



H. J. Umbaugh & Associates  
Certified Public Accountants, LLP  
8365 Keystone Crossing  
Suite 300  
P.O. Box 40458  
Indianapolis, IN 46240-0458  
Phone: 317-465-1500  
Fax: 317-465-1550  
www.umbaugh.com

February 13, 2012

Mr. Brian Bailey, Commissioner  
Department of Local Government Finance  
100 North Senate Avenue, #N-1058  
Indianapolis, IN 46204-2211

Re: Hartford City Public Library Proposed First Mortgage Bonds, Series 2012

Dear Mr. Bailey:

Pursuant to Indiana Code Section 6-1.1-20-3.6(m), enclosed please find information regarding the local public question for the project referenced above which will be placed on the ballot of the upcoming election scheduled for May 8, 2012.

If you have any questions about this information or if we can provide you with anything further, please do not hesitate to call.

Very truly yours,

UMBAUGH

Belvia Hiadari

BBH/rkf

Enclosures

cc: Ms. Vicki Cecil, Library Director, Hartford City Public Library  
Mr. James Forcum, Forcum & Forbes LLP  
Ms. Jane Herndon, Ice Miller LLP  
Ms. Kristin McClellan, Ice Miller LLP  
Mr. William Payne, Fanning Howey

**Political Subdivision:** Hartford City Public Library  
**County:** Blackford County  
**Date of Submission:** February 13, 2012  
**Date of Referendum:** May 8, 2012

Pursuant to Indiana Code Section 6-1.1-20-3.6(m), the following information is being provided:

**1) Cost per square foot of the buildings being constructed as a part of the controlled project**

<u>Building</u>	<u>Renovation Cost/Square Foot*</u>	<u>Construction Cost/Square Foot*</u>
Hartford City Public Library	\$111.13	\$227.82

\*Assumes hard construction costs per Fanning Howey.

**2) Effect that approval of the controlled project would have on the political subdivision's tax rate**

The effect that the approval of this project would have on the debt service tax rate is estimated to be a maximum of \$0.4256 in budget year 2030. There will not be an impact on any other tax rates of the Library resulting from this project. See Exhibit A.

**3) Maximum term of the bonds or lease**

The maximum term of the bonds is 20 years. This information is reflected in the Notice of Adoption of Preliminary Determination that was published on January 6, 2012 subsequent to the Preliminary Determination Hearing on January 4, 2012.

**4) Maximum principal amount of the bonds or the maximum lease rental for the lease**

The maximum principal amount of the Bonds is \$6,175,000, and the maximum annual lease rental is \$590,000.

**5) Estimated interest rates that will be paid and the total interest costs associated with the bonds or lease.**

The estimated interest rates range from 3.35% to 6.50% with total interest costs of \$4,471,029 over the life of the bond issue.

**6) Purpose of the bonds or lease**

See Exhibit B for a project description.

EXHIBIT A

**HARTFORD CITY PUBLIC LIBRARY**

**PRELIMINARY SCHEDULE OF AMORTIZATION OF \$6,175,000 PRINCIPAL  
AMOUNT OF PROPOSED FIRST MORTGAGE BONDS, SERIES 2012**

**Assumes Bonds dated December 15, 2012**

Payment Date	Principal Balance (----In \$1,000's----)	Principal	Assumed Interest Rate (1) (%)	Interest	Total	Capitalized Interest	Net Debt Service	Budget Year Total	Annual Lease Rental
7/15/2013	\$6,175			\$203,520.63	\$203,520.63	(\$203,520.63)	\$0.00		
1/15/2014	6,175			174,446.25	174,446.25	(174,446.25)	0.00	\$0.00	\$367,000 (2)
7/15/2014	6,175			174,446.25	174,446.25	(174,446.25)	0.00		
1/15/2015	6,175			174,446.25	174,446.25	(174,446.25)	0.00	0.00	367,000 (3)
7/15/2015	6,175	\$115	3.35	174,446.25	289,446.25		289,446.25		
1/15/2016	6,060	120	3.65	172,520.00	292,520.00		292,520.00	581,966.25	585,000
7/15/2016	5,940	120	3.65	170,330.00	290,330.00		290,330.00		
1/15/2017	5,820	125	4.10	168,140.00	293,140.00		293,140.00	583,470.00	587,000
7/15/2017	5,695	125	4.10	165,577.50	290,577.50		290,577.50		
1/15/2018	5,570	130	4.45	163,015.00	293,015.00		293,015.00	583,592.50	587,000
7/15/2018	5,440	130	4.45	160,122.50	290,122.50		290,122.50		
1/15/2019	5,310	135	4.75	157,230.00	292,230.00		292,230.00	582,352.50	586,000
7/15/2019	5,175	140	4.75	154,023.75	294,023.75		294,023.75		
1/15/2020	5,035	140	5.00	150,698.75	290,698.75		290,698.75	584,722.50	588,000
7/15/2020	4,895	145	5.00	147,198.75	292,198.75		292,198.75		
1/15/2021	4,750	145	5.20	143,573.75	288,573.75		288,573.75	580,772.50	584,000
7/15/2021	4,605	155	5.20	139,803.75	294,803.75		294,803.75		
1/15/2022	4,450	155	5.50	135,773.75	290,773.75		290,773.75	585,577.50	589,000
7/15/2022	4,295	160	5.50	131,511.25	291,511.25		291,511.25		
1/15/2023	4,135	165	5.70	127,111.25	292,111.25		292,111.25	583,622.50	587,000
7/15/2023	3,970	170	5.70	122,408.75	292,408.75		292,408.75		
1/15/2024	3,800	175	5.85	117,563.75	292,563.75		292,563.75	584,972.50	588,000
7/15/2024	3,625	180	5.85	112,445.00	292,445.00		292,445.00		
1/15/2025	3,445	185	5.95	107,180.00	292,180.00		292,180.00	584,625.00	588,000
7/15/2025	3,260	190	5.95	101,676.25	291,676.25		291,676.25		
1/15/2026	3,070	195	6.00	96,023.75	291,023.75		291,023.75	582,700.00	586,000
7/15/2026	2,875	200	6.00	90,173.75	290,173.75		290,173.75		
1/15/2027	2,675	210	6.10	84,173.75	294,173.75		294,173.75	584,347.50	588,000
7/15/2027	2,465	215	6.10	77,768.75	292,768.75		292,768.75		
1/15/2028	2,250	220	6.20	71,211.25	291,211.25		291,211.25	583,980.00	587,000
7/15/2028	2,030	225	6.20	64,391.25	289,391.25		289,391.25		
1/15/2029	1,805	235	6.25	57,416.25	292,416.25		292,416.25	581,807.50	585,000
7/15/2029	1,570	240	6.25	50,072.50	290,072.50		290,072.50		
1/15/2030	1,330	250	6.35	42,572.50	292,572.50		292,572.50	582,645.00	586,000
7/15/2030	1,080	260	6.35	34,635.00	294,635.00		294,635.00		
1/15/2031	820	265	6.40	26,380.00	291,380.00		291,380.00	586,015.00	590,000
7/15/2031	555	275	6.40	17,900.00	292,900.00		292,900.00		
1/15/2032	280	280	6.50	9,100.00	289,100.00		289,100.00	582,000.00	585,000
<b>Totals</b>		<u>\$6,175</u>		<u>\$4,471,028.13</u>	<u>\$10,646,028.13</u>	<u>(\$726,859.38)</u>	<u>\$9,919,168.75</u>	<u>\$9,919,168.75</u>	<u>\$10,710,000.00</u>

(1) Represents current interest rates plus 1%.

(2) Interim Lease Rental payments due June 30, 2013 and December 31, 2013.

(3) Interim Lease Rental payments due June 30, 2014 and December 31, 2014.

Prepared by Umbaugh

**HARTFORD CITY PUBLIC LIBRARY**

**SUMMARY OF ESTIMATED DEBT SERVICE TAX RATES**

**(Assumes a \$6,175,000 Bond Issue)**

<u>Budget Year</u>	<u>Proposed First Mortgage Bonds</u>	<u>Tax Levy</u>	<u>Estimated Net Assessed Value</u>	<u>Estimated Proposed Debt Service Tax Rate</u>
(1)	(2)	(3)	(4)	
2013	\$367,000	\$348,650	\$131,698,718	\$0.2647
2014	367,000	348,650	131,698,718	0.2647
2015	585,000	555,750	131,698,718	0.4220
2016	587,000	557,650	131,698,718	0.4234
2017	587,000	557,650	131,698,718	0.4234
2018	586,000	556,700	131,698,718	0.4227
2019	588,000	558,600	131,698,718	0.4241
2020	584,000	554,800	131,698,718	0.4213
2021	589,000	559,550	131,698,718	0.4249
2022	587,000	557,650	131,698,718	0.4234
2023	588,000	558,600	131,698,718	0.4241
2024	588,000	558,600	131,698,718	0.4241
2025	586,000	556,700	131,698,718	0.4227
2026	588,000	558,600	131,698,718	0.4241
2027	587,000	557,650	131,698,718	0.4234
2028	585,000	555,750	131,698,718	0.4220
2029	586,000	556,700	131,698,718	0.4227
2030	590,000	560,500	131,698,718	0.4256
2031	585,000	555,750	131,698,718	0.4220

(1) See page 1.

(2) Assumes a financial institutions/license excise factor of 5%, with 95% payable from a property tax levy.

(3) Based upon the 2010 pay 2011 certified net assessed value. Assumes no growth thereafter.

(4) Per \$100 of net assessed value.

Prepared by Umbaugh

**EXHIBIT B**

## **Project Description**

This project will include a two story addition of approximately 13,700 square feet, added to the east side of the existing 9,200 square foot Carnegie Library. The architectural design of the addition will compliment, while not attempting to duplicate, the detailing of the existing facades. The floor space in the Carnegie will be renovated to allow for greater flexibility and efficient use of space while also providing new, energy efficient building systems and access to updated technology. The new internal floor layouts will make it possible for existing staff to manage the larger floor space. New off street parking, landscaping and outdoor reading areas will compliment the library while enhancing the residential context.