

The logo for Baird, featuring the word "BAIRD" in white, serif, all-caps font, set against a dark blue, trapezoidal background that tapers to the right.

Town of Medina

Preliminary Financing Discussion

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Borrowing Amount / Structure / Purpose

STEP 1		STEP 2	
Est. Amount:	\$3,300,000		\$3,300,000
Issue:	State Trust Fund Loan OR Bank Loan		General Obligation Refunding Bonds
Type of Offering:	Directly to State Trust Fund Loan program OR local bank depending on rate		<u>Public Offering</u> <ul style="list-style-type: none"> • Unlimited buyer pool • Structure to hit repayment targets • Ensures a competitive process
Est. Closing Date:	May 1, 2022		July 1, 2022
Structure:	Matures May 1, 2023		March 1, 2023 – 2042
First Interest:	March 15, 2023		March 1, 2023
Callable:	1/1 – 8/31 each year with STFL or any date with Bank Loan		March 1, 2029 or any date thereafter
Estimated Int. Rate:	2.00%		2.95%



Hypothetical Financing Plan (20 Years)

LEVY YEAR	YEAR DUE	EXISTING DEBT SERVICE (Levy Supported) (A)	\$3,300,000 BANK LOAN Dated May 1, 2022 (Due 5/1/23)		\$3,300,000 G.O. REFUNDING BONDS Dated July 1, 2022 (First interest 3/1/23)			COMBINED DEBT SERVICE (Levy Supported) (A)	COMBINED MILL RATE (B)	YEAR DUE
			INTEREST TIC= 2.00%	PRINCIPAL (3/1)	INTEREST (3/1 & 9/1) TIC= 2.95%	TOTAL				
2021	2022	\$98,392	\$11,000				\$98,392	\$0.62	2022	
2022	2023	\$98,392		\$55,000	\$110,969	\$165,969	\$264,361	\$1.65	2023	
2023	2024	\$59,426		\$115,000	\$93,338	\$208,338	\$267,763	\$1.65	2024	
2024	2025	\$46,437		\$135,000	\$90,838	\$225,838	\$272,274	\$1.65	2025	
2025	2026	\$46,437		\$140,000	\$88,088	\$228,088	\$274,524	\$1.64	2026	
2026	2027	\$46,437		\$145,000	\$85,238	\$230,238	\$276,674	\$1.63	2027	
2027	2028	\$46,437		\$145,000	\$82,338	\$227,338	\$273,774	\$1.59	2028	
2028	2029	\$46,437		\$150,000	\$79,388	\$229,388	\$275,824	\$1.58	2029	
2029	2030	\$46,437		\$150,000	\$75,750	\$225,750	\$272,187	\$1.53	2030	
2030	2031	\$46,437		\$155,000	\$71,094	\$226,094	\$272,531	\$1.51	2031	
2031	2032	\$24,996		\$160,000	\$65,975	\$225,975	\$250,971	\$1.37	2032	
2032	2033	\$24,996		\$170,000	\$60,613	\$230,613	\$255,608	\$1.38	2033	
2033	2034	\$24,996		\$175,000	\$55,006	\$230,006	\$255,002	\$1.35	2034	
2034	2035	\$24,996		\$180,000	\$49,238	\$229,238	\$254,234	\$1.33	2035	
2035	2036	\$24,996		\$185,000	\$43,306	\$228,306	\$253,302	\$1.31	2036	
2036	2037	\$7,253		\$190,000	\$37,213	\$227,213	\$234,465	\$1.19	2037	
2037	2038			\$195,000	\$30,956	\$225,956	\$225,956	\$1.13	2038	
2038	2039			\$205,000	\$24,456	\$229,456	\$229,456	\$1.13	2039	
2039	2040			\$210,000	\$17,713	\$227,713	\$227,713	\$1.11	2040	
2040	2041			\$215,000	\$10,806	\$225,806	\$225,806	\$1.08	2041	
2041	2042			\$225,000	\$3,656	\$228,656	\$228,656	\$1.08	2042	
		<u>\$713,500</u>		<u>\$3,300,000</u>	<u>\$1,175,975</u>	<u>\$4,475,975</u>	<u>\$5,189,475</u>	IMPACT: \$1.03		

Assumes principal and interest to be refinanced with the Bonds on 7/1/2022.

(A) Assumes the Town extends the 2022 balloon payment on the 2019 Promissory Note, dated July 26, 2019. Changes in market conditions may require changes to repayment assumptions shown above.
(B) Mill rate based on 2021 Assessed Valuation of \$157,449,400 with annual growth of 1.50% thereafter.



Hypothetical Tax Impact

AMORTIZATION	20
EST. BORROWING AMOUNT	\$3,300,000
MAX MILL RATE IMPACT (OVER 2021-22)* <i>(Per \$1,000 valuation)</i>	\$1.03

**TAX IMPACT ON PROPERTY WITH
FAIR MARKET VALUE OF:**

\$100,000 Property		
<i>Maximum Impact</i>		\$103.00
<i>Monthly Impact</i>		\$8.58
\$200,000 Property		
<i>Maximum Impact</i>		\$206.00
<i>Monthly Impact</i>		\$17.17
\$300,000 Property		
<i>Maximum Impact</i>		\$309.00
<i>Monthly Impact</i>		\$25.75



Assumptions:
Mill rate based on 2021 Assessed Valuation of \$157,449,400 with annual growth of 1.50%.

Note: Planning estimates only. Significant changes in market conditions will require adjustments to current financing plan. Rates subject to change.



Timeline

- Town Board/Baird discuss financing options. Town Board gives direction to proceed..... April ?, 2022
 - Town Borrows funds from local bank or State Trust Fund Loan Program
- Final Project Cost determined and adopt General Obligation Refunding Bond Resolution at Special Elector meeting April ?, 2022
- Town Board adopts “Parameters Resolution” for the future Refunding Bonds.....May ?, 2022
 - Authority for final sign-off of the bond sale, within designated Parameters, is delegated to Town Chairperson
 - Provides additional flexibility to lock-in final rates between Board meetings and when the timing is optimal
- Preparation of necessary Bond documentation to sell the Bonds..... Ongoing Process
- If market is strong, interest rates are low, audit finalized and meet Board’s parameters, sell the Bonds..... June/July 2022
- General Obligation Refunding Bonds Closing..... TBD

Town of Medina

2022 FINANCING DISCUSSION



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