



City of Two Rivers  
City Council Meeting

February 17, 2025

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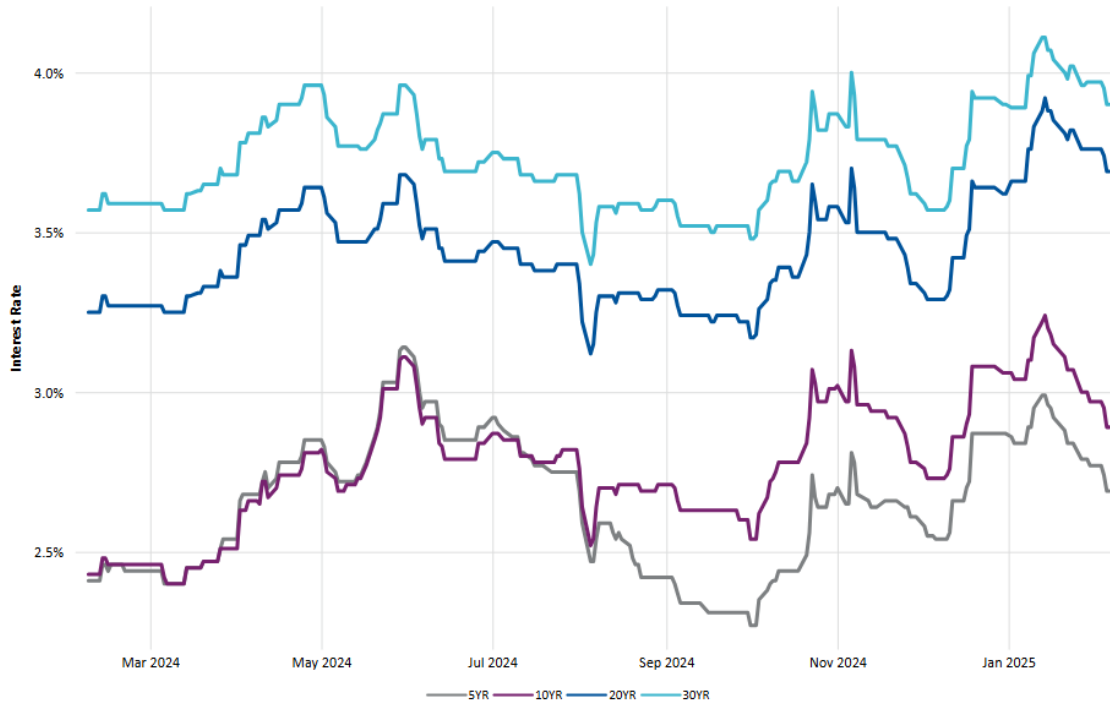
## AAA Municipal Market Data (MMD) Yield

## Board of Commissioners of Public Lands

### Current Interest Rates

Current General Obligation Loan Interest Rates  
(Effective as of January 8, 2025)

Loan Term	Interest Rate
2 Years	5.75%
3 - 5 Years	6.00%
6 - 10 Years	6.25%
11 - 20 Years	6.50%



Source: Refinitiv as of February 6, 2025



## Timeline

- P&F considers plan of finance .....February 11, 2025
- City Council considers plan of finance and adopts Parameters Resolution.....February 17, 2025
  - 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 2025
- Closing (funds available)..... April 7, 2025

## Borrowing/Structure/Purpose

<b>Estimated Size:</b>	<b>\$3,355,000</b>
<b>Issue:</b>	General Obligation Promissory Notes
<b>Purpose:</b>	<ul style="list-style-type: none"> <li>• 2025 Capital Improvement Projects                             <ul style="list-style-type: none"> <li>○ Levy Supported: \$1,985,000</li> <li>○ Wastewater Supported: \$100,000</li> <li>○ Sandy Bay Development Revenues: \$450,000</li> </ul> </li> <li>• Refinancing of 2020 STFL at 4.50%: \$820,000 <i>(only include if PV savings of 2.00% or higher)</i></li> </ul>
<b>Structure:</b>	Matures April 1, 2026-2035
<b>First Interest:</b>	April 1, 2026
<b>Callable:</b>	April 1, 2032 or any date thereafter
<b>Estimated Interest Rate:</b>	4.25%
<b>Maximum Interest Rate (Parameters):</b>	4.75%

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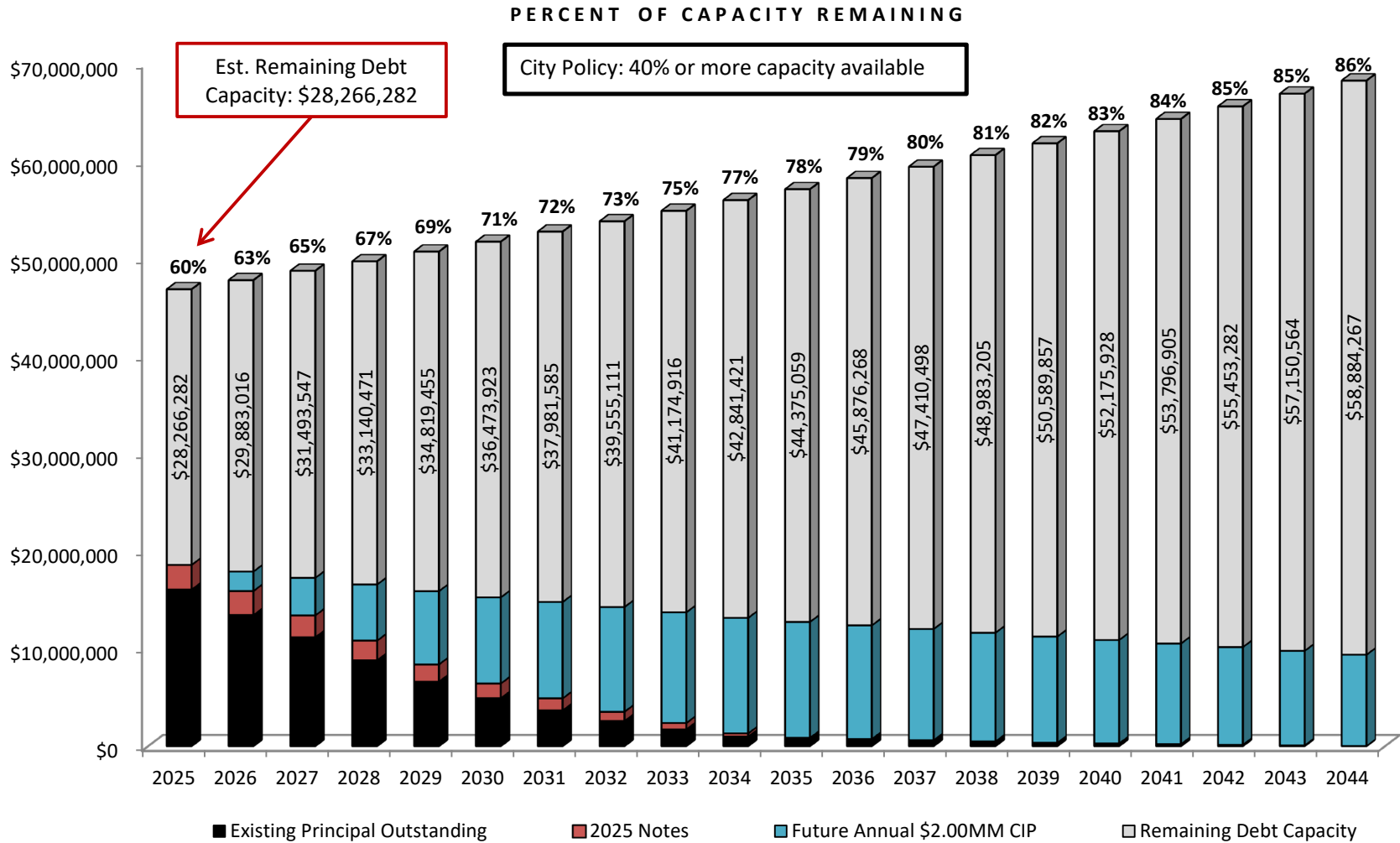
## Illustration of Hypothetical 2025 CIP

2025 CIP											
<b>\$2,535,000</b>											
<b>G.O. PROMISSORY NOTES</b>											
Dated April 7, 2025 (First Interest 4/1/2026)											
YEAR DUE	NET EXISTING DEBT SERVICE (Levy Supported) (A)	2025 CIP			New Money \$1,985,000 Levy	New Money \$100,000 Wastewater	New Money \$450,000 Sandy Bay Dev. Revs.	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 <sup>(B)</sup> (4/1 & 10/1) TIC= 4.25%	TOTAL	TOTAL	TOTAL	TOTAL				
2025	\$2,713,710							\$2,713,710	\$0	\$2,713,710	2025
2026	\$2,660,089	\$65,000	\$126,987	\$191,987	\$118,590	\$15,407	\$57,989	\$2,778,678	\$0	\$2,778,678	2026
2027	\$2,232,796	\$225,000	\$121,580	\$346,580	\$276,714	\$14,367	\$55,499	\$2,509,510	\$267,000	\$2,776,510	2027
2028	\$2,230,499	\$235,000	\$110,080	\$345,080	\$272,589	\$13,867	\$58,624	\$2,503,088	\$277,300	\$2,780,388	2028
2029	\$1,995,560	\$245,000	\$98,080	\$343,080	\$273,089	\$13,367	\$56,624	\$2,268,649	\$510,700	\$2,779,349	2029
2030	\$1,499,842	\$260,000	\$85,455	\$345,455	\$273,089	\$12,867	\$59,499	\$1,772,931	\$1,007,200	\$2,780,131	2030
2031	\$1,180,928	\$270,000	\$72,205	\$342,205	\$272,589	\$12,367	\$57,249	\$1,453,517	\$1,324,600	\$2,778,117	2031
2032	\$947,553	\$285,000	\$58,330	\$343,330	\$271,589	\$11,867	\$59,874	\$1,219,142	\$1,557,700	\$2,776,842	2032
2033	\$671,803	\$300,000	\$43,120	\$343,120	\$274,496	\$11,348	\$57,277	\$946,299	\$1,832,000	\$2,778,299	2033
2034	\$533,303	\$320,000	\$26,411	\$346,411	\$276,156	\$10,809	\$59,447	\$809,459	\$1,969,100	\$2,778,559	2034
2035	\$70,278	\$330,000	\$8,894	\$338,894	\$272,142	\$10,270	\$56,482	\$342,419	\$2,434,800	\$2,777,219	2035
2036	\$70,277							\$70,277	\$2,705,900	\$2,776,177	2036
2037	\$70,277							\$70,277	\$2,706,300	\$2,776,577	2037
2038	\$70,277							\$70,277	\$2,706,300	\$2,776,577	2038
2039	\$70,277							\$70,277	\$2,705,900	\$2,776,177	2039
2040	\$70,276							\$70,276	\$2,710,000	\$2,780,276	2040
2041	\$70,276							\$70,276	\$2,708,600	\$2,778,876	2041
2042	\$70,276							\$70,276	\$2,706,800	\$2,777,076	2042
2043	\$70,276							\$70,276	\$2,709,500	\$2,779,776	2043
2044	\$70,276							\$70,276	\$2,706,700	\$2,776,976	2044
	<b>\$17,368,849</b>	<b>\$2,535,000</b>	<b>\$751,141</b>	<b>\$3,286,141</b>	<b>\$2,581,042</b>	<b>\$126,535</b>	<b>\$578,564</b>	<b>\$19,949,891</b>	<b>\$35,546,400</b>	<b>\$55,496,291</b>	

(A) Net of TID, Sewer and Water offsets. Net of bid premium from the 2024 Notes. Includes 11/13/2024 Taxable G.O. Water System Promissory Notes. Assumes City made full draw for planning purposes (\$1,304,058).  
 (B) Net of estimated bid premium used to partially offset interest cost through 4/1/2026 in the amount of \$64,897.  
 (C) Assume annual \$2,000,000 borrowings amortized over a maximum of 10 years starting in 2026 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)

### HYPOTHETICAL G.O. DEBT CAPACITY AS OF 12/31



Note: Future capacity based on 2024 Equalized Valuation (TID-IN) of \$918,797,900 with annual growth of 2.00%. Includes SDWFL dated November 13, 2024. Assumes the City made a full draw on the loan for planning purposes.