

To: Finance Committee
From: Mark Stevens
Date: September 26, 2022
RE: Land Purchase Interest Rate Offers

I sought bids for the short-term borrowing of \$210,000, the anticipated amount needed to purchase property for the future fire station location. I indicated the need was short-term, expecting to roll any remaining balance into a future General Obligation bond issuance in one of the next two years. I asked for a five-year amortization and no pre-payment penalty.

BankFirst

Interest rate: 5.65%
Term: 24 months
Collateral: None
Covenants: None

Bank of Lake Mills

Interest rate: 3.79%, 2-year term, 5-year amortization
Interest rate: 3.99%, 5-year term, 5-year amortization
Collateral: None
Covenants: None
Fees: \$1800 estimate

BMO Harris

Line of Credit for \$1,000,000
Interest rate: Variable tax exempt (Prime - .50%) * .82
As of 9/16's prime, this would be 4.1%
Payment req: Monthly interest only
Fees: Out of-pocket, including outside counsel

Ixonia Bank

Interest rate: 4.00%
Term: 24 months
Payment req: Quarterly interest
Collateral: None