



# City of Racine

Finance & Personnel Committee Meeting

October 30, 2023

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## Tentative Timeline

- Finance Committee reviews plan of finance .....October 30, 2023
  - Preparations are made for issuance
    - ✓ Official Statement
    - ✓ Bond Rating
    - ✓ Marketing
- City Council considers Award Resolutions (finalizes terms and interest rates) .....November 7, 2023
- Closing ..... November 28, 2023
- 2018 NAN Maturity..... December 1, 2023
- 2023 NAN Paid Off .....December 18, 2023

## Borrowing/Structure/Purpose

<b>Estimated Size:</b>	\$18,035,000	\$3,575,000
<b>Issue:</b>	General Obligation Refunding Bonds	Taxable General Obligation Refunding Bonds
<b>Purpose:</b>	Refund CIP/Equipment Note Anticipation Notes	Refund 2018 Taxable Note Anticipation Notes (TIF #18)
<b>Structure:</b>	Matures June 1, 2024; December 1, 2024-2037	Matures December 1, 2025-2034
<b>First Interest:</b>	June 1, 2024	June 1, 2024
<b>Callable:</b>	December 1, 2030	December 1, 2030
<b>Estimated Interest Rate:</b>	4.79%	6.18%

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## Preliminary Financing Plan



**CIP: \$14,607,971**  
**Equip: \$3,402,664**  
**\$18,045,000**  
**NAN - FINAL**  
**Dated: 9/26/2023**  
*Due: April 1, 2024*

**PRELIMINARY**  
**\$18,035,000**  
**GENERAL OBLIGATION REFUNDING BONDS - POS**  
**Dated November 28, 2023**  
*14-Year Amortization*

LEVY YEAR	YEAR DUE	EXISTING DEBT SERVICE	EXISTING DEBT SERVICE	INTEREST	CIP		EQUIPMENT		TOTAL	EXISTING PLUS NEW DEBT SERVICE	YEAR DUE
		(Levy Supported)	(TIF Supported)		PRINCIPAL (12/1)	INTEREST (6/1 & 12/1)	PRINCIPAL (6/1)	INTEREST (6/1)			
				<b>TIC = 4.49%</b>							
2022	2023	\$18,413,095	\$1,319,659	\$195,237						\$18,413,095	2023
2023	2024	\$11,658,960	\$1,318,701		\$3,360,000	\$744,266	\$3,480,000	\$88,450	\$7,672,716	\$19,331,676	2024
2024	2025	\$10,802,140	\$1,552,841		\$630,000	\$570,115			\$1,200,115	\$12,002,255	2025
2025	2026	\$9,781,060	\$1,039,571		\$660,000	\$538,615			\$1,198,615	\$10,979,675	2026
2026	2027	\$8,828,093	\$1,039,571		\$695,000	\$505,615			\$1,200,615	\$10,028,708	2027
2027	2028	\$7,890,975	\$1,039,571		\$730,000	\$470,865			\$1,200,865	\$9,091,840	2028
2028	2029	\$7,020,875	\$1,039,571		\$765,000	\$434,365			\$1,199,365	\$8,220,240	2029
2029	2030	\$6,117,275	\$1,039,571		\$805,000	\$396,115			\$1,201,115	\$7,318,390	2030
2030	2031	\$5,147,975	\$1,039,571		(A) \$845,000	\$355,865			\$1,200,865	\$6,348,840	2031
2031	2032	\$4,268,675	\$521,764		\$890,000	\$312,348			\$1,202,348	\$5,471,023	2032
2032	2033	\$3,424,475	\$521,764		\$935,000	\$266,513			\$1,201,513	\$4,625,988	2033
2033	2034	\$2,430,125	\$521,764		\$980,000	\$218,360			\$1,198,360	\$3,628,485	2034
2034	2035	\$1,752,825	\$521,764		\$1,035,000	\$167,890			\$1,202,890	\$2,955,715	2035
2035	2036	\$937,125	\$521,764		\$1,085,000	\$114,588			\$1,199,588	\$2,136,713	2036
2036	2037		\$521,764		\$1,140,000	\$58,710			\$1,198,710	\$1,198,710	2037
2037	2038		\$521,764								2038
2038	2039		\$521,764								2039
2039	2040		\$521,764								2040
2040	2041		\$453,946								2041
		<u>\$98,473,672</u>	<u>\$15,578,450</u>		<u>\$14,555,000</u>	<u>\$5,154,228</u>	<u>\$3,480,000</u>	<u>\$88,450</u>	<u>\$23,277,678</u>	<u>\$121,751,351</u>	

**NAN Principal and Interest Refunded with Bonds at the Call Date of 12/18/2023**

(A) Indicates maturities callable in 2030 or after.

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## Preliminary Financing Plan (cont.)

		<b>TIF #18</b>		<b>PRELIMINARY</b>									
		<b>SUPPORTED</b>		<b>TAXABLE G.O. REFUNDING BONDS - POS</b>									
		<b>\$3,500,000</b>		<b>\$3,575,000</b>									
		<b>TAXABLE NAN</b>		<b>Dated November 28, 2023</b>									
		<b>Dated: 12/11/2018</b>		<b>18-Year Amortization</b>									
		<b>Due: December 1, 2023</b>											
LEVY YEAR	YEAR DUE	EXISTING PLUS NEW DEBT SERVICE <i>(Levy Supported)</i>	INTEREST <b>TIC = 3.69%</b>	PRINCIPAL (12/1)	INTEREST (6/1 & 12/1) <b>TIC = 6.18%</b>	TOTAL	EXISTING PLUS NEW DEBT SERVICE <i>(TIF Supported)</i>	FUTURE DEBT SERVICE <i>(B) (C) (D)</i>	COMBINED DEBT SERVICE <i>(Levy Supported)</i>	GROWTH	COMBINED DEBT SERVICE <i>(Levy &amp; TIF Supported)</i>	FUTURE ANNUAL BORROWING AMOUNT <i>(B)</i>	YEAR DUE
2022	2023	\$18,413,095	\$61,250				\$1,319,659	\$0	\$18,413,095		\$19,732,753		2023
2023	2024	\$19,331,676			\$217,893	\$217,893	\$1,536,595	\$0	\$19,331,676	4.99%	\$20,868,271	\$16,850,000	2024
2024	2025	\$12,002,255		<b>TNAN Principal Refunded with Bonds at the Maturity Date of 12/1/2023</b>	\$216,093	\$241,093	\$1,793,933	\$7,558,900	\$19,561,155	1.19%	\$21,355,088	\$24,365,000	2025
2025	2026	\$10,979,675			\$25,000	\$239,630	\$1,279,201	\$8,814,413	\$19,794,088	1.19%	\$21,073,288	\$24,790,000	2026
2026	2027	\$10,028,708			\$30,000	\$243,193	\$1,282,763	\$10,000,650	\$20,029,358	1.19%	\$21,312,121	\$20,245,000	2027
2027	2028	\$9,091,840			\$30,000	\$241,498	\$1,281,068	\$11,178,400	\$20,270,240	1.20%	\$21,551,308	\$24,420,000	2028
2028	2029	\$8,220,240			\$30,000	\$209,803	\$1,279,373	\$12,294,850	\$20,515,090	1.21%	\$21,794,463	\$17,020,000	2029
2029	2030	\$7,318,390			\$35,000	\$208,108	\$1,282,678	\$13,442,025	\$20,760,415	1.20%	\$22,043,093	\$16,570,000	2030
2030	2031	\$6,348,840			\$85,000	\$206,130	\$1,330,701	\$14,662,325	\$21,011,165	1.21%	\$22,341,866	\$16,260,000	2031
2031	2032	\$5,471,023			\$140,000	\$201,158	\$862,922	\$15,794,025	\$21,265,048	1.21%	\$22,127,969	\$18,860,000	2032
2032	2033	\$4,625,988			\$200,000	\$192,968	\$914,732	\$16,898,263	\$21,524,250	1.22%	\$22,438,982	\$18,640,000	2033
2033	2034	\$3,628,485			\$300,000	\$181,268	\$1,003,032	\$18,149,038	\$21,777,523	1.18%	\$22,780,554	\$15,000,000	2034
2034	2035	\$2,955,715			\$320,000	\$163,118	\$483,118	\$19,083,175	\$22,038,890	1.20%	\$23,043,772	\$15,450,000	2035
2035	2036	\$2,136,713			\$335,000	\$143,758	\$478,758	\$20,169,038	\$22,305,750	1.21%	\$23,306,272	\$15,910,000	2036
2036	2037	\$1,198,710			\$360,000	\$123,490	\$483,490	\$1,005,254	\$22,574,860	1.21%	\$23,580,114	\$16,390,000	2037
2037	2038				\$380,000	\$101,710	\$481,710	\$22,845,563	\$22,845,563	1.20%	\$23,849,037	\$16,885,000	2038
2038	2039				\$400,000	\$78,720	\$478,720	\$23,122,050	\$23,122,050	1.21%	\$24,122,534	\$17,390,000	2039
2039	2040				\$425,000	\$54,120	\$479,120	\$23,399,188	\$23,399,188	1.20%	\$24,400,072	\$17,910,000	2040
2040	2041				\$455,000	\$27,983	\$482,983	\$23,682,750	\$23,682,750	1.21%	\$24,619,678	\$18,445,000	2041
		<b>\$121,751,351</b>			<b>\$3,575,000</b>	<b>\$2,965,636</b>	<b>\$6,540,636</b>	<b>\$22,119,086</b>	<b>\$282,470,800</b>	<b>\$404,222,151</b>	<b>\$426,341,237</b>	<b>\$331,400,000</b>	

(B) Assumes annual borrowings beginning in 2024. Assumes future short and long-term borrowings per 2024-33 CIP Plan. Assumes short-term borrowings amortized over 1-2 years and long-term borrowings amortized over 14 years. Assumes an estimated short-term interest rate of 3.75% and a long-term interest rate of 4.00%. Assumes future borrowings (LT: \$11,000,000 & ST: \$4,000,000) in 2034. Issues 2034 and thereafter are not included in the CIP. Assumes 3.00% growth to future issues 2035 and thereafter. Assumes the following CIP borrowings:

CIP Borrowing Amounts:	2024	2025	2026	2027	2028
LT Debt Amounts:	\$12,680,000	\$19,585,000	\$20,420,000	\$16,400,000	\$14,540,000
ST Debt Amounts:	\$4,170,000	\$4,780,000	\$4,370,000	\$3,845,000	\$4,380,000
	2029	2030	2031	2032	2033
	\$12,730,000	\$11,930,000	\$11,400,000	\$13,800,000	\$13,990,000
	\$4,290,000	\$4,640,000	\$4,860,000	\$4,785,000	\$4,650,000

(C) Assumes special purpose borrowings beginning in 2028. Assumes 2028 and 2032 special purpose borrowings amortized over 14 years at an estimated rate of 3.75%. Assumes the following special purpose borrowings:

Special Purpose Borrowings:	2024	2025	2026	2027	2028
Borrowing Amounts	-	-	-	-	\$5,500,000
	2029	2030	2031	2032	2033
	-	-	-	\$275,000	-

(D) 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.