

RESOLUTION NO.: 71—2019-20

TO THE HONORABLE, THE OUTAGAMIE COUNTY BOARD OF SUPERVISORS

LADIES AND GENTLEMEN:

3/4 MAJORITY – 27 VOTES

1 “INITIAL RESOLUTION AUTHORIZING GENERAL OBLIGATION REFUNDING
2 BONDS IN AN AMOUNT NOT TO EXCEED \$1,355,000
3

4 NOW THEREFORE, the undersigned members of the Finance Committee recommend adoption
5 of the following resolution.

6 BE IT RESOLVED, that the Outagamie County Board of Supervisors does approve the initial
7 resolution as prepared by the Outagamie County Bond Counsel authorizing general obligation bonds in
8 an amount not to exceed \$1,355,000, as noted on the attached fiscal note which by reference is made a
9 part hereof, and

10 BE IT FURTHER RESOLVED, by the Outagamie County Board of Supervisors that there shall
11 be issued, pursuant to Chapter 67, Wisconsin Statutes, General Obligation Refunding Bonds in an
12 amount not to exceed \$1,355,000 for the public purpose of paying the cost of refunding outstanding
13 obligations of Outagamie County, including interest on them”, and

14 BE IT FINALLY RESOLVED, that the Outagamie County Clerk be directed to forward a copy
15 of this resolution to the Outagamie County Finance Director.

16 Dated this ____ day of October 2019

17 Respectfully Submitted,
18 FINANCE COMMITTEE
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23 _____
Kevin Sturn

Nadine Miller

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Mike Thomas

Chris Croatt

Pete Marcks

Duly and officially adopted by the County Board on: _____

Signed: _____
Board Chairperson

County Clerk

Approved: _____

Vetoed: _____

Signed: _____
County Executive

OUTAGAMIE COUNTY FISCAL NOTE

INTRODUCTION: This form must be attached to any resolution or ordinance which contains a spending or revenue proposal. The form should be completed by an individual within the department initiating the resolution or ordinance with assistance from the Financial Services Department. Contact the Finance Director (1674), Controller (1675) or Staff Accountant (1681) for assistance. Once completed, forward a copy of the form to the Financial Services Department for their review. Financial Services will forward a reviewed copy of the fiscal note to Legislative Services.

1. **Subject:** Request for approval for initial debt resolution as well as various budget adjustments for the refunding of the Airports Series 2010 General Obligation Bonds.

2. **Description:** This section must be completed for all fiscal notes. Briefly and concisely describe the request. State assumptions used and discuss any current year and long-term fiscal impacts. (A separate attachment can be used)

Request for INITIAL RESOLUTION AUTHORIZING GO REFUNDING BONDS IN AN AMOUNT NOT TO EXCEED \$1,355,000. The remaining portion of Airports Series 2010 General Obligation Bonds (\$1,305,000) are now callable. Based upon an analysis completed by our Financial Advisors, due to continued lower interest rates in the debt issuance market now than when the debt was originally issued, the Airport will be able to save over \$100,000 over 10 years by calling and refunding these bonds. (See attached for projected debt savings as calculated by our Financial Advisor, PMA Securities). The difference between the callable amount of \$1,305,000 and the new issue of \$1,355,000 of \$50,000 is to allow for currently unbudgeted debt issuance costs and accrued interest on the bonds. Therefore, the budgets will be adjusted below to account for this refunding. If it is determined at the date of the sale that, due to estimated premiums earned or issuance costs are less, a lesser amount of debt than \$1,355,000 will be issued. However, \$1,355,000 would be the maximum amount.

Current Year Budget Impact (Check one or more of the following boxes)

Revenues Expenses (Cost) None

- 3. Is the specific cost or revenue included in the current year's budget? yes () no (X) partially ()
- 4. If the proposal requests additional spending, can the additional cost be absorbed within the current year's line item? yes () no () n/a (X)
- 5. Is the proposal to accept additional revenues only? yes () no (X) n/a ()
- 6. Does this request modify/adjust the current year budget? yes (X) no ()
If no, skip to question 8 below.

7. Detail current year budget changes. Please list cost center name, line item, account number and either the increase or decrease amount. (Please note that all budget adjustments must balance. For example, an increase in an expenditure account must be offset by a decrease in another expenditure account or the contingency fund or an increase in a revenue account or other funding sources such as fund balance applied.)

COST CENTER NAME	LINE ITEM (i.e. Salaries, Supplies, Etc.)	ACCOUNT NUMBER INCLUDING COST CENTER (i.e. 1004100.5100, 1004100.5400, etc.)	INCREASE (DECREASE) AMOUNT
Airport			
Rental Properties	Purchased Services	5000117.5500	34,000
Rental Properties	Interest on Bonds	5000117.9114	16,000
Rental Properties	Principal on Bonds	5000117.9056	1,305,000
Rental Properties	Proceeds from Debt	5000117.8445	1,355,000

Annual and Long-Term Impact

- 8. Is the above Increase/Decrease a nonrecurring one-time expense or revenue? yes (X) no () n/a ()
- 9. What is the anticipated annual and/or long-term cost or revenue impact? Annual Cost Per debt schedules
Annual Revenue 0

Fiscal Note Prepared by: Brian Massey

For Financial Services purposes only

Reviewed By:

Brian Massey 9/22/19

If expenditures are recorded in the financial system at a level of detail lower than the level 6 as shown above, indicate the specific account numbers and amounts below:
Detail Expenditures Account Number Amount



PROJECTED DEBT SERVICE SAVINGS

Below is the projected debt service savings, after all expenses, that would result from issuing the 2019 Taxable Airport Refunding Bonds. The estimated True Interest Cost for the 2019 taxable issue is approximately 2.9%

Year	Existing			Estimated			Projected Debt Service Savings	
	2010 Taxable Airport Bonds			2019 Taxable Airport Ref. Bonds				
	Principal	Interest	Total	Principal	Interest	Total		
2020	100,000	60,800	160,800	130,000	26,911	156,911	3,889	
2021	100,000	56,800	156,800	110,000	32,216	142,216	14,584	
2022	100,000	52,800	152,800	110,000	29,741	139,741	13,059	
2023	100,000	48,550	148,550	110,000	27,244	137,244	11,306	
2024	105,000	44,300	149,300	110,000	24,714	134,714	14,586	
2025	125,000	39,313	164,313	130,000	22,074	152,074	12,239	
2026	125,000	33,375	158,375	125,000	18,824	143,824	14,551	
2027	125,000	27,313	152,313	125,000	15,574	140,574	11,739	
2028	125,000	21,250	146,250	120,000	12,136	132,136	14,114	
2029	150,000	15,000	165,000	145,000	8,656	153,656	11,344	
2030	150,000	7,500	157,500	140,000	4,270	144,270	13,230	
	1,305,000	407,000	1,712,000	1,355,000	222,359	1,577,359	134,641	
							Present Value Savings (\$)	113,480
							Present Value Savings (%)	8.70%