

Preliminary - All

City of Milton

Illustration of Hypothetical Refinancing ⁽¹⁾

Hypothetical Conversion from Taxable to Tax-Exempt ⁽²⁾

BEFORE REFINANCING													
Calendar Year	\$1,870,000 G.O. Building Bonds, Series 2011B Dated April 26, 2011			\$1,940,000 G.O. Corp Purp. Bonds, 2013A Dated December 12, 2013			\$612,500 G.O. Promissory Notes Dated May 1, 2019			\$612,500 G.O. Promissory Notes Dated May 1, 2019			TOTAL DEBT SERVICE
	PRINCIPAL (4/1)	RATE	INTEREST (4/1 & 10/1)	PRINCIPAL (3/1)	RATE	INTEREST (3/1 & 9/1)	PRINCIPAL (2/1)	RATE	INTEREST (2/1 & 8/1)	PRINCIPAL (2/1)	RATE	INTEREST (2/1 & 8/1)	
2020	\$105,000	3.000%	\$58,960	\$95,000	3.000%	\$61,805			\$24,883			\$24,883	\$370,531
2021	\$105,000	3.200%	\$55,705	\$100,000	3.000%	\$58,880	\$27,500	3.250%	\$19,459	\$27,500	3.250%	\$19,459	\$413,504
2022	\$110,000	3.300%	\$52,210	\$100,000	3.000%	\$55,880	\$27,500	3.250%	\$18,566	\$27,500	3.250%	\$18,566	\$410,221
2023	\$115,000	3.400%	\$48,440	\$105,000	3.000%	\$52,805	\$55,000	3.250%	\$17,225	\$55,000	3.250%	\$17,225	\$465,695
2024	\$120,000	3.600%	\$44,325	\$105,000	3.500%	\$49,393	\$95,000	3.250%	\$14,788	\$95,000	3.250%	\$14,788	\$538,293
2025	\$125,000	3.700%	\$39,853	\$110,000	3.500%	\$45,630	\$97,500	3.250%	\$11,659	\$97,500	3.250%	\$11,659	\$538,801
2026	\$130,000	3.800%	\$35,070	\$115,000	4.000%	\$41,405	\$100,000	3.250%	\$8,450	\$100,000	3.250%	\$8,450	\$538,375
2027	\$140,000	4.000%	\$29,800	\$120,000	4.000%	\$36,705	\$102,500	3.250%	\$5,159	\$102,500	3.250%	\$5,159	\$541,824
2028	\$145,000	4.200%	\$23,955	\$125,000	4.000%	\$31,805	\$107,500	3.250%	\$1,747	\$107,500	3.250%	\$1,747	\$544,254
2029	\$155,000	4.300%	\$17,578	\$130,000	4.000%	\$26,705							\$329,283
2030	\$155,000	4.400%	\$10,835	\$135,000	4.000%	\$21,405							\$322,240
2031	\$165,000	4.500%	\$3,713	\$140,000	4.300%	\$15,695							\$324,408
2032				\$145,000	4.300%	\$9,568							\$154,568
2033				\$150,000	4.300%	\$3,225							\$153,225
	\$1,570,000		\$420,443	\$1,675,000		\$510,905	\$612,500		\$121,936	\$612,500		\$121,936	\$5,645,219
	Maturities callable 4/1/21 or any date thereafter.			Maturities callable 3/1/23 or any date thereafter.			Maturities callable 6/1/19 or any date thereafter.			Maturities callable 6/1/19 or any date thereafter.			
	CALLABLE MATURITIES												

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Hypothetical Conversion from Taxable to Tax-Exempt ⁽²⁾

Calendar Year	AFTER REFINANCING										TOTAL NEW DEBT SERVICE	2011 & 2013 Bonds <i>Levy Supported</i>			2019 Bank Loans <i>TID #10 Supported</i>
	\$1,870,000 <i>G.O. Building Bonds, Series 2011B Dated April 26, 2011</i>		\$1,940,000 <i>G.O. Corp Purp. Bonds, 2013A Dated December 12, 2013</i>		\$612,500 <i>G.O. Promissory Notes Dated May 1, 2019</i>		\$612,500 <i>G.O. Promissory Notes Dated May 1, 2019</i>		\$3,975,000 <i>Taxable G.O. Refund. Bonds Dated April 29, 2020</i>			POTENTIAL DEBT SERVICE SAVINGS	POTENTIAL DEBT SERVICE SAVINGS	POTENTIAL DEBT SERVICE SAVINGS	
	PRINCIPAL (4/1)	INTEREST (4/1 & 10/1)	PRINCIPAL (3/1)	INTEREST (3/1 & 9/1)	PRINCIPAL (2/1)	INTEREST (2/1 & 8/1)	PRINCIPAL (2/1)	INTEREST (2/1 & 8/1)	PRINCIPAL (2/1)	INTEREST (2/1 & 8/1)					TIC= 2.08%
2020	\$105,000	\$31,948	\$95,000	\$36,190	***	\$14,930	***	\$14,930	\$24,933	\$322,929	\$47,601	\$35,068	\$12,533		
2021	\$105,000	\$1,680	\$100,000	\$7,650	***	***	***	\$65,000	\$96,740	\$376,070	\$37,434	\$21,734	\$15,699		
2022	***	***	\$100,000	\$4,650	***	***	***	\$155,000	\$124,817	\$384,467	\$25,755	\$19,415	\$6,340		
2023	***	***	\$105,000	\$1,575	***	***	***	\$280,000	\$41,590	\$428,165	\$37,530	\$24,603	\$12,927		
2024	***	***	***	***	***	***	***	\$440,000	\$57,622	\$497,622	\$40,671	\$26,328	\$14,343		
2025	***	***	***	***	***	***	***	\$460,000	\$50,219	\$510,219	\$28,582	\$22,288	\$6,295		
2026	***	***	***	***	***	***	***	\$465,000	\$42,541	\$507,541	\$30,834	\$22,638	\$8,196		
2027	***	***	***	***	***	***	***	\$475,000	\$34,645	\$509,645	\$32,179	\$22,204	\$9,975		
2028	***	***	***	***	***	***	***	\$490,000	\$26,368	\$516,368	\$27,886	\$21,219	\$6,667		
2029	***	***	***	***	***	***	***	\$285,000	\$19,526	\$304,526	\$24,757	\$24,757	\$0		
2030	***	***	***	***	***	***	***	\$280,000	\$14,301	\$294,301	\$27,940	\$27,940	\$0		
2031	***	***	***	***	***	***	***	\$295,000	\$8,764	\$303,764	\$20,644	\$20,644	\$0		
2032	***	***	***	***	***	***	***	\$140,000	\$4,452	\$144,452	\$10,116	\$10,116	\$0		
2033	***	***	***	***	***	***	***	\$145,000	\$1,515	\$146,515	\$6,710	\$6,710	\$0		
	\$210,000	\$33,628	\$400,000	\$50,065	\$0	\$14,930	\$0	\$14,930	\$3,975,000	\$548,031	\$5,246,583	\$398,637	\$305,662	\$92,974	

*** REFINANCED WITH 2020 ISSUE.

(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 2/27/20. Actual rates may vary. If conversion from taxable to tax-exempt does not occur, or 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.

LESS CASH APPLIED TO COST OF ISSUANCE.....	(\$56,375)	(\$41,250)	(\$15,125)
LESS TRANSFER FROM PRIOR ISSUE D/S FUND.....	(\$47,601)	(\$35,068)	(\$12,533)
ROUNDING AMOUNT.....	\$1,218	\$3,417	(\$2,199)
POTENTIAL GROSS SAVINGS.....	\$295,879	\$232,761	\$63,117
(3) POTENTIAL PRESENT VALUE SAVINGS \$.....	\$243,200	\$187,057	\$56,143
POTENTIAL PRESENT VALUE SAVINGS %.....	6.301%	7.099%	4.583%

(2) Assumes hypothetical conversion from taxable to tax-exempt rates 90 days prior to the call date of the 2013 Bonds.

(3) Present value calculated using the All Inclusive Cost (AIC) of 2.31% as the discount rate.

Interest Rate Sensitivity		
Change in Rates	Est. PV % Savings	Est. PV \$ Savings
-0.30%	8.339%	\$321,868
-0.20%	7.656%	\$295,503
-0.10%	6.977%	\$269,306
+0.10%	5.629%	\$217,272
+0.20%	4.964%	\$191,627
+0.30%	4.307%	\$166,260

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