VILLAGE OF MCFARLAND *NOTICE OF PUBLIC MEETING*

FINANCE COMMITTEE

Monday, July 8, 2019 **6:30 PM** **McFarland Municipal Center**

Conference Room A

AGENDA

1. CALL TO ORDER, ROLL CALL.
2. PUBLIC APPEARANCES.
3. BUSINESS.
   a. Discussion and action to make a recommendation to the Village Board regarding the plan for borrowing in order to fund the 2019 Capital Improvement Plan as presented by Carol Wirth of Wisconsin Public Finance Professionals.
4. ADJOURNMENT.

This meeting notice constitutes an official meeting of the above referenced group and was posted in accordance with all applicable laws related to Open Meetings Law. It is possible that members of and possibly a quorum of members of other governmental bodies of the municipality may be in attendance at the above stated meeting to gather information. No action will be taken by any governmental body at the above stated meeting other than the governmental body specifically referred to above in this notice. Upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals. For additional information or to request this service, contact the McFarland Municipal Center at (608) 838-3153 or cassandra.suettinger@mcfarland.wi.us.

VILLAGE BOARD SUMMARY SHEET

MEETING DATE: **Monday, July 8, 2019**

SECTION: **Business**

DEPARTMENT: **Administration**

CONTACT: **Matt Schuenke, Village Administrator**

AGENDA ITEM: **Discussion and action to make a recommendation to the Village Board regarding the plan for borrowing in order to fund the 2019 Capital Improvement Plan as presented by Carol Wirth of Wisconsin Public Finance Professionals.**

PREVIOUS ACTION:

ISSUE SUMMARY:

To complete the projects in the 2019 Capital Improvement Plan, the Village will need to borrow approximately $2,410,000 ($1,690,000 of which is Village purpose debt and $720,000 of which is water utility purpose debt) Carol Wirth, of Wisconsin Public Finance Professionals, LLC., will present the proposed borrowing.

Staff requested a special meeting after looking at the water portion of the borrowing again. The option presented kept the total debt service within the Water Utility level for the next ten years; however, there is another option that's more traditional where we start paying P/I right away. This option is overall cheaper since the interest costs are less as the principle is retired sooner. Before the board initiates the borrowing process we wanted to see what the preference is on the format that should have been discussed at the last meeting.

Carol has prepared an addendum to her first report that explains this additional option.

FINANCIAL/BUDGET IMPACT:

VILLAGE PLAN REFERENCE:

ORDINANCE REFERENCE:

BOARD, COMMISSION OR COMMITTEE RECOMMENDATION:

Recommended for approval based on the desired format for the water portion of the borrowing.

ATTACHMENTS:

1. Copy of 2019 Borrowing 06142019 mgs (002)
2. Report on Financing 2019 CIP Projects
3. Addendum to Report on 2019 Refinancing

Capital Improvement Program

Village of McFarland | Program Year: 2019

Funding by Project

Projects	Dept	General Fund 100	Comm/Tech Fund 200	TID #3 Fund 305	TID #4 Fund 310	TID #5 Fund 315	Capital Projects - Fund 400 Tax Levy	Grants	Intergov	Borrow	Reserve	Total	Parks Fund 405	Utility - 600 Water	Sewer	Stormwater Fund 605	Total
Accounting Updates	Admin						10,000					10,000					10,000
Equipment/Furniture	Admin	2,500										-					2,500
Impact Fee Study	Admin						15,000					15,000					15,000
Workstation Replace	Admin						8,500					8,500					8,500
Aquatics Study	Facilities										20,000	20,000					20,000
DEVELOPMENT	Facilities	100,000										-					100,000
Land Acquisition	Facilities						40,000					40,000					40,000
MC Upgrades	Facilities										10,000	10,000					10,000
Network Equip	Facilities										15,000	15,000		5,000	5,000	5,000	30,000
Sinking Fund	Facilities						100,000					100,000					100,000
Video on Demand	CT		8,000				13,000				2,000	15,000					23,000
Equipment	Police	15,000										-					15,000
Patrol Vehicle (Lease)	Police						50,000					50,000					50,000
Radios	Police	75,000										-					75,000
Traffic Safety	Police										20,000	20,000					20,000
Ambulance Replace	Fire/EMS	100,000								168,000		168,000					268,000
Car 1 Sinking Fund	Fire/EMS						5,000					5,000					5,000
EMS Equipment	Fire/EMS						8,250					8,250					8,250
Facility	Fire/EMS						3,250					3,250					3,250
Fire Equipment	Fire/EMS						22,250					22,250					22,250
Technology	Fire/EMS	25,000									9,750	9,750					34,750
Aqua Dams	EM						1,500					1,500					1,500
Farwell Under Phase 2	DPW										25,000	25,000					25,000
Leased Equipment	DPW						10,000					10,000		3,500	3,500	3,000	20,000
Lift Station #2	DPW											-			5,000		5,000
Mower	DPW										70,000	70,000				20,000	90,000
Patrol Truck	DPW										40,250	40,250		40,250	40,250	40,250	161,000
Pickup Truck	DPW										8,750	8,750		8,750	8,750	8,750	35,000
Sidewalk Replace	DPW										80,000	80,000					80,000
Sinking Fund	DPW										1,000	1,000		1,000	1,000	1,000	4,000
Small Capital	DPW											-				2,500	2,500
Stormwater	DPW											-				40,000	40,000
Street Const	DPW				33,000					295,000		295,000		659,500			987,500
Street Maint	DPW										300,000	300,000					300,000
Street Resurfacing	DPW										150,000	150,000					150,000
Street Sweeper	DPW											-				20,000	20,000
Street Tree Planting	DPW	25,000										-					25,000
Furniture Replace	Outreach										5,000	5,000					5,000
Workstation Replace	Outreach						5,000					5,000					5,000
Bathroom Remodel	Library	20,000									17,000	17,000					37,000
Comp - Workstation	Library						16,250					16,250					16,250
Equip - Shelving	Library										10,000	10,000					10,000
Facility Improvements	Library										10,750	10,750					10,750
Facility Reserve	Library							50,000				50,000					50,000
Remodel Work	Library										25,000	25,000					25,000
Security Upgrades	Library										15,000	15,000					15,000
General Improve	Parks											-	50,000				50,000
McDaniel Park	Parks										70,000	70,000	45,000				115,000
McFarland Park	Parks										25,000	25,000					25,000
Park Equipment	Parks											-	10,000				10,000
Park Signage	Parks											-	5,000				5,000
Property Acquisition	Parks									875,000		875,000					875,000
Urso/Schuetz Park	Parks									350,000		350,000					350,000
Branding - Phase 1	CD										50,000	50,000					50,000
Small Capital	CD	2,000										-					2,000
Sinking Fund	CD						2,000					2,000					2,000
Total Projects		364,500	8,000	-	33,000	-	310,000	50,000	-	1,688,000	979,500	3,027,500	110,000	718,000	63,500	140,500	4,465,000

WISCONSIN PUBLIC FINANCE PROFESSIONALS, LLC
1025 South Moorland Road, Suite 504
Brookfield, WI 53005
414-434-9644
Fax: 414-226-2014

Village of McFarland

Finance Committee

Report on Financing
2019 CIP Projects

Dated: June 26, 2019

Prepared by: Carol Ann Wirth, President

Existing General Obligation Debt Service Schedule

Village Purposes

Year Due	$3,700,000 G.O. Prom. Notes – 12/01/11 Principal (09/01)	Interest	$2,005,000 G.O. Prom. Notes – 06/23/15 Principal (12/01)	Interest	$1,710,000 G.O. Ref. Bonds – 11/07/16 Principal (12/01)	Interest	$3,345,000 G.O. Prom. Notes – 07/20/17 Principal (12/01)	Interest
2019	140,000	6,160	230,000	40,297	510,000	14,600	300,000	70,712
2020	140,000	3,220	350,000	35,698	220,000	4,400	300,000	64,713
2021			350,000	28,697			345,000	57,962
2022			350,000	21,698			400,000	50,200
2023			360,000	15,047			400,000	41,200
2024			365,000	7,848			400,000	33,200
2025							600,000	25,200
2026							600,000	13,200
	$280,000	$9,380	$2,005,000	$149,285	$730,000	$19,000	$3,345,000	$356,387
Callable	09/01/2018		12/01/2022		Noncallable		12/01/2024	
Interest Rates	2.10-2.30		2.00-2.15				2.00-2.20	

Year Due	$3,550,000 G.O. Prom. Notes – 06/21/18 Principal (12/01)	Interest	Total Village Purposes Total Principal	Total Interest	Total Debt Service
2019	145,000	153,833	1,325,000	285,602	1,610,602
2020	200,000	102,150	1,210,000	210,181	1,420,181
2021	325,000	96,150	1,020,000	182,809	1,202,809
2022	325,000	86,400	1,075,000	158,298	1,233,298
2023	350,000	76,650	1,110,000	132,897	1,242,897
2024	375,000	66,150	1,140,000	107,198	1,247,198
2025	575,000	54,900	1,175,000	80,100	1,255,100
2026	600,000	37,650	1,200,000	50,850	1,250,850
2027	655,000	19,650	655,000	19,650	674,650
	$3,550,000	$693,533	$9,910,000	$1,227,585	$11,137,585
Callable	12/01/2025				
Interest Rates	3.00				

Existing General Obligation Debt Service Schedule - (Continued)

Water Utility Purposes

Year Due	$1,360,000 G.O. Prom. Notes – 06/23/15 Principal (12/01)	Interest	$595,000 G.O. Prom. Notes – 07/20/17 Principal (12/01)	Interest	Total Water Utility Purposes Total Principal	Total Interest	Total Debt Service
2019	165,000	21,002	70,000	11,025	235,000	32,027	267,027
2020	170,000	17,703	70,000	9,625	240,000	27,328	267,328
2021	170,000	14,302	70,000	8,050	240,000	22,352	262,352
2022	175,000	10,903	70,000	6,475	245,000	17,378	262,378
2023	180,000	7,577	75,000	4,900	255,000	12,477	267,477
2024	185,000	3,977	80,000	3,400	265,000	7,377	272,377
2025			90,000	1,800	90,000	1,800	91,800
	$1,045,000	$75,464	$525,000	$45,275	$1,570,000	$120,739	$1,690,739
Callable	12/01/2022		12/1/2025				
Interest Rates	2.00 – 2.15		2.00				

Storm Water Purposes

Year Due	$875,000 G.O. Prom. Notes – 12/01/11 Principal (09/01)	Interest	$ 500,000 G.O. Prom. Notes – 06/23/15 Principal (12/01)	Interest	Total Storm Water Purposes Total Principal	Total Interest	Total Debt Service
2019	90,000	6,450	60,000	7,740	150,000	14,190	164,190
2020	95,000	4,560	60,000	6,540	155,000	11,100	166,100
2021	95,000	2,375	65,000	5,340	160,000	7,715	167,715
2022			65,000	4,040	65,000	4,040	69,040
2023			65,000	2,805	65,000	2,805	67,805
2024			70,000	1,505	70,000	1,505	71,505
	$280,000	$13,385	$385,000	$27,970	$665,000	$41,355	$706,355
Callable	09/01/2018		12/01/2022				
Interest Rates	2.10 – 2.50		2.00 – 2.15				

Existing General Obligation Debt Service Schedule - (Continued)

Sewer Utility Purposes

Year Due	$1,135,000 G.O. Prom. Notes – 06/23/15 Principal (12/01)	Interest	$250,000 G.O. Prom. Notes – 07/20/17 Principal (12/01)	Interest	Total Sewer Utility Purposes Total Principal	Total Interest	Total Debt Service
2019	135,000	17,488	$ 30,000	5,262	165,000	22,750	187,750
2020	140,000	14,787	35,000	4,663	175,000	19,450	194,450
2021	145,000	11,988	35,000	3,875	180,000	15,863	195,863
2022	145,000	9,087	35,000	3,088	180,000	12,175	192,175
2023	150,000	6,333	35,000	2,300	185,000	8,633	193,633
2024	155,000	3,332	40,000	1,600	195,000	4,932	199,932
2025			40,000	800	40,000	800	40,800
	$870,000	$63,015	$250,000	$21,588	$1,120,000	$84,603	$1,204,603
Callable	12/01/2022		12/1/2024				
Interest Rates	2.00 – 2.15		2.00				

TID #3 Purpose

Year Due	$1,415,000 G.O. Ref. Bonds – 12/15/08 Principal (12/01)	Interest	Total TID #3 Debt Service
2019	$ 260,000	66,406	326,406
2020	270,000	54,056	324,056
2021	285,000	40,894	325,894
2022	295,000	27,000	322,000
2023	305,000	13,725	318,725
	$1,415,000	$202,081	$1,617,081
Callable	12/01/2021		
Interest Rates	4.5		

TID #4 Purpose

Year Due	$275,000 G.O. Prom. Notes – 07/20/17 Principal (12/01)	Interest	Total TID #4 Debt Service
2019	30,000	5,195	35,195
2020	30,000	4,595	34,595
2021	30,000	3,920	33,920
2022	30,000	3,245	33,245
2023	30,000	2,570	32,570
2024	30,000	1,970	31,970
2025	30,000	1,370	31,370
2026	35,000	770	35,770
	$245,000	$23,635	$268,635
Callable	12/01/2024		
Interest Rates	2.00 – 2.20		

Existing General Obligation Debt Service Schedule - (Continued)

TID #5 Purpose

Year Due	$930,000 State Trust Fund Loan – 12/11/18			ALL GENERAL OBLIGATION DEBT		
	Principal (03/15)	Interest	Total TID #5 Debt Service	Total Principal	Total Interest	Total Debt Service
2019				$2,165,000	$426,170	$2,591,170
2020		$ 55,673	$ 55,673	2,080,000	382,383	2,462,383
2021	$ 33,853	44,175	78,028	1,948,853	317,728	2,266,581
2022	35,461	42,567	78,028	1,925,461	264,703	2,190,164
2023	37,145	40,883	78,028	1,987,145	213,990	2,201,135
2024	38,802	39,225	78,027	1,738,802	162,207	1,901,009
2025	40,753	37,275	78,028	1,375,753	121,345	1,497,098
2026	42,689	35,339	78,028	1,277,689	86,959	1,364,648
2027	44,716	33,312	78,028	699,716	52,962	752,678
2028	46,754	31,273	78,027	46,754	31,273	78,027
2029	49,061	28,967	78,028	49,061	28,967	78,028
2030	51,392	26,636	78,028	51,392	26,636	78,028
2031	53,833	24,195	78,028	53,833	24,195	78,028
2032	56,331	21,697	78,028	56,331	21,697	78,028
2033	59,066	18,963	78,028	59,066	18,963	78,028
2034	61,871	16,157	78,028	61,871	16,157	78,028
2035	64,810	13,218	78,028	64,810	13,218	78,028
2036	67,861	10,167	78,028	67,861	10,167	78,028
2037	71,112	6,916	78,028	71,112	6,916	78,028
2038	74,490	3,538	78,028	74,490	3,538	78,028
	$930,000	$530,176	$1,460,176	$15,855,000	$2,230,174	$18,085,173

Capital Projects - 2019

Village Purpose Projects	Dept.	Borrowing Amount
Ambulance Replacement	Fire/EMS	$ 168,000
Street Construction	DPW	295,000
Property Acquisition	Parks	875,000
Urso/Schuetz Park	Parks	350,000
TOTAL		$1,688,000

Water Utility Purposes		
Patrol/Pickup Trucks	DPW	$ 49,000
Leased Equipment	DPW	3,500
Sinking Fund	DPW	1,000
Street Construction	DPW	667,500
TOTAL		$721,000

$2,410,000 2019 G.O. Notes - Sources & Uses of Funds

Dated 08/01/2019 | Delivered 08/01/2019

	Village Purpose	Water Utility	2019 G.O. Notes
Sources Of Funds			
Par Amount of Notes	$1,690,000.00	$720,000.00	$2,410,000.00
Reoffering Premium (Est.)	65,057.15	47,863.60	112,920.75
Total Sources	**$1,755,057.15**	**$767,863.60**	**$2,522,920.75**
Uses Of Funds			
Total Issuance Expense Paid by Underwriter (Est.) *	39,774.60	16,945.40	56,720.00
Deposit to Project Construction Fund	1,690,000.00	720,000.00	2,410,000.00
Premium Deposited to Debt Service (Est.)	25,282.55	30,918.20	56,200.75
Total Uses	**$1,755,057.15**	**$767,863.60**	**$2,522,920.75**

* Municipal Advisor, Bond Counsel, Underwriter, Moody's

$2,410,000 Estimated Combined Debt Service Schedule

Date	Principal	Coupon	Interest	Total Payment	Fiscal Total
08/01/2019	-	-	-	-	-
06/01/2020	-	-	53,875.00	53,875.00	-
12/01/2020	230,000.00	2.000%	32,325.00	262,325.00	316,200.00
06/01/2021	-	-	30,025.00	30,025.00	-
12/01/2021	200,000.00	2.000%	30,025.00	230,025.00	260,050.00
06/01/2022	-	-	28,025.00	28,025.00	-
12/01/2022	165,000.00	2.000%	28,025.00	193,025.00	221,050.00
06/01/2023	-	-	26,375.00	26,375.00	-
12/01/2023	170,000.00	2.000%	26,375.00	196,375.00	222,750.00
06/01/2024	-	-	24,675.00	24,675.00	-
12/01/2024	175,000.00	3.000%	24,675.00	199,675.00	224,350.00
06/01/2025	-	-	22,050.00	22,050.00	-
12/01/2025	300,000.00	3.000%	22,050.00	322,050.00	344,100.00
06/01/2026	-	-	17,550.00	17,550.00	-
12/01/2026	385,000.00	3.000%	17,550.00	402,550.00	420,100.00
06/01/2027	-	-	11,775.00	11,775.00	-
12/01/2027	390,000.00	3.000%	11,775.00	401,775.00	413,550.00
06/01/2028	-	-	5,925.00	5,925.00	-
12/01/2028	395,000.00	3.000%	5,925.00	400,925.00	406,850.00
Total	**$2,410,000.00**	**TIC: 2.43**	**$419,000.00**	**$2,829,000.00**	**-**

Callable: December 1, 2027 and 2028 principal payments are callable beginning December 1, 2026.

Preliminary Pricing Summary - Market Week of 6/24/19

Maturity	Type	Coupon	Yield	Maturity Value	Price		YTM	Call Date	Call Price	Dollar Price
12/01/2020	Serial Coupon	2.000%	1.650%	230,000.00	100.458%		-	-	-	231,053.40
12/01/2021	Serial Coupon	2.000%	1.700%	200,000.00	100.682%		-	-	-	201,364.00
12/01/2022	Serial Coupon	2.000%	1.750%	165,000.00	100.805%		-	-	-	166,328.25
12/01/2023	Serial Coupon	2.000%	1.800%	170,000.00	100.829%		-	-	-	171,409.30
12/01/2024	Serial Coupon	3.000%	1.850%	175,000.00	105.813%		-	-	-	185,172.75
12/01/2025	Serial Coupon	3.000%	1.900%	300,000.00	106.533%		-	-	-	319,599.00
12/01/2026	Serial Coupon	3.000%	1.950%	385,000.00	107.140%		-	-	-	412,489.00
12/01/2027	Serial Coupon	3.000%	2.000%	390,000.00	106.787%	c	2.107%	12/01/2026	100.000%	416,469.30
12/01/2028	Serial Coupon	3.000%	2.100%	395,000.00	106.085%	c	2.273%	12/01/2026	100.000%	419,035.75
Total	**-**	**-**	**-**	**$2,410,000.00**	**-**	**-**	**-**	**-**	**-**	**$2,522,920.75**

Bid Information

Par Amount of Notes	$2,410,000.00
Reoffering Premium or (Discount)	112,920.75
Total Issuance Expense Paid by Underwriter (Est.) *	$(56,720.00)
Bid (102.332%)	2,466,200.75
True Interest Cost (TIC)	2.4306615%

* Municipal Advisor, Bond Counsel, Underwriter, Moody's

$1,690,000 Estimated Village Purpose Debt Service Schedule - Combined with Existing

Calendar Year	Principal	Coupon	Estimated Interest	Total Payment	Existing D/S	Net New D/S
2019	-	-	-	-	1,564,910.00	1,564,910.00 *
2020	230,000.00	2.000%	57,400.00	287,400.00	1,420,181.00	1,707,581.00
2021	200,000.00	2.000%	38,450.00	238,450.00	1,202,809.00	1,441,259.00
2022	165,000.00	2.000%	34,450.00	199,450.00	1,233,298.00	1,432,748.00
2023	170,000.00	2.000%	31,150.00	201,150.00	1,242,897.00	1,444,047.00
2024	175,000.00	3.000%	27,750.00	202,750.00	1,247,198.00	1,449,948.00
2025	180,000.00	3.000%	22,500.00	202,500.00	1,255,100.00	1,457,600.00
2026	185,000.00	3.000%	17,100.00	202,100.00	1,250,850.00	1,452,950.00
2027	190,000.00	3.000%	11,550.00	201,550.00	674,650.00	876,200.00
2028	195,000.00	3.000%	5,850.00	200,850.00	-	200,850.00
-	**$1,690,000.00**		**$246,200.00**	**$1,936,200.00**	**$11,091,893.00**	**$13,028,093.00**

* 2019 Offset by $45,692 of excess premium from 2018 Issuance

- Increase from 2019 to 2020 = $142,671 or $0.15 per $1,000 based on 2018 assessed value of $942,877,508
- 2020 tax rate impact may be reduced by actual 2019 valuation and/or applying excess premium.

$720,000 Estimated Water Utility Debt Service Schedule - Wrap Around Existing D/S

Calendar Year	Principal	Coupon	Estimated Interest	Total Payment	Existing D/S	Net New D/S
2019	-	-	-	-	-	-
2020	-	-	28,800.00	28,800.00	267,328.00	296,128.00
2021	-	-	21,600.00	21,600.00	262,352.00	283,952.00
2022	-	-	21,600.00	21,600.00	262,378.00	283,978.00
2023	-	-	21,600.00	21,600.00	267,477.00	289,077.00
2024	-	-	21,600.00	21,600.00	272,377.00	293,977.00
2025	120,000.00	3.000%	21,600.00	141,600.00	91,800.00	233,400.00
2026	200,000.00	3.000%	18,000.00	218,000.00	-	218,000.00
2027	200,000.00	3.000%	12,000.00	212,000.00	-	212,000.00
2028	200,000.00	3.000%	6,000.00	206,000.00	-	206,000.00
-	**$720,000.00**		**$172,800.00**	**$892,800.00**	**$1,423,712.00**	**$2,316,512.00**

Debt Limit

Equalized Valuation (2018) as certified by Wisconsin Department of Revenue	$936,011,100
Legal Debt Percentage Allowed	5.00%
Legal Debt Limit	$ 46,800,555
General Obligation Debt Outstanding As Of December 31, 2018	$15,855,000
Plus: $2,410,000 General Obligation Notes	2,410,000
Less: 2019 Principal Payments	(2,165,000)
Net General Obligation Debt Outstanding	$16,100,000
Unused Margin of Indebtedness	$30,700,555
Percent of Legal Debt Incurred	34.40%
Percent of Legal Debt Available	65.60%

Method of Sale

Wisconsin Law allows General Obligation Notes and Refunding Bonds to be sold at Public or Negotiated Sale

- **Public Sale** – Village Advertises for Underwriter Nation-wide – to Submit Bid on Specific Date and Time

  Underwriter's Bid Dependent Upon –

  Market Conditions on Day of Bid
  Number of Issues Underwriter Will Bid on (Bidding Calendar) or Purchase That Day
  Limited Ability to Pre-sell Notes - Risk May be Built into Bid as Cost to Village
  Underwriting Cost Locked in on the Day of Sale
  Underwriter Submits Bid on Bid Form per Bidding Parameters in "Official Notice of Sale"
  Market Conditions are Monitored by Municipal Advisor Throughout Borrowing Timeline
  Local Banks Participate Through Their Broker/Dealer Relationships
  Village Has Flexibility to Change Dollar Amount and Structuring Terms After Bids are Opened

  Municipal bond supply in market has significantly declined in 2018 and 2019 resulting in numerous bids on public sales to fulfill demand.

- **Negotiated Sale** – Underwriter is Selected by Village Through RFP Process or Based on Historical Experience

  Underwriter Provides Assistance to Village in Advance of Entering the Bond Market -

  Updates and Advises Village of Changes to Market Conditions, Interest Rates
  Investors and Local Banks Contacted Early to Determine Interest in Purchasing Notes/Bonds
  Reduces Underwriter's Risk of Unsold Notes - Potential for Lower Underwriting Cost
  Cost of Underwriting Locked in Prior to Sale Date
  Underwriter Has Flexibility to Capture Market Opportunities Several Days in Advance of Award
  Village Has Flexibility to Change Dollar Amount and Structuring Terms Up to Time of Order Period
  Underwriter Provides Village with Comparable Sales in Market

The Village of McFarland has historically used the Negotiated Sale method

The Village's underwriter in 2015, 2016, 2017, and 2018 was Bankers' Bank, Madison, in association with the McFarland State Bank.

Timeline for General Obligation Promissory Notes – 2019

Finance Presentation – 2019 Financing - Review/Discussion	June 26
Board Presentation – Report on 2019 Financing	July 8
Official Statement Submitted to Moody's	July 9
Moody's Conference Call	July 11-12
Official Statement Distributed to Underwriter(s)	July 11
Moody's Rating Released; Credit Report Available	July 18 A.M.
Adopt Final Award Resolution (Sale)	July 22
Closing; Delivery of Funds to Village	August 1

WISCONSIN PUBLIC FINANCE PROFESSIONALS, LLC
1025 South Moorland Road, Suite 504
Brookfield, WI 53005
414-434-9644
Fax: 414-226-2014

Village of McFarland

Finance Committee

Addendum to:
Report on Financing
2019 CIP Projects

Dated: July 8, 2019

Prepared by: Carol Ann Wirth, President

Capital Projects - 2019

Village Purpose Projects	Dept.	Borrowing Amount
Ambulance Replacement	Fire/EMS	$ 168,000
Street Construction	DPW	295,000
Property Acquisition	Parks	875,000
Urso/Schuetz Park	Parks	350,000
TOTAL		$1,688,000

Water Utility Purposes		
Street Construction	DPW	721,000
TOTAL		$721,000

$2,410,000 2019 G.O. Notes - Sources & Uses of Funds

Dated 08/01/2019 | Delivered 08/01/2019

	Village Purpose	Water Utility	2019 G.O. Notes
Sources Of Funds			
Par Amount of Notes	$1,690,000.00	$720,000.00	$2,410,000.00
Reoffering Premium (Est.)	65,057.15	32,361.55	97,418.70
Total Sources	**$1,755,057.15**	**$752,361.55**	**$2,507,418.70**
Uses Of Funds			
Total Issuance Expense Paid by Underwriter (Est.) *	37,846.18	16,123.82	53,970.00
Deposit to Project Construction Fund	1,688,000.00	721,000.00	2,409,000.00
Premium Deposited to Debt Service (Est.)	29,210.97	15,237.73	44,448.70
Total Uses	**$1,755,057.15**	**$752,361.55**	**$2,507,418.70**

* Municipal Advisor ($18,850), Bond Counsel ($8,750), Moody's ($9,500), Underwriter (Est. $16,870)

$2,410,000 Estimated Combined Debt Service Schedule

Date	Principal	Coupon	Interest	Total Payment	Fiscal Total
08/01/2019	-	-	-	-	-
06/01/2020	-	-	51,791.67	51,791.67	-
12/01/2020	230,000.00	2.000%	31,075.00	261,075.00	312,866.67
06/01/2021	-	-	28,775.00	28,775.00	-
12/01/2021	280,000.00	2.000%	28,775.00	308,775.00	337,550.00
06/01/2022	-	-	25,975.00	25,975.00	-
12/01/2022	250,000.00	2.000%	25,975.00	275,975.00	301,950.00
06/01/2023	-	-	23,475.00	23,475.00	-
12/01/2023	255,000.00	2.000%	23,475.00	278,475.00	301,950.00
06/01/2024	-	-	20,925.00	20,925.00	-
12/01/2024	265,000.00	3.000%	20,925.00	285,925.00	306,850.00
06/01/2025	-	-	16,950.00	16,950.00	-
12/01/2025	270,000.00	3.000%	16,950.00	286,950.00	303,900.00
06/01/2026	-	-	12,900.00	12,900.00	-
12/01/2026	280,000.00	3.000%	12,900.00	292,900.00	305,800.00
06/01/2027	-	-	8,700.00	8,700.00	-
12/01/2027	285,000.00	3.000%	8,700.00	293,700.00	302,400.00
06/01/2028	-	-	4,425.00	4,425.00	-
12/01/2028	295,000.00	3.000%	4,425.00	299,425.00	303,850.00
Total	**$2,410,000.00**	**TIC: 2.41**	**$367,116.67**	**$2,777,116.67**	**-**

Callable: December 1, 2027 and 2028 principal payments are callable beginning December 1, 2026.

Preliminary Pricing Summary - Market Week of 6/24/19

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price		YTM	Call Date	Call Price	Dollar Price
12/01/2020	Serial Coupon	2.000%	1.650%	230,000.00	100.458%		-	-	-	231,053.40
12/01/2021	Serial Coupon	2.000%	1.700%	280,000.00	100.682%		-	-	-	281,909.60
12/01/2022	Serial Coupon	2.000%	1.750%	250,000.00	100.805%		-	-	-	252,012.50
12/01/2023	Serial Coupon	2.000%	1.800%	255,000.00	100.829%		-	-	-	257,113.95
12/01/2024	Serial Coupon	3.000%	1.850%	265,000.00	105.813%		-	-	-	280,404.45
12/01/2025	Serial Coupon	3.000%	1.900%	270,000.00	106.533%		-	-	-	287,639.10
12/01/2026	Serial Coupon	3.000%	1.950%	280,000.00	107.140%		-	-	-	299,992.00
12/01/2027	Serial Coupon	3.000%	2.000%	285,000.00	106.787%	c	2.107%	12/01/2026	100.000%	304,342.95
12/01/2028	Serial Coupon	3.000%	2.100%	295,000.00	106.085%	c	2.273%	12/01/2026	100.000%	312,950.75
Total	-	-	-	**$2,410,000.00**	-	-	-	-	-	**$2,507,418.70**

Bid Information

Par Amount of Notes	$2,410,000.00
Reoffering Premium or (Discount)	97,418.70
Gross Production	$2,507,418.70
Total Issuance Expense Paid by Underwriter (Est.) *	$(53,970.00)
Bid (101.803%)	2,453,448.70
True Interest Cost (TIC)	2.4117221%

* Municipal Advisor ($18,850), Bond Counsel ($8,750), Moody's ($9,500), Underwriter (Est. $16,870)

$1,690,000 Estimated Village Purpose Debt Service Schedule - Combined with Existing

Calendar Year	Principal	Coupon	Estimated Interest	Total Payment	Existing D/S	Net New D/S
2019	-	-	-	-	1,564,910.00	1,564,910.00 *
2020	230,000.00	2.000%	57,400.00	287,400.00	1,420,181.00	1,707,581.00
2021	200,000.00	2.000%	38,450.00	238,450.00	1,202,809.00	1,441,259.00
2022	165,000.00	2.000%	34,450.00	199,450.00	1,233,298.00	1,432,748.00
2023	170,000.00	2.000%	31,150.00	201,150.00	1,242,897.00	1,444,047.00
2024	175,000.00	3.000%	27,750.00	202,750.00	1,247,198.00	1,449,948.00
2025	180,000.00	3.000%	22,500.00	202,500.00	1,255,100.00	1,457,600.00
2026	185,000.00	3.000%	17,100.00	202,100.00	1,250,850.00	1,452,950.00
2027	190,000.00	3.000%	11,550.00	201,550.00	674,650.00	876,200.00
2028	195,000.00	3.000%	5,850.00	200,850.00	-	200,850.00
-	**$1,690,000.00**		**$246,200.00**	**$1,936,200.00**	**$11,091,893.00**	**$13,028,093.00**

* 2019 Offset by $45,692 of excess premium from 2018 Issuance

- Increase from 2019 to 2020 = $142,671 or $0.15 per $1,000 based on 2018 assessed value of $942,877,508
- 2020 tax rate impact may be reduced by actual 2019 valuation and/or applying excess premium.

$720,000 Estimated Water Utility Debt Service Schedule - Level D/S

Calendar Year	Principal	Coupon	Estimated Interest	Total Payment	Existing D/S	Net New D/S
2019	-	-	-	-	-	-
2020	-	-	25,466.67	25,466.67	267,328.00	292,794.67
2021	80,000.00	2.000%	19,100.00	99,100.00	262,352.00	361,452.00
2022	85,000.00	2.000%	17,500.00	102,500.00	262,378.00	364,878.00
2023	85,000.00	2.000%	15,800.00	100,800.00	267,477.00	368,277.00
2024	90,000.00	3.000%	14,100.00	104,100.00	272,377.00	376,477.00
2025	90,000.00	3.000%	11,400.00	101,400.00	91,800.00	193,200.00
2026	95,000.00	3.000%	8,700.00	103,700.00	-	103,700.00
2027	95,000.00	3.000%	5,850.00	100,850.00	-	100,850.00
2028	100,000.00	3.000%	3,000.00	103,000.00	-	103,000.00
-	**$720,000.00**	-	**$120,916.67**	**$840,916.67**	**$1,423,712.00**	**$2,264,628.67**