

City of Manitowoc

2017 Refinancing September 5, 2017

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City of Manitowoc

2017 REFINANCING

Tentative Timeline



•	Finance Committee considers refinancing / set sale resolution	September 5, 2017
•	Common Council considers refinance / set sale resolution	September 18, 2017
•	Common Council considers award resolutions (finalizes terms and interest rates)	October 16, 2017
•	Closing (funds available)	November 6, 2017

Borrowing Amount / Structure / Purpose

Estimated Amount:	\$775,000
Issue:	G.O. Promissory Notes
Purpose:	2018 Levy Relief
Structure:	Matures Annually 2/1/2023 through 2/1/2027
First Interest:	February 1, 2018
Callable:	Noncallable
Estimated Interest Rate:	2.20%
Detailed Analysis:	Page 3

City of Manitowoc

2017 REFINANCING

Financing Plan

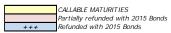


	BEFORE REFINANCING							*		AFTER REFINANCING								
	G.O. Corpo	8,220,000 orate Purp. d April 9, 2		G.O. P	2,955,000 Promissory February 1	Notes	OTHER NET G.O. DEBT SERVICE (3)	TOTAL NET G.O. DEBT SERVICE	* * *	\$8,220 G.O. Corporate Dated Api	Purp. Bonds*	G.O. Promi	5,000 issory Notes uary 17, 2009	G.O. Pror	75,000 misory Notes mber 6, 2017 ¹	OTHER NET G.O. DEBT SERVICE (3)	TOTAL NET G.O. DEBT SERVICE	POTENTIAL DEBT SERVICE SAVINGS
Calendar	PRINCIPAL	RATE	INTEREST	PRINCIPAL	RATE	INTEREST			*	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST			
Year	(2/1)		(2/1 & 8/1)	(2/1)		(2/1 & 8/1)			*	(2/1)	(2/1 & 8/1)	(2/1)	(2/1 & 8/1)	(2/1)	(2/1 & 8/1)			
									*						TIC=			
									*						2.20%			
									*									
2017	\$410,000	3.875%	\$24,606	\$155,000	3.000%	\$12,488	\$5,671,782	\$6,273,875	*	\$410,000	\$24,606	\$155,000	\$12,488			\$5,671,782	\$6,273,875	\$0
2018	\$430,000	3.875%	\$8,331	\$160,000	3.000%	\$7,763	\$6,344,451	\$6,950,545	*	***		***			\$12,363	\$6,344,451	\$6,356,814	\$593,731
2019	+++			\$165,000	3.250%	\$2,681	\$6,933,554	\$7,101,235	*	+++		***			\$16,795	\$6,933,554	\$6,950,348	\$150,887
2020	+++						\$7,033,049	\$7,033,049	*	+++					\$16,795	\$7,033,049	\$7,049,844	(\$16,795)
2021	+++						\$6,883,448	\$6,883,448	*	+++					\$16,795	\$6,883,448	\$6,900,243	(\$16,795)
2022	+++						\$6,215,212	\$6,215,212	*	+++					\$16,795	\$6,215,212	\$6,232,007	(\$16,795)
2023	<u> </u>						\$5,440,900	\$5,440,900	*					\$145,000	\$15,446	\$5,440,900	\$5,601,346	(\$160,446)
2024							\$3,780,294	\$3,780,294	*					\$150,000	\$12,605	\$3,780,294	\$3,942,899	(\$162,605)
2025							\$2,849,467	\$2,849,467	*					\$255,000	\$8,320	\$2,849,467	\$3,112,787	(\$263,320)
2026							\$2,057,803	\$2,057,803	*					\$110,000	\$4,225	\$2,057,803	\$2,172,028	(\$114,225)
2027							\$588,700	\$588,700	*					\$115,000	\$1,461	\$588,700	\$705,161	(\$116,461)
		-							*									
	\$840,000	_	\$32,938	\$480,000		\$22,931	\$53,798,660	\$55,174,528	*	\$410,000	\$24,606	\$155,000	\$12,488	\$775,000	\$121,597	\$53,798,660	\$55,297,350	(\$122,822)

Maturities callable 2/1/2017 or any date thereafter.

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*General Fund Portion only



(1) This illustration represents a mathematical calculation of potential interest cost savings (cost), assuming hypothetical rates based on current rates for municipal bonds as of 8/18/17. 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 2.43% as the discount rate.

(3) Includes bid premium offset of \$120,869 in 2017 from 2016 G.O. Promissory Notes & \$135,805 in 2018 from 2017 G.O. Promissory Notes.

Interest Rate Sensitivity					
Change	Est. PV %	Est. PV \$			
in Rates	Savings	Savings			
-0.30%	0.435%	\$3,281			
-0.20%	0.389%	\$2,937			
-0.10%	0.343%	\$2,593			
+0.10%	0.251%	\$1,898			
+0.20%	0.206%	\$1,556			
+0.30%	0.161%	\$1,214			

*** REFINANCED WITH 2017 ISSUE.

ROUNDING AMOUNT	\$553 (\$122,269)
(2) POTENTIAL PRESENT VALUE SAVINGS \$	\$2,241 0.297%