



City of Racine

Finance & Personnel Committee Meeting

November 11, 2019

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Tentative Timeline

- Finance Committee reviews plan of financeNovember 11, 2019
 - Preparations are made for issuance
 - ✓ Official Statement
 - ✓ Bond Rating
 - ✓ Marketing
- City Council considers Award Resolution (finalizes terms and interest rates)November 19, 2019
- Closing/NAN Paid OffDecember 20, 2019

Borrowing/Structure/Purpose

Estimated Size:	\$13,570,000
Issue:	General Obligation Refunding Bonds
Purpose:	Refund CIP/Equipment Note Anticipation Notes
Structure:	Matures June 1, 2020-21; December 1, 2021-2033
First Interest:	June 1, 2020
Callable:	December 1, 2028
Estimated Interest Rate:	2.50%



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Preliminary Financing Plan

		CIP: \$11,085,000											
		Equip: \$3,245,000											
		\$14,330,000											
		NAN											
		10/1/2019											
		<i>Due: April 1, 2020</i>											
				PRELIMINARY									
				\$13,570,000									
				GENERAL OBLIGATION REFUNDING BONDS									
				Dated December 20, 2019									
				14-Year Amortization									
LEVY YEAR	YEAR DUE	EXISTING DEBT SERVICE (A)	INTEREST	CIP		EQUIPMENT		TOTAL	FUTURE ISSUES (C)	COMBINED NET DEBT SERVICE	GROWTH	FUTURE ANNUAL BORROWING AMOUNT (C)	
				PRINCIPAL (12/1)	INTEREST (6/1 & 12/1)	PRINCIPAL (6/1)	INTEREST (6/1 & 12/1)						
			TIC = 2.85%					TIC = 2.50%					
2018	2019	\$17,244,793	\$102,201							\$17,244,793		2019	
2019	2020	\$13,130,037								\$16,458,826	-4.56%	2020	
2020	2021	\$11,458,219		\$610,000	\$376,852	\$2,870,000	\$81,937	\$3,328,789	\$4,243,200	\$17,093,644	3.86%	2021	
2021	2022	\$10,716,458		\$640,000	\$367,350	\$375,000	\$9,375	\$1,007,350	\$6,029,800	\$17,753,608	3.86%	2022	
2022	2023	\$9,997,269		\$670,000	\$335,350			\$1,005,350	\$7,435,800	\$18,438,419	3.86%	2023	
2023	2024	\$8,313,849		\$705,000	\$301,850			\$1,006,850	\$9,827,375	\$19,148,074	3.85%	2024	
2024	2025	\$7,432,600		\$735,000	\$273,650			\$1,008,650	\$11,443,900	\$19,885,150	3.85%	2025	
2025	2026	\$6,412,750		\$765,000	\$244,250			\$1,009,250	\$13,229,150	\$20,651,150	3.85%	2026	
2026	2027	\$5,421,800		\$795,000	\$213,650			\$1,008,650	\$15,017,475	\$21,447,925	3.86%	2027	
2027	2028	\$4,466,000		\$825,000	\$181,850			\$1,006,850	\$16,799,125	\$22,271,975	3.84%	2028	
2028	2029	\$3,594,650		^(B) \$860,000	\$148,850			\$1,008,850	\$18,524,600	\$23,128,100	3.84%	2029	
2029	2030	\$2,692,400		\$885,000	\$120,900			\$1,005,900	\$20,317,800	\$24,016,100	3.84%	2030	
2030	2031	\$1,727,600		\$915,000	\$92,138			\$1,007,138	\$22,205,100	\$24,939,838	3.85%	2031	
2031	2032	\$842,400		\$945,000	\$62,400			\$1,007,400	\$24,049,375	\$25,899,175	3.85%	2032	
2032	2033			\$975,000	\$31,688			\$1,006,688	\$25,890,475	\$26,897,163	3.85%	2033	
		\$103,450,826		\$10,325,000	\$3,148,627	\$3,245,000	\$91,312	\$16,809,939	\$195,013,175	\$315,273,940		\$316,055,000	

(A) Levy Supported net of BABs subsidy; includes WRS related debt service. Net of 2019 refunding of 2009 BABs issue (levy supported).

(B) Indicates maturities callable in 2028 or after.

(C) Assumes annual borrowings beginning in 2020 with an average interest rate of 4.00-4.50%. In 2020, assumes a short term borrowing (amortized over one to two years) of \$3,000,000 and a long term borrowing (amortized over 14 years) of \$11,330,000, with annual growth in issue size of 3% thereafter. Also assumes special purpose borrowings of \$38,000,000 in 2021, \$3,750,000 in 2024, \$25,000,000 in 2028 and \$4,500,000 in 2029, amortized over 20 years at 4.50%.