City of Racine

2013 Financing Plan

May 13, 2013

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City of Racine

2013 FINANCING PLAN

May 13, 2013

Borrowing Amount / Structure / Purpose

Issue:	Note Anticipation Notes	G.O. Refunding Bonds
Amount:	$11,040,000	$4,785,000 (approximate) [1]
Purpose:	CIP……………….$9,040,000 Equipment……$2,000,000	Refinance 2005 Bonds……………….$1,945,000 Refinance 2006 Bonds……………..$2,840,000
Structure:	Matures June 9, 2014	Matures annually Dec. 1, 2013-2020
First Interest:	At maturity	December 1, 2013
Callable:	December 9, 2013	Noncallable
Estimated Interest Rate:	1.60%	1.76%
Estimated Savings:	-	$104,248[2]
Long Term Financing:	4th quarter of 2013	-
Detailed Analysis:	Page 3	Page 4

[1] If refunding savings and efficiencies increase, additional maturities of the 2005 and 2006 bonds will be refunded.

[2] Present value calculated using the All Inclusive Cost (AIC) of 1.88% as the discount rate.

Timeline

- Finance Committee considers plan of finance .... May 13, 2013
  - Preparations are made for issuances
    - ✓ Official Statement
    - ✓ Bond Ratings
    - ✓ Marketing
- City Council receives recommendation of Finance Committee .... May 21, 2013
- City Council considers award resolution.. June 18, 2013
- Closing (funds available) .... July 9, 2013

City of Racine

2013 FINANCING PLAN

May 13, 2013

Preliminary Financing Plan – Refinancing Issue

BEFORE REFINANCING

Calendar Year	$6,980,000 G.O. Ref. Bonds (CR) Dated October 15, 2005 PRINCIPAL (12/1)	RATE	INTEREST (6/1 & 12/1)	$7,130,000 G.O. Ref. Bonds, Series A Dated October 5, 2006 PRINCIPAL (12/1)	RATE	INTEREST (6/1 & 12/1)	TOTAL DEBT SERVICE
2013	$490,000	4.750%	$169,663	$415,000	4.000%	$229,300	$1,303,963
2014	$515,000	4.750%	$146,388	$165,000	4.000%	$212,700	$1,039,088
2015	$550,000	4.750%	$121,925	$480,000	4.000%	$206,100	$1,358,025
2016	***$565,000***	4.000%	$95,800	$465,000	4.000%	$186,900	$1,312,700
2017	***$585,000***	4.000%	$73,200	***$635,000***	4.500%	$168,300	$1,461,500
2018	***$610,000***	4.000%	$49,800	***$610,000***	4.500%	$139,725	$1,409,525
2019	***$635,000***	4.000%	$25,400	***$1,220,000***	4.500%	$112,275	$1,992,675
2020				***$1,275,000***	4.500%	$57,375	$1,332,375
	$3,950,000		$682,175	$5,265,000		$1,312,675	$11,209,850

CALLABLE MATURITIES

Purpose: 100% City Purpose *Purpose: 100% City Purpose*

AFTER REFINANCING

Calendar Year	$6,980,000 G.O. Ref. Bonds (CR) Dated October 15, 2005 PRINCIPAL (12/1)	INTEREST (6/1 & 12/1)	$7,130,000 G.O. Ref. Bonds, Series A Dated October 5, 2006 PRINCIPAL (12/1)	INTEREST (6/1 & 12/1)	2013 Refinancing Issue $4,785,000 G.O. Refunding Bonds (AR) Dated July 9, 2013 PRINCIPAL (12/1)	INTEREST (6/1 & 12/1) TIC = 1.76%	TOTAL	TOTAL NEW DEBT SERVICE	DEBT SERVICE SAVINGS
2013	$490,000	$133,063	$415,000	$173,163	$35,000	$40,352	$75,352	$1,286,577	***$17,386***
2014	$515,000	$73,188	$165,000	$100,425	$65,000	$101,600	$166,600	$1,020,213	***$18,875***
2015	$550,000	$48,725	$480,000	$93,825	$70,000	$100,300	$170,300	$1,342,850	***$15,175***
2016	***$565,000***	$22,600	$465,000	$74,625	$70,000	$98,900	$168,900	$1,296,125	***$16,575***
2017	***	$0	***$635,000***	$56,025	$660,000	$97,500	$757,500	$1,448,525	***$12,975***
2018	***	$0	***$610,000***	$27,450	$675,000	$77,700	$752,700	$1,390,150	***$19,375***
2019	***		***	$0	$1,910,000	$64,200	$1,974,200	$1,974,200	***$18,475***
2020			***		$1,300,000	$26,000	$1,326,000	$1,326,000	***$6,375***
	$2,120,000	$277,575	$2,770,000	$525,513	$4,785,000	$606,552	$5,391,552	$11,084,639	***$125,211***

*** *REFINANCED WITH 2013 ISSUE.*

LESS TRANSFER FROM PRIOR ISSUE D/S FUND…………	***($17,386)***
ROUNDING AMOUNT……………………………………………	***$2,190***
GROSS SAVINGS…………………………………………………	***$110,015***
(1) *PRESENT VALUE SAVINGS……………………………………*	***$104,248***
PV SAVINGS %……………………………………………………	***2.410%***

(1) Present value calculated using the All Inclusive Cost (AIC) of 1.88% as the discount rate.

City of Racine

2013 FINANCING PLAN

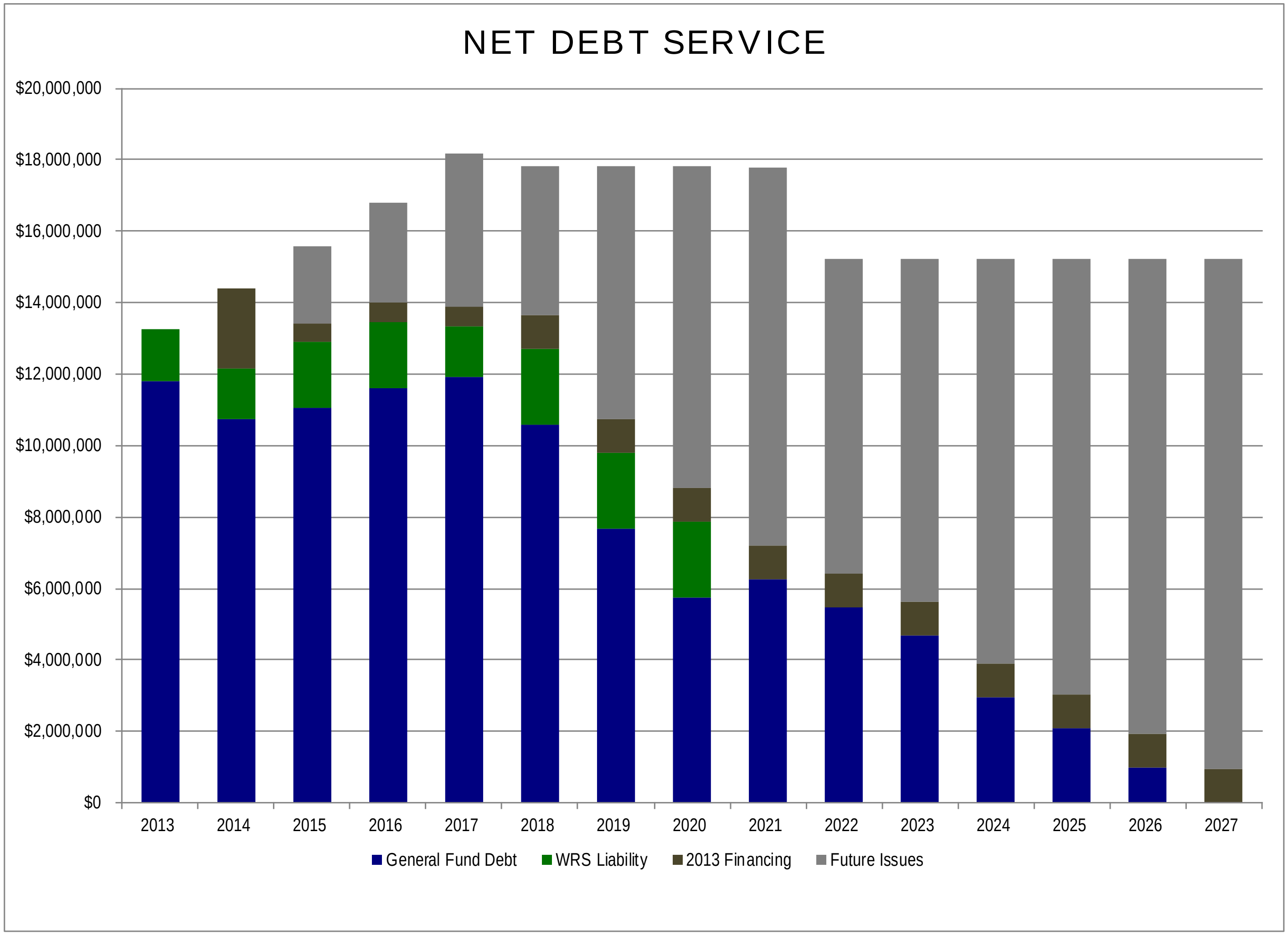
May 13, 2013

Preliminary Financing Plan – Long-Term Capital Improvement Plan

LEVY YEAR	YEAR DUE	EXISTING DEBT SERVICE (A)	PRELIMINARY $11,040,000 NANs Dated: July 9, 2013 *Due: June 9, 2014* INTEREST TIC = 1.60%	PRELIMINARY $11,040,000 G.O. REFUNDING FUNDS Dated: December 9, 2013 *14-Year Amortization* TIC = 2.71% CIP: $9,040,000 PRINCIPAL *(12/1)*	CIP: $9,040,000 INTEREST *(6/1 & 12/1)*	EQUIPMENT: $2,000,000 PRINCIPAL *(6/1)*	EQUIPMENT: $2,000,000 INTEREST *(6/1 & 12/1)*	FUTURE ISSUES (C)	COMBINED NET DEBT SERVICE	GROWTH	
2012	2013	$13,236,610	$92,000						$13,236,610		2013
2013	2014	$12,152,026		$0	$231,122	$2,000,000	$19,111		$14,402,259	8.81%	2014
2014	2015	$12,885,577	***NAN Principal and***	$300,000	$236,375			$2,140,800	$15,562,752	8.06%	2015
2015	2016	$13,454,832	***Interest Refunded***	$300,000	$230,375			$2,824,100	$16,809,307	8.01%	2016
2016	2017	$13,325,850	***with Bonds;***	$325,000	$224,375			$4,287,600	$18,162,825	8.05%	2017
2017	2018	$12,705,744	***NANs to be called***	$730,000	$217,875			$4,150,200	$17,803,819	-1.98%	2018
2018	2019	$9,801,907	***12/9/2013***	$745,000	$203,275			$7,049,700	$17,799,882	-0.02%	2019
2019	2020	$7,864,604		$760,000	$188,375			$8,985,900	$17,798,879	-0.01%	2020
2020	2021	$6,254,560		$775,000	$173,175			$10,593,800	$17,796,535	-0.01%	2021
2021	2022	$5,458,371		$795,000	$149,925			$8,809,100	$15,212,396	-14.52%	2022
2022	2023	$4,664,453		$815,000	$128,063			$9,600,900	$15,208,416	-0.03%	2023
2023	2024	$2,959,280		$835,000	$107,280			$11,304,800	$15,206,360	-0.01%	2024
2024	2025	$2,076,200	*(B)*	$860,000	$83,900			$12,184,000	$15,204,100	-0.01%	2025
2025	2026	$982,800		$885,000	$58,530			$13,279,700	$15,206,030	0.01%	2026
2026	2027			$915,000	$30,653			$14,262,400	$15,208,053	0.01%	2027
		$117,822,813	$92,000	$9,040,000	$2,263,297	$2,000,000	$19,111	$109,473,000	$240,618,221		

(A) Levy Supported net of BABs subsidy; includes WRS related debt service. Net of 2013 refinancing being done concurrently with the NAN issuance.
(B) Indicates Maturities callable in 2023 or after.
(C) Assumes annual borrowings beginning in 2014 at $9,180,000 then growing 2% annually with an average interest rate of 4%. Also included in annual borrowings is $1,500,000 for equipment amortized in the 1-year maturity.

Preliminary Financing Plan – Long-Term Capital Improvement Plan



(A) Levy Supported net of BABs subsidy; includes WRS related debt service. Net of 2013 refinancing being done concurrently with the NAN issuance.