OFFICIAL NOTICE AND AGENDA

of a meeting of a City Board, Commission, Department, Committee, Agency, Corporation, Quasi-Municipal Corporation, or sub-unit thereof.

Meeting of the:	**FINANCE COMMITTEE**
Date/Time:	**Tuesday, July 28, 2020 at 5:15 PM**
Location:	**City Hall (407 Grant Street) - *Council Chambers**
Members:	Lisa Rasmussen, Michael Martens, Dawn Herbst, Deb Ryan, Sarah Watson

AGENDA ITEMS

1 Minutes of the previous meeting(s). (7/14/20)
2 Discussion and possible action 2019 audit presentation Clifton Larsen LLC
3 Discussion and possible action regarding budget modification Police Department
4 Discussion and possible action regarding resolution providing for the sale of approximately $5,445,000 General Obligation Promissory Notes, Series 2020D
5 Discussion and possible action regarding resolution providing for the sale of $6,740,000 Taxable General Obligation Refunding Bonds, Series 2020E
6 Discussion and possible action regarding June 2020 General Fund financial statement
7 Discussion and possible action regarding special event fee refunds due to COVID cancellations
Adjourn

Lisa Rasmussen, Chairperson

*Due to the COVID-19 pandemic, this meeting is being held in person and via teleconference. Members of the media and the public may attend in person, subject to the social distancing rules of maintaining at least 6 feet apart from other individuals, or by calling **1-408-418-9388**. The **Access Code is: 146 567 7848 Password: W2DvQPWEv56**

Individuals appearing in person will either be seated in the Council Chambers or an overfill room, subject to the social distancing rules. Space available will be on a first come, first served basis. All public participants' phones will be muted during the meeting. Members of the public who do not wish to appear in person may view the meeting live over the internet by https://waam.viebit.com/?folder=ALL, on the City of Wausau's YouTube Channel http://www.tinyurl.com/WAAMedia, live by cable TV, Channel 981, and a video is available in its entirety and can be accessed at https://tinyurl.com/WausauCityCouncil. Any person wishing to offer public comment who does not appear in person to do so, may e-mail mary.goede@ci.wausau.wi.us with "Finance Committee public comment" in the subject line prior to the meeting start. All public comment, either by email or in person, will be limited to items on the agenda at this time. The messages related to agenda items received prior to the start of the meeting will be provided to the Chair.

This Notice was posted at City Hall and faxed to the Daily Herald newsroom 7/24/20 at 11:30 am

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 (ADA), the City of Wausau will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs or activities. If you need assistance or reasonable accommodations in participating in this meeting or event due to a disability as defined under the ADA, please call the ADA Coordinator at (715) 261-6590 or ADAServices@ci.wausau.wi.us to discuss your accessibility needs. We ask your request be provided a minimum of 72 hours before the scheduled event or meeting. If a request is made less than 72 hours before the event the City of Wausau will make a good faith effort to accommodate your request.

Other Distribution: Media, (Alderpersons: Peckham, Neal, Kilian, Wadinski, McElhaney, Larson), *Rosenberg, *Jacobson, *Groat, Department Heads

FINANCE COMMITTEE
Date and Time: Tuesday, July 14, 2020 @ 5:15 pm., Council Chambers
Members Present Rasmussen, Martens, Herbst, and Watson
Members Excused: Ryan
Others Present: Groat, Rosenberg, Jacobson, Goede, Bliven, Kujawa, Lindman, Splinter, Swanborg, Van Krey, Vanderboom, Wadinski

In accordance with Chapter 19, Wisc. Statutes, notice of this meeting was posted and sent to the Daily Herald in the proper manner. The meeting was called to order by Chairperson, Lisa Rasmussen.

Minutes of the previous meeting(s). (6/23/20)
Rasmussen pointed out a typo in the minutes to be corrected to change the words "self riverfront" to "south riverfront."

Motion by Watson, second by Herbst to approve minutes of the meeting on 6/23/20, as corrected. Motion carried 4-0.

Discussion and possible action on amendment of the Revenue Policy to include the State of Wisconsin Statewide Debt Collection program
Rasmussen stated if the city were to utilize the Statewide Debt Collection program there is a more robust collection effort that happens, meaning we could recover more money.

Maryanne Groat stated the city currently uses tax intercept which is the state looking for tax refunds and using them to pay the city for delinquent receivables. She explained with this Statewide Debt Collection program they will still use the tax intercept program, but they also interact with the debtors to develop payment plans and if the people fail to make installments they can go so far as to do wage attachments and/or bank levy. She noted with a traditional collection agency you are going to give up at least 50% of your revenue to the agency. In this situation the state adds on a collection fee to the debtor, allowing us to recover 100% of our revenue. The states collection arm would deem whether they think something is uncollectible and return it back to us to write off or pursue another collection means.

Motion by Herbst, second by Martens to approve the amendment to the Revenue Policy. Motion carried 4-0.

Discussion and possible action on abatement of FBO rent for Wausau Flying Service due to COVID19 down turn
Deferred to next month.

Discussion and possible action on abatement of late fees on pet licenses for 2020
Rasmussen stated there are nearly 1,000 pet licenses that have not yet renewed, partly due to Covid-19. Proof of rabies vaccination is required to renew licenses, but many Vet clinics have also been closed. She noted the penalty for being late s pretty stiff.

Groat indicated she received feedback from citizens that they did not receive their renewal invoices which may have gone into spam email folders. She stated it was hard for them to get into the vets to vaccinate and people are financially struggling. She felt waiving the late fees would help, given all of the challenges that 2020 has presented,

Motion by Herbst, second by Watson to approve the abatement of late fees on 2020 pet licenses until September 15, 2020. Motion carried 4-0.

Discussion and possible action on amendment of the Capital Policy to reflect the new Capital Improvement Committee
Rasmussen explained this is a housekeeping item in which the policy has been re-worded to remove the process that CIP requests would be vetted by the Committee of the Whole and changed to the recently formed CIP Committee.

Motion by Martens, second by Herbst to approve the amendment to the Capital Policy. Motion carried 4-0.

<u>Discussion and possible action on the Request for Proposals for Municipal Fleet Management Consulting Services</u>
Rasmussen stated the city is seeking to go to RFP for someone to look at all facets of how we manage our vehicle fleet and the facility that works on them, as well as how we manage vehicle leasing, procurement of vehicles, disposal of vehicles, and the replacement cycle.

Groat explained the situation where they are trying to absorb more of the fleet within the motor pool, which is good, but which has also created more pressure on the motor pool from both a financial and a human resources standpoint. The mechanics and all of the staff are busier because they have a larger and more specialized fleet; prioritization between public safety and the street maintenance can be problematic. It is important the rates being charged are sufficient to fund future acquisition of the fleet. She noted Mark Hanson, Eric Lindman and the Police Department reviewed the RFP and support the information being requested from the consultant.

Motion by Watson, second by Martens to approve the RFP for Municipal Fleet Management Consulting Services. Motion carried 4-0.

<u>Discussion and possible action regarding budget modification hot mix</u>
Rasmussen explained the concept of skin patch, which is a thin layer of asphalt over a street or area of street to buy five to seven years of useful life rather than spot repairs/pot hole patching which is not necessarily effective. DPW is looking at some milling and paving equipment to do this work and this would shift some line items in their budget to free up some resources.

Eric Lindman stated this could save us money in the long run. There are areas of the streets throughout the winter where cold mix is put in a hole and two to three weeks later we are back out there filling the same hole because it continues to pop out. He indicated engineering and streets are getting together this week to start itemizing the street list and sections of streets throughout the city that we think are good candidates for this process.

Motion by Herbst, second by Martens to approve the hot mix budget modification Motion carried 4-0.

<u>Discussion and possible action regarding the installation of a glass barrier in the Customer Service Area for disease protection</u>
Rasmussen stated the sneeze guards currently in use in the Customer Service area was a temporary solution put up for short term use. This is a more permanent solution and will make it easier to communicate because there will be microphone equipment installed. She commented years ago security in the building for front counter staff was discussed due to the fact they sometimes deal with unhappy and/or angry customers. This will be a firmer barrier that an individual could not reach across which adds safety beyond the disease protection. She noted it will be similar to what is at the Police Department.

Groat stated there is an area in lobby that used to be an open window that was patched. She indicated they are proposing to open that back up and put glass there as well. Customer Service reps could be placed there for the Presidential Election allowing us to support more activity and separate staff members.

Motion by Watson, second by Martens to approve the installation of a glass barrier in the Customer Service Area. Motion carried 4-0.

<u>Discussion and possible action regarding budget modification sign shop</u>
Rasmussen stated the sign shop is in need of some storage for materials and adequate count of their inventory. She indicated they submitted a proposal for some cabinets that would accomplish that and there are line item transfers within their budget to pay for it.

Motion by Herbst, second by Martens to approve the sign shop budget modification. Motion carried 4-0.

<u>Presentation City of Wausau 2019 Popular Report</u>
Robert Splinter, Assistant Finance Director, presented the city's new Popular Financial Report. The intention of the report is to extract information from the city's Comprehensive Financial Report which has over 170 pages of detailed financial information and put it in a much more easily understandable report for the general public who may

not have a background in public finance. The Popular Report has only 10 pages and gives a more basic or educational look into the city's fiscal affairs. He noted there are charts and pictures to illustrate its main points. The report also ties information from other formal reports, such as the Capital Improvements Plan, the Tax Increment District Report, and the City Budget. He stated it allows us to incorporate some trend analysis and combine our financial data with other statistical information to give readers a better narrative into the city's fiscal activities and compare financial metrics from year to year. He commented some of the Popular Report's information is focused on specific topics that are important to residents.

Splinter indicated they have submitted the Popular Report to the Government Finance Officers Association for their review and feedback and consideration for their award program. Only ten government entities in the State of Wisconsin receive that award. He hoped to get more residents familiar with the city's functions and increase their interest in participating in the development of the city's future endeavors. He noted it is available on the Website and there will be hard copies available at the Clerk's Office. He encouraged anyone who wished to reach out to him with feedback or suggestions.

Discussion and possible action on statement for purposes of ADA Title II compliance

Rasmussen indicated Public Access requested this item deferred to next month.

Discussion and possible action on parking space lease agreement with Balding Eagle, Inc. for Athletic Park parking

Rasmussen explained in the past overflow parking for Athletic Park was allowed in the Wilton Hurd lot behind that building, but last season that option was taken away and we had to find an alternative for the baseball fans. The agreement is proposed to use that parcel again if the city paves it. She felt this was a small price to pay for the value it brings to Athletic Park for adjacent parking. She added that paving also eliminates concerns about fluids from vehicles; it was a gravel lot that was in pretty rough shape.

Motion by Herbst, second by Watson to approve the parking space lease agreement with Balding Eagle, Inc. Motion carried 4-0.

Discussion and possible action on property lease agreement with Lunda Construction Co. at 180 E. Wausau Avenue

Rasmussen stated Lunda Construction has been contracted to do the bridge deck work on the Bridge Street Bridge. They have asked to park some of their equipment on a site the city owns while working.

Anne Jacobson questioned what monthly rent they would like to charge which was currently blank in the agreement. Lindman commented it is an advantage to the city to have them here and to be able to use this property. He indicated he wasn't exactly sure what the construction completion date was, but suggested a $300 flat fee rather than a monthly fee.

Motion by Martens, second by Watson to approve the lease agreement with Lunda Construction Co. at 180 E Wausau Avenue for a flat fee of $300. Motion carried 4-0.

Discussion and Possible Action Creating a Sign-on Bonus Program

Rasmussen stated this has become a practice in the private sector in order to be able to hire employees that have either an elevated skill set or elevated experience.

Martens commented the HR Committee was in general agreement that it is worth giving the department heads and the HR Department this level of discretion because there are some chronically difficult spots to fill. Rasmussen commented sometimes when trying to attract experienced employees from other areas that have already gained a certain volume of vacation or a certain wage, they often are unwilling to start over at a new job, so this is helpful.

Martens pointed out there is a claw back that if they separate within the first three years there is a sliding scale for payback.

Motion by Herbst, second by Martens to approve creating a Sign-on Bonus Program. Motion carried 4-0.

Adjourn
Motion by Watson, second by Martens to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 5:55 p.m.

TO: FINANCE COMMITTEE

FROM: MARYANNE GROAT

DATE: July 23, 2020

RE: BUDGET MODIFICATION POLICE CAPITAL

The Central Equipment Fund was established to finance recurring capital replacements for various departments. This fund was created in 2017. Generally, we have been trying to increase the financial support within this fund to reduce the strain on the capital budget. Examples of capital purchased within this fund would be:

- Small maintenance projects in Parks such as a roof for a park bathroom
- City lap top and PC replacement
- IT server replacement
- Turnout gear and fire hoses in Fire
- Body camera expenses for the Police Department
- General government would include small maintenance projects at city hall such as office chair replacement, door replacement

The budget provisions are established by either myself or the individual department. An error occurred during the 2020 budget process that caused the Police Department to be under funded by $42,249. I believe it occurred due to a timing difference.

The department expects to spend the full $150,249.

Body Camera expenses	$117,904
Body Armor vests	$ 12,345
Forensic Lab Equipment	$ 20,000

After departments are done entering their budget we go through a copy process that transfers the data from department request field within the budget to the executive budget. I believe a timing issue occurred where we had transferred the budget to the executive budget before the police department had entered their updated numbers in the department request. The full $150,249 was reviewed and approved during the executive level review but because the reduced amount was included in the budget documents, due to my error in not noticing the variance, the full $150,249 was not included in the budget and not funded by the levy or other revenue sources.

We propose to fund this budget shortfall with a transfer from their operating budget in the General Fund. Early in 2020, prior to the Safer at Home and COVID 19 precautions, the Police

Department received a larger budget increase to provide additional staff time for summer events. These events have been canceled and the funds would be available for this transfer.

The proposed budget modification is as follows:

Decrease	110-33091250	Community Service Officer Wages	$	43,000
Increase	110-25099240	Transfer to the Capital Projects Fund	$	43,000
Increase	240-430098191	Police Capital Equipment	$	43,000
Increase	240-410089210	Transfer from the General Fund	$	43,000

A resolution is attached which would be considered by Common Council in August.

CUBE: Wausau:Budget_Entry
Wausau:Department_Wausau 4300 - POLICE DEPARTMENT
Wausau:Period 01

	20195 - 2019 Adopted Budget			20201 - 2020 Budget Dept Request			20202 - 2020 Executive Budget			20205 - 2020 Adopted Budget		
	Total	Amount	Change	Total	Amount	Change	Total	Amount	Change	Total	Amount	Change
240.000000000430098191 - OTHER CAPITAL EQUIPMENT-REPLAC	97,982	97,982	0	150,249	150,249	0	108,000	108,000	0	108,000	108,000	0

CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403

RESOLUTION OF THE FINANCE COMMITTEE

Approving the 2020 budget modification for Police Capital Projects

Committee Action: Approved

Fiscal Impact: $43,000

File Number:	19-1109	**Date Introduced:**	August 12, 2020

FISCAL IMPACT SUMMARY

COSTS	*Budget Neutral*	Yes ☐ No ☒	
	Included in Budget:	Yes ☐ No ☒	*Budget Source: Community Development Impact Fund Loan*
	One-time Costs:	Yes ☒ No ☐	*Amount: $43,000*
	Recurring Costs:	Yes ☒ No ☐	*Amount:*
SOURCE	*Fee Financed:*	Yes ☐ No ☒	*Amount:*
	Grant Financed:	Yes ☐ No ☒	*Amount:*
	Debt Financed:	Yes ☐ No ☒	*Amount* *Annual Retirement*
	TID Financed:	Yes ☐ No ☒	*Amount:*
	TID Source: Increment Revenue ☐ *Debt* ☐ *Funds on Hand* ☐ *Interfund Loan* ☐		

WHEREAS, a budget error occurred during the budget compliation process that resulted in underfunding the Police Department capital replacement fund by $43,000, and

WHEREAS, the Police Department operating budget has excess funds due to a 1st quarter budget increase to cover special event staffing which will not be used due to event special event cancellations amid COVID precautions; and

WHEREAS, your Finance Committee has reviewed and recommends a budget modification as follows:

Decrease	110-33091250	Community Service Officer Wages	$	43,000
Increase	110-25099240	Transfer to the Capital Projects Fund	$	43,000
Increase	240-430098191	Police Capital Equipment	$	43,000
Increase	240-410089210	Transfer from the General Fund	$	43,000

NOW, THEREFORE, BE IT RESOLVED, that the proper city officials modify the budget as presented above and publish the budget modification in the official city newspaper.

Approved:

Katie Rosenberg, Mayor

TO: FINANCE COMMITTEE
FROM: MARYANNE GROAT
DATE: July 22, 2020
RE: 2020 Debt Issues:

The 2020 Debt issuance was set into motion after the adoption of the budget in November of 2019. The Capital and Tax Increment District budgets establish the approved capital projects and the approved financing sources including debt proceeds.

Engineering staff develop project specifications and manage the bidding of the projects. The 2020 contracts have been awarded and construction is underway. A complete list of capital projects funded with debt is attached. The list includes the Tax Increment District Six projects already financed by a State Trust Fund Loan in April. The City selected this financing method to meet time considerations of the district. The debt will be retired within 5 years. The State Trust Fund allows flexible early retirement without penalty. We will try to accelerate retirement if the tax increment collections allow.

DEBT ISSUANCE CALENDER OF EVENTS

- July 28th, 2020 - Finance Committee recommends the debt issuance plan.
- August 12th, 2020 - Common Council approves the preliminary resolutions. The preliminary resolutions establish the debt issuance plan and direct staff and consultants to perform the necessary steps to conduct a competitive sale of debt including: producing an official statement, obtaining a credit rating from Moody's, establishing a sale day and then securing competitive bids.
- August 25th, 2020 - The competitive sale will occur in the morning. The sale is managed by our Financial Advisors. Our financial advisors compare the financial bids and recommend the lowest bidder.
- August 25th, 2020 the Finance Committee and Common Council adopts resolutions to award the bonds to the lowest bidder.
- September 16th, 2020 the bond closing is managed by Bond Counsel and the city receives our debt proceeds.

PROJECT LIST

The projects to be funded with the debt issue are outlined on the attached document. A summary is provided below.

Final Fire Station and Evidence Storage Facility	$ 452,000
Capital Improvement Plan	2,505,989
TID #3	1,163,041
TID #8	910,000
TID #12	315,000
Total	5,346,030

In 2019 the City financed the new Fire Station as a 20 year bond. The financing of the fixtures and contingency was postponed to 2020. The objective was to size the 2020 borrowing to meet the contingency utilization and to finance these items with a 10 year issue thereby minimizing interest expense. The Capital Plan portion of $2,505,989 falls near the $2.5 million annual target. Tax Increment District 3,8 and 12 these projects will be financed by tax increment of each district.

$5,445,000 GENERAL OBLIGATION NOTE 2020D

This debt issue is a ten year general obligation promissory note. Our financial advisor structured the retirement as level payments. The interest rate projection is .90% to 2.05%. Total interest paid on the issue is anticipated to be $460,117 over the life of the issue.

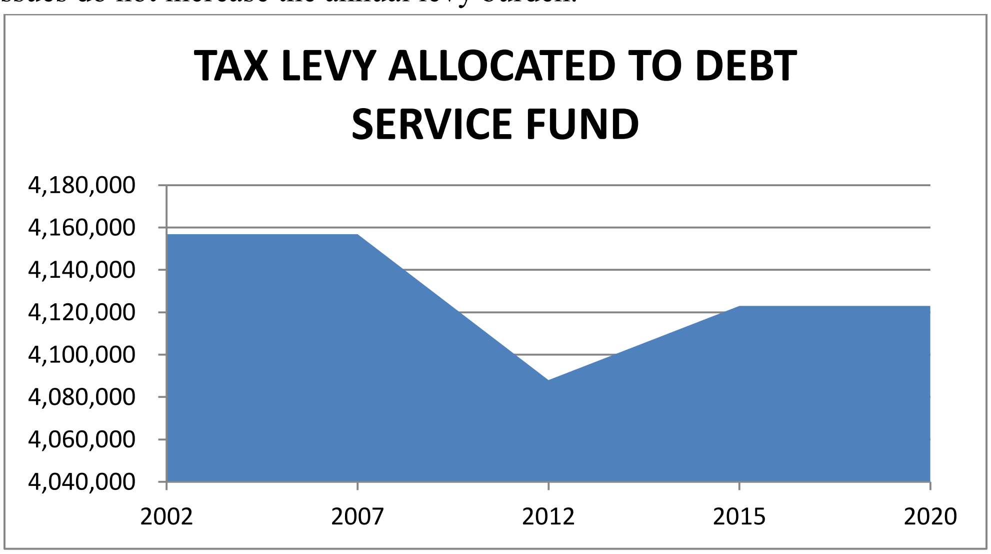
$6,740,000 TAXABLE GENERAL OBLIGATION REFUNDING BOND 2020E

In addition to the debt authorized in the 2020 budget I am recommending refinancing the 2017E Taxable Note Anticipation Note. This issue funded the business campus expansion. The debt was issued as interest only with the principal due in full in 2022. This financing strategy provided time for the construction of the infrastructure and the Great Lakes Cheese and Wausau Chemical Facilities. Now that the district is generating tax increment we will refinance the issue and pay level principal and interest payments. Refinancing the issue early will allow us to take advantage of the low interest rate environment and accelerate principal pay down. Our financial advisor has structured the equal debt payments with a 15 year amortization. The City will have the opportunity to retire the debt early beginning in 2028. This will allow us to retire the debt early if the increment comes in stronger than expected. The interest rates in the projection is .85% to 2.45%. Total interest paid over the term of the bonds is $1,021,279.

This debt will be paid by TID 11. I have included a cash flow of the district. The cash flow includes increment from Great Lakes Cheese and Wausau Chemical. The cash flow indicates that the District will have sufficient increment to retire the 2020E debt issue. It also presents a positive cash flow after the Wausau Chemical Debt is refinanced next year. This issue would be financed with a 10 year amortization.

IMPACT TO THE TAX LEVY

The debt service levy has hovered around $4,100,000 since 2002 as shown on the chart below. The new issues do not increase the annual levy burden.



IMPACT TO OUTSTANDING DEBT AT 12/31/2020 (NON REVENUE BOND)

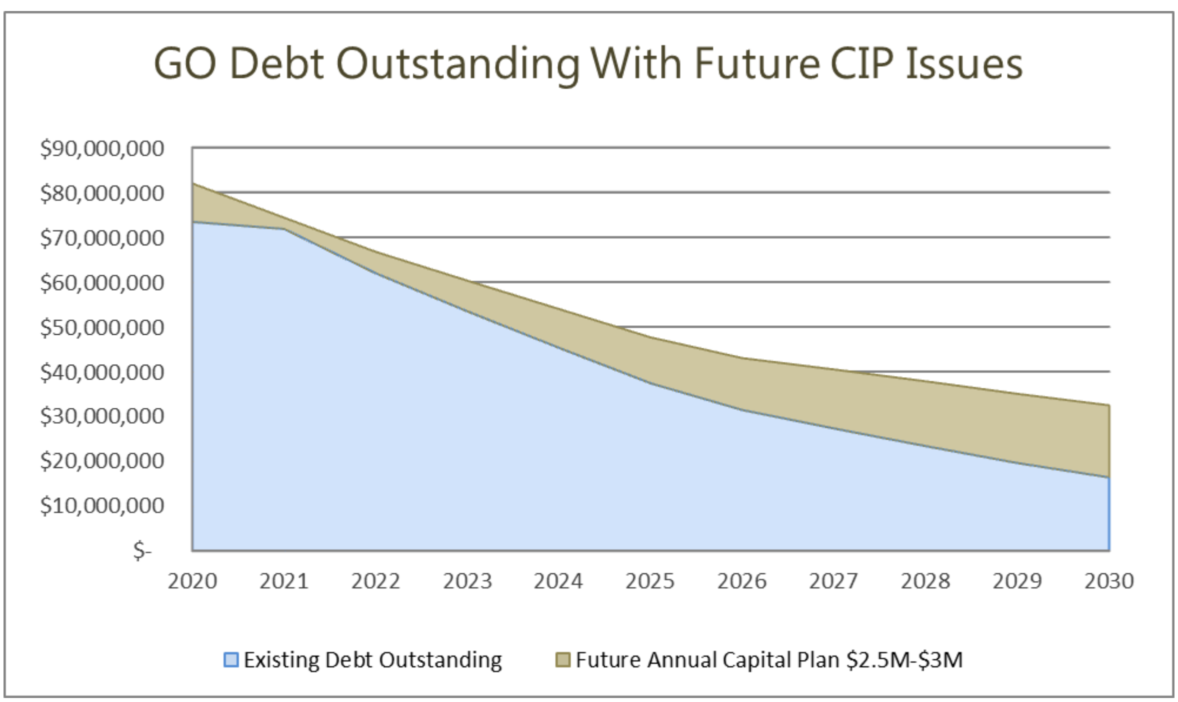
The 2020 financial results will show the retirement of $17,080,000 of debt and the issuance of $15,171,000 resulting in a reduction of outstanding debt of $1,909,000.

SUMMARY OF DEBT CHANGES						
	General Obligation Bonds	General Obligation Notes	Wisconsin State Trust Fund Loans	Total General Obligation Debt	Anticipation Debt	Total
BALANCE 12/31/2018	**$ 28,115,000**	**$ 37,684,779**	**$ 728,154**	**$ 66,527,933**	**$ 14,610,000**	**$ 81,137,933**
2019 Additions:						
Water and Sewer Projects						$ -
Fire Station and Evidence Storage	4,870,000			4,870,000		4,870,000
Evidence Storage Building		298,500		298,500		298,500
Capital Improvement Plan		1,676,500		1,676,500		1,676,500
TID #6		3,130,000		3,130,000		3,130,000
TID #8		2,720,000		2,720,000		2,720,000
2019 Retirements	(1,715,000)	(7,520,000)	(728,154)	(9,963,154)		(9,963,154)
BALANCE 12/31/2019	**$ 31,270,000**	**$ 37,989,779**	**-**	**$ 69,259,779**	**$ 14,610,000**	**$ 83,869,779**
2020 Additions:						
Fire Station Furniture/Equipment/Contingency		420,000		420,000		420,000
Evidence Storage Building Paving Project		32,000		32,000		32,000
Capital Improvement Plan		2,563,000		2,563,000		2,563,000
TID #3		1,185,000		1,185,000		1,185,000
TID #6			2,986,000	2,986,000		2,986,000
TID #8		925,000		925,000		925,000
TID #12		320,000		320,000		320,000
Taxable GO Refunding Bonds	6,740,000			6,740,000		6,740,000
2020 Retirements	(2,710,000)	(7,770,000)		(10,480,000)	(6,600,000)	(17,080,000)
BALANCE 12/31/2020	**$ 35,300,000**	**$ 35,664,779**	**$ 2,986,000**	**$ 73,950,779**	**$ 8,010,000**	**$ 81,960,779**

OUTSTANDING DEBT PROJECTED

The City has seen significant growth in outstanding debt in recent years. The major increases have been the construction of three swimming pools, the construction of the new fire station and major economic development (TID) projects including the business campus expansion and the riverfront redevelopment.

Annually the CIP plan requires 10 year debt financing of $2.5 to $3 million. Projecting ten years in the future assuming this continued annual financing the outstanding debt will trend as noted.



FUTURE LEVY REQUIREMENTS PROJECTED
The affordability and the tax levy requirements are determined by interest rates, the debt amortization period and the amount of debt issued.

Other projects such as mall redevelopment and major facility projects such as the Public Works facility will impact outstanding debt and are not included in the projection above.

RESOLUTIONS
Bond Counsel, Quarles and Brady, is drafting resolutions which will be added to the packet of information when they are available. The Common Council will consider these resolutions on August 12th. The City will accept competitive bids on the issues on August 25th and the results would be presented for Council approval the same evening.

INTEREST RATES
Attached to this memo is the Pre-sale Report created by our financial advisor. The last page of the presale report provides a review of the interest rates over the last year. You can see that we have timed our sale at an ideal time as interest rates are stabilizing at the lowest rates in the last 12 months.

ATTACHMENT LIST

- Project list
- Presale reports created by Ehlers
- Resolutions
- 11 TID cash flow

2020 DEBT ISSUANCE PLAN

		Retirement	Bidding	Budget	Apply Cash on Hand	Delay	Adjust Budget	2020D Promissory Note Revised Plan	2020 State Trust Fund Loan Approved 4/21/2020
Fire Station FFE and Contingency		10 Yr	complete	420,000				420,000	
Evidence Storage Building - Paving		10 Yr	complete	32,000				32,000	
Capital Improvement Plan		10 Yr						-	
DOT Townline Road Reconstruction		10 Yr					203,000	203,000	
DOT 6th Street to HorseShoe Spring Rd to Evergreen			complete	100,000				100,000	
Kicbush Street	738536.28		complete	924,000			(123,041)	800,959	
Street Improvements	Pavement marking 90,070; Concrete repair 233,138; Bridge Street $5		complete	745,000				745,000	
Sidewalk	117,939			150,000				150,000	
CityHall Boiler				160,000				160,000	
DPW Car Port				47,030				47,030	
Stormwater 24th Avenue			complete	300,000				300,000	
TID #3		10 Yr						-	
Bridge Street Rehabilitation			complete	450,000			123,041	573,041	
Third Street Improvements				40,000		(40,000)		-	
Parking Improvements (LED)			complete	190,000				190,000	
Barker Stewart Island Improvements				70,000	(70,000)			-	
1st Street Connector Trail			complete	400,000				400,000	
1st Street Improvements				75,000		(75,000)		-	
GLC Construction Project			complete	54,500			(54,500)	-	
TID #6		5 Yr						-	
Riverside Park Trail, Road and Seawall			complete	1,500,000					1,500,000
Streets and Street Improvements			complete	545,000					545,000
Cedar Street 7th to 14th Avenue			complete	941,000					941,000
TID #7								-	
Street Improvements		3 Yr	complete	1,100,000	(672,000)		(428,000)	-	
Streetscape			complete	200,000	(200,000)			-	
Parking Improvements				100,000	(100,000)			-	
TID #8								-	
18TH Avenue		10 Year	complete	300,000			(30,000)	270,000	
Hotel Loan and Grant		10 Year	complete	640,000				640,000	
TID #12								-	
Parking/Sidewalk Improvements Athletic Park	2nd street Lot $82,907.55 wall 87,472.05	10 Yr	complete	265,000	(85,000)			180,000	
Wausau Chemical Environmental				234,900		(234,900)		-	
Street Improvements Aspirus HISP			DOT bidding now	135,000				135,000	
				10,118,430	(1,127,000)	(349,900)	(309,500)	5,346,030	2,986,000

CITY OF WAUSAU
TAX INCREMENTAL DISTRICT NUMBER ELEVEN
CASH FLOW PROJECTION

		USES OF FUNDS					SOURCES OF FUNDS				
Year		Debt Service	Future Debt Refinancing	Developer Grant	Administrative Costs	Capital Expenditures	Debt Proceeds	Tax Increment	Other Income	Annual Surplus (Deficit)	Cumulative Balance
1	2017	$60,237			$116,096	$3,160,509	$6,600,000		$174,243	$3,437,401	$3,437,402
2	2018	229,894			81,217	3,025,940	4,005,000		54,592	722,541	4,159,943
3	2019	311,992		3,975,016	24,262	432,965		42,551	11,226	(4,690,458)	(530,515)
ESTIMATED											
4	2020	237,173		694,039	16,150	96,614		1,580,152	700	536,876	6,361
5	2021	656,642		641,046	8,000	45,000		1,700,000		349,312	355,673
6	2022	653,571	468,922	650,000	8,000			1,700,000		(80,493)	275,180
7	2023	585,667	468,922	650,000	8,000			1,700,000		(12,589)	262,591
8	2024	427,405	468,922	650,000	8,000			1,700,000		145,673	408,264
9	2025	517,649	468,922	650,000	8,000			1,700,000		55,429	463,693
10	2026	517,305	468,922	650,000	8,000			1,700,000		55,773	519,466
11	2027	516,246	468,922	650,000	8,000			1,700,000		56,832	576,298
12	2028	519,426	468,922	650,000	8,000			1,700,000		53,652	629,950
13	2029	516,815	468,922	650,000	8,000			1,700,000		56,263	686,213
14	2030	518,398	468,922		8,000			1,700,000		704,680	1,390,893
15	2031	519,325	468,922		8,000			1,700,000		703,753	2,094,646
16	2032	514,639			8,000			1,700,000		1,177,361	3,272,007
17	2033	519,258			8,000			1,700,000		1,172,742	4,444,749
18	2034	518,120			8,000			1,700,000		1,173,880	5,618,629
19	2035	516,248			8,000			1,700,000		1,175,752	6,794,381
20	2036				8,000			1,700,000		1,692,000	8,486,381
20	2037				8,000			1,700,000		1,692,000	10,178,381
20	2038				8,000			1,700,000		1,692,000	11,870,381
TOTAL		$8,856,010	$4,689,220	10,510,101	$365,725	6,761,028	10,605,000	$32,222,703	$240,761		

August 11, 2020

Pre-Sale Report for

City of Wausau, Wisconsin

$5,445,000 General Obligation Promissory Notes, Series 2020D

Prepared by:

Ehlers
N21W23350 Ridgeview Parkway West, Suite 100
Waukesha, WI 53188

Advisors:

Philip Cosson, Senior Municipal Advisor
Jon Cameron, Senior Municipal Advisor

BUILDING COMMUNITIES. IT'S WHAT WE DO.

EXECUTIVE SUMMARY OF PROPOSED DEBT

Proposed Issue:

$5,445,000 General Obligation Promissory Notes, Series 2020D

Purposes:

The proposed issue includes financing for the following purposes:

Finance 2020 Capital & TID Projects

- General Capital Projects. Debt service will be paid from ad valorem property taxes.
- TID 12 Road and Parking Projects. Debt service will be paid from tax incremental revenues.
- TID 3 Road, Parking and 1st Street Trail Connector Project. Debt service will be paid tax incremental revenues.
- TID 8 Road Project and Incentives. Debt service will be paid from tax incremental revenues.

Authority:

The Notes are being issued pursuant to Wisconsin Statute(s):

- 67.12(12)

The Notes will be general obligations of the City for which its full faith, credit and taxing powers are pledged.

The Notes count against the City's General Obligation Debt Capacity Limit of 5% of total City Equalized Valuation. Following issuance of the Notes, the City's total General Obligation debt principal outstanding will be approximately $74.1 million, which is 48% of its limit. Remaining General Obligation Borrowing Capacity will be approximately $79.6 million.

Term/Call Feature:

The Notes are being issued for a term of 10 years. Principal on the Notes will be due on April 1 in the years 2021 through 2030. Interest is payable every six months beginning April 1, 2021.

The Notes will be subject to prepayment at the discretion of the City on April 1, 2027 or any date thereafter.

Bank Qualification:

Because the City is issuing, or expects to issue, more than $10,000,000 in tax-exempt obligations during the calendar year, the City will be not able to designate the Notes as "bank qualified" obligations.

Rating:

The City's most recent bond issues were rated by Moody's Investors Service. The current ratings on those bonds are "Aa3". The City will request a new rating for the Notes.

If the winning bidder on the Notes elects to purchase bond insurance, the rating for the issue may be higher than the City's bond rating in the event that the bond rating of the insurer is higher than that of the City.

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:

- The expectation this form of financing will provide the overall lowest cost of funds while also meeting the City's objectives for term, structure and optional redemption.
- The City having adequate General Obligation debt capacity to undertake this financing.

Method of Sale/Placement:

We will solicit competitive bids for the purchase of the Notes from underwriters and banks.

We will include an allowance for discount bidding in the terms 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 reduce your borrowing amount.

Premium Pricing:

In some cases, 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." The underwriter of the bonds will retain a portion of this reoffering premium as their compensation (or "discount") but will pay the remainder of the premium to the City.

For this issue of Notes, any premium amount received that is in excess of the underwriting discount and any capitalized interest amounts must be placed in the debt service fund and used to pay a portion of the interest payments due on the Notes. We anticipate using any premium amounts received to reduce the issue size.

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 Notes intended to achieve the City's objectives for this financing.

Other Considerations:

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 City retain a paying agent to handle responsibility for processing mandatory redemption/call notices associated with term bonds.

Review of Existing Debt:

We have reviewed all outstanding indebtedness for the City and find that there are no refunding opportunities at this time.

We will continue to monitor the market and the call dates for the City's outstanding debt and will alert you to any future refunding opportunities.

Continuing Disclosure:

Because the City has more than $10,000,000 in outstanding debt (including this issue) and this issue is over $1,000,000, the City 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 City is already obligated to provide such reports for its existing bonds, and has contracted with Ehlers to prepare and file the reports.

Arbitrage Monitoring:

Because the Notes tax-exempt obligations, the City must ensure compliance with certain Internal Revenue Service (IRS) rules throughout the life of the issue. These rules apply to all gross proceeds of the issue, including initial bond proceeds and investment earnings in construction, escrow, debt service, and any reserve funds. How issuers spend bond proceeds and how they track interest earnings on funds (arbitrage/yield restriction compliance) are common subjects of IRS inquiries. Your specific responsibilities will be defined in the Tax Exemption Certificate prepared by your Bond Attorney and provided at closing. We recommend that you regularly monitor compliance with these rules and/or contract with Ehlers to assist you.

Investment of Note Proceeds:

To maximize interest earnings we recommend using an SEC registered investment advisor to assist with the investment of bond proceeds until they are needed to pay project costs. Ehlers is a registered investment advisor, and can assist the City in developing an appropriate investment strategy if needed.

Risk Factors:

GO with Planned Abatement: The City expects to abate a portion of the City debt service with tax incremental revenues. In the event these revenues are not available, the City 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, but the 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 Counsel and Disclosure Counsel: Quarles & Brady LLP

Paying Agent: Bond Trust Services Corporation

Rating Agency: Moody's Investors Service, Inc.

PROPOSED DEBT ISSUANCE SCHEDULE

Pre-Sale Review by Common Council:	August 11, 2020
Due Diligence Call to review Official Statement:	Week of August 10, 2020
Conference with Rating Agency:	Week of August 10, 2020
Distribute Official Statement:	August 18, 2020
Common Council Meeting to Award Sale of the Notes:	August 25, 2020
Estimated Closing Date:	September 16, 2020

Attachments

Estimated Sources and Uses of Funds

Estimated Proposed Debt Service Schedule

Bond Buyer Index

EHLERS' CONTACTS

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Jon Cameron, Senior Municipal Advisor	(262) 796-6179
Sue Porter, Senior Public Finance Analyst/Marketing Coordinator	(262) 796-6167
Kathy Myers, Financial Analyst	(262) 796-6177

The Preliminary Official Statement for this financing will be sent to the Common Council at their home or email address for review prior to the sale date.

Existing Debt Service Sources of Repayment and Levy Impact Analysis

Projected Rate Impact

YEAR	General Obligation Debt	BID Premium Dep to DS	TID #3	TID #6	TID #7	TID #8	TID #9	TID #10	Water Utility	Sewer Utility	Fund Balance Applied	Total of All Sources	Tax Levy for Debt	Projected Equalized Value	% Change	Net Rate	YEAR
2020	12,284,338	(315,512)	(3,578,420)	(2,599,453)	(51,800)	(625,005)	(65,520)	(138,773)		(311,063)	(475,794)	(8,161,339)	4,123,000	2,716,775,800	4.25%	**1.52**	**2020**
2021	10,931,265	(18,240)	(2,746,973)	(3,186,068)	(42,750)	(447,924)	(64,125)	(141,410)		(303,750)		(6,951,240)	3,980,026	2,757,527,437	1.50%	**1.44**	**2021**
2022	10,412,156		(3,041,573)	(3,043,674)	(41,720)	(453,515)	(62,580)	(143,723)				(6,786,785)	3,625,371	2,785,102,711	1.00%	**1.30**	**2022**
2023	8,745,637		(1,950,398)	(2,965,299)	(40,590)	(443,388)	(60,885)	(141,029)				(5,601,588)	3,144,049	2,812,953,738	1.00%	**1.12**	**2023**
2024	8,187,608		(1,960,608)	(2,767,549)		(452,731)		(143,210)				(5,324,098)	2,863,510	2,841,083,276	1.00%	**1.01**	**2024**
2025	7,725,878		(1,952,325)	(2,756,074)		(447,781)		(140,210)				(5,296,390)	2,429,488	2,869,494,109	1.00%	**0.85**	**2025**
2026	5,620,161		(3,113,807)			(359,875)		(136,910)				(3,610,592)	2,009,569	2,898,189,050	1.00%	**0.69**	**2026**
2027	3,573,259		(1,413,680)			(357,825)		(138,235)				(1,909,740)	1,663,519	2,927,170,940	1.00%	**0.57**	**2027**
2028	3,274,199		(1,414,320)			(355,675)		(139,410)				(1,909,405)	1,364,794	2,956,442,650	1.00%	**0.46**	**2028**
2029	3,025,961		(1,408,420)			(353,313)		(140,435)				(1,902,168)	1,123,794	2,986,007,076	1.00%	**0.38**	**2029**
2030	2,361,926		(1,307,450)			(53,738)		(111,705)				(1,472,893)	889,034	3,015,867,147	1.00%	**0.29**	**2030**
2031	1,852,811		(923,650)			(52,113)						(975,763)	877,048	3,046,025,818	1.00%	**0.29**	**2031**
2032	924,889					(40,650)						(40,650)	884,239	3,076,486,077	1.00%	**0.29**	**2032**
2033	870,740											0	870,740	3,107,250,937	1.00%	**0.28**	**2033**
2034	704,475											0	704,475	3,138,323,447	1.00%	**0.22**	**2034**
2035	700,325											0	700,325	3,169,706,681	1.00%	**0.22**	**2035**
2036	499,225											0	499,225	3,201,403,748	1.00%	**0.16**	**2036**
2037	289,113											0	289,113	3,233,417,785	1.00%	**0.09**	**2037**
2038	291,550											0	291,550	3,265,751,963	1.00%	**0.09**	**2038**
2039	283,850											0	283,850	3,298,409,483	1.00%	**0.09**	**2039**
TOTALS	**93,541,236**	**(558,669)**	**(28,065,412)**	**(19,277,811)**	**(307,843)**	**(4,793,908)**	**(324,908)**	**(1,655,921)**	**(227,250)**	**(932,813)**	**(656,986)**	**(56,801,520)**	**36,739,716**				

Capital Financing Plan Sizing

	Pre Sale GO Notes 2020D	Pre Sale Taxable GO Bonds 2020E
Projects		
Capital Projects	2,505,989	
Evidence Storage Building	32,000	
Fire Station	420,000	
TIF 3 Projects	1,163,041	
TIF 8 Projects	910,000	
TIF 12 Projects	315,000	
Project Needs	5,346,030	
Amount Needed for Refunding for 2017 NAN		
Principal Amount due 10/1/20		6,600,000
Interest Amount due 10/1/20		99,000
Less: Debt service funds on hand		(99,000)
Total Needed for Refunding 2017 NAN		6,600,000
Issuance Expenses		
Municipal Advisor/Due Dillegence	17,500	15,500
Bond Counsel	14,000	12,000
Disclosure Counsel	7,000	7,200
Paying Agent If terms	850	850
Rating	6,000	17,000
Reoffering Premium (Built into Rates)		
Underwriter Fees	54,450	84,250
Total Funds Needed	5,445,830	6,736,800
Less Interest Earnings 0.2% for 2 months	(1,782)	0
Rounding	952	3,200
Size of Issue	5,445,000	6,740,000

Allocation of General Obligation Notes, 2020D

	Levy			
Year	Principal (3/1)	Rate	Interest	Total
2020				
2021	200,000	0.90%	43,144	243,144
2022	300,000	0.92%	39,103	339,103
2023	300,000	0.96%	36,283	336,283
2024	305,000	1.05%	33,241	338,241
2025	310,000	1.20%	29,780	339,780
2026	310,000	1.40%	25,750	335,750
2027	315,000	1.60%	21,060	336,060
2028	320,000	1.75%	15,740	335,740
2029	325,000	1.90%	9,853	334,853
2030	330,000	2.05%	3,383	333,383
	$ 3,015,000		$ 257,336	$ 3,272,336

	TID 3			
Year	Principal (3/1)	Rate	Interest	Total
2020				
2021	110,000	0.90%	16,656	126,656
2022	115,000	0.92%	14,946	129,946
2023	115,000	0.96%	13,865	128,865
2024	115,000	1.05%	12,709	127,709
2025	115,000	1.20%	11,415	126,415
2026	120,000	1.40%	9,885	129,885
2027	120,000	1.60%	8,085	128,085
2028	125,000	1.75%	6,031	131,031
2029	125,000	1.90%	3,750	128,750
2030	125,000	2.05%	1,281	126,281
	$ 1,185,000		$ 98,622	$ 1,283,622

	TID 8			
Year	Principal (3/1)	Rate	Interest	Total
2020				
2021	85,000	0.90%	13,002	98,002
2022	90,000	0.92%	11,671	101,671
2023	90,000	0.96%	10,825	100,825
2024	90,000	1.05%	9,920	99,920
2025	90,000	1.20%	8,908	98,908
2026	95,000	1.40%	7,703	102,703
2027	95,000	1.60%	6,278	101,278
2028	95,000	1.75%	4,686	99,686
2029	95,000	1.90%	2,953	97,953
2030	100,000	2.05%	1,025	101,025
	$ 925,000		$ 76,969	$ 1,001,969

	TID 12			
Year	Principal (3/1)	Rate	Interest	Total
2020				
2021	30,000	0.90%	4,536	34,536
2022	30,000	0.92%	4,076	34,076
2023	30,000	0.96%	3,794	33,794
2024	30,000	1.05%	3,493	33,493
2025	30,000	1.20%	3,155	33,155
2026	30,000	1.40%	2,765	32,765
2027	35,000	1.60%	2,275	37,275
2028	35,000	1.75%	1,689	36,689
2029	35,000	1.90%	1,050	36,050
2030	35,000	2.05%	359	35,359
	$ 320,000		$ 27,191	$ 347,191

	TOTAL		
Year	Principal	Interest	Total
2020	-	-	-
2021	425,000	77,338	502,338
2022	535,000	69,795	604,795
2023	535,000	64,766	599,766
2024	540,000	59,363	599,363
2025	545,000	53,258	598,258
2026	555,000	46,103	601,103
2027	565,000	37,698	602,698
2028	575,000	28,146	603,146
2029	580,000	17,605	597,605
2030	590,000	6,048	596,048
	$ 5,445,000	$ 460,117	$ 5,905,117

Rates based on "Aa3" NONBQ sale on 6/23/19 + .50

Allocation of Taxable General Obligation Bonds, 2020E

	TID 11 Refund 2017 NAN				TOTAL		
Year	Principal (4/1)	Rate	Interest	Total	Principal	Interest	Total
2020					-	-	-
2021	405,000	0.85%	113,469	518,469	405,000	113,469	518,469
2022	410,000	0.85%	105,398	515,398	410,000	105,398	515,398
2023	415,000	1.00%	101,580	516,580	415,000	101,580	516,580
2024	420,000	1.00%	97,405	517,405	420,000	97,405	517,405
2025	425,000	1.25%	92,649	517,649	425,000	92,649	517,649
2026	430,000	1.25%	87,305	517,305	430,000	87,305	517,305
2027	435,000	1.55%	81,246	516,246	435,000	81,246	516,246
2028	445,000	1.55%	74,426	519,426	445,000	74,426	519,426
2029	450,000	1.85%	66,815	516,815	450,000	66,815	516,815
2030	460,000	1.85%	58,398	518,398	460,000	58,398	518,398
2031	470,000	2.05%	49,325	519,325	470,000	49,325	519,325
2032	475,000	2.05%	39,639	514,639	475,000	39,639	514,639
2033	490,000	2.25%	29,258	519,258	490,000	29,258	519,258
2034	500,000	2.25%	18,120	518,120	500,000	18,120	518,120
2035	510,000	2.45%	6,248	516,248	510,000	6,248	516,248
	$ 6,740,000		$ 1,021,279	$ 7,761,279	$ 6,740,000	$ 1,021,279	$ 7,761,279

Projected Impact of Proposed Projects

Existing General Obligation Debt Only

YEAR	Equalized Value Projection (TID Out)	Change in EV	Total Payment (P&I)	Total Less Non Levy Revenues	Net Debt Service Levy	Debt Service Tax Rate
2020	2,716,775,800	4.25%	12,284,338	(8,161,339)	4,123,000	1.52
2021	2,757,527,437	1.50%	10,931,265	(6,951,240)	3,980,026	1.44
2022	2,785,102,711	1.00%	10,412,156	(6,786,785)	3,625,371	1.30
2023	2,812,953,738	1.00%	8,745,637	(5,601,588)	3,144,049	1.12
2024	2,841,083,276	1.00%	8,187,608	(5,324,098)	2,863,510	1.01
2025	2,869,494,109	1.00%	7,725,878	(5,296,390)	2,429,488	0.85
2026	2,898,189,050	1.00%	5,620,161	(3,610,592)	2,009,569	0.69
2027	2,927,170,940	1.00%	3,573,259	(1,909,740)	1,663,519	0.57
2028	2,956,442,650	1.00%	3,274,199	(1,909,405)	1,364,794	0.46
2029	2,986,007,076	1.00%	3,025,961	(1,902,168)	1,123,794	0.38
2030	3,015,867,147	1.00%	2,361,926	(1,472,893)	889,034	0.29
2031	3,046,025,818	1.00%	1,852,811	(975,763)	877,048	0.29
2032	3,076,486,077	1.00%	924,889	(40,650)	884,239	0.29
2033	3,107,250,937	1.00%	870,740		870,740	0.28
2034	3,138,323,447	1.00%	704,475		704,475	0.22
2035	3,169,706,681	1.00%	700,325		700,325	0.22
2036	3,201,403,748	1.00%	499,225		499,225	0.16
2037	3,233,417,785	1.00%	289,113		289,113	0.09
2038	3,265,751,963	1.00%	291,550		291,550	0.09
2039	3,298,409,483	1.00%	283,850			
2040	3,331,393,578	1.00%				
2041	3,364,707,514	1.00%				
2042	3,398,354,589	1.00%				
2043	3,432,338,135	1.00%				
TOTALS			93,541,236	(56,801,520)	36,455,866	

Projected Debt Service

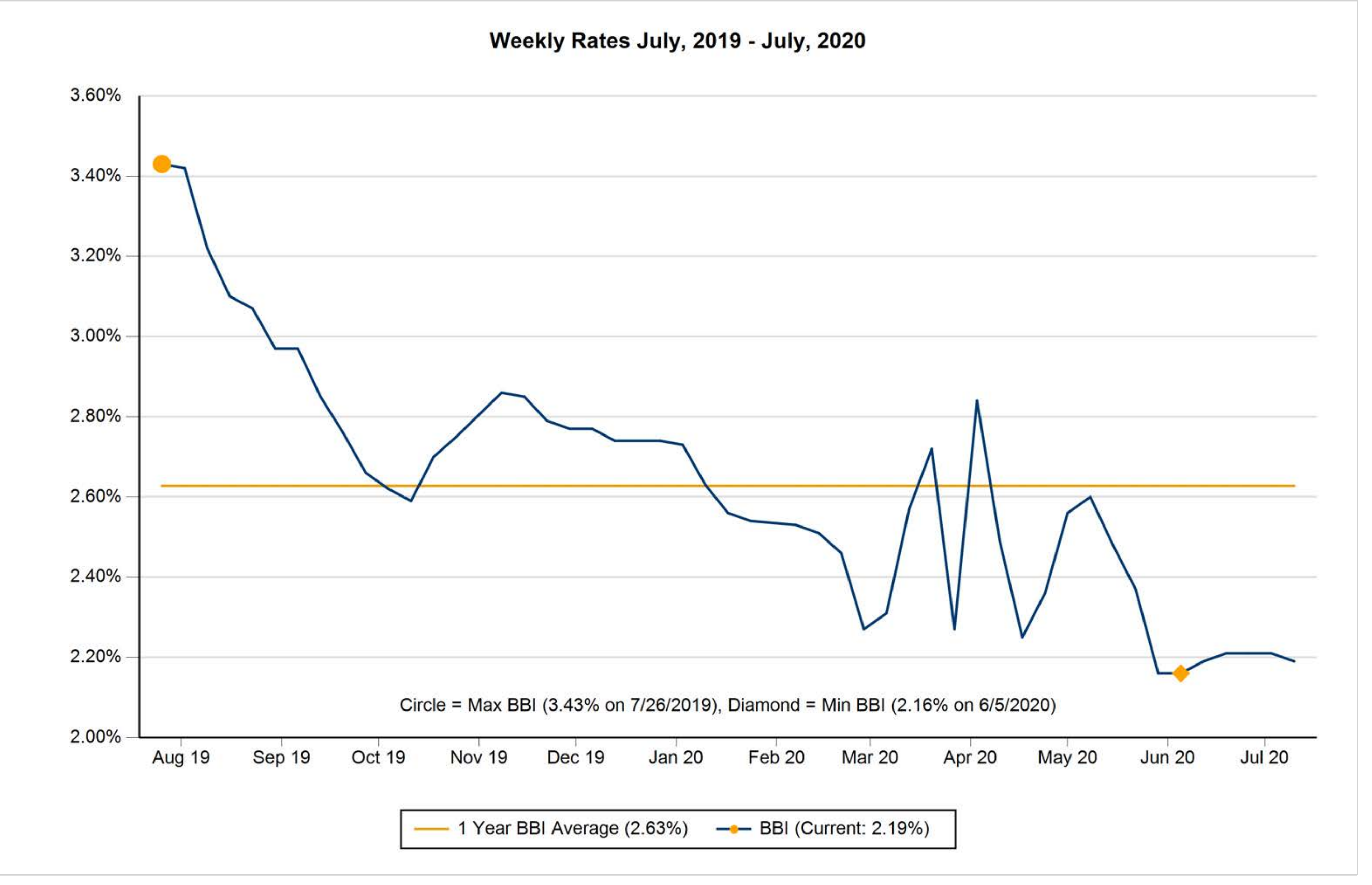
	General Obligation Notes, 2020D $5,445,000 Dated 9-16-20				Taxable General Obligation Bonds, 2020E $6,740,000 Dated 9-16-20				Capital Plan Debt Service		
YEAR	Prin (4/1)	Rate	Interest	Total	Prin (4/1)	Rate	Interest	Total	Principal	Interest	Total
2020											
2021	425,000	0.900%	77,338	502,338	405,000	0.850%	113,469	518,469	830,000	190,807	1,020,807
2022	535,000	0.920%	69,795	604,795	410,000	0.850%	105,398	515,398	945,000	175,192	1,120,192
2023	535,000	0.960%	64,766	599,766	415,000	1.000%	101,580	516,580	950,000	166,346	1,116,346
2024	540,000	1.050%	59,363	599,363	420,000	1.000%	97,405	517,405	960,000	156,768	1,116,768
2025	545,000	1.200%	53,258	598,258	425,000	1.250%	92,649	517,649	970,000	145,906	1,115,906
2026	555,000	1.400%	46,103	601,103	430,000	1.250%	87,305	517,305	985,000	133,408	1,118,408
2027	565,000	1.600%	37,698	602,698	435,000	1.550%	81,246	516,246	1,000,000	118,944	1,118,944
2028	575,000	1.750%	28,146	603,146	445,000	1.550%	74,426	519,426	1,020,000	102,573	1,122,573
2029	580,000	1.900%	17,605	597,605	450,000	1.850%	66,815	516,815	1,030,000	84,420	1,114,420
2030	590,000	2.050%	6,048	596,048	460,000	1.850%	58,398	518,398	1,050,000	64,445	1,114,445
2031					470,000	2.050%	49,325	519,325	470,000	49,325	519,325
2032					475,000	2.050%	39,639	514,639	475,000	39,639	514,639
2033					490,000	2.250%	29,258	519,258	490,000	29,258	519,258
2034					500,000	2.250%	18,120	518,120	500,000	18,120	518,120
2035					510,000	2.450%	6,248	516,248	510,000	6,248	516,248
2036											
2037											
2038											
2039											
2040											
2041											
2042											
2043											
TOTALS	5,445,000		460,117	5,905,117	6,740,000		1,021,279	7,761,279	12,185,000	1,481,396	13,666,396

TIF 3 Revenues	TIF 8 Revenues	TIF 12 Revenues	TIF 11 Revenues	Total Projected Debt Service less Abatements	Fund Balance Applied	Net Debt Service Levy	Levy Change	Debt Service Tax Rate	YEAR
						4,123,000	(0)	1.52	2020
(126,656)	(98,002)	(34,536)	(518,469)	243,144	(100,170)	4,123,000	0	1.50	2021
(129,946)	(101,671)	(34,076)	(515,398)	339,103		3,964,474	(158,526)	1.42	2022
(128,865)	(100,825)	(33,794)	(516,580)	336,283		3,480,332	(484,142)	1.24	2023
(127,709)	(99,920)	(33,493)	(517,405)	338,241		3,201,751	(278,581)	1.13	2024
(126,415)	(98,908)	(33,155)	(517,649)	339,780		2,769,268	(432,483)	0.97	2025
(129,885)	(102,703)	(32,765)	(517,305)	335,750		2,345,319	(423,949)	0.81	2026
(128,085)	(101,278)	(37,275)	(516,246)	336,060		1,999,579	(345,740)	0.68	2027
(131,031)	(99,686)	(36,689)	(519,426)	335,740		1,700,534	(299,045)	0.58	2028
(128,750)	(97,953)	(36,050)	(516,815)	334,853		1,458,646	(241,888)	0.49	2029
(126,281)	(101,025)	(35,359)	(518,398)	333,383		1,222,416	(236,230)	0.41	2030
			(519,325)			877,048	(345,368)	0.29	2031
			(514,639)			884,239	7,191	0.29	2032
			(519,258)			870,740	(13,499)	0.28	2033
			(518,120)			704,475	(166,265)	0.22	2034
			(516,248)			700,325	(4,150)	0.22	2035
						499,225	(201,100)	0.16	2036
						289,113	(210,113)	0.09	2037
						291,550	2,438	0.09	2038
							(291,550)	0.00	2039
								0.00	2040
								0.00	2041
								0.00	2042
								0.00	2043
(1,283,622)	(1,001,969)	(347,191)	(7,761,279)	3,272,336		39,628,031			TOTALS

NOTES

Pre Sale

1 YEAR TREND IN MUNICIPAL BOND INDICES



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

EHLERS PUBLIC FINANCE ADVISORS

August 11, 2020

Pre-Sale Report for

City of Wausau, Wisconsin

$6,740,000 Taxable General Obligation Refunding Bonds, Series 2020E

Prepared by:

Ehlers
N21W23350 Ridgeview Parkway West,
Suite 100
Waukesha, WI 53188

Advisors:

Philip Cosson, Senior Municipal Advisor
Jon Cameron, Senior Municipal Advisor

BUILDING COMMUNITIES. IT'S WHAT WE DO.

EXECUTIVE SUMMARY OF PROPOSED DEBT

Proposed Issue:

$6,740,000 Taxable General Obligation Refunding Bonds, Series 2020E

Purposes:

The proposed issue includes financing for the following purposes:

Take out the 2017 Note Anticipation Note (NAN).

- The NAN provided interim financing for projects within TID 11. The take out of the NAN will provide long term financing for these projects over the remaining life of TID 11.
- 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.

Authority:

The Bonds are being issued pursuant to Wisconsin Statute(s):

- 67.04

The Bonds will be general obligations of the City for which its full faith, credit and taxing powers are pledged.

The Bonds count against the City's General Obligation Debt Capacity Limit of 5% of total City Equalized Valuation. Following issuance of the Bonds, the City's total General Obligation debt principal outstanding will be approximately $74.1 million, which is 48% of its limit. Remaining General Obligation Borrowing Capacity will be approximately $79.6 million.

Term/Call Feature:

The Bonds are being issued for a term of 15 years. Principal on the Bonds will be due on April 1 in the years 2021 through 2035. Interest is payable every six months beginning April 1, 2021.

The Bonds will be subject to prepayment at the discretion of the City on April 1, 2028 or any date thereafter.

Bank Qualification:

Because the Bonds are taxable obligations they will not be designated as “bank qualified” obligations.

Rating:

The City’s most recent bond issues were rated by Moody’s Investors Service. The current ratings on those bonds are “Aa3”. The City will request a new rating for the Bonds.

If the winning bidder on the Bonds elects to purchase bond insurance, the rating for the issue may be higher than the City's bond rating in the event that the bond rating of the insurer is higher than that of the City.

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 Bonds as a suitable option based on:

- The expectation this form of financing will provide the overall lowest cost of funds while also meeting the City’s objectives for term, structure and optional redemption.
- The existing General Obligation pledge securing the obligations to be refunded.

Method of Sale/Placement:

We will solicit competitive bids for the purchase of the Bonds from underwriters and banks.

We will include an allowance for discount bidding in the terms 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 Bonds are purchased at a price greater than the minimum bid amount (maximum discount), the unused allowance may be used to reduce your borrowing amount.

Premium Pricing:

In some cases, 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.” The underwriter of the bonds will retain a portion of this reoffering premium as their compensation (or “discount”) but will pay the remainder of the premium to the City.

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. We anticipate using any premium amounts received to reduce the issue size.

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 City's objectives for this financing.

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 City retain a paying agent to handle responsibility for processing mandatory redemption/call notices associated with term bonds.

Review of Existing Debt:

We have reviewed all outstanding indebtedness for the City and find that, other than the obligations proposed to be refunded by the Bonds, there are no other refunding opportunities at this time.

We will continue to monitor the market and the call dates for the City's outstanding debt and will alert you to any future refunding opportunities.

Continuing Disclosure:

Because the City has more than $10,000,000 in outstanding debt (including this issue) and this issue is over $1,000,000, the City 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 City 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.

Investment of Bond Proceeds:

To maximize interest earnings we recommend using an SEC registered investment advisor to assist with the investment of bond proceeds until they are needed to pay project costs. Ehlers is a registered investment advisor, and can assist the City in developing an appropriate investment strategy if needed.

Risk Factors:

GO with Planned Abatement: The City expects to abate the debt service with tax incremental revenues. In the event these revenues are not available, the City is obligated to levy property taxes in an amount sufficient to make all debt payments.

Current Refunding: The Bonds are being issued to finance a current refunding of prior City debt obligations. Those prior debt obligations are "callable" on or after April 1, 2020. The new Bonds will not be pre-payable until April 1, 2028.

This refunding is being undertaken based in part on an assumption that the City does not expect to pre-pay off this debt prior to the new call date and that market conditions warrant the refunding at this time.

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, but the 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 Counsel and Disclosure Counsel: Quarles & Brady LLP

Paying Agent: Bond Trust Services Corporation

Rating Agency: Moody's Investors Service, Inc.

PROPOSED DEBT ISSUANCE SCHEDULE

Pre-Sale Review by Common Council:	August 11, 2020
Due Diligence Call to review Official Statement:	Week of August 10, 2020
Conference with Rating Agency:	Week of August 10, 2020
Distribute Official Statement:	August 18, 2020
Common Council Meeting to Award Sale of the Bonds:	August 25, 2020
Estimated Closing Date:	September 16, 2020
Redemption Date for Bonds Being Refunded:	October 1, 2020

Attachments

Estimated Sources and Uses of Funds

Estimated Proposed Debt Service Schedule

Bond Buyer Index

Estimated Debt Service Comparison

EHLERS' CONTACTS

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Jon Cameron, Senior Municipal Advisor	(262) 796-6179
Sue Porter, Senior Public Finance Analyst/Marketing Coordinator	(262) 796-6167
Kathy Myers, Financial Analyst	(262) 796-6177

The Preliminary Official Statement for this financing will be sent to the Common Council at their home or email address for review prior to the sale date.

Existing Debt Service Sources of Repayment and Levy Impact Analysis

Projected Rate Impact

YEAR	General Obligation Debt	BID Premium Dep to DS	TID #3	TID #6	TID #7	TID #8	TID #9	TID #10	Water Utility	Sewer Utility	Fund Balance Applied	Total of All Sources	Tax Levy for Debt	Projected Equalized Value	% Change	Net Rate	YEAR
2020	12,284,338	(315,512)	(3,578,420)	(2,599,453)	(51,800)	(625,005)	(65,520)	(138,773)		(311,063)	(475,794)	(8,161,339)	4,123,000	2,716,775,800	4.25%	1.52	2020
2021	10,931,265	(18,240)	(2,746,973)	(3,186,068)	(42,750)	(447,924)	(64,125)	(141,410)		(303,750)		(6,951,240)	3,980,026	2,757,527,437	1.50%	1.44	2021
2022	10,412,156		(3,041,573)	(3,043,674)	(41,720)	(453,515)	(62,580)	(143,723)				(6,786,785)	3,625,371	2,785,102,711	1.00%	1.30	2022
2023	8,745,637		(1,950,398)	(2,965,299)	(40,590)	(443,388)	(60,885)	(141,029)				(5,601,588)	3,144,049	2,812,953,738	1.00%	1.12	2023
2024	8,187,608		(1,960,608)	(2,767,549)		(452,731)		(143,210)				(5,324,098)	2,863,510	2,841,083,276	1.00%	1.01	2024
2025	7,725,878		(1,952,325)	(2,756,074)		(447,781)		(140,210)				(5,296,390)	2,429,488	2,869,494,109	1.00%	0.85	2025
2026	5,620,161		(3,113,807)			(359,875)		(136,910)				(3,610,592)	2,009,569	2,898,189,050	1.00%	0.69	2026
2027	3,573,259		(1,413,680)			(357,825)		(138,235)				(1,909,740)	1,663,519	2,927,170,940	1.00%	0.57	2027
2028	3,274,199		(1,414,320)			(355,675)		(139,410)				(1,909,405)	1,364,794	2,956,442,650	1.00%	0.46	2028
2029	3,025,961		(1,408,420)			(353,313)		(140,435)				(1,902,168)	1,123,794	2,986,007,076	1.00%	0.38	2029
2030	2,361,926		(1,307,450)			(53,738)		(111,705)				(1,472,893)	889,034	3,015,867,147	1.00%	0.29	2030
2031	1,852,811		(923,650)			(52,113)						(975,763)	877,048	3,046,025,818	1.00%	0.29	2031
2032	924,889					(40,650)						(40,650)	884,239	3,076,486,077	1.00%	0.29	2032
2033	870,740											0	870,740	3,107,250,937	1.00%	0.28	2033
2034	704,475											0	704,475	3,138,323,447	1.00%	0.22	2034
2035	700,325											0	700,325	3,169,706,681	1.00%	0.22	2035
2036	499,225											0	499,225	3,201,403,748	1.00%	0.16	2036
2037	289,113											0	289,113	3,233,417,785	1.00%	0.09	2037
2038	291,550											0	291,550	3,265,751,963	1.00%	0.09	2038
2039	283,850											0	283,850	3,298,409,483	1.00%	0.09	2039
TOTALS	**93,541,236**	**(558,669)**	**(28,065,412)**	**(19,277,811)**	**(307,843)**	**(4,793,908)**	**(324,908)**	**(1,655,921)**	**(227,250)**	**(932,813)**	**(656,986)**	**(56,801,520)**	**36,739,716**				

Capital Financing Plan Sizing

	Pre Sale GO Notes 2020D	Pre Sale Taxable GO Bonds 2020E
Projects		
Capital Projects	2,505,989	
Evidence Storage Building	32,000	
Fire Station	420,000	
TIF 3 Projects	1,163,041	
TIF 8 Projects	910,000	
TIF 12 Projects	315,000	
Project Needs	5,346,030	
Amount Needed for Refunding for 2017 NAN		
Principal Amount due 10/1/20		6,600,000
Interest Amount due 10/1/20		99,000
Less: Debt service funds on hand		(99,000)
Total Needed for Refunding 2017 NAN		6,600,000
Issuance Expenses		
Municipal Advisor/Due Dillegence	17,500	15,500
Bond Counsel	14,000	12,000
Disclosure Counsel	7,000	7,200
Paying Agent If terms	850	850
Rating	6,000	17,000
Reoffering Premium (Built into Rates)		
Underwriter Fees	54,450	84,250
Total Funds Needed	5,445,830	6,736,800
Less Interest Earnings 0.2% for 2 months	(1,782)	0
Rounding	952	3,200
Size of Issue	5,445,000	6,740,000

Allocation of General Obligation Notes, 2020D

	Levy				TID 3				TID 8				TID 12				TOTAL		
Year	Principal (3/1)	Rate	Interest	Total	Principal (3/1)	Rate	Interest	Total	Principal (3/1)	Rate	Interest	Total	Principal (3/1)	Rate	Interest	Total	Principal	Interest	Total
2020																	-	-	-
2021	200,000	0.90%	43,144	243,144	110,000	0.90%	16,656	126,656	85,000	0.90%	13,002	98,002	30,000	0.90%	4,536	34,536	425,000	77,338	502,338
2022	300,000	0.92%	39,103	339,103	115,000	0.92%	14,946	129,946	90,000	0.92%	11,671	101,671	30,000	0.92%	4,076	34,076	535,000	69,795	604,795
2023	300,000	0.96%	36,283	336,283	115,000	0.96%	13,865	128,865	90,000	0.96%	10,825	100,825	30,000	0.96%	3,794	33,794	535,000	64,766	599,766
2024	305,000	1.05%	33,241	338,241	115,000	1.05%	12,709	127,709	90,000	1.05%	9,920	99,920	30,000	1.05%	3,493	33,493	540,000	59,363	599,363
2025	310,000	1.20%	29,780	339,780	115,000	1.20%	11,415	126,415	90,000	1.20%	8,908	98,908	30,000	1.20%	3,155	33,155	545,000	53,258	598,258
2026	310,000	1.40%	25,750	335,750	120,000	1.40%	9,885	129,885	95,000	1.40%	7,703	102,703	30,000	1.40%	2,765	32,765	555,000	46,103	601,103
2027	315,000	1.60%	21,060	336,060	120,000	1.60%	8,085	128,085	95,000	1.60%	6,278	101,278	35,000	1.60%	2,275	37,275	565,000	37,698	602,698
2028	320,000	1.75%	15,740	335,740	125,000	1.75%	6,031	131,031	95,000	1.75%	4,686	99,686	35,000	1.75%	1,689	36,689	575,000	28,146	603,146
2029	325,000	1.90%	9,853	334,853	125,000	1.90%	3,750	128,750	95,000	1.90%	2,953	97,953	35,000	1.90%	1,050	36,050	580,000	17,605	597,605
2030	330,000	2.05%	3,383	333,383	125,000	2.05%	1,281	126,281	100,000	2.05%	1,025	101,025	35,000	2.05%	359	35,359	590,000	6,048	596,048
	$ 3,015,000		$ 257,336	$ 3,272,336	$ 1,185,000		$ 98,622	$ 1,283,622	$ 925,000		$ 76,969	$ 1,001,969	$ 320,000		$ 27,191	$ 347,191	$ 5,445,000	$ 460,117	$ 5,905,117

Rates based on "Aa3" NONBQ sale on 6/23/19 + .50

Allocation of Taxable General Obligation Bonds, 2020E

	TID 11 Refund 2017 NAN				TOTAL		
Year	Principal (4/1)	Rate	Interest	Total	Principal	Interest	Total
2020					-	-	-
2021	405,000	0.85%	113,469	518,469	405,000	113,469	518,469
2022	410,000	0.85%	105,398	515,398	410,000	105,398	515,398
2023	415,000	1.00%	101,580	516,580	415,000	101,580	516,580
2024	420,000	1.00%	97,405	517,405	420,000	97,405	517,405
2025	425,000	1.25%	92,649	517,649	425,000	92,649	517,649
2026	430,000	1.25%	87,305	517,305	430,000	87,305	517,305
2027	435,000	1.55%	81,246	516,246	435,000	81,246	516,246
2028	445,000	1.55%	74,426	519,426	445,000	74,426	519,426
2029	450,000	1.85%	66,815	516,815	450,000	66,815	516,815
2030	460,000	1.85%	58,398	518,398	460,000	58,398	518,398
2031	470,000	2.05%	49,325	519,325	470,000	49,325	519,325
2032	475,000	2.05%	39,639	514,639	475,000	39,639	514,639
2033	490,000	2.25%	29,258	519,258	490,000	29,258	519,258
2034	500,000	2.25%	18,120	518,120	500,000	18,120	518,120
2035	510,000	2.45%	6,248	516,248	510,000	6,248	516,248
	$ 6,740,000		$ 1,021,279	$ 7,761,279	$ 6,740,000	$ 1,021,279	$ 7,761,279

WAUSAU WISCONSIN

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Projected Impact of Proposed Projects

Existing General Obligation Debt Only

YEAR	Equalized Value Projection (TID Out)	Change in EV	Total Payment (P&I)	Total Less Non Levy Revenues	Net Debt Service Levy	Debt Service Tax Rate
2020	2,716,775,800	4.25%	12,284,338	(8,161,339)	4,123,000	1.52
2021	2,757,527,437	1.50%	10,931,265	(6,951,240)	3,980,026	1.44
2022	2,785,102,711	1.00%	10,412,156	(6,786,785)	3,625,371	1.30
2023	2,812,953,738	1.00%	8,745,637	(5,601,588)	3,144,049	1.12
2024	2,841,083,276	1.00%	8,187,608	(5,324,098)	2,863,510	1.01
2025	2,869,494,109	1.00%	7,725,878	(5,296,390)	2,429,488	0.85
2026	2,898,189,050	1.00%	5,620,161	(3,610,592)	2,009,569	0.69
2027	2,927,170,940	1.00%	3,573,259	(1,909,740)	1,663,519	0.57
2028	2,956,442,650	1.00%	3,274,199	(1,909,405)	1,364,794	0.46
2029	2,986,007,076	1.00%	3,025,961	(1,902,168)	1,123,794	0.38
2030	3,015,867,147	1.00%	2,361,926	(1,472,893)	889,034	0.29
2031	3,046,025,818	1.00%	1,852,811	(975,763)	877,048	0.29
2032	3,076,486,077	1.00%	924,889	(40,650)	884,239	0.29
2033	3,107,250,937	1.00%	870,740		870,740	0.28
2034	3,138,323,447	1.00%	704,475		704,475	0.22
2035	3,169,706,681	1.00%	700,325		700,325	0.22
2036	3,201,403,748	1.00%	499,225		499,225	0.16
2037	3,233,417,785	1.00%	289,113		289,113	0.09
2038	3,265,751,963	1.00%	291,550		291,550	0.09
2039	3,298,409,483	1.00%	283,850			
2040	3,331,393,578	1.00%				
2041	3,364,707,514	1.00%				
2042	3,398,354,589	1.00%				
2043	3,432,338,135	1.00%				
TOTALS			93,541,236	(56,801,520)	36,455,866	

NOTES

Projected Debt Service

YEAR	General Obligation Notes, 2020D $5,445,000 Dated 9-16-20 Prin (4/1)	Rate	Interest	Total	Taxable General Obligation Bonds, 2020E $6,740,000 Dated 9-16-20 Prin (4/1)	Rate	Interest	Total	Capital Plan Debt Service Principal	Interest	Total	TIF 3 Revenues	TIF 8 Revenues	TIF 12 Revenues	TIF 11 Revenues	Total Projected Debt Service less Abatements	Fund Balance Applied	Net Debt Service Levy	Levy Change	Debt Service Tax Rate	YEAR
2020																		4,123,000	(0)	1.52	2020
2021	425,000	0.900%	77,338	502,338	405,000	0.850%	113,469	518,469	830,000	190,807	1,020,807	(126,656)	(98,002)	(34,536)	(518,469)	243,144	(100,170)	4,123,000	0	1.50	2021
2022	535,000	0.920%	69,795	604,795	410,000	0.850%	105,398	515,398	945,000	175,192	1,120,192	(129,946)	(101,671)	(34,076)	(515,398)	339,103		3,964,474	(158,526)	1.42	2022
2023	535,000	0.960%	64,766	599,766	415,000	1.000%	101,580	516,580	950,000	166,346	1,116,346	(128,865)	(100,825)	(33,794)	(516,580)	336,283		3,480,332	(484,142)	1.24	2023
2024	540,000	1.050%	59,363	599,363	420,000	1.000%	97,405	517,405	960,000	156,768	1,116,768	(127,709)	(99,920)	(33,493)	(517,405)	338,241		3,201,751	(278,581)	1.13	2024
2025	545,000	1.200%	53,258	598,258	425,000	1.250%	92,649	517,649	970,000	145,906	1,115,906	(126,415)	(98,908)	(33,155)	(517,649)	339,780		2,769,268	(432,483)	0.97	2025
2026	555,000	1.400%	46,103	601,103	430,000	1.250%	87,305	517,305	985,000	133,408	1,118,408	(129,885)	(102,703)	(32,765)	(517,305)	335,750		2,345,319	(423,949)	0.81	2026
2027	565,000	1.600%	37,698	602,698	435,000	1.550%	81,246	516,246	1,000,000	118,944	1,118,944	(128,085)	(101,278)	(37,275)	(516,246)	336,060		1,999,579	(345,740)	0.68	2027
2028	575,000	1.750%	28,146	603,146	445,000	1.550%	74,426	519,426	1,020,000	102,573	1,122,573	(131,031)	(99,686)	(36,689)	(519,426)	335,740		1,700,534	(299,045)	0.58	2028
2029	580,000	1.900%	17,605	597,605	450,000	1.850%	66,815	516,815	1,030,000	84,420	1,114,420	(128,750)	(97,953)	(36,050)	(516,815)	334,853		1,458,646	(241,888)	0.49	2029
2030	590,000	2.050%	6,048	596,048	460,000	1.850%	58,398	518,398	1,050,000	64,445	1,114,445	(126,281)	(101,025)	(35,359)	(518,398)	333,383		1,222,416	(236,230)	0.41	2030
2031					470,000	2.050%	49,325	519,325	470,000	49,325	519,325				(519,325)			877,048	(345,368)	0.29	2031
2032					475,000	2.050%	39,639	514,639	475,000	39,639	514,639				(514,639)			884,239	7,191	0.29	2032
2033					490,000	2.250%	29,258	519,258	490,000	29,258	519,258				(519,258)			870,740	(13,499)	0.28	2033
2034					500,000	2.250%	18,120	518,120	500,000	18,120	518,120				(518,120)			704,475	(166,265)	0.22	2034
2035					510,000	2.450%	6,248	516,248	510,000	6,248	516,248				(516,248)			700,325	(4,150)	0.22	2035
2036																		499,225	(201,100)	0.16	2036
2037																		289,113	(210,113)	0.09	2037
2038																		291,550	2,438	0.09	2038
2039																			(291,550)	0.00	2039
2040																				0.00	2040
2041																				0.00	2041
2042																				0.00	2042
2043																				0.00	2043
TOTALS	5,445,000		460,117	5,905,117	6,740,000		1,021,279	7,761,279	12,185,000	1,481,396	13,666,396	(1,283,622)	(1,001,969)	(347,191)	(7,761,279)	3,272,336		39,628,031			TOTALS

Pre Sale

Resolution No. _____

RESOLUTION PROVIDING FOR THE SALE OF APPROXIMATELY
$5,445,000 GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2020D

WHEREAS the City of Wausau, Marathon County, Wisconsin (the "City") is presently in need of approximately $5,445,000 for public purposes, including paying the cost of various capital projects, including projects in the City's tax incremental districts; and

WHEREAS it is desirable to borrow said funds through the issuance of general obligation promissory notes pursuant to Section 67.12(12), Wisconsin Statutes;

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City that:

Section 1. Issuance of the Notes. The City shall issue its General Obligation Promissory Notes, Series 2020D in an approximate amount of $5,445,000 (the "Notes") for the purposes above specified.

Section 2. Sale of Notes. The Common Council hereby authorizes and directs that the Notes be offered for public sale. At a subsequent meeting, the Common Council shall consider such bids for the Notes as may have been received and take action thereon.

Section 3. Notice of Sale. The City Clerk (in consultation with Ehlers & Associates, Inc. ("Ehlers")) be and hereby is directed to cause notice of the sale of the Notes to be disseminated in such manner and at such times as the City Clerk may determine and to cause copies of a complete Notice of Sale and other pertinent data to be forwarded to interested bidders as the City Clerk may determine.

Section 4. Official Statement. The City Clerk (in consultation with Ehlers) shall cause an Official Statement to be prepared and distributed. The appropriate City officials shall determine when the Official Statement is final for purposes of Securities and Exchange Commission Rule 15c2-12 and shall certify said Official Statement, such certification to constitute full authorization of such Official Statement under this resolution.

Adopted, approved and recorded August 12, 2020.

____
Katie Rosenberg
Mayor

ATTEST:

____
Leslie M. Kremer
City Clerk

(SEAL)

Resolution No. _____

RESOLUTION PROVIDING FOR THE SALE OF APPROXIMATELY
$6,740,000 TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020E

WHEREAS, the City of Wausau, Marathon County, Wisconsin (the "City") is presently in need of approximately $6,740,000 for the public purpose of refunding certain outstanding obligations of the City, specifically, the Taxable Note Anticipation Notes, Series 2017E, dated December 5, 2017;

WHEREAS, the Common Council deems it to be necessary, desirable and in the best interest of the City to borrow said funds through the issuance of general obligation refunding bonds; and

WHEREAS, due to certain requirements of the Internal Revenue Code of 1986, as amended, it is necessary that such bonds be issued on a taxable, rather than tax-exempt, basis.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City that:

Section 1. Issuance of the Bonds. The City shall issue its Taxable General Obligation Refunding Bonds, Series 2020E in the amount of approximately $6,740,000 (the "Bonds") for the purpose above specified.

Section 2. Sale of Bonds. The Common Council hereby authorizes and directs that the Bonds be offered for public sale. At a subsequent meeting, the Common Council shall consider such bids for the Bonds as may have been received and take action thereon.

Section 3. Notice of Sale. The City Clerk (in consultation with Ehlers & Associates, Inc. ("Ehlers")) be and hereby is directed to cause notice of the sale of the Bonds to be disseminated in such manner and at such times as the City Clerk may determine and to cause copies of a complete Notice of Sale and other pertinent data to be forwarded to interested bidders as the City Clerk may determine.

Section 4. Official Statement. The City Clerk (in consultation with Ehlers) shall cause an Official Statement to be prepared and distributed. The appropriate City officials shall determine when the Official Statement is final for purposes of Securities and Exchange Commission Rule 15c2-12 and shall certify said Official Statement, such certification to constitute full authorization of such Official Statement under this resolution.

Adopted, approved and recorded August 12, 2020.

____
Katie Rosenberg
Mayor

ATTEST:

____
Leslie M. Kremer
City Clerk

(SEAL)

QB\64101222.1

CITY OF WAUSAU 2020 BUDGET
GENERAL FUND STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
JUNE 30, 2020
NARRATIVE

REVENUES

When comparing current year to prior year some revenue timing differences are apparent, yet not indicative of problems.

Licenses – In June, the finance committee approved a resolution to provide a 50% fee reduction on Class B and Class C liquor licenses due to the significant financial impacts of COVID-19 on local restaurants and bars in the City. Also, the City is down about 42% in bartender/operator licensing revenues. We believe that many of the bars and restaurants that are now open and following CDC and WEDC reopening guidelines are running with limited staffing. Due to these reasons, and considering COVID-19 cases continue to rise, we don't expect to meet our budget for license revenues this year.

Permits – Permit revenue, for the fourth year in a row, is on the incline. Revenues through June 2020 are up 20.0% from June 2019. Please note, permit revenues can significantly vary from one month to the next depending on what individual large projects/developments are going on at the time. Early in 2020 a majority of these revenues stemmed from the Mountain Lanes Apartments project.

Fines, Forfeitures, and Penalties – This line item continues to be problematic. In 2019 we discussed how this line item fell short of expectations due to the Police Department issuing significantly fewer traffic citations than they had in 2018. In early 2020, the safer-at-home order issued by Gov. Evers had many people avoiding leaving their residences, and therefore there has been fewer traffic violators on the roads.

Interest on General Investments – 2020 was off to a great start regarding interest earned on investments. The vast majority of the City's investments are in federal agency bonds, CD's and other municipal bonds, which are adjusted to market value on a monthly basis. Those investments netted the City total realized and unrealized gains of over $500,000 through June. The City's cash deposits with the LGIP have realized about $100,000 in interest through June, although current interest rates are very low compared to those realized in January and February.

EXPENSES

Elections – There are 5 elections planned for 2020, with the local spring primary, Mayoral and City Council, and a special election in May already complete. Two more elections will take place this fall, including the Presidential election. We project this line item to be overspent by the end of the year.

Emergency Government (COVID-19) – The City is tracking the expenditures it incurred as a direct result of the COVID-19 pandemic in this line item. The City was approved for up to $635,507 of reimbursement aid through the State's "Roads to Recovery" grant program, which will cover these costs.

Overall, the expenses to date appear in good shape with 46.4% of the budget spent and 50% of the year complete. Last year 48.2% of the budget was spent through June.

CITY OF WAUSAU, WISCONSIN
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL
Period Ended June 30, 2020

	Budgeted Amounts			Variance with	2019
	Original	Final	Actual	Final Budget	Actual
TAXES					
General property taxes	$ 18,863,394	$ 18,863,394	$ 18,863,394	$ -	$ 18,232,895
Mobile home parking fees	27,900	27,900	10,153	(17,747)	17,706
Payments in lieu of taxes	113,000	113,000	1,100	(111,900)	36,126
Other taxes	67,684	67,684	77,997	10,313	68,506
Total Taxes	19,071,978	19,071,978	18,952,644	(119,334)	18,355,233
INTERGOVERNMENTAL					
State shared taxes	4,599,391	4,599,391	109,606	(4,489,785)	254,422
Expenditure restraint	854,574	854,574	-	(854,574)	-
Fire insurance tax	130,000	130,000	-	(130,000)	-
Municipal services	161,711	161,711	161,404	(307)	148,232
Transportation aids	2,984,793	2,984,793	1,490,539	(1,494,254)	1,362,855
Other grants	184,000	184,000	72,173	(111,827)	80,651
Total Intergovernmental	8,914,469	8,914,469	1,833,722	(7,080,747)	1,846,160
LICENSES AND PERMITS					
Licenses	193,420	193,420	129,871	(63,549)	178,055
Franchise fees	337,402	337,402	73,476	(263,926)	84,303
Permits	275,235	275,235	287,771	12,536	239,837
Total Licenses and Permits	806,057	806,057	491,118	(314,939)	502,195
FINES, FORFEITURES, AND PENALTIES	380,030	380,030	148,234	(231,796)	182,794
PUBLIC CHARGES FOR SERVICES					
General government	91,830	91,830	53,197	(38,633)	49,649
Public safety	1,744,170	1,744,170	748,055	(996,115)	766,278
Streets and related facilities	139,950	139,950	96,684	(43,266)	143,475
Recreation	179,800	179,800	77,549	(102,251)	86,164
Public areas	140,010	140,010	35,657	(104,353)	38,513
Total Public Charges for Services	2,295,760	2,295,760	1,011,142	(1,284,618)	1,084,079
INTERGOVERNMENTAL CHARGES FOR SERVICES					
State and federal reimbursements	11,350	11,350	-	(11,350)	4,253
County and other municipalities	240,373	240,373	72,579	(167,794)	48,918
City departments	780,825	780,825	121,367	(659,458)	224,774
Total Intergovernmental Charges for Services	1,032,548	1,032,548	193,946	(838,602)	277,945

CITY OF WAUSAU, WISCONSIN
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL (Continued)
Period Ended June 30, 2020

	Budgeted Amounts			Variance with	2019
	Original	Final	Actual	Final Budget	Actual
COMMERCIAL					
Interest on general investments	$ 500,000	$ 500,000	$ 632,251	$ 132,251	$ 898,817
Interest on special assessments	7,000	7,000	63	(6,937)	191
Other interest	18,000	18,000	48,586	30,586	63,997
Total Commercial	525,000	525,000	680,900	155,900	963,005
MISCELLANEOUS REVENUES					
Rent of land and buildings	127,333	127,333	103,200	(24,133)	111,967
Sale of City property/loss compensation	20,600	20,600	3,650	(16,950)	6,396
Other miscellaneous revenues	30,605	30,605	15,337	(15,268)	6,867
Total Miscellaneous Revenues	178,538	178,538	122,187	(56,351)	125,230
OTHER FINANCING SOURCES					
Transfers in	1,876,355	1,876,355	719,858	(1,156,497)	743,192
TOTAL REVENUES AND OTHER FINANCING SOURCES	$ 35,080,735	$ 35,080,735	$ 24,153,751	$ (10,926,984)	$ 24,079,833

CITY OF WAUSAU, WISCONSIN
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
Period Ended June 30, 2020

	Budgeted Amounts			Variance with	2019
	Original	Final	Actual	Final Budget	Actual
GENERAL GOVERNMENT					
City Council	$ 93,336	$ 93,336	$ 37,104	$ 56,232	$ 37,997
Mayor	198,304	198,304	90,193	108,111	98,527
City Promotion	105,000	105,000	64,418	40,582	68,159
Finance department	553,436	553,436	272,604	280,832	254,580
Data processing	800,586	800,586	358,019	442,567	324,629
City clerk/customer service	427,600	427,600	207,845	219,755	199,884
Elections	70,543	144,716	120,988	23,728	16,621
Assessor	513,902	513,902	241,565	272,337	222,892
City attorney	620,171	620,171	325,341	294,830	247,859
Municipal court	151,106	151,106	58,034	93,072	58,316
Human resources	386,975	386,975	171,106	215,869	164,821
City hall and other municipal buildings	301,014	301,014	149,418	151,596	147,019
Unclassified	76,000	90,353	83,942	6,411	12,492
Total General Government	4,297,973	4,386,499	2,180,577	2,205,922	1,853,796
PUBLIC SAFETY					
Police department	10,050,381	10,205,381	4,779,429	5,425,952	4,786,089
Fire department	4,314,282	4,319,282	2,159,053	2,160,229	2,015,818
Ambulance	3,268,675	3,268,675	1,599,179	1,669,496	1,583,606
Emergency government (COVID-19)	-	-	101,131	(101,131)	-
Inspections	883,600	883,600	427,980	455,620	445,507
Total Public Safety	18,516,938	18,676,938	9,066,772	9,610,166	8,831,020
TRANSPORTATION AND STREETS					
Engineering	1,364,111	1,364,111	656,394	707,717	657,386
Department of public works	6,963,084	6,963,084	3,229,261	3,733,823	3,997,141
Total Transportation and Streets	8,327,195	8,327,195	3,885,655	4,441,540	4,654,527
SANITATION, HEALTH AND WELFARE					
Garbage and refuse collection	929,000	929,000	385,115	543,885	376,474
NATURAL RESOURCES/RECREATION					
Parks and recreation	3,074,171	3,074,171	908,752	2,165,419	799,042
OTHER FINANCING USES					
Transfers out	-	-	-	-	310,000
TOTAL EXPENDITURES AND OTHER FINANCING USES	$ 35,145,277	$ 35,393,803	$ 16,426,871	$ 18,966,932	$ 16,824,859

CITY OF WAUSAU, WISCONSIN
GENERAL FUND
SUMMARY OF BUDGET MODIFICATIONS
Period Ended June 30, 2020

BUDGET REVENUES RECONCILIATION		
2020 ADOPTED BUDGET	$	35,080,735
BUDGET EXPENDITURES RECONCILIATION		
2020 ADOPTED BUDGET	$	35,145,277
Elections - Budget carryover from 2019		74,173
Fire department - Budget carryover from 2019		5,000
Police department - Special events staffing		135,000
Police department - Physical therapy services for police department		20,000
Unclassified - Net settlement of property tax challenges by US Bank N.A.		14,353
2020 MODIFIED BUDGET	$	35,393,803

TO: FINANCE COMMITTEE
FROM: MARYANNE GROAT
DATE: July 22, 2020
RE: Special Event Permit Fee Refunds

The City Clerk manages special event applications and approvals for the City of Wausau. The fees for these events are outlined within the City fee schedule. The City has maintained a no refund policy on cancelled events. This is due to the amount of administrative planning and processing performed by a variety of city staff preceding an event.

Nearly all large events have been cancelled in 2020. Many event organizations submitted their event applications early in the year before the impacts of COVID were clearly known.

Staff recommends refunding these fees. The amount collected to date is $2,974.