Subject: Fwd: COMPARISON OF CASH REQUIREMENTS FOR KWA CUSTOMERS
Date: January 30, 2014 9:10:09 AM EST
To: Manny Lentine <manny@230north.org>

Need to get this to Walsh.

Sent from my iPad

Begin forwarded message:

> **From:** John Lininger <jllproblemsolver@usa.net>
> **Date:** January 29, 2014 at 6:24:50 PM EST
> **To:** Rick Johnson <Rick@dodakjohnson.com>
> **Cc:** 'David Binter' <David@neumainc.com>, 'Mike Trout' <Miket@neumainc.com>
> **Subject: COMPARISON OF CASH REQUIREMENTS FOR KWA CUSTOMERS**
>
> Rick,
>
> Here is the comparison between bond sale and the Blair proposal. Please be sure to pull up all the attachments included on the model page. The model for Life Settlements has been revised to increase the interest rate to 5.5%. The difference is still over 270 million dollars in favor of the Blair proposal. As I have mentioned on many occasions, we modeled the acquisition cost for the policies @ 16%, which is high in today's market. Point is, the model is very conservative, by design, and we still beat the conventional bond sale by over 270 million. Should the purchase price be less, say 15 or 14% of face, the difference increases dramatically.
>
> The part you are focused on is the different cost to the KWA users,(see attachment to model). Both the bond sales and Blair's paybacks start in year 4..years 1 through 3 are prepaid interest since KWA is obligated to pay Detroit in those years. Cash benefits to the customers start in year 4 with Blair's proposal costing $7,349,383 less annually through year 20. Years 21 thru 25 Blair's proposal is $27,349,383 less annually than bond sales. Plus, the Blair proposal has a cash balance of $26,968,395 million dollars.
>
> I hope these details makes it very clear. I can go over this with you.
>
> John

Koryzno, Edward (Treasury)

From:	Maxine Murray <mmurray@cityofflint.com>
Sent:	Tuesday, February 04, 2014 4:35 PM
To:	Baird, Richard (GOV); ByrneR1@michigan.gov; Deasy, Thomas (MSP); Etue, Kriste (MSP); Kapp, Gene (MSP); Lee, Nichole (MSP); Muchmore, Dennis (GOV); Roberts, John (GOV); Sands, Thomas (MSP); Sipes, Stephen (MSP); West, Samantha (GOV); Dempkowski, Angela (Treasury); Larkin, Brian (GOV); Darnell Earley; Koryzno, Edward (Treasury); Clement, Elizabeth (GOV); Elizabeth Murphy; Hollins, Harvey (GOV); James Tolbert; Jerry Ambrose; Klotz, Josephine (MSP); O'Neill, Stephen (MSP); Saxton, Thomas (Treasury); Workman, Wayne (TREASURY)
Subject:	Conference Call Agenda - Wednesday, February 5, 2014
Attachments:	City of Flint Wednesday Phone Conf Agenda 2-4-14.doc

Good afternoon,

Attached is the agenda for tomorrow's conference call.

Thank you.

--

Maxine Murray
Executive Assistant to
Mayor Dayne Walling
Darnell Earley, Emergency Manager
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