

Calculations by C.L. Holt May 11, 2017 -

APPENDIX B - GREC Asset Purchase Evaluation Calculations

		Special Calculations	
Required Annual Debt Principal Payment to Repay \$759m (2.0% Annual Int return)	\$18,342,442	Insurance Cost for GRU at or 0.1% for rebuild	\$ 350,000
		PV of Ins Cost for 26 years	\$ 6,701,213
Net GREC Property Tax paid by GRU	\$ 7,400,000	Daily Charge paid to GREC - No Usage	\$ 194,709
Portion Due City - subtract from GFT	\$ (1,400,000)	Yearly Charge paid to GREC at 95% availability	\$ 67,515,346
Net Savings on Property Tax	\$ 6,000,000	Monthly Charge paid to GREC at 95% availability	\$ 5,626,279
Calculation if GREC Purchased at \$750 million, with 3.45% Bonds		GREC Numbers	
Discount Rate - GRU	3.45%	Discount Rate - GREC	6.94%
Period (6 mos) discount rate for PV Calculation	1.725%	Period (1 month) discount rate	0.58%
Principal including 1.1% financing cost	\$ 758,250,000		-
Annual Interest Rate of Financing	3.450%		
Semi-Annual Interst Rate of Financing	1.725%		
Semi Annual Interest	\$ 13,079,813	Monthly Payments due GREC for 26 years - 95%avail.	5,626,279
Semi Annual Principal Repayments of \$758.250 m (each invested at 2.0% annual)	\$ 9,171,221		
Semi Annual Debt Service Req for bonds	\$ 22,251,034	6-month Total Due GREC + 1/2 Ann Property tax	36,757,673
Net Semi AnnDebt Paymt plus LT Layup cost plus Ins Cost	\$ 22,538,792	6-month Total Due GREC	\$ 33,757,673
PV of Bond Payments (using math formula)	\$ 827,641,299	PV of GRU Payments to GREC (math formula)	\$ 811,905,305
PV Using Excel PV Function	\$ 827,641,299	PV Using Excel PV Function	\$ 811,905,305
PV of Property Tax Savings (at \$6.0 million annually)	\$ 105,427,879		
PV of Bond Payments - PV of Property Tax Savings + PV LT Lay-up Costs+ PV Ins Costs	\$ 733,232,439	Annual Stand-by Costs	\$ (4,483,062)
PV of all GRU Payments for Status Quo (no GREC purchase)	\$ 1,260,806,604	PV of Stand-by Costs of 26 years	\$ 57,010,400
Difference of PV of status quo and PV of GREC purchase	\$ 527,574,165	Total PV (PV of Monthly Payments - Stand-by costs PV) for GREC	\$ 754,894,906
		at 6.94% discount rate	
Total of 30 yr LT Layup Costs + 30-year Insurance Payments	17,265,486		
Total of all Bond Payments for 30 years	\$ 1,335,062,015	Total Property Taxes all 26 years (Net \$6.0 million annually)	\$ 156,000,000
Total of all Bond Payments, 30 yr. LT lay-up, Insurance costs	1,352,327,501	Total of All Payments for GREC Contract (includes PropTx)	\$ 1,911,398,989.50
		Purchase Price Payable to GREC	\$ 750,000,000
		Purchase price percentage of GREC's PV	99.35%