

City of Racine

Water Utility Refinancing City Capital Financing May 9, 2011 Bradley D. Viegut, Director bviegut@rwbaird.com 414.765.3827



City of Racine

WATER UTILITY REFINANCING

CITY CAPITAL FINANCING

May 9, 2011

Water Utility Refinancing

\$2,025,000 Waterworks System Bonds

(approx.) Refunds: 2001 Waterworks System Bonds

Term: Matures 2012-2015; no change of payment dates from 2001 bonds; noncallable

Estimated Present Value Savings: \$131,222 (net of issuance costs)

City Capital Financing

\$8,305,000 Note Anticipation Notes

Funds: Projects in the CIP

Term: Matures December 28, 2011; callable November 28, 2011

Long-term Financing: Fall 2011

Procedure

	Finance Committee considers plan of finance	May 9, 2011
>	Council considers Finance Committee recommendation	May 17, 2011
>	Baird and City staff prepares necessary information and submits 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	June 7, 2011

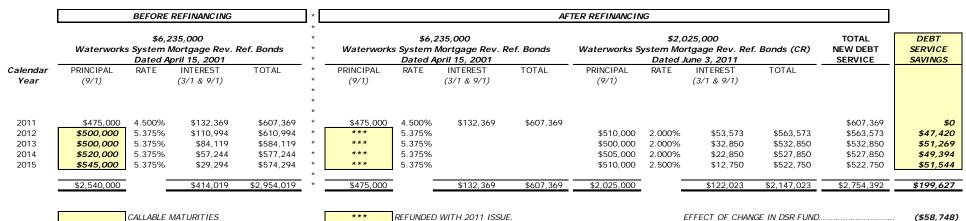
Refunding Analysis (Attached)



City of Racine water utility refinancing city capital financing

May 9, 2011

Preliminary Refunding Analysis



Maturities callable 9/1/2011 or any date thereafter.

EFFECT OF CHANGE IN DSR FUND	
EST. INVESTMENT EARNINGS ⁽¹⁾	\$858
ROUNDING AMOUNT	\$1,855
GROSS SAVINGS	\$143,591
PRESENT VALUE SAVINGS	\$131,222
PV SAVINGS %	6.355%

⁽¹⁾ Calculated from 6/3/11 to 9/1/11 at recent LGIP rate of 0.17%.