

## Brief Summary of Financing Choices for Water Plant

### State Revolving Fund:

Rate=1.62% for 20 years

Total Interest cost= \$2.01 million for 20 years; \$1.51 million for 15 years

[Will have to pay additional \$1.3 million in principal]

### New Bond Issue, accept bids in open market:

Rate=3.25%

Total Interest Cost = \$3.75 million for 20 years

### Tennessee Municipal Bond Fund:

Rate = 3.11% fixed

Total Interest Cost = \$2.66 million for 15 years

### Direct Bank Loan:

Rate = 2.71% for 15 years; 2.58% for 10 year lock/15 year amortization

Total Interest Cost = \$2.30 million, 15 years; \$2.18 million, 10 year lock

### Tennessee Municipal Bond Fund:

Rate = 1.55% variable rate (estimated average rate)

Total Interest Cost = \$1.28 million for 15 years