

## Ordinance No. 317

### AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF ADEL, BY AMENDING CHAPTER 99 – SEWER USE CHARGE

**BE IT ENACTED BY THE CITY COUNCIL, THE CITY OF ADEL, IOWA;**

**SECTION 1.** Section 99.07 of the Code of Ordinances of the City of Adel, Iowa, 2007, as amended, is repealed and the following adopted in lieu thereof:

99.07 USER CHARGES. Each customer shall pay a user charge in accordance with the following:

July 1, 2017 – June 30, 2018 Rates (3% Increase)

1. Based on water usage:
  - a. First 5,000 gallons - \$7.30 per 1,000 gallons
  - b. Everything thereafter - \$5.24 per 1,000 gallons
2. Septic Haulers – minimum 1,500 gallons = \$111.75
3. Minimum Sewer Charge - \$14.60

In no case shall the minimum user charge be less than \$14.60 per month, which is necessary to retire the indebtedness, operating and maintenance, and reserve necessary for maintaining the sanitary sewer facility.

July 1, 2018 – June 30, 2019 Rates (3% Increase)

1. Based on water usage:
  - a. First 5,000 gallons - \$7.52 per 1,000 gallons
  - b. Everything thereafter - \$5.40 per 1,000 gallons
2. Septic Haulers – minimum 1,500 gallons = \$115.10
3. Minimum Sewer Charge - \$15.04

In no case shall the minimum user charge be less than \$15.04 per month, which is necessary to retire the indebtedness, operating and maintenance, and reserve necessary for maintaining the sanitary sewer facility.

July 1, 2019 – June 30, 2020 Rates (3% Increase)

1. Based on water usage:
  - a. First 5,000 gallons - \$7.75 per 1,000 gallons
  - c. Everything thereafter - \$5.56 per 1,000 gallons
2. Septic Haulers – minimum 1,500 gallons = \$118.55
3. Minimum Sewer Charge - \$15.50

In no case shall the minimum user charge be less than \$15.50 per month, which is necessary to retire the indebtedness, operating and maintenance, and reserve necessary for maintaining the sanitary sewer facility.

**SECTION 2.** Section 99.16 of the Code of Ordinances of the City of Adel, Iowa, 2007, as amended, is repealed and the following adopted in lieu thereof:

99.16 Rate adjustments will be considered and computed before the first of July each year by City staff, including consultation with the City's Engineer and the City's Financial Advisor. The proposed adjustments shall be submitted to the Council for review and approval. Any adjustments shall go into effect on the July bill, payable July 20th.

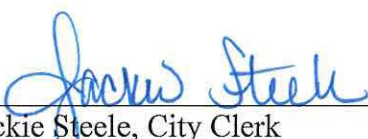
**SECTION 3.** Section 99.17 will be created with the following language:

99.17 COMMUNITY SEWER INITIATIVE (CSI) SURCHARGE: Every person, firm, or corporation whose premises now or hereafter are directly or indirectly served by a connection to the City Sewer System shall pay a CSI surcharge in the amount of seven dollars (\$7.00) per month beginning July 1, 2017, twelve dollars (\$12.00) per month beginning July 1, 2018, and fifteen dollars (\$15.00) per month beginning July 1, 2019.

**SECTION 4. WHEN EFFECTIVE:** This ordinance shall be effective from and after the 1<sup>st</sup> day of July, 2017.

Passed and approved by the Adel City Council this 13<sup>th</sup> day of June, 2017

  
\_\_\_\_\_  
James F. Peters, Mayor


Attest:   
Jackie Steele, City Clerk

1<sup>st</sup> Reading 4-11-2017

2<sup>nd</sup> Reading 5-9-2017

3<sup>rd</sup> Reading 6-13-2017

I certify that the foregoing was published as Ordinance No. 317 in the Dallas County News on the 22<sup>nd</sup> day of June, 2017.

  
Jackie Steele, City Clerk

**City of Adel, Iowa**  
**Sewer Enterprise Fund**  
**Cash-Basis Cashflow Analysis**

**EXHIBIT 1**

<i>Growth Assumptions</i>	
Operating Expenses	Various
Water Usage	1.00%
Interest Rate	n/a

<i>Sewer Revenue Adjustments</i>			
1-Jul-16	2.30%	1-Jul-21	2.50%
1-Jul-17	3.00%	1-Jul-22	0.00%
1-Jul-18	3.00%	1-Jul-23	n.a.
1-Jul-19	3.00%	1-Jul-24	n.a.
1-Jul-20	2.50%	1-Jul-25	n.a.

	Audited Financial Statements			Budget	Budget	Projected	Projected	Projected	Projected	Projected
	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
<b>Sewer Rates</b>	7/1/2013	7/1/2014	9/1/2015	7/1/2016	7/1/2017	7/1/2018	7/1/2019	7/1/2020	7/1/2021	7/1/2022
Sewer Flat Rate 1	\$13.20	\$13.56	\$13.86	\$14.18	\$14.61	\$15.04	\$15.49	\$15.88	\$16.28	\$16.28
First 5,000 gallons per 1,000 gallons 2	\$6.60	\$6.78	\$6.93	\$7.09	\$7.30	\$7.52	\$7.75	\$7.94	\$8.14	\$8.14
> 5,000 gallons per 1,000 gallons 3	\$4.75	\$4.88	\$4.98	\$5.09	\$5.24	\$5.40	\$5.56	\$5.70	\$5.84	\$5.84
Debt Service Charge 4	\$0.00	\$0.00	\$0.00	\$0.00	\$7.00	\$12.00	\$15.00	\$23.00	\$33.00	\$33.00
Beginning of FY # of Accounts 5	-	-	-	1,730	1,745	1,760	1,775	1,790	1,805	1,820
<b>Average Rate/1,000 gallons</b> 6	\$5.70	\$5.93	\$5.94	\$6.08	\$6.26	\$6.45	\$6.64	\$6.81	\$6.98	\$6.98
<b>WATER SOLD (1,000 gallons)</b> 7	85,591	87,921	97,240	98,213	99,195	100,187	101,189	102,200	103,222	104,255
<b>OPERATING REVENUES</b>										
Sewer Usage Charge Revenues 8	\$487,498	\$521,634	\$577,788	\$597,133	\$620,959	\$646,204	\$671,892	\$695,985	\$720,493	\$727,698
Connection Fee 9	18,850	24,350	51,750	43,250	7,500	7,500	7,500	7,500	7,500	7,500
Debt Service Charge 10	0	0	0	0	146,580	253,440	319,500	494,040	714,780	720,720
Miscellaneous Revenues 11	104	0	2,308	3,150	0	0	0	0	0	0
Total Operating Revenues 12	\$506,452	\$545,984	\$631,846	\$643,533	\$775,039	\$907,144	\$998,892	\$1,197,525	\$1,442,773	\$1,455,918
<b>OPERATING EXPENSES</b>										
Business Type Expenditures 13	\$361,396	\$331,241	\$438,841	\$435,600	\$457,379	\$480,248	\$504,261	\$529,474	\$555,948	\$583,745
Reserved 14	0	0	0	0	0	0	0	0	0	0
Total Operating Expense 15	\$361,396	\$331,241	\$438,841	\$435,600	\$457,379	\$480,248	\$504,261	\$529,474	\$555,948	\$583,745
<b>Net Operating Revenues</b> 16	145,056	214,743	193,005	207,933	317,660	426,896	494,631	668,051	886,825	872,173
<b>Non Operating Revenues (expenses)</b>										
Interest 17	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Other Income</b> 18	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Net Revenue for Debt Service</b> 19	\$145,056	\$214,743	\$193,005	\$207,933	\$317,660	\$426,896	\$494,631	\$668,051	\$886,825	\$872,173

**City of Adel, Iowa**  
**Sewer Enterprise Fund**  
**Cash-Basis Cashflow Analysis**

<i>Growth Assumptions</i>	
Operating Expenses	Various
Water Usage	1.00%
Interest Rate	n/a

<i>Sewer Revenue Adjustments</i>			
1-Jul-16	2.30%	1-Jul-21	2.50%
1-Jul-17	3.00%	1-Jul-22	0.00%
1-Jul-18	3.00%	1-Jul-23	n.a.
1-Jul-19	3.00%	1-Jul-24	n.a.
1-Jul-20	2.50%	1-Jul-25	n.a.

	Audited Financial Statements			Budget	Budget	Projected	Projected	Projected	Projected	Projected
	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
<b>Net Revenue for Debt Service</b> 20	\$145,056	\$214,743	\$193,005	\$207,933	\$317,660	\$426,896	\$494,631	\$668,051	\$886,825	\$872,173
<b>Sewer Debt Service</b>										
Series 1997 SRF 21	\$15,800	\$16,380	\$15,930	\$16,480	\$0	\$0	\$0	\$0	\$0	\$0
Series 2013 Sewer Revenue Notes 22	34,494	40,013	39,763	39,513	39,263	0	0	0	0	0
Interim Construction Loan #1 (2A) 23	0	0	0	0	0	0	0	0	0	0
Interim Construction Loan #6 (6) 24	0	0	0	0	0	0	0	0	0	0
Interim Construction Loan #5 (1A) 25	0	0	0	0	0	0	0	0	0	0
Proposed USDA Loan #1 (2A) 26	0	0	0	0	0	60,885	60,885	60,885	60,885	60,885
Proposed USDA Loan #6 (6) 27	0	0	0	0	0	0	92,585	123,446	123,446	123,446
Proposed USDA Loan #5 (1A) 28	0	0	0	0	0	0	0	0	0	516,719
Service Fee 29	630	622	515	508	508	0	0	0	0	0
Miscellaneous 30	0	0	0	0	0	0	0	0	0	0
<b>Total Sewer Debt</b> 31	\$50,924	\$57,015	\$56,208	\$56,501	\$39,771	\$60,885	\$153,469	\$184,331	\$184,331	\$701,050
<b>Debt Service Coverage</b>				<i>Target = 1.25x for Parity Test until FY18 Defeasance/ 1.10x for USDA Loan</i>						
<b>Net Revenues/ Revenue Debt</b> 32	<b>2.85</b>	<b>3.77</b>	<b>3.43</b>	<b>3.68</b>	<b>7.99</b>	<b>7.01</b>	<b>3.22</b>	<b>3.62</b>	<b>4.81</b>	<b>1.24</b>
<b>Net Revenues/ Total Debt</b> 33	<b>2.85</b>	<b>3.77</b>	<b>3.43</b>	<b>3.68</b>	<b>7.99</b>	<b>7.01</b>	<b>3.22</b>	<b>3.62</b>	<b>4.81</b>	<b>1.24</b>
<b>NET CASHFLOW AFTER DEBT</b> 34	\$94,132	\$157,729	\$136,798	\$151,433	\$277,889	\$366,011	\$341,162	\$483,720	\$702,494	\$171,123
Capital Improvement Projects 35	(310,776)	(19,291)	(2,328)	(218,423)	(2,137,000)	(3,615,000)	(2,600,000)	(6,100,000)	(4,115,000)	(50,000)
Other cash (uses)/sources 36	0	0	(1)	0	(450,000)	0	0	0	0	0
Bond Proceeds 37	0	0	0	0	2,025,000	3,565,000	2,550,000	5,850,000	4,065,000	0
Transfers (to)/from General Fund 38	0	(292,512)	0	0	0	0	0	0	0	0
Transfers (to)/from LOST 39	0	0	0	0	0	0	0	0	0	0
Transfers (to)/from USDA Reserve Fund 40	0	0	0	0	0	(6,088)	(15,347)	(18,433)	(18,433)	(642,749)
Transfers (to)/from Other Funds 41	323,876	(74,846)	20,999	0	92,002	(186,467)	(150,684)	(291,276)	(512,016)	623,079
<b>Annual Surplus/ (Deficit)</b> 42	<b>\$107,232</b>	<b>(\$228,921)</b>	<b>\$155,468</b>	<b>(\$66,990)</b>	<b>(\$192,109)</b>	<b>\$123,456</b>	<b>\$125,131</b>	<b>(\$75,989)</b>	<b>\$122,045</b>	<b>\$101,453</b>
Beginning Unrestricted Cash Balance 43	\$457,755	\$564,987	\$336,066	\$491,534	\$424,544	\$232,435	\$355,891	\$481,023	\$405,034	\$527,080
Ending Unrestricted Cash Balance 44	\$564,987	\$336,066	\$491,534	\$424,544	\$232,435	\$355,891	\$481,023	\$405,034	\$527,080	\$628,532
Unrestricted Cash % of Expenses 45	156%	101%	112%	97%	51%	74%	95%	76%	95%	108%

**City of Adel, Iowa**  
**Sewer Enterprise Fund**  
**Cash-Basis Cashflow Analysis**

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<i>Sewer Revenue Adjustments</i>			
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1-Jul-19	3.00%	1-Jul-24	n.a.
1-Jul-20	2.50%	1-Jul-25	n.a.

Audited Financial Statements			Budget	Budget	Projected	Projected	Projected	Projected	Projected
FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23

**RESTRICTED FUNDS**

Sinking Fund	46	\$57,857	\$57,857	\$57,857	\$57,857	\$57,857	\$57,857	\$57,857	\$57,857	\$57,857
Bond Reserve Fund	47	41,038	41,038	41,038	41,038	0	0	0	0	0
Debt Service Charge Fund	48	0	0	0	0	146,580	333,047	483,731	775,007	1,287,023
USDA Reserve Fund	49	0	0	0	0	0	6,088	21,435	39,868	58,302
2013 Bond Fund	50	216,835	197,544	197,544	197,544	0	0	0	0	0
Sewer Improvement Fund	51	93,941	188,078	167,079	167,079	167,079	167,079	167,079	167,079	167,079
Total Restricted Cash	52	\$409,671	\$484,517	\$463,518	\$463,518	\$371,516	\$564,071	\$730,102	\$1,039,811	\$1,570,260
Total Cash	53	\$974,658	\$820,583	\$955,052	\$888,062	\$603,951	\$919,963	\$1,211,125	\$1,444,845	\$2,097,340

**Capital Improvement Plan**

Operating Capital Outlays	159,503	112,000	50,000	50,000	50,000	50,000	50,000	50,000
Main Street Sewer Phase One	0	0	0	0	0	0	0	0
Main Street Sewer Phase Two	0	0	0	0	0	0	0	0
Wastewater Treatment Plant Phase One (2.3 MGD)	0	0	0	2,225,000	6,050,000	4,065,000	0	0
East Annex Sewer Extension (Phased Lift Station)	0	200,000	2,850,000	140,000	0	0	0	0
Engineering & Legal Fees USDA Loan # 5	48,920	200,000	715,000	185,000	0	0	0	0
Engineering & Legal Fees USDA Loan # 6	10,000	275,000	0	0	0	0	0	0
2017 Bonds - Sewer Portion - Brick Streets	0	1,350,000	0	0	0	0	0	0
Total	218,423	2,137,000	3,615,000	2,600,000	6,100,000	4,115,000	50,000	50,000

**City of Adel, Iowa  
Sewer Enterprise Fund  
Operational Expenses**

**EXHIBIT 2**

	Audited Financial Statements			YTD/Budget	Budget	Projected Operating Expenses					Expense
	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	Growth
<b>Personal</b>											
Full Time Wages	\$125,203	\$152,549	\$150,056	\$162,046	\$170,148	\$178,656	\$187,589	\$196,968	\$206,816	\$217,157	5%
Part Time Wages	12,203	8,785	7,019	14,115	14,821	15,562	16,340	17,157	18,015	18,915	5%
Overtime Wages	0	0	0	99	104	109	115	120	126	133	5%
FICA	9,585	11,855	11,462	13,050	13,703	14,388	15,107	15,862	16,655	17,488	5%
IPERS	11,867	12,095	13,675	15,233	15,995	16,794	17,634	18,516	19,442	20,414	5%
Flex Plan TPA	0	26	87	71	75	78	82	86	91	95	5%
Flex Plan TPA	934	1,365	248	292	307	322	338	355	373	391	5%
HRA Reimbursement	6,010	7,903	13,280	12,775	13,414	14,084	14,789	15,528	16,304	17,120	5%
HRA Plan TPA	0	97	167	201	211	222	233	244	257	269	5%
Medical Insurance	17,315	17,599	19,746	29,318	30,784	32,323	33,939	35,636	37,418	39,289	5%
Life & Disability Ins.	608	845	987	1,681	1,765	1,853	1,946	2,043	2,145	2,253	5%
Workmen's Comp	0	1,419	0	309	324	341	358	376	394	414	5%
Unemployment	0	0	0	0	0	0	0	0	0	0	5%
Dues, Subscriptions	1,612	1,758	1,058	2,500	2,625	2,756	2,894	3,039	3,191	3,350	5%
Education & Training	535	1,167	2,380	2,000	2,100	2,205	2,315	2,431	2,553	2,680	5%
Meeting & Travel	305	577	1,414	1,000	1,050	1,103	1,158	1,216	1,276	1,340	5%
<b>Total Personal Services</b>	\$186,177	\$218,040	\$221,579	\$254,690	\$267,425	\$280,796	\$294,836	\$309,577	\$325,056	\$341,309	

**City of Adel, Iowa**  
**Sewer Enterprise Fund**  
**Operational Expenses**

**EXHIBIT 2**

	Audited Financial Statements			YTD/Budget	Budget	Projected Operating Expenses					Expense	
	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	Growth	
<b>Services and Commodities</b>												
Vehicle Fuel-Oil-Lubricants	\$1,477	\$2,601	\$2,550	\$2,500	\$2,625	\$2,756	\$2,894	\$3,039	\$3,191	\$3,350	5%	
Vehicle, Equip & Radio Maint.	2,514	3,073	3,173	7,464	7,837	8,229	8,641	9,073	9,526	10,002	5%	
Utilities	27,009	24,035	29,459	30,000	31,500	33,075	34,729	36,465	38,288	40,203	5%	
Telephone/Radio	902	1,066	2,478	1,200	1,260	1,323	1,389	1,459	1,532	1,608	5%	
LP Gas	1,286	602	335	800	840	882	926	972	1,021	1,072	5%	
Professional Fees	8,394	3,860	49,168	10,033	10,534	11,061	11,614	12,195	12,804	13,445	5%	
Insurance - Fire & Auto	6,004	5,948	3,489	6,047	6,349	6,667	7,000	7,350	7,718	8,104	5%	
Uniform Rental	1,069	897	1,254	1,000	1,050	1,103	1,158	1,216	1,276	1,340	5%	
Sales Tax	3,657	5,922	3,702	8,000	8,400	8,820	9,261	9,724	10,210	10,721	5%	
Building & Grounds Maint.	2,050	1,827	7,030	2,500	2,625	2,756	2,894	3,039	3,191	3,350	5%	
Plant Maint.	4,896	5,577	3,301	5,000	5,250	5,513	5,788	6,078	6,381	6,700	5%	
Distribution/Line Maint.	43,461	20,053	33,953	35,000	36,750	38,588	40,517	42,543	44,670	46,903	5%	
Service/Maint. Agreements	5,564	9,218	12,527	18,000	18,900	19,845	20,837	21,879	22,973	24,122	5%	
Testing	7,955	10,553	15,070	20,000	21,000	22,050	23,153	24,310	25,526	26,802	5%	
Refunds	0	0	0	0	0	0	0	0	0	0	5%	
Chemicals	6,989	2,279	2,572	6,000	6,300	6,615	6,946	7,293	7,658	8,041	5%	
Minor Equipment	1,714	2,048	302	2,106	2,211	2,322	2,438	2,560	2,688	2,822	5%	
Office Supplies	5,590	4,416	5,245	6,000	6,300	6,615	6,946	7,293	7,658	8,041	5%	
Plant Supplies	3,419	8,998	19,423	18,260	19,173	20,132	21,138	22,195	23,305	24,470	5%	
Misc. Supplies	861	516	1,253	1,000	1,050	1,103	1,158	1,216	1,276	1,340	5%	
<b>Services and Commodities</b>	\$134,811	\$113,489	\$196,284	\$180,910	\$189,955	\$199,453	\$209,425	\$219,897	\$230,891	\$242,436		
<b>Capital Outlay</b>												
Vehicle	\$4,581	\$0	\$0	\$110,503	\$62,000	\$0	\$0	\$0	\$0	\$0		
Building	0	0	0	0	0	0	0	0	0	0		
Sewer Upgrades	75,602	0	2,328	49,000	50,000	50,000	50,000	50,000	50,000	50,000		
<b>Total Capital Outlay</b>	\$80,183	\$0	\$2,328	\$159,503	\$112,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000		
<b>Subtotal</b>	\$401,171	\$331,529	\$420,191	\$595,103	\$569,379	\$530,248	\$554,261	\$579,474	\$605,948	\$633,745		
<b>Total Operating Expenses</b>	\$320,988	\$331,529	\$441,169	\$435,600	\$457,379	\$480,248	\$504,261	\$529,474	\$555,948	\$583,745		
<b>Internal-Audit Adjustments</b>	40,408	(288)	(2,328)	0	0	0	0	0	0	0		
<b>Audit Report Totals</b>	\$361,396	\$331,241	\$438,841	\$435,600	\$457,379	\$480,248	\$504,261	\$529,474	\$555,948	\$583,745		

City of Adel, Iowa  
Sewer Enterprise Fund  
USDA Loan #1 Parity Test Calculation Summary

EXHIBIT 3

*Aggregate Annual Debt Service*

<u>Period Ending</u>	<u>Series 2013 Debt Service</u>	<u>Interim #1 Interest</u>	<u>Interim #6 Interest</u>	<u>Interim #5 Interest</u>	<u>USDA #1 Debt Service</u>	<u>USDA #6 Debt Service</u>	<u>USDA #5 Debt Service</u>	<u>Total Debt Service</u>
6/1/2019					60,884.62			60,884.62
6/1/2020					60,884.62			60,884.62
6/1/2021					60,884.62			60,884.62
6/1/2022					60,884.62			60,884.62
6/1/2023					60,884.62			60,884.62
6/1/2024					60,884.62			60,884.62
6/1/2025					60,884.62			60,884.62
6/1/2026					60,884.62			60,884.62
6/1/2027					60,884.62			60,884.62
6/1/2028					60,884.62			60,884.62
6/1/2029					60,884.62			60,884.62
6/1/2030					60,884.62			60,884.62
6/1/2031					60,884.62			60,884.62
6/1/2032					60,884.62			60,884.62
6/1/2033					60,884.62			60,884.62
6/1/2034					60,884.62			60,884.62
6/1/2035					60,884.62			60,884.62
6/1/2036					60,884.62			60,884.62
6/1/2037					60,884.62			60,884.62
6/1/2038					60,884.62			60,884.62
6/1/2039					60,884.62			60,884.62
6/1/2040					60,884.62			60,884.62
6/1/2041					60,884.62			60,884.62
6/1/2042					60,884.62			60,884.62
6/1/2043					60,884.62			60,884.62
6/1/2044					60,884.62			60,884.62
6/1/2045					60,884.62			60,884.62
6/1/2046					60,884.62			60,884.62
6/1/2047					60,884.62			60,884.62
6/1/2048					60,884.62			60,884.62
6/1/2049					60,884.62			60,884.62
6/1/2050					60,884.62			60,884.62
6/1/2051					60,884.62			60,884.62
6/1/2052					60,884.62			60,884.62
6/1/2053					60,884.62			60,884.62
6/1/2054					60,884.62			60,884.62
6/1/2055					60,884.62			60,884.62
6/1/2056					60,884.62			60,884.62
6/1/2057					60,884.62			60,884.62
6/1/2058					60,884.62			60,884.62
								2,435,384.89

<b>FY 2016-17 Historical Bond Parity Test</b>		
2016-17 RAD	<u>\$207,933</u>	
Average Annual D/S	60,885	3.42

<b>FY 2017-18 Historical Bond Parity Test</b>		
2017-18 RAD	<u>\$317,660</u>	
Average Annual D/S	60,885	5.22



City of Adel, Iowa  
Sewer Enterprise Fund  
USDA Loan #6 Parity Test Calculation Summary

EXHIBIT 4

*Aggregate Annual Debt Service*

<u>Period Ending</u>	<u>Series 2013 Debt Service</u>	<u>Interim #1 Interest</u>	<u>Interim #6 Interest</u>	<u>Interim #5 Interest</u>	<u>USDA #1 Debt Service</u>	<u>USDA #6 Debt Service</u>	<u>USDA #5 Debt Service</u>	<u>Total Debt Service</u>
6/1/2020					60,884.62	92,584.74		153,469.36
6/1/2021					60,884.62	123,446.31		184,330.94
6/1/2022					60,884.62	123,446.31		184,330.94
6/1/2023					60,884.62	123,446.31		184,330.94
6/1/2024					60,884.62	123,446.31		184,330.94
6/1/2025					60,884.62	123,446.31		184,330.94
6/1/2026					60,884.62	123,446.31		184,330.94
6/1/2027					60,884.62	123,446.31		184,330.94
6/1/2028					60,884.62	123,446.31		184,330.94
6/1/2029					60,884.62	123,446.31		184,330.94
6/1/2030					60,884.62	123,446.31		184,330.94
6/1/2031					60,884.62	123,446.31		184,330.94
6/1/2032					60,884.62	123,446.31		184,330.94
6/1/2033					60,884.62	123,446.31		184,330.94
6/1/2034					60,884.62	123,446.31		184,330.94
6/1/2035					60,884.62	123,446.31		184,330.94
6/1/2036					60,884.62	123,446.31		184,330.94
6/1/2037					60,884.62	123,446.31		184,330.94
6/1/2038					60,884.62	123,446.31		184,330.94
6/1/2039					60,884.62	123,446.31		184,330.94
6/1/2040					60,884.62	123,446.31		184,330.94
6/1/2041					60,884.62	123,446.31		184,330.94
6/1/2042					60,884.62	123,446.31		184,330.94
6/1/2043					60,884.62	123,446.31		184,330.94
6/1/2044					60,884.62	123,446.31		184,330.94
6/1/2045					60,884.62	123,446.31		184,330.94
6/1/2046					60,884.62	123,446.31		184,330.94
6/1/2047					60,884.62	123,446.31		184,330.94
6/1/2048					60,884.62	123,446.31		184,330.94
6/1/2049					60,884.62	123,446.31		184,330.94
6/1/2050					60,884.62	123,446.31		184,330.94
6/1/2051					60,884.62	123,446.31		184,330.94
6/1/2052					60,884.62	123,446.31		184,330.94
6/1/2053					60,884.62	123,446.31		184,330.94
6/1/2054					60,884.62	123,446.31		184,330.94
6/1/2055					60,884.62	123,446.31		184,330.94
6/1/2056					60,884.62	123,446.31		184,330.94
6/1/2057					60,884.62	123,446.31		184,330.94
6/1/2058					60,884.62	123,446.31		184,330.94
6/1/2059						123,446.31		123,446.31

7,281,491.25

<b>FY 2017-18 Historical Bond Parity Test</b>		
2017-18 RAD	<u>\$317,660</u>	
Average Annual D/S	182,037	1.75

<b>FY 2018-19 Historical Bond Parity Test</b>		
2018-19 RAD	<u>\$426,896</u>	
Average Annual D/S	182,037	2.35

<b>FY 2019-20 Projected Bond Parity Test</b>		
2019-20 RAD	<u>\$494,631</u>	
Average Annual D/S	182,037	2.72

**City of Adel, Iowa  
Sewer Enterprise Fund  
USDA Loan #5 Parity Test Calculation Summary**

**EXHIBIT 5**

*Aggregate Annual Debt Service*

<u>Period Ending</u>	<u>Series 2013 Debt Service</u>	<u>Interim #1 Interest</u>	<u>Interim #6 Interest</u>	<u>Interim #5 Interest</u>	<u>USDA #1 Debt Service</u>	<u>USDA #6 Debt Service</u>	<u>USDA #5 Debt Service</u>	<u>Total Debt Service</u>
6/1/2023					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2024					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2025					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2026					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2027					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2028					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2029					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2030					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2031					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2032					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2033					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2034					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2035					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2036					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2037					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2038					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2039					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2040					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2041					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2042					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2043					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2044					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2045					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2046					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2047					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2048					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2049					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2050					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2051					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2052					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2053					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2054					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2055					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2056					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2057					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2058					60,884.62	123,446.31	516,719.18	701,050.12
6/1/2059						123,446.31	516,719.18	640,165.50
6/1/2060							516,719.18	516,719.18
6/1/2061							516,719.18	516,719.18
6/1/2062							516,719.18	516,719.18

27,428,127.27

<b>FY 2020-21 Historical Bond Parity Test</b>		
2020-21 RAD	<u>\$668,051</u>	
Average Annual D/S	685,703	0.97

<b>FY 2021-22 Historical Bond Parity Test</b>		
2021-22 RAD	<u>\$886,825</u>	
Average Annual D/S	685,703	1.29

<b>FY 2022-23 Projected Bond Parity Test</b>		
2022-23 RAD	<u>\$872,173</u>	
Average Annual D/S	685,703	1.27

**EXHIBIT 6**

<u>Project</u>	<u>Interest Rate</u>	<u>Grant %</u>	<u>Project Cost Amount</u>	<u>Costs of Issuance</u>	<u>Capitalized Interest</u>	<u>Borrowing Amount</u>	<u>Loan Date</u>	<u>Construction Time</u>	<u>USDA Loan Date</u>
Interim Loan #1	3.00%	0.00%	1,350,000	50,000	26,086	1,426,086	5/1/2017	14	7/1/2018
Interim Loan #6	3.00%	0.00%	3,475,000	50,000	108,125	3,633,125	7/1/2017	27	10/1/2019
Interim Loan #5	3.00%	0.00%	13,240,000	75,000	676,388	13,991,388	3/1/2018	52	7/1/2022
USDA Loan #1	2.75%	0.00%	1,426,086	50,000	0	1,476,086	7/1/2018	\$5,073.72	MTH PMT
USDA Loan #6	2.75%	19.00%	2,942,831	50,000	0	2,992,831	10/1/2019	\$10,287.19	MTH PMT
USDA Loan #5	2.75%	11.00%	12,452,335	75,000	0	12,527,335	7/1/2022	\$43,059.93	MTH PMT