

City of Watertown

2024 Financings

February 12, 2024

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City of Watertown

2024 FINANCINGS February 12, 2024



Summary of Financings

| Issue: | Note Anticipation Notes | General Obligation Promissory Notes | | | | |
|--------------------------|---------------------------------------|--|--|--|--|--|
| Estimated Size: | \$14,695,000 | \$3,120,000 | | | | |
| Purpose: | Fire Station | 2024 Capital Improvement Projects | | | | |
| | Capitalized Interest through 4/1/2025 | | | | | |
| Structure: | Matures 10/1/2025 | Matures 12/1/2024 and Annually 6/1/2025 – 6/1/2032 | | | | |
| First Interest: | April 1, 2025 | December 1, 2024 | | | | |
| Callable: | Callable 4/1/2025 | 2032 Callable 6/1/2031 | | | | |
| Estimated Interest Rate: | 4.59% | 4.42% | | | | |
| Detailed Analysis: | Page 2 | Page 2 | | | | |

Tentative Timeline

- Council considers recommendation of the Finance Committee and adopts Initial Borrowing Resolutions......February 20, 2024
 - Preparations are made for issuance
 - ✓ Official Statement
 - ✓ Moody's Rating
 - ✓ Marketing
- Closing (funds available)

 April 1, 2024

City of Watertown

2024 FINANCINGS February 12, 2024 Detailed Analysis



| | | | | | Project Fund: \$14,000,000 | | | | | | | |
|--------------|----------------------------|-----------------------------|-----------------------|----------------------|-------------------------------------|-------------------------|---|----------------------------|----------------------------|----------------------------|------------------|--------------|
| | | 2024 CIP | | Fire Station Project | Refunding of Note Anticipation Note | | | | | | | |
| | | \$3,120,000 | | \$14,695,000 | \$14,695,000 | | | | | | | |
| | NET | G.O. PROMISSORY NOTES - POS | | NAN - POS | G.O. REFUNDING BONDS | | | | | | | |
| | GENERAL | Dated April 1, 2024 | | Dated April 1, 2024 | Dated June 1, 2025 | | | | Overall Taxpayer Impact | | | |
| | FUND | (First interest 12/1/24) | | | (Due 10/1/25) | (First interest 6/1/26) | | | | General Fund | | |
| YEAR | EXISTING | PRINCIPAL | NET INTEREST (b) | TOTAL | INTEREST | PRINCIPAL | INTEREST | TOTAL | | COMBINED | COMBINED | YEAR |
| DUE | DEBT | (12/1/24 & | (6/1 & 12/1) | | (4/1 & 10/1) | (6/1) | (6/1 & 12/1) | | FUTURE | DEBT | DEBT | DUE |
| | SERVICE | 6/1 Annually) | TIC= | | TIC= | | TIC= | | BORROWINGS | SERVICE | MILL RATE | |
| | (a) | | 4.42% | | 4.59% | | 4.81% | | (c) (d) | | (e) | |
| | | | | | | | | | | | | |
| 2022 | *4.745.042 | | | | | | | | +0 | ±4.745.042 | ÷2.54 | 2022 |
| 2023 2024 | \$4,745,942 \$4,854,063 | \$475,000 | \$87,877 | \$562,877 | | | | | \$0 \$0 | \$4,745,942 \$5,416,940 | \$2.54 \$2.49 | 2023 2024 |
| 2024 | \$4,654,065 \$4,443,850 | \$975,000 | \$07,677 \$108,425 | \$1,083,425 | \$891,497 | | | | \$0 \$0 | \$5,416,940 \$5,527,275 | \$2.49 | 2024 |
| 2025 | \$3,875,638 | \$205,000 | \$78,925 | \$283,925 | \$091,497 | \$115,000 | \$1,108,858 | \$1,223,858 | \$251,917 | \$5,635,337 | \$2.49 | 2025 |
| 2027 | \$3,479,531 | \$215,000 | \$68,425 | \$283,425 | | \$505,000 | \$719,489 | \$1,224,489 | \$738,067 | \$5,725,512 | \$2.48 | 2027 |
| 2028 | \$3,345,531 | \$225,000 | \$57,425 | \$282,425 | NAN interest capitalized | \$535,000 | \$689,626 | \$1,224,626 | \$872,692 | \$5,725,274 | \$2.43 | 2028 |
| 2029 | \$2,415,856 | \$240,000 | \$45,800 | \$285,800 | until 4/1/2025; | \$565,000 | \$660,789 | \$1,225,789 | \$1,793,967 | \$5,721,412 | \$2.38 | 2029 |
| 2030 | \$2,026,906 | \$250,000 | \$33,550 | \$283,550 | Assumes NAN principal | \$590,000 | \$631,914 | \$1,221,914 | \$2,192,467 | \$5,724,837 | \$2.34 | 2030 |
| 2031 | \$1,953,561 | \$260,000 | \$20,800 | \$280,800 | and interest paid with | \$620,000 | \$601,664 | \$1,221,664 | \$2,265,567 | \$5,721,592 | \$2.29 | 2031 |
| 2032 | \$726,403 | \$275,000 | \$7,150 | \$282,150 | bond proceeds on | \$655,000 | \$569,789 | \$1,224,789 | \$3,490,517 | \$5,723,858 | \$2.25 | 2032 |
| 2033 | \$338,531 | | | | 6/1/2025. | \$690,000 | \$535,474 | \$1,225,474 | \$4,157,717 | \$5,721,722 | \$2.20 | 2033 |
| 2034 | \$337,581 | | | | | \$725,000 | \$498,684 | \$1,223,684 | \$4,159,942 | \$5,721,207 | \$2.16 | 2034 |
| 2035 2036 | \$341,481 | | | | | \$765,000 | \$459,944 | \$1,224,944 | \$4,157,092 | \$5,723,517 | \$2.12 \$2.08 | 2035 2036 |
| 2036 | \$340,231 \$338,881 | | | | | \$805,000 \$845,000 | \$419,124 \$376,224 | \$1,224,124 \$1,221,224 | \$4,159,167 \$4,161,092 | \$5,723,522 \$5,721,197 | \$2.08 \$2.03 | 2036 |
| 2037 | \$338,244 | | | | | \$895,000 | \$370,224 | \$1,225,984 | \$4,157,942 | \$5,722,169 | \$1.99 | 2038 |
| 2039 | \$338,125 | | | | | \$940,000 | \$283,274 | \$1,223,274 | \$4,159,717 | \$5,721,115 | \$1.95 | 2039 |
| 2040 | \$337,722 | | | | | \$990,000 | \$235,569 | \$1,225,569 | \$4,161,342 | \$5,724,632 | \$1.92 | 2040 |
| 2041 | | | | | | \$1,035,000 | \$187,981 | \$1,222,981 | \$4,502,642 | \$5,725,623 | \$1.88 | 2041 |
| 2042 | | | | | | \$1,085,000 | \$138,161 | \$1,223,161 | \$4,498,542 | \$5,721,703 | \$1.84 | 2042 |
| 2043 | | | | | | \$1,140,000 | \$85,161 | \$1,225,161 | \$4,499,067 | \$5,724,228 | \$1.81 | 2043 |
| 2044 | | | | | | \$1,195,000 | \$28,829 | \$1,223,829 | \$4,499,142 | \$5,722,971 | \$1.77 | 2044 |
| | \$34,578,079 | \$3,120,000 | \$508,377 | \$3,628,377 | | \$14,695,000 | \$8,561,536 | \$23,256,536 | \$62,878,592 | \$124,341,583 | | |
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⁽a) The City will make principal payments of \$5,325,000 in 2024.

⁽b) Hypothetical bid premium on estimated interest cost in the amount of \$16,490.

⁽c) Assumes future borrowings of \$3,500,000 annually beginning in 2025 and thereafter amortized over 8 years at 3.00%.

⁽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.

⁽e) Mill rate based on 2022 and 2023 Equalized Valuations (TID-OUT) of \$1,868,971,600 and \$2,174,589,800 respectively, with 2.00% growth thereafter.