Capital Improvement Planning and Financing:
The Who, What, When and Why

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Capital Improvement Planning
Capital Improvement Planning and Financing

- Components of Capital Improvements Planning
  - Input
    - Team Approach.
  - Policies
    - Goals and constraints.
  - Plans
    - What are the conditions and how do you want to change them?
  - Put the Plans into Play
    - What will it take to implement the plans?
  - Prioritize
    - Making tough decisions.
  - Process
    - Deploy good software for an effective and efficient process.
Financing Process and Participants
Inception

- Project need identified by Issuer.
  - Internal funding sources identified.
- Select deal participants.
- Type of Bonds/Debt Certificates identified as external funding source.
- Select method of sale.
- Document drafting, bond sale and closing.
Selection of Deal Participants.

- Underwriter.
  - Selected in advance for negotiated sale and near end for competitive sale.
  - Underwriter purchases the bonds from the issuer and sells them to investors.
  - Upon engagement, provides advice and assistance with respect to the timing, structure, terms and other matters regarding the bonds.

- Financial Advisor.
  - Consultant to the issuer that provides advice with respect to the structure, timing, terms and other similar matters concerning the bonds.

- Bond Counsel.
  - Lawyers with expertise in municipal bonds whose “approving opinions” regarding legality and tax-exemptions are accepted in the bond marketplace.

- Rating Agency.
  - A company that analyzes new and outstanding bond issues to assign a letter rating of credit quality generally ranging from AAA to BBB- for investment grade credits.

- Paying Agent/Bond Registrar.
  - A bank maintains the list of who owns the bonds and pays principal and interest to investors.
Selection of other Deal Participants, if Necessary.

- **Local Counsel.**
  - An attorney retained by the issuer to provide advice on local legal matters.

- **Underwriter’s Counsel.**
  - A firm of municipal bond attorneys hired by the underwriter to represent it and to review and/or prepare certain bond documents.

- **Disclosure Counsel.**
  - An attorney or law firm retained by the issuer to provide advice to the issuer on disclosure obligations and prepare the Official Statement. (Not often retained.)

- **Bond Insurer.**
  - An insurance company that issues a policy guaranteeing the timely payment of principal and interest to bondholders. (Usually only used for issues rated A1 or A+ or lower.)
Non-Home Rule Municipality General Obligation Debt Limitations.

- Municipalities are subject to the following debt limitations:
  - **Overall Debt Limit** - General obligation bonds, leases, installment contracts and debt certificates count against this debt limit.
    - Calculated at 8.625% of the Municipality’s equalized assessed valuation.
    - General Obligation (Alternate Revenue Source) Bonds do not count against the Municipality’s debt limitation unless ad valorem taxes have been extended pursuant to the general obligation, full faith and credit promise supporting the alternate bonds.

<table>
<thead>
<tr>
<th>Example Municipality Debt Limitations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipality’s 2015 Equalized Assessed Value</td>
</tr>
<tr>
<td>Overall Debt Limit (8.625% of EAV)</td>
</tr>
</tbody>
</table>

- **Non-Referendum Debt Limit** - calculated at 0.5% of the Municipality’s equalized assessed valuation.

<table>
<thead>
<tr>
<th>Example Municipality Debt Limitations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipality’s 2015 Equalized Assessed Value</td>
</tr>
<tr>
<td>Non-Referendum Debt Limit (0.5% of EAV)</td>
</tr>
</tbody>
</table>
Non-Home Rule Municipality Borrowing Alternatives.

- Illinois non-home rule municipalities have the following long-term borrowing alternatives for capital projects.
  1. General Obligation Bonds.
  2. General Obligation (Alternate Revenue Source) Bonds.
  3. Leases, Installment Contracts and Debt Certificates.
  4. Revenue Bonds.
General Obligation Bonds.

- A referendum is required.

- Secured by a dedicated property tax levy.
  - The levy is unlimited as to rate and amount.

- Maximum term of 20 years.

- Subject to the Municipality’s overall debt limit.

- Together with General Obligation (Alternate Revenue Source) Bonds, provides the strongest security to investors of all options.
General Obligation (Alternate Revenue Source) Bonds.

- A direct referendum is not required.
  - Subject to a 30-day backdoor referendum period.
- Secured by pledged revenue source (e.g. TIF revenues, water/sewer revenues, sales taxes, income taxes, etc).
  - Pledged revenues must be at least 1.25 times debt service unless the revenue is from the State in which case the revenues must be at least 1.10 times.
  - May pledge one or more revenue sources.
- The bonds are additionally secured by a property tax levy.
  - The levy is unlimited as to rate and amount.
  - The levy is abated each year provided collected pledged revenues are sufficient to pay debt service.
- Maximum term of 40 years (limited to the average life of the project).
- Not subject to the municipality’s overall debt limit unless the levy is not abated.
  - If the levy isn’t abated the bonds are subject to the debt limit.
- Investors consider these bonds to be as secure as General Obligation Bonds.
  - May provide some bankruptcy protection to bondholders.
Leases, Installment Contracts and Debt Certificates.

- No referendum is required.
- First budget obligation with a pledge of the municipality’s “general obligation.”
  - Payable from any legally available source, even if intended repayment stream is inadequate.
  - No separate tax levy available to pay debt service.
- Maximum term of 20 years.
- Subject to the municipality’s overall debt limit.
- Not considered as secure as General Obligation and General Obligation (Alternate Revenue Source) bonds by investors.
- Typically rated one notch below the issuer’s General Obligation bond rating.
Revenue Bonds.

- No referendum is required.
- Payable solely from specific revenues pledged (e.g. water/sewer revenue).
- Term is limited to the useful life of the project being financed.
- Not subject to the City’s overall debt limit.
- May not be considered as secure as General Obligation bonds and, as a result, investors:
  - Like to see debt service coverage of at least 1.5x.
  - Typically require a reserve fund to provide additional security (funded out of bond proceeds).
  - Provides bankruptcy protection for bondholders, especially for utility financings.
- Ratings are driven by revenue source, debt service coverage, reserve fund and other factors.
Select Method of Sale.

- **Competitive Sale:**
  - All parties to the transaction except underwriter are hired using municipal procurement process.
  - Underwriter is selected through interest rate bidding process using a pre-set debt structure.
  - The bidder that offers the lowest true interest cost (TIC) on the pre-set bonds wins.
  - Underwriter sells the bonds to investors only after winning the bid, adding risk to the transaction for the underwriter and cost for the issuer.

- **Negotiated Sale:**
  - All parties to the transaction including underwriter are hired using municipal procurement process.
  - Underwriter negotiates with investors using flexible debt structure to achieve the lowest interest rates that are fair to both sides.
  - Underwriter buys the bonds from the issuer after receiving orders from investors, thus lowering the risk to the underwriter and the cost to the issuer.

- **Factors to consider when selecting method of sale:**
  - Timing flexibility.
  - Total cost of funds.
  - Marketing effort.
  - Structuring flexibility.
  - Political considerations.
  - Market sophistication.
Select Method of Sale (cont).

Over the last fifteen years, issuers have chosen negotiated sales 67% of the time representing 81% of par value.

<table>
<thead>
<tr>
<th>Bond Sales by Number of Issues</th>
<th>Bond Sales by Par Value (in trillions)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Competitive</td>
</tr>
<tr>
<td></td>
<td>Issues</td>
</tr>
<tr>
<td>2001</td>
<td>4,705</td>
</tr>
<tr>
<td>2002</td>
<td>4,742</td>
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<tr>
<td>2003</td>
<td>5,048</td>
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<tr>
<td>2004</td>
<td>4,190</td>
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<tr>
<td>2005</td>
<td>4,120</td>
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<tr>
<td>2006</td>
<td>3,845</td>
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<tr>
<td>2007</td>
<td>3,649</td>
</tr>
<tr>
<td>2008</td>
<td>3,382</td>
</tr>
<tr>
<td>2009</td>
<td>3,667</td>
</tr>
<tr>
<td>2010</td>
<td>4,234</td>
</tr>
<tr>
<td>2011</td>
<td>3,499</td>
</tr>
<tr>
<td>2012</td>
<td>4,276</td>
</tr>
<tr>
<td>2013</td>
<td>3,818</td>
</tr>
<tr>
<td>2014</td>
<td>3,816</td>
</tr>
<tr>
<td>2015</td>
<td>4,439</td>
</tr>
<tr>
<td>Average</td>
<td>3,911</td>
</tr>
</tbody>
</table>

Source: The Bond Buyer Annual Review
Implementing a General Obligation Transaction.

- Legal authorization identified and legal hurdles vetted by Bond Counsel.
  - Tax issues (e.g. use of proceeds and life of project).
  - Debt limits.
  - Referendum requirements.
- Sources and uses of funds determined.
  - Funds needed for projects.
  - Estimate costs of issuance.
- Repayment sources identified.
  - Property taxes, general fund appropriations, or other revenue sources.
  - If GO Alternate Bonds are utilized, identify pledged revenue source that will generate 1.25x debt service coverage requirement.
    - Common for Municipalities to pledge property tax and/or other general fund revenues.

### Village of Example

<table>
<thead>
<tr>
<th>Sources of Funds</th>
<th>Uses of Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Par Amount</strong></td>
<td>$3,015,000</td>
</tr>
<tr>
<td><strong>Reoffering Premium</strong></td>
<td>$48,466</td>
</tr>
<tr>
<td><strong>Total Sources of Funds</strong></td>
<td>$3,063,466</td>
</tr>
<tr>
<td><strong>Assumed Costs of Issuance</strong></td>
<td>$60,300</td>
</tr>
<tr>
<td><strong>Deposit to Project Fund</strong></td>
<td>$3,000,000</td>
</tr>
<tr>
<td><strong>Rounding Amount</strong></td>
<td>$3,166</td>
</tr>
<tr>
<td><strong>Total Uses of Funds</strong></td>
<td>$3,063,466</td>
</tr>
</tbody>
</table>
Implementing a General Obligation Transaction (cont.).

- Repayment options explored.
  - Cost comparative analysis of borrowing alternatives (e.g. General Obligation Bonds versus Debt Certificates).
  - Select term (e.g. 10 year, 15 year, 20 year) and amortization structure (e.g. level debt service).
  - Calculate tax impact (if General Obligation Bonds will be utilized).

### 10 Year Amortization

<table>
<thead>
<tr>
<th>Bond Year Ending Dec 1</th>
<th>Equalized Assessed Value</th>
<th>Principal</th>
<th>Assumed Interest</th>
<th>Total Debt Service</th>
<th>Tax Impact on $150,000 Home</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$200,000,000</td>
<td>$305,000</td>
<td>$36,550</td>
<td>$341,550</td>
<td>$0.1708 $85</td>
</tr>
<tr>
<td>2016</td>
<td>$200,000,000</td>
<td>$270,000</td>
<td>$46,000</td>
<td>$316,000</td>
<td>$0.1710 $86</td>
</tr>
<tr>
<td>2017</td>
<td>$200,000,000</td>
<td>$285,000</td>
<td>$51,000</td>
<td>$336,000</td>
<td>$0.1708 $85</td>
</tr>
<tr>
<td>2018</td>
<td>$200,000,000</td>
<td>$300,000</td>
<td>$50,000</td>
<td>$350,000</td>
<td>$0.1705 $85</td>
</tr>
<tr>
<td>2019</td>
<td>$200,000,000</td>
<td>$305,000</td>
<td>$44,000</td>
<td>$349,000</td>
<td>$0.1722 $86</td>
</tr>
<tr>
<td>2020</td>
<td>$200,000,000</td>
<td>$305,000</td>
<td>$38,000</td>
<td>$343,000</td>
<td>$0.1717 $86</td>
</tr>
<tr>
<td>2021</td>
<td>$200,000,000</td>
<td>$315,000</td>
<td>$29,250</td>
<td>$344,250</td>
<td>$0.1721 $86</td>
</tr>
<tr>
<td>2022</td>
<td>$200,000,000</td>
<td>$325,000</td>
<td>$19,800</td>
<td>$344,800</td>
<td>$0.1724 $86</td>
</tr>
<tr>
<td>2023</td>
<td>$200,000,000</td>
<td>$335,000</td>
<td>$10,050</td>
<td>$345,050</td>
<td>$0.1725 $86</td>
</tr>
<tr>
<td>2024</td>
<td>$200,000,000</td>
<td>$335,000</td>
<td>$10,050</td>
<td>$345,050</td>
<td>$0.1725 $86</td>
</tr>
<tr>
<td>2025</td>
<td>$200,000,000</td>
<td>$335,000</td>
<td>$10,050</td>
<td>$345,050</td>
<td>$0.1725 $86</td>
</tr>
<tr>
<td>2026</td>
<td>$200,000,000</td>
<td>$335,000</td>
<td>$10,050</td>
<td>$345,050</td>
<td>$0.1725 $86</td>
</tr>
<tr>
<td>2027</td>
<td>$200,000,000</td>
<td>$335,000</td>
<td>$10,050</td>
<td>$345,050</td>
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</tr>
<tr>
<td>2028</td>
<td>$200,000,000</td>
<td>$335,000</td>
<td>$10,050</td>
<td>$345,050</td>
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</tr>
<tr>
<td>2029</td>
<td>$200,000,000</td>
<td>$335,000</td>
<td>$10,050</td>
<td>$345,050</td>
<td>$0.1725 $86</td>
</tr>
<tr>
<td>2030</td>
<td>$200,000,000</td>
<td>$335,000</td>
<td>$10,050</td>
<td>$345,050</td>
<td>$0.1725 $86</td>
</tr>
<tr>
<td>2031</td>
<td>$200,000,000</td>
<td>$335,000</td>
<td>$10,050</td>
<td>$345,050</td>
<td>$0.1725 $86</td>
</tr>
<tr>
<td>2032</td>
<td>$200,000,000</td>
<td>$335,000</td>
<td>$10,050</td>
<td>$345,050</td>
<td>$0.1725 $86</td>
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<tr>
<td>2033</td>
<td>$200,000,000</td>
<td>$335,000</td>
<td>$10,050</td>
<td>$345,050</td>
<td>$0.1725 $86</td>
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<tr>
<td>2034</td>
<td>$200,000,000</td>
<td>$335,000</td>
<td>$10,050</td>
<td>$345,050</td>
<td>$0.1725 $86</td>
</tr>
</tbody>
</table>

**Total:** $3,015,000 $415,050 $3,428,050 $857

### 20 Year Amortization

<table>
<thead>
<tr>
<th>Bond Year Ending Dec 1</th>
<th>Equalized Assessed Value</th>
<th>Principal</th>
<th>Assumed Interest</th>
<th>Total Debt Service</th>
<th>Tax Impact on $150,000 Home</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$200,000,000</td>
<td>$200,000</td>
<td>$10,000</td>
<td>$210,000</td>
<td>$0.1039 $52</td>
</tr>
<tr>
<td>2016</td>
<td>$200,000,000</td>
<td>$205,000</td>
<td>$9,000</td>
<td>$214,000</td>
<td>$0.1061 $53</td>
</tr>
<tr>
<td>2017</td>
<td>$200,000,000</td>
<td>$210,000</td>
<td>$8,000</td>
<td>$218,000</td>
<td>$0.1094 $52</td>
</tr>
<tr>
<td>2018</td>
<td>$200,000,000</td>
<td>$215,000</td>
<td>$7,000</td>
<td>$222,000</td>
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<tr>
<td>2019</td>
<td>$200,000,000</td>
<td>$220,000</td>
<td>$6,000</td>
<td>$226,000</td>
<td>$0.1050 $52</td>
</tr>
<tr>
<td>2020</td>
<td>$200,000,000</td>
<td>$225,000</td>
<td>$5,000</td>
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<tr>
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<td>$200,000,000</td>
<td>$230,000</td>
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</tr>
<tr>
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<td>$235,000</td>
<td>$3,000</td>
<td>$238,000</td>
<td>$0.1045 $52</td>
</tr>
<tr>
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<td>$240,000</td>
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<td>$0.1046 $52</td>
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<tr>
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<td>$245,000</td>
<td>$1,000</td>
<td>$246,000</td>
<td>$0.1046 $52</td>
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<tr>
<td>2025</td>
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<td>$250,000</td>
<td>$0,000</td>
<td>$250,000</td>
<td>$0.1046 $52</td>
</tr>
<tr>
<td>2026</td>
<td>$200,000,000</td>
<td>$255,000</td>
<td>$0,000</td>
<td>$255,000</td>
<td>$0.1046 $52</td>
</tr>
<tr>
<td>2027</td>
<td>$200,000,000</td>
<td>$260,000</td>
<td>$0,000</td>
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<td>$0.1046 $52</td>
</tr>
<tr>
<td>2028</td>
<td>$200,000,000</td>
<td>$265,000</td>
<td>$0,000</td>
<td>$265,000</td>
<td>$0.1046 $52</td>
</tr>
<tr>
<td>2029</td>
<td>$200,000,000</td>
<td>$270,000</td>
<td>$0,000</td>
<td>$270,000</td>
<td>$0.1046 $52</td>
</tr>
<tr>
<td>2030</td>
<td>$200,000,000</td>
<td>$275,000</td>
<td>$0,000</td>
<td>$275,000</td>
<td>$0.1046 $52</td>
</tr>
<tr>
<td>2031</td>
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<td>$280,000</td>
<td>$0,000</td>
<td>$280,000</td>
<td>$0.1046 $52</td>
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<tr>
<td>2032</td>
<td>$200,000,000</td>
<td>$285,000</td>
<td>$0,000</td>
<td>$285,000</td>
<td>$0.1046 $52</td>
</tr>
<tr>
<td>2033</td>
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<td>$290,000</td>
<td>$0,000</td>
<td>$290,000</td>
<td>$0.1046 $52</td>
</tr>
<tr>
<td>2034</td>
<td>$200,000,000</td>
<td>$295,000</td>
<td>$0,000</td>
<td>$295,000</td>
<td>$0.1046 $52</td>
</tr>
</tbody>
</table>

**Total:** $3,035,000 $1,164,531 $4,199,531 $1,050
### Preliminary Time and Responsibility Schedule

- The bonding process takes approximately 12 weeks from engagement to closing.
- This timeline could be shortened by several weeks under ideal circumstances.

<table>
<thead>
<tr>
<th>Week</th>
<th>Task</th>
<th>Responsible Participant(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Week 1</td>
<td>Selection of working group participants.</td>
<td>Issuer</td>
</tr>
<tr>
<td>Week 1</td>
<td>Working group conference call to discuss timetable and responsibilities.</td>
<td>All</td>
</tr>
<tr>
<td>Week 2</td>
<td>Run preliminary structuring numbers and Issuer selects optimal bond structure.</td>
<td>UW &amp; Issuer</td>
</tr>
<tr>
<td>Week 3</td>
<td>Distribute first draft of Preliminary Official Statement (“POS”).</td>
<td>UW</td>
</tr>
<tr>
<td>Week 3</td>
<td>Distribute first draft of Ordinance.</td>
<td>BC</td>
</tr>
<tr>
<td>Week 4</td>
<td>Receive comments from working group on first draft of POS and Ordinance.</td>
<td>All</td>
</tr>
<tr>
<td>Week 5</td>
<td>Distribute second draft of POS.</td>
<td>UW</td>
</tr>
<tr>
<td>Week 5</td>
<td>Distribute second draft of Ordinance, if necessary.</td>
<td>BC</td>
</tr>
<tr>
<td>Week 6</td>
<td>Receive comments from working group on second draft of POS and Ordinance.</td>
<td>All</td>
</tr>
<tr>
<td>Week 6</td>
<td>Send documents to rating agency and bond insurers.</td>
<td>UW</td>
</tr>
<tr>
<td>Week 7</td>
<td>Distribute third draft of POS, if necessary.</td>
<td>UW</td>
</tr>
<tr>
<td>Week 7 or 8</td>
<td>Meeting/conference call with the rating agency.</td>
<td>All</td>
</tr>
<tr>
<td>Week 8</td>
<td>Issuer adopts Ordinance.</td>
<td>Issuer</td>
</tr>
<tr>
<td>Week 8</td>
<td>Receive rating, bond insurance bid, and all comments from working group on POS.</td>
<td>All</td>
</tr>
<tr>
<td>Week 9</td>
<td>Print POS.</td>
<td>UW</td>
</tr>
<tr>
<td>Week 10</td>
<td>Price Bonds and sign bond purchase agreement.</td>
<td>UW &amp; Issuer</td>
</tr>
<tr>
<td>Week 10</td>
<td>Distribute draft of Final Official Statement (“FOS”).</td>
<td>UW</td>
</tr>
<tr>
<td>Week 11</td>
<td>Print FOS.</td>
<td>UW</td>
</tr>
<tr>
<td>Week 11</td>
<td>Distribute all closing documents for Issuer’s signature.</td>
<td>BC</td>
</tr>
<tr>
<td>Week 12</td>
<td>Delivery of Bonds.</td>
<td>All</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Participant</th>
<th>Abbreviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issuer</td>
<td>Issuer</td>
</tr>
<tr>
<td>Underwriter</td>
<td>UW</td>
</tr>
<tr>
<td>Bond Counsel</td>
<td>BC</td>
</tr>
<tr>
<td>Rating Agency</td>
<td>RA</td>
</tr>
<tr>
<td>Paying Agent</td>
<td>PA</td>
</tr>
</tbody>
</table>
Rating Agency Methodology.

- Rating agencies generally evaluate four factors when assigning a rating to any issuer: the local economy; debt factors; financial factors; and management.
  - It is important to touch on each category in the Issuer’s rating agency presentation through a meeting or conference call.
  - Below we outline these four categories and the characteristics ratings analysts evaluate.

<table>
<thead>
<tr>
<th>Economic Factors:</th>
<th>Debt Factors:</th>
</tr>
</thead>
<tbody>
<tr>
<td>While probably the least controllable of the four credit factors, the economy is critical to the analysis because the economic base ultimately generates the resources to repay municipal debt.</td>
<td>The Issuer’s debt position is studied in order to determine the burden the over-all net debt has on the finances and taxpayers of the Issuer.</td>
</tr>
<tr>
<td>• Overall health of local economy.</td>
<td>• Security provisions.</td>
</tr>
<tr>
<td>• Size of the tax base and diversity of taxpayers.</td>
<td>• Legal covenants.</td>
</tr>
<tr>
<td>• Socio-economic and demographic trends in service area (e.g. population, unemployment, wealth and income levels, etc).</td>
<td>• Debt structure and amortization.</td>
</tr>
<tr>
<td>• Local political environment.</td>
<td>• Debt statistics (e.g. debt/capita, debt burden).</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Financial Factors:</th>
<th>Management Factors:</th>
</tr>
</thead>
<tbody>
<tr>
<td>The financial factors of the Issuer are reviewed to ascertain current general fund reserve levels, current operating results and operating trends over time.</td>
<td>Management is critical to rating the Issuer because good management addresses concerns early before they can overwhelm the Issuer. While very important it is also the most difficult credit fundamental to assess because it is not easily quantifiable.</td>
</tr>
<tr>
<td>• Overall financial performance.</td>
<td>• Implementation of certain policies (e.g. fund balance, debt and investment policies).</td>
</tr>
<tr>
<td>• Level of General Fund balances.</td>
<td>• Implementation of certain procedures (e.g. monthly financial, budget and investment reports to Board).</td>
</tr>
<tr>
<td>• Future capital plans.</td>
<td>• Ability to implement expenditure reductions.</td>
</tr>
<tr>
<td>• Financial liquidity.</td>
<td>• Conservative budgeting.</td>
</tr>
<tr>
<td>• Reliance on governmental support.</td>
<td>• Long-term planning and capital improvement program.</td>
</tr>
</tbody>
</table>
Implementation of Transaction.

- Bond Counsel prepares bond ordinance and other documents.
- Municipality adopts bond ordinance and other documents.
- Underwriter or its counsel drafts the official statement with help from the Municipality.
  - The official statement is the issuer’s document and the issuer remains responsible for its accuracy.
- Underwriter prepares application for bond rating and bond insurance.
- Once rating is received, Preliminary Official Statement is distributed to potential investors (in the event of competitive sale) by the underwriter.
- Underwriter pre-markets the bonds and answers investor questions.
- Pricing and sale of the bonds/certificates.
- Final Official Statement is drafted and distributed by underwriter or its counsel.
- Bond Counsel organizes and directs bond closing.
- Bond proceeds invested in conformity with State law and as dictated by the construction draw schedule.
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