



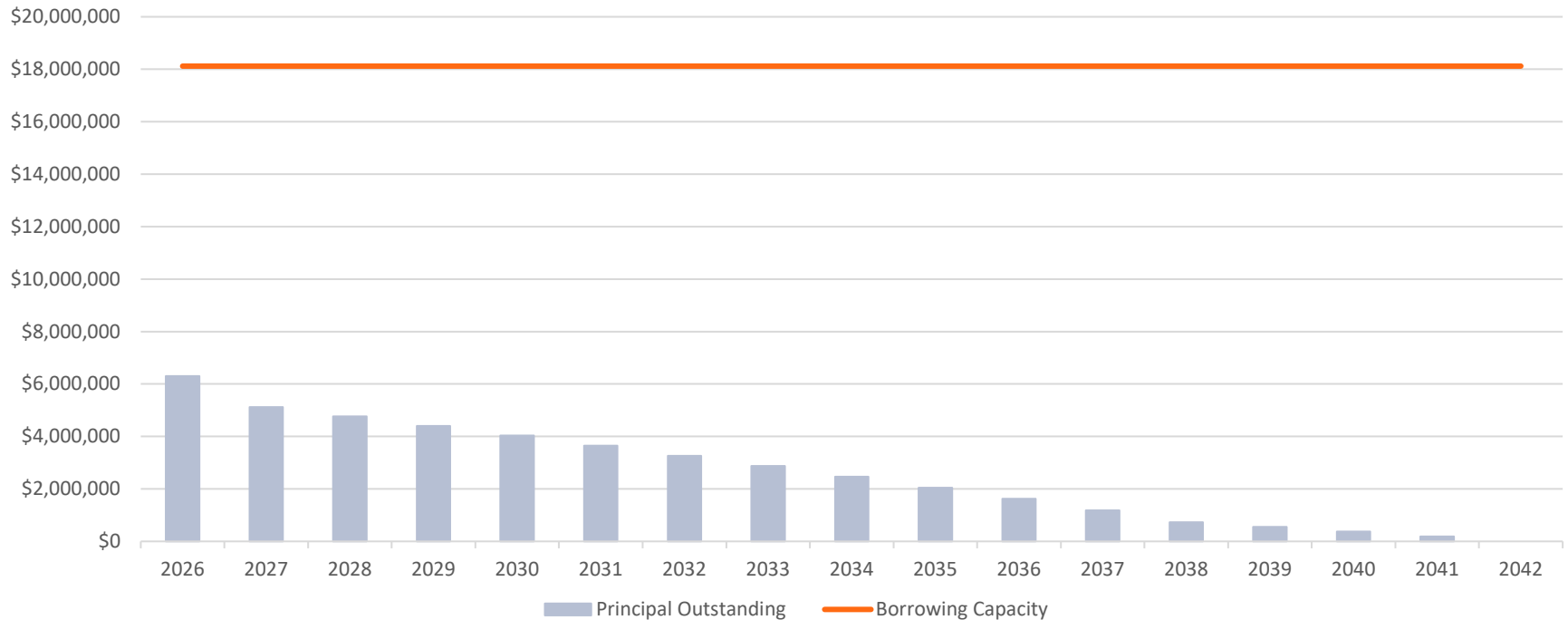
## City of Mauston, WI

2025 Project Financing

March 25, 2025

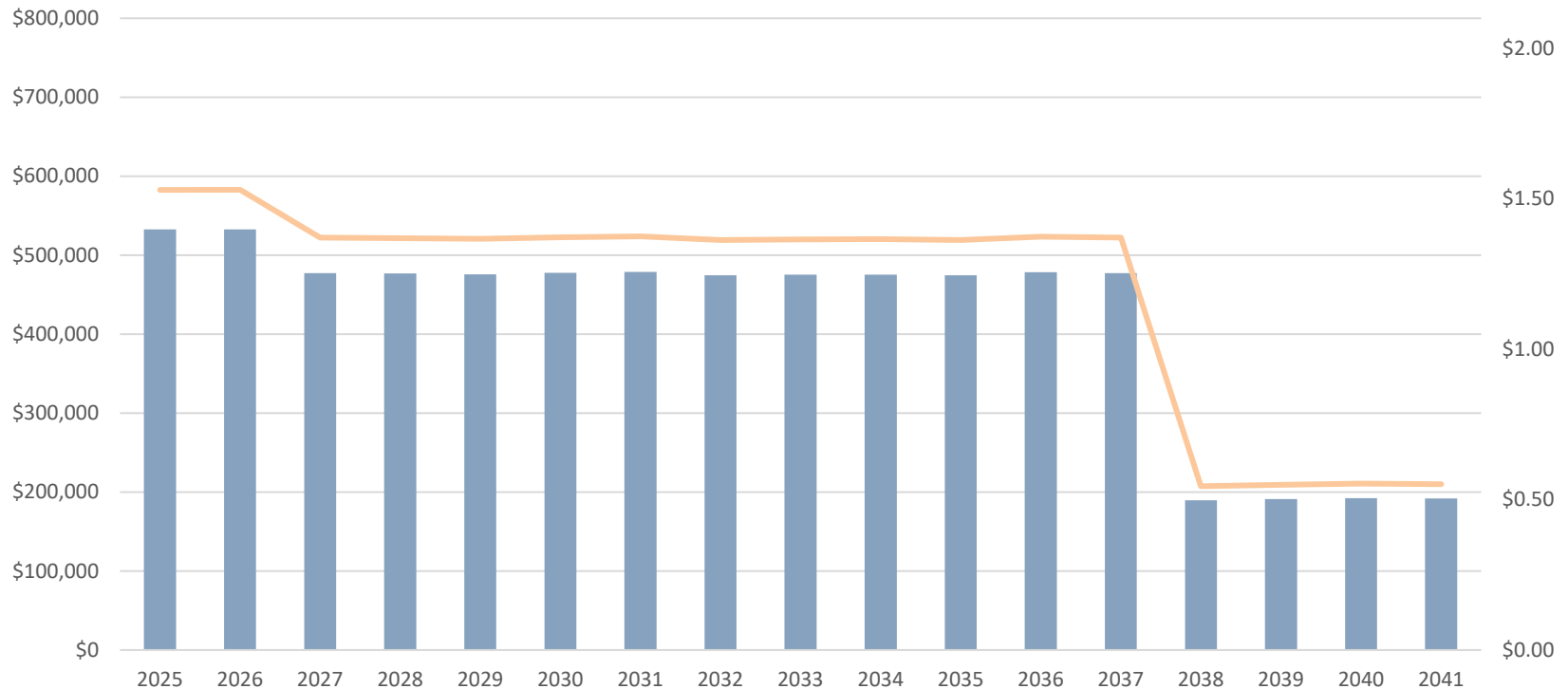
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# General Obligation Borrowing Capacity



- Wisconsin Statutes limits G.O. debt to 5% of equalized value.
- Current value is \$362,404,600.
- The City has sufficient capacity to issue future projects.

# General Fund Debt Levy



- Current levy includes 2017 bonds, 2021 bonds, and interest on interim financing for North Side Street Project.
- Levy essentially flat until 2038.
- New projects will result in an increase to the levy.

# Next Projects for Financing

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Project	Funding Sources	Cost
North Side Permanent Financing	Levy	850,000
TID 5 Utilities	TID 5	1,300,000
Future CIP Streets Projects	Levy, Water, Sewer	3,000,000
<b>Total</b>		<b>\$5,150,000</b>

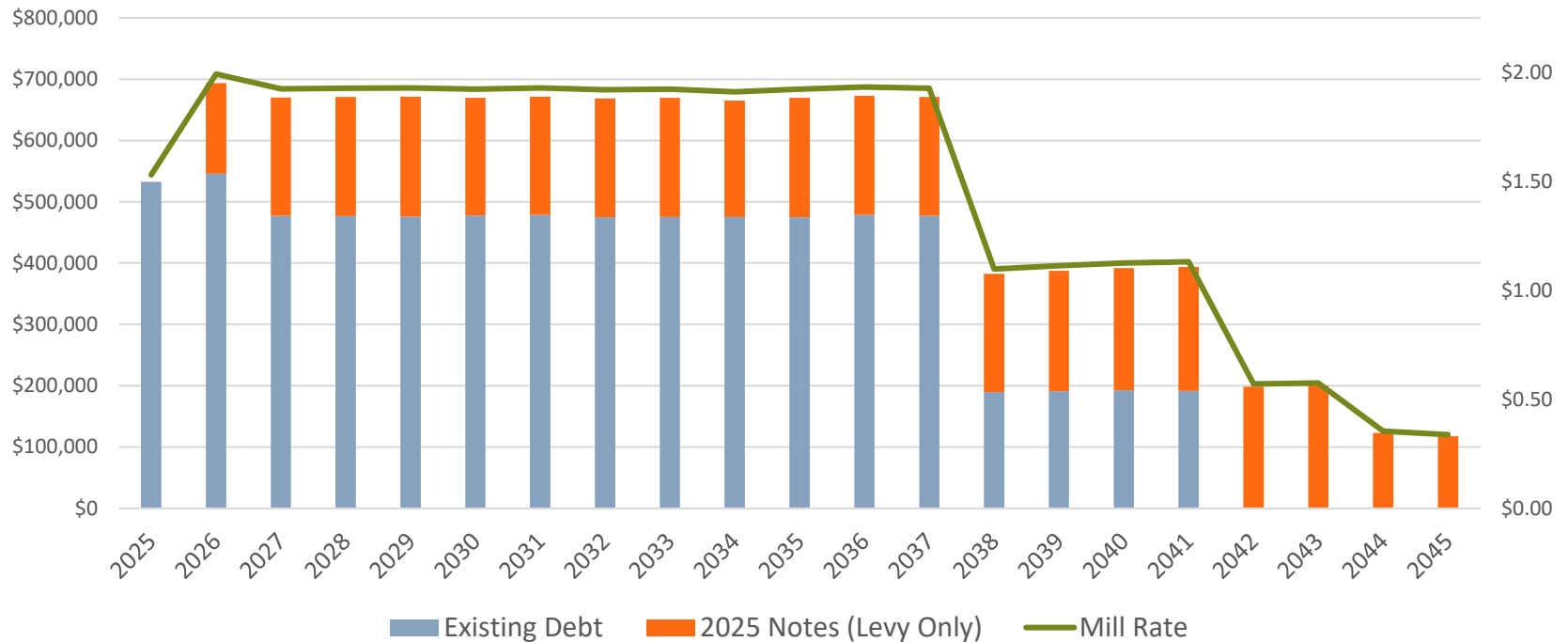
- North Side and TID 5 Utilities are committed for 2025.
- CIP Streets Projects are estimates and have not gone out to bid.

# Recommended Method of Finance

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- Recommended to issue debt with securities, rather than local bank due to amount of the borrowing.
- Advantages of securities include:
  - ✓ Lower interest rates
  - ✓ Ability to structure payments
  - ✓ 20-year term
  - ✓ Attract a broader range of investors

# Projected General Fund Debt Levy



- Levy increases from \$532,562 in 2025 to \$693,602 in 2026.
- Levy impact is from on North Side and CIP Streets.
- Assumes utilities and TID 5 pay their share.
- 2026 payment is interest only to reduce increase in first year.

# Finance CIP Projects This Year?

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- Advantages for financing this year
  - ✓ Reduce financing costs by consolidating into one borrowing
  - ✓ Invest the proceeds until construction
- Advantages for financing in the future
  - ✓ Spread out the tax impact
  - ✓ Costs may go up after we've borrowed this year

# Timing

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- Initial resolutions to start borrowing process - April meeting
- Prepare for sale of debt throughout April/May
  - ✓ Develop preliminary official statement
  - ✓ Conduct rating call
  - ✓ Conduct due diligence call
  - ✓ Create sale resolution
- Sell debt - May meeting
- Close on transaction and receive funds - June





# Important Disclosures

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