

**Las Gallinas Valley Sanitary District
 Project Financing Options**

<u>Revenue Bond/COP</u>		<u>State Revolving Fund Loan</u>	
Project Cost	\$40,000,000	Project Cost	\$40,000,000
Issuance cost	240,000	Issuance cost	100,000
Underwriter	590,000	Underwriter	0
Less: Original Issue Premium	<u>-1,030,000</u>	Less: Original Issue Premium	<u>0</u>
Principal Amount of Bonds	\$39,800,000	Principal Amount of SRF	\$40,100,000
Annual Debt Service		Annual Debt Service	
20 years; 2.6%	\$2,580,000	20 years; 1.9%	\$2,550,000
25 years; 2.75%	\$2,220,000	25 years; 1.9%	\$2,150,000
30 years; 2.9%	\$2,000,000	30 years; 1.9%	\$1,890,000

Comparison - Revenue Bond/COP vs. State Revolving Fund Loan

	<u>Revenue Bond/COP</u>	<u>State Revolving Fund Loan</u>
Interest Rate	--	0.7% to 1.0% lower
Issuance Costs	--	\$730,000 lower
Original Issue Premium	\$1,230,000	\$0
Timing	3 months	Unpredictable
Issuance Certainty	High	Uncertain
Start of Debt Service	Immediate	1 to 2 year delay
Cash Flow	Funds up front	Payment Reimbursement
Additional Studies	None	Collection System

Cash Flow Requirements - Possible Use of Bank Line of Credit

Municipal Market Data - General Obligation Bond Yields

	<u>AA</u>	<u>A</u>
2017	0.64%	0.77%
2021	1.04%	1.29%
2026	1.66%	1.95%
2031	2.01%	2.33%
2036	2.25%	2.56%
2041	2.32%	2.61%
2046	2.37%	2.66%

