

TOWN OF WINDSOR, WISCONSIN

RESOLUTION NO. 2015-71

**INITIAL RESOLUTION AUTHORIZING
A BORROWING IN AN AMOUNT
ESTIMATED TO BE \$3,060,000
AND PROVIDING FOR THE ISSUANCE AND SALE
OF TAXABLE GENERAL OBLIGATION
REFUNDING BONDS**

WHEREAS, the Town Board of the Town of Windsor, Wisconsin (the "Town") has determined that it is necessary to raise funds for the following purposes (collectively, the "Public Purpose"):

- (a) Refunding the \$2,615,000 Town of Wisconsin, Wisconsin Taxable Bond Anticipation Notes, Series 2015B;
- (b) Payment of capitalized interest;
- (c) Professional and financing fees;

and there are insufficient funds on hand to pay said costs; and

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 "public purpose" as that term is defined in Section 67.04(1)(b) of the Wisconsin Statutes; and

WHEREAS, it is necessary and desirable to issue taxable general obligation refunding bonds in an aggregate amount estimated to be \$3,060,000 (the "Bonds") to provide financing for the Public Purpose; and

WHEREAS, the issuance of such taxable general obligation refunding bonds 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 Bonds. Under and by virtue of the provisions of Chapter 67 of the Wisconsin Statutes, the Town shall issue its taxable general obligation refunding bonds in an aggregate amount estimated to be \$3,060,000 for the following Public Purpose:

- (a) Refunding the \$2,615,000 Town of Wisconsin, Wisconsin Taxable Bond Anticipation Notes, Series 2015B;
- (b) Payment of capitalized interest; and

(c) Professional and financing fees.

2. Sale of the Bonds. To evidence such indebtedness, the Town Chairperson and Town Clerk hereby authorized, empowered and directed to make, execute, issue and sell the Bonds 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 Bonds for public sale on or about September 17, 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 Bonds. Following receipt of bids for the Bonds, the Town Board shall consider taking further action to provide additional details of the Bonds, shall award the Bonds 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 Bonds 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. 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 20th day of August, 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. 2015-71 entitled:

INITIAL RESOLUTION AUTHORIZING
A BORROWING IN AN AMOUNT ESTIMATED TO BE \$3,060,000
AND PROVIDING FOR THE ISSUANCE AND SALE OF
TAXABLE GENERAL OBLIGATION REFUNDING BONDS

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 p.m. on August 20, 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>Bruce Stravinski</u>	_____
<u>Monica Smith</u>	_____
<u>Don Madelung</u>	_____

and that the following supervisors were absent:

<u>Alan Buchner</u>	_____
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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 Don Madelung and seconded by Monica Smith.

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 Stravinski
Monica Smith
Don Madelung

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 20th day of August, 2015.

[SEAL]

Christine Capstran

Christine Capstran, Town Clerk



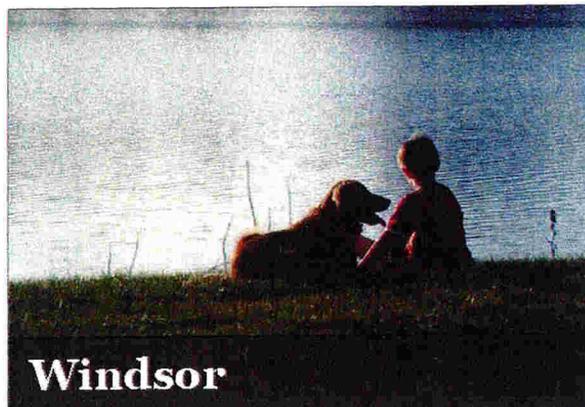
EHLERS
LEADERS IN PUBLIC FINANCE

August 20, 2015

Pre-Sale Report for

Town of Windsor, Wisconsin

\$3,060,000 Taxable General Obligation Refunding Bonds, Series 2015C



Prepared by:

James Mann, CIPMA
Senior Municipal Advisor / Director

And

Dave Wagner, CIPMA
Senior Municipal Advisor / Vice President



Executive Summary of Proposed Debt

Proposed Issue:	\$3,060,000 Taxable General Obligation Refunding Bonds, Series 2015C
Purposes:	<p>The proposed issue includes financing for the following purposes:</p> <ul style="list-style-type: none"> • Refunding the Series 2015B Bond Anticipation Notes. Debt service will be paid from Tax Increment District No. 1 revenues. <p>The interest rate on the obligation proposed to be refunded is 1.0%. The refunding will extend the term over which the refunded obligations will be repaid by 19 years. The refunding is being undertaken for structure purposes and is designed to meet the cash flow of Tax Increment District #1, the source of revenues that will abate the payments on the obligation.</p> <p>This refunding is considered to be a Current Refunding as the obligations being refunded are either callable (pre-payable) now, or will be within 90 days of the date of issue of the new Bonds.</p>
Authority:	<p>The Bonds are being issued pursuant to Wisconsin Statutes, Section 67.04.</p> <p>The Bonds will be general obligations of the Town for which its full faith, credit and taxing powers are pledged.</p> <p>The Bonds count against the Town's General Obligation Debt Capacity Limit of 5% of total Town Equalized Valuation. Following issuance of the Bonds, the Town's total General Obligation debt principal outstanding will be \$14.4 million, which is 46.8% of its limit. Remaining General Obligation Borrowing Capacity will be approximately \$16.3 million.</p>
Term/Call Feature:	<p>The Bonds are being issued for a 20-year term. Principal on the Bonds will be due on October 1 in the years 2020 through 2035. Interest is payable every six months beginning April 1, 2016.</p> <p>The Bonds maturing on and after October 1, 2026 will be subject to prepayment at the discretion of the Town on October 1, 2025 or any date thereafter.</p>
Bank Qualification:	Because the Bonds 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 request a new rating for the Bonds.</p> <p>If the winning bidder on the Bonds elects to purchase bond insurance, the rating for the issue may be higher than the Town's bond rating in the event that the bond rating of the insurer is higher than that of the Town.</p>



<p>Basis for Recommendation:</p>	<p>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 Taxable General Obligation Refunding Bonds as a suitable financing option because throughout the planning for Tax Increment District #1 it was anticipated that the payment structure would be developed to coincide with development anticipated to occur in the TID.</p> <p>The debt is being issued as taxable to allow the Town greater flexibility to secure agreements with the developer(s) to guarantee the revenue stream necessary to pay the debt on the bonds, thereby mitigating some of the risk that the Town is taking on with the TID.</p>
<p>Method of Sale/Placement:</p>	<p>In order to obtain the lowest interest cost to the Town, we will competitively bid the purchase of the Bonds from local and national underwriters/banks.</p> <p>We have included an allowance for discount bidding equal to 1.25000% 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.</p> <p>If the Bonds are purchased at a price greater than the minimum bid amount (maximum discount), the unused allowance may be used to lower your borrowing amount.</p> <p>Premium Bids: Under current market conditions, most investors in municipal bonds prefer “premium” pricing structures. A premium is achieved when the coupon for any maturity (the interest rate paid by the issuer) exceeds the yield to the investor, resulting in a price paid that is greater than the face value of the bonds. The sum of the amounts paid in excess of face value is considered “reoffering premium.”</p> <p>For this issue of Bonds, any premium amount received will be used to reduce the issue size. These adjustments may slightly change the true interest cost of the original bid, either up or down.</p> <p>The amount of premium allowed can be restricted in the bid specifications. Restrictions on premium may result in fewer bids, but may also eliminate large adjustments on the day of sale and unintended results with respect to debt service payment impacts. Ehlers will identify appropriate premium restrictions for the Bonds intended to achieve the Town’s objectives for this financing.</p>



Other Considerations:	The Bonds will be offered with the option of the successful bidder utilizing a term bond structure. By offering underwriters the option to “term up” some of the maturities at the time of the sale, it gives them more flexibility in finding a market for your Bonds. This makes your issue more marketable, which can result in lower borrowing costs. In the event that the successful bidder utilizes a term bond structure, we recommend the Town retain a paying agent to handle responsibility for processing mandatory redemption/call notices associated with term bonds.
Review of Existing Debt:	<p>We have reviewed all outstanding indebtedness for the Town and find that, other than the obligations proposed to be refunded by the Bonds; there are no other refunding opportunities at this time.</p> <p>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.</p>
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 Bonds are taxable obligations and are therefore not subject to IRS arbitrage and yield restriction requirements.
Risk Factors:	<p>GO with Planned Abatement: The Town expects to abate the Town debt service with tax incremental revenues. In the event this revenue is not available, the Town is obligated to levy property taxes in an amount sufficient to make all debt payments.</p> <p>Current Refunding: The Bonds are being issued for the purpose of current refunding prior Town debt obligations. Those prior debt obligations are “callable” now and can therefore be paid off within 90 days or less. The new Bonds will not be pre-payable until October 1, 2025.</p>
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



	<p>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.</p> <p>Bond Attorney: Whyte Hirschboeck Dudek S.C.</p> <p>Paying Agent: Bond Trust Services Corp. (if term bond option utilized)</p> <p>Rating Agency: Standard & Poor's</p>
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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	August 20, 2015
Distribute Official Statement:	By September 10, 2015
Conference with Rating Agency:	Week of September 7, 2015
Town Board Meeting to Award Sale of the Bonds:	September 17, 2015
Estimated Closing Date:	October 7, 2015
Redemption Date for Bond	October 27, 2015

Attachments

- Preliminary Sizing
- Proposed Debt Service Schedule
- TID #1 Cash Flow Projection

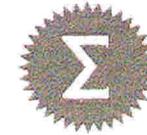
Ehlers Contacts

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



2015 Windsor Crossing - Sizing

		Option 2	
		FINAL SALE	
		Interim BAN	Permanent Bonds
Projects		Taxable	Taxable
	Parkland Purchase		
	Street Program 2015-2018		
	Incorporation		
	Tax Increment District 1	2,583,000	
	BAN Refunding (call date of 10/27/15)		2,622,337
	Net Project Cost (including refunding)	2,583,000	2,622,337
	Issuance Costs		
	Financial Advisor	7,500	21,700
	Bond Counsel (WH)	10,000	12,000
	Rating (S&P)		12,000
	Paying Agent		675
	Debt Service Reserve		
	Underwriters Discount 12.5	13,075	38,250
	Capitalized Interest (TID Only)		354,301
	Total Costs to be Financed	2,613,575	3,061,262
	Est. Interest Earnings	(766)	(1,638)
	Rounding	2,191	376
	Total Borrowing	2,615,000	3,060,000

Town of Windsor

Preferred Financing Plan - 2015 Series C Preliminary



Year	Existing Payments	2015 GO Notes Dated July 16, 2015			2015 Taxable BAN TID #1			2015 Taxable Bond, Series 2015C TID #1 Dated 10/7/15			Future Road Projects			Total Payments	Fire District	Community Center	Less Offsets		Windsor Crossing Payments		Tax Levy	Equalized Value Tax Base	Tax Rate	Year
		Principal 6/1	Rate	Interest	Principal	Rate	Interest	Prin 10/1	Rate	Interest	Principal	Rate	Interest				Miscellaneous	TID	Land	Tax Base				
2015	1,503,975				2,615,000	1.00%	6,538							4,125,513	(15,938)	(47,925)	(2,621,538)		(71,375)	1,368,738	614,505,900	2.23	2015	
2016	1,324,630	100,000	0.50%	43,266					1.55%	116,781				1,584,697	(15,638)	(47,025)		(116,781)	(381,963)	1,023,291	620,650,959	1.65	2016	
2017	1,332,478	260,000	0.75%	30,188					1.90%	118,760				1,741,425	(15,338)	(51,125)		(118,760)	(542,713)	1,013,490	626,857,469	1.62	2017	
2018	1,147,380	300,000	1.05%	27,638				0	2.20%	118,760				1,593,778				(118,760)	(526,463)	948,655	633,126,043	1.50	2018	
2019	1,094,703	200,000	1.25%	24,813				0	2.40%	118,760				1,438,275				(118,760)	(508,463)	811,053	639,457,304	1.27	2019	
2020	3,653,963	275,000	1.45%	21,569				75,000	2.50%	118,760	250,000	3.50%	8,750	4,403,041				(193,760)	(3,653,963)	555,319	645,851,877	0.86	2020	
2021		275,000	1.60%	17,375				125,000	2.70%	116,885	250,000	3.50%	8,750	793,010				(241,885)		551,125	652,310,396	0.84	2021	
2022		250,000	1.80%	12,925				125,000	2.85%	113,510	250,000	3.50%	8,750	760,185				(238,510)		521,675	658,833,499	0.79	2022	
2023		200,000	2.00%	8,675				125,000	3.00%	109,948	250,000	3.50%	8,750	702,373				(234,948)		467,425	665,421,834	0.70	2023	
2024		150,000	2.15%	5,063				130,000	3.10%	106,198	250,000	3.50%	8,750	650,010				(236,198)		413,813	672,076,053	0.62	2024	
2025		150,000	2.30%	1,725				150,000	3.25%	102,168	250,000	3.50%	8,750	662,643				(252,168)		410,475	678,796,813	0.60	2025	
2026								175,000	3.60%	97,293	250,000	3.50%	8,750	531,043				(272,293)		258,750	685,584,781	0.38	2026	
2027								200,000	3.75%	90,993	250,000	3.50%	8,750	549,743				(290,993)		258,750	692,440,629	0.37	2027	
2028								200,000	3.85%	83,493	250,000	3.50%	8,750	542,243				(283,493)		258,750	699,365,036	0.37	2028	
2029								225,000	3.95%	75,793	250,000	3.50%	8,750	559,543				(300,793)		258,750	706,368,686	0.37	2029	
2030								225,000	4.10%	66,905	250,000	3.50%	8,750	550,655				(291,905)		258,750	713,422,273	0.36	2030	
2031								225,000	4.20%	57,680	250,000	3.50%	8,750	541,430				(282,680)		258,750	720,556,496	0.36	2031	
2032								250,000	4.35%	48,230	250,000	3.50%	8,750	556,980				(298,230)		258,750	727,762,060	0.36	2032	
2033								275,000	4.40%	37,355	250,000	3.50%	8,750	571,105				(312,355)		258,750	733,039,681	0.35	2033	
2034								275,000	4.50%	25,255	250,000	3.50%	8,750	559,005				(300,255)		258,750	742,390,078	0.35	2034	
2035								280,000	4.60%	12,880	250,000	3.50%	8,750	551,630				(292,880)		258,750	749,813,979	0.35	2035	
TOTAL	10,057,128	2,160,000		193,255	2,615,000		6,538	3,060,000		1,736,403	4,000,000		140,000	23,968,323	(46,913)	(146,075)	(2,621,538)	(4,796,403)	(5,684,936)	10,672,457				

Assumes BAN refinanced and paid off within 90 days of settlement
 Assumes AA- scale of 8/3/15 + 100BP 2016-25, + 115BP 2026-2035

Town of Windsor, Wisconsin

Tax Increment District # 1

Cash Flow Projection

Year	Projected Revenues				Expenditures					Balances			Year
	Tax Increments	Interest Earnings/ (Cost)	Capitalized Interest	Total Revenues	G.O. Bond 3,060,000 Dated Date: 10/07/15		Interest	Admin.	Total Expenditures	Annual	Cumulative	Principal Outstanding	
2014		0.25%		0				25,000	25,000	(25,000)	(25,000)	3,060,000	2014
2015		(63)	354,301	354,238				15,000	15,000	339,238	314,238	3,060,000	2015
2016	487	786		1,273			116,781	15,000	131,781	(130,508)	183,731	3,060,000	2016
2017	72,695	459		73,155			118,760	15,000	133,760	(60,605)	123,125	3,060,000	2017
2018	96,314	308		96,621			118,760	15,000	133,760	(37,139)	85,987	3,060,000	2018
2019	169,480	215		169,695			118,760	15,000	133,760	35,935	121,921	3,060,000	2019
2020	194,066	305		194,371	75,000	2.50%	118,760	5,000	198,760	(4,389)	117,532	2,985,000	2020
2021	268,209	294		268,503	125,000	2.70%	116,885	5,000	246,885	21,618	139,150	2,860,000	2021
2022	309,044	348		309,391	125,000	2.85%	113,510	5,000	243,510	65,881	205,031	2,735,000	2022
2023	329,652	513		330,165	125,000	3.00%	109,948	5,000	239,948	90,217	295,249	2,610,000	2023
2024	332,949	738		333,687	130,000	3.10%	106,198	5,000	241,198	92,489	387,738	2,480,000	2024
2025	353,796	969		354,766	150,000	3.25%	102,168	5,000	257,168	97,598	485,336	2,330,000	2025
2026	357,334	1,213		358,548	175,000	3.60%	97,293	5,000	277,293	81,255	566,592	2,155,000	2026
2027	360,908	1,416		362,324	200,000	3.75%	90,993	5,000	295,993	66,332	632,923	1,955,000	2027
2028	364,517	1,582		366,099	200,000	3.85%	83,493	5,000	288,493	77,607	710,530	1,755,000	2028
2029	368,162	1,776		369,938	225,000	3.95%	75,793	5,000	305,793	64,146	774,676	1,530,000	2029
2030	371,844	1,937		373,780	225,000	4.10%	66,905	5,000	296,905	76,875	851,551	1,305,000	2030
2031	375,562	2,129		377,691	225,000	4.20%	57,680	5,000	287,680	90,011	941,562	1,080,000	2031
2032	379,318	2,354		381,672	250,000	4.35%	48,230	5,000	303,230	78,442	1,020,004	830,000	2032
2033	383,111	2,550		385,661	275,000	4.40%	37,355	5,000	317,355	68,306	1,088,309	555,000	2033
2034	386,942	2,721		389,663	275,000	4.50%	25,255	5,000	305,255	84,408	1,172,717	280,000	2034
2035	390,811	2,932		393,743	280,000	4.60%	12,880	5,000	297,880	95,863	1,268,580	0	2035
Total	5,865,200	25,482	354,301	6,244,983	3,060,000		1,736,403	180,000	4,976,403				Total

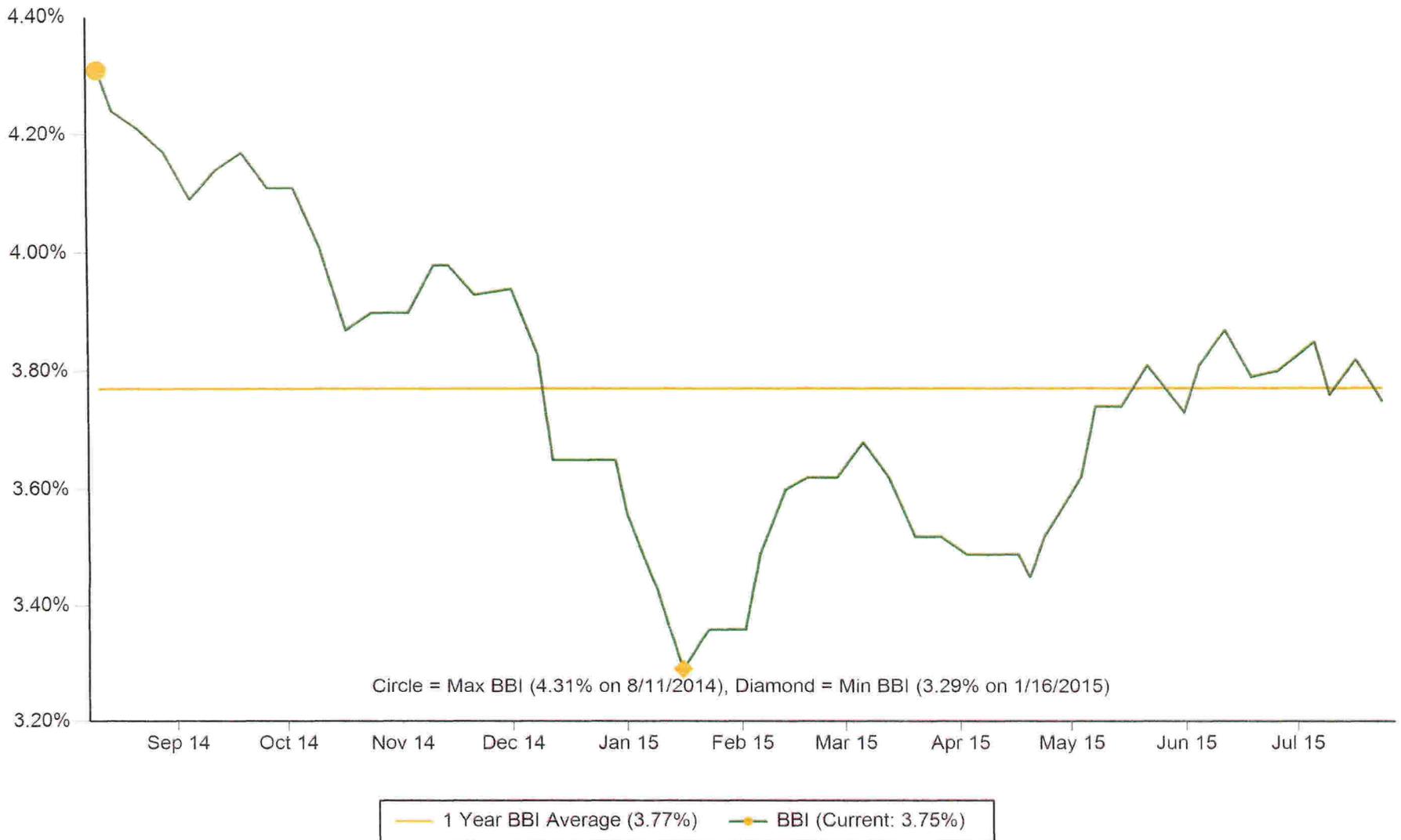
Notes: Assumes AA- scale of 8/3/15 + 100BP 2016-25, + 115BP 2026-2035
Reflects Infrastructure Costs Only

Projected TID Closure

Version 1

1 YEAR TREND IN MUNICIPAL BOND INDICES

Weekly Rates August, 2014 - August, 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

