

The logo for Baird, featuring the word "BAIRD" in white, uppercase, serif font, set against a blue, parallelogram-shaped background.

City of Manitowoc

Presentation to Finance Committee

November 4, 2015

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City of Manitowoc

PRESENTATION TO FINANCE COMMITTEE

Summary of Existing Debt



Calendar Year	TOTAL GENERAL OBLIGATION INDEBTEDNESS			TID #7 Supported		TID #8 Supported		TID #9 Supported		TID #10 Supported		TID #11 Supported		TID #12 Supported	
	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
	2015	\$8,115,000	\$1,718,161	\$9,833,161	\$20,000	\$3,005	\$45,000	\$450	\$20,000	\$2,952	\$35,000	\$8,019	\$185,000	\$10,925	\$310,000
2016	\$7,580,000	\$1,568,464	\$9,148,464	\$20,000	\$2,293	\$0	\$0	\$15,000	\$2,396	\$35,000	\$6,576	\$125,000	\$7,125	\$320,000	\$30,278
2017	\$7,660,000	\$1,325,171	\$8,985,171	\$15,000	\$1,783	\$0	\$0	\$20,000	\$1,886	\$45,000	\$4,979	\$50,000	\$4,800	\$325,000	\$22,053
2018	\$7,255,000	\$1,107,729	\$8,362,729	\$23,000	\$1,265	\$0	\$0	\$18,000	\$1,315	\$36,000	\$3,414	\$50,000	\$3,550	\$195,000	\$15,328
2019	\$6,089,000	\$911,176	\$7,000,176	\$20,000	\$750	\$0	\$0	\$20,000	\$850	\$40,000	\$2,325	\$50,000	\$2,250	\$205,000	\$10,370
2020	\$5,545,000	\$730,959	\$6,275,959	\$15,000	\$400	\$0	\$0	\$20,000	\$450	\$40,000	\$1,525	\$20,000	\$1,200	\$145,000	\$5,680
2021	\$5,630,000	\$548,518	\$6,178,518	\$10,000	\$125	\$0	\$0	\$10,000	\$125	\$45,000	\$563	\$20,000	\$400	\$100,000	\$1,786
2022	\$4,835,000	\$367,503	\$5,202,503	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2023	\$3,895,000	\$208,644	\$4,103,644	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2024	\$1,985,000	\$96,961	\$2,081,961	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2025	\$1,170,000	\$34,868	\$1,204,868	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2026	\$305,000	\$5,566	\$310,566	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$60,064,000	\$8,623,718	\$68,687,718	\$123,000	\$9,621	\$45,000	\$450	\$123,000	\$9,974	\$276,000	\$27,401	\$500,000	\$30,250	\$1,600,000	\$123,809

Calendar Year	TID #13 Supported		TID #14 Supported		TID #15 Supported		TID #16 Supported				TID #17 Supported		TOTAL GENERAL OBLIGATION INDEBTEDNESS LESS: TID OFFSETS (BEFORE DIRECT SUBSIDY)		
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	BABs Subsidy	TOTAL	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	TOTAL
	2015	\$85,000	\$6,675	\$95,000	\$9,492	\$950,000	\$94,589	\$345,000	\$115,631	(\$11,305)	\$449,327	\$60,000	\$19,976	\$5,965,000	\$1,408,132
2016	\$90,000	\$4,050	\$100,000	\$6,398	\$975,000	\$65,811	\$295,000	\$102,698	(\$10,667)	\$387,031	\$60,000	\$17,651	\$5,545,000	\$1,323,190	\$6,868,190
2017	\$90,000	\$1,350	\$100,000	\$3,229	\$1,005,000	\$40,192	\$305,000	\$93,234	(\$9,915)	\$388,319	\$65,000	\$15,229	\$5,640,000	\$1,136,435	\$6,776,435
2018	\$0	\$0	\$17,000	\$1,348	\$802,000	\$14,866	\$314,000	\$83,239	(\$9,064)	\$388,176	\$65,000	\$12,711	\$5,735,000	\$970,693	\$6,705,693
2019	\$0	\$0	\$5,000	\$1,000	\$60,000	\$3,175	\$210,000	\$73,961	(\$8,149)	\$275,812	\$70,000	\$10,095	\$5,409,000	\$806,399	\$6,215,399
2020	\$0	\$0	\$10,000	\$850	\$60,000	\$1,975	\$225,000	\$65,221	(\$7,137)	\$283,085	\$70,000	\$7,383	\$4,940,000	\$646,275	\$5,586,275
2021	\$0	\$0	\$10,000	\$625	\$55,000	\$688	\$560,000	\$51,381	(\$6,029)	\$605,351	\$75,000	\$4,573	\$4,745,000	\$488,253	\$5,233,253
2022	\$0	\$0	\$10,000	\$375	\$0	\$0	\$575,000	\$32,308	(\$4,815)	\$602,493	\$80,000	\$1,560	\$4,170,000	\$333,260	\$4,503,260
2023	\$0	\$0	\$10,000	\$125	\$0	\$0	\$420,000	\$15,670	(\$3,517)	\$432,153	\$0	\$0	\$3,465,000	\$192,849	\$3,657,849
2024	\$0	\$0	\$0	\$0	\$0	\$0	\$85,000	\$6,715	(\$2,179)	\$89,536	\$0	\$0	\$1,900,000	\$90,246	\$1,990,246
2025	\$0	\$0	\$0	\$0	\$0	\$0	\$90,000	\$2,295	(\$803)	\$91,492	\$0	\$0	\$1,080,000	\$32,573	\$1,112,573
2026	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$305,000	\$5,566	\$310,566
	\$265,000	\$12,075	\$357,000	\$23,442	\$3,907,000	\$221,295	\$3,424,000	\$642,353	(\$73,579)	\$3,992,774	\$545,000	\$89,178	\$48,899,000	\$7,433,871	\$56,332,871

City of Manitowoc

PRESENTATION TO FINANCE COMMITTEE

Summary of Existing Debt (Cont.)



Calendar Year	MPU Supported		Wastewater Treatment Facility Supported			Special Assessments	Rebate Check Distribution	BABs Subsidy	Net G.O. Debt Service
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	TOTAL	TOTAL	TOTAL	TOTAL	
						TOTAL	TOTAL	TOTAL	TOTAL
2015	\$65,000	\$9,602	\$65,000	\$20,243	\$85,243	\$63,500	\$2,829	\$66,679	\$7,091,584
2016	\$65,000	\$7,771	\$75,000	\$18,760	\$93,760	\$63,500	\$1,931	\$62,847	\$6,584,048
2017	\$70,000	\$5,889	\$75,000	\$16,885	\$91,885	\$63,500	\$655	\$58,399	\$6,496,021
2018	\$73,000	\$3,949	\$75,000	\$14,735	\$89,735	\$63,500		\$53,440	\$6,431,132
2019	\$75,000	\$2,225	\$80,000	\$12,479	\$92,479	\$63,500		\$48,019	\$5,942,326
2020	\$30,000	\$1,175	\$80,000	\$10,110	\$90,110			\$42,051	\$5,430,076
2021	\$35,000	\$438	\$80,000	\$7,710	\$87,710			\$35,478	\$5,080,657
2022	\$0	\$0	\$80,000	\$5,310	\$85,310			\$28,274	\$4,394,491
2023	\$0	\$0	\$30,000	\$3,630	\$33,630			\$20,609	\$3,607,127
2024	\$0	\$0	\$30,000	\$2,648	\$32,648			\$12,660	\$1,947,117
2025	\$0	\$0	\$30,000	\$1,620	\$31,620			\$4,641	\$1,077,115
2026	\$0	\$0	\$30,000	\$548	\$30,548			\$0	\$280,019
	<u>\$413,000</u>	<u>\$31,049</u>	<u>\$730,000</u>	<u>\$114,676</u>	<u>\$844,676</u>	<u>\$317,500</u>	<u>\$5,415</u>	<u>\$433,097</u>	<u>\$54,361,713</u>

City of Manitowoc

PRESENTATION TO FINANCE COMMITTEE

Example Refinancing Plan (Restructure) – (BQ)



BEFORE REFINANCING														
Calendar Year	\$4,390,000 G.O. Corp. Purp. Bonds, Series 2006A Dated May 22, 2006			\$8,220,000 G.O. Corp. Purpose Bonds Dated April 9, 2007			\$5,600,000 G.O. Corp. Purp. Bonds, Series B Dated June 30, 2008			\$6,225,000 G.O. Corp. Purp. Bonds Dated February 17, 2009			OTHER DEBT SERVICE	TOTAL DEBT SERVICE
	PRINCIPAL (2/1)	RATE	INTEREST (2/1 & 8/1)	PRINCIPAL (2/1)	RATE	INTEREST (2/1 & 8/1)	PRINCIPAL (2/1)	RATE	INTEREST (2/1 & 8/1)	PRINCIPAL (2/1)	RATE	INTEREST (2/1 & 8/1)		
2015	\$380,000	4.125%	\$54,656	\$560,000	3.875%	\$191,420	\$360,000	4.000%	\$145,800	\$380,000	3.000%	\$174,308	\$7,586,977	\$9,833,161
2016	\$395,000	4.125%	\$38,672	\$585,000	3.875%	\$169,236	\$375,000	4.000%	\$131,100	\$395,000	4.000%	\$160,708	\$6,898,749	\$9,148,464
2017	\$410,000	4.125%	\$22,069	\$605,000	3.875%	\$146,179	\$390,000	4.000%	\$115,800	\$405,000	4.000%	\$144,708	\$6,746,415	\$8,985,171
2018	\$330,000	4.125%	\$6,806	\$630,000	3.875%	\$122,251	\$410,000	4.000%	\$99,800	\$425,000	4.000%	\$128,108	\$6,210,764	\$8,362,729
2019		4.125%		\$665,000	3.875%	\$97,161	\$420,000	4.000%	\$83,200	\$445,000	4.000%	\$110,708	\$5,179,108	\$7,000,176
2020		4.125%		\$690,000	3.875%	\$70,908	\$440,000	4.000%	\$66,000	\$460,000	4.000%	\$92,608	\$4,456,444	\$6,275,959
2021		4.150%		\$725,000	3.875%	\$43,492	\$460,000	4.000%	\$48,000	\$485,000	4.000%	\$73,708	\$4,343,319	\$6,178,518
2022				\$755,000	3.900%	\$14,723	\$475,000	4.000%	\$29,300	\$500,000	4.000%	\$54,008	\$3,374,473	\$5,202,503
2023							\$495,000	4.000%	\$9,900	\$520,000	4.100%	\$33,348	\$3,045,396	\$4,103,644
2024										\$550,000	4.125%	\$11,344	\$1,520,618	\$2,081,961
2025													\$1,204,868	\$1,204,868
2026													\$310,566	\$310,566
	<u>\$1,515,000</u>		<u>\$122,203</u>	<u>\$5,215,000</u>		<u>\$855,369</u>	<u>\$3,825,000</u>		<u>\$728,900</u>	<u>\$4,565,000</u>		<u>\$983,551</u>	<u>\$50,877,694</u>	<u>\$68,687,718</u>

CALLABLE MATURITIES
Call Provision: 2/1/16 @ par or any date
Purposes: GF/MPU TID#7,9,10,14,15,16
Call Provision: 2/1/17 @ par or any date
Purposes: GF TID#16,17
Call Provision: 2/1/18 @ par or any date
Purposes: GF
Call Provision: 2/1/19 @ par or any date
Purposes: GF

- (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 10/14/15. 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 2.21% as the discount rate.

Interest Rate Sensitivity		
Change in Rates	Est. PV % Savings	Est. PV \$ Savings
-0.30%	4.631%	\$317,887
-0.20%	4.110%	\$282,182
-0.10%	3.595%	\$246,777
+0.10%	2.570%	\$176,463
+0.20%	2.063%	\$141,658
+0.30%	1.559%	\$107,055

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City of Manitowoc

PRESENTATION TO FINANCE COMMITTEE

Example Refinancing Plan (Restructure) – (BQ)



AFTER REFINANCING													POTENTIAL DEBT SERVICE SAVINGS	Calendar Year	
\$4,390,000 G.O. Corp. Purp. Bonds, Series 2006A Dated May 22, 2006		\$8,220,000 G.O. Corp. Purpose Bonds Dated April 9, 2007		\$5,600,000 G.O. Corp. Purp. Bonds, Series B Dated June 30, 2008		\$6,225,000 G.O. Corp. Purp. Bonds Dated February 17, 2009		\$7,240,000 G.O. Refunding Bonds (CR/AR) Dated December 21, 2015			OTHER DEBT SERVICE	TOTAL NEW DEBT SERVICE			
PRINCIPAL (2/1)	INTEREST (2/1 & 8/1)	PRINCIPAL (2/1)	INTEREST (2/1 & 8/1)	PRINCIPAL (2/1)	INTEREST (2/1 & 8/1)	PRINCIPAL (2/1)	INTEREST (2/1 & 8/1)	PRINCIPAL (2/1)	RATE	INTEREST (2/1 & 8/1)	TOTAL				
\$380,000	\$54,656	\$560,000	\$191,420	\$360,000	\$145,800	\$380,000	\$174,308					\$7,586,977	\$9,833,161	\$0	2015
\$395,000	\$8,147	\$585,000	\$56,478	\$375,000	\$65,100	\$395,000	\$96,700	\$155,000	2.000%	\$105,074	\$260,074	\$6,898,749	\$9,135,247	\$13,216	2016
***		\$605,000	\$33,422	\$390,000	\$49,800	\$405,000	\$80,700	\$160,000	2.000%	\$169,775	\$329,775	\$6,746,415	\$8,640,112	\$345,059	2017
***		\$560,000	\$10,850	\$410,000	\$33,800	\$425,000	\$46,700	\$125,000	2.000%	\$166,925	\$291,925	\$6,210,764	\$8,006,439	\$356,290	2018
		\$560,000		\$420,000	\$17,200	\$445,000	\$46,700	\$820,000	2.000%	\$157,475	\$977,475	\$5,179,108	\$7,085,483	(\$85,307)	2019
		***		\$220,000	\$4,400	\$460,000	\$28,600	\$1,050,000	2.000%	\$138,775	\$1,188,775	\$4,456,444	\$6,358,219	(\$82,260)	2020
		***		***		\$485,000	\$9,700	\$1,150,000	2.500%	\$113,900	\$1,263,900	\$4,343,319	\$6,101,919	\$76,599	2021
		***		***		***		\$1,670,000	2.500%	\$78,650	\$1,748,650	\$3,374,473	\$5,123,123	\$79,380	2022
		***		***		***		\$1,105,000	2.500%	\$43,963	\$1,148,963	\$3,045,396	\$4,194,359	(\$90,715)	2023
		***		***		***		\$720,000	3.000%	\$19,350	\$739,350	\$1,520,618	\$2,259,968	(\$178,006)	2024
		***		***		***		\$95,000	3.000%	\$7,125	\$102,125	\$1,204,868	\$1,306,993	(\$102,125)	2025
		***		***		***		\$190,000	3.000%	\$2,850	\$192,850	\$310,566	\$503,416	(\$192,850)	2026
\$775,000	\$62,803	\$2,310,000	\$292,170	\$2,175,000	\$316,100	\$2,995,000	\$500,808	\$7,240,000		\$1,003,861	\$8,243,861	\$50,877,694	\$68,548,436	\$139,281	

*** REFINANCED WITH 2015 ISSUE.
 *** PARTIALLY REFINANCED WITH 2015 ISSUE.

ROUNDING AMOUNT.....	\$4,951
POTENTIAL GROSS SAVINGS.....	\$144,233
(2) POTENTIAL PRESENT VALUE SAVINGS.....	\$211,485
POTENTIAL PV SAVINGS %.....	3.081%
Negative Arbitrage.....	(135,373)

Calendar Year	POTENTIAL DEBT SERVICE SAVINGS (LEVY)	POTENTIAL DEBT SERVICE SAVINGS (NON-LEVY w/o #16)	POTENTIAL DEBT SERVICE SAVINGS (TID #16)
2016	\$2,288	\$280	\$10,648
2017	\$332,359	\$4,035	\$8,664
2018	\$269,934	\$10,134	\$76,223
2019	(\$74,148)	\$4,120	(\$15,279)
2020	(\$77,370)	\$2,807	(\$7,697)
2021	(\$78,029)	\$1,636	\$152,993
2022	(\$73,050)	\$560	\$151,870
2023	(\$79,465)	\$0	(\$11,250)
2024	(\$78,106)	\$0	(\$99,900)
2025	\$0	\$0	(\$102,125)
2026	\$0	\$0	(\$192,850)
	\$144,413	\$23,572	(\$28,703)

ROUNDING AMOUNT.....	\$4,252	(\$1,606)	\$2,305
POTENTIAL GROSS SAVINGS.....	\$148,665	\$21,966	(\$26,399)
POTENTIAL PRESENT VALUE SAVINGS.....	\$179,765	\$20,492	\$11,228
POTENTIAL PV SAVINGS %.....	3.203%	3.601%	1.642%

City of Manitowoc

PRESENTATION TO FINANCE COMMITTEE

Example Financing Plan (Restructure + 2016 Borrowing of \$2,500,000) – (BQ)



PRELIMINARY									
G.O. PROMISSORY NOTES									
Dated June 6, 2016									
(First interest 2/1/17)									
\$2,500,000									
Annual Capital Borrowing									
LEVY YEAR	YEAR DUE	EXISTING DEBT PAYMENTS (A)	PRINCIPAL (2/1)	INTEREST (2/1 & 8/1) TIC= 2.58%	TOTAL	BID PREMIUM	FUTURE ISSUES (B)	TOTAL DEBT PAYMENTS (A)	YEAR DUE
2015	2016	\$6,581,759						\$6,581,759	2016
2016	2017	\$6,163,662		\$79,945	\$79,945	(11,141)		\$6,232,466	2017
2017	2018	\$6,161,198		\$69,350	\$69,350		150,000	\$6,380,548	2018
2018	2019	\$6,016,475	\$65,000	\$68,700	\$133,700		250,000	\$6,400,175	2019
2019	2020	\$5,507,446	\$210,000	\$65,950	\$275,950		614,600	\$6,397,996	2020
2020	2021	\$5,158,686	\$200,000	\$61,350	\$261,350		978,200	\$6,398,236	2021
2021	2022	\$4,467,541	\$380,000	\$54,100	\$434,100		1,345,300	\$6,246,941	2022
2022	2023	\$3,686,592	\$395,000	\$43,425	\$438,425		1,710,400	\$5,835,417	2023
2023	2024	\$2,025,224	\$405,000	\$31,425	\$436,425		2,073,100	\$4,534,749	2024
2024	2025	\$1,077,115	\$415,000	\$19,125	\$434,125		2,437,900	\$3,949,140	2025
2025	2026	\$280,019	\$430,000	\$6,450	\$436,450		2,804,200	\$3,520,669	2026
		\$47,125,716	\$2,500,000	\$499,820	\$2,999,820	(\$11,141)	\$12,363,700	\$62,478,095	

(A) After hypothetical 2015 refunding; net of revenues, subsidies & special assessments; levy supported portion only.

(B) Assumes \$2,500,000 issued annually from 2017-2026. 10 year repayment at 4.00% interest rate.

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City of Manitowoc

PRESENTATION TO FINANCE COMMITTEE

TID #16 (After Refinancing) – (BQ)



Hypothetical 2015 Refinancing				
Year	Annual Balance	Potential Savings	Potential Annual Balance	Year
2013	0		0	2013
2014	(189,435)		(189,435)	2014
2015	(130,970)		(130,970)	2015
2016	(68,034)	10,648	(57,386)	2016
2017	(68,571)	8,664	(59,907)	2017
2018	(67,576)	76,223	8,647	2018
2019	45,702	(15,279)	30,423	2019
2020	39,442	(7,697)	31,745	2020
2021	(281,718)	152,993	(128,725)	2021
2022	(277,645)	151,870	(125,775)	2022
2023	(106,007)	(11,250)	(117,257)	2023
2024	237,948	(99,900)	138,048	2024
2025	237,368	(102,125)	135,243	2025
2026	329,663	(192,850)	136,813	2026
2027	329,663		329,663	2027
2028	329,663		329,663	2028
2029	329,663		329,663	2029
2030	329,663		329,663	2030
2031	329,663		329,663	2031
TOTAL		(28,703)		

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City of Manitowoc

PRESENTATION TO FINANCE COMMITTEE

Example Refinancing Plan (Restructure) – (NBQ)



BEFORE REFINANCING														
Calendar Year	\$4,390,000 G.O. Corp. Purp. Bonds, Series 2006A Dated May 22, 2006			\$8,220,000 G.O. Corp. Purpose Bonds Dated April 9, 2007			\$5,600,000 G.O. Corp. Purp. Bonds, Series B Dated June 30, 2008			\$6,225,000 G.O. Corp. Purp. Bonds Dated February 17, 2009			OTHER DEBT SERVICE	TOTAL DEBT SERVICE
	PRINCIPAL (2/1)	RATE	INTEREST (2/1 & 8/1)	PRINCIPAL (2/1)	RATE	INTEREST (2/1 & 8/1)	PRINCIPAL (2/1)	RATE	INTEREST (2/1 & 8/1)	PRINCIPAL (2/1)	RATE	INTEREST (2/1 & 8/1)		
2015	\$380,000	4.125%	\$54,656	\$560,000	3.875%	\$191,420	\$360,000	4.000%	\$145,800	\$380,000	3.000%	\$174,308	\$7,586,977	\$9,833,161
2016	\$395,000	4.125%	\$38,672	\$585,000	3.875%	\$169,236	\$375,000	4.000%	\$131,100	\$395,000	4.000%	\$160,708	\$6,898,749	\$9,148,464
2017	\$410,000	4.125%	\$22,069	\$605,000	3.875%	\$146,179	\$390,000	4.000%	\$115,800	\$405,000	4.000%	\$144,708	\$6,746,415	\$8,985,171
2018	\$330,000	4.125%	\$6,806	\$630,000	3.875%	\$122,251	\$410,000	4.000%	\$99,800	\$425,000	4.000%	\$128,108	\$6,210,764	\$8,362,729
2019		4.125%		\$665,000	3.875%	\$97,161	\$420,000	4.000%	\$83,200	\$445,000	4.000%	\$110,708	\$5,179,108	\$7,000,176
2020		4.125%		\$690,000	3.875%	\$70,908	\$440,000	4.000%	\$66,000	\$460,000	4.000%	\$92,608	\$4,456,444	\$6,275,959
2021		4.150%		\$725,000	3.875%	\$43,492	\$460,000	4.000%	\$48,000	\$485,000	4.000%	\$73,708	\$4,343,319	\$6,178,518
2022				\$755,000	3.900%	\$14,723	\$475,000	4.000%	\$29,300	\$500,000	4.000%	\$54,008	\$3,374,473	\$5,202,503
2023							\$495,000	4.000%	\$9,900	\$520,000	4.100%	\$33,348	\$3,045,396	\$4,103,644
2024										\$550,000	4.125%	\$11,344	\$1,520,618	\$2,081,961
2025													\$1,204,868	\$1,204,868
2026													\$310,566	\$310,566
	\$1,515,000		\$122,203	\$5,215,000		\$855,369	\$3,825,000		\$728,900	\$4,565,000		\$983,551	\$50,877,694	\$68,687,718

CALLABLE MATURITIES
 Call Provision: 2/1/16 @ par or any date Call Provision: 2/1/17 @ par or any date Call Provision: 2/1/18 @ par or any date Call Provision: 2/1/19 @ par or any date

Purposes: GF/MPU TID#7,9,10,14,15,16 Purposes: GF TID#16,17 Purposes: GF Purposes: GF

(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 10/14/15. 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 2.23% as the discount rate.

Interest Rate Sensitivity		
Change in Rates	Est. PV % Savings	Est. PV \$ Savings
-0.30%	2.196%	\$150,730
-0.20%	1.730%	\$118,790
-0.10%	1.268%	\$87,064
+0.10%	0.351%	\$24,110
+0.20%	-0.103%	(\$7,079)
+0.30%	-0.555%	(\$38,130)

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City of Manitowoc

PRESENTATION TO FINANCE COMMITTEE

Example Refinancing Plan (Restructure) – (NBQ)



AFTER REFINANCING													POTENTIAL DEBT SERVICE SAVINGS	Calendar Year
\$4,390,000 G.O. Corp. Purp. Bonds, Series 2006A Dated May 22, 2006		\$8,220,000 G.O. Corp. Purpose Bonds Dated April 9, 2007		\$5,600,000 G.O. Corp. Purp. Bonds, Series B Dated June 30, 2008		\$6,225,000 G.O. Corp. Purp. Bonds Dated February 17, 2009		\$7,085,000 G.O. Refunding Bonds (CR/AR) Dated June 6, 2016			OTHER DEBT SERVICE	TOTAL NEW DEBT SERVICE		
PRINCIPAL (2/1)	INTEREST (2/1 & 8/1)	PRINCIPAL (2/1)	INTEREST (2/1 & 8/1)	PRINCIPAL (2/1)	INTEREST (2/1 & 8/1)	PRINCIPAL (2/1)	INTEREST (2/1 & 8/1)	PRINCIPAL (2/1)	INTEREST (2/1 & 8/1)	TOTAL				
\$380,000	\$54,656	\$560,000	\$191,420	\$360,000	\$145,800	\$380,000	\$174,308				\$7,586,977	\$9,833,161	\$0	2015
\$395,000	\$34,008	\$585,000	\$112,857	\$375,000	\$98,100	\$395,000	\$128,704			\$27,244	\$6,898,749	\$9,049,662	\$98,802	2016
***		\$605,000	\$33,422	\$390,000	\$49,800	\$405,000	\$80,700	\$160,000	\$176,725	\$336,725	\$6,746,415	\$8,647,062	\$338,109	2017
***		\$560,000	\$10,850	\$410,000	\$33,800	\$425,000	\$64,100	\$820,000	\$173,875	\$298,875	\$6,210,764	\$8,013,389	\$349,340	2018
		***		\$420,000	\$17,200	\$445,000	\$46,700	\$1,250,000	\$164,425	\$984,425	\$5,179,108	\$7,092,433	\$92,257	2019
		***		\$220,000	\$4,400	\$460,000	\$28,600	\$1,050,000	\$145,725	\$1,195,725	\$4,456,444	\$6,365,169	(\$89,210)	2020
		***		***		\$485,000	\$9,700	\$1,150,000	\$120,850	\$1,270,850	\$4,343,319	\$6,108,869	\$69,649	2021
		***		***		***		\$1,670,000	\$85,600	\$1,755,600	\$3,374,473	\$5,130,073	\$72,430	2022
		***		***		***		\$1,105,000	\$48,150	\$1,153,150	\$3,045,396	\$4,198,546	(\$94,903)	2023
		***		***		***		\$720,000	\$20,775	\$740,775	\$1,520,618	\$2,261,393	(\$179,431)	2024
		***		***		***		\$95,000	\$8,313	\$103,313	\$1,204,868	\$1,308,180	(\$103,313)	2025
		***		***		***		\$190,000	\$3,325	\$193,325	\$310,566	\$503,891	(\$193,325)	2026
\$775,000	\$88,665	\$2,310,000	\$348,549	\$2,175,000	\$349,100	\$2,995,000	\$532,811	\$7,085,000	\$975,007	\$8,060,007	\$50,877,694	\$68,511,826	\$175,892	

*** REFINANCED WITH 2016 ISSUE.
 *** PARTIALLY REFINANCED WITH 2015 ISSUE.

CASH APPLIED.....	(\$195,000)
ROUNDING AMOUNT.....	\$510
POTENTIAL GROSS SAVINGS.....	(\$18,598)
(2) POTENTIAL PRESENT VALUE SAVINGS.....	\$55,501
POTENTIAL PV SAVINGS %.....	0.808%
Negative Arbitrage.....	(148,490)

Calendar Year	POTENTIAL DEBT SERVICE SAVINGS (LEVY)	POTENTIAL DEBT SERVICE SAVINGS (NON-LEVY w/o #16)	POTENTIAL DEBT SERVICE SAVINGS (TID #16)
2016	\$83,000	\$5,592	\$10,210
2017	\$326,834	\$4,035	\$7,239
2018	\$264,409	\$10,134	\$74,798
2019	(\$79,673)	\$4,120	(\$16,704)
2020	(\$82,895)	\$2,807	(\$9,122)
2021	(\$83,554)	\$1,636	\$151,568
2022	(\$78,575)	\$560	\$150,445
2023	(\$82,228)	\$0	(\$12,675)
2024	(\$78,106)	\$0	(\$101,325)
2025	\$0	\$0	(\$103,313)
2026	\$0	\$0	(\$193,325)
	\$189,211	\$28,884	(\$42,204)

CASH APPLIED.....	(\$185,000)	(\$10,000)	
ROUNDING AMOUNT.....	\$9,309	(\$5,958)	(\$2,841)
POTENTIAL GROSS SAVINGS.....	\$13,521	\$12,926	(\$45,045)
POTENTIAL PRESENT VALUE SAVINGS.....	\$49,570	\$11,690	(\$5,759)
POTENTIAL PV SAVINGS %.....	0.883%	2.054%	-0.842%

City of Manitowoc

PRESENTATION TO FINANCE COMMITTEE

Example Financing Plan (Restructure + 2016 Borrowing of \$2,500,000) – (NBQ)



PRELIMINARY									
G.O. PROMISSORY NOTES									
Dated June 6, 2016									
(First interest 2/1/17)									
\$2,500,000									
Annual Capital Borrowing									
LEVY YEAR	YEAR DUE	EXISTING DEBT PAYMENTS (A)	PRINCIPAL (2/1)	INTEREST (2/1 & 8/1) TIC= 2.97%	TOTAL	BID PREMIUM	FUTURE ISSUES (B)	TOTAL DEBT PAYMENTS (A)	YEAR DUE
2015	2016	\$6,501,048						\$6,501,048	2016
2016	2017	\$6,169,187		\$87,294	\$87,294	(6,163)		\$6,250,318	2017
2017	2018	\$6,166,723		\$75,725	\$75,725		150,000	\$6,392,448	2018
2018	2019	\$6,022,000	\$65,000	\$75,075	\$140,075		250,000	\$6,412,075	2019
2019	2020	\$5,512,971	\$210,000	\$72,325	\$282,325		614,600	\$6,409,896	2020
2020	2021	\$5,164,211	\$200,000	\$67,725	\$267,725		978,200	\$6,410,136	2021
2021	2022	\$4,473,066	\$380,000	\$60,475	\$440,475		1,345,300	\$6,258,841	2022
2022	2023	\$3,689,354	\$395,000	\$49,800	\$444,800		1,710,400	\$5,844,554	2023
2023	2024	\$2,025,224	\$405,000	\$37,800	\$442,800		2,073,100	\$4,541,124	2024
2024	2025	\$1,077,115	\$415,000	\$24,463	\$439,463		2,437,900	\$3,954,477	2025
2025	2026	\$280,019	\$430,000	\$8,600	\$438,600		2,804,200	\$3,522,819	2026
		\$47,080,917	\$2,500,000	\$559,282	\$3,059,282	(\$6,163)	\$12,363,700	\$62,497,736	

(A) After hypothetical 2016 refunding; net of revenues, subsidies & special assessments; levy supported portion only.

(B) Assumes \$2,500,000 issued annually from 2017-2026. 10 year repayment at 4.00% interest rate.

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City of Manitowoc

PRESENTATION TO FINANCE COMMITTEE

Tentative Timeline for Refinancing (BQ)



- Finance Committee considers plan of finance November 4, 2015
- Finance Committee consider adoption of resolution establishing the award of the refunding bonds and delegating authority to award the bonds to the Mayor and City Clerk..... November 16, 2015
 - Preparations are made for issuance
 - ✓ Official Statement
 - ✓ Bond Rating
 - ✓ Marketing
- Refunding Bond pricing \ awarding certificate signed Week of December 7, 2015
- Closing Week of December 21, 2015
- Issuance of Notes to fund 2016 Capital needs May, 2016

City of Manitowoc

PRESENTATION TO FINANCE COMMITTEE

Important Disclosures



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