

The logo for the law firm BAIRD, consisting of the word "BAIRD" in white, uppercase, serif font, set against a blue parallelogram background.

City of Racine

Finance & Personnel Committee Meeting

August 29, 2022

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City of Racine

FINANCE & PERSONNEL COMMITTEE MEETING

August 29, 2022



Timeline

- Finance Committee Meeting to discuss financing plan August 29, 2022
 - Preparations are made for issuance
 - ✓ Official Statement
 - ✓ Bond Rating
 - ✓ Marketing
- City Council considers Award Resolution (finalizes terms and interest rate)September 6, 2022
- Closing (funds available)September 27, 2022

Borrowing / Structure / Purpose

Approximate Size:	\$14,715,000
Issue:	Note Anticipation Notes
Purpose:	<ul style="list-style-type: none">• \$10,869,875 Capital Improvement Projects• \$3,811,500 Equipment
Structure:	Matures April 1, 2023
First Interest:	April 1, 2023
Callable:	December 15, 2022
Estimated Rate:	3.47%

August 29, 2022

Preliminary Financing Illustration

PRELIMINARY																	
GENERAL OBLIGATION REFUNDING BONDS																	
Dated December 16, 2022																	
14-Year Amortization																	
		EXISTING DEBT		EXISTING DEBT		CIP		EQUIPMENT				COMBINED DEBT		COMBINED DEBT		FUTURE ANNUAL	
LEVY YEAR	YEAR DUE	SERVICE (Levy Supported)	SERVICE (TIF Supported)	INTEREST	PRINCIPAL (12/1)	INTEREST (6/1 & 12/1)	PRINCIPAL (6/1)	INTEREST (6/1)	TOTAL	EXISTING PLUS NEW DEBT SERVICE (Levy Supported)	FUTURE DEBT SERVICE (B)	DEBT SERVICE (Levy Supported)	GROWTH	SERVICE (Levy & TIF Supported)	SERVICE (Levy & TIF Supported)	BORROWING AMOUNT (B)	
				TIC = 3.47%	TIC = 3.61%												
2021	2022	\$18,496,292	\$707,569	\$111,589						\$18,496,292	\$0	\$18,496,292		\$19,203,861	2022		
2022	2023	\$12,403,525	\$1,319,659		\$1,585,000	\$476,819	\$3,860,000	\$88,994	\$6,010,814	\$18,414,339	\$85,313	\$18,499,651	0.02%	\$19,819,310	2023	\$33,365,000	
2023	2024	\$10,721,735	\$1,318,701	NAN Principal and Interest Refunded with Bonds at the Call Date of 12/16/2022	\$495,000	\$416,863			\$911,863	\$11,633,598	\$7,793,400	\$19,426,998	5.01%	\$20,745,699	2024	\$34,260,000	
2024	2025	\$9,861,165	\$1,552,841		\$520,000	\$392,113			\$912,113	\$10,773,278	\$9,051,113	\$19,824,390	2.05%	\$21,377,231	2025	\$19,160,000	
2025	2026	\$8,842,835	\$1,039,571		\$545,000	\$366,113			\$911,113	\$9,753,948	\$10,479,638	\$20,233,585	2.06%	\$21,273,156	2026	\$19,470,000	
2026	2027	\$7,888,868	\$1,039,571		\$570,000	\$338,863			\$908,863	\$8,797,730	\$11,848,663	\$20,646,393	2.04%	\$21,685,963	2027	\$18,245,000	
2027	2028	\$6,952,250	\$1,039,571		\$600,000	\$310,363			\$910,363	\$7,862,613	\$13,210,550	\$21,073,163	2.07%	\$22,112,733	2028	\$25,425,000	
2028	2029	\$6,079,150	\$1,039,571		\$630,000	\$280,363			\$910,363	\$6,989,513	\$14,518,650	\$21,508,163	2.06%	\$22,547,733	2029	\$16,310,000	
2029	2030	\$5,179,300	\$1,039,571		(A) \$660,000	\$248,863			\$908,863	\$6,088,163	\$15,857,913	\$21,946,075	2.04%	\$22,985,646	2030	\$17,085,000	
2030	2031	\$4,210,250	\$1,039,571		\$695,000	\$214,213			\$909,213	\$5,119,463	\$17,283,988	\$22,403,450	2.08%	\$23,443,021	2031	\$15,370,000	
2031	2032	\$3,330,550	\$521,764		\$730,000	\$177,725			\$907,725	\$4,238,275	\$18,629,388	\$22,867,663	2.07%	\$23,389,427	2032	\$15,830,000	
2032	2033	\$2,487,150	\$521,764		\$770,000	\$139,400			\$909,400	\$3,396,550	\$19,940,813	\$23,337,363	2.05%	\$23,859,127	2033	\$16,305,000	
2033	2034	\$1,489,800	\$521,764	\$805,000	\$106,675			\$911,675	\$2,401,475	\$21,419,113	\$23,820,588	2.07%	\$24,342,352	2034	\$16,795,000		
2034	2035	\$810,900	\$521,764	\$835,000	\$72,463			\$907,463	\$1,718,363	\$22,586,875	\$24,305,238	2.03%	\$24,827,002	2035	\$17,300,000		
2035	2036		\$521,764	\$870,000	\$36,975			\$906,975	\$906,975	\$23,900,525	\$24,807,500	2.07%	\$25,329,264	2036	\$17,820,000		
2036	2037		\$521,764							\$25,321,575	\$25,321,575	2.07%	\$25,843,339	2037	\$18,355,000		
2037	2038		\$521,764							\$25,846,800	\$25,846,800	2.07%	\$26,368,564	2038	\$18,905,000		
2038	2039		\$521,764							\$26,379,838	\$26,379,838	2.06%	\$26,901,602	2039	\$19,470,000		
2039	2040		\$521,764							\$26,923,875	\$26,923,875	2.06%	\$27,445,639	2040	\$20,050,000		
2040	2041		\$453,946								\$27,476,963	\$27,476,963	2.05%	\$27,930,908	2041	\$20,655,000	
		\$98,753,769	\$16,286,019		\$10,310,000	\$3,577,807	\$3,860,000	\$88,994	\$17,836,801	\$116,590,570	\$338,554,988	\$455,145,558		\$471,431,577		\$380,175,000	

(A) Indicates maturities callable in 2029 or after.

(B) Assumes annual borrowings beginning in 2023 with an average interest rate of 3.75% - 4.00%. In 2023, assumes a short term borrowing (amortized over one to two years) of \$4,175,000 and a long term borrowing (amortized over 14 years) of \$25,415,000. Assumes future short and long-term borrowings per 2023-31 CIP Plan. Assumes 3.00% growth to future issues 2032 and thereafter. Assumes special purpose borrowing of \$3,500,000 in 2023 amortized over 10 years at an estimated interest rate of 3.25%. Assumes special purpose borrowings of \$275,000 in 2023, \$4,500,000 in 2024, and \$5,500,000 in 2028 amortized over 20 years at 4.25%. This information is provided for information purposes only. It does not recommend any future issuances and is not intended to be, and should not be regarded as, advice.