



Preliminary - CR

City of Racine Illustration of Hypothetical Refinancing ⁽¹⁾

Calendar Year	BEFORE REFINANCING				AFTER REFINANCING					POTENTIAL DEBT SERVICE SAVINGS
	\$14,140,000 Waterworks System Mort. Rev. Ref. Bonds (AR) Dated July 10, 2012			TOTAL DEBT SERVICE	\$14,140,000 Waterworks System Mort. Rev. Ref. Bonds (AR) Dated July 10, 2012		\$4,540,000 Water. Sys. Mort. Rev Ref. Bonds (CR) Dated June 3, 2021 ⁽²⁾		TOTAL NEW DEBT SERVICE	
	PRINCIPAL (9/1)	RATE	INTEREST (3/1 & 9/1)		PRINCIPAL (9/1)	INTEREST (3/1 & 9/1)	PRINCIPAL (9/1)	INTEREST (3/1 & 9/1)		
2021	\$1,450,000	4.000%	\$246,200	\$1,696,200	\$1,450,000	\$246,200		\$1,696,200	TIC= 0.91%	\$0
2022	\$1,505,000	4.000%	\$188,200	\$1,693,200	***		\$1,445,000	\$169,493		\$78,707
2023	\$1,570,000	4.000%	\$128,000	\$1,698,000	***		\$1,525,000	\$92,850		\$80,150
2024	\$1,630,000	4.000%	\$65,200	\$1,695,200	***		\$1,570,000	\$47,100		\$78,100
	\$6,155,000		\$627,600	\$6,782,600	\$1,450,000	\$246,200	\$4,540,000	\$309,443	\$6,545,643	\$236,957

Maturities callable 9/1/21 or any date thereafter.

CALLABLE MATURITIES

*** REFINANCED WITH 2021 ISSUE.

(1) This illustration represents a mathematical calculation of potential interest cost savings (cost), assuming hypothetical rates based on current rates +10bps for municipal bonds as of 1/21/21. Actual rates may vary. If actual rates are higher than those assumed, the interest cost savings would be lower. This illustration provides information and is not intended to be a recommendation, proposal or suggestion for a refinancing or otherwise to be considered as advice.

(2) Present value calculated using the All Inclusive Cost (AIC) of 1.25% as the discount rate.

CHANGE IN DSRF.....	10,191
ROUNDING AMOUNT.....	\$2,209
POTENTIAL GROSS SAVINGS.....	\$249,357

(2) POTENTIAL PRESENT VALUE SAVINGS \$.....	\$242,979
POTENTIAL PRESENT VALUE SAVINGS %.....	5.164%

Interest Rate Sensitivity		
Change in Rates	Est. PV % Savings	Est. PV \$ Savings
-0.30%	5.866%	\$275,989
-0.20%	5.632%	\$264,984
-0.10%	5.398%	\$253,972
+0.10%	4.930%	\$231,970
+0.20%	4.699%	\$221,090
+0.30%	4.468%	\$210,205

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