

Waunakee Community School District

\$44.8 MIL REFERENDUM - SUMMARY OF EXAMPLE FINANCING SCENARIOS

SCENARIO DESCRIPTION		1 BQ and NBQ	2 Less BQ, more NBQ	3 All NBQ
BORROWING SCHEDULE	2014	\$10 Mil BAN (BQ)	\$10 Mil BAN (BQ)	\$0
	2015	\$10 Mil Refi (BQ); \$24.8 Mil (NBQ)	\$10 Mil Refi (BQ); \$34.8 Mil (NBQ)	\$44.8 Mil (NBQ)
	2016	\$10 Mil (BQ)	\$0	\$0
TRUE INTEREST COST (TIC)		2.75% - 3.32%	3.03% - 3.42%	3.37%
TOTAL DEBT SERVICE REPAYMENT (INCLUDES COSTS OF ISSUANCE)		\$61,798,769	\$62,450,425	\$65,002,725
INCREASE OVER SCENARIO 1		N/A	\$651,656	\$3,203,956
TAXPAYER IMPACT (PER \$1,000 OF PROPERTY VALUE)				
MILL RATE INCREASE (OVER 2014 BASE YEAR)	2015	\$0.00	\$0.00	\$0.00
	2016	\$0.20	\$0.20	\$0.20
	2017	\$0.91	\$0.91	\$0.91
KEY CONSIDERATIONS				
	ESTIMATED COST	Lowest *	Higher	Highest
	INTEREST RATE RISK	Highest	Lower	Lowest
	1ST CHANCE FOR BQ REFI OF 2006 BONDS **	2017	2016	2014

* Interest rates could rise no more than 40 bps (0.40%) by 2016 to remain the lowest cost scenario.

** Interest rates could rise no more than 115 bps (1.15%) by 2017 to achieve the same level of savings that is available in 2014.

Key Assumptions:

Valuation Growth: 5.00% in 2014, 2.00% in 2015, and 1.00% thereafter.

State aid is ignored due its relative insignificance (0.06% tertiary as of July, 2014 estimate).

\$44.8 Million Referendum Example Costs of Issuance

FINANCING SCENARIO 1					
Phase	1a	1b	2	3	Total
Issue Size	\$10,000,000	\$10,000,000	\$24,800,000	\$10,000,000	\$44,800,000 *
COSTS OF ISSUANCE:					
FA FEE (PMA Securities)	\$7,500	\$15,000	\$24,800	\$15,000	\$62,300
Less: Credit for 5Maps 10,000 "pins"					-\$2,550
NET FA FEE (PMA Securities)					\$59,750
OS Preparation Fee (PMA Securities)	\$3,500	\$3,500	\$3,500	\$3,500	\$14,000
Estimated Underwriter's Expense (Underwriter TBD) (1)	\$10,000	\$70,000	\$173,600	\$70,000	\$323,600
Rating Fee (Moody's) (2)	\$6,000	\$15,750	\$14,875	\$16,625	\$53,250
Bond Counsel Fee (Quarles & Brady) (3)	\$9,750	\$13,000	\$19,200	\$13,000	\$54,950
Disclosure Counsel Fee (Quarles & Brady) (3)	\$6,500	\$9,250	\$14,400	\$9,200	\$39,350
Online Bidding Fee (MuniAuction) (4)	\$0	\$3,000	\$3,000	\$3,000	\$9,000
Fiscal Agent Fee (Bank of New York) (5)	\$0	\$450	\$450	\$450	\$1,350
Total Estimated Costs of Issuance	\$43,250	\$129,950	\$253,825	\$130,775	\$555,250

FINANCING SCENARIO 2				
Phase	1a	1b	2	Total
Issue Size	\$10,000,000	\$10,000,000	\$34,800,000	\$44,800,000 *
COSTS OF ISSUANCE:				
FA FEE (PMA Securities)	\$7,500	\$15,000	\$34,800	\$57,300
Less: Credit for 5Maps 10,000 "pins"				-\$2,550
NET FA FEE (PMA Securities)				\$54,750
OS Preparation Fee (PMA Securities)	\$3,500	\$3,500	\$3,500	\$10,500
Estimated Underwriter's Expense (Underwriter TBD) (1)	\$10,000	\$70,000	\$243,600	\$323,600
Rating Fee (Moody's) (2)	\$6,000	\$15,750	\$21,250	\$43,000
Bond Counsel Fee (Quarles & Brady) (3)	\$9,750	\$13,000	\$21,700	\$44,450
Disclosure Counsel Fee (Quarles & Brady) (3)	\$6,500	\$9,250	\$15,500	\$31,250
Online Bidding Fee (MuniAuction) (4)	\$0	\$3,000	\$3,000	\$6,000
Fiscal Agent Fee (Bank of New York) (5)	\$0	\$450	\$450	\$900
Total Estimated Costs of Issuance	\$43,250	\$129,950	\$343,800	\$514,450

FINANCING SCENARIO 3	
Phase	1
Issue Size	\$44,800,000
COSTS OF ISSUANCE:	
FA FEE (PMA Securities)	\$44,800
Less: Credit for 5Maps 10,000 "pins"	-\$2,550
NET FA FEE (PMA Securities)	\$42,250
OS Preparation Fee (PMA Securities)	\$3,500
Estimated Underwriter's Expense (Underwriter TBD) (1)	\$313,600
Rating Fee (Moody's) (2)	\$25,000
Bond Counsel Fee (Quarles & Brady) (3)	\$24,200
Disclosure Counsel Fee (Quarles & Brady) (3)	\$17,000
Online Bidding Fee (MuniAuction) (4)	\$3,000
Fiscal Agent Fee (Bank of New York) (5)	\$450
Total Estimated Costs of Issuance	\$429,000

(1) Actual Underwriter's Expense TBD via competitive bid process.
Estimates based on recent winning bids: \$1.00/thousand or 0.10% for BANs and \$7.00/thousand or 0.70% for Bonds.

(2) Based on Moody's 2014 Rating Fee Schedule.
Includes discount, if applicable, for multiple issuance within nine months.

(3) Fee quote from Quarles & Brady.

(4) PMA does not require that the District use MuniAuction.
If the District does not wish to use this bidding platform, this fee would be removed.

(5) PMA does not require that the District use a Fiscal Agent.
However, since Bank of New York has served in this capacity on prior issues, we assumed they would be used on the new debt as well.

* Total Issue Size excludes BAN.