



MEMORANDUM

TO: Mayor Merkes, Council President Sevenich and the members of the City of Menasha Common Council

FROM: Comptroller/Treasurer Stoffel *Tus*

DATE: 07/12/2012

SUBJECT: Resolution R-28-12, Redemption of G. O. Promissory Notes

Included on your Common Council agenda is Resolution R-28-12, Resolution Authorizing the Redemption of General Obligation Promissory Notes, Dated March 1, 2003 and Taxable General Obligation Promissory Notes dated August 1, 2008.

This resolution is calling in or redeeming early promissory notes in the amount of \$1,480,000 and \$4,000,000 respectively, due in 2013. The smaller note was for the renovation of the public library and the larger note is for project completed in TIF Districts # 7, 8 and 9. Because these notes would have had to have been refinanced and because refinancing with the Board of Commissioners of Public Lands (BCPL) allows the City to reduce the interest rate on other loans the City has with the BCPL, the decision was made to call in these two note issues early.

The Council took action on 06/18/2012, approving R-15-12 and R-16-12 and putting into motion the process of calling in these two note issues. The resolution you will be acting on at the Council meeting is the last step the Council will be taking in this large refinancing of outstanding city debt..

Should you have additional questions, please contact me

RESOLUTION AUTHORIZING THE REDEMPTION OF
GENERAL OBLIGATION PROMISSORY NOTES, DATED MARCH 1, 2003 AND
TAXABLE GENERAL OBLIGATION PROMISSORY NOTES, DATED AUGUST 1, 2008

Introduced by Mayor Merkes:

WHEREAS, the City of Menasha, Calumet and Winnebago Counties, Wisconsin (the "City") has issued its General Obligation Promissory Notes, dated March 1, 2003 (the "2003 Notes") and Taxable General Obligation Promissory Notes, dated August 1, 2008 (the "2008 Notes");

WHEREAS, the 2003 Notes maturing on March 1, 2013 are callable on September 1, 2012 or on any interest payment date thereafter;

WHEREAS, the 2008 Notes maturing on September 1, 2013 are callable on September 1, 2012 or on any date thereafter;

WHEREAS, it is the intent of the City to apply for State Trust Fund Loans to refund the 2003 Notes and 2008 Notes on September 1, 2012; and

WHEREAS, the Common Council of the City hereby finds and determines that it is necessary, desirable and in the best interest of the City (provided that the City secures State Trust Fund Loans for the purpose of refunding the 2003 Notes and 2008 Notes) to call the 2003 Notes and 2008 Notes for redemption on September 1, 2012.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Menasha, Calumet and Winnebago Counties, Wisconsin, that:

Section 1. Call of the 2003 Notes. Provided that the City secures a loan commitment from the Board of Commissioners of Public Lands for a State Trust Fund Loan in an amount sufficient for such redemption, the 2003 Notes which mature on March 1, 2013 shall be called for redemption on September 1, 2012, at the price of par plus accrued interest to the date of redemption.

Section 2. Call of the 2008 Notes. Provided that the City secures a loan commitment from the Board of Commissioners of Public Lands for a State Trust Fund Loan in an amount sufficient for such redemption, the 2008 Notes which mature on September 1, 2013 shall be called for redemption on September 1, 2012, at the price of par plus accrued interest to the date of redemption.

Section 3. Call Notices to Depository. The City Clerk, in conjunction with Wisconsin Public Finance Professionals, LLC ("WFPF"), shall cause timely notice of the call of the 2003 Notes and 2008 Notes to be redeemed to be given by providing notices thereof, in substantially the forms attached hereto as Exhibits A-1 and A-2 to be given to The Depository Trust

Company, New York, New York, not less than 30 days nor more than 60 days prior to September 1, 2012.

Section 4. Additional Call Notice. In addition to the official notices of redemption provided for in Section 3, the City Clerk, in conjunction with WFPF, shall cause further notice of the redemption of the 2003 Notes and 2008 Notes to be provided to the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access System. Further notices of redemption shall contain the information set forth in the Notices of Call provided on Exhibits A-1 and A-2 and shall be provided to the parties described therein.

Adopted, approved and recorded this 16th day of July, 2012.

Donald Merkes
Mayor

ATTEST:

Deborah A. Galeazzi
City Clerk

(SEAL)

EXHIBIT A-1

NOTICE OF FULL CALL*

Regarding

CITY OF MENASHA
CALUMET AND WINNEBAGO COUNTIES, WISCONSIN
\$4,530,000 GENERAL OBLIGATION PROMISSORY NOTES
DATED MARCH 1, 2003

NOTICE IS HEREBY GIVEN that the Notes of the above-referenced issue which mature on the date and in the amount; bear interest at the rate; and have a CUSIP No. as set forth below have been called by the City for prior payment on September 1, 2012 at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the date of prepayment:

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP No.</u>
03/01/2013	\$1,480,000	3.70%	586464WF2

The City shall deposit federal or other immediately available funds sufficient for such redemption at the office of The Depository Trust Company on or before September 1, 2012.

Said Notes will cease to bear interest on September 1, 2012.

By Order of the
Common Council
City of Menasha
City Clerk

Dated _____

* To be provided by facsimile transmission, registered or certified mail, or overnight express delivery to The Depository Trust Company, Attn: Supervisor, Call Notification Department, 55 Water Street, 50th Floor, New York, NY 10041-0099, not less than thirty (30) days nor more than sixty (60) days prior to September 1, 2012 and to the MSRB. Notice shall also be provided to MBIA Insurance Corporation, or any successor, the bond insurer of the Notes.

In addition, if the Notes are subject to the continuing disclosure requirements of SEC Rule 15c2-12 effective July 3, 1995, this Notice should be filed electronically with the MSRB through the Electronic Municipal Market Access (EMMA) System website at www.emma.msrb.org.

EXHIBIT A-2

NOTICE OF FULL CALL*

Regarding

CITY OF MENASHA
CALUMET AND WINNEBAGO COUNTIES, WISCONSIN
\$4,715,000 TAXABLE GENERAL OBLIGATION PROMISSORY NOTES
DATED AUGUST 1, 2008

NOTICE IS HEREBY GIVEN that the Notes of the above-referenced issue which mature on the date and in the amount; bear interest at the rate; and have a CUSIP No. as set forth below have been called by the City for prior payment on September 1, 2012 at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the date of prepayment:

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP No.</u>
09/01/2013	\$4,000,000	6.40%	586464D63

The City shall deposit federal or other immediately available funds sufficient for such redemption at the office of The Depository Trust Company on or before September 1, 2012.

Said Notes will cease to bear interest on September 1, 2012.

By Order of the
Common Council
City of Menasha
City Clerk

Dated _____

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