

January 13, 2022

Town of Yorktown Town Council
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Re: Proposed Roundabout Project

Dear Members of the Town Council:

Per your request, we have prepared the attached schedules in connection with the financing for the proposed Roundabout Project. This preliminary analysis has been prepared to assist Town officials in the discussion and consideration of the proposed project. The analysis illustrates the Town issuing a General Revenue Bond with a property tax backup with the intent to use the Restricted Motor Vehicle Highway Fund and Local Road and Street Fund to repay the obligation. The attached schedules (listed below) present unaudited and limited information. The use of these schedules should be restricted to this purpose, for internal use only, as the information is subject to future revision and final report.

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2	Estimated Sources and Uses of Funds
3	Preliminary Amortization of \$970,000* Principal Amount of General Revenue Bonds of 2022 (Roundabout Project)
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6	Historical Revenues

* Preliminary, subject to change.

In the preparation of these schedules, certain assumptions were made as noted regarding certain future events. As is the case with such assumptions regarding future events and transactions, some or all may not occur as expected and the resulting differences could be material. We have not examined the underlying assumptions nor have we audited or reviewed the historical data. Consequently, we express no opinion thereon nor do we have a responsibility to prepare subsequent reports.

We would appreciate your questions or comments on this information and would provide additional information upon request.

Very truly yours,

BAKER TILLY MUNICIPAL ADVISORS, LLC



Emma R. Adlam, Director

TOWN OF YORKTOWN, INDIANA

Proposed Roundabout Project

ESTIMATED SOURCES AND USES OF FUNDS

Estimated Uses of Funds:*

Net available proceeds for the project (1)	\$850,000
Allowance for Bank Fees	10,000
Allowance for issuance costs and contingencies	<u>110,000</u>
Total Estimated Uses of Funds	<u><u>\$970,000</u></u>

Estimated Sources of Funds:*

Estimated General Revenue Bonds of 2022 (2)	<u><u>\$970,000</u></u>
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- (1) Represents the bond proceeds, net of issuance costs, that will be available for the project.
- (2) Assumes the Bonds are payable from the Restricted Motor Vehicle Highway (MVH) Fund and the Local Road and Street Fund with a property tax backup.

*Preliminary, subject to change.

(Subject to the attached letter dated January 13, 2022)
(Preliminary - Subject to Change)
(For Internal Use Only)

TOWN OF YORKTOWN, INDIANA

Proposed Roundabout Project

**PRELIMINARY AMORTIZATION OF \$970,000* PRINCIPAL AMOUNT OF
GENERAL REVENUE BONDS OF 2022 (ROUNABOUT PROJECT)**

Assumes Bonds dated February 23, 2022

<u>Payment Date</u>	<u>Principal Outstanding*</u>	<u>Principal*</u>	<u>Estimated Interest Rate</u>	<u>Estimated Interest</u>	<u>Estimated Total Debt Service</u>	<u>Estimated Fiscal Year Debt Service</u>
			(1)			
07/15/22	\$970,000	\$80,000	2.45%	\$9,374	\$89,374	
01/15/23	890,000	75,000	2.45%	10,903	85,903	\$175,276
07/15/23	815,000	75,000	2.45%	9,984	84,984	
01/15/24	740,000	80,000	2.45%	9,065	89,065	174,049
07/15/24	660,000	80,000	2.45%	8,085	88,085	
01/15/25	580,000	80,000	2.45%	7,105	87,105	175,190
07/15/25	500,000	80,000	2.45%	6,125	86,125	
01/15/26	420,000	85,000	2.45%	5,145	90,145	176,270
07/15/26	335,000	80,000	2.45%	4,104	84,104	
01/15/27	255,000	85,000	2.45%	3,124	88,124	172,228
07/15/27	170,000	85,000	2.45%	2,083	87,083	
01/15/28	85,000	85,000	2.45%	1,041	86,041	173,124
Totals		<u>\$970,000</u>		<u>\$76,136</u>	<u>\$1,046,136</u>	<u>\$1,046,136</u>

(1) We have prepared the interest rate assumptions using our evaluation of the underlying credit pledge to this financing and current market conditions. These factors are subject to change. Changes may result in the actual interest rate varying from the interest rate assumed for this analysis and that variance may be material.

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TOWN OF YORKTOWN, INDIANA

Proposed Roundabout Project

COMPARISON OF ESTIMATED REVENUES AND ESTIMATED DEBT SERVICE

Taxes Payable Year	Estimated Revenues			Estimated 2022 Bonds	Estimated Revenues Remaining	Estimated Debt Service Coverage
	Restricted MVH	Local Road/Street	Total			
	(1)	(2)		(3)		
2022	\$190,000	\$140,000	\$330,000	(\$175,276)	\$154,724	188%
2023	190,000	140,000	330,000	(174,049)	155,951	190%
2024	190,000	140,000	330,000	(175,190)	154,810	188%
2025	190,000	140,000	330,000	(176,270)	153,730	187%
2026	190,000	140,000	330,000	(172,228)	157,773	192%
2027	190,000	140,000	330,000	(173,124)	156,876	191%
Totals	<u>\$1,140,000</u>	<u>\$840,000</u>	<u>\$1,980,000</u>	<u>(\$1,046,136)</u>	<u>\$933,864</u>	

- (1) See page 6. Represents the estimated annual revenue in the Town's Restricted Motor Vehicle Highway Fund to make debt service payments on the Bonds based upon the actual 2021 collections, rounded down to the nearest \$10,000.
- (2) See page 6. Represents the estimated annual revenue in the Town's Local Road and Street Fund to make debt service payments on the Bonds based upon the actual 2021 collections, rounded down to the nearest \$10,000.
- (3) See page 3.

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TOWN OF YORKTOWN, INDIANA

Proposed Roundabout Project

GENERAL OBLIGATION DEBT CAPACITY

Pay 2022 Certified Net Assessed Valuation (1)	\$374,319,691
Times 2% Constitutional Debt Limit	<u>2%</u>
Subtotal	7,486,394
Divided by 3	<u>3</u>
Debt limit	2,495,465
Less Outstanding Debt Subject to Debt Limit (2)	<u>(810,000)</u>
Estimated Amount Remaining for Debt Issuance	<u><u>\$1,685,465</u></u>

(1) Per the Delaware County 2022 Budget Order.

(2) Represents the outstanding par amount of the Town's General Obligation Refunding Bonds of 2019, as of January 16, 2022.

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TOWN OF YORKTOWN, INDIANA

Proposed Roundabout Project

HISTORICAL REVENUES

<u>Taxes Payable Year</u>	<u>Restricted MVH Fund</u>	<u>Local Road & Street Fund</u>
	(1)(2)	(1)
2017		\$101,634
2018		138,223
2019	\$151,117 (3)	188,327
2020	178,506	155,879
2021	197,282	144,288

(1) Per information provided by the Town.

(2) Beginning in 2019, 50% of the Motor Vehicle Highway (MVH) Distribution is deposited into the MVH Restricted Fund.

(3) Excludes \$51,284 of transfers in.

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