

City of Hartford

Estimated Water Project Scenarios



MUNICIPAL
ADVISORS

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Assumptions:

| | | |
|---|----|------------------|
| Typical Homeowner's Bill (assumed 4,500 gallons/month) | \$ | 22.95 |
| Rate Revenues | \$ | 318,334.00 |
| Other Revenues | | 39,742.00 |
| Estimated Operations & Maintenance Expenditures | | (331,825.00) |
| Net Operating Revenue | \$ | <u>26,251.00</u> |

| | \$12.1 Million 30-Year SRF 75% Grant | \$12.1 Million 30-Year SRF 50% Grant | \$6.5 Million 30-Year SRF 75% Grant | \$6.5 Million 30-Year SRF 50% Grant |
|--|---|---|--|--|
| Current Interest Rate [1] | 2.500% | 2.500% | 2.500% | 2.500% |
| Project Cost | \$ 12,100,000.00 | \$ 12,100,000.00 | \$ 6,500,000.00 | \$ 6,500,000.00 |
| Borrowing Amount | \$ 3,025,000.00 | \$ 6,050,000.00 | \$ 1,625,000.00 | \$ 3,250,000.00 |
| Annual Debt Service | \$ 145,000.00 | \$ 290,000.00 | \$ 80,000.00 | \$ 155,000.00 |
| Rate Increase Required Estimate [2] | 45.55% | 91.10% | 25.13% | 48.69% |
| New Typical Homeowner's Bill (monthly) | \$ 33.40 | \$ 43.85 | \$ 28.71 | \$ 34.12 |

[1] Interest rate changes yearly.

[2] Not holistic and not a recommendation. Only assumes debt service payments plus needed additional revenues to have positive cash flow required divided by current rate revenues. Full analysis needed in order to get to recommended increase.

DRAFT 05/01/2023