

CITY OF RACINE

Presentation of the Finance Committee

May 8, 2006

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CITY OF RACINE

Summary of Recommended Financing

May 8, 2006

I. ESTIMATED AMOUNT OF BORROWING / STRUCTURE:

\$7,000,000 Note Anticipation Notes

Funds: Projects included in CIP

Term: Matures December 28, 2006; Callable October 10, 2006

Long-term Financing: Fall 2006

\$2,000,000 Taxable General Obligation Refunding Bonds

Funds: Long-term financing of TID #11 projects which include land acquisition, demolition and rehabilitation for the purpose of blight elimination

Term: To be structured around anticipated TID #11 revenue

II. STANDARD & POOR'S RATING (Recommended)

Baird, in conjunction with City staff, will prepare the necessary information for an S&P's rating for the Issues.

III. PROCEDURE

- Finance Committee considers plan of finance: May 8, 2006.
- Council considers Finance Committee recommendation: May 16, 2006.
- Baird and City staff prepares necessary information and submit it to S&P for credit rating.
- Preparations are made for the issuance (compilation of Preliminary Official Statement, marketing).
- Baird underwrites the issues and presents available interest rates to the Council on June 6, 2006.



2006 Capital Improvement Plan City of Racine

	2005 2006 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2016 2017 2018 2019 2019 2019 2019	YEAR DUE
\$106,841,672	\$6,948,468 \$6,673,898 \$6,920,705 \$6,891,001 \$6,738,689 \$7,416,183 \$7,353,845 \$8,115,618 \$8,714,518 \$8,714,518 \$8,714,518 \$8,862,945 \$7,058,940 \$3,561,550 \$1,600,386 \$1,629,693 \$1,662,131	EXISTING DEBT SERVICE
\$96,056	\$96,056 Assumes NANs Principal and Interest Refinanced on 10/10/06 First Eligible Call Date: 10/10/2006	\$7,000,000 \$7,000,000 NANS Dated: June 26, 2006 Due: December 28, 2006 INTEREST AVG= 4.75%
\$7,100,000	\$340,000 \$120,000 \$175,000 \$355,000 \$480,000 \$400,000 \$400,000 \$485,000 \$485,000 \$485,000 \$1,230,000 \$1,325,000	G.O. Date (Fir PRINCIPAL (12/1)
\$7,100,000 \$3,498,531 \$10,598,531	\$393,784 \$330,130 \$324,910 \$317,298 \$301,855 \$271,315 \$252,915 \$245,555 \$221,305 \$197,055 \$197,055 \$193,555 \$130,305 \$67,575	\$7,100,000 \$7,100,000 G.O. Refunding Bonds Dated: October 10, 2006 (First interest 6/1/07) PAL INTEREST TO (6/1 & 12/1) AVG= 4.97%
\$10,598,531	\$733,784 \$450,130 \$499,910 \$672,298 \$7781,855 \$490,975 \$671,315 \$412,915 \$706,305 \$867,055 \$828,555 \$1,360,305 \$1,360,305	(2006 /07) TOTAL
\$117,440,203	\$6,948,468 \$7,407,681 \$7,370,835 \$7,390,911 \$7,410,986 \$7,668,494 \$7,907,158 \$8,025,160 \$8,522,355 \$8,846,173 \$9,420,823 \$9,730,000 \$7,887,495 \$4,921,855 \$2,992,961 \$1,629,693 \$1,662,131 \$1,662,131	COMBINED NET DEBT SERVICE

(A) Levy Supported; includes UFPL refinancing and is net of CVMIC revenues.

City of Racine Long-Term Capital Improvement Plan

		2021 2022	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	_		•	2006	2005			YEAR	EW.					
		2022 2023	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006			9	YEAR					
	\$106,841,672	\$1,662,131 \$1,697,025	\$1,629,693	\$1,600,386	\$3,561,550	\$7,058,940	\$8,862,945	\$8,714,518	\$8,115,618	\$8,109,440	\$7,353,845	\$7,416,183	\$6,886,639	\$6,738,689	\$6,891,001	\$6,920,705	\$6,673,898	\$6,948,468		Æ	SERVICE	EXISTING DEBT					
1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	\$96,056									10/10/2006	Call Date:	First Eligible		Refinanced on 10/10/06	and interest	Assumes NAN Principal		\$96,056	4.75%	AVG =		INTEREST	Due: December 28, 2006	Dated: June 26, 2006	NANS	\$7,000,000	PRELIMINARY
	\$7,100,000			\$1,325,000	\$1,230,000	\$665,000	\$670,000	\$485,000	\$485,000	\$160,000	\$400,000	\$210,000	\$480,000	\$355,000	\$175,000	\$120,000	\$340,000				(12/1)	PRINCIPAL	14-Year Amortization		G.O. Refunding Bonds	\$7,100,000	PRELIMINARY
	\$3,498,531			\$67,575	\$130,305	\$163,555	\$197,055	\$221,305	\$245,555	\$252,915	\$271,315	\$280,975	\$301,855	\$317,298	\$324,910	\$330,130	\$393,784		4.97%	AVG =	(6/1 & 12/1)	INTEREST	nortization	Dated: October 10, 2006	ling Bonds	,000	NARY
	\$7,000,000		\$2,015,000	\$1,290,000	\$920,000	\$1,075,000	\$245,000	\$145,000	\$155,000	\$165,000	\$285,000	\$180,000	\$185,000	\$190,000	\$150,000						(121)	PRINCIPAL	15-Year Amortization	Dated June 1, 2007	G.O. E	\$7,000,000	
	\$4,085,750		\$100,750	\$165,250	\$211,250	\$265,000	\$277,250	\$284,500	\$292,250	\$300,500	\$314,750	\$323,750	\$333,000	\$342,500	\$350,000	\$525,000			5.00%	AVG =	(6/1 & 12/1)	INTEREST	nortization	le 1, 2007	onds	000,	
	\$7,010,000	\$1,635,000	\$1,575,000	\$1,100,000	\$1,000,000	\$300,000	\$200,000	\$100,000	\$200,000	\$200,000	\$200,000	\$200,000	\$150,000	\$150,000							(121)	PRINCIPAL	15-Year A	Dated Ju	G.O. I	\$7,010,000	
	\$4,091,000	\$81,750	\$160,500	\$215,500	\$265,500	\$280,500	\$290,500	\$295,500	\$305,500	\$315,500	\$325,500	\$335,500	\$343,000	\$350,500	\$525,750				5.00%	AVG =	(6/1 & 12/1)	INTEREST	15-Year Amortization	Dated June 1, 2008	G.O. Bonds	0,000	
	\$32,785,281	\$1,716,750	\$3,851,250	\$4,163,325	\$3,757,055	\$2,749,055	\$1,879,805	\$1,531,305	\$1,683,305	\$1,393,915	\$1,796,565	\$1,530,225	\$1,792,855	\$1,705,298	\$1,525,660	\$975,130	\$733,784				SERVICE	NEW ISSUES DEBT					
	\$79,310,750	\$12,972,250 \$13,845,750	\$12,424,250	\$11,101,000	\$8,567,875	\$5,152,875	\$3,292,750	\$2,921,375	\$2,553,750	\$2,085,000	\$1,719,625	\$1,253,000	\$890,250	\$531,000						(B)	ISSUES	FUTURE					
	\$218,937,703	\$16,351,131 \$15,542,775	\$17,905,193	\$16,864,711	\$15,886,480	\$14,960,870	\$14,035,500	\$13,167,198	\$12,352,673	\$11,588,355	\$10,870,035	\$10,199,408	\$9,569,744	\$8,974,986	\$8,416,661	\$7,895,835	\$7,407,681	\$6,948,468			SERVICE	COMBINED NET DEBT					
		4.94%	6.17%	6.16%	6.19%	6.59%	6.59%	6.59%	6.60%	6.61%	6.58%	6.58%	6.63%	6.63%	6.60%	6.59%	6.61%				GROWTH						

⁽A) Levy Supported; includes UFPL refinancing and is net of CVMIC revenues.



⁽B) Future Issues consist of a borrowing of \$7,080,100 in 2009 growing at 1% annually with an average interest rate of 5%.