



City of Two Rivers
City Council Meeting

February 19, 2024

Justin A. Fischer, Managing Director

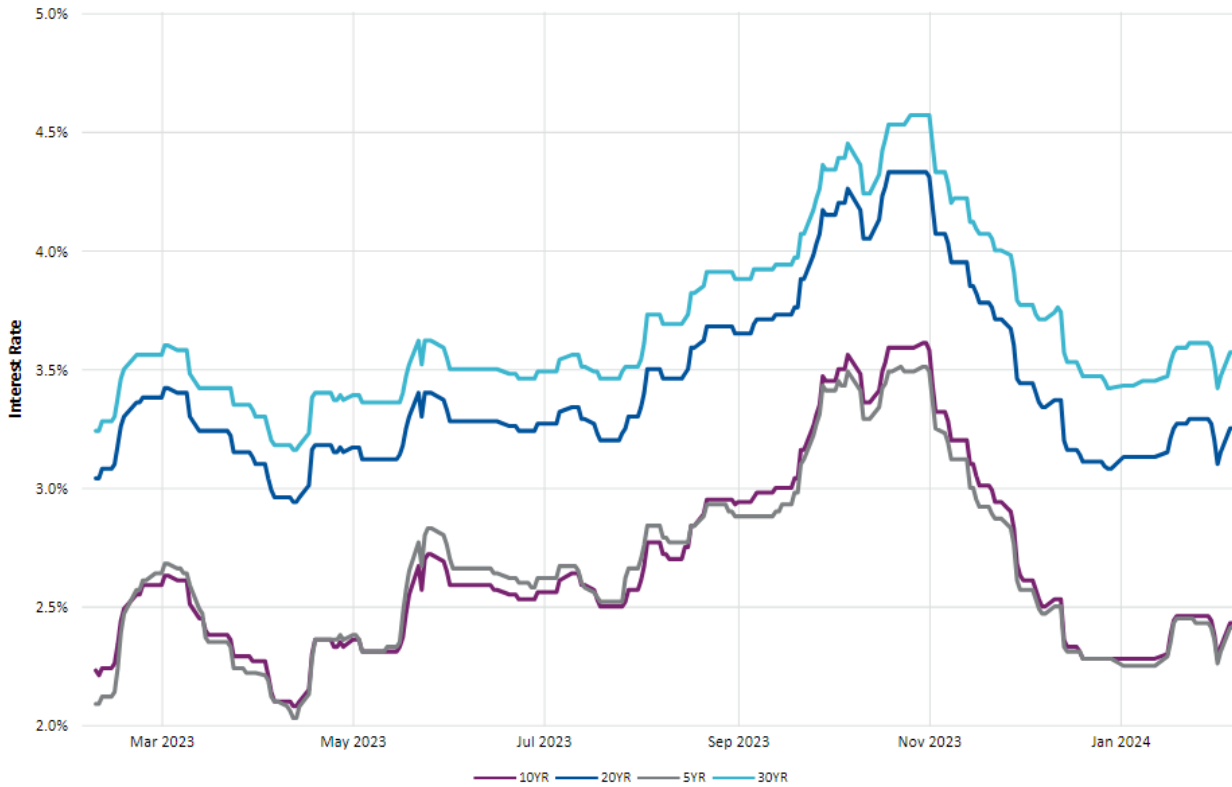
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AAA Municipal Market Data (MMD) Yield



Source: Refinitiv as of February 6, 2024

Board of Commissioners of Public Lands

Current Interest Rates

Current General Obligation Loan Interest Rates
(Effective as of January 10, 2024)

Loan Term	Interest Rate
2 Years	6.00%
3 - 5 Years	6.00%
6 - 10 Years	6.00%
11 - 20 Years	6.00%



Timeline

- P&F considers plan of financeFebruary 15, 2024
- City Council considers plan of finance and adopts Parameters Resolution.....February 19, 2024
 - Authority for final sign-off of the sale, within designated parameters, is delegated to its City Manager or Finance Director (an "Authorized Officer")
 - Preparations are made for issuance
 - ✓ Official Statement
 - ✓ Discussions with Bond Insurance Companies
 - ✓ Marketing
- Authorized Officer signs Approving Certificate (finalizes terms and interest rates)March 2024
- Closing (funds available).....April 1, 2024

Borrowing/Structure/Purpose

Estimated Size:	\$3,020,000
Issue:	General Obligation Promissory Notes
Purpose:	2024 Capital Improvement Projects <ul style="list-style-type: none"> <li style="width: 50%;">• Levy Supported: \$1,890,000 <li style="width: 50%;">• Solid Waste Supported: \$200,000 <li style="width: 50%;">• TID #12 Supported: \$455,000 <li style="width: 50%;">• Storm Water Supported: \$275,000 <li style="width: 50%;">• TID #14 Supported: \$200,000
Structure:	Matures April 1, 2025-2034
First Interest:	April 1, 2025
Callable:	April 1, 2031 or any date thereafter
Estimated Interest Rate:	4.00%
Max. Parameters Interest Rate:	5.00%

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Illustration of Hypothetical 2024 CIP

2024 CIP													
\$3,020,000													
G.O. PROMISSORY NOTES													
Dated April 1, 2024 (First Interest 4/1/2025)													
YEAR DUE	NET EXISTING DEBT SERVICE (Levy Supported) (A)	2024 CIP			New Money	New Money	New Money	New Money	New Money	COMBINED DEBT SERVICE (Levy Supported)	EXAMPLE FUTURE ISSUES Levy Supported (C) (D)	TOTAL Levy Supported With Future Issues	YEAR DUE
		PRINCIPAL (4/1)	NET INTEREST (B) (4/1 & 10/1) TIC= 4.00%	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL				
2024	\$2,693,584				\$215,331	\$18,736	\$15,342	\$24,445	\$33,069	\$2,693,584	\$0	\$2,693,584	2024
2025	\$2,495,861	\$175,000	\$131,923	\$306,923	\$163,360	\$20,822	\$19,194	\$23,066	\$36,011	\$2,711,192	\$0	\$2,711,192	2025
2026	\$2,429,559	\$135,000	\$127,453	\$262,453	\$253,060	\$69,822	\$18,794	\$27,366	\$35,011	\$2,592,919	\$120,000	\$2,712,919	2026
2027	\$1,913,642	\$285,000	\$119,053	\$404,053	\$250,760	\$67,822	\$18,394	\$26,566	\$34,011	\$2,166,702	\$547,900	\$2,714,602	2027
2028	\$1,910,345	\$290,000	\$107,553	\$397,553	\$253,160	\$70,722	\$17,994	\$25,766	\$33,011	\$2,161,105	\$550,000	\$2,711,105	2028
2029	\$1,679,781	\$305,000	\$95,653	\$400,653	\$255,160	\$68,522	\$17,594	\$24,966	\$36,911	\$1,932,941	\$780,100	\$2,713,041	2029
2030	\$1,183,813	\$320,000	\$83,153	\$403,153	\$251,860	\$66,322	\$17,194	\$24,166	\$35,711	\$1,438,973	\$1,273,100	\$2,712,073	2030
2031	\$865,150	\$325,000	\$70,253	\$395,253	\$251,742	\$68,608	\$45,918	\$23,228	\$34,304	\$1,117,010	\$1,596,600	\$2,713,610	2031
2032	\$627,650	\$370,000	\$53,800	\$423,800	\$254,503	\$70,246	\$48,632	\$27,018	\$32,690	\$879,392	\$1,835,200	\$2,714,592	2032
2033	\$352,225	\$400,000	\$33,087	\$433,087	\$251,591	\$66,749	\$46,211	\$25,673	\$35,942	\$606,728	\$2,104,600	\$2,711,328	2033
2034	\$218,225	\$415,000	\$11,164	\$426,164						\$469,816	\$2,241,500	\$2,711,316	2034
	\$16,369,835	\$3,020,000	\$833,092	\$3,853,092	\$2,400,526	\$588,370	\$265,266	\$252,259	\$346,670	\$18,770,361	\$11,049,000	\$29,819,361	

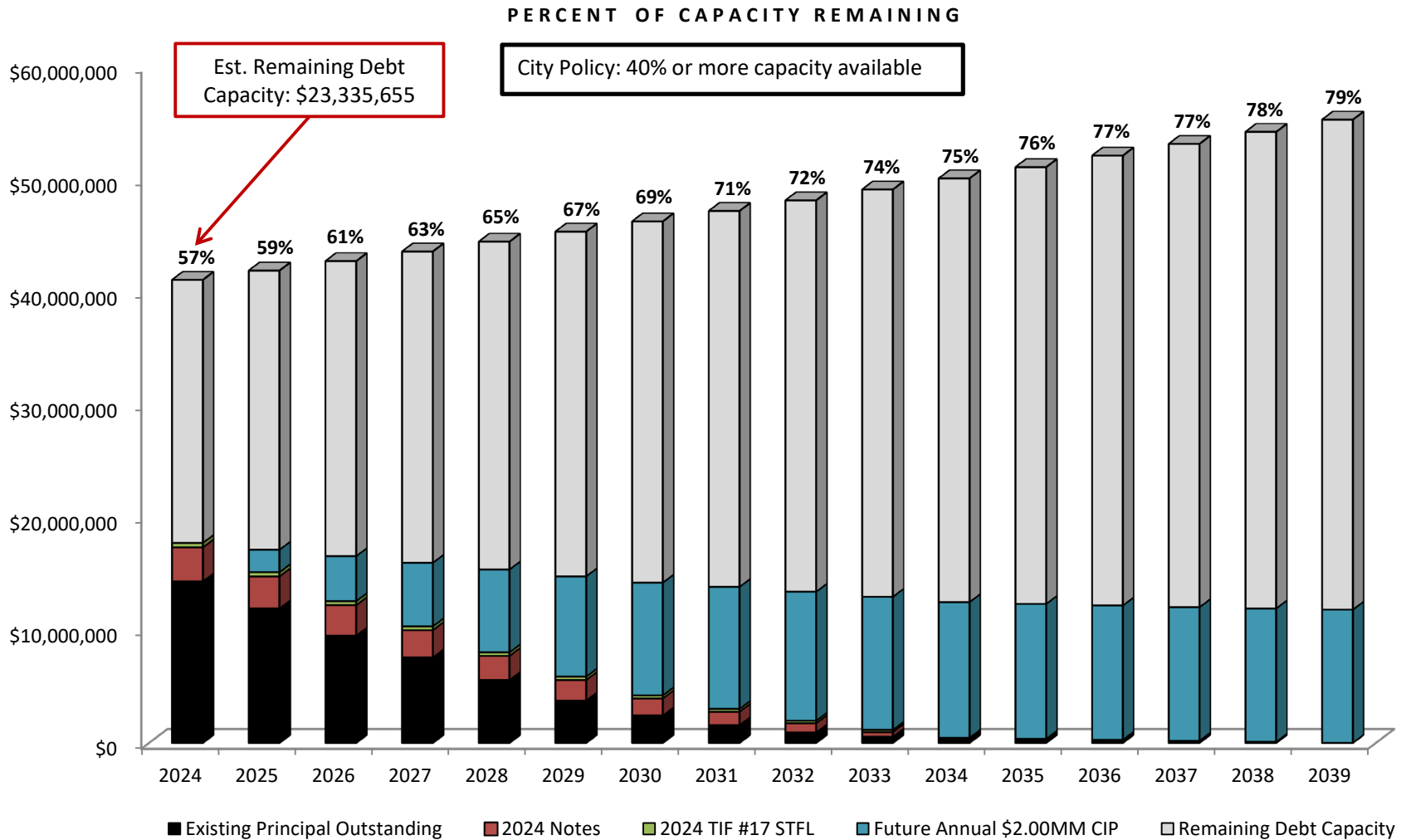
(A) Existing Debt service is shown net of TID, Sewer and Water offsets.

(B) Net of hypothetical bid premium on estimated debt service in the amount of \$70,306.

(C) Future issues assume annual \$2,000,000 borrowings amortized over a maximum of 10 years starting in 2025 at an average interest rate of 4.00%.

(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.

General Obligation Debt Capacity (5% of Equalized Value TID-IN)



Note: Future capacity based on 2023 Equalized Valuation (TID-IN) of \$805,603,600 with annual growth of 2.00%.