



MUNICIPAL ADVISORS

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August 27, 2021  
(Revised)

Town Council  
Town of Speedway  
5300 Crawfordsville Road  
Speedway, IN 46224

Re: Speedway (Indiana) Municipal Water Utility  
Revised Financial Analysis

Dear Members of the Council:

The attached schedules (listed below) present unaudited and limited information for the purpose of discussion and consideration in the preliminary planning stage of the waterworks rate analysis by the appropriate officers, officials and advisors of the Speedway (Indiana) Municipal Water Utility. 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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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















  
Douglas L. Baldessari, Partner

**SPEEDWAY (INDIANA) MUNICIPAL WATER UTILITY**

**EXECUTIVE SUMMARY**

# SPEEDWAY (INDIANA) MUNICIPAL WATER UTILITY

## KEY PERFORMANCE INDICATORS

	2018	2019	2020 (Test Year)	Trend
Cash and Investment Balances:				
Restricted	\$1,353,179	\$1,199,979	\$1,056,587	
Unrestricted	2,065,496	2,246,186	3,065,867	
Total	<u>\$3,418,675</u>	<u>\$3,446,165</u>	<u>\$4,122,454</u>	
Receipts and Disbursements:				
Operating Receipts	\$2,817,937	\$2,836,876	\$2,928,878	
Operating Disbursements	1,997,145	1,947,619	1,660,733	
Net Operating Receipts	<u>\$820,792</u>	<u>\$889,257</u>	<u>\$1,268,145</u>	
Total Receipts (Disbursements)	<u>(\$8,855)</u>	<u>\$27,490</u>	<u>\$676,289</u> (1)	
Cash Analysis				
Days Cash on Hand	377	421	674	
Quick Ratio	7.01	7.06	8.75	
Debt Service Coverage				
Standard	212%	235%	321%	
With PILOT	187%	210%	321%	
Debt Management				
Outstanding Debt	\$5,252,308	\$4,943,994	\$4,630,207	
Debt to Income Ratio	49%	45%	31%	
Leverage Ratio	6.4	5.6	3.7	

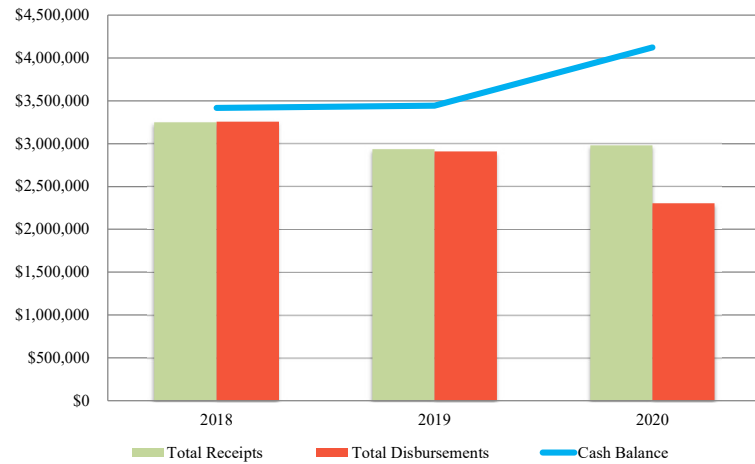
(1) Estimated large increase in total receipts for calendar year 2020 is due to the following:

Timing of annual collection of metered sales	\$71,000
Delayed spending on annual operating disbursements	287,000
Payment in lieu of taxes not paid until January 2021	100,000
Delayed spending on capital improvements	<u>217,000</u>
Total	<u>\$675,000</u>

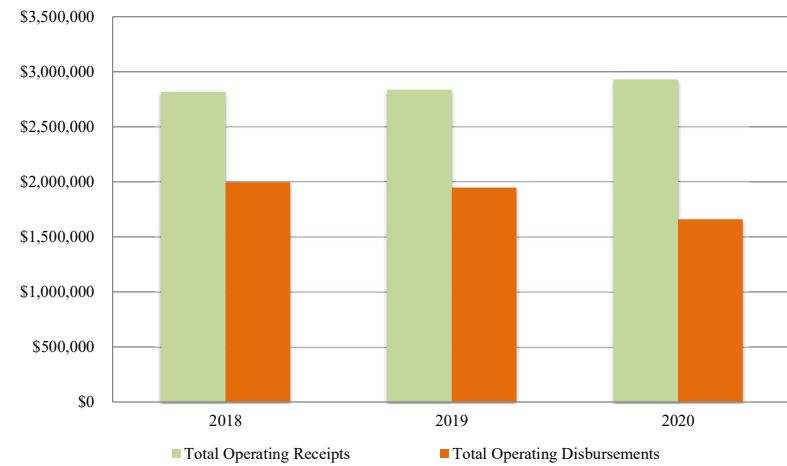
(Subject to the attached letter dated August 27, 2021)  
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# SPEEDWAY (INDIANA) MUNICIPAL WATER UTILITY

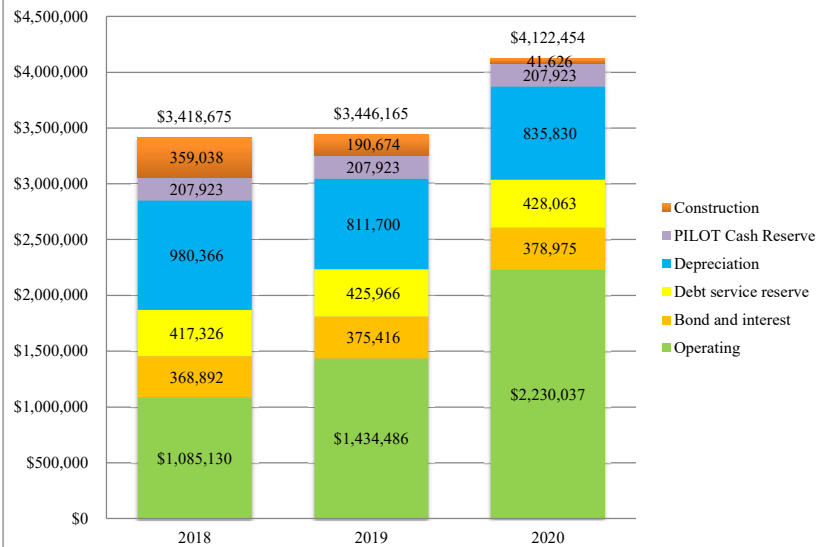
## Historical Total Receipts, Disbursements and Cash Balance Trends



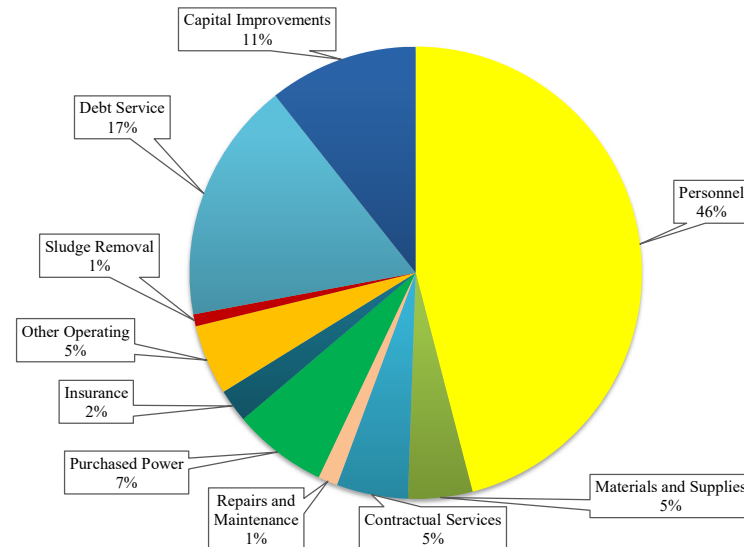
## Historical Operating Receipts and Disbursements



## Cash Balances by Fund



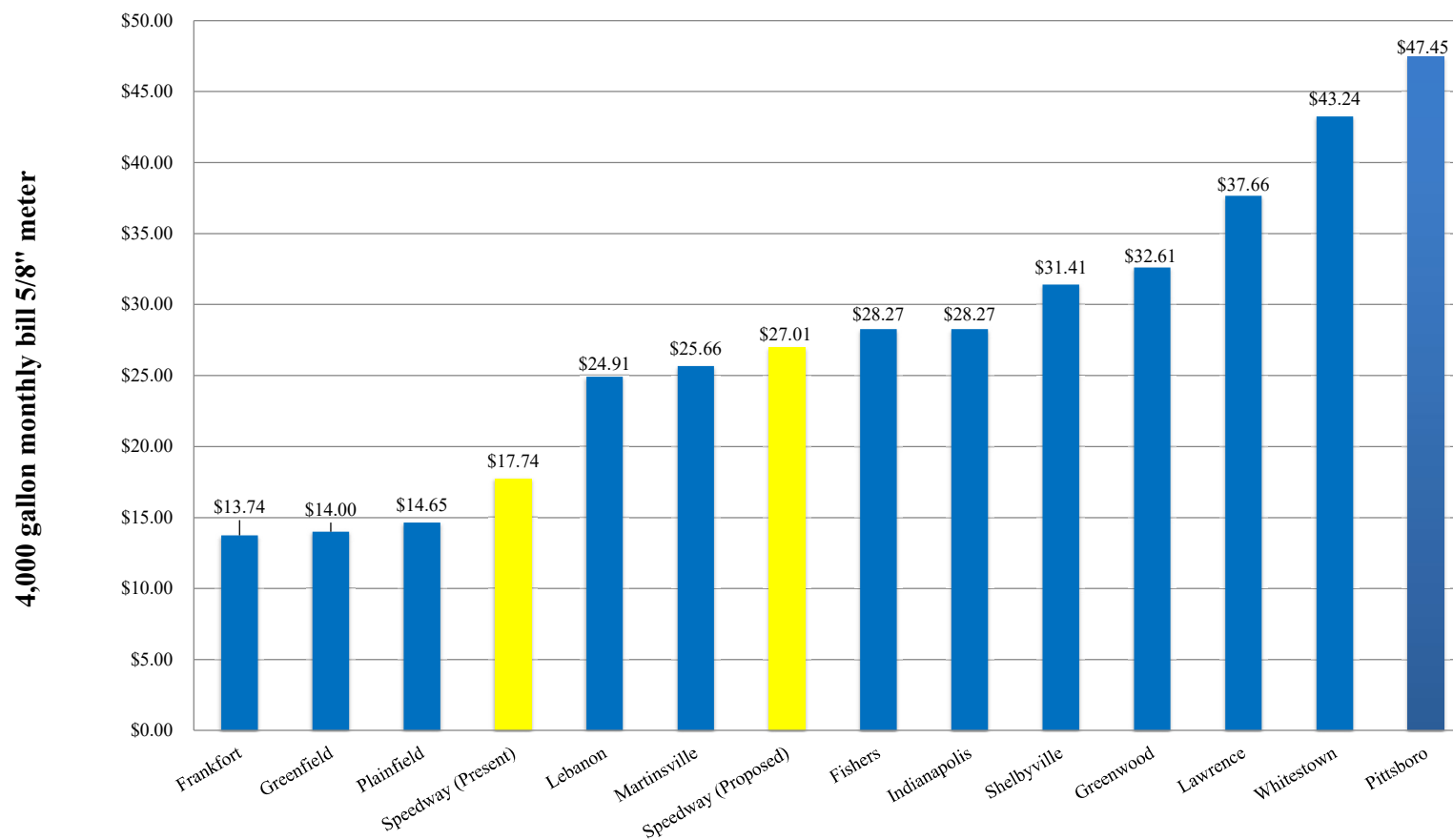
## Disbursement Analysis: Test Year Ended 12/31/2020



(Subject to the attached letter dated August 27, 2021)  
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SPEEDWAY (INDIANA) MUNICIPAL WATER UTILITY

Comparison of Monthly Residential Bills with Other Indiana Communities



(Subject to the attached letter dated August 27, 2021)  
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**SPEEDWAY (INDIANA) MUNICIPAL WATER UTILITY**

**SUPPLEMENTAL DATA**

# SPEEDWAY (INDIANA) MUNICIPAL WATER UTILITY

## COMPARISON OF FUND BALANCES WITH MINIMUM BALANCES REQUIRED

<u>Cash and Investments:</u>	<u>Fund Balances 12/31/2020</u>	<u>Minimum Balance Required (1)</u>	<u>Variance</u>
Operating fund (2)	\$2,230,037	\$443,227	\$1,786,810
Sinking fund:			
Bond and interest account (3)	378,975	360,254	18,721
Debt service reserve account (4)	428,063	403,623	24,440
Depreciation fund (5)	835,830	367,195	468,635
PILOT cash reserve (6)	207,923	207,923	-
Construction fund (7)	41,626	41,626	-
Totals	<u>\$4,122,454</u>	<u>\$1,823,848</u>	<u>\$2,298,606</u>

(1) **Required Reserves:** Balances required per Bond Ordinance No. 1209.

(2) **Operating Fund:** The balance maintained in the operating fund should be sufficient to pay the expenses of operation, repair, and maintenance of the utility for the next succeeding two (2) calendar months.

Pro Forma operation and maintenance expense	\$2,659,361
Times factor for 2 months	<u>16.67%</u>
Required Reserve	<u>\$443,227</u>

(Continued on next page)

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# SPEEDWAY (INDIANA) MUNICIPAL WATER UTILITY

(Cont'd)

## COMPARISON OF FUND BALANCES WITH MINIMUM BALANCES REQUIRED

- (3) **Bond and Interest Account:** A balance must be maintained equal to the sum of the monthly transfers in the amount of 1/12 of the next succeeding principal payment and the amount of 1/6 of the next succeeding interest payment.

	<u>Amount</u>		<u>Factor</u>	<u>Months</u>	<u>Total</u>
<u>2011 Bonds</u>					
Principal Due 1/1/21	32,780	x	1/12	12	\$32,780
Interest Due 1/1/21	8,172	x	1/6	6	8,172
<u>2012 Bonds</u>					
Principal Due 1/1/21	286,590	x	1/12	12	286,590
Interest Due 1/1/21	32,712	x	1/6	6	32,712
Required Reserve					<u>\$360,254</u>

- (4) **Debt Service Reserve Amount:** Equal to the maximum principal and interest payment on the outstanding bonds.

Required Reserve	<u>\$403,623</u>
------------------	------------------

- (5) **Depreciation Fund:** No minimum balance required. However, as a general rule an amount equal to the annual depreciation allowance is typically maintained in this account to provide a funding source for ongoing capital improvements.

Utility plant in service as of 12/31/2020 (Based on Gateway Annual Financial Report)	\$8,122,788
Plus proposed capital improvement projects (page 11)	10,250,000
Less land	<u>(13,047)</u>
Depreciable capital assets	18,359,741
Times composite depreciation rate	<u>2.0%</u>
<u>Recommended Reserve</u>	<u>\$367,195</u>

- (6) **PILOT Cash Reserve:** Monies are restricted for payments in lieu of taxes.

- (7) **Construction Fund:** Monies are restricted for capital project expenditures.

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# SPEEDWAY (INDIANA) MUNICIPAL WATER UTILITY

## **SCHEDULE OF AMORTIZATION OF \$436,298 PRINCIPAL AMOUNT OF OUTSTANDING WATERWORKS REVENUE BONDS OF 2011**

**Interest and Principal payable semi-annually January 1st and July 1st**

**Interest rate as shown.**

Payment Date	Principal Balance (In Dollars)	Interest Rate (%)	Debt Service			Bond Year Total
			Principal	Interest	Total	
			(-----In Dollars-----)			
01/01/21	\$436,298	3.746	\$32,780	\$8,171.86	\$40,951.86	\$40,951.86
07/01/21	403,518			7,557.89	7,557.89	
01/01/22	403,518	3.746	34,007	7,557.89	41,564.89	49,122.78
07/01/22	369,511			6,920.94	6,920.94	
01/01/23	369,511	3.746	35,281	6,920.94	42,201.94	49,122.88
07/01/23	334,230			6,260.13	6,260.13	
01/01/24	334,230	3.746	36,603	6,260.13	42,863.13	49,123.26
07/01/24	297,627			5,574.55	5,574.55	
01/01/25	297,627	3.746	37,974	5,574.55	43,548.55	49,123.10
07/01/25	259,653			4,863.30	4,863.30	
01/01/26	259,653	3.746	39,397	4,863.30	44,260.30	49,123.60
07/01/26	220,256			4,125.39	4,125.39	
01/01/27	220,256	3.746	40,872	4,125.39	44,997.39	49,122.78
07/01/27	179,384			3,359.86	3,359.86	
01/01/28	179,384	3.746	42,403	3,359.86	45,762.86	49,122.72
07/01/28	136,981			2,565.65	2,565.65	
01/01/29	136,981	3.746	43,992	2,565.65	46,557.65	49,123.30
07/01/29	92,989			1,741.68	1,741.68	
01/01/30	92,989	3.746	45,640	1,741.68	47,381.68	49,123.36
07/01/30	47,349			886.85	886.85	
01/01/31	47,349	3.746	47,349	886.85	48,235.85	49,122.70
	Totals		<u>\$436,298</u>	<u>\$95,884.34</u>	<u>\$532,182.34</u>	<u>\$532,182.34</u>

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# SPEEDWAY (INDIANA) MUNICIPAL WATER UTILITY

## **SCHEDULE OF AMORTIZATION OF \$4,193,909 PRINCIPAL AMOUNT** **OF OUTSTANDING WATERWORKS REVENUE BONDS OF 2012** **Interest and Principal payable semi-annually July 1st and January 1st** **Interest rate as shown.**

Payment Date	Principal Balance (In Dollars)	Interest Rate (%)	Debt Service			Bond Year Total
			Principal	Interest	Total	
			(-----In Dollars-----)			
01/01/21	\$4,193,909	1.560	\$286,590	\$32,712.49	\$319,302.49	\$319,302.49
07/01/21	3,907,319			30,477.09	30,477.09	
01/01/22	3,907,319	1.560	291,059	30,477.09	321,536.09	352,013.18
07/01/22	3,616,260			28,206.83	28,206.83	
01/01/23	3,616,260	1.560	295,596	28,206.83	323,802.83	352,009.66
07/01/23	3,320,664			25,901.18	25,901.18	
01/01/24	3,320,664	1.560	300,204	25,901.18	326,105.18	352,006.36
07/01/24	3,020,460			23,559.59	23,559.59	
01/01/25	3,020,460	1.560	304,885	23,559.59	328,444.59	352,004.18
07/01/25	2,715,575			21,181.49	21,181.49	
01/01/26	2,715,575	1.560	309,637	21,181.49	330,818.49	351,999.98
07/01/26	2,405,938			18,766.32	18,766.32	
01/01/27	2,405,938	1.560	314,465	18,766.32	333,231.32	351,997.64
07/01/27	2,091,473			16,313.49	16,313.49	
01/01/28	2,091,473	1.560	319,368	16,313.49	335,681.49	351,994.98
07/01/28	1,772,105			13,822.42	13,822.42	
01/01/29	1,772,105	1.560	324,346	13,822.42	338,168.42	351,990.84
07/01/29	1,447,759			11,292.52	11,292.52	
01/01/30	1,447,759	1.560	329,403	11,292.52	340,695.52	351,988.04
07/01/30	1,118,356			8,723.18	8,723.18	
01/01/31	1,118,356	1.560	334,539	8,723.18	343,262.18	351,985.36
07/01/31	783,817			6,113.77	6,113.77	
01/01/32	783,817	1.560	388,877	6,113.77	394,990.77	401,104.54
07/01/32	394,940			3,080.53	3,080.53	
01/01/33	394,940	1.560	394,940	3,080.53	398,020.53	401,101.06
	Totals		<u>\$4,193,909</u>	<u>\$447,589.31</u>	<u>\$4,641,498.31</u>	<u>\$4,641,498.31</u>

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**SPEEDWAY (INDIANA) MUNICIPAL WATER UTILITY****SCHEDULE OF COMBINED BOND AMORTIZATION**

<u>Payment Date</u>	<u>2011 Bonds</u>	<u>2012 Bonds</u>	<u>Total</u>	<u>Bond Year Total</u>
01/01/21	\$40,951.86	\$319,302.49	\$360,254.35	\$360,254.35
07/01/21	7,557.89	30,477.09	38,034.98	
01/01/22	41,564.89	321,536.09	363,100.98	401,135.96
07/01/22	6,920.94	28,206.83	35,127.77	
01/01/23	42,201.94	323,802.83	366,004.77	401,132.54
07/01/23	6,260.13	25,901.18	32,161.31	
01/01/24	42,863.13	326,105.18	368,968.31	401,129.62
07/01/24	5,574.55	23,559.59	29,134.14	
01/01/25	43,548.55	328,444.59	371,993.14	401,127.28
07/01/25	4,863.30	21,181.49	26,044.79	
01/01/26	44,260.30	330,818.49	375,078.79	401,123.58
07/01/26	4,125.39	18,766.32	22,891.71	
01/01/27	44,997.39	333,231.32	378,228.71	401,120.42
07/01/27	3,359.86	16,313.49	19,673.35	
01/01/28	45,762.86	335,681.49	381,444.35	401,117.70
07/01/28	2,565.65	13,822.42	16,388.07	
01/01/29	46,557.65	338,168.42	384,726.07	401,114.14
07/01/29	1,741.68	11,292.52	13,034.20	
01/01/30	47,381.68	340,695.52	388,077.20	401,111.40
07/01/30	886.85	8,723.18	9,610.03	
01/01/31	48,235.85	343,262.18	391,498.03	401,108.06
07/01/31		6,113.77	6,113.77	
01/01/32		394,990.77	394,990.77	401,104.54
07/01/32		3,080.53	3,080.53	
01/01/33		398,020.53	398,020.53	401,101.06
Totals	<u>\$532,182.34</u>	<u>\$4,641,498.31</u>	<u>\$5,173,680.65</u>	<u>\$5,173,680.65</u>
Average annual debt service for the five bond years ending January 1, 2026				<u>\$401,129.80</u>

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**SPEEDWAY (INDIANA) MUNICIPAL WATER UTILITY**

**UTILITY CAPITAL IMPROVEMENT PLAN**  
**(Per Consulting Engineers)**

Capital Improvement Categories:	Estimated Project Year					Totals
	2022	2023	2024	2025	2026	
System-Wide:						
System Wide Cellular Communications	\$102,000					\$102,000
Arc-Flash Study		\$25,000				25,000
Wells:						
Well House and Equipment Rehabilitation			\$509,000			509,000
Well Pump VFD Installation				\$203,000		203,000
New Well - Jr. High School		900,000				900,000
GWTP:						
Aerator Inspection and Improvements				36,000		36,000
Detention Tank Access Hatch Replacement				25,000		25,000
Rebuild HSP No. 2 and 3					\$40,000	40,000
SWTP:						
Low Head Dam Improvements					298,000	298,000
Raw Water Intake Structure Cover	128,000					128,000
Operational Strategy Modifications Pilot Study	350,000					350,000
Chemical:						
Switch to Bulk Bleach	498,000					498,000
Switch to Bulk HSF	325,000					325,000
Phosphate Addition				120,000		120,000
Site:						
WTP Construct Garage		263,000				263,000
WTP Security				158,000		158,000
Tanks:						
16th Street Tank Improvements					242,000	242,000
Equipment:						
Pull Behind Vac Machine w/ Valve Turner			92,500			92,500
Hydra Valve Equipment				60,000		60,000
Distribution Assets:						
Water Main Replacement (1%)	683,000	683,000	683,000	683,000	683,000	3,415,000
Lead Service Replacement (10%)	254,500	254,500	254,500	254,500	254,500	1,272,500
LSLR Mapping	3,600	3,600	3,600	3,600	3,600	18,000
Valve Replacement (3%)	84,000	84,000	84,000	84,000	84,000	420,000
Hydrant Replacement	60,000	60,000	60,000	60,000	60,000	300,000
Meter Replacement Program	90,000	90,000	90,000	90,000	90,000	450,000
Sub-Totals	<u>\$2,578,100</u>	<u>\$2,363,100</u>	<u>\$1,776,600</u>	<u>\$1,777,100</u>	<u>\$1,755,100</u>	\$10,250,000
Less Amount Funded with ARP						<u>(2,000,000)</u>
Total Capital Improvements						\$8,250,000
Divided by Five Years						<u>5</u>
Average Annual Capital Improvements (No Bonds)						<u>\$1,650,000</u>
With Bonds:						\$4.5 Million
Total Capital Improvements						\$8,250,000
Less Proposed Bond Funded Projects						<u>(4,125,000)</u>
Sub-total						\$4,125,000
Divided by five years						<u>5</u>
Average Annual Capital Improvements (With Bonds)						<u>\$825,000</u>

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# SPEEDWAY (INDIANA) MUNICIPAL WATER UTILITY

## PRO FORMA ANNUAL CASH OPERATING DISBURSEMENTS

(See Explanation of Adjustments 13 - 15)

	<u>Test Year</u>	<u>Adjustment</u>	<u>Ref.</u>	<u>Pro Forma</u>
Annual Operating Disbursement:				
Salaries and wages	\$717,433	\$310,069	(1)	\$1,027,502
Employee pensions and benefits	341,591	78,821	(2)(3)(4)	420,412
Materials and supplies	60,209			60,209
Chemicals	45,638	28,436	(6)	74,074
Repairs and maintenance	32,110	484,173	(8)	516,283
Contractual services	117,682			117,682
Sludge removal	19,811	10,189	(7)	30,000
Purchased power	156,162	3,838	(7)	160,000
Insurance	54,210			54,210
Transportation	30,088			30,088
Testing	5,890	4,110	(7)	10,000
Utilities	2,045	1,535	(5)	3,580
Telephone	10,318			10,318
Education	6,309			6,309
Utility receipts tax	46,000			46,000
Sales tax (net)	75			75
Miscellaneous	15,162			15,162
	<u>\$1,660,733</u>	<u>\$921,171</u>		<u>2,581,904</u>
Subtotal:				
	<u>\$1,660,733</u>	<u>\$921,171</u>		<u>2,581,904</u>
Unforeseen contingencies and inflation			(9)	<u>77,457</u>
Pro Forma Annual Cash Operating Disbursements - 2021				<u>\$2,659,361</u>
Pro Forma Annual Cash Operating Disbursements - 2022 (3% Inflation)				<u>\$2,739,100</u>
Pro Forma Annual Cash Operating Disbursements - 2023 (3% Inflation)				<u>\$2,821,300</u>

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**SPEEDWAY (INDIANA) MUNICIPAL WATER UTILITY**  
**(Cont'd)**  
**PRO FORMA ANNUAL CASH OPERATING DISBURSEMENTS**  
**(Explanation of Adjustments)**

Adjustment (1) - Salaries and Wages

To adjust test year salaries and wages to reflect management estimates of staffing levels and pay rates

Pro forma salaries and wages	\$1,027,502	
Less test year disbursements	(717,433)	
Adjustment		<u><u>\$310,069</u></u>

Adjustment (2) - FICA

To adjust test year FICA disbursements to reflect pro forma salaries and wages.

Pro forma salaries and wages	\$1,027,502	
Times current FICA rate	7.65%	
	<u>78,604</u>	
Sub-total	78,604	
Less test year disbursements	(52,151)	
Adjustment		<u><u>\$26,453</u></u>

Adjustment (3) - PERF

To adjust test year PERF disbursements to reflect pro forma salaries and wages.

Pro forma eligible salaries and wages	\$932,535	
Times current PERF rate	11.2%	
	<u>104,444</u>	
Sub-total	104,444	
Less test year disbursements	(78,820)	
Adjustment		<u><u>\$25,624</u></u>

Adjustment (4) - Health Insurance

To adjust test year health insurance costs to reflect the most recent premium renewal information and utility management estimates.

Pro forma health insurance	\$205,035	
Less test year disbursements	(178,291)	
Adjustment		<u><u>\$26,744</u></u>

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**SPEEDWAY (INDIANA) MUNICIPAL WATER UTILITY**  
**(Cont'd)**  
**PRO FORMA ANNUAL CASH OPERATING DISBURSEMENTS**  
**(Explanation of Adjustments)**

Adjustment (5) - Utilities

To adjust test year utilities costs to reflect a full twelve months of gas payments.

Pro forma utilities	\$3,580	
Less test year disbursements	(2,045)	
Adjustment		<u><u>\$1,535</u></u>

Adjustment (6) - Chemicals

To adjust test year chemical disbursements to reflect the three year historical average.

Pro forma chemicals	\$74,074	
Less test year disbursements	(45,638)	
Adjustment		<u><u>\$28,436</u></u>

Adjustment (7) - 2021 Budget

To adjust test year operating disbursements to reflect the 2021 Budget amount.

Pro forma sludge removal	\$30,000	
Less test year disbursements	(19,811)	
Adjustment		<u><u>\$10,189</u></u>
Pro forma purchased power	160,000	
Less test year disbursements	(156,162)	
Adjustment		<u><u>\$3,838</u></u>
Pro forma testing	10,000	
Less test year disbursements	(5,890)	
Adjustment		<u><u>\$4,110</u></u>

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(Subject to the attached letter dated August 27, 2021)  
(Preliminary - Subject to Change)  
(Internal Use Only)

**SPEEDWAY (INDIANA) MUNICIPAL WATER UTILITY****(Cont'd)****PRO FORMA ANNUAL CASH OPERATING DISBURSEMENTS****(Explanation of Adjustments)**Adjustment (8) - Periodic Maintenance

To adjust test year to allow for periodic maintenance on the wells, pumps, filter media and tank maintenance, per consulting engineer and utility management.

**I. Well Maintenance**

a. Well inspections, cleaning and maintenance	\$120,000
b. Pump inspections, cleaning and maintenance	18,000

**II. Treatment Plant Maintenance**

a. Water loss audit	7,000
b. Filter media inspection	5,000
c. Chemical system maintenance	155,000
d. Cellular use	6,120
e. Building maintenance	18,000
f. Office maintenance	2,000

**III. Tank Maintenance**

a. Cleaning and inspection	10,000
b. Tank painting	
1. 16th Street tank (1,000,000 gallons)	
(\$1,980,000 every fifteen years)	132,000
2. Meadowood park tank (500,000 gallons)	
(\$500,000 every fifteen years)	33,333

Sub-total	506,453
Less test year disbursements	(22,280)
Adjustment	

\$484,173Adjustment (9) - Unforeseen Contingencies and Inflation

To provide an allowance for unforeseen contingencies and future inflation.

Test year cash operating disbursements	\$1,660,733
Adjustments to test year cash operating disbursements	921,171
Sub-total	2,581,904
Times inflation allowance	3%
Adjustment	

\$77,457

(Subject to the attached letter dated August 27, 2021)  
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## **SPEEDWAY (INDIANA) MUNICIPAL WATER UTILITY**

### **PRO FORMA ANNUAL REVENUE REQUIREMENTS** **AND ANNUAL OPERATING RECEIPTS**

**See Explanation of References, page 16**  
**(Amounts rounded to the nearest \$100)**

#### **Revenue Requirements:**

Operation and maintenance disbursements (pg. 11 - 14)	\$2,821,300
Additional utility receipts tax (1.46%)	22,600
Payment in lieu of taxes (1)	100,000
Debt service:	
Outstanding bonds (pg. 9)	401,100
Proposed bonds (2)	189,800
Debt service reserve (3)	33,000
Replacements and improvements (4)	825,000
	<hr/>
Total Annual Revenue Requirements	4,392,800
Less test year penalties (5)	(12,200)
Less test year interest income (5)	(11,400)
Less test year rental income (5)	(13,200)
	<hr/>
Net Annual Revenue Requirements	<u><u>\$4,356,000</u></u>

#### **Annual Receipts:**

Metered sales (6)	\$2,188,500
Fire protection (5)	622,200
	<hr/>
Total Available Receipts	<u><u>\$2,810,700</u></u>
Additional Receipts Required	<u><u>\$1,545,300</u></u>
Approximate Across-The-Board Increase	
In Present Rates and Charges	<u><u>55%</u></u>
Change in Average Monthly	
Residential Bill (Current Bill \$17.74)	<u><u>\$9.27</u></u>
Approximate Average Residential	
Monthly Bill (4,000 gallons)	<u><u>\$27.01</u></u>

(Continued on next page)

(Subject to the attached letter dated August 27, 2021)  
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**SPEEDWAY (INDIANA) MUNICIPAL WATER UTILITY**

**(Cont'd)**

**PRO FORMA ANNUAL REVENUE REQUIREMENTS**

**AND ANNUAL OPERATING RECEIPTS**

**(Explanation of References)**

- (1) To provide an allowance for payment in lieu of taxes equal to the annual amount in calendar year 2018 and 2019.
- (2) To provide an allowance for the annual debt service on proposed \$4,500,000 Waterworks Revenue Bonds amortized over a 20 year period assuming an interest rate of 4.0%.
- (3) To provide an allowance for funding of the debt service reserve on the proposed bonds over a five-year period.
- (4) To provide an allowance for replacements and improvements based on the capital improvement plan, see page 10.
- (5) Assumed at test year amounts.
- (6) Normalized for change in bill calculation in accordance with the Rate Ordinance.

Calendar year 2020 metered sales	\$2,294,501
Less: Billing correction	<u>(106,021)</u>
Normalized 2020 metered sales	<u><u>\$2,188,480</u></u>

(Subject to the attached letter dated August 27, 2021)

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# SPEEDWAY (INDIANA) MUNICIPAL WATER UTILITY

## SCHEDULE OF PRESENT AND PROPOSED RATES AND CHARGES

<u>Monthly Metered Flow Rate (per 1,000 gallons)</u>		<u>Present</u> (1)	<u>Proposed</u> (2)
First	10,000 gallons	\$4.15	\$6.43
Next	15,000 gallons	2.98	4.62
Next	75,000 gallons	2.41	3.74
Next	750,000 gallons	1.94	3.01
Over	850,000 gallons	1.68	2.60

<u>Minimum Charge (per month)</u>		<u>Gallons Allowed</u>		
5/8	inch meter	4,200	\$17.74	\$27.01
3/4	inch meter	8,500	35.31	54.66
1	inch meter	13,900	53.36	82.32
1 1/2	inch meter	24,300	84.39	130.37
2	inch meter	42,900	129.36	200.55
3	inch meter	94,200	253.05	392.41
4	inch meter	150,800	365.53	567.01
6	inch meter	281,200	618.63	959.51
8	inch meter	513,100	1,068.54	1,657.53

### Public Fire Protection Charge (per month)

5/8	inch meter	\$1.81	\$2.81
3/4	inch meter	1.81	2.81
1	inch meter	4.63	7.18
1 1/2	inch meter	10.41	16.14
2	inch meter	18.52	28.71
3	inch meter	41.66	64.57
4	inch meter	74.06	114.79
6	inch meter	166.64	258.29
8	inch meter	296.23	459.16

### Private Fire Protection Charge (per annum)

Automatic sprinkler service	\$1,773.33	\$2,748.66
Standpipe connection	533.67	827.19
Hydrant rental	1,182.22	1,832.44

(1) Present rates and charges per Ordinance No. 1170 effective November 15, 2011.

(2) Proposed rates and charges assume a 55% across-the-board increase in present rates and charges.

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