



Great outcomes.
Done well.

City of Racine

Presentation of the Finance Committee

June 9, 2008

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City of Racine
Summary of Recommended Financing Plan



I. Estimated Amount of Borrowing / Structure:

\$7,600,000 **Note Anticipation Notes**

Funds: Project included in CIP

Term: Matures December 15, 2008; Noncallable

Long-term Financing: Fall 2008

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 9, 2008**
- Council considers Finance Committee recommendation..... **June 17, 2008**
- 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 1, 2008**

City of Racine

Summary of Recommended Financing Plan



Long-term Capital Improvement Plan

LEVY YEAR	YEAR DUE	EXISTING DEBT SERVICE (A)	PRELIMINARY \$7,600,000 NANs Dated: July 22, 2008 Due: December 15, 2008		PRELIMINARY \$7,700,000 G.O. Refunding Bonds Dated: November 18, 2008 14-Year Amortization		\$7,650,000 G.O. Bonds Dated June 1, 2009 14-Year Amortization		\$7,805,000 G.O. Bonds Dated June 1, 2010 14-Year Amortization		NEW ISSUES DEBT SERVICE	FUTURE ISSUES (C)	COMBINED NET DEBT SERVICE	GROWTH
			INTEREST AVG = 3.20%	PRINCIPAL (12/1)	INTEREST (6/1 & 12/1) AVG = 4.32%	PRINCIPAL (12/1)	INTEREST (6/1 & 12/1) AVG = 5.00%	PRINCIPAL (12/1)	INTEREST (6/1 & 12/1) AVG = 5.00%					
2007	2008	\$7,985,051	\$96,604										\$7,985,051	
2008	2009	\$7,996,726		\$300,000	\$336,309						\$636,309		\$8,633,035	8.11%
2009	2010	\$8,009,014		\$325,000	\$314,838	\$105,000	\$573,750			\$1,318,588		\$9,327,601	\$8,633,035	8.05%
2010	2011	\$8,264,164		\$330,000	\$301,838	\$160,000	\$377,250	\$100,000	\$585,375	\$1,854,463		\$10,118,626	\$9,327,601	8.48%
2011	2012	\$8,500,508		\$345,000	\$288,638	\$255,000	\$369,250	\$200,000	\$385,250	\$1,843,138	\$597,000	\$10,940,645	\$10,118,626	8.12%
2012	2013	\$8,830,370		\$530,000	\$274,838	\$280,000	\$356,500	\$200,000	\$375,250	\$2,016,588	\$1,007,000	\$11,853,958	\$10,940,645	8.35%
2013	2014	\$9,316,565		\$550,000	\$253,638	\$405,000	\$342,500	\$200,000	\$365,250	\$2,116,388	\$1,425,375	\$12,858,328	\$11,853,958	8.47%
2014	2015	\$9,632,543		\$570,000	\$231,638	\$530,000	\$322,250	\$200,000	\$355,250	\$2,209,138	\$2,052,000	\$13,893,680	\$12,858,328	8.05%
2015	2016	\$10,197,643		\$595,000	\$207,413	\$555,000	\$295,750	\$300,000	\$345,250	\$2,298,413	\$2,576,875	\$15,072,930	\$13,893,680	8.49%
2016	2017	\$10,495,270		\$620,000	\$182,125	\$580,000	\$268,000	\$260,000	\$330,250	\$2,240,375	\$2,705,750	\$15,441,395	\$15,072,930	2.44%
2017	2018	\$8,639,428		\$645,000	\$155,775	\$700,000	\$239,000	\$280,000	\$317,250	\$2,337,025	\$4,472,125	\$15,448,578	\$15,441,395	0.05%
2018	2019	\$5,725,050		\$675,000	\$128,363	\$735,000	\$204,000	\$890,000	\$303,250	\$2,935,613	\$6,784,125	\$15,444,788	\$15,448,578	-0.02%
2019	2020	\$3,762,736		\$705,000	\$99,675	\$775,000	\$167,250	\$940,000	\$258,750	\$2,945,675	\$8,736,750	\$15,445,161	\$15,444,788	0.00%
2020	2021	\$2,460,468		\$740,000	\$67,950	\$815,000	\$128,500	\$980,000	\$211,750	\$2,943,200	\$10,041,375	\$15,445,043	\$15,445,161	0.00%
2021	2022	\$1,662,131		\$770,000	\$34,650	\$855,000	\$87,750	\$1,030,000	\$162,750	\$2,940,150	\$10,842,125	\$15,444,406	\$15,445,043	0.00%
2022	2023	\$1,697,025				\$900,000	\$45,000	\$1,085,000	\$111,250	\$2,141,250	\$11,612,250	\$15,450,525	\$15,444,406	0.04%
2023	2024							\$1,140,000	\$57,000	\$1,197,000	\$14,247,125	\$15,444,125	\$15,450,525	-0.04%
		\$113,174,690	\$96,604	\$7,700,000	\$2,877,684	\$7,650,000	\$3,776,750	\$7,805,000	\$4,163,875	\$33,973,309	\$77,099,875	\$224,247,874		

(A) Levy Supported; includes UFPL refinancing.

(B) Estimated investment earnings on Bond Proceeds from 11/18/08 to 12/15/08 at 2.50% is \$14,260; to be applied to Debt Service Account.

(C) Future Issues consist of a borrowing of \$7,960,000 in 2011 growing at 2% annually with an average interest rate of 5%.