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SECURITIES

Wausau School District Debt Prepayment Discussion



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Debt Prepayment History

Wausau School District Debt Levy Management History

Fiscal Year	Method	Funds Applied	Debt Service Reduction	Savings	
2017 - 2018	Defeasance	\$3,386,779	\$3,727,288	\$340,508	
2018 - 2019	Defeasance	\$6,525,799	\$7,098,088	\$572,289	
2019 - 2020	Defeasance	\$8,179,795	\$8,682,825	\$503,030	
2020 - 2021	Defeasance	\$12,466,195	\$14,495,016	\$2,028,821	
2021 - 2022	Accelerated New Debt Amort.	\$10,250,000	\$4,973,751	\$4,973,751	(1) estimated
2022 - 2023		\$0	\$0	\$0	
2023 - 2024	Prepayment	\$13,233,527	\$14,335,033	\$1,101,506	
Total		\$54,042,095	\$53,311,999	\$9,519,905	

(1) Estimated by comparing the Net Interest Cost from the final 2022 bonds compared to the same from an example bond issuance without the accelerated amortization.



Fund 39	
Issue:	3
Amount:	\$99,990,000
Type:	General Obligation School Building and Facility Improvement Bonds, Series 2022
Dated:	July 6, 2022
Callable:	'31-'42 Callable 3/1/30 @ Par

PAYMENT PERIOD		PRINCIPAL (3/1)	RATE	CUSIP 943363	INTEREST (3/1 & 9/1)	TOTAL	PRINCIPAL (3/1)	RATE	CUSIP 943363	INTEREST (3/1 & 9/1)	TOTAL	PRINCIPAL (3/1)	RATE	CUSIP 943363	INTEREST (3/1 & 9/1)	TOTAL
July-Dec	2024				\$86,600	\$86,600				\$135,456	\$135,456				\$1,829,831	\$1,829,831
Jan-June	2025	\$1,975,000	5.000%	NA5	\$86,600	\$2,061,600				\$135,456	\$135,456	\$825,000	5.000%	QC8	\$1,829,831	\$2,654,831
July-Dec	2025				\$37,225	\$37,225				\$135,456	\$135,456				\$1,809,206	\$1,809,206
Jan-June	2026	\$370,000	5.000%	PY1	\$37,225	\$407,225				\$135,456	\$135,456	\$2,575,000	5.000%	QD6	\$1,809,206	\$4,384,206
July-Dec	2026				\$27,975	\$27,975				\$135,456	\$135,456				\$1,744,831	\$1,744,831
Jan-June	2027	\$385,000	3.000%	PZ8	\$27,975	\$412,975				\$135,456	\$135,456	\$2,705,000	5.000%	QE4	\$1,744,831	\$4,449,831
July-Dec	2027				\$22,200	\$22,200				\$135,456	\$135,456				\$1,677,206	\$1,677,206
Jan-June	2028	\$1,480,000	3.000%	PX3	\$22,200	\$1,502,200				\$135,456	\$135,456	\$2,845,000	5.000%	QF1	\$1,677,206	\$4,522,206
July-Dec	2028				\$0	\$0				\$135,456	\$135,456				\$1,606,081	\$1,606,081
Jan-June	2029		3.125%	NE7	\$0	\$0				\$135,456	\$135,456	\$4,530,000	5.000%	QG9	\$1,606,081	\$6,136,081
July-Dec	2029				\$0	\$0				\$135,456	\$135,456				\$1,492,831	\$1,492,831
Jan-June	2030		4.000%	NF4	\$0	\$0				\$135,456	\$135,456	\$4,765,000	5.000%	QH7	\$1,492,831	\$6,257,831
July-Dec	2030				\$0	\$0				\$135,456	\$135,456				\$1,373,706	\$1,373,706
Jan-June	2031		4.000%	NG2	\$0	\$0				\$135,456	\$135,456	\$5,005,000	5.000%	QJ3	\$1,373,706	\$6,378,706
July-Dec	2031				\$0	\$0				\$135,456	\$135,456				\$1,248,581	\$1,248,581
Jan-June	2032		4.000%	NH0	\$0	\$0	\$1,635,000	2.500%	NJ6	\$135,456	\$1,770,456	\$3,610,000	5.000%	QK0	\$1,248,581	\$4,858,581
July-Dec	2032									\$115,019	\$115,019				\$1,158,331	\$1,158,331
Jan-June	2033						\$2,710,000	2.750%	NK3	\$115,019	\$2,825,019	\$2,750,000	5.000%	QL8	\$1,158,331	\$3,908,331
July-Dec	2033									\$77,756	\$77,756				\$1,089,581	\$1,089,581
Jan-June	2034						\$2,790,000	2.750%	NL1	\$77,756	\$2,867,756	\$2,870,000	4.000%	QM6	\$1,089,581	\$3,959,581
July-Dec	2034									\$39,394	\$39,394				\$1,032,181	\$1,032,181
Jan-June	2035						\$2,865,000	2.750%	NM9	\$39,394	\$2,904,394	\$2,990,000	4.000%	QN4	\$1,032,181	\$4,022,181
July-Dec	2035														\$972,381	\$972,381
Jan-June	2036											\$6,080,000	4.000%	QP9	\$972,381	\$7,052,381
July-Dec	2036														\$850,781	\$850,781
Jan-June	2037											\$6,325,000	4.000%	QQ7	\$850,781	\$7,175,781
July-Dec	2037														\$724,281	\$724,281
Jan-June	2038											\$6,585,000	4.000%	QR5	\$724,281	\$7,309,281
July-Dec	2038														\$592,581	\$592,581
Jan-June	2039											\$6,855,000	4.000%	QS3	\$592,581	\$7,447,581
July-Dec	2039														\$455,481	\$455,481
Jan-June	2040											\$7,130,000	4.000%	QT1	\$455,481	\$7,585,481
July-Dec	2040														\$312,881	\$312,881
Jan-June	2041											\$7,430,000	4.125%	QU8	\$312,881	\$7,742,881
July-Dec	2041														\$159,638	\$159,638
Jan-June	2042											\$7,740,000	4.125%	QV6	\$159,638	\$7,899,638
July-Dec	2042															
TOTAL		\$4,210,000			\$348,000	\$4,558,000	\$10,000,000			\$2,631,638	\$12,631,638	\$83,615,000			\$40,260,788	\$123,875,788
		\$2,235,000	Callable Maturities				\$10,000,000	Callable Maturities				\$65,370,000	Callable Maturities			

Paying Agent: District
Notes: 2015 Referendum
2026, 2027 partially defeased 6/1/20, 3/22/21
2028 partially and 2029-32 defeased 3/22/21



Explaining the Options

DEBT PREPAYMENT APPROACHES

✓ Prepay Existing Debt

- Utilize call feature available on issue
- Costs approximately \$2,000 to coordinate

✓ Legal Defeasance

- Funds placed in an irrevocable trust (escrow account) for the purpose of prepaying debt at the call date
- Funds considered “spent” for aid purposes on the date they are placed in the escrow account
- Costs to setup defeasance is approximately \$15,000

Recommendation for 2024-25

Wausau School District Preliminary 2025 Defeasance Analysis

Calendar Year Due	BEFORE DEFEASANCE					AFTER DEFEASANCE				EST. ANNUAL REDUCTION IN FUND 39 PAYMENTS (1)
	\$99,990,000 G.O. School Bonds Dated July 6, 2022			OTHER FUND 39 D/S	TOTAL FUND 39 D/S	\$99,990,000 G.O. School Bonds Dated July 6, 2022		2024-2025 INCREMENTAL LEVY	TOTAL FUND 39 LEVY	
	PRINCIPAL (3/1)	RATE	INTEREST (3/1 & 9/1)			PRINCIPAL (3/1)	INTEREST (3/1 & 9/1)			
2025	\$825,000	5.000%	\$3,639,038	\$2,369,738	\$6,833,775	\$825,000	\$3,321,856	\$15,441,225	\$22,275,000	\$0
2026	\$2,575,000	5.000%	\$3,554,038	\$706,113	\$6,835,150	\$2,575,000	\$2,919,675		\$6,200,788	\$634,363
2027	\$2,705,000	5.000%	\$3,422,038	\$706,088	\$6,833,125	\$2,705,000	\$2,787,675		\$6,198,763	\$634,363
2028	\$2,845,000	5.000%	\$3,283,288	\$1,773,113	\$7,901,400	\$2,845,000	\$2,648,925		\$7,267,038	\$634,363
2029	\$4,530,000	5.000%	\$3,098,913	\$270,913	\$7,899,825	\$4,530,000	\$2,464,550		\$7,265,463	\$634,363
2030	\$4,765,000	5.000%	\$2,866,538	\$270,913	\$7,902,450	\$4,765,000	\$2,232,175		\$7,268,088	\$634,363
2031	\$5,005,000	5.000%	\$2,622,288	\$270,913	\$7,898,200	\$5,005,000	\$1,987,925		\$7,263,838	\$634,363
2032	\$3,610,000	5.000%	\$2,406,913	\$1,885,475	\$7,902,388	\$3,610,000	\$1,772,550		\$7,268,025	\$634,363
2033	\$2,750,000	5.000%	\$2,247,913	\$2,902,775	\$7,900,688	\$2,750,000	\$1,613,550		\$7,266,325	\$634,363
2034	\$2,870,000	4.000%	\$2,121,763	\$2,907,150	\$7,898,913	\$2,870,000	\$1,487,400		\$7,264,550	\$634,363
2035	\$2,990,000	4.000%	\$2,004,563	\$2,904,394	\$7,898,956	\$2,990,000	\$1,370,200		\$7,264,594	\$634,363
2036	\$6,080,000	4.000%	\$1,823,163		\$7,903,163	\$6,080,000	\$1,188,800		\$7,268,800	\$634,363
2037	\$6,325,000	4.000%	\$1,575,063		\$7,900,063	\$6,325,000	\$940,700		\$7,265,700	\$634,363
2038	\$6,585,000	4.000%	\$1,316,863		\$7,901,863	\$6,585,000	\$682,500		\$7,267,500	\$634,363
2039	\$6,855,000	4.000%	\$1,048,063		\$7,903,063	\$6,855,000	\$413,700		\$7,268,700	\$634,363
2040	\$7,130,000	4.000%	\$768,363		\$7,898,363	\$6,915,000	\$138,300		\$7,053,300	\$845,063
2041	\$7,430,000	4.125%	\$472,519		\$7,902,519	\$0	\$0		\$0	\$7,902,519
2042	\$7,740,000	4.125%	\$159,638		\$7,899,638	\$0	\$0		\$0	\$7,899,638
	\$83,615,000		\$38,430,956	\$16,967,581	\$139,013,538	\$68,230,000	\$27,970,481	\$15,441,225	\$128,926,469	\$25,528,294

Callable: March 1, 2030 @ Par

**\$15,385,000
Principal
Reduction**

(1) Calendar Year 2025 interest savings of \$317,181 is being applied to the defeasance.

FUNDS APPLIED TO DEFEASANCE	ESTIMATED
Deposit to Defeasance Escrow:	\$15,742,087
Estimated Costs of Defeasance:	\$17,000
Total Amount Needed for Defeasance:	\$15,759,087
Calendar Year 2025 Interest Savings Applied:	\$317,181
Incremental Amount Applied (Targeted Available Funds):	\$15,441,906

Total Reduction in Debt Service:	\$25,528,294
Less Incremental Funds Applied to Defeasance:	(\$15,441,906)
Net Debt Service Savings:	\$10,086,388

Estimated Closing Date: May 26, 2025

2024-25 Tertiary Aid %:	30.94%
Est. one-time aid increase to be received in 2025-26:	\$4,875,862

*Based on preliminary escrow investment rates as of March 12, 2025.



Updated Debt Prepayment History

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2021 - 2022	Accelerated New Debt Amort.	\$10,250,000	\$4,973,751	\$4,973,751	(1) estimated
2022 - 2023		\$0	\$0	\$0	
2023 - 2024	Prepayment	\$13,233,527	\$14,335,033	\$1,101,506	
2024 - 2025	Defeasance	\$15,441,906	\$25,528,294	\$10,086,388	
Total		\$69,484,001	\$78,840,293	\$19,606,293	

(1) Estimated by comparing the Net Interest Cost from the final 2022 bonds compared to the same from an example bond issuance without the accelerated amortization.



Questions?



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