

City of Hills

Council Members

Bruce Endris

Steve Harris

Merle Hill

Thom Kirkpatrick

Cathy Knebel

201 N 1st St P O Box 345

Hills, Iowa 52235-0345

Phone 319-679-3197

Fax 319-679-3097

www.hills-ia.org

Mayor

Tim Kemp

Clerk

Bonnie Hansen

Deputy Clerk

Leanne Sommers

Regular Meeting

Hills Fire Department Meeting Room @ 7:00 PM

March 24, 2014

- **Consent Agenda:**
 - Minutes from meetings March 10
 - Bills from March 7 – March 21
- **Public Discussion**
- **New Business**
 - Discussion of NPDES Permit Timeline
- **Previous Business**
 - Discussion and possible action on Water utility
- **Council Action List, Comments, Concerns, Reports**
 - Mayor
 - Attorney
 - Maintenance
 - Fire Department
 - Sewer
 - Clerk
- **Adjournment**

Hills City Council
Meeting
March 10, 2014
7:00 PM
Hills Fire Station Meeting Room

The regular Hills City Council meeting was called to order at 7:00 PM on Monday, March 10, 2014 at the Hills Fire Station Meeting Room.

Mayor Tim Kemp called the meeting to order at 7:00 PM. Council members present were: Bruce Endris, Steve Harris, Merle Hill, Thom Kirkpatrick and Cathy Knebel.

A motion was made by Kirkpatrick and seconded by Hill approve the consent agenda of the minutes and bills.

Ayes: 5. Motion passed.

Public Discussion: None

Council Meeting:

New Business:

The Public Hearing was opened on the FY14-15 budget. No comments. Public hearing closed.

A motion was made by Kirkpatrick and seconded by Hill to accept the FY14-15 budget. Ayes: 5 Motion passed.

Discussion was held on the Comprehensive Plan that was prepared by ECICOG. Most of the discussion dealt with possible city annexations, water utility, and what the future will hold for city administration.

A motion was made by Knebel and seconded by Hill to pass the contract as stated with the Johnson County Sheriff's department FY 15. Ayes: 5 Motion passed.

A motion was made by Kirkpatrick and seconded by Kirkpatrick to accept the Speer Financial Contract for financial advice for the water utility. Ayes: 5 Motion passed.

Resolution #2014-03 was read approving the contract with Steve Flake as Water Operator. A motion was made by Harris and seconded by Endris. Roll Call was held. Ayes: 5 Resolution passed

Old Business:

Council Concern List:

Reports:

Attorney: No report

Fire Chief: Absent

Maintenance: Ron will be on vacation Thursday – Sunday of this week.

Mayor: No report

Clerk: - The clerk updated the council on a couple email regarding asking for the hosting of the cleanup of Avenue of the Saints sign up site, the phone call from Scott Ritter on possible interest in annexation of some land, and the email from for a study for the walking/biking suitability of the City of Hills. The council decided they were not interested in the hosting of the sign up for the cleanup of the Avenue of the Saints or in the possible annexation of any property at this time. Cathy Knebel will contact Johnson County Health regarding the study that will be held on April 8.

A motion was made by Hill and seconded by Harris to adjourn the meeting at 7:45. PM. Ayes: 5 Motion passed.

Tim Kemp, Mayor

Bonnie Hansen, Clerk

| INVOICE#/LN | TY | DUE DATE | INV DATE | REFERENCE | GROSS | DISCOUNT | NET | DISCOUNT TAKEN | PAYMENT AMOUNT | DIST | MAN | CHCK | CK SQ |
|-------------------------------|------|-----------|-----------|-------------------------|-------------|----------|-----|----------------|----------------|------|-----|------|-------|
| HILLS BANK & TRUST GENERAL | | | | | | | | | | | | | |
| 1139 ALLIANT UTILITIES | | | | | | | | | | | | | |
| MARCH14 | 1 I | 3/24/2014 | 3/24/2014 | 4916015906002 | 1/2 FIRE | 79.02 | | 79.02 | 79.02 | 001 | | | 1 |
| | 2 I | | | 4916014001001 | STREET LI | 904.68 | | 904.68 | 904.68 | 001 | | | 1 |
| | 6 I | | | 4916015906002 | 1/2 FIRE | 79.01 | | 79.01 | 79.01 | 001 | | | 1 |
| | 7 I | | | 4916014882201 | BALL PARK | 111.69 | | 111.69 | 111.69 | 001 | | | 1 |
| | 8 I | | | 4916015907001 | SIREN | 41.75 | | 41.75 | 41.75 | 001 | | | 1 |
| | 9 I | | | 4916015865001 | MAINT BUI | 281.39 | | 281.39 | 281.39 | 001 | | | 1 |
| | 10 I | | | 4916015019501 | SIGN LIGH | 17.62 | | 17.62 | 17.62 | 001 | | | 1 |
| | | | | * INVOICE TOTALS | | 1515.16 | | 1515.16 | 1515.16 | | | | |
| | | | | ** VENDOR TOTALS * | | 1515.16 | | 1515.16 | 1515.16 | | | | |
| 1315 IAMU | | | | | | | | | | | | | |
| 2938 | 1 I | 3/24/2014 | 3/24/2014 | ASSOCIATE DUES | | 275.00 | | 275.00 | 275.00 | 001 | | | 1 |
| | | | | ** VENDOR TOTALS * | | 275.00 | | 275.00 | 275.00 | | | | |
| 1326 JARROD LAVELY | | | | | | | | | | | | | |
| MARCH14 | 1 I | 3/24/2014 | 3/24/2014 | VELVAC MIRROR | | 293.75 | | 293.75 | 293.75 | 001 | | | 1 |
| | | | | ** VENDOR TOTALS * | | 293.75 | | 293.75 | 293.75 | | | | |
| 1122 MENARDS | | | | | | | | | | | | | |
| 56158 | 1 I | 3/24/2014 | 3/24/2014 | OIL DRY | | 35.73 | | 35.73 | 35.73 | 001 | | | 1 |
| | 2 I | | | BATTERIES | | 35.91 | | 35.91 | 35.91 | 001 | | | 1 |
| | 3 I | | | MOUSE PAD | | 10.99 | | 10.99 | 10.99 | 001 | | | 1 |
| | 4 I | | | ERA | | 8.97 | | 8.97 | 8.97 | 001 | | | 1 |
| | 5 I | | | COUPLING | | 1.98 | | 1.98 | 1.98 | 001 | | | 1 |
| | 6 I | | | FLUOR BULBS | | 44.98 | | 44.98 | 44.98 | 001 | | | 1 |
| | 7 I | | | BULBS | | 35.92 | | 35.92 | 35.92 | 001 | | | 1 |
| | 8 I | | | BULBS | | 53.48 | | 53.48 | 53.48 | 001 | | | 1 |
| | 9 I | | | BULBS/BALLAST | | 59.94 | | 59.94 | 59.94 | 001 | | | 1 |
| | 10 I | | | 10 PACK BULBS | | 59.94 | | 59.94 | 59.94 | 001 | | | 1 |
| | | | | * INVOICE TOTALS | | 347.84 | | 347.84 | 347.84 | | | | |
| 56174 | 1 I | 3/24/2014 | 3/24/2014 | BULBS FOR FIRE DEPT BLD | | 18.98 | | 18.98 | 18.98 | 001 | | | 1 |
| 56200 | 1 I | 3/24/2014 | 3/24/2014 | RETURN BULBS FOR FIRE D | | 59.94- | | 59.94- | 59.94- | 001 | | | 1 |
| | | | | ** VENDOR TOTALS * | | 306.88 | | 306.88 | 306.88 | | | | |
| 1130 MID AMERICAN ENERGY | | | | | | | | | | | | | |
| MARCH14 | 1 I | 3/24/2014 | 3/24/2014 | 77990-78018 | 1/2 FIRE DE | 242.99 | | 242.99 | 242.99 | 001 | | | 1 |
| | 2 I | | | 77990-78018 | 1/2 FIRE DE | 242.98 | | 242.98 | 242.98 | 001 | | | 1 |
| | 3 I | | | 77150-78014 | MAINT BLDG | 435.47 | | 435.47 | 435.47 | 001 | | | 1 |
| | | | | * INVOICE TOTALS | | 921.44 | | 921.44 | 921.44 | | | | |
| | | | | ** VENDOR TOTALS * | | 921.44 | | 921.44 | 921.44 | | | | |
| 1349 IOWA OFFICE SUPPLY INC | | | | | | | | | | | | | |
| 284626 | 1 I | 3/24/2014 | 3/24/2014 | COPIER | | 135.52 | | 135.52 | 135.52 | 001 | | | 1 |
| | | | | ** VENDOR TOTALS * | | 135.52 | | 135.52 | 135.52 | | | | |
| 1198 STAPLES | | | | | | | | | | | | | |
| MAR14 | 1 I | 3/24/2014 | 3/24/2014 | SUPPLIES | | 159.25 | | 159.25 | 159.25 | 001 | | | 1 |

| INVOICE#/LN | TY | DUE DATE | INV DATE | REFERENCE | GROSS | DISCOUNT | NET | DISCOUNT TAKEN | PAYMENT AMOUNT | DIST | MAN | CHCK | CK SQ |
|---------------------------------|-----|-----------|-----------|-------------------------|---------|----------|---------|----------------|----------------|------|-----|------|-------|
| ** VENDOR TOTALS * | | | | | 159.25 | | 159.25 | | 159.25 | | | | |
| 1203 STUTSMAN INC | | | | | | | | | | | | | |
| 156083 | 1 I | 3/24/2014 | 3/24/2014 | FD DIESEL FEBRUARY 2014 | 167.50 | | 167.50 | | 167.50 | 001 | | | 1 |
| ** VENDOR TOTALS * | | | | | 167.50 | | 167.50 | | 167.50 | | | | |
| 1219 VISA | | | | | | | | | | | | | |
| FEB14 | 1 I | 3/10/2014 | 3/10/2014 | BOOKS RETURNED TO BARNE | 220.42- | | 220.42- | | 220.42- | 001 | | | 1 |
| ** VENDOR TOTALS * | | | | | 220.42- | | 220.42- | | 220.42- | | | | |
| GENERAL | | | | | 3554.08 | | 3554.08 | | 3554.08 | | | | |
| ROAD USE TAX | | | | | | | | | | | | | |
| 1179 KNEBEL LANDSCAPING | | | | | | | | | | | | | |
| 660 | 1 I | 3/24/2014 | 3/24/2014 | SNOR REMOVAL | 3970.00 | | 3970.00 | | 3970.00 | 110 | | | 1 |
| ** VENDOR TOTALS * | | | | | 3970.00 | | 3970.00 | | 3970.00 | | | | |
| 1203 STUTSMAN INC | | | | | | | | | | | | | |
| 156084 | 1 I | 3/24/2014 | 3/24/2014 | FEBRUARY 14 CITY DIESEL | 98.04 | | 98.04 | | 98.04 | 110 | | | 1 |
| ** VENDOR TOTALS * | | | | | 98.04 | | 98.04 | | 98.04 | | | | |
| ROAD USE TAX | | | | | 4068.04 | | 4068.04 | | 4068.04 | | | | |
| WATER | | | | | | | | | | | | | |
| 1261 FOX ENGINEERING | | | | | | | | | | | | | |
| 36314 | 1 I | 3/24/2014 | 3/24/2014 | FEBRUARY CHARGES | 3875.00 | | 3875.00 | | 3875.00 | 600 | | | 1 |
| ** VENDOR TOTALS * | | | | | 3875.00 | | 3875.00 | | 3875.00 | | | | |
| WATER | | | | | 3875.00 | | 3875.00 | | 3875.00 | | | | |
| SEWER | | | | | | | | | | | | | |
| 1139 ALLIANT UTILITIES | | | | | | | | | | | | | |
| MARCH14 | 3 I | 3/24/2014 | 3/24/2014 | 4916016300702 OH LIFT S | 46.52 | | 46.52 | | 46.52 | 610 | | | 1 |
| | 4 I | | | 4916014431501 LAGOON | 807.43 | | 807.43 | | 807.43 | 610 | | | 1 |
| | 5 I | | | 4916015217001 LIFT STAT | 321.89 | | 321.89 | | 321.89 | 610 | | | 1 |
| * INVOICE TOTALS | | | | | 1175.84 | | 1175.84 | | 1175.84 | | | | |
| ** VENDOR TOTALS * | | | | | 1175.84 | | 1175.84 | | 1175.84 | | | | |
| 1287 KEYSTONE LABORATORIES | | | | | | | | | | | | | |
| 1790 | 1 I | 3/24/2013 | 3/24/2013 | TESTS | 66.88 | | 66.88 | | 66.88 | 610 | | | 1 |
| 1898 | 1 I | 3/24/2014 | 3/24/2014 | TESTS | 86.58 | | 86.58 | | 86.58 | 610 | | | 1 |
| 1974 | 1 I | 3/24/2014 | 3/24/2014 | TESTS | 41.68 | | 41.68 | | 41.68 | 610 | | | 1 |
| ** VENDOR TOTALS * | | | | | 195.14 | | 195.14 | | 195.14 | | | | |
| 1350 SERVPRO OF IOWA/CORALVILLE | | | | | | | | | | | | | |
| 4081868 | 1 I | 3/24/2014 | 3/24/2014 | CLEAN UP SEWAGE BACKUP | 2555.16 | | 2555.16 | | 2555.16 | 610 | | | 1 |
| ** VENDOR TOTALS * | | | | | 2555.16 | | 2555.16 | | 2555.16 | | | | |
| SEWER | | | | | 3926.14 | | 3926.14 | | 3926.14 | | | | |

HKMESSAGE Fri Mar 21, 2014 9:29 AM
05.24.13

*** CITY OF HILLS IA ***
SCHEDULED CLAIMS LIST

OPER: BR

PAGE 3

| INVOICE#/LN | TY | DUE DATE | INV DATE | REFERENCE | GROSS | DISCOUNT | NET | DISCOUNT TAKEN | PAYMENT AMOUNT | DIST | MAN | CHCK | SQ | CK |
|-------------|----|----------|----------|---------------------|----------|----------|----------|-------------------|-------------------|------|-----|------|----|----|
| ----- | | | | | | | | | | | | | | |
| | | | | BANK TOTALS | 15423.26 | | 15423.26 | | 15423.26 | | | | | |
| | | | | TOTAL MANUAL CHECKS | | | | | .00 | | | | | |
| | | | | TOTAL E-PAYMENTS | | | | | .00 | | | | | |
| | | | | TOTAL PURCH CARDS | | | | | .00 | | | | | |
| | | | | TOTAL OPEN PAYMENTS | | | | | 15423.26 | | | | | |
| | | | | GRAND TOTALS | 15423.26 | | 15423.26 | | 15423.26 | | | | | |

Bonnie Hansen

From: Maggie Burger [mburger@speerfinancial.com]
Sent: Wednesday, March 19, 2014 2:29 PM
To: Bonnie Hansen; stroyer@foxeng.com; Erek Sittig (Esittig@neuzillaw.com); John Danos
Cc: Larry Burger
Subject: City of Hills - Estimated Water Revenue Coverage calculation
Attachments: 2014 Hills Water Coverage Speadsheet \$1.825 SRF Wtr Rev 20 yr..pdf; Hills - Sample - REV - \$3 65M - 50% FL.pdf

Importance: High

Good Afternoon,

I believe we are getting close to bid opening on the water project and wanted to provide you the first (of many) coverage schedules based on what we have now, the Engineer's estimate on the total project. In this scenario we are taking the latest cost estimate of \$5,022,000 and considering the 50% forgivable on part of it, cash, GO borrowing and we come down to approximately \$1,822,000. You will learn Municipal Advisors round everything in \$5,000 increments, it in our nature ☺

I have provided a coverage estimate for a \$1,825,000 water revenue note through the SRF at the 2% interest rate they offer. Our worksheet goes out about 14 years, but the financing itself is at 20 years as suggested. We believe we will need to re-run this between now and 14 years from now, so we will gradually add those last years to our schedule.

The key points to notice are the following:

- The 100% across each fiscal year column represents the fact that we are not suggesting any revenue increases at this time.
- The number of accounts below that, is estimated at 375 and we can update this at any time.
- At the bottom we estimate the total bill to be \$54.00 per month per customer. This was shown to us in the engineering report.
- This then calculates in the blue section to mean the City must bring in approximately \$243,000 per year to pay O&M and make the debt payment.
- The peach color represents the annual cost of Operations & Maintenance of the system.
- The green areas is the estimated repayment schedule from SRF (I have attached), payment by fiscal year.
- The orange is the most important on this sheet. As we show the City for at least the first 14 years is estimated to stay above the 1.10x coverage required of an SRF note.

These are some items to consider and the Engineer and City Clerk may be able to address these items for future updates of this sheet.

- We typically build in a 2% annual increase in O&M because if the cost of running the system is also tied to employees salaries and benefits and the cost of doing business continues to go up. As we proceed you may want to see a slight increase every year, unless you believe the \$117,700 cost is well above where it will really come in at.
- You intend to use cash for part of the financing. Otherwise will there be any cash put into the system, just as reserve? This is not required but we would correct the gray section if cash was planned to be put into an account for the system.
- Does the City plan to have a basic usage fee structure or do you plan to have a usage fee structure with possibly an infrastructure fee you may charge on top of usage until this loan is repaid? This may be something you have not discussed yet, but we can talk through this with you and better explain. This is popular amongst a lot of our clients when they have large capital improvements to a utility system. The end result is still the same amount of revenue, it is just how you may structure it on the bill the customer receives.

I will be traveling and in our Chicago office on Thursday and Friday of this week. Please feel free to call me at 563-920-1145 to discuss this sheet, otherwise send me an email with any questions. I will be checking emails periodically between meetings.
Thank you and we look forward to working with the City of Hills.

Maggie Burger, CIPFA
Speer Financial, Inc.
(319) 291-2077 Phone
(319) 291-8628 Fax
mburger@speerfinancial.com

The information provided is presented as an aid in decision making. Current and future market conditions and interest rates are subject to change and any information based on such market conditions and interest rates is not guaranteed.

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*Speer Financial, Inc.
A federally registered municipal advisor and charter member of the National Association of Independent Public Financial Advisors "NAIPFA".*

Speer Financial, Inc.

City of Hills, Johnson County, Iowa

Water

Net Income Summary and Debt Service Coverage

(Series 2014 \$1,825,000 SRF Water Revenue Loan)

| Fiscal Year | Accounts | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|-------------|----------|------|--------|--------|--------|--------|--------|--------|--------|
| | | 375 | 375 | 375 | 375 | 375 | 375 | 375 | 375 |
| | | | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |

Proposed

Operating Revenue:

| | | | | | | | | | |
|-------------------------------------|------|------------|------------|------------|------------|------------|------------|------------|------------|
| Water charges for service | \$ - | \$ 243,000 | \$ 243,000 | \$ 243,000 | \$ 243,000 | \$ 243,000 | \$ 243,000 | \$ 243,000 | \$ 243,000 |
| Misc. Revenue | - | - | - | - | - | - | - | - | - |
| Infrastructure Fee \$_/mo/ accounts | - | - | - | - | - | - | - | - | - |

Net Operating Revenue

| | | | | | | | | | |
|------------------------|------|------------|------------|------------|------------|------------|------------|------------|------------|
| Annual Increase in OMI | \$ - | \$ 243,000 | \$ 243,000 | \$ 243,000 | \$ 243,000 | \$ 243,000 | \$ 243,000 | \$ 243,000 | \$ 243,000 |
| | | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |

Operating Expense:

| | | | | | | | | | |
|---------------------------|------|------------|------------|------------|------------|------------|------------|------------|------------|
| Operation and Maintenance | \$ - | \$ 117,700 | \$ 117,700 | \$ 117,700 | \$ 117,700 | \$ 117,700 | \$ 117,700 | \$ 117,700 | \$ 117,700 |
| Misc. Expenses | - | - | - | - | - | - | - | - | - |

Operating Expense:

| | | | | | | | | | |
|-----------------------|------|------------|------------|------------|------------|------------|------------|------------|------------|
| Net Operating Income: | \$ - | \$ 125,300 | \$ 125,300 | \$ 125,300 | \$ 125,300 | \$ 125,300 | \$ 125,300 | \$ 125,300 | \$ 125,300 |
|-----------------------|------|------------|------------|------------|------------|------------|------------|------------|------------|

Calculation of Debt Service Coverage:

| | | | | | | | | | |
|----------------------|------|------------|------------|------------|------------|------------|------------|------------|------------|
| Net Operating Income | \$ - | \$ 125,300 | \$ 125,300 | \$ 125,300 | \$ 125,300 | \$ 125,300 | \$ 125,300 | \$ 125,300 | \$ 125,300 |
|----------------------|------|------------|------------|------------|------------|------------|------------|------------|------------|

Minus: Transfer to Savings

| | | | | | | | | | |
|-----------------------------------|------|------------|------------|------------|------------|------------|------------|------------|------------|
| Income Available For Debt Service | \$ - | \$ 125,300 | \$ 125,300 | \$ 125,300 | \$ 125,300 | \$ 125,300 | \$ 125,300 | \$ 125,300 | \$ 125,300 |
|-----------------------------------|------|------------|------------|------------|------------|------------|------------|------------|------------|

Outstanding Debt (FY Ending 6/30):

| | | | | | | | | | |
|--|------|-----------|------------|------------|------------|------------|------------|------------|------------|
| Series 2014 \$1,825,000 SRF Water Revenue Loan | \$ - | \$ 30,345 | \$ 112,767 | \$ 112,180 | \$ 111,640 | \$ 112,080 | \$ 112,480 | \$ 112,880 | \$ 112,480 |
| Total Debt Payment | \$ - | \$ 30,345 | \$ 112,767 | \$ 112,180 | \$ 111,640 | \$ 112,080 | \$ 112,480 | \$ 112,880 | \$ 112,480 |

Debt Service Coverage

| | | | | | | | | | |
|----------------------------------|------|-----------|-----------|------------|------------|------------|------------|------------|------------|
| Cash Available | \$ - | \$ 94,955 | \$ 12,533 | \$ 13,120 | \$ 13,660 | \$ 13,220 | \$ 13,220 | \$ 13,220 | \$ 12,820 |
| Cash Balance (Beginning of Year) | \$ - | \$ - | \$ 94,955 | \$ 107,487 | \$ 120,607 | \$ 134,267 | \$ 147,487 | \$ 160,307 | \$ 160,307 |
| Operating Transfers in | - | - | - | - | - | - | - | - | - |
| Operating Transfers (out) | - | - | - | - | - | - | - | - | - |
| Ending Cash Balance | \$ - | \$ - | \$ 94,955 | \$ 107,487 | \$ 120,607 | \$ 134,267 | \$ 147,487 | \$ 160,307 | \$ 160,307 |

Cash Available
Cash Balance (Beginning of Year)
Operating Transfers in
Operating Transfers (out)
Ending Cash Balance

Speer Financial, Inc.

| | | | | | | | | | |
|------------------------|-----------|--------|---------|---------|---------|---------|---------|---------|---------|
| AVG MONTHLY BILL | 19/Mar/14 | \$0.00 | \$0.00 | \$54.00 | \$54.00 | \$54.00 | \$54.00 | \$54.00 | \$54.00 |
| % Increase in avg bill | | | #DIV/0! | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| fiscal year | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2020 |

| | | | | | | | | | |
|--------------------|------|------|----------|----------|----------|----------|----------|----------|----------|
| Total Monthly Bill | \$ - | \$ - | \$ 54.00 | \$ 54.00 | \$ 54.00 | \$ 54.00 | \$ 54.00 | \$ 54.00 | \$ 54.00 |
|--------------------|------|------|----------|----------|----------|----------|----------|----------|----------|

PRELIMINARY - SUBJECT TO CHANGE

City of Hills, Johnson County, Iowa

Speer Financial, Inc.

Net Income Summary and Debt Service Coverage

(Series 2014 \$1,825,000 SRF Water Revenue Loan

| | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
|----|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 375 | 375 | 375 | 375 | 375 | 375 | 375 | 375 | 375 |
| | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| \$ | 243,000 | 243,000 | 243,000 | 243,000 | 243,000 | 243,000 | 243,000 | 243,000 | 243,000 |
| | - | - | - | - | - | - | - | - | - |
| \$ | 243,000 | 243,000 | 243,000 | 243,000 | 243,000 | 243,000 | 243,000 | 243,000 | 243,000 |
| | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| \$ | 117,700 | 117,700 | 117,700 | 117,700 | 117,700 | 117,700 | 117,700 | 117,700 | 117,700 |
| | - | - | - | - | - | - | - | - | - |
| \$ | 117,700 | 117,700 | 117,700 | 117,700 | 117,700 | 117,700 | 117,700 | 117,700 | 117,700 |
| \$ | 125,300 | 125,300 | 125,300 | 125,300 | 125,300 | 125,300 | 125,300 | 125,300 | 125,300 |
| \$ | 125,300 | 125,300 | 125,300 | 125,300 | 125,300 | 125,300 | 125,300 | 125,300 | 125,300 |
| \$ | 125,300 | 125,300 | 125,300 | 125,300 | 125,300 | 125,300 | 125,300 | 125,300 | 125,300 |
| \$ | 111,840 | 112,180 | 112,480 | 111,740 | 111,980 | 112,180 | 112,340 | 112,460 | 112,540 |
| \$ | 111,840 | 112,180 | 112,480 | 111,740 | 111,980 | 112,180 | 112,340 | 112,460 | 112,540 |
| | 1.12 | 1.12 | 1.11 | 1.12 | 1.12 | 1.12 | 1.12 | 1.11 | 1.11 |
| \$ | 13,460 | 13,120 | 12,820 | 13,560 | 13,320 | 13,120 | 12,960 | 12,840 | 12,760 |
| \$ | 160,307 | 173,767 | 186,887 | 199,707 | 213,267 | 226,587 | 239,707 | 252,667 | 265,507 |
| \$ | 173,767 | 186,887 | 199,707 | 213,267 | 226,587 | 239,707 | 252,667 | 265,507 | 278,267 |
| \$ | 54.00 | 54.00 | 54.00 | 54.00 | 54.00 | 54.00 | 54.00 | 54.00 | 54.00 |
| | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
| \$ | 54.00 | 54.00 | 54.00 | 54.00 | 54.00 | 54.00 | 54.00 | 54.00 | 54.00 |

PRELIMINARY - SUBJECT TO CHANGE

For Discussion Purposes

Estimated Amortization Schedule

City of Hills
Water Revenue Bond
FS-52-12-DWSRF-021



SRF
STATE
REVOLVING FUND

Loan summary

| | |
|--------------------------|-----------------|
| Loan Closing Date | Jul 1, 2014 |
| Final Disbursement Date | Oct 13, 2015 |
| Final Maturity Date | Jun 1, 2035 |
| Loan Period in Years | 20 |
| Total Loaned Amount | \$ 3,650,000.00 |
| 0.5% Initiation Fee | 18,250.00 |
| Net Proceeds to Borrower | \$ 3,631,750.00 |
| Annual Interest Rate | 1.75% |
| Total Interest | \$ 393,743.45 |
| Servicing Fee Rate | 0.25% |
| Total Servicing Fees | \$ 56,249.07 |
| Total Loan Costs | \$ 468,242.52 |

Estimated Draw Schedule

| | | |
|-----------------------|--------------|--------------|
| Initiation Fee - | Jul 1, 2014 | 18,250.00 |
| P & D Payoff - | Jul 1, 2014 | 346,857.87 |
| Estimated Draw #1- | Jul 1, 2014 | 327,989.21 |
| Estimated Draw #2- | Aug 19, 2014 | 327,989.21 |
| Estimated Draw #3- | Oct 7, 2014 | 327,989.21 |
| Estimated Draw #4- | Nov 25, 2014 | 327,989.21 |
| Estimated Draw #5- | Jan 13, 2015 | 327,989.21 |
| Estimated Draw #6- | Mar 3, 2015 | 327,989.21 |
| Estimated Draw #7- | Apr 21, 2015 | 327,989.21 |
| Estimated Draw #8- | Jun 9, 2015 | 327,989.21 |
| Estimated Draw #9- | Jul 28, 2015 | 327,989.21 |
| Estimated Draw #10- | Sep 15, 2015 | 327,989.21 |
| Held for Final Docs - | Oct 13, 2015 | 5,000.00 |
| Total Loaned Amount | | 3,650,000.00 |

| | |
|------------------------------|-----------------|
| % Forgivable | 50% |
| Total Loaned less forgivable | \$ 1,825,000.00 |

| | | |
|-------------------|--------------|--------------|
| Amount Forgiven - | Oct 13, 2015 | 1,825,000.00 |
|-------------------|--------------|--------------|

| Payment Date | Beginning Balance | Principal | Interest | Servicing Fee | Total Loan Payment | Total Annual Debt Service | Ending Balance |
|--------------|-------------------|------------|-----------|---------------|--------------------|---------------------------|----------------|
| Dec 1, 2014 | 1,349,075.51 | | 7,541.08 | 1,077.30 | 8,618.38 | | 1,349,075.51 |
| Jun 1, 2015 | 2,661,032.36 | | 19,011.06 | 2,715.87 | 21,726.93 | 30,345.31 | 2,661,032.36 |
| Dec 1, 2015 | 1,825,000.00 | | 24,952.56 | 3,564.65 | 28,517.21 | | 1,825,000.00 |
| Jun 1, 2016 | 1,825,000.00 | 66,000.00 | 15,968.75 | 2,281.25 | 84,250.00 | 112,767.21 | 1,759,000.00 |
| Dec 1, 2016 | 1,759,000.00 | | 15,391.25 | 2,198.75 | 17,590.00 | | 1,759,000.00 |
| Jun 1, 2017 | 1,759,000.00 | 77,000.00 | 15,391.25 | 2,198.75 | 94,590.00 | 112,180.00 | 1,682,000.00 |
| Dec 1, 2017 | 1,682,000.00 | | 14,717.50 | 2,102.50 | 16,820.00 | | 1,682,000.00 |
| Jun 1, 2018 | 1,682,000.00 | 78,000.00 | 14,717.50 | 2,102.50 | 94,820.00 | 111,640.00 | 1,604,000.00 |
| Dec 1, 2018 | 1,604,000.00 | | 14,035.00 | 2,005.00 | 16,040.00 | | 1,604,000.00 |
| Jun 1, 2019 | 1,604,000.00 | 80,000.00 | 14,035.00 | 2,005.00 | 96,040.00 | 112,080.00 | 1,524,000.00 |
| Dec 1, 2019 | 1,524,000.00 | | 13,335.00 | 1,905.00 | 15,240.00 | | 1,524,000.00 |
| Jun 1, 2020 | 1,524,000.00 | 82,000.00 | 13,335.00 | 1,905.00 | 97,240.00 | 112,480.00 | 1,442,000.00 |
| Dec 1, 2020 | 1,442,000.00 | | 12,617.50 | 1,802.50 | 14,420.00 | | 1,442,000.00 |
| Jun 1, 2021 | 1,442,000.00 | 83,000.00 | 12,617.50 | 1,802.50 | 97,420.00 | 111,840.00 | 1,359,000.00 |
| Dec 1, 2021 | 1,359,000.00 | | 11,891.25 | 1,698.75 | 13,590.00 | | 1,359,000.00 |
| Jun 1, 2022 | 1,359,000.00 | 85,000.00 | 11,891.25 | 1,698.75 | 98,590.00 | 112,180.00 | 1,274,000.00 |
| Dec 1, 2022 | 1,274,000.00 | | 11,147.50 | 1,592.50 | 12,740.00 | | 1,274,000.00 |
| Jun 1, 2023 | 1,274,000.00 | 87,000.00 | 11,147.50 | 1,592.50 | 99,740.00 | 112,480.00 | 1,187,000.00 |
| Dec 1, 2023 | 1,187,000.00 | | 10,386.25 | 1,483.75 | 11,870.00 | | 1,187,000.00 |
| Jun 1, 2024 | 1,187,000.00 | 88,000.00 | 10,386.25 | 1,483.75 | 99,870.00 | 111,740.00 | 1,099,000.00 |
| Dec 1, 2024 | 1,099,000.00 | | 9,616.25 | 1,373.75 | 10,990.00 | | 1,099,000.00 |
| Jun 1, 2025 | 1,099,000.00 | 90,000.00 | 9,616.25 | 1,373.75 | 100,990.00 | 111,980.00 | 1,009,000.00 |
| Dec 1, 2025 | 1,009,000.00 | | 8,828.75 | 1,261.25 | 10,090.00 | | 1,009,000.00 |
| Jun 1, 2026 | 1,009,000.00 | 92,000.00 | 8,828.75 | 1,261.25 | 102,090.00 | 112,180.00 | 917,000.00 |
| Dec 1, 2026 | 917,000.00 | | 8,023.75 | 1,146.25 | 9,170.00 | | 917,000.00 |
| Jun 1, 2027 | 917,000.00 | 94,000.00 | 8,023.75 | 1,146.25 | 103,170.00 | 112,340.00 | 823,000.00 |
| Dec 1, 2027 | 823,000.00 | | 7,201.25 | 1,028.75 | 8,230.00 | | 823,000.00 |
| Jun 1, 2028 | 823,000.00 | 96,000.00 | 7,201.25 | 1,028.75 | 104,230.00 | 112,460.00 | 727,000.00 |
| Dec 1, 2028 | 727,000.00 | | 6,361.25 | 908.75 | 7,270.00 | | 727,000.00 |
| Jun 1, 2029 | 727,000.00 | 98,000.00 | 6,361.25 | 908.75 | 105,270.00 | 112,540.00 | 629,000.00 |
| Dec 1, 2029 | 629,000.00 | | 5,503.75 | 786.25 | 6,290.00 | | 629,000.00 |
| Jun 1, 2030 | 629,000.00 | 100,000.00 | 5,503.75 | 786.25 | 106,290.00 | 112,580.00 | 529,000.00 |
| Dec 1, 2030 | 529,000.00 | | 4,628.75 | 661.25 | 5,290.00 | | 529,000.00 |
| Jun 1, 2031 | 529,000.00 | 101,000.00 | 4,628.75 | 661.25 | 106,290.00 | 111,580.00 | 428,000.00 |
| Dec 1, 2031 | 428,000.00 | | 3,745.00 | 535.00 | 4,280.00 | | 428,000.00 |
| Jun 1, 2032 | 428,000.00 | 104,000.00 | 3,745.00 | 535.00 | 108,280.00 | 112,560.00 | 324,000.00 |
| Dec 1, 2032 | 324,000.00 | | 2,835.00 | 405.00 | 3,240.00 | | 324,000.00 |
| Jun 1, 2033 | 324,000.00 | 106,000.00 | 2,835.00 | 405.00 | 109,240.00 | 112,480.00 | 218,000.00 |
| Dec 1, 2033 | 218,000.00 | | 1,907.50 | 272.50 | 2,180.00 | | 218,000.00 |
| Jun 1, 2034 | 218,000.00 | 108,000.00 | 1,907.50 | 272.50 | 110,180.00 | 112,360.00 | 110,000.00 |
| Dec 1, 2034 | 110,000.00 | | 962.50 | 137.50 | 1,100.00 | | 110,000.00 |
| Jun 1, 2035 | 110,000.00 | 110,000.00 | 962.50 | 137.50 | 111,100.00 | 112,200.00 | 0.00 |

Bonnie Hansen

From: Sara Langenberg [sclangenberg@gmail.com]
Sent: Thursday, March 20, 2014 7:49 PM
To: cityhills@sharontc.net
Subject: 1105 Project request for city gift to support collaboration of four Johnson County nonprofit human service agencies
Attachments: 1105 Brochure 2014.pdf; 1105 Pledge Form February 2014.pdf; 1105 Project Request - City of Hills.pdf

Hi Bonnie. Can you please share this request with the mayor and city council? I was unable to find email addresses to reach them directly. Thank you! Sara Langenberg, 319-936-6444

Dear Honorable Mayor and Members of the Hills City Council,

I am writing to ask the City of Hills for a gift of any size to support a campaign to help four Johnson County human service agencies pay for renovating a building for their shared use.

Sharing space in one building allows the agencies to reach more clients, operate more cost-effectively, and collaborate on programs for clients, including Hills residents.

The fundraising effort is known as The 1105 Project based on the building's address at 1105 S. Gilbert Ct. in Iowa City. Despite its Iowa City location, **agency records from 2013 indicate that about 98 Hills residents were assisted** by the agencies in these ways:

- **The Crisis Center of Johnson County food bank helped 74 Hills residents, including 32 families, in the fiscal year ending July 31, 2013. It also provided \$460 in Emergency Assistance Grants to help five Hills residents pay for essentials such as utility bills.**
- **The Domestic Violence Intervention Program assisted 16 Hills residents in 2013, providing safe shelter, counseling, or other resources.**
- **The National Alliance on Mental Illness-Johnson County provided assistance to three Hills residents in 2013. Its programs include a free 10-week Peer-to-Peer program for people with a mental illness and a free 12-week Family-to-Family program for people with a family member who has a mental illness.**
- **The Free Lunch Program serves 40,000 meals per year, six days a week, "no questions asked," and does not track the residency of its clients.**

The 1105 Project has been a **public-private partnership since its inception**, when Johnson County sold the \$550,000 building to the Crisis Center for \$1 in 2012 based on its future as a social services hub. Renovations and furnishings cost \$1.25 million. Iowa City committed \$288,000 in CDBG money. Coralville donated \$50,000. North Liberty donated \$10,000. Private gifts have added more than \$600,000.

We were \$300,000 short when agencies moved in January 1, and since then, loan interest payments are impacting agency budgets by about \$680 a month. To help us conclude our campaign, Iowa City recently pledged \$100,000 if we can raise \$200,000 by April 14. A gift from Hills will help us conclude our campaign.

A gift of any amount before April 14 will be worth 50 percent more to 1105 with Iowa City's match, and multi-year pledges are eligible, too.

For more information, contact me or visit The 1105 Project website online at <http://the1105project.com>. I also will enclose an 1105 Project brochure, pledge form, and a PDF of this letter.

Thank you for your consideration.

Sincerely,

Sara

Sara Langenberg
The 1105 Project
Capital Campaign Chair
319-936-6444