

Refunding Analysis – 2011 Bonds

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- The Town of Munster, Indiana issued \$19,655,000 of Economic Development Revenue Bonds, Series 2011 for the purpose of financing various capital projects of the Town.
- The bonds have a call date of July 15, 2021.
- The below analysis assumes a tax-exempt current refunding closing April 20, 2021. We include three scenarios: 1) Private placement with a bank, 6-month debt service reserve fund; 2) Public market offering, secured by TIF revenues; and 3) Public market offering, paid with TIF revenues and secured with a property tax backup

Summary of Refunding Results	Private Placement	Public Market Offering	Public Market with SBT
Refunding Bonds Par Amount	\$12,505,000	\$11,950,000	\$11,530,000
Refunded Bonds Par Amount	\$13,030,000	\$13,030,000	\$13,030,000
Average Coupon of Refunded Bonds	5.12%	5.12%	5.12%
Arbitrage yield	2.26%	1.79%	1.05%
Prior Debt Service Reserve Fund	\$1,685,575	\$1,685,575	\$1,685,575
New Debt Service Reserve Fund	\$625,250	\$1,324,610	\$1,324,296
Cost of Issuance	\$205,030	\$248,187	\$245,358
Average Annual Cash Flow Savings	\$286,188	\$235,656	\$287,172
Cash Flow Savings	\$2,867,589	\$2,358,656	\$2,871,722
Net PV Savings	\$1,497,041	\$1,796,557	\$2,363,136
Percentage Savings of Refunded Bonds	11.49%	13.79%	18.14%
PV Savings of 1 BP Change	\$5,904	\$6,287	\$6,384

1. Preliminary and subject to change.
2. The use of the 'A' rating is consistent with the rating of the outstanding prior bonds.
3. Interest rate assumptions are based on current market conditions and similar credits as of 1/26/2021.
4. Issuers actual results may differ, and Stifel makes no commitment to underwrite at these levels.
5. Costs of issuance and underwriter's discount are estimates for discussion purposes.
6. Analysis was performed with no changes to the term or the structure of the debt service from the currently outstanding issue.

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