



Great outcomes.
Done well.

City of Racine

Presentation of the Finance Committee

June 25, 2007

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City of Racine

Summary of Recommended Financing Plan



I. Estimated Amount of Borrowing / Structure:

\$7,500,000 **Note Anticipation Notes**

Funds: Project included in CIP

Term: Matures December 27, 2007; Noncallable

Long-term Financing: Fall 2007

II. Standard & Poor's Rating (Recommended)

Baird, in conjunction with City Staff, will prepare the necessary information for an S & P rating for the Issue.

III. Procedure

- Finance Committee considers plan of finance: June 25, 2007.
- Council considers Finance Committee recommendation: July 3, 2007.
- 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: July 17, 2007.

City of Racine
Summary of Recommended Financing Plan



2007 Capital Improvement Plan

YEAR DUE	EXISTING DEBT SERVICE (A)	PRELIMINARY	PRELIMINARY			COMBINED NET DEBT SERVICE
		\$7,500,000 NANs Dated: July 31, 2007 Due: December 27, 2007	\$7,640,000 G.O. Refunding Bonds Dated: October 1, 2007 (First interest 6/1/08)	PRINCIPAL (12/1)	INTEREST (6/1 & 12/1)	
		INTEREST AVG= 4.50%		AVG= 4.72%		
2007	\$7,405,071	\$137,813				\$7,405,071
2008	\$7,364,405	<i>NAN Principal and Interest Paid at Maturity with Bonds (B)</i>	\$105,000	\$418,447	\$523,447	\$7,887,852
2009	\$7,383,501		\$140,000	\$353,944	\$493,944	\$7,877,445
2010	\$7,397,789		\$200,000	\$347,644	\$547,644	\$7,945,433
2011	\$7,650,339		\$200,000	\$338,644	\$538,644	\$8,188,983
2012	\$7,884,683		\$200,000	\$329,644	\$529,644	\$8,414,326
2013	\$7,998,145		\$260,000	\$320,644	\$580,644	\$8,578,789
2014	\$8,487,140		\$260,000	\$308,944	\$568,944	\$9,056,084
2015	\$8,801,718		\$275,000	\$297,244	\$572,244	\$9,373,961
2016	\$9,366,418		\$380,000	\$284,525	\$664,525	\$10,030,943
2017	\$9,666,245		\$400,000	\$266,950	\$666,950	\$10,333,195
2018	\$7,808,665		\$1,220,000	\$247,950	\$1,467,950	\$9,276,615
2019	\$4,893,825		\$1,275,000	\$190,000	\$1,465,000	\$6,358,825
2020	\$2,932,761		\$1,340,000	\$129,438	\$1,469,438	\$4,402,199
2021	\$1,629,693		\$1,385,000	\$65,788	\$1,450,788	\$3,080,480
2022	\$1,662,131					\$1,662,131
2023	\$1,697,025					\$1,697,025
	\$110,029,552	\$137,813	\$7,640,000	\$3,899,803	\$11,539,803	\$121,569,355

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

(B) Estimated investment earnings on Bond Proceeds from 10/1/07 to 12/27/07 at 5% is \$91,255; to be applied to Debt Service Account.

City of Racine

Summary of Recommended Financing Plan



Long-term Capital Improvement Plan

LEVY YEAR	YEAR DUE	EXISTING DEBT SERVICE (A)	PRELIMINARY \$7,500,000 NANs Dated: July 31, 2007 Due: December 27, 2007		PRELIMINARY \$7,640,000 G.O. Refunding Bonds Dated: October 1, 2007 14-Year Amortization		\$7,000,000 G.O. Bonds Dated June 1, 2008 15-Year Amortization		\$7,000,000 G.O. Bonds Dated June 1, 2009 15-Year Amortization		NEW ISSUES DEBT SERVICE	FUTURE ISSUES (C)	COMBINED NET DEBT SERVICE	GROWTH
			INTEREST AVG = 4.50%	PRINCIPAL (12/1)	INTEREST (6/1 & 12/1) AVG = 4.72%	PRINCIPAL (12/1)	INTEREST (6/1 & 12/1) AVG = 5.00%	PRINCIPAL (12/1)	INTEREST (6/1 & 12/1) AVG = 5.00%					
2006	2007	\$7,405,071	\$137,813								\$0		\$7,405,071	
2007	2008	\$7,364,405		\$105,000	\$418,447						\$523,447		\$7,887,852	6.52%
2008	2009	\$7,383,501		\$140,000	\$353,944		\$525,000				\$1,018,944		\$8,402,445	6.52%
2009	2010	\$7,397,789		\$200,000	\$347,644	\$100,000	\$350,000	\$30,000	\$525,000		\$1,552,644	\$0	\$8,950,433	6.52%
2010	2011	\$7,650,339		\$200,000	\$338,644	\$100,000	\$345,000	\$100,000	\$348,500		\$1,432,144	\$535,500	\$9,617,983	7.46%
2011	2012	\$7,884,683		\$200,000	\$329,644	\$125,000	\$340,000	\$125,000	\$343,500		\$1,463,144	\$897,750	\$10,245,576	6.53%
2012	2013	\$7,998,145		\$260,000	\$320,644	\$200,000	\$333,750	\$200,000	\$337,250		\$1,651,644	\$1,263,875	\$10,913,664	6.52%
2013	2014	\$8,487,140		\$260,000	\$308,944	\$200,000	\$323,750	\$200,000	\$327,250		\$1,619,944	\$1,633,375	\$11,740,459	7.58%
2014	2015	\$8,801,718		\$275,000	\$297,244	\$245,000	\$313,750	\$245,000	\$317,250		\$1,693,244	\$2,006,750	\$12,501,711	6.48%
2015	2016	\$9,366,418		\$380,000	\$284,525	\$250,000	\$301,500	\$250,000	\$305,000		\$1,771,025	\$2,383,875	\$13,521,318	8.16%
2016	2017	\$9,666,245		\$400,000	\$266,950	\$250,000	\$289,000	\$250,000	\$292,500		\$1,748,450	\$2,864,750	\$14,279,445	5.61%
2017	2018	\$7,808,665		\$1,220,000	\$247,950	\$600,000	\$276,500	\$585,000	\$280,000		\$3,209,450	\$4,029,375	\$15,047,490	5.38%
2018	2019	\$4,893,825		\$1,275,000	\$190,000	\$825,000	\$246,500	\$670,000	\$250,750		\$3,457,250	\$7,268,500	\$15,619,575	3.80%
2019	2020	\$2,932,761		\$1,340,000	\$129,438	\$1,300,000	\$205,250	\$700,000	\$217,250		\$3,891,938	\$9,397,000	\$16,221,699	3.85%
2020	2021	\$1,629,693		\$1,385,000	\$65,788	\$1,370,000	\$140,250	\$1,155,000	\$182,250		\$4,298,288	\$10,723,250	\$16,651,230	2.65%
2021	2022	\$1,662,131				\$1,435,000	\$71,750	\$1,215,000	\$124,500		\$2,846,250	\$11,767,375	\$16,275,756	-2.25%
2022	2023	\$1,697,025						\$1,275,000	\$63,750		\$1,338,750	\$12,631,125	\$15,666,900	-3.74%
		<u>\$110,029,552</u>	<u>\$137,813</u>	<u>\$7,640,000</u>	<u>\$3,899,803</u>	<u>\$7,000,000</u>	<u>\$4,062,000</u>	<u>\$7,000,000</u>	<u>\$3,914,750</u>	<u>\$33,516,553</u>	<u>\$67,402,500</u>	<u>\$210,948,605</u>		

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

(B) Estimated investment earnings on Bond Proceeds from 10/1/07 to 12/27/07 at 5% is \$91,255; to be applied to Debt Service Account.

(C) Future Issues consist of a borrowing of \$7,140,000 in 2010 growing at 1% annually with an average interest rate of 5%.