

TOWN OF WINDSOR, WISCONSIN

RESOLUTION NO. 2015-21

**INITIAL RESOLUTION AUTHORIZING
A BORROWING IN AN AMOUNT
ESTIMATED TO BE \$2,075,000
AND PROVIDING FOR THE ISSUANCE AND SALE OF
TAXABLE BOND ANTICIPATION NOTES**

WHEREAS, the Town Board of the Town of Windsor, Wisconsin (the "Town") has determined that it is necessary to raise funds for the public purpose of paying certain project costs including, but not limited to, the following;

- (a) Projects located in Tax Increment District 1; and
- (b) Professional and financing fees;

(a through b above collectively referred to as the "Projects"), and there are insufficient funds on hand to pay said costs;

WHEREAS, the Town Board of the Town hereby finds and determines that the Town has sufficient power and authority under the provisions of Chapter 67 of the Wisconsin Statutes to authorize such Projects, and that the Projects serve a "public purpose" as that term is defined in Section 67.04(1)(b) of the Wisconsin Statutes;

WHEREAS, it is necessary and desirable to issue the taxable bond anticipation notes in an aggregate amount estimated to be \$2,075,000 (the "Notes") to provide interim financing for the purpose of paying the costs of the Projects;

WHEREAS, the Town shall issue taxable general obligation bonds (the "Permanent Bonds") at a future date for the purpose of refunding the Notes; and

WHEREAS, the issuance of such taxable bond anticipation notes will not cause the Town to exceed any general or special limit on indebtedness.

NOW, THEREFORE, BE IT RESOLVED by the Town Board of the Town that:

1. Authorization of the Notes. Under and by virtue of the provisions of Section 67.12(1)(b) of the Wisconsin Statutes, the Town shall issue its taxable bond anticipation notes in an aggregate amount estimated to be \$2,075,000 for the purpose of paying the costs of the Projects, including, but not limited to, the following:

- (a) Projects located in Tax Increment District 1; and
- (b) Professional and financing fees.

2. Sale of the Notes. To evidence such indebtedness, the Town Chairperson and Town Clerk hereby authorized, empowered and directed to make, execute, issue and sell the Notes to a purchaser to be determined by public sale and approved by subsequent resolution of the Town Board.

3. Sale Date. The Town shall offer the Notes for public sale on or about June 4, 2015.

4. Official Notice of Sale. The Town Clerk, in consultation with the Town's financial advisor, Ehlers & Associates, Inc. (the "Financial Advisor"), shall cause an official notice of sale to be prepared and distributed and may prepare or cause to be prepared an Official Statement pursuant to SEC Rule 15c2-12.

5. Award of the Notes. Following receipt of bids for the Notes, the Town Board shall consider taking further action to provide additional details of the Notes, shall award the Notes to the lowest responsible bidder therefore whose proposal results in the lowest true interest cost to the Town.

6. Financial Advisor; Official Statement. The Town Chairperson and the Town Clerk are hereby authorized and directed to consult with the Financial Advisor and to prepare financing as described herein for consideration by the Town at a subsequent meeting. The Town Chairperson and the Town Clerk are hereby authorized and directed to prepare a Preliminary Official Statement and to supply copies of the same to potential purchasers of the Notes for the financing. Any Preliminary Official Statement, notice of sale or bid form shall provide on the face thereof that the terms of any financing described therein are subject to approval at a subsequent meeting of the Town and that such financing is subject to revision or withdrawal.

7. Issuance of Permanent Bonds. The Town shall issue taxable general obligation bonds at a future date for the purpose of refunding the Notes, which shall subject to approval at a subsequent meeting of the Town.

8. Prior Resolution; Severability; Effective Date. All prior resolutions, roles or other actions of the Town or any parts thereof in conflict with the provisions hereof shall be, and the same are, hereby rescinded insofar as the same may so conflict. In the event that any one or more provisions hereof shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof. The foregoing shall take effect immediately upon adoption and approval in the manner provided by law.

Adopted and recorded this 7th day of May, 2015.

**TOWN OF WINDSOR,
DANE COUNTY, WISCONSIN**

By: Robert Wipperfurth
Robert Wipperfurth, Town Chairperson

Attest: Christine Capstran
Christine Capstran, Town Clerk

CERTIFICATION BY TOWN CLERK

I, Christine Capstran, being first duly sworn, hereby certify that I am the duly qualified and acting Town Clerk of the Town of Windsor, Wisconsin (the "Town"), and as such I have in my possession, or have access to, the complete corporate records of the Town and of its Town Board; that I have carefully compared the transcript attached hereto with the aforesaid records; and that said transcript attached hereto is a true, correct and complete copy of all of the records in relation to the adoption of Resolution No. 2015-21 entitled:

INITIAL RESOLUTION AUTHORIZING
A BORROWING IN AN AMOUNT ESTIMATED TO BE \$2,075,000
AND PROVIDING FOR THE ISSUANCE AND SALE OF
TAXABLE BOND ANTICIPATION NOTES

I hereby further certify as follows:

1. Said Resolution was considered for adoption by the Town Board at a meeting held at Town Hall, 4084 Mueller Road, DeForest, Wisconsin 53532, at 5:00 p.m. on May 7, 2015. Said meeting was a regular meeting of the Town Board and was held in open session.

2. Said Resolution was on the agenda for said meeting and public notice thereof was given not less than twenty-four (24) hours prior to the commencement of said meeting in compliance with Section 19.84 of the Wisconsin Statutes, including, without limitation, by posting on the bulletin board in the Town Hall, by notice to those news media who have filed a written request for notice of meetings, and by notice to the official newspaper of the Town.

3. Said meeting was called to order by the Town Chairperson who chaired the meeting. Upon roll, I noted and recorded that the following supervisors were present:

<u>Bob Wipperfurth</u>	<u>Monica Smith</u>
<u>Bruce Strawinski</u>	_____
<u>Alan Buchner</u>	_____
<u>Don Madelung</u>	_____

and that the following supervisors were absent:

I noted and recorded that a quorum was present.

Various matters and business were taken up during the course of the meeting without intervention of any closed session. One of the matters taken up was said Resolution, which was introduced, and its adoption was moved by Alan Buchner and seconded by Bruce Strawinski.

Following discussion and after all members of the Town Board who desired to do so had expressed their views for or against said Resolution, the question was called, and upon roll being called and the continued presence of a quorum being noted, the recorded vote was as follows:

AYE:

Bob Wipperfurth
Bruce Strawinski
Monica Smith
Don Madelung

Alan Buchner

NAY:

-

ABSTAINED:

-

Whereupon the meeting chair declared said Resolution adopted, and I so recorded it.

IN WITNESS WHEREOF, I have signed my name and affixed the seal of the Town hereto as of the 7th day of May, 2015.

[SEAL]

Christine Capstran

Christine Capstran, Town Clerk

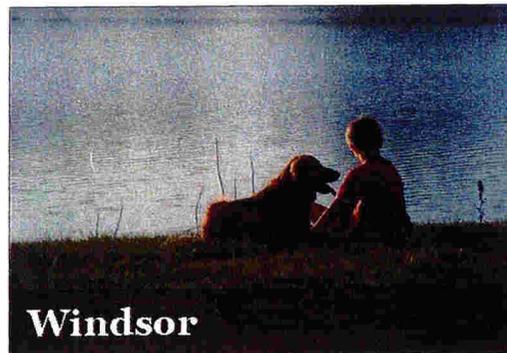


May 7, 2015

Pre-Sale Report for

Town of Windsor, Wisconsin

\$2,075,000 Taxable Bond Anticipation Notes, Series
2015B



Prepared by:

James Mann
Senior Financial Advisor

And

Dave Wagner
Senior Financial Advisor



Executive Summary of Proposed Debt

Proposed Issue:	\$2,075,000 Taxable Bond Anticipation Notes, Series 2015B
Purposes:	<p>The proposed issue includes financing for the following purposes:</p> <p>TID #1</p> <ul style="list-style-type: none"> Taxable Bond Anticipation Notes. Debt service will be paid from tax increment district revenues and/or the permanent financing of the obligation.
Authority:	<p>The Notes are being issued pursuant to Wisconsin Statute(s):</p> <ul style="list-style-type: none"> 67.12(1)(b) <p>The Notes will be general obligations of the Town for which its full faith, credit and taxing powers are pledged.</p> <p>The Notes will be secured by the Town's covenant to subsequently issue General Obligation Bonds/Notes to pay the principal and interest due on the Bonds/Notes, or to otherwise appropriate other available funds for that purpose.</p> <p>While the Notes do not count against the Town's General Obligation Debt Capacity Limit of 5% of total Town Equalized Valuation, the Town must reserve sufficient Debt Capacity to allow for the subsequent issuance of General Obligation Bonds/Notes to pay the principal and interest due on the Notes. The Town's current total General Obligation debt principal outstanding is \$10.8 M, which is 36% of its limit. The Town will be agreeing to reserve approximately \$2.075 M in Debt Capacity, which is equal to an additional 6.7% of its limit. Remaining General Obligation Borrowing Capacity, after the reservation of Debt Capacity, will be approximately \$17.8 M.</p>
Term/Call Feature:	<p>The Notes are being issued for a 1 year term. Principal on the Notes will be due on May 1, 2016. Interest is payable every six months beginning November 1, 2015.</p> <p>The Notes maturing on and after May 1, 2016 will be subject to prepayment at the discretion of the Town on July 1, 2015 or any date thereafter.</p>
Bank Qualification:	Because the Notes are taxable obligations they will not be designated as "bank qualified" obligations.
Rating:	<p>The Town's most recent bond issues were rated AA- by Standard & Poor's. The Town will NOT request a new rating for the Notes.</p> <p>If the winning bidder on the Notes elects to purchase bond insurance, the rating for the issue may be higher than the Town's bond rating in the event that</p>



	the bond rating of the insurer is higher than that of the Town.
Basis for Recommendation:	Based on our knowledge of your situation, your objectives communicated to us, our advisory relationship as well as characteristics of various municipal financing options, we are recommending the issuance of a taxable bond anticipation note as a suitable financing option because this is the most overall cost effective option that still maintains future flexibility for the repayment of debt.
Method of Sale/Placement:	In order to obtain the lowest interest cost to the Town, we will competitively bid the purchase of the Notes from local and national underwriters/banks. We have included an allowance for discount bidding equal to 1.00000% of the principal amount of the issue. The discount is treated as an interest item and provides the underwriter with all or a portion of their compensation in the transaction. If the Notes are purchased at a price greater than the minimum bid amount (maximum discount), the unused allowance may be used to lower your borrowing amount.
Review of Existing Debt:	We have reviewed all outstanding indebtedness for the Town and find that there are no refunding opportunities at this time. We will continue to monitor the market and the call dates for the Town's outstanding debt and will alert you to any future refunding opportunities.
Continuing Disclosure:	Because the Town has more than \$10,000,000 in outstanding debt (including this issue) and this issue is over \$1,000,000, the Town will be agreeing to provide certain updated Annual Financial Information and its Audited Financial Statement annually as well as providing notices of the occurrence of certain "material events" to the Municipal Securities Rulemaking Board (the "MSRB"), as required by rules of the Securities and Exchange Commission (SEC). The Town is already obligated to provide such reports for its existing bonds, and has contracted with Ehlers to prepare and file the reports.
Arbitrage Monitoring:	The Notes are taxable obligations and are therefore not subject to IRS arbitrage and yield restriction requirements.
Risk Factors:	GO with Planned Abatement: The Town expects to abate all the Town debt service with tax incremental revenues and/or the permanent financing of the obligations. In the event these revenues are not available, the Town is obligated to levy property taxes in an amount sufficient to make all debt payments.
Other Service Providers:	This debt issuance will require the engagement of other public finance service providers. This section identifies those other service providers, so Ehlers can coordinate their engagement on your behalf. Where you have previously used



a particular firm to provide a service, we have assumed that you will continue that relationship. For services you have not previously required, we have identified a service provider. Fees charged by these service providers will be paid from proceeds of the obligation, unless you notify us that you wish to pay them from other sources. Our pre-sale bond sizing includes a good faith estimate of these fees, so their final fees may vary. If you have any questions pertaining to the identified service providers or their role, or if you would like to use a different service provider for any of the listed services please contact us.

Bond Attorney: Whyte Hirschboeck Dudek S.C.

This presale report summarizes our understanding of the Town's objectives for the structure and terms of this financing as of this date. As additional facts become known or capital markets conditions change, we may need to modify the structure and/or terms of this financing to achieve results consistent with the Town's objectives.



Proposed Debt Issuance Schedule

Pre-Sale Review by Town Board	May 7, 2015
Distribute Official Statement:	Week of May 26, 2015
Town Board Meeting to Award Sale of the Bonds:	June 4, 2015
Estimated Closing Date:	June 25, 2015

Attachments

Sources and Uses of Funds
Proposed Debt Service Schedule
Proposed Debt Service Fund Cash Flow
Bond Buyer Index

Ehlers Contacts

Financial Advisors:	James Mann	(262) 796-6162
	Dave Wagner	(262) 796-6163
Disclosure Coordinator:	Brendan Leonard	(262) 796-6169
Financial Analyst:	Mary Zywiec	(262) 796-6171

The Official Statement for this financing will be mailed to the Town Board at their home address or e-mailed for review prior to the sale date.



Town of Windsor, Wisconsin

\$2,075,000 Taxable Bond Anticipation Notes, Series 2015B

TID #1 Projects

Dated: June 25, 2015

Sources & Uses

Dated 06/25/2015 | Delivered 06/25/2015

Sources Of Funds

Par Amount of Bonds	\$2,075,000.00
Est. Interest Earnings .0015	766.00
Total Sources	\$2,075,766.00

Uses Of Funds

Total Underwriter's Discount (0.500%)	10,375.00
Financial Advisor	7,500.00
Bond Counsel..Whyte Hirschback	10,000.00
Deposit to Project Construction Fund	2,042,960.00
Rounding Amount	4,931.00
Total Uses	\$2,075,766.00

Town of Windsor, Wisconsin

\$2,075,000 Taxable Bond Anticipation Notes, Series 2015B

TID #1 Projects

Dated: June 25, 2015

Debt Service Schedule -- Accrual Basis

Calendar Year	Principal	Coupon	Interest	Total P+I
2015	-	-	20,231.25	20,231.25
2016	2,075,000.00	2.250%	23,343.75	2,098,343.75
-	\$2,075,000.00	-	\$43,575.00	\$2,118,575.00

Yield Statistics

Bond Year Dollars	\$1,936.67
Average Life	0.933 Years
Average Coupon	2.2500000%
Net Interest Cost (NIC)	2.7857143%
True Interest Cost (TIC)	2.7974527%
Bond Yield for Arbitrage Purposes	2.2507854%
All Inclusive Cost (AIC)	3.7292018%

IRS Form 8038

Net Interest Cost	2.2500000%
Weighted Average Maturity	0.933 Years

Town of Windsor

Preferred Financing Plan

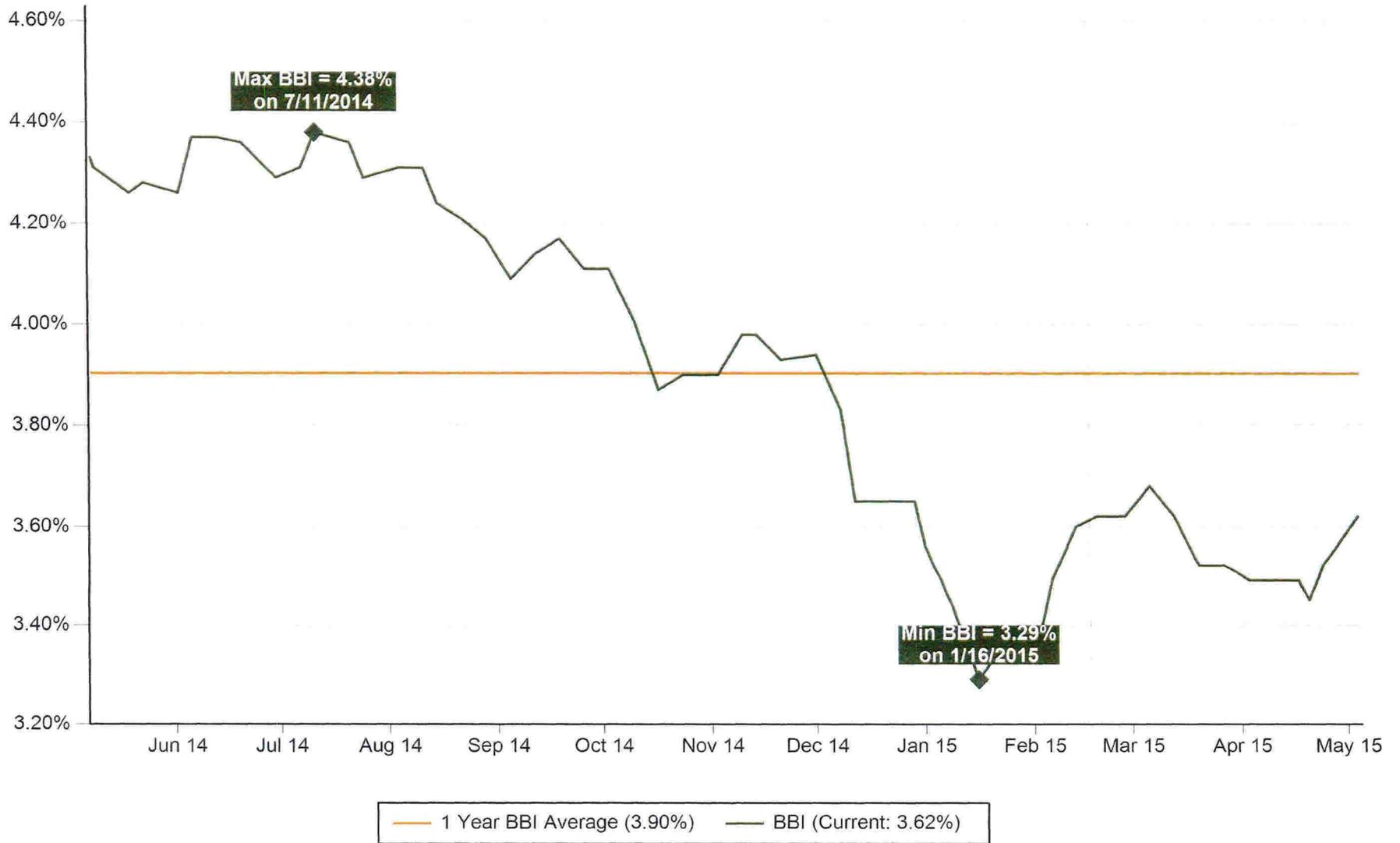


Year	Existing Payments	2015 GO Notes Dated June 25, 2015			2015 Taxable BAN TID #1			2015 Taxable Bond TID #1			Future Road Projects			Total Payments	Fire District	Community Center	Less Offsets Miscellaneous	Windsor Crossing Payments		Tax Levy	Equalized Value Tax Base	Tax Rate	Year
		Principal 6/1	Rate	Interest	Total	Rate	Interest	Total	Rate	Interest	Principal	Rate	Interest					TID	Land				
2015	1,503,975				2,075,000	2.25%	11,672							3,590,647	(15,938)	(47,925)	(2,086,672)	(71,375)	1,368,738	614,505,900	2.23	2015	
2016	1,324,630	275,000	0.80%	45,967				1.20%	84,038					1,729,635	(15,638)	(47,025)		(84,038)	(556,963)	1,025,972	620,650,959	1.65	2016
2017	1,332,478	275,000	1.05%	29,194				1.50%	84,038					1,720,709	(15,338)	(51,125)		(84,038)	(542,713)	1,027,496	626,857,469	1.64	2017
2018	1,147,380	300,000	1.30%	25,800			0	1.80%	84,038					1,557,218				(84,038)	(526,463)	946,718	633,126,043	1.50	2018
2019	1,094,703	200,000	1.45%	22,400			0	1.90%	84,038					1,401,140				(84,038)	(508,463)	808,640	639,457,304	1.26	2019
2020	3,653,963	275,000	1.60%	18,750			100,000	2.05%	84,038	250,000	3.50%	8,750		4,390,500				(184,038)	(3,493,963)	712,500	645,851,877	1.10	2020
2021		300,000	1.80%	13,850			125,000	2.50%	81,988	250,000	3.50%	8,750		779,588					(206,988)	572,600	652,310,396	0.88	2021
2022		200,000	1.90%	9,250			125,000	2.65%	78,863	250,000	3.50%	8,750		671,863					(203,863)	468,000	658,833,499	0.71	2022
2023		150,000	2.00%	5,850			125,000	2.80%	75,550	250,000	3.50%	8,750		615,150					(200,550)	414,600	665,421,834	0.62	2023
2024		100,000	2.10%	3,300			125,000	2.90%	72,050	250,000	3.50%	8,750		559,100					(197,050)	362,050	672,076,053	0.54	2024
2025		100,000	2.25%	1,125			145,000	3.00%	68,425	250,000	3.50%	8,750		573,300					(213,425)	359,875	678,796,813	0.53	2025
2026							150,000	3.25%	64,075	250,000	3.50%	8,750		472,825					(214,075)	258,750	685,584,781	0.38	2026
2027							150,000	3.25%	59,200	250,000	3.50%	8,750		467,950					(209,200)	258,750	692,440,629	0.37	2027
2028							150,000	3.60%	54,325	250,000	3.50%	8,750		463,075					(204,325)	258,750	699,365,036	0.37	2028
2029							150,000	3.70%	48,925	250,000	3.50%	8,750		457,675					(198,925)	258,750	706,358,686	0.37	2029
2030							175,000	3.80%	43,375	250,000	3.50%	8,750		477,125					(218,375)	258,750	713,422,273	0.36	2030
2031							175,000	3.90%	36,725	250,000	3.50%	8,750		470,475					(211,725)	258,750	720,556,496	0.36	2031
2032							175,000	4.00%	29,900	250,000	3.50%	8,750		463,650					(204,900)	258,750	727,762,060	0.36	2032
2033							175,000	4.10%	22,900	250,000	3.50%	8,750		456,650					(197,900)	258,750	735,039,681	0.35	2033
2034							175,000	4.25%	15,725	250,000	3.50%	8,750		449,475					(190,725)	258,750	742,390,078	0.35	2034
2035							195,000	4.25%	8,288	250,000	3.50%	8,750		462,038					(203,288)	258,750	749,813,979	0.35	2035
TOTAL	10,057,128	2,175,000		175,486	2,075,000		11,672	2,415,000		1,180,500	4,000,000		140,000	22,229,785	(46,913)	(146,075)	(2,086,672)	(3,595,500)	(5,699,938)	10,654,688			

Assumes BAN refinanced and paid off within 90 days of settlement
 Rates are based on Cudahy May 5, 2015 Sale plus 25bps

1 YEAR TREND IN MUNICIPAL BOND INDICES

Weekly Rates May, 2014 - May, 2015



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.

Source: The Bond Buyer

