

**TOWN OF EAST GREENWICH**  
**General Obligation Debt Projections**  
**GROSS DEBT SERVICE**  
as of March 19, 2019

**Assumptions:**

- Assumes \$2 million bonds are issued as direct bank placements and \$5 million bond issued through RIHEBC.
- Appropriation-backed bonds are issued with 10-year level debt service and projected bank rates of 3.90% in 2019, 5.00% in 2022, and 5.25% in FY 2025 and 2028.
- RIHEBC bond is issued with 20-year level debt service and current rates + 50bps to yields.
- Additional 30-40 basis points for appropriation compared to general obligation pledge.

Projected New General Fund-Supported Bond Issues													
Period Ending	Existing	Existing	Existing	Total Town	July 2020					Total Projected	Existing	Existing	Projected Total
	General Fund	Land Trust	Sewer Fund	General	July 2019	July 2020	July 2022	July 2025	July 2028	General Fund	Land Trust	Sewer Fund	Town General
	Debt Service	Debt Service	Debt Service	Debt Service	\$2,000,000	\$5,000,000 (RIHEBC - School)	\$2,000,000	\$2,000,000	\$2,000,000	with New Issues	Debt Service	Debt Service	Obligation with New Issues
6/30/2019	\$ 5,769,576	\$ 39,650	\$ 2,785,635	\$ 8,594,861	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,769,576	\$ 39,650	\$ 2,785,635	\$ 8,594,861
6/30/2020	4,722,775	38,919	2,764,329	7,526,023	39,000	-	-	-	-	4,761,775	38,919	2,764,329	7,565,023
6/30/2021	4,701,722	38,187	2,300,878	7,040,787	241,744	366,658	-	-	-	5,310,124	38,187	2,300,878	7,649,189
6/30/2022	4,686,845	37,456	2,292,924	7,017,225	241,114	366,375	-	-	-	5,294,333	37,456	2,292,924	7,624,713
6/30/2023	4,668,103	36,724	2,288,749	6,993,576	241,230	368,375	50,000	-	-	5,327,708	36,724	2,288,749	7,653,181
6/30/2024	4,652,117	35,993	1,550,702	6,238,812	241,074	369,875	254,050	-	-	5,517,116	35,993	1,550,702	7,103,810
6/30/2025	4,208,202	30,314	1,538,340	5,776,856	241,625	365,875	253,950	-	---	5,069,652	30,314	1,538,340	6,638,305
6/30/2026	3,966,722	-	1,523,367	5,490,089	241,864	366,625	254,425	52,500	-	4,882,136	-	1,523,367	6,405,503
6/30/2027	3,967,864	-	1,507,705	5,475,569	241,791	366,875	254,450	256,905	-	5,087,884	-	1,507,705	6,595,589
6/30/2028	3,967,121	-	1,494,702	5,461,823	241,406	366,625	254,025	257,479	-	5,086,656	-	1,494,702	6,581,358
6/30/2029	3,968,439	-	1,029,019	4,997,458	241,689	365,875	254,125	256,606	52,500	5,139,234	-	1,029,019	6,168,253
6/30/2030	2,696,683	-	751,284	3,447,967	241,622	369,625	253,725	257,261	256,905	4,075,821	-	751,284	4,827,105
6/30/2031	2,695,869	-	590,182	3,286,051	-	367,625	253,800	257,391	257,479	3,832,164	-	590,182	4,422,346
6/30/2032	2,695,772	-	590,562	3,286,334	-	370,125	254,300	256,996	256,606	3,833,800	-	590,562	4,424,361
6/30/2033	2,697,743	-	388,813	3,086,556	-	366,875	254,200	257,050	257,261	3,833,129	-	388,813	4,221,943
6/30/2034	2,694,821	-	388,366	3,083,187	-	365,875	-	256,526	257,391	3,574,613	-	388,366	3,962,979
6/30/2035	2,697,056	-	388,502	3,085,558	-	369,475	-	257,373	256,996	3,580,900	-	388,502	3,969,402
6/30/2036	2,694,927	-	387,233	3,082,161	-	367,475	-	256,563	257,050	3,576,015	-	387,233	3,963,248
6/30/2037	2,697,446	-	-	2,697,446	-	370,075	-	-	256,526	3,324,048	-	-	3,324,048
6/30/2038	-	-	-	-	-	369,513	-	-	257,373	626,885	-	-	626,885
6/30/2039	-	-	-	-	-	368,625	-	-	256,563	625,188	-	-	625,188
6/30/2040	-	-	-	-	-	366,981	-	-	-	366,981	-	-	366,981
	<b>\$ 70,849,805</b>	<b>\$ 257,243</b>	<b>\$ 24,561,293</b>	<b>\$ 95,668,340</b>	<b>\$ 2,454,155</b>	<b>\$ 7,355,427</b>	<b>\$ 2,591,050</b>	<b>\$ 2,622,650</b>	<b>\$ 2,622,650</b>	<b>\$ 88,495,737</b>	<b>\$ 257,243</b>	<b>\$ 24,561,293</b>	<b>\$ 113,314,272</b>

*Disclosure:* Hilltop Securities Inc. is providing the information contained in the document for discussion purposes as financial advisor to the Town on its current transactions. Future interest rates are dependent upon many factors such as, but not limited to, interest rate trends, tax rates, supply, changes in laws, rules and regulations, as well as changes in credit quality and rating agency considerations. The effect of such changes in such assumptions may be material and could affect the projected results. These results should be viewed with these potential changes in mind as well as the understanding that there may be interruptions in the market or no market may exist at all.

**TOWN OF EAST GREENWICH**  
**General Obligation Debt Projections**  
**NET DEBT SERVICE**  
as of March 19, 2019

**Assumptions:**

- Assumes \$2 million bonds are issued as direct bank placements and \$5 million bond issued through RIHEBC.
- Appropriation-backed bonds are issued with 10-year level debt service and projected bank rates of 3.90% in 2019, 5.00% in 2022, and 5.25% in FY 2025 and 2028.
- RIHEBC bond is issued with 20-year level debt service and current rates + 50bps to yields.
- Additional 30-40 basis points for appropriation compared to general obligation pledge.

Period Ending	Existing RIDE						Total <u>NET</u> Town General Obligation	Projected New General Fund-Supported Bond Issues					Total Projected General Fund with New Issues <u>NET</u>	Existing Land Trust	Existing Sewer Fund	Projected Total Town General Obligation with New Issues <u>NET</u>
	Existing Gross General Fund	Housing Aid Reimbursement <sup>(1)</sup>	Existing <u>NET</u> General Fund	Existing Land Trust	Existing Sewer Fund	Total <u>NET</u>		July 2019 \$2,000,000	July 2020 \$5,000,00 (RIHEBC - School) <u>NET</u> <sup>(2)</sup>	July 2022 \$2,000,000	July 2025 \$2,000,000	July 2028 \$2,000,000				
	Debt Service	Debt Service	Debt Service	Debt Service	Debt Service	Debt Service		Debt Service	Debt Service	Debt Service	Debt Service	Debt Service				
6/30/2019	\$ 5,769,576	\$ 1,480,191	\$ 4,289,385	\$ 39,650	\$ 2,785,635	\$ 7,114,670	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,289,385	\$ 39,650	\$ 2,785,635	\$ 7,114,670	
6/30/2020	4,722,775	1,407,363	3,315,412	38,919	2,764,329	6,118,660	39,000	-	-	-	-	3,354,412	38,919	2,764,329	6,157,660	
6/30/2021	4,701,722	1,378,948	3,322,774	38,187	2,300,878	5,661,839	241,744	238,328	-	-	-	3,802,845	38,187	2,300,878	6,141,911	
6/30/2022	4,686,845	1,345,635	3,341,210	37,456	2,292,924	5,671,590	241,114	238,144	-	-	-	3,820,467	37,456	2,292,924	6,150,847	
6/30/2023	4,668,103	1,342,725	3,325,378	36,724	2,288,749	5,650,851	241,230	239,444	50,000	-	-	3,856,052	36,724	2,288,749	6,181,525	
6/30/2024	4,652,117	1,340,578	3,311,539	35,993	1,550,702	4,898,234	241,074	240,419	254,050	-	-	4,047,082	35,993	1,550,702	5,633,776	
6/30/2025	4,208,202	1,272,752	2,935,450	30,314	1,538,340	4,504,104	241,625	237,819	253,950	-	-	3,668,843	30,314	1,538,340	5,237,497	
6/30/2026	3,966,722	1,272,332	2,694,390	-	1,523,367	4,217,757	241,864	238,306	254,425	52,500	-	3,481,485	-	1,523,367	5,004,852	
6/30/2027	3,967,864	1,272,752	2,695,112	-	1,507,705	4,202,817	241,791	238,469	254,450	256,905	-	3,686,726	-	1,507,705	5,194,431	
6/30/2028	3,967,121	1,272,700	2,694,422	-	1,494,702	4,189,124	241,406	238,306	254,025	257,479	-	3,685,637	-	1,494,702	5,180,339	
6/30/2029	3,968,439	1,273,246	2,695,193	-	1,029,019	3,724,212	241,689	237,819	254,125	256,606	52,500	3,737,932	-	1,029,019	4,766,951	
6/30/2030	2,696,683	828,052	1,868,631	-	751,284	2,619,915	241,622	240,256	253,725	257,261	256,905	3,118,400	-	751,284	3,869,684	
6/30/2031	2,695,869	827,811	1,868,057	-	590,182	2,458,240	-	238,956	253,800	257,391	257,479	2,875,684	-	590,182	3,465,866	
6/30/2032	2,695,772	827,925	1,867,847	-	590,562	2,458,409	-	240,581	254,300	256,996	256,606	2,876,331	-	590,562	3,466,893	
6/30/2033	2,697,743	828,538	1,869,206	-	388,813	2,258,019	-	238,469	254,200	257,050	257,261	2,876,186	-	388,813	3,264,999	
6/30/2034	2,694,821	827,575	1,867,246	-	388,366	2,255,612	-	237,819	-	256,526	257,391	2,618,982	-	388,366	3,007,348	
6/30/2035	2,697,056	828,538	1,868,518	-	388,502	2,257,021	-	240,159	-	257,373	256,996	2,623,046	-	388,502	3,011,548	
6/30/2036	2,694,927	827,750	1,867,177	-	387,233	2,254,411	-	238,859	-	256,563	257,050	2,619,648	-	387,233	3,006,882	
6/30/2037	2,697,446	828,713	1,868,734	-	-	1,868,734	-	240,549	-	-	256,526	2,365,809	-	-	2,365,809	
6/30/2038	-	-	-	-	-	-	-	240,183	-	-	257,373	497,556	-	-	497,556	
6/30/2039	-	-	-	-	-	-	-	239,606	-	-	256,563	496,169	-	-	496,169	
6/30/2040	-	-	-	-	-	-	-	238,538	-	-	-	238,538	-	-	238,538	
	<b>\$ 70,849,805</b>	<b>\$ 21,284,123</b>	<b>\$ 49,565,682</b>	<b>\$ 257,243</b>	<b>\$ 24,561,293</b>	<b>\$ 74,384,217</b>	<b>\$ 2,454,155</b>	<b>\$ 4,781,028</b>	<b>\$ 2,591,050</b>	<b>\$ 2,622,650</b>	<b>\$ 2,622,650</b>	<b>\$ 64,637,214</b>	<b>\$ 257,243</b>	<b>\$ 24,561,293</b>	<b>\$ 89,455,750</b>	

1. FY2020-2024 projections from RIDE. FY2025-2037 based on 35% reimbursement of full school bond debt service  
2. Assumes 35% RIDE Housing Aid Reimbursement

**Disclosure:** Hilltop Securities Inc. is providing the information contained in the document for discussion purposes as financial advisor to the Town on its current transactions. Future interest rates are dependent upon many factors such as, but not limited to, interest rate trends, tax rates, supply, changes in laws, rules and regulations, as well as changes in credit quality and rating agency considerations. The effect of such changes in such assumptions may be material and could affect the projected results. These results should be viewed with these potential changes in mind as well as the understanding that there may be interruptions in the market or no market may exist at all.

**Town of East Greenwich, Rhode Island**  
**Net Debt Capacity and Ratio Analysis for Existing and Proposed Debt - NET RIDE REIMBURSEMENT**  
**March 21, 2019**

	As of June 30,										
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
<b>Existing General Obligation Net Debt</b>											
2017 - RIIB Road and Bridge (5/30/2017)	4,778,000.00	4,553,000.00	4,326,000.00	4,095,000.00	3,861,000.00	3,623,000.00	3,381,000.00	3,135,000.00	2,884,000.00	2,628,000.00	2,366,000.00
2016 - General Obligation Refunding Bonds	2,915,000.00	2,610,000.00	2,310,000.00	2,015,000.00	1,720,000.00	1,425,000.00	1,130,000.00	840,000.00	555,000.00	275,000.00	-
2016 - RIIB Loan (6/2/2016)	5,452,000.00	5,174,000.00	4,892,000.00	4,607,000.00	4,318,000.00	4,025,000.00	3,727,000.00	3,424,000.00	3,116,000.00	2,802,000.00	2,481,000.00
2015 - RIIB Road and Bridge	1,363,000.00	1,146,000.00	925,000.00	700,000.00	471,000.00	237,000.00	-	-	-	-	-
2014 - General Obligation Bonds (Webster Bank - 7/10/2014)	205,000.00	170,000.00	135,000.00	100,000.00	65,000.00	30,000.00	-	-	-	-	-
2012 - RIHEBC Public School Bonds 2012A	18,343,261.51	17,126,644.23	16,603,765.03	16,075,218.79	15,282,107.11	14,446,083.54	13,962,000.00	13,013,000.00	12,034,750.00	11,027,250.00	9,987,250.00
2010 - RIHEBC Public School Bonds QSCB 2010F	3,726,894.91	3,260,101.35	2,934,397.58	2,605,189.12	2,235,406.24	1,864,808.34	1,536,166.68	1,152,125.01	768,083.34	384,041.67	-
2010 - RIIB Loan (6/24/2010)	2,128,000.00	1,992,000.00	1,853,000.00	1,710,000.00	1,563,000.00	1,411,000.00	1,254,000.00	1,092,000.00	925,000.00	752,000.00	574,000.00
2009 - RIIB Loan (10/6/2009)	1,499,426.67	1,381,408.37	1,259,993.86	1,135,183.15	1,006,976.23	875,373.10	740,373.76	601,129.15	457,639.28	309,904.15	157,923.76
2009 - General Obligation Bonds (4/29/2009)	2,130,000.00	1,700,000.00	1,275,000.00	850,000.00	425,000.00	-	-	-	-	-	-
2006 - RIIB Loan (12/21/2006)	3,745,000.00	3,358,000.00	2,964,000.00	2,563,000.00	2,155,000.00	1,739,000.00	1,316,000.00	885,000.00	447,000.00	-	-
2002 - RIIB Loan (10/24/2002)	2,782,427.50	2,112,078.93	1,425,166.05	721,279.54	-	-	-	-	-	-	-
1999 - RIIB Loan (8/25/1999)	447,368.42	-	-	-	-	-	-	-	-	-	-

<b>Existing Town Net Debt</b>	\$ 49,515,379	\$ 44,583,233	\$ 40,903,323	\$ 37,176,871	\$ 33,102,490	\$ 29,676,265	\$ 27,046,540	\$ 24,142,254	\$ 21,187,473	\$ 18,178,196	\$ 15,566,174
<b>Existing Town Net Debt Service</b>	7,114,670	6,118,660	5,661,839	5,671,590	5,650,851	4,898,234	4,504,104	4,217,757	4,202,817	4,189,124	3,724,212

<b>Proposed General Obligation Net Debt</b>											
July 2019 - \$2,000,000	\$ -	\$ 2,000,000	\$ 1,833,000	\$ 1,660,000	\$ 1,480,000	\$ 1,293,000	\$ 1,098,000	\$ 895,000	\$ 684,000	\$ 465,000	\$ 237,000
July 2020 (RIHEBC) - \$5,000,000 (Net 35% Reimbursement)	-	-	3,133,000	3,029,000	2,918,500	2,801,500	2,681,250	2,554,500	2,421,250	2,281,500	2,135,250
July 2022 - \$2,000,000	-	-	-	-	2,000,000	1,842,000	1,676,000	1,501,000	1,317,000	1,124,000	921,000
July 2025 - \$2,000,000	-	-	-	-	-	-	-	2,000,000	1,844,000	1,679,000	1,506,000
July 2028 - \$2,000,000	-	-	-	-	-	-	-	-	-	-	2,000,000

<b>Proposed Town Net Debt</b>	\$ -	\$ 2,000,000	\$ 4,966,000	\$ 4,689,000	\$ 6,398,500	\$ 5,936,500	\$ 5,455,250	\$ 6,950,500	\$ 6,266,250	\$ 5,549,500	\$ 6,799,250
<b>Proposed Town Net Debt Service</b>	-	39,000	480,071	479,257	530,674	735,542	733,393	787,095	991,614	991,216	1,042,739

<b>Existing and Proposed - Combined Net Debt and Debt Service</b>											
<b>Existing and Proposed Town Debt</b>	\$ 49,515,379	\$ 46,583,233	\$ 45,869,323	\$ 41,865,871	\$ 39,500,990	\$ 35,612,765	\$ 32,501,790	\$ 31,092,754	\$ 27,453,723	\$ 23,727,696	\$ 22,365,424
<b>Existing and Proposed Town Debt Service</b>	7,114,670	6,157,660	6,141,911	6,150,847	6,181,525	5,633,776	5,237,497	5,004,852	5,194,431	5,180,339	4,766,951

<b>Key Ratios on Existing Town Net Debt:</b>											Average	
Debt Per Capita	3,766.57	3,391.39	3,111.47	2,828.00	2,518.07	2,257.44	2,057.40	1,836.47	1,611.70	1,382.79	1,184.10	<b>2,358.67</b>
Debt as a Percentage of Full Value	1.968%	1.772%	1.625%	1.477%	1.315%	1.179%	1.075%	0.959%	0.842%	0.722%	0.619%	<b>1.232%</b>
Debt Service as a Percentage of Budget	11.245%	9.481%	8.601%	8.447%	8.251%	7.012%	6.321%	5.803%	5.669%	5.540%	4.829%	<b>7.382%</b>

<b>Key Ratios on All Existing and Proposed Town Net Debt:</b>											Average	
Debt Per Capita	3,766.57	3,543.53	3,489.22	3,184.69	3,004.79	2,709.02	2,472.37	2,365.19	2,088.37	1,804.94	1,701.31	<b>2,739.09</b>
Debt as a Percentage of Full Value	1.968%	1.851%	1.823%	1.664%	1.570%	1.415%	1.292%	1.236%	1.091%	0.943%	0.889%	<b>1.431%</b>
Debt Service as a Percentage of Budget	11.245%	9.541%	9.330%	9.161%	9.026%	8.065%	7.351%	6.886%	7.007%	6.851%	6.181%	<b>8.240%</b>

<b>Population (2010 Census):</b>	13,146	No change assumed in future years
<b>General Fund Adopted Budget 2019:</b>	\$ 63,270,667	2% growth assumed each year
<b>12/31/2016 Estimated Full Market Value:</b>	\$ 2,516,448,481	No change assumed in future years

- Assumptions:**
- July 2019 Direct Bank Placement - \$2,000,000 at 3.90%
  - July 2020 RIHEBC Public School Bonds - \$5,000,000 at current market rates + 50bps
  - July 2022 Direct Bank Placement - \$2,000,000 at 5.00%
  - July 2025 Direct Bank Placement - \$2,000,000 at 5.25%
  - July 2028 Direct Bank Placement - \$2,000,000 at 5.25%

<b>Statistics</b>	<b>New England "Aa1" Statistics</b>		
	<b>Median</b>	<b>Minimum</b>	<b>Maximum</b>
<b>Direct Net Debt Per Capita:</b>	\$ 2,060.00	\$ 378.00	\$ 19,935.00
<b>Direct Net Debt as % FV:</b>	1.10%	0.30%	3.80%

\*\*Preliminary, Subject to Change. For discussion purposes only\*\*