



CITY OF RACINE

Presentation of the Finance Committee

May 8, 2006

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CITY OF RACINE

Summary of Recommended Financing

May 8, 2006

I. ESTIMATED AMOUNT OF BORROWING / STRUCTURE:

\$7,000,000 Note Anticipation Notes

Funds: Projects included in CIP

Term: Matures December 28, 2006; Callable October 10, 2006

Long-term Financing: Fall 2006

\$2,000,000 Taxable General Obligation Refunding Bonds

Funds: Long-term financing of TTID #11 projects which include land acquisition, demolition and rehabilitation for the purpose of blight elimination

Term: To be structured around anticipated TTID #11 revenue

II. STANDARD & POOR'S RATING (Recommended)

Baird, in conjunction with City staff, will prepare the necessary information for an S&P's rating for the Issues.

III. PROCEDURE

- Finance Committee considers plan of finance: May 8, 2006.
- Council considers Finance Committee recommendation: May 16, 2006.
- Baird and City staff prepares necessary information and submit 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 on June 6, 2006.

City of Racine
2006 Capital Improvement Plan

YEAR DUE	EXISTING DEBT SERVICE (A)	PRELIMINARY		COMBINED	
		PRINCIPAL (12/1)	INTEREST (6/1 & 12/1)	TOTAL	NET DEBT SERVICE
2005	\$6,948,468				\$6,948,468
2006	\$6,673,898				\$7,407,681
2007	\$6,920,705				\$7,370,835
2008	\$6,891,001				\$7,390,911
2009	\$6,738,689				\$7,410,986
2010	\$6,886,639				\$7,668,494
2011	\$7,416,183				\$7,907,158
2012	\$7,353,845				\$8,025,160
2013	\$8,109,440				\$8,522,355
2014	\$8,115,618				\$8,846,173
2015	\$8,714,518				\$9,420,823
2016	\$8,862,945				\$9,730,000
2017	\$7,058,940				\$7,887,495
2018	\$3,561,550				\$4,921,855
2019	\$1,600,386				\$2,992,961
2020	\$1,629,693				\$1,629,693
2021	\$1,662,131				\$1,662,131
2022	\$1,697,025				\$1,697,025
2023					
	\$106,841,672	\$96,056	\$7,100,000	\$3,498,531	\$10,598,531
					\$117,440,203

PRELIMINARY
\$7,000,000

PRELIMINARY
\$7,100,000

NANS
Dated: June 26, 2006

G.O. Refunding Bonds
Dated: October 10, 2006

Due: December 28, 2006

(First Interest 6/1/07)

INTEREST

PRINCIPAL

(12/1)

INTEREST

(6/1 & 12/1)

TOTAL

COMBINED
NET DEBT
SERVICE

AVG=
4.75%

AVG=
4.75%

AVG=
4.97%

AVG=
4.97%

\$96,056

Assumes NANS Principal
and Interest
Refinanced on 10/10/06

**First Eligible
Call Date:
10/10/2006**

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

City of Racine

Long-Term Capital Improvement Plan

LEVY YEAR	YEAR DUE	EXISTING DEBT SERVICE (A)	INTEREST AVG = 4.75%	PRINCIPAL (12/31)	INTEREST (6/1 & 12/1) AVG = 4.97%	PRINCIPAL (12/31)	INTEREST (6/1 & 12/1) AVG = 5.00%	PRINCIPAL (12/31)	INTEREST (6/1 & 12/1) AVG = 5.00%	NEW ISSUES DEBT SERVICE	FUTURE ISSUES (B)	COMBINED NET DEBT SERVICE	GROWTH
2005	2006	\$6,948,468	\$96,056	\$340,000	\$393,784	\$150,000	\$525,000	\$733,784	\$6,948,468			\$7,407,681	6.61%
2006	2007	\$6,673,898		\$120,000	\$330,130	\$190,000	\$342,500	\$975,130	\$7,895,835			\$8,416,661	6.59%
2007	2008	\$6,920,705		\$175,000	\$324,910	\$180,000	\$333,000	\$1,792,855	\$8,416,661			\$9,569,744	6.63%
2008	2009	\$6,891,001		\$355,000	\$317,298	\$185,000	\$323,750	\$1,792,855	\$8,974,986			\$10,199,408	6.58%
2009	2010	\$6,738,689		\$480,000	\$301,855	\$180,000	\$323,750	\$1,792,855	\$9,569,744			\$10,870,035	6.59%
2010	2011	\$6,886,639		\$210,000	\$280,975	\$285,000	\$314,750	\$1,792,855	\$10,870,035			\$11,588,355	6.61%
2011	2012	\$7,416,183		\$400,000	\$271,315	\$200,000	\$325,500	\$1,719,625	\$11,588,355			\$12,352,673	6.60%
2012	2013	\$7,353,845		\$160,000	\$252,915	\$300,500	\$315,500	\$1,393,915	\$12,352,673			\$13,167,198	6.59%
2013	2014	\$8,109,440		\$485,000	\$221,305	\$155,000	\$292,250	\$1,683,305	\$13,167,198			\$14,035,500	6.59%
2014	2015	\$8,714,518		\$160,000	\$221,305	\$145,000	\$284,500	\$1,531,305	\$14,035,500			\$14,960,870	6.59%
2015	2016	\$8,115,618		\$485,000	\$197,055	\$100,000	\$265,000	\$1,229,250	\$14,960,870			\$15,886,480	6.19%
2016	2017	\$8,862,945		\$670,000	\$197,055	\$107,500	\$265,000	\$1,101,000	\$15,886,480			\$16,864,711	6.17%
2017	2018	\$7,058,940		\$665,000	\$163,555	\$920,000	\$211,250	\$3,851,250	\$16,864,711			\$17,905,193	6.17%
2018	2019	\$3,561,550		\$1,230,000	\$130,305	\$1,290,000	\$165,250	\$1,716,750	\$17,905,193			\$18,351,131	6.17%
2019	2020	\$1,600,686		\$1,325,000	\$67,575	\$2,015,000	\$100,750	\$13,845,750	\$18,351,131			\$19,337,775	6.17%
2020	2021	\$1,629,693											
2021	2022	\$1,662,131											
2022	2023	\$1,697,025											
		\$108,841,672	\$96,056	\$7,100,000	\$3,498,531	\$7,000,000	\$4,085,750	\$7,010,000	\$4,091,000	\$32,785,281	\$79,310,750	\$218,937,703	-4.94%

PRELIMINARY
\$7,000,000
NANS
Dated: June 26, 2006
Due: December 28, 2006

PRELIMINARY
\$7,100,000
G.O. Refunding Bonds
Dated: October 10, 2006
14-Year Amortization

\$7,000,000
G.O. Bonds
Dated June 1, 2007
15-Year Amortization

Assumes NAW Principal and Interest Refinanced on 10/10/06
First Eligible Call Date: 10/10/2006

(A) Levy Supported; Includes UFPL refinancing and is net of CVMIC revenues.
 (B) Future issues consist of a borrowing of \$7,080,100 in 2009 growing at 1% annually with an average interest rate of 5%.

