

Speer Financial, Inc.

Assumes a \$39,290,000 Sewer Revenue SRF Loan. No CDBG, No Federal Appropriation, No Cash Used

City of Independence, Iowa

Uses \$3,770,000 of Sewer Cash

Sewer

Net Income Summary and Debt Service Coverage

Proposed

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Series 2024 \$39,290,000 Sewer Revenue SRF Loan

Fiscal Year	0.0%		0.0%		10.0%		15.0%		15.0%		16.0%		2.0%		2.0%		2.0%	
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2023	2024	2025	2026	2027	2028	2029	2030	2031
Accounts	3013	3013	3013	3013	3013	3013	3013	3013	3013	3013	3013	3013	3013	3013	3013	3013	3013	3013
Operating Revenue:																		
Sewer charges for service	\$ 2,599,258	\$ 2,599,258	\$ 2,859,184	\$ 3,288,061	\$ 3,781,271	\$ 4,386,274	\$ 4,473,999	\$ 4,563,479	\$ 4,654,749									
Misc. Revenue	238	-	-	-	-	-	-	-	-									
Infrastructure Fee \$ /mo/ accounts	-	-	-	-	-	-	-	-	-									
Net Operating Revenue	\$ 2,599,496	\$ 2,599,258	\$ 2,859,184	\$ 3,288,061	\$ 3,781,271	\$ 4,386,274	\$ 4,473,999	\$ 4,563,479	\$ 4,654,749									
Annual Increase in O/M: 2% 2% 2% 2% 2% 2% 2% 2%																		
Operating Expense:																		
Operation and Maintenance	\$ 1,243,615	\$ 1,268,487	\$ 1,293,857	\$ 1,319,734	\$ 1,346,129	\$ 1,373,051	\$ 1,400,512	\$ 1,428,523	\$ 1,457,093									
Misc. Expenses	-	-	-	-	-	-	-	-	-									
Operating Expense:	\$ 1,243,615	\$ 1,268,487	\$ 1,293,857	\$ 1,319,734	\$ 1,346,129	\$ 1,373,051	\$ 1,400,512	\$ 1,428,523	\$ 1,457,093									
Net Operating Income:	\$ 1,355,881	\$ 1,330,771	\$ 1,565,327	\$ 1,968,327	\$ 2,435,142	\$ 3,013,222	\$ 3,073,487	\$ 3,134,957	\$ 3,197,656									
Calculation of Debt Service Coverage:																		
Minus: Transfer to Savings																		
Income Available For Debt Service	\$ 1,355,881	\$ 1,330,771	\$ 1,565,327	\$ 1,968,327	\$ 2,435,142	\$ 3,013,222	\$ 3,073,487	\$ 3,134,957	\$ 3,197,656									
2021 Sewer Revenue Ref Bonds - \$1,388,000	\$ 195,200	\$ 509,072	\$ 512,054															
2018 Sewer Revenue SRF Loan - \$1,562,050	95,320	95,960	95,560	95,140	95,700	95,220	95,720	95,180	95,620									
2024 Sewer Revenue SRF Loan - \$39,290,000			540,238	1,699,475	2,049,453	2,649,338	2,649,980	2,649,385	2,649,553									
Total Debt Payment	\$ 290,520.00	\$ 605,032.00	\$ 1,147,851.50	\$ 1,794,615.00	\$ 2,145,152.50	\$ 2,744,557.50	\$ 2,745,700.00	\$ 2,744,565.00	\$ 2,745,172.50									
Debt Service Coverage	4.67x	2.20x	1.36x	1.10x	1.14x	1.10x	1.12x	1.14x	1.16x									
Cash Available	\$ 1,065,361	\$ 725,739	\$ 417,475	\$ 173,712	\$ 289,989	\$ 268,665	\$ 327,787	\$ 390,392	\$ 452,483									
Cash Balance (Beginning of Year)	\$ 6,549,526	\$ 7,291,738	\$ 8,017,477	\$ 8,434,952	\$ 4,838,664	\$ 5,128,653	\$ 5,397,318	\$ 5,725,105	\$ 6,115,497									
Draw down of cash				(3,770,000.00)														
Ending Cash Balance	\$ 7,291,738	\$ 8,017,477	\$ 8,434,952	\$ 4,838,664	\$ 5,128,653	\$ 5,397,318	\$ 5,725,105	\$ 6,115,497	\$ 6,567,980									
Speer Financial, Inc.																		
10/Apr/24																		
AVG MONTHLY BILL	\$71.90	\$71.89	\$79.08	\$90.94	\$104.58	\$121.32	\$123.74	\$126.22	\$128.74									
% increase in avg bill		0.0%	10.0%	15.0%	15.0%	16.0%	2.0%	2.0%	2.0%									
fiscal year	2023	2024	2025	2026	2027	2028	2029	2030	2031									
Avg Mo. Bill Based On Revs / by # of Accounts	\$ 71.90	\$ 71.89	\$ 79.08	\$ 90.94	\$ 104.58	\$ 121.32	\$ 123.74	\$ 126.22	\$ 128.74									

City of Independence, Iowa

Net Income Summary and Debt Service Coverage

Series 2024 \$39,290,000 Sewer Revenue SRF Loan

2.0%		2.0%		2.0%		2.0%		2.0%		2.0%		2.0%		2.0%	
2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042					
3013	3013	3013	3013	3013	3013	3013	3013	3013	3013	3013					
\$ 4,747,844	\$ 4,842,801	\$ 4,939,657	\$ 5,038,450	\$ 5,139,219	\$ 5,242,003	\$ 5,346,843	\$ 5,453,780	\$ 5,562,856	\$ 5,674,113	\$ 5,787,595					
-	-	-	-	-	-	-	-	-	-	-					
\$ 4,747,844	\$ 4,842,801	\$ 4,939,657	\$ 5,038,450	\$ 5,139,219	\$ 5,242,003	\$ 5,346,843	\$ 5,453,780	\$ 5,562,856	\$ 5,674,113	\$ 5,787,595					
2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%					
\$ 1,486,235	\$ 1,515,960	\$ 1,546,279	\$ 1,577,205	\$ 1,608,749	\$ 1,640,924	\$ 1,673,742	\$ 1,707,217	\$ 1,741,361	\$ 1,776,188	\$ 1,811,712					
-	-	-	-	-	-	-	-	-	-	-					
\$ 1,486,235	\$ 1,515,960	\$ 1,546,279	\$ 1,577,205	\$ 1,608,749	\$ 1,640,924	\$ 1,673,742	\$ 1,707,217	\$ 1,741,361	\$ 1,776,188	\$ 1,811,712					
\$ 3,261,609	\$ 3,326,841	\$ 3,393,378	\$ 3,461,245	\$ 3,530,470	\$ 3,601,080	\$ 3,673,101	\$ 3,746,563	\$ 3,821,495	\$ 3,897,925	\$ 3,975,883					
\$ 3,261,609	\$ 3,326,841	\$ 3,393,378	\$ 3,461,245	\$ 3,530,470	\$ 3,601,080	\$ 3,673,101	\$ 3,746,563	\$ 3,821,495	\$ 3,897,925	\$ 3,975,883					
96,020	95,380	95,720	96,020	95,280	95,520	95,720	95,880								
2,649,428	2,688,983	2,699,080	2,699,493	2,699,410	2,699,815	2,699,653	2,699,895	2,699,488	2,699,403	2,699,585					
\$ 2,745,447.50	\$ 2,784,362.50	\$ 2,794,800.00	\$ 2,795,512.50	\$ 2,794,690.00	\$ 2,795,335.00	\$ 2,795,372.50	\$ 2,795,775.00	\$ 2,699,487.50	\$ 2,699,402.50	\$ 2,699,585.00					
1.19x	1.19x	1.21x	1.24x	1.26x	1.29x	1.31x	1.34x	1.42x	1.44x	1.47x					
\$ 516,161	\$ 542,479	\$ 598,578	\$ 665,733	\$ 735,780	\$ 805,745	\$ 877,729	\$ 950,788	\$ 1,122,007	\$ 1,198,522	\$ 1,276,298					
\$ 6,567,980	\$ 7,084,141	\$ 7,626,620	\$ 8,225,198	\$ 8,890,931	\$ 9,626,711	\$ 10,432,456	\$ 11,310,184	\$ 12,260,973	\$ 13,382,980	\$ 14,581,502					
\$ 7,084,141	\$ 7,626,620	\$ 8,225,198	\$ 8,890,931	\$ 9,626,711	\$ 10,432,456	\$ 11,310,184	\$ 12,260,973	\$ 13,382,980	\$ 14,581,502	\$ 15,857,800					
\$131.32	\$133.94	\$136.62	\$139.35	\$142.14	\$144.98	\$147.88	\$150.84	\$153.86	\$156.93	\$160.07					
2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%					
2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042					
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					
\$ 131.32	\$ 133.94	\$ 136.62	\$ 139.35	\$ 142.14	\$ 144.98	\$ 147.88	\$ 150.84	\$ 153.86	\$ 156.93	\$ 160.07					