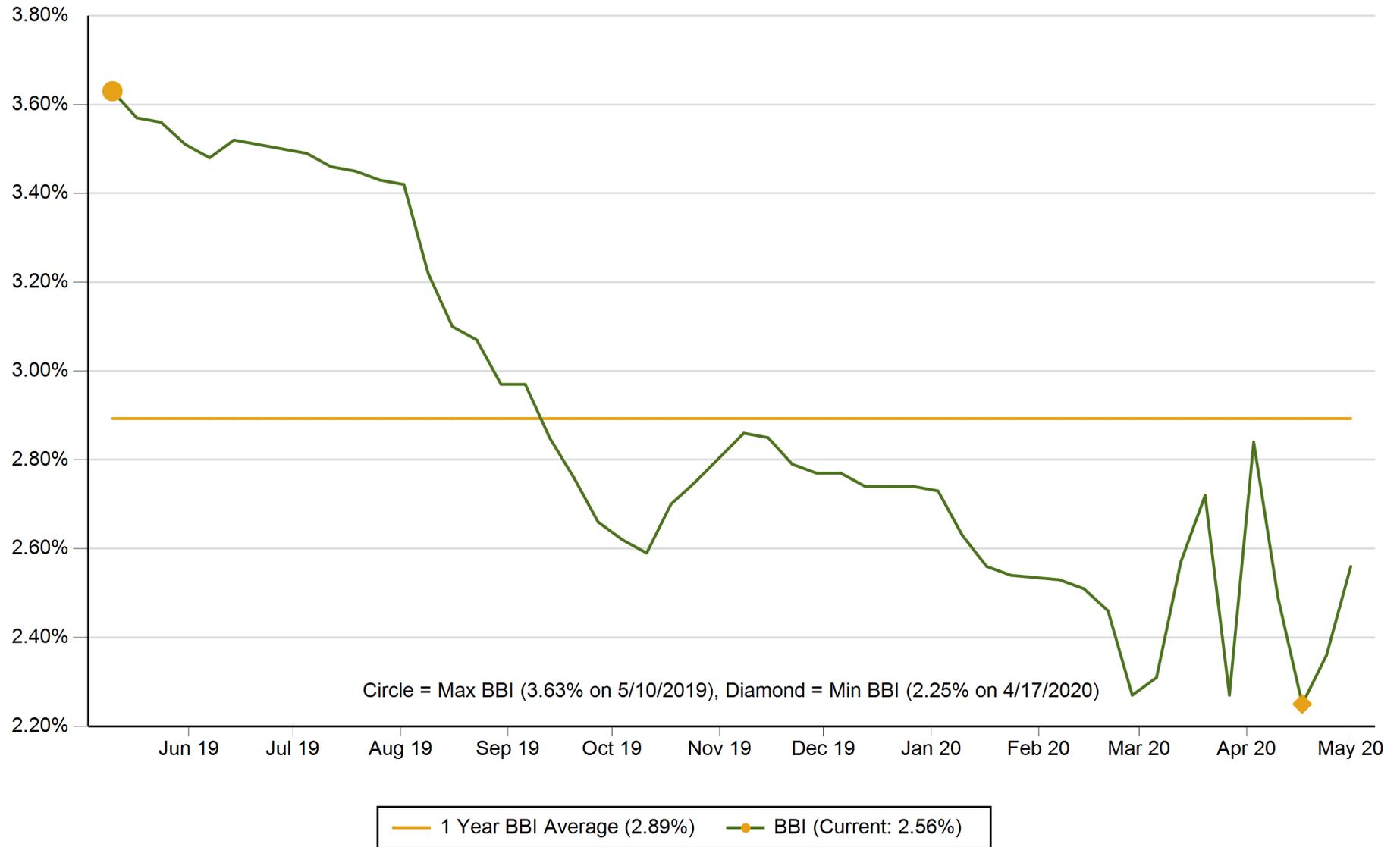
Existing Debt Less refunded issues							
Year	Equalized Value Projection ¹	Change In EV	Annual P&I Payment	TID #2	TID #3	Net Levy for Debt Service	Net Rate for Debt Service
2020	234,179,200	7.76%	689,496	(103,350)	(80,482)	505,664	2.16
2021	235,831,999	0.71%	441,735	(103,350)		338,385	1.43
2022	237,528,630	0.72%	437,775	(103,350)		334,425	1.41
2023	239,233,902	0.72%	103,350			103,350	0.43
2024	240,947,859	0.72%	0			0	0.00
2025	242,670,546	0.71%	0			0	0.00
2026	244,402,007	0.71%	0			0	0.00
2027	246,142,286	0.71%	0			0	0.00
2028	247,891,429	0.71%	0			0	0.00
2029	249,649,481	0.71%	0			0	0.00
2030	251,416,487	0.71%	0			0	0.00
2031	253,192,492	0.71%	0			0	0.00
2032	254,977,543	0.71%	0			0	0.00
2033	256,771,685	0.70%	0			0	0.00
2034	258,574,966	0.70%	0			0	0.00
2035	260,387,431	0.70%	0			0	0.00
2036	262,209,127	0.70%	0			0	0.00
2037	264,040,101	0.70%	0			0	0.00
2038	265,880,401	0.70%	0			0	0.00
2039	267,730,073	0.70%	0			0	0.00
2040	269,589,167	0.69%	0			0	0.00
2041	271,457,729	0.69%	0			0	0.00
TOTALS			1,672,354		(80,482)	1,281,824	

Projected Payments and Tax Rate Impact of Proposed Financing															
2020 Taxable GO Notes \$920,000				2020 Taxable GO Refunding Bonds \$945,000				2020 Tax Exempt GO Notes \$1,165,000				TID #3	Net Levy for Debt Service ²	Net Rate for Debt Service	Year
Prin (5/1)	Est. Rate	Interest	Total	Prin (5/1)	Est. Rate	Interest	Total	Prin (6/1)	Est. Rate	Interest	Total				
		7,388	7,388			11,698	11,698			0	0	(18,142)	506,608	2.16	2020
70,000	1.400%	16,893	86,893			27,525	27,525	260,000	1.100%	19,795	279,795	(92,338)	640,260	2.71	2021
100,000	1.400%	15,703	115,703			27,525	27,525	185,000	1.150%	10,971	195,971	(101,568)	572,056	2.41	2022
110,000	1.700%	14,068	124,068			27,525	27,525	185,000	1.200%	8,798	193,798	(110,553)	338,187	1.41	2023
105,000	1.700%	12,240	117,240			27,525	27,525	135,000	1.250%	6,844	141,844	(114,320)	172,289	0.72	2024
90,000	1.900%	10,493	100,493			27,525	27,525	100,000	1.400%	5,300	105,300	(117,923)	115,395	0.48	2025
85,000	1.900%	8,830	93,830			27,525	27,525	100,000	1.400%	3,900	103,900	(121,355)	103,900	0.43	2026
85,000	2.100%	7,130	92,130			27,525	27,525	100,000	1.600%	2,400	102,400	(119,655)	102,400	0.42	2027
90,000	2.100%	5,293	95,293			27,525	27,525	100,000	1.600%	800	100,800	(122,818)	100,800	0.41	2028
90,000	2.350%	3,290	93,290			27,525	27,525					(120,815)	0	0.00	2029
95,000	2.350%	1,116	96,116			27,525	27,525					(123,641)	0	0.00	2030
				100,000	2.600%	26,225	126,225					(126,225)	0	0.00	2031
				120,000	2.600%	23,365	143,365					(143,365)	0	0.00	2032
				130,000	2.850%	19,953	149,953					(149,953)	0	0.00	2033
				140,000	2.850%	16,105	156,105					(156,105)	0	0.00	2034
				150,000	3.000%	11,860	161,860					(161,860)	0	0.00	2035
				150,000	3.100%	7,285	157,285					(157,285)	0	0.00	2036
				155,000	3.200%	2,480	157,480					(157,480)	0	0.00	2037
												0	0	0.00	2038
												0	0	0.00	2039
												0	0	0.00	2040
												0	0	0.00	2041
920,000		102,441	1,022,441	945,000		394,221	1,339,221	1,165,000		58,808	1,223,808	(2,215,398)	2,651,895		TOTALS

NOTES:	Planning	920,000	123,136	1,043,136	945,000	451,700	1,396,700	1,170,000	81,721	1,251,721
¹ Value shown for 2020 is actual (2019 EV). Assumes an annual increase of .75%.	Difference	0	(20,695)	(20,695)	0	(57,479)	(57,479)	(5,000)	(22,913)	(27,913)
² Figure shown for 2020 is actual levy for debt service.										
³ Final Sale Rates										
⁴ Final Sale Rates									Total	(106,087)

1 YEAR TREND IN MUNICIPAL BOND INDICES

Weekly Rates May, 2019 - May, 2020



The Bond Buyer "20 Bond Index" (BBI) shows average yields on a group of municipal bonds that mature in 20 years and have an average rating equivalent to Moody's Aa2 and S&P's AA.