

Financing Report

2015 Financing Options Highway Facility Project

For

Jefferson County, WI



January 8, 2015

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Jefferson County, WI

Sizing Worksheet for Debt Issues for Highway Department Projects - (INITIAL PROJECT COST ESTIMATES)

Actual 2013 Sale

Results

2013 Issue (BANK-QUALIFIED)

G.O. Bonds

Improvements to Highway Department Facilities ¹	3,342,500
Additional likely Improvements	96,610
Subtotal Project Costs	3,439,110
Estimated Issuance Expenses	(15,034)
Financial Advisor	22,600
Less Credit for Prior Financial Analysis ²	(3,500)
Bond Counsel	8,500
Paying agent (if term bonds)	413
Underwriters Discount (Bid Item) ³	40,560
Underwriters Premium (Bid Item) ³	(93,607)
Rating Fee (Moody's Investors Service)	10,000
Capitalized Interest⁴	85,102
TOTAL TO BE FINANCED	3,509,178

Estimated Interest Earnings⁵

(4,178)

0

3,505,000

Actual 2014 Sale

Results

2014 Issue (BANK-QUALIFIED)

G.O. Bonds

9,815,000	
128,214	
9,943,214	
(123,535)	
38,200	
0	
13,000	
505	
35,646	
(223,236)	
12,350	
187,590	
10,007,269	

Estimated Interest Earnings⁵

(12,269)

0

9,995,000

Preliminary Planning

Estimates

2015 Issue (BANK-QUALIFIED)

G.O. Bonds

3,342,500	
725,176	
4,067,676	
98,325	
24,400	
0	
9,500	
675	
52,750	
11,000	
54,711	
4,220,712	

Estimated Interest Earnings⁵

(2,034)

1,322

4,220,000

Totals 2013 through 2015 Issues

G.O. Notes &/or Bonds

16,500,000	
950,000	
17,450,000	
(40,243)	
85,200	
(3,500)	
31,000	
1,593	
128,956	
(316,843)	
33,350	
327,402	
17,737,159	

Estimated Interest Earnings⁵

(18,481)

1,322

17,720,000

NOTES:

- ¹ Estimates provided by staff
- ² Discount for fee charged for Lost Opportunity Cost Study
- ³ Discount allowance of \$12.50 per thousand for G.O. Bonds
- ⁴ 2013 & 2014 issues based on bids received, Assumed 2015 Franklin Sale + .25
- (ACTUAL 2013 & 2014 BIDS WERE PREMIUMS, FREEING UP MONEY FOR PROJECTS & ALLOWING LESS BORROWING 2015)**
- ⁵ Assumes investment earnings of 0.25% annually on available proceeds for 6 months on 2013 and 2014 issues only (2015 reimbursement only)

POTENTIALLY \$170,000 LESS THAN AUTHORIZED

POTENTIALLY \$170,000 LESS THAN AUTHORIZED

Jefferson County, WI



Proposed Debt Structure for Highway Facilities Financing Based upon Initial Project cost Estimates Level Debt Service Payments Through 2015 issue

Level Annual payments after all issues

YEAR	Existing Debt Only		Net Levy for Debt Svc
	Equalized Value TID Out Projection ³	Actual/Projected Change in TID Out Value	
2011	6,376,446,700	3.40%	374,147
2012	6,278,889,500	-1.53%	109,728
2013	6,006,273,200	-4.34%	54,601
2014	5,884,774,300	-2.02%	85,102
2015	6,036,629,100	2.58%	1,367,687
2016	6,066,812,246	0.50%	876,498
2017	6,127,480,368	1.00%	877,948
2018	6,161,665,340	0.56%	877,348
2019	6,195,850,312	0.55%	876,548
2020	6,230,035,285	0.55%	874,748
2021	6,264,220,257	0.55%	874,848
2022	6,298,405,229	0.55%	877,448
2023	6,332,590,201	0.54%	874,523
2024	6,366,775,174	0.54%	876,073
2025	6,400,960,146	0.54%	878,185
2026	6,435,145,118	0.53%	875,498
2027	6,469,330,090	0.53%	876,241
2028	6,503,515,062	0.53%	879,560
2029	6,537,700,035	0.53%	876,010
2030	6,571,885,007	0.52%	876,710
2031	6,606,069,979	0.52%	875,631
2032	6,640,254,951	0.52%	877,655
2033	6,674,439,924	0.51%	878,609
2034	6,708,624,896	0.51%	874,405
TOTALS			13,386,726

YEAR	G.O. Bonds, Series 2015 \$4,220,000 Dated 4/1/15		Net Levy New Debt	Less: Capitalized Interest	Less:	Total Net Levy for Debt Svc	Net Rate for Total Debt Svc
	Prin (4/1)	Est. Rate ²					
2011	185,000	0.700%	54,711			374,147	0.059
2012	185,000	0.900%	108,775			109,728	0.017
2013	185,000	1.100%	107,295			54,601	0.009
2014	190,000	1.350%	103,145	(85,102)		0	0.000
2015	190,000	1.650%	100,295	(242,301)		1,180,098	0.195
2016	195,000	1.900%	96,875			1,170,273	0.193
2017	195,000	2.150%	92,926			1,170,243	0.191
2018	205,000	2.400%	88,370			1,167,793	0.190
2019	210,000	2.550%	83,233			1,169,693	0.189
2020	215,000	3.000%	77,330			1,165,043	0.187
2021	220,000	3.000%	70,805			1,165,374	0.185
2022	225,000	3.000%	64,130			1,167,893	0.184
2023	235,000	3.000%	57,230			1,169,305	0.184
2024	245,000	3.300%	49,663			1,170,515	0.183
2025	250,000	3.300%	41,495			1,166,303	0.181
2026	260,000	3.300%	33,080			1,165,371	0.180
2027	270,000	3.300%	24,335			1,171,790	0.180
2028	275,000	3.550%	14,999			1,170,673	0.179
2029	285,000	3.550%	5,059			1,168,205	0.178
2030						1,168,711	0.177
2031						1,171,990	0.176
2032						1,168,608	0.175
2033						1,164,464	0.174
2034							
TOTALS	4,220,000		1,379,195	(327,402)	0	5,544,484	

291,815 **1,168,953 Average Payment**

NOTES
¹ Actual Bid Rates
² Estimated Rates from actual Aa1-rated **BANK-QUALIFIED** 12/2/14 sale + 30 BP for 2015 issue.
³ Equalized Value projections, 0.5% increase in 2015, 1.0% increase in 2016 and fixed amount of thereafter (50% of prior 8 year average).



Jefferson County, WI

Sizing Worksheet for Debt Issues for Highway Department Projects - (TOTAL AUTHORIZED)

Actual 2013 Sale Results

2013 Issue (BANK-QUALIFIED)	G.O. Bonds
3,342,500	
96,610	
3,439,110	
(15,034)	
22,600	
(3,500)	
8,500	
413	
40,560	
(93,607)	
10,000	
85,102	
3,509,178	
(4,178)	
0	
3,505,000	

Actual 2014 Sale Results

2014 Issue (BANK-QUALIFIED)	G.O. Bonds
9,815,000	
128,214	
9,943,214	
(123,535)	
38,200	
0	
13,000	
505	
35,646	
(223,236)	
12,350	
187,590	
10,007,269	
(12,269)	
0	
9,995,000	

Preliminary Planning Estimates

2015 Issue (BANK-QUALIFIED)	G.O. Bonds
3,342,500	
725,176	
165,000	
4,232,676	
100,650	
24,600	
0	
9,500	
675	
54,875	
11,000	
56,933	
4,390,259	
(2,116)	
1,858	
4,390,000	

Totals 2013 through 2015 Issues	G.O. Notes &/or Bonds
16,500,000	
950,000	
165,000	
17,615,000	
(37,918)	
85,400	
(3,500)	
31,000	
1,593	
131,081	
(316,843)	
33,350	
329,624	
17,906,705	
(18,563)	
1,858	
17,890,000	

Projects

- Improvements to Highway Department Facilities¹
- Additional likely Improvements
- Additional Funds Available for Projects

Subtotal Project Costs

Estimated Issuance Expenses

- Financial Advisor
- Less Credit for Prior Financial Analysis²
- Bond Counsel
- Paying agent (if term bonds)
- Underwriters Discount (Bid Item)³
- Underwriters Premium (Bid Item)³
- Rating Fee (Moody's Investors Service)

Capitalized Interest⁴

TOTAL TO BE FINANCED⁵

Estimated Interest Earnings⁵

Rounding

NET BOND SIZE (20 Year Amortization)

NOTES:

- ¹ Estimates provided by staff
- ² Discount for fee charged for Lost Opportunity Cost Study
- ³ Discount allowance of \$12.50 per thousand for G.O. Bonds, \$10.00 per thousand for G.O. Notes
- ⁴ 2013 & 2014 issues based on bids received, Assumed 2015 Franklin Sale + .25
- ⁵ Assumes investment earnings of 0.25% annually on available proceeds for 6 months on 2013 and 2014 issues only (2015 reimbursement only)

SIZING BASED UPON FULL BORROWING AUTHORITY

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(ACTUAL 2013 & 2014 BIDS WERE PREMIUMS, FREEING UP MONEY FOR PROJECTS & ALLOWING LESS BORROWING 2015)

Jefferson County, WI



Proposed Debt Structure for Highway Facilities Financing Maximum Authority Level Debt Service Payments Through 2015 Issue

Level Annual payments after all issues

YEAR	Existing Debt Only		Net Levy for Debt Svc
	Equalized Value TID Out Projection ³	Actual/Projected Change in TID Out Value	
2011	6,376,446,700	3.40%	374,147
2012	6,278,889,500	-1.53%	109,728
2013	6,006,273,200	-4.34%	54,601
2014	5,884,774,300	-2.02%	85,102
2015	6,036,629,100	2.58%	1,367,687
2016	6,066,812,246	0.50%	876,498
2017	6,127,480,368	1.00%	877,948
2018	6,161,665,340	0.56%	877,348
2019	6,195,850,312	0.55%	876,548
2020	6,230,035,285	0.55%	874,748
2021	6,264,220,257	0.55%	874,848
2022	6,298,405,229	0.55%	877,448
2023	6,332,590,201	0.54%	874,523
2024	6,366,775,174	0.54%	876,073
2025	6,400,960,146	0.54%	878,185
2026	6,435,145,118	0.53%	875,498
2027	6,469,330,090	0.53%	876,241
2028	6,503,515,062	0.53%	879,560
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2032	6,640,254,951	0.52%	877,655
2033	6,674,439,924	0.51%	878,609
2034	6,708,624,896	0.51%	874,405
TOTALS			13,386,726

YEAR	G.O. Bonds, Series 2015 \$4,390,000 Dated 4/1/15			Less: Capitalized Interest	Less:	Net Levy New Debt	Total Net Levy for Debt Svc	Net Rate for Total Debt Svc
	Prin (4/1)	Est. Rate ²	Interest					
			Total					
2011	190,000	0.700%	56,933			0	374,147	0.059
2012	190,000	0.900%	113,200			0	109,728	0.017
2013	195,000	1.100%	109,753			0	54,601	0.009
2014	195,000	1.350%	107,364	(85,102)			0	0.000
2015	205,000	1.900%	100,800	(244,522)			1,180,098	0.195
2016	205,000	2.150%	96,649			303,200	1,179,698	0.194
2017	215,000	2.400%	91,865			301,680	1,179,628	0.193
2018	220,000	2.550%	86,480			304,753	1,182,100	0.192
2019	220,000	3.000%	80,375			302,364	1,178,911	0.190
2020	230,000	3.000%	73,625			304,398	1,179,145	0.189
2021	235,000	3.000%	66,650			305,800	1,180,648	0.188
2022	240,000	3.000%	59,525			301,649	1,179,096	0.187
2023	255,000	3.300%	51,718			306,865	1,181,388	0.187
2024	260,000	3.300%	43,220			306,480	1,182,553	0.186
2025	270,000	3.300%	34,475			300,375	1,178,560	0.184
2026	275,000	3.300%	25,483			303,625	1,179,123	0.183
2027	285,000	3.550%	15,886			301,650	1,177,891	0.182
2028	305,000	3.550%	5,414			299,525	1,179,085	0.181
2029						306,718	1,182,728	0.181
2030						303,220	1,179,930	0.180
2031						304,475	1,180,106	0.179
2032						300,483	1,178,138	0.177
2033						300,886	1,179,495	0.177
2034						310,414	1,184,819	0.177
TOTALS	4,390,000		1,435,490	(329,624)	0	5,768,558		

1,180,157 Average Payment

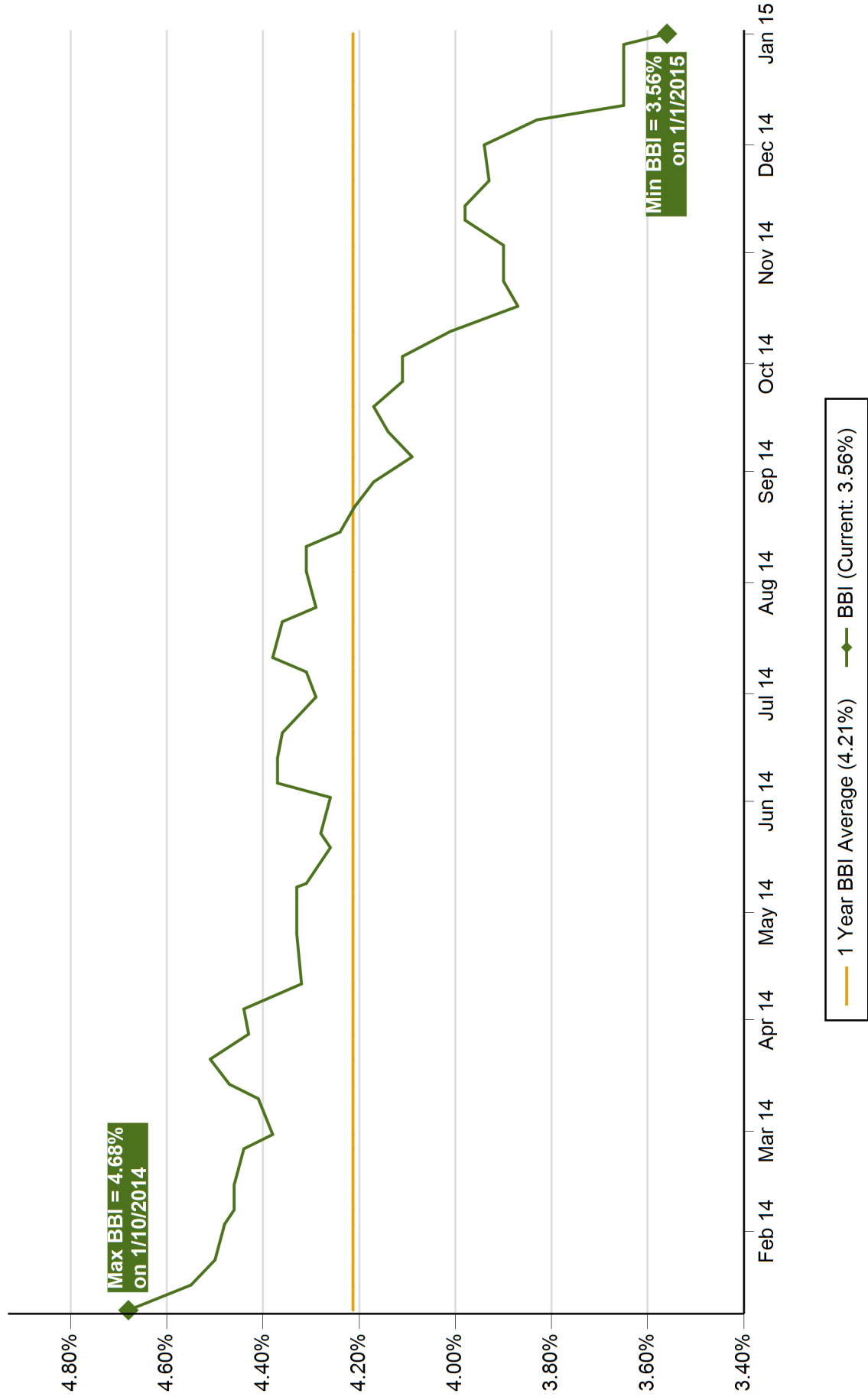
303,608

NOTES

- ¹ Actual Bid Rates
- ² Estimated Rates from actual Aa1-rated **BANK-QUALIFIED** 12/2/14 sale + 30 BP for 2015 issue.
- ³ Equalized Value projections, 0.5% increase in 2015, 1.0% increase in 2016 and fixed amount of thereafter (50% of prior 8 year average).

1 YEAR TREND IN MUNICIPAL BOND INDICES

Weekly Rates January, 2014 - January, 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.

