

VILLAGE OF WINDSOR, DANE COUNTY, WISCONSIN

RESOLUTION NO. 2018-54

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**INITIAL RESOLUTION AUTHORIZING THE ISSUANCE  
OF TAXABLE GENERAL OBLIGATION  
REFUNDING PROMISSORY NOTES, SERIES 2018B  
IN AN AMOUNT NOT TO EXCEED \$2,265,000**

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WHEREAS, the Village Board of the Village of Windsor, Dane County, Wisconsin (the "Village") has heretofore issued its \$5,905,000 Taxable General Obligation Refunding Notes, Series 2010A on December 27, 2010 (the "Series 2010A Notes");

WHEREAS, pursuant to Section 67.04(3) of the Wisconsin Statutes, the Village may issue new obligations to provide funds for the payment of outstanding obligations; and

WHEREAS, the Village Board has determined that refunding the Series 2010A Notes is necessary and desirable, and that it is in the best interests of the Village to restructure the debt service payments on the Series 2010A Notes;

WHEREAS, the Village deems it to be necessary, desirable and in its best interest to authorize and sell its Taxable General Obligation Refunding Promissory Notes, Series 2018B (the "Notes") for the purpose of refunding the Series 2010A Notes, and the issuance of such taxable general obligation refunding promissory notes will not cause the Village to exceed any general or special limit on indebtedness.

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

1. Authorization of the Notes. Under and by virtue of the provisions of Section 67.12(12) of the Wisconsin Statutes, the Village shall issue its taxable general obligation refunding promissory notes, in an aggregate sum not to exceed \$2,265,000 (the "Notes") for the public purpose of:

- (a) Refunding the Series 2010A Notes; and
- (b) Payment of professional and financing fees.

2. Sale of the Notes. To evidence such indebtedness of the Village, the Village President and the Village Clerk are 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 Village Board.

3. Sale Date. The Village shall offer the Notes for public sale on or about August 16, 2018.

4. Official Notice of Sale. The Village Clerk, in consultation with the Village'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; Levy. Following receipt of bids for the Notes, the Village Board shall consider taking further action to provide additional details of the Notes and shall award the Notes to the lowest responsible bidder whose proposal results in the lowest true interest cost to the Village. The Village shall levy a direct annual tax sufficient in amount to pay and for the express purpose of paying and discharging the principal and interest on said Notes as the same become due as required by law.

6. Financial Advisor; Official Statement. The Village President, the Village Clerk and other officers are hereby authorized and directed to consult with the Financial Advisor and to prepare financing as described herein for consideration by the Village Board at a subsequent meeting. The Village President and the Village 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 Village Board 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 Village 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 19th day of July, 2018.

**VILLAGE OF WINDSOR,  
DANE COUNTY, WISCONSIN**

By: Robert Wipperfurth  
Robert Wipperfurth, Village President

Attest: Christine Capstran  
Christine Capstran, Village Clerk

**CERTIFICATION BY VILLAGE CLERK**

I, Christine Capstran, being first duly sworn, hereby certify that I am the duly qualified and acting Village Clerk of the Village of Windsor, Dane County, Wisconsin (the "Village"), and as such I have in my possession, or have access to, the complete corporate records of the Village and of its Village 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. 2018-54 (the "Resolution") entitled:

INITIAL RESOLUTION AUTHORIZING THE ISSUANCE  
OF TAXABLE GENERAL OBLIGATION  
REFUNDING PROMISSORY NOTES, SERIES 2018B  
IN AN AMOUNT NOT TO EXCEED \$2,265,000

I hereby further certify as follows:

1. Said Resolution was considered for adoption by the Village Board at a meeting held at Village Hall, 4084 Mueller Road, DeForest, Wisconsin, at 5 p.m. on July 19, 2018. Said meeting was a regular meeting of the Village 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 Village 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 Village.

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

Trustee Bruce Stravinski  
Trustee Brad Mueller  
Trustee Monica Smith  
Trustee Don Madelung

President Bob Wipperfurth  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

and that the following trustees 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 Smith and seconded by Stravinski.

Following discussion and after all trustees 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:

Trustee Shrivinski  
Trustee Mueller  
Trustee Smith  
Trustee Madelung

President Wipperfurth

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 Village hereto as of the 19th day of July, 2018.

[SEAL]



Christine Capstran  
Christine Capstran, Village Clerk

July 19, 2018

Pre-Sale Report for

Village of Windsor, Wisconsin

\$2,265,000 Taxable General Obligation Promissory  
Notes, Series 2018B



**Prepared by:**

David Ferris, CPA  
Municipal Advisor

And

Philip Cosson, CIPMA  
Senior Municipal Advisor / Director



## Executive Summary of Proposed Debt

Proposed Issue:	\$2,265,000 Taxable General Obligation Promissory Notes, Series 2018B
Purposes:	<p>The proposed issue includes financing for the following purpose:</p> <ul style="list-style-type: none"> <li>• Current refund the Village's Taxable General Obligation Promissory Notes, Series 2010. Debt service will be paid from ad valorem property taxes.</li> </ul> <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 Notes. The primary purpose for the refunding is to provide flexibility in the debt structure and allow time for potential land sales to occur that will offset future debt payments.</p>
Authority:	<p>The Notes are being issued pursuant to Wisconsin Statutes, Section 67.12(12).</p> <p>The Notes will be general obligations of the Village for which its full faith, credit and taxing powers are pledged.</p> <p>The Notes count against the Village's General Obligation Debt Capacity Limit of 5% of total Village Equalized Valuation. Following issuance of the Notes and the General Obligation Corporate Purpose Bonds, Series 2018A being issued at the same time, the Village's total General Obligation debt principal outstanding will be \$20.5 million, which is 51% of its limit. Remaining General Obligation Borrowing Capacity will be approximately \$19.75 million.</p>
Term/Call Feature:	<p>The Notes are being issued for a five-year term. Principal on the Notes will be due on September 1 in the years 2019 through 2023. Interest is payable every six months beginning March 1, 2019.</p> <p>The Notes will be subject to prepayment at the discretion of the Village on September 1, 2021 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 Village's most recent bond issues were rated "AA" by Standard &amp; Poor's. The Village will 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 Village's bond rating in the event that the bond rating of the insurer is higher than that of the Village.</p>
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 Notes as a suitable option based on:



	<ul style="list-style-type: none"> <li>• The expectation this form of financing will provide the overall lowest cost of funds while also meeting the Village’s objectives for term, structure and optional redemption.</li> <li>• The Village having adequate General Obligation debt capacity to undertake this financing.</li> <li>• The existing General Obligation pledge securing the obligations to be refunded.</li> </ul>
<b>Method of Sale/Placement:</b>	<p>In order to obtain the lowest interest cost to the Village, we will competitively bid the purchase of the Notes from local and national underwriters/banks.</p> <p>We have included an allowance for discount bidding equal to .10% 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 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.</p> <p>For this issue of Notes, 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>
<b>Other Considerations:</b>	<p>The Notes 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 Notes. 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 Village retain a paying agent to handle responsibility for processing mandatory redemption/call notices associated with term bonds.</p>
<b>Review of Existing Debt:</b>	<p>We have reviewed all outstanding indebtedness for the Village and find that, other than the obligations proposed to be refunded by the Notes, there are no other refunding opportunities at this time.</p> <p>We will continue to monitor the market and the call dates for the Village’s outstanding debt and will alert you to any future refunding opportunities.</p>
<b>Continuing Disclosure:</b>	<p>Because the Village has more than \$10,000,000 in outstanding debt (including this issue) and this issue is over \$1,000,000, the Village 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 reportable events to the Municipal Securities Rulemaking Board (the “MSRB”), as required by rules of the Securities and Exchange Commission (SEC). The Village is already obligated to provide such reports for its existing bonds, and has contracted with Ehlers to prepare and file the reports.</p>



<b>Arbitrage Monitoring:</b>	<p>The Notes are taxable obligations and are therefore not subject to IRS arbitrage and yield restriction requirements.</p>
<b>Risk Factors:</b>	<p><b>Current Refunding:</b> The Notes are being issued for the purpose of current refunding prior Village debt obligations. Those prior debt obligations are “callable” now and can therefore be paid off within 90 days or less. The new Notes will not be pre-payable until September 1, 2021.</p> <p>This refunding is being undertaken based in part on an assumption that the Village does not expect to have future revenues to pay off this debt and that market conditions warrant the refinancing at this time.</p>
<b>Other Service Providers:</b>	<p>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.</p> <p><b>Bond Attorney:</b> Husch Blackwell LLP</p> <p><b>Paying Agent:</b> Bond Trust Services Corporation</p> <p><b>Rating Agency:</b> Standard &amp; Poor's Global Ratings (S&amp;P)</p>

This presale report summarizes our understanding of the Village’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 Village’s objectives.



## Proposed Debt Issuance Schedule

Pre-Sale Review by Village Board:	July 19, 2018
Distribute Official Statement:	Week of August 6, 2018
Conference with Rating Agency:	Week of July 30 or August 6, 2018
Village Board Meeting to Award Sale of the Notes:	August 16, 2018
Estimated Closing Date:	September 5, 2018

### Attachments

Sources and Uses of Funds

Proposed Debt Service Schedule/Levy Impact

### Ehlers Contacts

Municipal Advisors:	David Ferris	(262) 796-6194
	Philip Cosson	(262) 796-6161
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 Village Board at their home address or e-mailed for review prior to the sale date.





# Village of Windsor

## 2018 Capital Financing Plan



**EHLERS**  
LEADERS IN PUBLIC FINANCE

	<i>Projects 2018A</i>	<i>Projects 2018B Taxable</i>
<b>Capital Projects<sup>1</sup></b>		
Park Improvements	3,290,000	
Less: Developer Contributions	(500,000)	
Net Park Improvements	<u>2,790,000</u>	
DPW Municipal Facilities	2,200,000	
Fire/EMS Equipment	600,000	
Public Works Equipment	65,000	
TID 1 - Stormwater	100,000	
TID 1 - Conservancy management	100,000	
<b>Subtotal Capital Projects</b>	<u><b>5,855,000</b></u>	-
<b>Current Refunding</b>		
Principal due on call date 9/20/18		4,505,000
Interet due on call date 9/20/18		87,534
Less: Debt Service Funds on Hand		(593,231)
Less: Land sale revenues		(1,800,000)
<b>Subtotal Refunding</b>	<u><b>\$ -</b></u>	<u><b>\$ 2,199,303</b></u>
<b>Estimated Issuance Expenses</b>		
Ehlers (Municipal Advisor)	\$ 30,100	\$ 17,500
Husch Blackwell (Bond Counsel)	15,000	12,000
Bond Trust Services (Paying Agent if terms)	850	850
Maximum Discount (Bid Item) <sup>2</sup>	74,688	22,650
S & P Rating	<u>15,500</u>	<u>12,500</u>
<b>TOTAL TO BE FINANCED</b>	<u><b>\$ 5,991,138</b></u>	<u><b>\$ 2,264,803</b></u>
Estimated Interest Earnings <sup>3</sup>	(18,297)	-
Rounding	2,159	197
<b>NET BOND OR NOTE SIZE</b>	<u><b>\$ 5,975,000</b></u>	<u><b>\$ 2,265,000</b></u>

**NOTES:**

<sup>1</sup>Capital projects amounts taken from 2018 CIP Plan received from the Village

<sup>2</sup>Maximum allowable discount of 1.25%

<sup>3</sup>Assumes temporary investment of available new money proceeds at 1.25% for 90 days.



### Projected Impact of Proposed Projects



YEAR	Equalized Value Projection	Total Payment (P&I)	Existing General Debt After Refunding				Net Debt Service Levy	Debt Service Tax Rate	General Obligation Bonds 2018A				General Obligation Taxable Note 2018B				Net Debt Service Levy	Levy Change	Debt Service Tax Rate @ 3% Growth	Debt Service Tax Growth	YEAR
			Total Less Non Levy Revenues	Less Other Revenues	Less TID Revenues	Less Water Revenues			Total Less Non Levy Revenues	Pin [9/1]	Rate	Interest	Total	Pin [9/1]	Rate	Interest					
2017	717,842,600	1,977,220	(116,094)	(221,445)	(116,807)	(116,807)	1,522,874	2.12	105,000	2.100%	198,628	303,628	450,000	3.250%	77,526	1,522,874	2.12	2.05	2017		
2018	800,304,800	1,980,149	(116,094)	(20,390)	(199,085)	(335,568)	1,644,580	2.05	180,000	2.300%	198,655	378,655	450,000	3.350%	83,773	1,644,580	2.05	1.98	2018		
2019	816,310,896	1,123,464	(116,094)		(203,005)	(319,099)	804,365	0.99	180,000	2.500%	198,655	378,655	450,000	3.350%	83,773	1,629,346	2.00	1.98	2019		
2020	832,637,114	822,718	(191,094)		(205,123)	(396,216)	425,501	0.51	180,000	2.500%	198,655	378,655	450,000	3.350%	83,773	1,312,886	1.58	1.55	2020		
2021	849,289,856	840,175	(213,844)		(206,841)	(420,685)	419,490	0.49	180,000	2.500%	198,655	378,655	450,000	3.350%	83,773	1,312,886	1.58	1.55	2021		
2022	866,275,653	826,509	(235,844)		(203,443)	(439,286)	387,223	0.45	205,000	2.650%	194,515	399,515	455,000	3.450%	88,698	1,271,460	1.50	1.45	2022		
2023	883,601,166	767,018	(232,094)		(204,775)	(436,869)	330,149	0.37	205,000	2.750%	184,958	369,958	460,000	3.550%	91,173	1,239,543	1.43	1.38	2023		
2024	901,273,190	707,804	(228,344)		(205,754)	(434,098)	275,706	0.30	265,000	2.900%	179,870	444,870	460,000	3.700%	117,020	1,146,546	1.30	1.24	2024		
2025	919,298,654	717,449	(248,344)		(201,566)	(449,910)	267,539	0.29	255,000	3.050%	172,185	427,185	460,000	3.700%	117,020	688,684	0.76	0.72	2025		
2026	937,684,627	537,500	(267,344)		(207,173)	(474,516)	62,984	0.07	395,000	3.150%	164,408	559,408	460,000	3.700%	117,020	665,556	0.72	0.68	2026		
2027	956,438,319	544,236	(285,344)		(202,435)	(487,779)	56,458	0.06	400,000	3.200%	151,965	551,965	460,000	3.700%	117,020	593,986	0.63	0.59	2027		
2028	975,567,085	485,206	(277,344)		(207,863)	(485,206)	0	0.00	425,000	3.250%	139,165	564,165	460,000	3.700%	117,020	580,805	0.61	0.56	2028		
2029	995,078,427	433,376	(269,344)		(164,033)	(433,376)	0	0.00	430,000	3.350%	125,353	555,353	460,000	3.700%	117,020	537,448	0.55	0.50	2029		
2030	1,014,979,996	362,788	(286,344)		(76,444)	(362,788)	0	0.00	325,000	3.500%	110,948	435,948	460,000	3.700%	117,020	524,348	0.53	0.47	2030		
2031	1,035,279,596	352,000	(277,344)		(74,656)	(352,000)	0	0.00	325,000	3.550%	99,573	424,573	460,000	3.700%	117,020	435,948	0.43	0.38	2031		
2032	1,055,985,188	366,131	(293,344)		(72,788)	(366,131)	0	0.00	325,000	3.600%	88,035	413,035	460,000	3.700%	117,020	413,035	0.39	0.34	2032		
2033	1,077,104,891	384,106	(308,344)		(75,763)	(384,106)	0	0.00	325,000	3.700%	76,335	401,335	460,000	3.700%	117,020	401,335	0.37	0.32	2033		
2034	1,098,646,989	370,919	(297,344)		(73,575)	(370,919)	0	0.00	325,000	3.750%	64,310	389,310	460,000	3.700%	117,020	389,310	0.35	0.30	2034		
2035	1,120,619,929	362,563	(286,344)		(76,219)	(362,563)	0	0.00	325,000	3.800%	52,123	377,123	460,000	3.700%	117,020	377,123	0.34	0.29	2035		
2036	1,145,092,528								325,000	3.850%	39,773	364,773	460,000	3.700%	117,020	364,773	0.32	0.27	2036		
2037	1,165,892,574								340,000	3.900%	27,260	367,260	460,000	3.700%	117,020	367,260	0.32	0.26	2037		
2038	1,189,210,834								350,000	4.000%	14,000	364,000	460,000	3.700%	117,020	364,000	0.31	0.25	2038		
2039	1,212,995,050														364,000	364,000	0.31	0.25	2039		
2040	1,237,254,951														0	0	0.00	0.00	2040		
2041	1,262,000,050														0	0	0.00	0.00	2041		
2042	1,287,240,051														0	0	0.00	0.00	2042		
2043	1,312,984,852														0	0	0.00	0.00	2043		
TOTALS	13,961,328	(4,546,281)	(241,835)	(2,977,344)	(7,765,460)	(7,765,460)	6,195,868		5,975,000		2,472,446	8,447,446	2,265,000		240,189	16,985,117			TOTALS		