

CITY OF MORRISON SPECIAL COUNCIL MEETING
City Hall, Lower Level Conference Room, 200 W. Main St., Morrison IL
September 22, 2016 ♦ 7 p.m.

AGENDA

- I. CALL TO ORDER
- II. ROLL CALL
- III. PLEDGE OF ALLEGIANCE
- IV. PUBLIC COMMENT
- V. ITEMS FOR CONSIDERATION, DISCUSSION & INFORMATION
 1. Review Bond Restructuring Options
- VI. ADJOURNMENT

City of Morrison, Whiteside County, Illinois

\$1,000,000 Taxable Debt Certificates, Series 2010

(Rebate and Not Rebate Portions)

FINAL - NET REBATE

COPY

Debt Service Schedule

Part 1 of 2

Date	Principal	Coupon	Interest	Less: Treasury Rebate	Total P+i	Fiscal Total
03/25/2010	-	-	-	-	-	-
12/15/2010	35,000.00	2.750%	37,790.28	(12,983.29)	59,806.99	59,806.99
06/15/2011	-	-	25,581.25	(8,988.43)	16,692.82	-
12/15/2011	35,000.00	3.500%	25,581.25	(8,988.43)	51,692.82	68,385.64
06/15/2012	-	-	25,068.75	(8,774.06)	16,294.69	-
12/15/2012	35,000.00	3.500%	25,068.75	(8,774.06)	51,294.69	67,589.38
06/15/2013	-	-	24,456.25	(8,559.68)	15,896.57	-
12/15/2013	35,000.00	3.500%	24,456.25	(8,559.68)	50,896.57	66,793.14
06/15/2014	-	-	23,843.75	(8,345.31)	15,498.44	-
12/15/2014	40,000.00	3.500%	23,843.75	(8,345.31)	55,498.44	70,996.88
06/15/2015	-	-	23,143.75	(8,100.31)	15,043.44	-
12/15/2015	40,000.00	4.000%	23,143.75	(8,100.31)	55,043.44	70,086.88
06/15/2016	-	-	22,343.75	(7,820.31)	14,523.44	-
12/15/2016	40,000.00	4.000%	22,343.75	(7,820.31)	54,523.44	69,046.88
06/15/2017	-	-	21,543.75	(7,540.31)	14,003.44	-
12/15/2017	40,000.00	4.500%	21,543.75	(7,540.31)	54,003.44	68,006.88
06/15/2018	-	-	20,643.75	(7,225.31)	13,418.44	-
12/15/2018	45,000.00	5.500%	20,643.75	(7,225.31)	58,418.44	71,836.88
06/15/2019	-	-	19,406.25	(6,792.18)	12,614.07	-
12/15/2019	45,000.00	5.500%	19,406.25	(6,792.18)	57,614.07	70,228.14
06/15/2020	-	-	18,168.75	(6,359.06)	11,809.69	-
12/15/2020	50,000.00	5.500%	18,168.75	(6,359.06)	61,809.69	73,619.38
06/15/2021	-	-	16,793.75	(5,877.81)	10,915.94	-
12/15/2021	50,000.00	5.500%	16,793.75	(5,877.81)	60,915.94	71,831.88
06/15/2022	-	-	15,418.75	(5,396.56)	10,022.19	-
12/15/2022	55,000.00	5.500%	15,418.75	(5,396.56)	65,022.19	75,044.38
06/15/2023	-	-	13,906.25	(4,867.18)	9,039.07	-
12/15/2023	55,000.00	5.500%	13,906.25	(4,867.18)	64,039.07	73,078.14
06/15/2024	-	-	12,393.75	(4,337.81)	8,055.94	-
12/15/2024	60,000.00	5.750%	12,393.75	(4,337.81)	68,055.94	76,111.88
06/15/2025	-	-	10,668.75	(3,734.06)	6,934.69	-
12/15/2025	60,000.00	5.750%	10,668.75	(3,734.06)	66,934.69	73,869.38
06/15/2026	-	-	8,343.75	(3,130.31)	5,813.44	-
12/15/2026	65,000.00	6.000%	8,343.75	(3,130.31)	70,813.44	76,526.88
06/15/2027	-	-	6,993.75	(2,447.81)	4,545.94	-
12/15/2027	70,000.00	6.250%	6,993.75	(2,447.81)	74,545.94	79,091.88
06/15/2028	-	-	4,806.25	(1,682.18)	3,124.07	-
12/15/2028	70,000.00	6.500%	4,806.25	(1,682.18)	73,124.07	76,248.14
06/15/2029	-	-	2,531.25	(885.93)	1,645.32	-
12/15/2029	75,000.00	6.750%	2,531.25	(885.93)	76,645.32	78,290.64
Total	\$1,000,000.00	-	\$671,302.78	(234,712.51)	\$1,436,590.27	-

Series 2010 DC with rebat | Issue Summary | 3/ 8/2010 | 2:35 PM

City of Morrison, Whiteside County, Illinois

\$2,000,000 Debt Certificates, Series 2008

FINAL

Debt Service Schedule

Part 1 of 2

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
06/26/2008	-	-	-	-	-
12/15/2008	-	-	40,953.13	40,953.13 ✓ pd	40,953.13
06/15/2009	-	-	40,953.13	40,953.13 ✓ pd	-
12/15/2009	110,000.00	4.000%	40,953.13	150,953.13 ✓ pd	191,906.26
06/15/2010	-	-	38,753.13	38,753.13 ✓ pd	-
12/15/2010	115,000.00	4.000%	38,753.13	153,753.13 ✓ pd	192,506.26
06/15/2011	-	-	36,453.13	36,453.13 ✓ pd	-
12/15/2011	120,000.00	4.000%	36,453.13	156,453.13 ✓ pd	192,006.26
06/15/2012	-	-	34,053.13	34,053.13	-
12/15/2012	125,000.00	4.000%	34,053.13	159,053.13	193,106.26
06/15/2013	-	-	31,553.13	31,553.13	-
12/15/2013	125,000.00	4.000%	31,553.13	156,553.13	188,106.26
06/15/2014	-	-	29,053.13	29,053.13	-
12/15/2014	130,000.00	4.000%	29,053.13	159,053.13	188,106.26
06/15/2015	-	-	26,453.13	26,453.13	-
12/15/2015	135,000.00	4.000%	26,453.13	161,453.13	187,906.26
06/15/2016	-	-	23,753.13	23,753.13	-
12/15/2016	145,000.00	4.000%	23,753.13	168,753.13	192,506.26
06/15/2017	-	-	20,853.13	20,853.13	-
12/15/2017	150,000.00	4.125%	20,853.13	170,853.13	191,706.26
06/15/2018	-	-	17,759.38	17,759.38	-
12/15/2018	155,000.00	4.125%	17,759.38	172,759.38	190,518.76
06/15/2019	-	-	14,562.50	14,562.50	-
12/15/2019	160,000.00	4.125%	14,562.50	174,562.50	189,125.00
06/15/2020	-	-	11,262.50	11,262.50	-
12/15/2020	170,000.00	4.250%	11,262.50	181,262.50	192,525.00
06/15/2021	-	-	7,650.00	7,650.00	-
12/15/2021	175,000.00	4.250%	7,650.00	182,650.00	190,300.00
06/15/2022	-	-	3,931.25	3,931.25	-
12/15/2022	185,000.00	4.250%	3,931.25	188,931.25	192,862.50
Total	\$2,000,000.00	-	\$715,040.73	\$2,715,040.73	-

COPY

Series2008DC | SINGLE PURPOSE | 6/ 9/2008 | 12:34 PM

Preliminary, as of September 15, 2016

City of Morrison, Whiteside County, Illinois

General Obligation Bonds (Alternate Revenue Source), Series 2016

***Restructuring to 2029 ***

2008
c
2010

Debt Service Comparison

Date	Total P+I	Expenses	PCF	Existing D/S	Net New D/S	Old Net D/S	Savings
12/15/2016	-	(7,820.31)	-	210,243.75	202,423.44	223,276.57	20,853.13
12/15/2017	50,180.63	(15,080.62)	(720,790.00)	783,087.50	97,397.51	259,713.14	162,315.63
12/15/2018	179,605.00	-	-	-	179,605.00	262,355.64	82,750.64
12/15/2019	177,580.00	-	-	-	177,580.00	259,353.14	81,773.14
12/15/2020	175,420.00	-	-	-	175,420.00	266,144.38	90,724.38
12/15/2021	177,922.50	-	-	-	177,922.50	262,131.88	84,209.38
12/15/2022	180,122.50	-	-	-	180,122.50	267,906.88	87,784.38
12/15/2023	177,005.00	-	-	-	177,005.00	73,078.14	(103,926.86)
12/15/2024	178,597.50	-	-	-	178,597.50	76,111.88	(102,485.62)
12/15/2025	179,772.50	-	-	-	179,772.50	73,869.38	(105,903.12)
12/15/2026	175,587.50	-	-	-	175,587.50	76,626.88	(98,960.62)
12/15/2027	181,170.00	-	-	-	181,170.00	79,091.88	(102,078.12)
12/15/2028	181,220.00	-	-	-	181,220.00	76,248.14	(104,971.86)
12/15/2029	175,695.00	-	-	-	175,695.00	78,290.64	(97,404.36)
Total	\$2,189,878.13	(22,900.93)	(720,790.00)	\$993,331.25	\$2,439,518.45	\$2,334,198.57	(105,319.88)

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	115,438.04
Effects of changes in Expenses	22,476.81
Effects of changes in Credit Enhancement Expenses	(111,207.02)
Net PV Cashflow Savings @ 3.056%(AIC)	26,707.83
Contingency or Rounding Amount	4,289.61
Net Present Value Benefit	\$30,997.44
Net PV Benefit / \$1,695,000 Refunded Principal	1.829%

Refunding Bond Information

Refunding Dated Date	10/31/2016
Refunding Delivery Date	10/31/2016

Model A combines the two series within the foot print of the 2010 Taxable BAB Debt Certificates but beyond the Series 2008 Alt GO's which have a 2022 end maturity. This creates "savings" through 2022 of an average of \$85,000 annually in the early years but adds about \$100,000 from 2023-2029 to the existing debt service of the 2008 Alt GO's of about \$80,000 annually. Even with the extension net present value savings of just under \$27,000 is now projected. This is about \$100,000 less than our earlier analysis without consideration of the 35% BAB rebates less the sequestration

Preliminary, as of September 14, 2016

City of Morrison, Whiteside County, Illinois

General Obligation Bonds (Alternate Revenue Source), Series 2016

Dated: October 31, 2016

Restructuring to 2035

2008
+
2010

Debt Service Comparison

Date	Total P+I	BAB Subsidy	PCF	Existing D/S	Net New D/S	Old Net D/S	Savings
12/15/2016	-	(7,820.31)	-	210,243.75	202,423.44	223,276.57	20,853.13
12/15/2017	59,335.32	(15,080.62)	(724,541.88)	783,087.50	102,800.32	259,713.14	156,912.82
12/15/2018	132,742.50	-	-	-	132,742.50	262,355.64	129,613.14
12/15/2019	136,542.50	-	-	-	136,542.50	259,353.14	122,810.64
12/15/2020	135,182.50	-	-	-	135,182.50	266,144.38	130,961.88
12/15/2021	133,610.00	-	-	-	133,610.00	262,131.88	128,521.88
12/15/2022	131,910.00	-	-	-	131,910.00	267,906.88	135,996.88
12/15/2023	130,082.50	-	-	-	130,082.50	73,078.14	(57,004.36)
12/15/2024	133,085.00	-	-	-	133,085.00	76,111.88	(56,973.12)
12/15/2025	135,790.00	-	-	-	135,790.00	73,869.38	(61,920.62)
12/15/2026	133,225.00	-	-	-	133,225.00	76,626.88	(56,598.12)
12/15/2027	130,517.50	-	-	-	130,517.50	79,091.88	(51,425.62)
12/15/2028	132,667.50	-	-	-	132,667.50	76,248.14	(56,419.36)
12/15/2029	134,417.50	-	-	-	134,417.50	78,290.64	(56,126.86)
12/15/2030	135,900.00	-	-	-	135,900.00	-	(135,900.00)
12/15/2031	132,105.00	-	-	-	132,105.00	-	(132,105.00)
12/15/2032	138,200.00	-	-	-	138,200.00	-	(138,200.00)
12/15/2033	133,880.00	-	-	-	133,880.00	-	(133,880.00)
12/15/2034	134,500.00	-	-	-	134,500.00	-	(134,500.00)
12/15/2035	134,875.00	-	-	-	134,875.00	-	(134,875.00)
Total	\$2,468,567.82	(22,900.93)	(724,541.88)	\$993,331.25	\$2,714,456.26	\$2,334,198.57	(380,257.69)

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	81,000.06
Remaining BAB Subsidy	22,419.74
BAB Subsidy Lost	(109,133.99)
Net PV Cashflow Savings @ 3.477%(AIC)	(5,714.19)
Contingency or Rounding Amount	556.71
Net Present Value Loss	\$(5,157.48)
Net PV Loss / \$1,695,000 Refunded Principal	(0.304%)

Refunding Bond Information

Refunding Dated Date	10/31/2016
Refunding Delivery Date	10/31/2016

Model B extends debt service to 2035 at a breakeven (\$5,157.48) net present value and lowers debt service by about \$130,000 initially through 2023 but adds \$60,000 in 2023-2029 and \$135,000 after 2029-2035 beyond the Series 2010 Taxable BAB Debt Certificates debt service. This too is less "savings" than the earlier analysis due to the BAB rebate.

Preliminary, as of September 15, 2016

City of Morrison, Whiteside County, Illinois

General Obligation Bonds (Alternate Revenue Source), Series 2016

***Footprint Refunding ***

2008
↓
2016

Debt Service Comparison

Date	Total P+I	Expenses	PCF	Existing D/S	Net New D/S	Old Net D/S	Savings
12/15/2016	-	(7,820.31)	-	210,243.75	202,423.44	223,276.57	20,853.13
12/15/2017	211,304.38	(15,080.62)	(720,618.44)	783,087.50	258,692.82	259,713.14	1,020.32
12/15/2018	264,505.00	-	-	-	264,505.00	262,355.64	(2,149.36)
12/15/2019	256,055.00	-	-	-	256,055.00	259,353.14	3,298.14
12/15/2020	267,455.00	-	-	-	267,455.00	266,144.38	(1,310.62)
12/15/2021	263,015.00	-	-	-	263,015.00	262,131.88	(883.12)
12/15/2022	263,215.00	-	-	-	263,215.00	267,906.88	4,691.88
12/15/2023	72,947.50	-	-	-	72,947.50	73,078.14	130.64
12/15/2024	76,537.50	-	-	-	76,537.50	76,111.88	(425.62)
12/15/2025	69,880.00	-	-	-	69,880.00	73,869.38	3,989.38
12/15/2026	73,260.00	-	-	-	73,260.00	76,626.88	3,366.88
12/15/2027	71,407.50	-	-	-	71,407.50	79,091.88	7,684.38
12/15/2028	69,457.50	-	-	-	69,457.50	76,248.14	6,790.64
12/15/2029	72,345.00	-	-	-	72,345.00	78,290.64	5,945.64
Total	\$2,031,384.38	(22,900.93)	(720,618.44)	\$993,331.25	\$2,281,196.26	\$2,334,198.57	\$53,002.31

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	135,357.07
Effects of changes in Expenses	22,506.33
Effects of changes in Credit Enhancement Expenses	(112,300.07)
Net PV Cashflow Savings @ 2.839%(AIC)	45,563.33
Contingency or Rounding Amount	4,460.30
Net Present Value Benefit	\$50,023.63
Net PV Benefit / \$1,695,000 Refunded Principal	2.951%

Refunding Bond Information

Refunding Dated Date	10/31/2016
Refunding Delivery Date	10/31/2016

Model C is a footprint refunding of both issues under consideration. Net present value savings of an estimated \$50,000 compares to projected issuance costs of \$64,000 so is not efficient nor viable. It would gain traction in late 2017 when the 2010 Taxable BAB Certificates are callable but not would not be recommended in 2016 if the policy priority was net present value savings.

\$2M 2008 ONLY TO 2035

Preliminary, as of September 15, 2016

City of Morrison, Whiteside County, Illinois

General Obligation Refunding Bonds (ARS), Series 2016

Dated: October 31, 2016

Preliminary - Refunding Series 2008 DC / Restructure to 2035

Debt Service Comparison

Date	Total P+I	Existing D/S	Net New D/S	Old Net D/S	Savings
12/15/2016	-	147,900.00	147,900.00	168,753.13	20,853.13
12/15/2017	74,101.56	-	74,101.56	191,706.26	117,604.70
12/15/2018	74,792.50	-	74,792.50	190,518.76	115,726.26
12/15/2019	74,117.50	-	74,117.50	189,125.00	115,007.50
12/15/2020	73,397.50	-	73,397.50	192,525.00	119,127.50
12/15/2021	77,565.00	-	77,565.00	190,300.00	112,735.00
12/15/2022	76,565.00	-	76,565.00	192,862.50	116,297.50
12/15/2023	75,490.00	-	75,490.00	-	(75,490.00)
12/15/2024	74,315.00	-	74,315.00	-	(74,315.00)
12/15/2025	73,040.00	-	73,040.00	-	(73,040.00)
12/15/2026	76,690.00	-	76,690.00	-	(76,690.00)
12/15/2027	75,122.50	-	75,122.50	-	(75,122.50)
12/15/2028	73,472.50	-	73,472.50	-	(73,472.50)
12/15/2029	76,685.00	-	76,685.00	-	(76,685.00)
12/15/2030	74,675.00	-	74,675.00	-	(74,675.00)
12/15/2031	77,605.00	-	77,605.00	-	(77,605.00)
12/15/2032	75,297.50	-	75,297.50	-	(75,297.50)
12/15/2033	77,957.50	-	77,957.50	-	(77,957.50)
12/15/2034	75,402.50	-	75,402.50	-	(75,402.50)
12/15/2035	77,812.50	-	77,812.50	-	(77,812.50)
Total	\$1,434,104.06	\$147,900.00	\$1,582,004.06	\$1,315,790.65	(266,213.41)

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	13,991.84
Net PV Cashflow Savings @ 3.631%(AIC)	13,991.84
Contingency or Rounding Amount	1,007.36
Net Present Value Benefit	\$14,999.20
Net PV Benefit / \$995,000 Refunded Principal	1.507%

Refunding Bond Information

Refunding Dated Date	10/31/2016
Refunding Delivery Date	10/31/2016

MODEL D

\$ 2M 2008 ONLY TO 2029

Preliminary, as of September 15, 2016

City of Morrison, Whiteside County, Illinois

General Obligation Refunding Bonds (ARS), Series 2016

Dated: October 31, 2016

Preliminary - Refunding Series 2008 DC / Restructure to 2029

Debt Service Comparison

Date	Total P+I	Existing D/S	Net New D/S	Old Net D/S	Savings
12/15/2016	-	147,900.00	147,900.00	168,753.13	20,853.13
12/15/2017	98,448.44	-	98,448.44	191,706.26	93,257.82
12/15/2018	99,377.50	-	99,377.50	190,518.76	91,141.26
12/15/2019	98,252.50	-	98,252.50	189,125.00	90,872.50
12/15/2020	97,052.50	-	97,052.50	192,525.00	95,472.50
12/15/2021	95,665.00	-	95,665.00	190,300.00	94,635.00
12/15/2022	99,165.00	-	99,165.00	192,862.50	93,697.50
12/15/2023	97,445.00	-	97,445.00	-	(97,445.00)
12/15/2024	95,565.00	-	95,565.00	-	(95,565.00)
12/15/2025	98,525.00	-	98,525.00	-	(98,525.00)
12/15/2026	96,230.00	-	96,230.00	-	(96,230.00)
12/15/2027	98,807.50	-	98,807.50	-	(98,807.50)
12/15/2028	96,107.50	-	96,107.50	-	(96,107.50)
12/15/2029	98,182.50	-	98,182.50	-	(98,182.50)
Total	\$1,268,823.44	\$147,900.00	\$1,416,723.44	\$1,315,790.65	(100,932.79)

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	26,681.68
Net PV Cashflow Savings @ 3.267%(AIC)	26,681.68
Contingency or Rounding Amount	1,007.36
Net Present Value Benefit	\$27,689.04
Net PV Benefit / \$995,000 Refunded Principal	2.783%

Refunding Bond Information

Refunding Dated Date	10/31/2016
Refunding Delivery Date	10/31/2016

MODEL E

\$2M 2008 ONLY TO 2022

Preliminary, as of September 15, 2016

City of Morrison, Whiteside County, Illinois

General Obligation Refunding Bonds (ARS), Series 2016

Dated: October 31, 2016

Preliminary - Refunding Series 2008 DC / Footprint Refunding

Debt Service Comparison

Date	Total P+I	Existing D/S	Net New D/S	Old Net D/S	Savings
12/15/2016	-	147,900.00	147,900.00	168,753.13	20,853.13
12/15/2017	190,685.94	-	190,685.94	191,706.26	1,020.32
12/15/2018	186,177.50	-	186,177.50	190,518.76	4,341.26
12/15/2019	183,627.50	-	183,627.50	189,125.00	5,497.50
12/15/2020	190,907.50	-	190,907.50	192,525.00	1,617.50
12/15/2021	187,577.50	-	187,577.50	190,300.00	2,722.50
12/15/2022	188,977.50	-	188,977.50	192,862.50	3,885.00
Total	\$1,127,953.44	\$147,900.00	\$1,275,853.44	\$1,315,790.65	\$39,937.21

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	38,411.06
Net PV Cashflow Savings @ 2.937%(AIC)	38,411.06
Contingency or Rounding Amount	1,007.36
Net Present Value Benefit	\$39,418.42
Net PV Benefit / \$995,000 Refunded Principal	3.962%

Refunding Bond Information

Refunding Dated Date	10/31/2016
Refunding Delivery Date	10/31/2016

MODEL F

\$1M 2010 ONLY TO 2029

Preliminary, as of September 15, 2016

City of Morrison, Whiteside County, Illinois

General Obligation Refunding Bonds, Series 2016

Preliminary - Advance Refunding Series 2010 DC

MODEL 9

Debt Service Comparison

Date	Total P+I	Expenses	PCF	Existing D/S	Net New D/S	Old Net D/S	Savings
12/15/2016	-	(7,820.31)	-	62,343.75	54,523.44	54,523.44	-
12/15/2017	20,618.44	(15,080.62)	(720,618.44)	783,087.50	68,006.88	68,006.88	-
12/15/2018	78,327.50	-	-	-	78,327.50	71,836.88	(6,490.62)
12/15/2019	72,427.50	-	-	-	72,427.50	70,228.14	(2,199.36)
12/15/2020	76,547.50	-	-	-	76,547.50	73,619.38	(2,928.12)
12/15/2021	75,437.50	-	-	-	75,437.50	71,831.88	(3,605.62)
12/15/2022	74,237.50	-	-	-	74,237.50	75,044.38	806.88
12/15/2023	72,947.50	-	-	-	72,947.50	73,078.14	130.64
12/15/2024	76,537.50	-	-	-	76,537.50	76,111.88	(425.62)
12/15/2025	69,880.00	-	-	-	69,880.00	73,869.38	3,989.38
12/15/2026	73,260.00	-	-	-	73,260.00	76,626.88	3,366.88
12/15/2027	71,407.50	-	-	-	71,407.50	79,091.88	7,684.38
12/15/2028	69,457.50	-	-	-	69,457.50	76,248.14	6,790.64
12/15/2029	72,345.00	-	-	-	72,345.00	78,290.64	5,945.64
Total	\$903,430.94	(22,900.93)	(720,618.44)	\$845,431.25	\$1,005,342.82	\$1,018,407.92	\$13,065.10

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	94,313.05
Effects of changes in Expenses	22,452.62
Effects of changes in Credit Enhancement Expenses	(110,322.10)
Net PV Cashflow Savings @ 3.234%(AIC)	6,443.57
Contingency or Rounding Amount	2,758.50
Net Present Value Benefit	\$9,202.07
Net PV Benefit / \$700,000 Refunded Principal	1.315%

Refunding Bond Information

Refunding Dated Date	10/31/2016
Refunding Delivery Date	10/31/2016

Attached is the refunding (within the existing footprint of 2029) analysis of the 2010 issue that finds

Page #1 (net present value savings of only \$6,444 (before rounding) and nominal savings of an estimated \$13,065

Page #7 negative arbitrage of an estimated \$23,365.97 which would be added 'savings' in the fall of 2017

So, if rates don't rise in a year should the City wish to refund the Series 2010 issue within the 2029 footprint, savings of around \$30,000 could be projected. Even though issuance costs are already covered in the savings, issue costs of an estimated \$25,960 (page #2) make a refunding where economics drive the decision to be marginal to not efficient. It would seem due to the small issue size the only value of doing something with the Series 2010 issue is if restructuring and reallocating revenues to capital or another purpose was more important than the economic priority of "savings".

-Dave

\$1M 2010 ONLY TO 2035

Preliminary, as of September 14, 2016

City of Morrison, Whiteside County, Illinois

General Obligation Refunding Bonds, Series 2016

Preliminary - Advance Refunding Series 2010 DC

MODEL H

Debt Service Comparison

Date	Total P+I	BAB Subsidy	PCF	Existing D/S	Net New D/S	Old Net D/S	Savings
12/15/2016	-	(7,820.31)	-	62,343.75	54,523.44	54,523.44	-
12/15/2017	24,541.88	(15,080.62)	(724,541.88)	783,087.50	68,006.88	68,006.88	-
12/15/2018	56,815.00	-	-	-	56,815.00	71,836.88	15,021.88
12/15/2019	56,290.00	-	-	-	56,290.00	70,228.14	13,938.14
12/15/2020	55,730.00	-	-	-	55,730.00	73,619.38	17,889.38
12/15/2021	55,082.50	-	-	-	55,082.50	71,831.88	16,749.38
12/15/2022	54,382.50	-	-	-	54,382.50	75,044.38	20,661.88
12/15/2023	53,630.00	-	-	-	53,630.00	73,078.14	19,448.14
12/15/2024	52,807.50	-	-	-	52,807.50	76,111.88	23,304.38
12/15/2025	56,915.00	-	-	-	56,915.00	73,869.38	16,954.38
12/15/2026	55,835.00	-	-	-	55,835.00	76,626.88	20,791.88
12/15/2027	54,695.00	-	-	-	54,695.00	79,091.88	24,396.88
12/15/2028	53,495.00	-	-	-	53,495.00	76,248.14	22,753.14
12/15/2029	57,195.00	-	-	-	57,195.00	78,290.64	21,095.64
12/15/2030	55,687.50	-	-	-	55,687.50	-	(55,687.50)
12/15/2031	54,135.00	-	-	-	54,135.00	-	(54,135.00)
12/15/2032	57,537.50	-	-	-	57,537.50	-	(57,537.50)
12/15/2033	55,737.50	-	-	-	55,737.50	-	(55,737.50)
12/15/2034	53,912.50	-	-	-	53,912.50	-	(53,912.50)
12/15/2035	57,062.50	-	-	-	57,062.50	-	(57,062.50)
Total	\$1,021,486.88	(22,900.93)	(724,541.88)	\$845,431.25	\$1,119,475.32	\$1,018,407.92	(101,067.40)

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	77,197.90
Remaining BAB Subsidy	22,400.76
BAB Subsidy Lost	(108,455.72)
Net PV Cashflow Savings @ 3.618%(AIC)	(8,857.06)
Contingency or Rounding Amount	(1,145.09)
Net Present Value Loss	\$(10,002.15)
Net PV Loss / \$700,000 Refunded Principal	(1.429%)

Refunding Bond Information

Refunding Dated Date	10/31/2016
Refunding Delivery Date	10/31/2016