

# City of Buchanan

DRAFT 05/06/2022

## Estimated DPW Building and USDA Project Scenarios

DPW Building Project	20 Years	20 Years	25 Years	25 Years	30 Years	30 Years
	Current Market	Conservative	Current Market	Conservative	Current Market	Conservative
Interest Rate Estimate	3.750%	4.750%	4.000%	5.000%	4.250%	5.250%
Borrowing Estimate	\$5,000,000.00	\$5,000,000.00	\$5,000,000.00	\$5,000,000.00	\$5,000,000.00	\$5,000,000.00
Annual Debt Payments	\$360,000.00	\$395,000.00	\$320,000.00	\$355,000.00	\$300,000.00	\$335,000.00
Total Principal & Interest Paid	\$7,200,000.00	\$7,900,000.00	\$8,000,000.00	\$8,875,000.00	\$9,000,000.00	\$10,050,000.00
Estimated Bond Costs of Issuance (applies to all the above options):						
Bond Attorney	\$29,750.00					
Financial Advisor	29,750.00					
Underwriter (not-to-exceed)	50,000.00					
Other (rating, Treasury, etc.)	22,800.00					
Total	<u>\$132,300.00</u>					

Note: Does not include architect, construction manager or other fees unrelated to bond issuance.

USDA Project (Water, Sewer and Streets)	40 Years	40 Years	Non-Eligible Streets and Lead Services	
	Water	Sewer	15 Years Conservative	20 Years Conservative
Interest Rate (locked for stated loan amount)	1.375%	1.375%	N/A	N/A
Interest Rate Estimate			4.500%	4.750%
Borrowing Estimate	\$10,738,000.00	\$7,459,000.00	\$2,510,000.00	\$2,510,000.00
Annual Debt Payments	\$350,800.00	\$243,500.00	\$235,000.00	\$200,000.00
Total Principal & Interest Paid	\$14,032,000.00	\$9,740,000.00	\$3,525,000.00	\$4,000,000.00
Estimated Bond Costs of Issuance:				
Bond Attorney	\$50,000.00	\$45,000.00	\$15,000.00	\$15,000.00
Financial Advisor (includes bond and rate fees)	25,750.00	28,750.00	13,500.00	13,500.00
Other (newspaper, Treasury, etc.)	5,000.00	5,000.00	5,000.00	5,000.00
Total	<u>\$80,750.00</u>	<u>\$78,750.00</u>	<u>\$33,500.00</u>	<u>\$33,500.00</u>

Note: Does not include architect, construction manager or other fees unrelated to bond issuance.



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