

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF THE CITY OF MARTINSVILLE,)
INDIANA, FOR AUTHORITY TO ISSUE BONDS,)
NOTES, OR OTHER OBLIGATIONS, FOR)
AUTHORITY TO INCREASE ITS RATES AND) CAUSE NO. 45262
CHARGES FOR WATER SERVICE, AND FOR)
APPROVAL OF NEW SCHEDULES OF WATER)
RATES AND CHARGES.)

SETTLEMENT TESTIMONY

OF

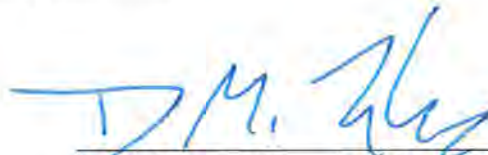
MARGARET A. STULL – PUBLIC’S EXHIBIT NO. 4

ON BEHALF OF THE

INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR

December 3, 2019

Respectfully submitted,



Daniel M. Le Vay, Atty. No. 22184-49
Deputy Consumer Counselor

CERTIFICATE OF SERVICE

This is to certify that a copy of the foregoing *Office of Utility Consumer Counselor Settlement Testimony of Margaret A. Stull* has been served upon the following counsel of record in the captioned proceeding by electronic service on December 3, 2019.

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SETTLEMENT TESTIMONY OF OUCC WITNESS MARGARET A. STULL
CAUSE NO. 45262
CITY OF MARTINSVILLE

I. INTRODUCTION

1 **Q: Please state your name and business address.**

2 A: My name is Margaret A. Stull, and my business address is 115 W. Washington St.,
3 Suite 1500 South, Indianapolis, Indiana 46204.

4 **Q: By whom are you employed and in what capacity?**

5 A: I am employed by the Indiana Office of Utility Consumer Counselor ("OUCC") as
6 a Chief Technical Advisor in the Water/Wastewater Division. My qualifications are
7 set forth in Appendix "A."

8 **Q: What is the purpose of your testimony?**

9 A: I explain how the public interest will be served if the Indiana Utility Regulatory
10 Commission ("Commission") approves the Stipulation and Settlement Agreement
11 ("Settlement") reached between the City of Martinsville's ("Martinsville" or
12 "Petitioner") and the OUCC (collectively called the "Settling Parties"). In
13 Martinsville's case-in-chief, it requested an overall rate increase of 19.77% to be
14 implemented in three phases. In the Settlement, the Settling Parties have agreed to
15 an overall across-the-board increase of 14.30% to be implemented in the same
16 manner. My testimony presents the agreed revenue requirement and discloses
17 various agreed revenue and operating expense adjustments. I also discuss the
18 Settling Parties agreement regarding debt service and debt service reserve, both
19 subject to true-up following Martinsville's bond closing date.

1 **Q: Do you sponsor any schedules or attachments?**

2 A: Yes. I sponsor the following schedules:

3 Schedule 1 – Comparison of Overall Revenue Requirement (page 1)
4 Comparison of Phased Revenue Requirement (page 2)
5 Comparison of Income Statement Adjustment (page 3)

6 Schedule 2 – Comparative Balance Sheet as of December 31, 2018, 2017, and
7 2016

8 Schedule 3 – Comparative Income Statement for the twelve months ended
9 December 31, 2018, 2017, and 2016

10 Schedule 4 – *Pro Forma* Net Operating Income Statement

11 Schedule 5 – Revenue Adjustments

12 Schedule 6 – Expense Adjustments

13 Schedule 7 – Depreciation Expense

14 Schedule 8 – Payment in Lieu of Property Taxes

15 Schedule 9 – Working Capital

16 Schedule 10 – Proposed Tariff

II. SETTLEMENT

17 **Q: Please describe the Settlement reached by the Settling Parties?**

18 A: The Settling Parties agreed that Martinsville should be authorized to increase its
19 rates and charges for water service to reflect an overall net revenue requirement of
20 \$2,869,274. This results in an overall increase of 14.30% on an across-the-board
21 basis, or \$346,783 over Martinsville's current revenue at exiting rates. The increase
22 in rates will take place in three steps or phases: (1) 6.28% in Phase 1 for an increase
23 in revenues of \$152,316 to take effect January 1, 2021; (2) 3.16% in Phase 2 for an
24 increase in revenues of \$81,523 to take effect January 1, 2022; and (3) 4.25% in

1 Phase 3 for an increase in revenues of \$112,944 to take effect January 1, 2023.
 2 Table MAS-1 compares the overall revenue requirement proposed by Martinsville
 3 with that agreed to in the Settlement.

TABLE MAS-1: COMPARISON OF OVERALL REVENUE REQUIREMENT

	Per Petitioner	Per Settlement	Sch Ref	Settlement More (Less)
Operating Expenses	\$ 1,447,076	\$ 1,387,216	4	\$ (59,860)
Sales Tax Expense	116,407	-	4	(116,407)
Utility Receipts Tax	36,999	36,999	4	0
Depreciation Expense	282,982	282,051	7	(931)
Payment in Lieu of Property Taxes	173,640	162,490	8	(11,150)
Working Capital	187,108	-	9	(187,108)
Debt Service	888,422	886,786	PET	(1,636)
Debt Service Reserve	-	117,921		117,921
Total Revenue Requirements	3,132,634	2,873,463		(259,171)
Revenue Required Offsets				
Interest Income	(4,189)	(4,189)	3	-
Net Revenue Requirements	3,128,445	2,869,274		(259,171)
Less Revenues at current rates subject to increase	(2,534,502)	(2,424,954)	4	109,548
Other revenues at current rates	(99,852)	(103,084)	4	(3,232)
Net Revenue Increase Required	494,091	341,236		(152,855)
Additional Utility Receipts Tax	6,979	5,548		(1,431)
Recommended Increase	\$ 501,070	\$ 346,784		\$ (154,286)
Recommended Percentage Increase	19.77%	14.30%		-5.47%

4 **Q: Does the Settlement include any non-revenue requirement terms?**

5 A: Yes. The Settling Parties agreed Martinsville will establish a restricted tank
 6 maintenance account and would pre-fund this account with \$140,000 of its cash on
 7 hand. Upon implementation of Phase 1 rates, Martinsville will begin depositing
 8 \$35,359 annually into this account. The Settling Parties also agreed Martinsville
 9 will develop a tank maintenance program, as described in the AWWA Standard
 10 G200 Sections 4.3.1.3 and 4.3.1.4, within six (6) months of issuance of the final

1 order in this Cause. Martinsville will provide a copy of this tank maintenance
2 program to the Commission and the OUCC.

3 The Settling Parties also agreed Martinsville will establish a restricted
4 capital improvement account and, upon implementation of Phase 1 rates, begin
5 depositing no less than an amount equal to the annual depreciation expense
6 included in Martinsville's revenue requirement in this Cause (\$141,025 in Phase 1;
7 \$211,538 in Phase 2; and \$282,051 in Phase 3 and thereafter). Martinsville will also
8 provide notice to the Commission and the OUCC when it has completed its asset
9 management plan. Further, to the extent the Environmental Protection Agency
10 ("EPA") pays the costs of replacing filter media, the \$125,000 provided in the
11 revenue requirement for this expense shall also be deposited into the restricted
12 capital improvement fund to be used to replace aging infrastructure or other capital
13 improvement needs.

14 Finally, the Settling Parties agreed Martinsville will submit annual reports
15 to the Commission and the OUCC describing its capital improvements funded
16 through its restricted capital improvement account. Martinsville will also submit
17 annual reports describing its periodic maintenance expenditures for well cleaning,
18 pump repairs, GAC media replacement, tank cleaning, and tank painting.

19 **Q: Are there any accounting related non-revenue requirement terms included in**
20 **the Settlement?**

21 **A:** Yes. The Settling Parties have agreed Martinsville will account for its water utility
22 using the proprietary (enterprise) fund accounting methodology. Martinsville has
23 agreed to implement this change in accounting methodology prior to filing its next

1 rate case but no later than January 1, 2021. In conjunction with this requirement,
2 Martinsville will review and be aware of the various guidelines and accounts
3 included in the NARUC Uniform System of Accounts (“USoA”) and, to the extent
4 possible, use this as a template to set up new accounts needed for its proprietary
5 fund accounting system. Martinsville will also create a document showing how its
6 account designations relate to the NARUC USoA. Finally, with the implementation
7 of proprietary fund accounting, Martinsville will stop recording sales tax receipts
8 and disbursements as revenues and expenses. Instead, it shall appropriately record
9 these as debits and credits to a sales tax liability account.

10 **Q: Are there any other non-revenue requirement terms included in the**
11 **Settlement?**

12 A: Yes. The Settling Parties agreed that within sixty (60) days of a final order being
13 issued in this Cause, Martinsville will make a 30-day filing to add to its authorized
14 tariff a tap fee with a boring charge.

15 **A. Operating Revenues**

16 **Q: How does the Settlement resolve the issue of *pro forma* operating revenues?**

17 A: Martinsville proposed *pro forma* operating revenues at present rates of \$2,634,354,
18 which is a decrease of \$122,088¹ to its test year operating revenues of \$2,756,442.
19 Through negotiations the Settling Parties agreed to *pro forma* operating revenues

¹ Petitioner's Attachment KS-1, page 3 of 17, reflects *pro forma* operating revenues at present rates of \$2,627,650 and a decrease of \$128,793. This differs from the amounts reflected above by \$6,704 and represents “adjustments” included in Petitioner's Forecasted Statement of Income at Present Rates that are not actually excluded from Petitioner's calculation of rates. These adjustments are (1) tank water (\$5,314) and (2) tampering fees (\$1,390).

1 at present rates of \$2,528,039, which is a decrease of \$228,403 to test year operating
2 revenues. Table MAS-2 compares the adjustments proposed by Martinsville to
3 those agreed to by the Settling Parties.

Table MAS-2: Comparison of Operating Revenue Adjustments

	Petitioner	Settlement	Settlement More (Less)
Test Year Operating Revenues	\$ 2,756,442	\$ 2,756,442	\$ -
Sales Tax Revenues	-	(114,637)	(114,637)
Late Payment Fees	(5,090)	-	5,090
Other Operating Revenues	(116,998)	(113,766)	3,232
	(122,088)	(228,403)	(106,315)
Pro Forma Operating Revenues	\$ 2,634,354	\$ 2,528,039	\$ (106,315)

4 **Q: What revenue adjustments did the Settling Parties compromise on?**

5 A: The Settling Parties compromised on late payment fees and other operating
6 revenues. The Settling Parties also agreed to remove sales tax “revenues” from *pro*
7 *forma* operating revenues. The Settling Parties agreed to remove both the sales tax
8 revenues and sales tax expenses recorded during the test year.

9 **Q: Please explain why it is appropriate to remove test year sales tax “revenues”**
10 **and sales tax “expenses.”**

11 A: Martinsville collects sales taxes from its customers and pays these sales taxes to the
12 State of Indiana. As such, sales tax is neither Petitioner’s revenue nor Petitioner’s
13 expense, and it should not be included in its revenue requirement or reflected in its
14 operating expenses. During the test year, Petitioner recorded \$114,637 of sales tax
15 revenues. (See Settlement Schedule 5, Adjustment No. 1.)

1 **Q: Why is it appropriate to not remove late payment fees from *pro forma***
2 **operating revenues as Petitioner had proposed?**

3 A: Late payment fees are not charged to every customer every month and are therefore
4 included with other “non-recurring” fees in Martinsville’s authorized tariff.
5 However, just because a fee is not charged to every customer each month does not
6 mean that the associated revenues are “non-recurring” for ratemaking purposes.
7 Unless Petitioner intends to discontinue charging late payment fees, it will continue
8 to recover these revenues and they should be included in the determination of the
9 appropriate rate increase. Petitioner agreed to this change as part of the global
10 settlement.

11 **Q: Please explain the agreed upon adjustment to other operating revenues**

12 A: Martinsville removed all test year “reimbursements” recorded as other operating
13 revenues. The OUCC considered some of the transactions recorded to this account
14 are not reimbursements and should be included in *pro forma* operating revenues.
15 These revenues include reconnection fees (\$640) and a tap fee with boring costs
16 (\$2,500). (See Settlement Schedule 5, Adjustment No. 2.) Martinsville agreed to
17 the OUCC’s position as part of the Settlement Agreement.

B. Operating Expenses

18 **Q: How does the settlement resolve the issue of operating expenses?**

19 A: Martinsville proposed overall *pro forma* operating expense of \$1,563,482, a
20 decrease of \$541,529 to test year operating expense of \$2,105,011.² (See

² Petitioner included capital expenditures of \$567,969 in its test year operating expenses and then removed them with an adjustment. Excluding this adjustment yields an increase of \$26,440 to test year operating expenses of \$1,537,042.

1 Attachment MAS-1.) The Settling Parties agreed to *pro forma* operating expenses
 2 of \$1,387,216, a decrease of \$118,911³ to test year operating expense of
 3 \$1,537,042.

4 **Q: Which of Petitioner's proposed expense adjustments were affected by the**
 5 **Settlement Agreement?**

6 A: The Settling Parties accepted Martinsville's adjustment to health insurance,
 7 materials and supplies, and engineering contractual services. The Settling Parties
 8 also agreed to adjustments for salaries and wages, FICA and Medicare, PERF,
 9 accounting and legal contractual services, other contractual services, miscellaneous
 10 expense, and elimination of test year sales tax expense. Table MAS-3 compares the
 11 adjustments proposed by Petitioner to those agreed to by the Settling Parties.

Table MAS-3: Comparison of Operating Expense Adjustments

	Petitioner	Settlement	Settlement More (Less)
Salaries and Wages	\$ 13,667	\$ 22,526	\$ 8,859
FICA	2,328	1,397	(931)
Medicare	544	327	(217)
Health Insurance	36,192	36,192	-
PERF	4,205	2,523	(1,682)
Materials and Supplies	(50,384)	(50,383)	1
Contractual Services			
Engineering	(3,505)	(3,505)	-
Accounting	-	(49,689)	(49,689)
Legal	-	(1,367)	(1,367)
Other	-	160,359	160,359
Miscellaneous	(80,323)	(86,019)	(5,696)
50/50 Allocation of Shared Expenses	(33,532)	(34,866)	(1,334)
3% CPI Adjustment	137,248	-	(137,248)
Sales tax Expense	-	(116,406)	(116,406)
Total Operating Expense Adjustments	\$ 26,440	\$ (118,911)	\$ (145,351)

³ Includes the adjustment to remove \$116,406 of sales tax expense recorded during the test year.

1. **Labor and Employee Benefits**

1 **Q: Please explain the Settling Parties' agreement with respect to Petitioner's**
2 **salary and wages expense adjustment.**

3 A: The Settling Parties agreed to accept Martinsville's proposed increase to add one
4 employee and its proposed decrease to eliminate a portion of test year overtime. In
5 addition, the Settling Parties agreed to an adjustment to reflect a 2% wage increase
6 that occurred during calendar year 2019, which is the 12-month adjustment period
7 in this rate case. The 2% increase is based on the average wage increase for 2019
8 according to the union contract (Attachment MAS-2). (See Settlement Schedule 6,
9 Adjustment No. 1.)

Table MAS-4: Agreed Salary and Wage Adjustment

New Employee	\$	37,544
Overtime Elimiatnion		(23,877)
2% Pay Increase		8,859
Increase to Salaries & Wages	\$	22,526

10 **Q: Please explain the agreement with respect to Petitioner's payroll tax expense.**

11 A: Because the Settlement Parties agreed to increase salaries and wages, payroll taxes
12 will also increase. The Settling Parties agreed to an increase in FICA equal to 6.20%
13 of the \$22,526 net increase to salaries and wages or an increase of \$1,397. The
14 Settling Parties also agreed to an increase in Medicare equal to 1.45% of the same
15 amount or an increase of \$327. (See Settlement Schedule 6, Adjustment No. 2.)

16 **Q: Please explain the agreed PERF expense adjustment.**

17 A: Because the Settlement Parties agreed to increase salaries and wages, payroll taxes
18 will also increase. The Settling Parties agreed to an increase in PERF equal to

1 11.20% of the \$22,526 net increase to salaries and wages or an increase of \$2,523.

2 (See Settlement Schedule 6, Adjustment No. 3.)

2. Contractual Services

3 **Q: Please explain the agreed accounting and legal contractual service expense**
4 **adjustments.**

5 A: The Settling Parties agreed to accept Martinsville's proposed adjustment to
6 capitalize test year engineering fees of \$3,505. In addition, the Settling Parties
7 agreed to remove test year accounting (\$49,689) and legal (\$1,367) fees related to
8 rate case expense (Attachment MAS-3). These costs are included in the borrowing
9 amount (soft costs) and, therefore, including these expenses in the revenue
10 requirement would double count these costs. (See Settlement Schedule 6,
11 Adjustment No. 4.)

12 **Q: Please explain the other agreed contractual services expense adjustments.**

13 A: The Settling Parties agreed to two other contractual service expense adjustments:
14 (1) annual tank painting expense and (2) filter media replacement.

Periodic Maintenance – Tank Painting

15 **Q: Please explain the agreed periodic maintenance expense adjustment.**

16 A: As no tank painting expenses were incurred during the test year, the Settling Parties
17 agreed to include an adjustment to reflect the annual cost of tank painting (\$35,359).
18 The amount agreed upon was calculated by taking the amount of tank painting
19 expenses allowed in Petitioner's last rate case (Cause No. 44153) and increasing it
20 by inflation of 3% per year through 2019, the adjustment period in this Cause. (See
21 Settlement Schedule 6, Adjustment No. 5.)

1 **Q: Does the Settlement agreement require Martinsville to place periodic**
2 **maintenance funds into a restricted account?**

3 A: Yes. As discussed previously in my testimony, the Settling Parties agreed
4 Martinsville will establish a restricted tank painting account and each year deposit
5 \$35,359. This ensures funds will be available for Martinsville to repaint its tanks.

Filter Media Replacement

6 **Q: Please explain the agreed filter media replacement expense adjustment.**

7 A: Martinsville proposed \$125,000 for filter media replacement in Phase 1 but
8 removed this expense in Phase 2 to reflect the payment of these costs by the EPA
9 going forward. It is uncertain precisely when the EPA will begin paying for filter
10 media replacement (Attachment MAS-4). Because it certainly will not occur before
11 the end of the adjustment period, the Settling Parties agreed to include filter media
12 replacement as a revenue requirement in all phases provided that once EPA begins
13 paying for Martinsville's filter media replacement, Martinsville will place the
14 amount of funds included in rates for filter media replacement into its restricted
15 capital improvement fund to be used to replace aging infrastructure or other capital
16 improvement needs.

3. **Miscellaneous Expense**

17 **Q: Please explain the agreed miscellaneous expense adjustments.**

18 A: The Settling Parties agreed to accept Martinsville's proposed adjustment to remove
19 \$81,656 related to the one-time reimbursement to the Rainy Day Fund for I-69
20 project. This transaction should not have been recorded as an expense and has been
21 removed from the revenue requirement. The Settling Parties also agreed to remove

1 \$5,696 of non-allowed test year expenses primarily related to Petitioner's holiday
2 party (Attachment MAS-5). (See Settlement Schedule 6, Adjustment No. 6.)

4. Sales Tax Expense

3 **Q: Please explain the agreed sales tax expense adjustment.**

4 A: As noted above, the Settling Parties agreed to remove both the sales tax revenues
5 and sales tax expenses recorded during the test year. Martinsville collects sales
6 taxes from its customers and remits these sales taxes to the State of Indiana. As
7 such, sales tax is not a revenue or an expense for Petitioner and should not be
8 included in its revenue requirement. During the test year, Petitioner recorded
9 \$116,406 of sales tax expense. (See Settlement Schedule 6, Adjustment No. 7.)

C. Depreciation Expense

10 **Q: How does the Settlement affect depreciation expense?**

11 A: Martinsville proposed a depreciation expense revenue requirement of \$141,491 in
12 Phase 1 and \$282,981 in Phase 2 and thereafter. This represents a phase-in of
13 Martinsville's depreciation expense revenue requirement – 50% in Phase 1 and the
14 remaining 50% in Phase 2. The Settling Parties agreed on a depreciation expense
15 revenue requirement of \$141,025 in Phase 1, \$211,538 in Phase 2, and \$282,051 in
16 Phase 3. This represents a phase-in of Martinsville's depreciation expense revenue
17 requirement – 50% in Phase 1, 25% in Phase 2, and the remaining 25% in Phase 3.
18 The overall agreed depreciation expense is \$930 less than Martinsville's proposal
19 due to the removal of land and land rights from the depreciable plant balance
20 (Attachment MAS-6). (See Settlement Schedule 7.)

D. Payments in Lieu of Property Taxes

1 **Q: How does the Settlement affect payments in lieu of property taxes?**

2 A: Martinsville proposed an annual revenue requirement of \$86,820 in Phase 2 and
3 \$173,641 in Phase 3 for payments in lieu of property taxes ("PILT"). This
4 represents a phase-in of Martinsville's PILT revenue requirement – 50% in Phase
5 2 and the remaining 50% in Phase 3. The Settling Parties agreed on a PILT revenue
6 requirement of \$81,245 in Phase 1, \$121,867 in Phase 2, and \$162,490 in Phase 3.
7 This represents a phase-in of the PILT revenue requirement – 50% in Phase 1, 25%
8 in Phase 2, and the remaining 25% in Phase 3. (See Settlement Schedule 8.)

9 **Q: How does the agreed PILT revenue requirement agreed differ from that**
10 **proposed by Martinsville?**

11 A: The difference between the agreed PILT and Martinsville's proposed PILT is the
12 calculation of net utility plant in service. More specifically, the determination of
13 accumulated depreciation used in the determination of net utility plant in service.
14 Martinsville based its proposed PILT on the \$11,310,628 of net depreciated value
15 reflected in the City's Capital Asset Listing (Attachment MAS-7), which reflected
16 utility plant in service of \$14,149,055 reduced by accumulated depreciation of
17 \$2,838,427. The utility plant in service amount ties to the amount reflected in
18 Martinsville's 2018 IURC annual report, but the accumulated depreciation amount
19 does not. My analysis indicated this was due to errors in depreciation expense
20 amounts reflected in Martinsville's annual reports from 2005 through 2018.

1 **Q: How did the Settling Parties agree to determine the net utility plant in service**
2 **to be used in the determination of PILT?**

3 A: The Settling Parties agreed to recalculate accumulated depreciation from 2005
4 through 2018 using the appropriate depreciation expense for ratemaking purposes
5 (Attachment MAS-8). This recalculation yielded accumulated depreciation through
6 12/31/2018 of \$3,282,712. To this amount, the Settling Parties agreed to add 2019
7 depreciation expense of \$282,051 for total accumulated depreciation of \$3,564,763
8 and net utility plant in service of \$10,584,292.

E. Working Capital

9 **Q: How does the Settlement address working capital?**

10 A: Martinsville proposed an annual revenue requirement of \$187,108 for working
11 capital. The Settling Parties agreed no working capital revenue requirement was
12 necessary due to Martinsville's cash on hand. (See Settlement Schedule 9.)

F. Debt Issuance and Debt Service

13 **Q: How does the Settlement address Martinsville's proposed debt issuance?**

14 A: The Settling Parties agreed Martinsville's proposed debt financing of \$6,200,000
15 should be approved. With these funds, Martinsville will, among other things,
16 replace two of its three wells. The Settling Parties agreed Martinsville will apply
17 any difference between the estimated cost of replacing the three wells and the actual
18 cost of replacing two will be applied to additional water main replacement projects.

19 **Q: How does the Settlement address Debt Service?**

20 A: Martinsville proposed an annual debt service revenue requirement of \$888,422. The
21 Settling Parties agreed on a debt service revenue requirement of \$886,786. This

1 reduction of \$1,636 is due to the difference between the 2019 and 2020 debt service
2 on Martinsville's existing refinancing bonds.

Table 5: Debt Service Revenue Requirement

	Series 2018	New Debt	Total
2021	\$ 749,426	\$ 136,746	\$ 886,172
2022	749,625	136,746	886,371
2023	750,425	136,746	887,171
2024	750,625	136,746	887,371
2025	750,100	136,746	886,846
	\$ 3,750,201	\$ 683,730	\$ 4,433,931
Divide by 5 Years	5	5	5
	\$ 750,040	\$ 136,746	\$ 886,786

3 **Q: Does the Settlement include any other debt related terms?**

4 A: Yes. The Settling Parties agreed to a debt true-up once the debt has been incurred.
5 The precise interest rate and annual debt service will not be known until
6 Martinsville's debt is issued; therefore, Martinsville's rates should be true-up to
7 reflect the actual cost of its debt.

8 **Q: What are the debt true-up terms included in the Settlement?**

9 A: The Settling Parties agreed Martinsville will file a report within thirty (30) days of
10 closing on its long term debt issuance explaining the terms of the new loan, the
11 amount of debt service reserve and an itemized account of all issuance costs. The
12 report should include a revised tariff and amortization schedule. The OUCC will
13 have fourteen (14) days in which to object to the true-up report. If there is no
14 objection to the true-up report and the annual debt service payment on the SRF
15 Bonds differs from the originally estimated total of \$136,746, Martinsville will file

1 with the IURC a revised tariff adjusting the rates to include the final amount of
2 annual interest payments on the SRF Bonds. However, if the actual terms of the
3 financing are such that the debt payment is less than \$136,746 per annum,
4 Martinsville need not file a revised tariff if the OUCC states in writing that it
5 considers the difference to be immaterial for purposes of revising Martinsville's
6 rates. If the cost of the debt is more than \$136,746 per annum, Martinsville may, in
7 its sole discretion, elect not to file a revised tariff reflecting a higher interest
8 payment for the State Revolving Fund Bonds.

G. Debt Service Reserve

9 **Q: Does the Settlement provide for Debt Service Reserve?**

10 A: Yes. Martinsville proposed no annual debt service reserve revenue requirement for
11 its proposed debt issuance, but if Martinsville borrows from the SRF, as it intends
12 to do, it will be required to fund a reserve equal to its maximum principal and
13 interest payment over a five year period. The Settling Parties agreed on a debt
14 service reserve revenue requirement of \$117,921.⁴

15 **Q: Does the Settlement include any restrictions on debt service reserve?**

16 A: Yes. If Martinsville spends any funds from its debt service reserves for any reason
17 other than to make the last payment on its current or proposed debt issuances,
18 Martinsville is required to provide a report to the Commission and the OUCC
19 within five (5) business days of the transaction. The report should state how much

⁴ The maximum estimated principal and interest payment for Martinsville's proposed debt issuance is \$589,605 and occurs in 2029. Petitioner has five years to fund this reserve resulting in an annual debt service reserve requirement of \$117,921.

1 Martinsville spent from its debt service reserve, explain why it spent funds from its
2 debt service reserve, provide a cite to any applicable loan documents that allow it
3 to spend funds from its debt service reserve, describe its plans to replenish its debt
4 service reserve, and explain any cost-cutting activities it has implemented to
5 forestall spending funds from its debt service reserve.

6 **Q: Do you believe the Settlement is a fair, just, and reasonable solution of the**
7 **revenue requirement issues in this Cause?**

8 A: Yes. The Settlement represents a reasonable compromise that the Settling Parties
9 support as fair, reasonable, and beneficial to both the utility and its customers. I
10 believe the Settlement is in the public interest because Martinsville will have
11 sufficient funds to pay necessary operating expenses and capital improvements.
12 The rate payers will receive the benefit of lower rates. The Settling Parties also
13 value the certainty and speed of implementing negotiated outcomes such as this.

14 **Q: Does this conclude your testimony?**

15 A: Yes.

APPENDIX A

1 **Q: Please describe your educational background and experience.**

2 A: I graduated from the University of Houston at Clear Lake City in August 1982 with
3 a Bachelor of Science degree in Accounting. From 1982 to 1985, I held the position
4 of Gas Pipeline Accountant at Seagull Energy in Houston, Texas. From 1985 to
5 2001, I worked for Enron in various positions of increasing responsibility and
6 authority. I began in gas pipeline accounting, was promoted to a position in
7 financial reporting and planning, for both the gas pipeline group and the
8 international group, and finally was promoted to a position providing accounting
9 support for infrastructure projects in Central and South America. In 2002, I moved
10 to Indiana, where I held non-utility accounting positions in Indianapolis. In August
11 2003, I accepted my current position with the OUCC. In 2011, I was promoted to
12 Senior Utility Analyst. In 2018, I was promoted to Chief Technical Advisor.

13 Since joining the OUCC I have attended the National Association of
14 Regulatory Utility Commissioners ("NARUC") Eastern Utility Rate School in
15 Clearwater Beach, Florida, and the Institute of Public Utilities' Advanced
16 Regulatory Studies Program in East Lansing, Michigan. I have also attended several
17 American Water Works Association and Indiana Rural Water Association
18 conferences as well as the National Association of Utility Consumer Advocates
19 ("NASUCA") Water Committee Forums. I have participated in the NASUCA
20 Water Committee and the NASUCA Tax and Accounting Committee. In March

1 2016 I was appointed chair of the NASUCA Tax and Accounting Committee and
2 will be reappointed to an additional two-year term in November 2019.

3 **Q: Have you previously testified before the Indiana Utility Regulatory**
4 **Commission?**

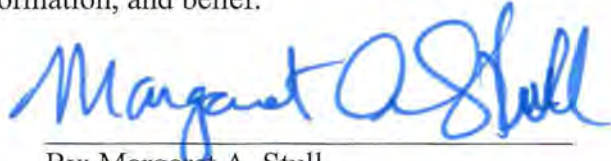
5 A: Yes. I have testified before the Commission as an accounting witness in various
6 causes involving water, wastewater, electric, and gas utilities.

7 **Q: Have you held any professional licenses?**

8 A: Yes. I passed the CPA exam in 1984 and was licensed as a CPA in the State of
9 Texas until I moved to Indiana in 2002.

AFFIRMATION

I affirm the representations I made in the foregoing testimony are true to the best of my knowledge, information, and belief.



By: Margaret A. Stull
Cause No. 45262
Indiana Office of
Utility Consumer Counselor

7/03/19
Date:

Martinsville Municipal Water Utility
CAUSE NUMBER 45262

**Comparison of Petitioner's and Settlement's
Overall Revenue Requirements**

	<u>Per Petitioner</u>	<u>Per Settlement</u>	<u>Sch Ref</u>	<u>Settlement More (Less)</u>
Operating Expenses	\$ 1,447,076	\$ 1,387,216	4	\$ (59,860)
Sales Tax Expense	116,407	-	4	(116,407)
Utility Receipts Tax	36,999	36,999	4	-
Depreciation Expense	282,982	282,051	7	(931)
Payment in Lieu of Taxes	173,640	162,490	8	(11,150)
Working Capital	187,108	-	9	(187,108)
Debt Service	888,422	886,786	MAS	(1,636)
Debt Service Reserve	-	117,921	MAS	117,921
	<hr/>	<hr/>		<hr/>
Total Revenue Requirements	3,132,634	2,873,463		(259,171)
Revenue Requirement Offsets:				
Interest Income	(4,189)	(4,189)	3	-
	<hr/>	<hr/>		<hr/>
<i>Pro forma</i> Net Revenue Requirements	3,128,445	2,869,274		(259,171)
Less: Revenues at current rates subject to increase	(2,534,502)	(2,424,954)	4	109,548
Other revenues at current rates	(99,852)	(103,085)	4	(3,233)
	<hr/>	<hr/>		<hr/>
Net Revenue Increase Required	494,091	341,235		(152,856)
Additional Utility Receipts Tax	6,979	5,548		(1,431)
	<hr/>	<hr/>		<hr/>
Recommended Increase	<u>\$ 501,070</u>	<u>\$ 346,783</u>		<u>\$ (154,287)</u>
	<hr/>	<hr/>		<hr/>
Recommended Percentage Increase	<u>19.77%</u>	<u>14.30%</u>		<u>-5.47%</u>

<u>Current Rate for 5,000 Gallons</u>	<u>Proposed</u>		<u>Settlement More (Less)</u>
	<u>Petitioner</u>	<u>Settlement</u>	
Current Rate = \$29.64	\$ 35.50	\$ 33.88	\$ (1.62)

Martinsville Municipal Water Utility
CAUSE NUMBER 45262

Comparison of Petitioner's and Settlement's
Phased Revenue Requirements

	PHASE 1				PHASE 2				PHASE 3			
	Per Petitioner	Per Settlement	Sch Ref	Settlement More (Less)	Per Petitioner	Per Settlement	Sch Ref	Settlement More (Less)	Per Petitioner	Per Settlement	Sch Ref	Settlement More (Less)
Operating Expenses	\$ 1,478,685	\$ 1,418,131	4	\$ (60,554)	\$ 1,401,537	\$ 1,387,215	4	\$ (14,322)	\$ 1,447,076	\$ 1,387,216	4	\$ (59,860)
Sales Tax	116,406	-	4	(116,406)	116,406	-	4	(116,406)	116,407	-	4	(116,407)
Utilities Receipt Tax	36,999	36,999	4	-	39,956	39,436	4	(520)	42,101	40,740	4	(1,361)
Depreciation Expense	141,491	141,025	7	(466)	282,982	211,538	7	(71,444)	282,982	282,051	7	(931)
Payment in Lieu of Taxes	-	81,245	8	81,245	86,820	121,867	8	35,047	173,640	162,490	8	(11,150)
Working Capital	187,108	-	9	(187,108)	187,108	-	9	(187,108)	187,108	-	9	(187,108)
Debt Service	888,422	886,786	MAS	(1,636)	888,422	886,786	MAS	(1,636)	888,422	886,786	MAS	(1,636)
Debt Service Reserve	-	117,921	MAS	117,921	-	117,921	MAS	117,921	-	117,921	MAS	117,921
Total Revenue Requirements	2,849,111	2,682,107		(167,004)	3,003,231	2,764,763		(238,468)	3,137,736	2,877,204		(260,532)
Revenue Requirement Offsets:												
Interest Income	(4,189)	(4,189)	3	-	(4,189)	(4,189)	3	-	(4,189)	(4,189)	3	-
<i>Pro forma</i> Net Revenue Requirements	2,844,922	2,677,918		(167,004)	2,999,042	2,760,574		(238,468)	3,133,547	2,873,015		(260,532)
Less: Revenues at current rates subject to increase	(2,534,502)	(2,424,954)	4	109,548	(2,748,027)	(2,577,270)	4	170,757	(2,901,336)	(2,658,793)	4	242,543
Other revenues at current rates	(99,852)	(103,085)	4	(3,233)	(99,852)	(103,085)	4	(3,233)	(99,852)	(103,085)	4	(3,233)
Net Revenue Increase Required	210,568	149,879		(60,689)	151,163	80,219		(70,944)	132,359	111,137		(21,222)
Additional Utility Receipts Tax	2,957	2,437		(520)	2,146	1,304		(842)	1,878	1,807		(71)
Recommended Increase	\$ 213,525	\$ 152,316		\$ (61,209)	\$ 153,309	\$ 81,523		\$ (71,786)	\$ 134,237	\$ 112,944		\$ (21,293)
	(2,634,354)											
Recommended Percentage Increase	8.42%	6.28%		-2.14%	5.58%	3.16%		-2.42%	4.63%	4.25%		-0.38%

	Proposed		Settlement More (Less)
	Petitioner	Settlement	
Current Rate for 5,000 Gallons			
Current Rate = \$29.64	\$ 32.14	\$ 31.50	\$ (0.64)

	Proposed		Settlement More (Less)
	Petitioner	Settlement	
	\$ 33.93	\$ 32.50	\$ (1.43)

	Proposed		Settlement More (Less)
	Petitioner	Settlement	
	\$ 35.50	\$ 33.88	\$ (1.62)

Martinsville Municipal Water Utility
CAUSE NUMBER 45262

Reconciliation of Net Operating Income Statement Adjustments
Pro-forma Present Rates

	PHASE 1			PHASE 2			PHASE 3		
	Per Petitioner	Per Settlement	Settlement More (Less)	Per Petitioner	Per Settlement	Settlement More (Less)	Per Petitioner	Per Settlement	Settlement More (Less)
Water Sales									
Residential	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commercial	-	-	-	-	-	-	-	-	-
Sales Tax		(114,637)							
Fire Protection	-	-	-	-	-	-	-	-	-
Late Payment Fees	(5,090)	-	5,090	-	-	-	-	-	-
Miscellaneous Services Revenues	-	-	-	-	-	-	-	-	-
Other Water Revenues									
Other Revenues	(116,999)	(113,766)	3,233	-	-	-	-	-	-
Tampering Fees	-	-	-	-	-	-	-	-	-
Total Operating Revenues	<u>(122,089)</u>	<u>(228,403)</u>	<u>8,323</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
O&M Expense									
Salaries and Wages	13,667	22,526	8,859	-	-	-	-	-	-
FICA	2,328	1,397	(931)	-	-	-	-	-	-
Medicare	544	327	(217)	-	-	-	-	-	-
Employee Pensions and Benefits									
Health Insurance	36,192	36,192	-	-	-	-	-	-	-
PERF	4,205	2,523	(1,682)	-	-	-	-	-	-
Materials and Supplies	(50,384)	(50,383)	1	(125,000)	-	125,000	-	-	-
Contractual Services									
Engineering	(3,505)	(3,505)	-	-	-	-	-	-	-
Accounting	-	(49,689)	(49,689)	-	-	-	-	-	-
Legal	-	(1,367)	(1,367)	-	-	-	-	-	-
Other	125,000	160,359	35,359	-	-	-	-	-	-
Miscellaneous	(80,323)	(86,019)	(5,696)	-	-	-	-	-	-
50 / 50 Expense Adjustment	(33,532)	(34,866)	(1,334)	-	-	-	-	-	-
3% CPI Adjustment	43,857	-	(43,857)	47,853	-	(47,853)	45,538	-	(45,538)
Capital Projects	(567,969)	-	567,969	-	-	-	-	-	-
Depreciation Expense	141,491	141,025	(466)	141,491	70,513	(70,978)	-	70,513	70,513
Taxes Other than Income	-	(116,406)	(116,406)	-	-	-	-	-	-
Total Operating Expenses	<u>(368,429)</u>	<u>22,114</u>	<u>390,543</u>	<u>64,344</u>	<u>70,513</u>	<u>6,169</u>	<u>45,538</u>	<u>70,513</u>	<u>24,975</u>
Net Operating Income	<u>\$ 246,340</u>	<u>\$ (250,517)</u>	<u>\$ (382,220)</u>	<u>\$ (64,344)</u>	<u>\$ (70,513)</u>	<u>\$ (6,169)</u>	<u>\$ (45,538)</u>	<u>\$ (70,513)</u>	<u>\$ (24,975)</u>

Martinsville Municipal Water Utility
CAUSE NUMBER 45262

COMPARATIVE BALANCE SHEET
As of December 31,

<u>ASSETS</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Utility Plant:			
Utility Plant in Service	\$ 14,149,055	\$ 13,694,702	\$ 13,676,701
Construction Work in Progress			
Less: Accumulated Depreciation	(3,925,115)	(2,976,006)	(2,639,853)
Net Utility Plant in Service	<u>10,223,940</u>	<u>10,718,696</u>	<u>11,036,848</u>
Other Property & Investment			
Bond & Interest	31,193	1,240,171	1,230,253
Improvement	<u>15,254</u>	<u>15,254</u>	<u>15,254</u>
Total Other Property	<u>46,447</u>	<u>1,255,425</u>	<u>1,245,507</u>
Current Assets:			
Cash and Cash Equivalents	1,525,368	1,326,703	635,705
Clearing Account	117,524	115,319	294,759
Customer Deposits	126,950	126,200	136,368
Accounts Receivable	662,782	641,568	649,160
Materials and Supplies	-	-	-
Prepaid	-	-	-
Other Current Assets	-	-	-
Total Current Assets	<u>2,432,624</u>	<u>2,209,790</u>	<u>1,715,992</u>
Deferred Debits			
Unamortized Debt Discount and Expense	149,663	68,824	82,471
Other Deferred Debits			
Total Deferred Debits	<u>149,663</u>	<u>68,824</u>	<u>82,471</u>
Total Assets	<u>\$ 12,852,674</u>	<u>\$ 14,252,735</u>	<u>\$ 14,080,818</u>

Martinsville Municipal Water Utility
CAUSE NUMBER 45262

COMPARATIVE BALANCE SHEET
As of December 31,

<u>LIABILITIES</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Equity			
Retained Earnings	\$ 6,762,580	\$ 6,861,574	\$ 6,009,820
Paid in Capital	-	-	-
Total Equity	<u>6,762,580</u>	<u>6,861,574</u>	<u>6,009,820</u>
Contributions in Aid of Construction	291,005	291,005	291,005
Long-term Debt			
Refinancing Revenue Bonds of 2018	4,620,000	-	-
Bonds Payable - Series B	-	5,867,000	6,487,000
Notes Payable	-	-	-
Total Long-term Debt	<u>4,620,000</u>	<u>5,867,000</u>	<u>6,487,000</u>
Current Liabilities			
Accounts Payable	141,000	142,500	143,500
Interfund Loan - Sewer	588,965	569,500	569,500
Interfund Loan - Due to Sewage Works	320,091	285,091	285,091
Customer Deposits	126,950	126,200	136,368
Accrued Taxes	2,083	2,206	39,498
Accrued Interest	-	107,659	119,036
Other Current Liabilities	<u>1,179,089</u>	<u>1,233,156</u>	<u>1,292,993</u>
Total Liabilities	<u>\$ 12,852,674</u>	<u>\$ 14,252,735</u>	<u>\$ 14,080,818</u>

Martinsville Municipal Water Utility
CAUSE NUMBER 45262

COMPARATIVE INCOME STATEMENT
Twelve Months Ending December 31,

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Operating Revenues			
Water Sales	\$ 1,988,920	\$ 2,341,454	\$ 1,829,310
Fire Protection	545,582	165,504	520,721
Sales to Irrigation Customers	-	2,398	30,504
Late Payment Fees	5,090	1,560	12,804
Miscellaneous Services Revenue	98,462	57,445	44,743
Rents from Water Property	-	-	59,056
Other Water Revenues	118,389	6,834	-
Total Operating Revenues	<u>2,756,443</u>	<u>2,575,195</u>	<u>2,497,138</u>
Operating Expenses			
Salaries and Wages	459,592	392,374	379,056
Employee Pensions & Benefits	350,696	229,446	234,689
Purchased Power	98,225	100,140	92,456
Chemicals	11,402		
Materials and Supplies	213,979	85,608	103,642
Contractual Services			
Engineering	3,505	4,101	-
Accounting	57,062	43,308	85,677
Legal	2,867	-	3,188
Other	29,318	184,795	221,582
Rents	-	-	-
Transportation Expenses	10,989	-	-
Liability Insurance	22,823	31,566	30,664
Regulatory Commission Expense	-	-	-
Bad Debt Expense	-	-	-
Miscellaneous	160,178	82,673	2,993
Total O&M Expense	<u>1,420,636</u>	<u>1,154,011</u>	<u>1,153,947</u>
Depreciation Expense	-	336,154	336,153
Amortization Expense	-	-	-
Taxes Other Than Income Tax	153,405	-	-
Total Operating Expenses	<u>1,574,041</u>	<u>1,490,165</u>	<u>1,490,100</u>
Net Operating Income	1,182,402	1,085,030	1,007,038
Other Income (Expense)			
Interest Income	4,189	1,396	596
Gain (Loss) on Sale of Assets	-	-	-
Loan Repayments	14,465	-	-
Refunds	(4,405)	-	-
Interest Expense - Bond	(86,248)	(221,025)	(227,703)
Amortization of Debt Discount and Expense	-	(13,647)	(13,647)
Total Other Income (Expense)	<u>(71,999)</u>	<u>(233,276)</u>	<u>(240,754)</u>
Extraordinary Income	-	-	147,697
Net Income	<u>\$ 1,110,403</u>	<u>\$ 851,754</u>	<u>\$ 766,284</u>

Martinsville Municipal Water Utility
CAUSE NUMBER 45262
Phase 1
Pro forma Net Operating Income Statement

	Year Ended 12/31/2018	Adjustments	Sch Ref	Pro forma Present Rates	Adjustments	Sch Ref	Phase 1 Proposed Rates
Operating Revenues							
Water Sales							
Residential	1,163,998			1,163,998	73,113	1	1,237,111
Commercial	687,407			687,407	43,177	1	730,584
Other Water Sales	22,877			22,877	1,437	1	24,314
Sales Tax	114,637	(114,637)	5-1	-			-
Fire Protection	545,582			545,582	34,269	1	579,851
Late Payment Fees	5,090			5,090	320	1	5,410
Miscellaneous Services Revenues							
Tank Water	5,314			5,314			5,314
System Development Charge	34,272			34,272			34,272
Water Tap Fees	38,605			38,605			38,605
Reconnect Fees	20,271			20,271			20,271
Other Water Revenues							
Other Revenues	116,999	(113,766)	5-2	3,233			3,233
Tampering Fees	1,390			1,390			1,390
Total Operating Revenues	<u>2,756,442</u>	<u>(228,403)</u>		<u>2,528,039</u>	<u>152,316</u>	1	<u>2,680,355</u>
	(6,704)						
O&M Expense							
Salaries and Wages	429,306	37,544	PET	451,832			451,832
		(23,877)	PET				
		8,859	6-1				
FICA	24,545	1,397	6-2	25,942			25,942
Medicare	5,741	327	6-2	6,068			6,068
Employee Pensions and Benefits							
Health Insurance Adjustment	273,555	36,192	PET	309,747			309,747
PERF Adjustment	46,226	2,523	6-3	48,749			48,749
Union Pension	30,915			30,915			30,915
Purchased Power	98,225			98,225			98,225
Chemicals	11,402			11,402			11,402
Materials and Supplies	213,979	(50,383)	PET	163,596			163,596
Contractual Services							
Engineering	3,505	(3,505)	PET	-			-
Accounting	57,062	(49,689)	6-4	7,373			7,373
Legal	2,867	(1,367)	6-4	1,500			1,500
Other	29,318	35,359	6-5	189,677			189,677
		125,000	PET				
Rents	-			-			-
Transportation Expenses	10,989			10,989			10,989
Liability Insurance	22,823			22,823			22,823
Regulatory Commission Expense	-			-			-
Bad Debt Expense	-			-			-
Miscellaneous	160,178	(80,323)	PET	74,159			74,159
		(5,696)	6-6				
50 / 50 Expense Adjustment		(34,866)	PET	(34,866)			(34,866)
Depreciation Expense	-	141,025		141,025			141,025
Amortization Expense	-	-		-			-
Taxes Other than Income	153,405	(116,406)	6-7	36,999			39,436
Utilities Receipt Tax					2,437	1	
Total Operating Expenses	<u>1,574,041</u>	<u>22,114</u>		<u>1,596,155</u>	<u>2,437</u>		<u>1,598,592</u>
Net Operating Income	<u>1,182,401</u>	<u>(250,517)</u>		<u>931,884</u>	<u>149,879</u>		<u>1,081,763</u>

Martinsville Municipal Water Utility
CAUSE NUMBER
Phase 2
Pro forma Net Operating Income Statement

	<u>Phase 1 Proposed Rates</u>	<u>Adjustments</u>	<u>Sch Ref</u>	<u>Phase 2 Present Rates</u>	<u>Adjustments</u>	<u>Sch Ref</u>	<u>Phase 2 Proposed Rates</u>
Operating Revenues							
Water Sales							
Residential	\$ 1,237,111			\$ 1,237,111	\$ 39,132		1,276,243
Commercial	730,584			730,584	23,109		753,693
Industrial	24,314			24,314	769		25,083
Sales Tax	-			-			-
Fire Protection	579,851			579,851	18,342		598,193
Late Payment Fees	5,410			5,410	171		5,581
Miscellaneous Services Revenues							
Tank Water	5,314			5,314			5,314
System Development Charge	34,272			34,272			34,272
Water Tap Fees	38,605			38,605			38,605
Reconnect Fees	20,271			20,271			20,271
Other Water Revenues							
Other Revenues	3,233			3,233			3,233
Tampering Fees	1,390			1,390			1,390
Total Operating Revenues	<u>2,680,355</u>	<u>-</u>		<u>2,680,355</u>	<u>81,523</u>		<u>2,761,878</u>
O&M Expense							
Salaries and Wages	451,832			451,832			451,832
FICA	25,942			25,942			25,942
Medicare	6,068			6,068			6,068
Employee Pensions and Benefits	-			-			-
Health Insurance Adjustment	309,747			309,747			309,747
PERF Adjustment	48,749			48,749			48,749
Purchased Power	98,225			98,225			98,225
Chemicals	11,402			11,402			11,402
Materials and Supplies	163,596			163,596			163,596
Contractual Services							
Engineering	-			-			-
Accounting	7,373			7,373			7,373
Legal	1,500			1,500			1,500
Other	189,677			189,677			189,677
Rents	-			-			-
Transportation Expenses	10,989			10,989			10,989
Liability Insurance	22,823			22,823			22,823
Regulatory Commission Expense	-			-			-
Bad Debt Expense	-			-			-
Miscellaneous	74,159			74,159			74,159
50 / 50 Expense Adjustment	(34,866)			(34,866)			(34,866)
Depreciation Expense	141,025	70,513		211,538			211,538
Amortization Expense	-			-			-
Taxes Other than Income	39,436			39,436	1,304	1	40,740
Utilities Receipt Tax							
Total Operating Expenses	<u>1,567,677</u>	<u>70,513</u>		<u>1,638,190</u>	<u>1,304</u>		<u>1,639,494</u>
Net Operating Income	<u>\$ 1,112,678</u>	<u>\$ (70,513)</u>		<u>\$ 1,042,165</u>	<u>\$ 80,219</u>		<u>1,122,384</u>

Martinsville Municipal Water Utility
CAUSE NUMBER
Phase 3
Pro forma Net Operating Income Statement

	<u>Phase 2 Proposed Rates</u>	<u>Adjustments</u>	<u>Sch Ref</u>	<u>Phase 3 Present Rates</u>	<u>Adjustments</u>	<u>Sch Ref</u>	<u>Phase 3 Proposed Rates</u>
Operating Revenues							
Water Sales							
Residential	\$ 1,276,243			\$ 1,276,243	\$ 54,215		1,330,458
Commercial	753,693			753,693	32,016		785,709
Industrial	25,083			25,083	1,066		26,149
Sales Tax	-			-			-
Fire Protection	598,193			598,193	25,411		623,604
Late Payment Fees	5,581			5,581	237		5,818
Miscellaneous Services Revenues							
Tank Water	5,314			5,314			5,314
System Development Charge	34,272			34,272			34,272
Water Tap Fees	38,605			38,605			38,605
Reconnect Fees	20,271			20,271			20,271
Other Water Revenues							
Other Revenues	3,233			3,233			3,233
Tampering Fees	1,390			1,390			1,390
Total Operating Revenues	<u>2,761,878</u>	<u>-</u>		<u>2,761,878</u>	<u>112,944</u>		<u>2,874,823</u>
O&M Expense							
Salaries and Wages	451,832			451,832			451,832
Overtime Adjustment							-
FICA Adjustment	25,942			25,942			25,942
Medicare Adjustment	6,068			6,068			6,068
Employee Pensions and Benefits	-			-			-
Health Insurance Adjustment	309,747			309,747			309,747
PERF Adjustment	48,749			48,749			48,749
Purchased Power	98,225			98,225			98,225
Chemicals	11,402			11,402			11,402
Materials and Supplies	163,596			163,596			163,596
Contractual Services							
Engineering	-			-			-
Accounting	7,373			7,373			7,373
Legal	1,500			1,500			1,500
Other	189,677			189,677			189,677
Rents	-			-			-
Transportation Expenses	10,989			10,989			10,989
Liability Insurance	22,823			22,823			22,823
Regulatory Commission Expense	-			-			-
Bad Debt Expense	-			-			-
Miscellaneous	74,159			74,159			74,159
50 / 50 Expense Adjustment	(34,866)			(34,866)			(34,866)
Depreciation Expense	211,538	70,513		282,051			282,051
Amortization Expense	-			-			-
Taxes Other than Income	40,740			40,740	1,807	1	42,547
Utilities Receipt Tax							
Total Operating Expenses	<u>1,639,494</u>	<u>70,513</u>		<u>1,710,007</u>	<u>1,807</u>		<u>1,711,814</u>
Net Operating Income	<u>\$ 1,122,384</u>	<u>\$ (70,513)</u>		<u>\$ 1,051,871</u>	<u>\$ 111,137</u>		<u>1,163,009</u>

**Martinsville Municipal Water Utility
CAUSE NUMBER 45262**

Settlement Revenue Adjustments

(1)

Sales Tax

To eliminate sales tax included in operating revenue in error.

Account 501-353 000 \$ 114,637.00

Adjustment Increase (Decrease)

\$ (114,637)

(2)

Miscellaneous Revenues

To eliminate non-revenue reimbursements booked to Operating Revenue during the test year.

2018 WATER REFUNDING BOND	2,452
2018 WATER REFUNDING BOND	3,309
BOND PROCEEDS	75,420
DEPOSITED IN ERROR-WILL BE PUT INTO METER DEPOSIT	120
MORGAN INS. GROUP - WORKER'S COMP REFUND	1,499
PAYMENT FOR TEMP. LOAN	5,000
REIMB. FOR PENALTY & INTEREST FOR SALES TAX 11/17	981
REPAY - TOOK OUT OF WRONG ACCT \$10000 - TEMP LOAN MAY-JULY	25,000
WIRE TRANSFER FEE	<u>(15)</u>

Adjustment Increase (Decrease)

\$ (113,766)

**Martinsville Municipal Water Utility
CAUSE NUMBER 45262**

Settlement Expense Adjustments

(1)

Salaries & Wages

To adjust labor cost to include 2019 pay increase.

Test year salaries & wages	\$ 429,306
New employee	37,544
Overtime adjustment	(23,877)
Adjusted salaries & wages	<u>442,973</u>
Times: 2% Wage increase	<u>2.00%</u>

Adjustment Increase (Decrease)

\$ 8,859

(2)

Payroll Taxes

To adjust payroll taxes for 2% pay increase

New employee	\$ 37,544
Overtime adjustment	(23,877)
2% Pay increase (See Adjustment 1)	<u>8,859</u>
Total Salary & Wage increase	<u>22,526</u>
Times FICA Rate	<u>6.20%</u>
	\$ 1,397
Total Salary & Wage Increase	22,526
Times Medicare Rate	<u>1.45%</u>

327

Adjustment Increase (Decrease)

\$ 1,724

(3)

PERF

To adjust employee benefits PERF due to one new employee

Total Salary & Wage Increase (See Adjustment 2)	22,526
Times PERF Rate	<u>11.20%</u>

Adjustment Increase (Decrease)

\$ 2,523

**Martinsville Municipal Water Utility
 CAUSE NUMBER 45262**

Settlement Expense Adjustments

(4)

Contractual Services

To adjust operating expenses Contractual Services, to eliminate non-recurring charges from test year expense.

Accounting invoices from Reedy Financial for charges of "Utility Projects as directed by clients, bond ordinances, rate studies, and developer/commercial Rates" \$ (49,689)

Legal - two invoices from Barnes & Thornburg, LLP for legal services in connection with "IURC 2018 WATER BOND ISSUE (1,367)

Adjustment Increase (Decrease) \$ (51,056)

(5)

Periodic Maintenance

To adjust Contractual Services to reflect annual tank maintenance expense.

2012	Tank Painting CN 44153	\$ 28,750
2013	+ 3% Inflation Rate	29,613
2014	+ 3% Inflation Rate	30,501
2015	+ 3% Inflation Rate	31,416
2016	+ 3% Inflation Rate	32,358
2017	+ 3% Inflation Rate	33,329
2018	+ 3% Inflation Rate	34,329
2019	+ 3% Inflation Rate	<u>35,359</u>

Adjustment Increase (Decrease) \$ 35,359

(6)

Miscellaneous Expense

To adjust Miscellaneous Expense to exclude disallowed cost

Christmas party expense - Costumes, food, table setting, room rent. \$ 5,696

Adjustment Increase (Decrease) \$ (5,696)

(7)

Sales Tax Expense

To remove test year sales tax expense recorded in error.

Acct 501-674 000 116406

Adjustment Increase (Decrease) \$ (116,406)

Martinsville Municipal Water Utility
CAUSE NUMBER 45262

Depreciation Expense

	Phase 1	Phase 2	Phase 3
Utility Plant in Service at 12/31/2018	\$ 14,149,055	\$ 14,149,055	\$ 14,149,055
Less: Land and Land Rights	(46,502)	(46,502)	(46,502)
Depreciable Plant Balance	14,102,553	14,102,553	14,102,553
Times: Composite Depreciation Rate	2.00%	2.00%	2.00%
<i>Pro Forma</i> Depreciation Expense	282,051	282,051	282,051
Deferred Depreciation	(141,026)	(70,513)	-
Depreciation Expense Revenue Requirement	<u>\$ 141,025</u>	<u>\$ 211,538</u>	<u>\$ 282,051</u>

**Martinsville Municipal Water Utility
CAUSE NUMBER 45262**

Payments in Lieu of Property Tax

	<u>Phase 1</u>	<u>Phase 2</u>	<u>Phase 3</u>
Utility Plant in Service at 12/31/2018	\$ 14,149,055	\$ 14,149,055	\$ 14,149,055
Less: Plant Located Outside City Limits	-	-	-
<i>Pro Forma</i> Utility Plant in Service	<u>14,149,055</u>	<u>14,149,055</u>	<u>14,149,055</u>
Adjusted Accumulated Depreciation at 12/31/2018	3,282,712	3,282,712	3,282,712
Add: Depreciation Expense for 2019	282,051	282,051	282,051
Less: Plant Located Outside City Limits	-	-	-
<i>Pro Forma</i> Accumulated Depreciation	<u>\$ 3,564,763</u>	<u>\$ 3,564,763</u>	<u>\$ 3,564,763</u>
Net Utility Plant in Service	\$ 10,584,292	\$ 10,584,292	\$ 10,584,292
Taxable Net Book Value	105,843	105,843	105,843
City's Tax Rate per Petitioner	1.5352	1.5352	1.5352
<i>Pro Forma</i> Payment in Lieu of Property Tax	<u>\$ 162,490</u>	<u>\$ 162,490</u>	<u>\$ 162,490</u>
Deferred PILT	<u>(81,245)</u>	<u>(40,623)</u>	<u>-</u>
PILT Revenue Requirement	<u>\$ 81,245</u>	<u>\$ 121,867</u>	<u>\$ 162,490</u>
	<u>UPIS Balance w/o land</u>	<u>Depreciation @ 2%</u>	
Beginning Balance 12/31/2004			2,496,641
2005	7,295,418	145,908	2,642,549
2006	7,426,446	148,529	2,791,078
2007	7,732,396	154,648	2,945,726
2008	15,004,276	300,086	3,245,812
2009	15,316,216	306,324	3,552,136
2010	15,372,588	307,452	3,859,588
2011	15,417,755	308,355	4,167,943
2012	15,417,757	308,355	4,476,298
2013	15,676,283	313,526	4,789,824
2014	15,714,053	314,281	5,104,105
2015	15,714,053	314,281	5,418,386
2016	13,623,090	272,462	5,690,848
2016		(2,963,009) ^(A)	2,727,839
2017	13,641,091	272,822	3,000,661
Ending Balance 12/31/2018	14,102,553	282,051	3,282,712

^(A) Removal Costs per 2016 IURC Annual Report.

**Martinsville Municipal Water Utility
CAUSE NUMBER 45262**

Working Capital

	<u>Per Petitioner</u>	<u>Per Settlement</u>	<u>Settlement More (Less)</u>
Operation & Maintenance Expense	\$ 1,595,091	\$1,418,131	\$ (176,960)
Less: Purchased Water	-	-	-
Purchased Power	(98,225)	(98,225)	-
	<hr/>	<hr/>	<hr/>
Adjusted Operation & Maintenance Expense	1,496,866	1,319,906	(176,960)
Times: 45 Day Factor	<u>0.125</u>	<u>0.125</u>	<u>-</u>
Working Capital Revenue Requirement	187,108	164,988	(22,120)
Less: Cash on Hand	<u>-</u>	<u>1,525,368</u>	<u>1,525,368</u>
Net Working Capital Revenue Requirement	187,108	-	(187,108)
Divide by: Amortization Period (Years)	<u>1</u>	<u>5</u>	<u>4</u>
Annual Working Capital Revenue Requirement	<u>\$ 187,108</u>	<u>\$ -</u>	<u>\$ (187,108)</u>

**Martinsville Municipal Water Utility
CAUSE NUMBER 45262**

Current and Proposed Rates and Charges

	Current	PHASE 1			PHASE 2			PHASE 3		
		Per Petitioner	Per Settlement	Settlement More (Less)	Per Petitioner	Per Settlement	Settlement More (Less)	Per Petitioner	Per Settlement	Settlement More (Less)
<u>Monthly Minimum Service Charge:</u>										
5/8 inch meter	\$ 9.74	\$ 10.56	\$ 10.35	\$ (0.21)	\$ 11.15	\$ 10.68	\$ (0.47)	\$ 11.67	\$ 11.13	\$ (0.54)
3/4 inch meter	10.15	11.01	10.79	(0.22)	11.62	11.13	(0.49)	12.16	11.60	(0.56)
1 inch meter	11.44	12.40	12.16	(0.24)	13.10	12.54	(0.56)	13.70	13.07	(0.63)
1 1/2 inch meter	13.31	14.43	14.15	(0.28)	15.24	14.60	(0.64)	15.94	15.22	(0.72)
2 inch meter	18.41	19.96	19.57	(0.39)	21.07	20.19	(0.88)	22.05	21.05	(1.00)
3 inch meter	55.66	60.35	59.16	(1.19)	63.72	61.03	(2.69)	66.66	63.62	(3.04)
4 inch meter	69.59	75.45	73.96	(1.49)	79.66	76.30	(3.36)	83.35	79.54	(3.81)
6 inch meter	101.77	110.34	108.16	(2.18)	116.50	111.58	(4.92)	121.89	116.32	(5.57)
9 inch meter	138.81	150.50	147.53	(2.97)	158.90	152.19	(6.71)	166.25	158.66	(7.59)
<u>Monthly Volumetric Rate</u> (per 1,000 gallons)										
First 20,000 gallons	\$ 3.980	\$ 4.315	\$ 4.230	\$ (0.085)	\$ 4.556	\$ 4.364	\$ (0.192)	\$ 4.767	\$ 4.549	\$ (0.218)
Next 280,000 gallons	3.490	3.784	3.709	(0.075)	3.995	3.826	(0.169)	4.180	3.989	(0.191)
Next 700,000 gallons	2.830	3.068	3.008	(0.060)	3.239	3.103	(0.136)	3.389	3.235	(0.154)
All over 1,000,000 gallons	2.590	2.808	2.753	(0.055)	2.965	2.840	(0.125)	3.102	2.961	(0.141)
DNR Morgan - Monroe State Forest (minimum monthly charge)	\$ 722.26	\$ 783.11	\$ 767.62	\$ (15.49)	\$ 826.80	\$ 791.88	\$ (34.92)	\$ 865.05	\$ 825.53	\$ (39.52)
<u>Fire Protection</u>										
Private hydrants (each)	\$ 1,208.69	\$ 1,310.52	\$ 1,284.60	\$ (25.92)	\$ 1,383.63	\$ 1,325.19	\$ (58.44)	\$ 1,447.66	\$ 1,381.51	\$ (66.15)
Public Charge:										
5/8 inch meter	\$ 7.81	\$ 8.47	\$ 8.30	\$ (0.17)	\$ 8.94	\$ 8.56	\$ (0.38)	\$ 9.35	\$ 8.92	\$ (0.43)
1 inch meter	19.53	21.18	20.76	(0.42)	22.36	21.42	(0.94)	23.39	22.33	(1.06)
1 1/2 inch meter	39.05	42.34	41.50	(0.84)	44.70	42.81	(1.89)	46.77	44.63	(2.14)
2 inch meter	62.54	67.81	66.47	(1.34)	71.59	68.57	(3.02)	74.90	71.48	(3.42)
3 inch meter	136.77	148.29	145.36	(2.93)	156.57	149.95	(6.62)	163.81	156.32	(7.49)
4 inch meter	234.44	254.19	249.16	(5.03)	268.37	257.03	(11.34)	280.79	267.95	(12.84)

Martinsville Municipal Water Utility
Cause Number 45262
Petitioner *Pro Forma* Operating Expense

	<u>Test Year</u>	<u>Adjustments</u>	<u>Pro Forma</u>
Total Operating Expense	\$ 2,142,010	\$ (553,777)	\$ 1,588,233
Less: Utility Receipts Tax	(36,999)	-	(36,999)
	<u>2,105,011</u>	<u>(553,777)</u>	<u>1,551,234</u>
Add: 3% CPI - 2021	-	43,856	43,856
Rounding	-	1	1
Phase 1	<u>2,105,011</u>	<u>(509,920)</u>	<u>1,595,091</u>
Less: Filter Media Replacement	-	(125,000)	(125,000)
Add: 3% CPI - 2022	-	47,853	47,853
Phase 2	<u>2,105,011</u>	<u>(587,067)</u>	<u>1,517,944</u>
Add: 3% CPI - 2023	-	45,538	45,538
Phase 3	<u>\$ 2,105,011</u>	<u>\$ (541,529)</u>	<u>\$ 1,563,482</u>
 O&M - Without Capital Projects	 <u>\$ 1,537,042</u>	 <u>\$ 26,440</u>	 <u>\$ 1,563,482</u>

Summary of Union Contract Wages

	<u>2019</u>	<u>2018</u>	<u>Increase</u>	
			<u>\$</u>	<u>%</u>
<u>Water Department:</u>				
Certified Distributor Operator	\$ 20.77	\$ 20.37	\$ 0.40	1.97%
Laborer	18.51	18.15	0.36	1.98%
Chief Meter Reader	20.78	20.37	0.41	2.01%
Meter Reader	20.51	20.11	0.40	1.99%
Water Treatment Class III License Holder	21.34	20.92	0.42	2.01%
Water Utility Office Manager	48,146.00	46,744.56	1,401.44	3.00%
Water Utility Asst. Office Manager	45,114.00	44,230.26	883.74	2.00%
Water Utility Office Clerk	19.42	19.04	0.38	2.00%
Pumping Station Operator	19.93	19.54	0.39	2.00%
Working Foreman	51,783.00	50,274.78	1,508.22	3.00%
Heavy Equipment Operator	19.20	18.82	0.38	2.02%
Senior Operator Over scale	0.50	0.50	-	0.00%

AGREEMENT
BETWEEN
CITY OF MARTINSVILLE
AND
TEAMSTERS LOCAL 135
AN AFFILIATE OF
THE INTERNATIONAL BROTHERHOOD OF
TEAMSTERS

POA

*Union
contract*

JANUARY 1, 2018 THRU DECEMBER 31, 2021

Appendix A

Classifications and Wages

		Hourly Rate	Hourly Rate
		January 1, 2017-December 31, 2017	January 1, 2018-December 31, 2018
STREET DEPT.			
	Asst. Street Supt.	\$ 46,597.00	\$ 47,528.94
	Laborer	\$ 17.79	\$ 18.15
	Laborer Crew Head	\$ 17.90	\$ 18.26
	Truck Driver	\$ 18.19	\$ 18.55
	Heavy Equipment Operator*	\$ 18.45	\$ 18.82
	Concrete Finisher	\$ 18.45	\$ 18.82
	Truck Driver Crew Chief	\$ 17.94	\$ 18.30
	Chief Mechanic	\$ 21.77	\$ 22.21
	Asst. Mechanic	\$ 18.74	\$ 19.11
	Senior Operator Over Scale	\$ 0.50	\$ 0.50
Sanitation Department			
	Truck Driver	\$ 18.83	\$ 19.21
	Packer Crew Member (rear)	\$ 19.01	\$ 19.39
WATER AND SEWER DEPARTMENT			
	Certified Distributor Operator	\$ 19.96	\$ 20.36
	Laborer	\$ 17.79	\$ 18.15
	Chief Meter Reader	\$ 19.97	\$ 20.37
	Meter Reader	\$ 19.72	\$ 20.11
	W.T. Class III, License Holder	\$ 20.51	\$ 20.92
	Water Utility Office Manager	\$ 45,828.00	\$ 46,744.56
	Water Utility Asst. Office Manager	\$ 43,363.00	\$ 44,230.26
	Water Utility Office Clerk	\$ 18.67	\$ 19.04
	Pumping Station Operator	\$ 19.16	\$ 19.54
	Water Works Sewer Dept. Working Foreman	\$ 49,289.00	\$ 50,274.78
	Heavy Equipment Operator*	\$ 18.45	\$ 18.82
	Senior Operator Over Scale	\$ 0.50	\$ 0.50
WASTE WATER TREATMENT PLANT			
	Class I Operator	\$ 18.33	\$ 18.70
	Class II Operator	\$ 19.96	\$ 20.36
	WWT Class III, License Holder	\$ 20.51	\$ 20.92
	Laborer	\$ 17.79	\$ 18.15
	Waste Water Treatment Plant Working Foreman	\$ 49,289.00	\$ 50,274.78
*For payroll information, the following is considered "heavy equipment", and employee operating such will be paid the heavy equipment hourly wage:			
Bulldozer or backhoe	aerial bucket truck (in truck)		
Stump grinder	grad all excavator		
Road grader	sani-vac sewer truck		
Street sweeper	front end loader		

Appendix ' A'

CLASSIFICATION AND WAGES FOR For 2019	New Rate
STREET DEPT	
Asst Street Supt	\$ 48,955
Laborer	\$ 18.51
Laborere Crew Head	\$ 18.63
Truck Driver	\$ 18.92
Heavy Equipment Operator*	\$ 19.2
Concrete Finisher	\$ 19.2
Truck Driver Crew Chief	\$ 18.67
Chief Mechanic	\$ 22.65
Asst Mechanic	19.49
Senior Operator Over Scale	\$ 0.5
 Sanitation Department	
Truck Driver	\$ 19.59
Packer Crew Member (rear)	\$ 19.78
 Water and Sewer Department	
Certified Distributor Operator	\$ 20.77
Laborer	\$ 18.51
Chief Meter Reader	\$ 20.78
Meter Reader	\$ 20.51
W.T. Class III, License Holder	\$ 21.34
Water Utility Office Manager	\$ 48,146.00
Water Utility Asst. Office Manager	\$ 45,114
Water Utility Office Clerk	\$ 19.42
Pumping Station Operator	\$ 19.93
Water Works Sewer Dept. Working Foreman	\$ 51,783.00
Heavy Equipment Operatore**	\$ 19.2
Senior Operator Over Scale	\$ 0.5
 Waste Water Treatment Plant	
Class I Operator	\$ 19.06
Class II Operator	\$ 20.77
WWT Class III, License Holder	\$ 21.34
Laborer	\$ 18.51
Waste Water Treatment Plant Working Foreman	\$ 51,783

***For payroll information, the following is considered " heavy equipment", and employee Operating such will be paid the heavy equipment hourly wage:

Bull dozer or backhoe	aerial bucket truck(in truck)
Stump grinder	grad-all excavtor
Road grader	sani-vac sewer truck

Street sweeper

front end loader

Vendor	Invoice #	Amount	Reason
REEDY FINANCIAL GROUP F 4245		2,049.99	bond ordinances, rate studies, and developer / comercial rate payers Utility Projects as directed by clients, bond ordinances, rate studies,
REEDY FINANCIAL GROUP F 4301		3,590.00	and developer/commercial Rates Utility Projects as directed by clients, bond ordinances, rate studies,
REEDY FINANCIAL GROUP F 4361		3,471.25	and developer/commercial Rates Utility Projects as directed by clients, bond ordinances, rate studies,
REEDY FINANCIAL GROUP F 4421		2,921.42	and developer/commercial Rates Utility Projects as directed by clients, bond ordinances, rate studies,
REEDY FINANCIAL GROUP F 4485		3,943.75	and developer/commercial Rates Utility Projects as directed by clients, bond ordinances, rate studies,
REEDY FINANCIAL GROUP F 4536		6,277.50	and developer/commercial Rates Utility Projects as directed by clients, bond ordinances, rate studies,
REEDY FINANCIAL GROUP F 4598		3,542.92	and developer/commercial Rates Utility Projects as directed by clients, bond ordinances, rate studies,
REEDY FINANCIAL GROUP F 4662		3,968.75	and developer/commercial Rates Utility Projects as directed by clients, bond ordinances, rate studies,
REEDY FINANCIAL GROUP F 4726		4,541.67	and developer/commercial Rates Utility Projects as directed by clients, bond ordinances, rate studies,
REEDY FINANCIAL GROUP F 4809		3,733.33	and developer/commercial Rates Utility Projects as directed by clients, bond ordinances, rate studies,
REEDY FINANCIAL GROUP F 4883		2,383.33	and developer/commercial Rates Utility Projects as directed by clients, bond ordinances, rate studies,
REEDY FINANCIAL GROUP F 4955		2,225.00	and developer/commercial Rates
		42,648.91	



PO Box 943, Seymour, IN 47274
Fax: 812 522.9494
www.ReedyFinancialGroup.com

Invoice

Invoice # 4245

Eric F. Reedy, CPA
812.522.9402
EReedy@reedyfinancialgroup.com

Customer:

FIN: 26-3864183

For services provided thru: 11/30/2017

City of Martinsville, Utilities
Ms. Shannon Kohl, Mayor
59 South Jefferson St.
Martinsville, IN 46151



Service	Description	Time	Amount
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	8.99997	1,574.99
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	16.83333	2,525.00
Administration	Includes report preparation, duplication, file creation and upkeep, and other related client clerical duties.	2	250.00
City of Martinsville Utilities	Out of pocket expenses including copies, mileage, supplies, postage, etc.		2.75

$$\begin{aligned}
 \$2,525.00 \times 50\% &= \$1,262.50 \\
 \$1,574.99 \times 50\% &= \$787.49
 \end{aligned}$$

\$2,049.99

Claimant Certification.
I hereby certify that the foregoing account is just and correct, that the amount claimed is legally due after allowing all just credits, and that no part of the same has been paid.

Eric F. Reedy
President

Amount of Current Invoice	\$4,352.74
Credits	\$0.00
Balance Due	\$4,352.74
Customer Total Balance	\$4,352.74
(Includes any past due amount)	



Government Finance Specialists
Certified Public Accountant + Consultants

PO Box 943, Seymour, IN 47274
Fax: 812.522.9494

www.ReedyFinancialGroup.com

Invoice

Invoice # **4301**

Eric F. Reedy, CPA

812.522.9402

EReedy@reedyfinancialgroup.com

Customer:

FIN: 26-3864183

For services provided thru: 12/31/2017

City of Martinsville, Utilities
Ms. Shannon Kohl, Mayor
59 South Jefferson St.
Martinsville, IN 46151



Service	Description	Time	Amount
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	23.66666	3,550.00
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	13.16664	2,304.16
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	14.5	1,305.00
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	0.16667	20.83

$\$ 3,550.00 \times 50\% = \$ 1,775.00$
 $\$ 2,304.16 \times 50\% = \$ 1,152.08$
 $\$ 1,305.00 \times 50\% = \$ 652.50$
 $\$ 20.83 \times 50\% = \$ 10.42$

\$3,590.00

Claimant Certification:

I hereby certify that the foregoing account is just and correct, that the amount claimed is legally due after allowing all just credits, and that no part of the same has been paid.

Eric F. Reedy

President

Amount of Current Invoice	\$7,179.99
Credits	\$0.00
Balance Due	\$7,179.99
Customer Total Balance	\$11,532.73
(Includes any past due amount)	

Voucher No. 21109 Warrant No. 10052

ACCOUNTS PAYABLE		
MUNICIPAL WATER DEPT. MARTINSVILLE, INDIANA		
Favor Of <u>Reedy Financial</u> ✓		
1387		
Total Amount of Voucher	\$ <u>3590</u>	<u>00</u>
Deductions		
Amount of Warrant	\$ <u>3590</u>	<u>00</u>
Month of _____		20____
VOUCHER RECORD	Acct. No.	
Source of Supply		
Water Treatment		
Transmission and Dist.		
Customer Accounts		
Administrative & General		
Operation-Maintenance		
Total		
Allowed _____		
Board of Control		
Filed _____	Official Title _____	

DETAILED ACCOUNTS		
Acct. No.		
	<u>501 400 630</u>	
	<u>4301</u>	<u>3590 00</u>

12/31/17
Utility Consulting



PO Box 943, Seymour, IN 47274
Fax: 812.522.9494
www.ReedyFinancialGroup.com

Invoice

Invoice # 4361

Eric F. Reedy, CPA

812.522.9402

EReedy@reedyfinancialgroup.com

Customer:

FIN: 26-3864183

For services provided thru: 1/31/2018

City of Martinsville, Utilities
Ms. Shannon Kohl, Mayor
59 South Jefferson St.
Martinsville, IN 46151



Service	Description	Time	Amount
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	9.16665	1,604.16
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	30.33335	4,550.00
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	1.5	225.00
Administration	Includes report preparation, duplication, file creation and upkeep, and other related client clerical duties.	1	125.00
Special Project	Preparation of a special report as requested by our client, including interviews with employees and consultants, analysis of reports prepared by employees and consultants and evaluating data inputted into the client's bookkeeping and billing system.	5.16666	775.00
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	0.83333	83.33
Administration	Includes report preparation, duplication, file creation and upkeep, and other related client clerical duties.	6.16666	616.67
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	5.33333	480.00
Accounting Bookkeeping	Assist with the reconciliation of the general ledger to the bank. Includes analysis and proposed adjustments to the general ledger, appropriations ledger, receipts detail, fund balances and other bookkeeping services as required by client.	12.5	1,562.50
Accounting Bookkeeping	Assist with the reconciliation of the general ledger to the bank. Includes analysis and proposed adjustments to the general ledger, appropriations ledger, receipts detail, fund balances and other bookkeeping services as required by client.	7.83333	587.50

$\$1,604.16 \times 50\% = \$ 802.08$
 $\$4,550.00 \times 50\% = \$ 2,275.00$
 $\$ 225.00 \times 50\% = \$ 112.50$
 $\$ 83.33 \times 50\% = \$ 41.67$
 $\$ 480.00 \times 50\% = \$ 240.00$

Claimant Certification:

I hereby certify that the foregoing account is just and correct, that the amount claimed is legally due after allowing all just credits, and that no part of the same has been paid.

Eric F. Reedy

President

\$3,471.25

Amount of Current Invoice	\$10,609.16
Credits	\$0.00
Balance Due	\$10,609.16
Customer Total Balance	\$10,609.16

(Includes any past due amount)



Invoice

Invoice # 4421

PO Box 943, Seymour, IN 47274
Fax: 812.522.9494

Eric F. Reedy, CPA

812.522.9402

www.ReedyFinancialGroup.com

EReedy@reedyfinancialgroup.com

Customer:

FIN: 26-3864183

For services provided thru: 2/28/2018

City of Martinsville, Utilities
Ms. Shannon Kohl, Mayor
59 South Jefferson St.
Martinsville, IN 46151



Service	Description	Time	Amount
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	6.16665	1,079.16
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	9.66667	1,450.00
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	16.5	1,485.00
Annual Report Preparation	Includes assisting in the preparation of the annual financial report.	3	300.00
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	4.83333	845.83
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	9.83334	983.33
City of Martinsville Utilities	Out of pocket expenses including copies, mileage, supplies, postage, etc.		1.05

$\$1,079.16 \times 50\% = \539.58
 $\$1,450.00 \times 50\% = \725.00
 $\$1,485.00 \times 50\% = \742.50
 $\$845.33 \times 50\% = \422.67
 $\$983.33 \times 50\% = \491.67

\$2,921.42

Claimant Certification:
I hereby certify that the foregoing account is just and correct, that the amount claimed is legally due after allowing all just credits, and that no part of the same has been paid.

Eric F. Reedy

President

Amount of Current Invoice	\$6,144.37
Credits	\$0.00
Balance Due	\$6,144.37
Customer Total Balance	\$6,144.37

(Includes any past due amount)



PO Box 943, Seymour, IN 47274
Fax: 812.522.9494
www.ReedyFinancialGroup.com

Invoice

Invoice # 4485

Eric F. Reedy, CPA
812.522.9402
EReedy@reedyfinancialgroup.com

Customer:

FIN: 26-3864183

For services provided thru: 3/31/2018

City of Martinsville, Utilities
Ms. Shannon Kohl, Mayor
59 South Jefferson St.
Martinsville, IN 46151



Service	Description	Time	Amount
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	8.83332	1,545.83
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	5	450.00
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	16.66665	2,500.00
Administration	Includes report preparation, duplication, file creation and upkeep, and other related client clerical duties.	2	250.00
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	8.83332	883.33
Administration	Includes report preparation, duplication, file creation and upkeep, and other related client clerical duties.	15.33335	766.67
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	6.99999	1,225.00
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	12.83333	1,283.33
Administration	Includes report preparation, duplication, file creation and upkeep, and other related client clerical duties.	5.83334	583.33
Accounting Bookkeeping	Assist with the reconciliation of the general ledger to the bank. Includes analysis and proposed adjustments to the general ledger, appropriations ledger, receipts detail, fund balances and other bookkeeping services as required by client.	18.33333	1,375.00
City of Martinsville Utilities	Out of pocket expenses including copies, mileage, supplies, postage, etc.		75.57

$\$1,545.83 \times 50\% = \772.92
 $\$450.00 \times 50\% = \225.00
 $\$2,500.00 \times 50\% = \$1,250.00$
 $\$883.33 \times 50\% = \441.67
 $\$1,225.00 \times 50\% = \612.50
 $\$1,283.33 \times 50\% = \641.67

\$3,943.75

Claimant Certification:
I hereby certify that the foregoing account is just and correct, that the amount claimed is legally due after allowing all just credits, and that no part of the same has been paid.

Eric F. Reedy

President

Amount of Current Invoice	\$10,938.06
Credits	\$0.00
Balance Due	\$10,938.06
Customer Total Balance	\$10,938.06

(Includes any past due amount)

Invoice

Invoice # **4536**

Eric F. Reedy, CPA

812.522.9402

EReedy@reedyfinancialgroup.com

Reedy Financial Group P.C.

Government Finance Specialists
Certified Public Accountant • Consultants

PO Box 943, Seymour, IN 47274
Fax: 812.522.9494

www.ReedyFinancialGroup.com

Customer:

City of Martinsville, Utilities
Ms. Shannon Kohl, Mayor
59 South Jefferson St.
Martinsville, IN 46151

FIN: 26-3864183

For services provided thru: 4/30/2018



Service	Description	Time	Amount
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	5.99997	1,049.99
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	23.79999	2,380.00
Administration	Includes report preparation, duplication, file creation and upkeep, and other related client clerical duties.	0.16667	12.50
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	29.5	4,425.00
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	12.16666	1,095.00
Accounting Bookkeeping	Assist with the reconciliation of the general ledger to the bank. Includes analysis and proposed adjustments to the general ledger, appropriations ledger, receipts detail, fund balances and other bookkeeping services as required by client.	0.66667	43.33
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	22.83333	3,425.00
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	2	180.00
City of Martinsville Utilities	Out of pocket expenses including copies, mileage, supplies, postage, etc.		6.90

$\$1,049.99 \times 50\% = \525.00
 $\$2,380.00 \times 50\% = \$1,190.00$
 $\$4,425.00 \times 50\% = \$2,212.50$
 $\$1,095.00 \times 50\% = \547.50
 $\$3,425.00 \times 50\% = \$1,712.50$
 $\$180.00 \times 50\% = \90.00

\$6,277.50

Claimant Certification:

I hereby certify that the foregoing account is just and correct, that the amount claimed is legally due after allowing all just credits, and that no part of the same has been paid.

Eric F. Reedy

President

Amount of Current Invoice \$12,617.72

Credits \$0.00

Balance Due \$12,617.72

Customer Total Balance \$23,555.78

(Includes any past due amount)

Invoice

Invoice # **4598**

PO Box 943, Seymour, IN 47274
Fax: 812.522.9494
www.ReedyFinancialGroup.com

Eric F. Reedy, CPA
812.522.9402
EReedy@reedyfinancialgroup.com

Customer:

FIN: 26-3864183

For services provided thru: 5/31/2018

City of Martinsville, Utilities
Ms. Shannon Kohl, Mayor
59 South Jefferson St.
Martinsville, IN 46151



Service	Description	Time	Amount
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	11.49999	1,725.00
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	4.33333	390.00
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	5.83331	1,020.83
Financial Plan Construction	Preparation of the financial plan. Includes entering historical revenues, expenditures, appropriations, tax rates and net assessed valuations. Also includes entering data into the maximum property tax levy, local option income tax and cash flow modules. Analysis of new programs or new hires; and of proposed major projects. Includes property tax impacts and comparisons. Includes meeting with elected and appointed officials to receive economic and policy assumptions for future periods.	7.16667	1,075.00
Special Project	Preparation of a special report as requested by our client, including interviews with employees and consultants, analysis of reports prepared by employees and consultants and evaluating data inputted into the client's bookkeeping and billing system.	2	200.00
Special Project	Preparation of a special report as requested by our client, including interviews with employees and consultants, analysis of reports prepared by employees and consultants and evaluating data inputted into the client's bookkeeping and billing system.	5	450.00
City of Martinsville Utilities	Out of pocket expenses including copies, mileage, supplies, postage, etc.		0.60
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	20	2,000.00
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	13.00001	1,950.00

$\$1,725.00 \times 50\% = \862.50
 $\$390.00 \times 50\% = \195.00
 $\$1,020.83 \times 50\% = \510.42
 $\$2,000.00 \times 50\% = \$1,000.00$
 $\$1,950.00 \times 50\% = \975.00

\$3,542.92

Claimant Certification:

I hereby certify that the foregoing account is just and correct, that the amount claimed is legally due after allowing all just credits, and that no part of the same has been paid.

Eric F. Reedy

President

Amount of Current Invoice	\$8,811.43
Credits	\$0.00
Balance Due	\$8,811.43
Customer Total Balance	\$8,811.43
(Includes any past due amount)	

Invoice

Invoice # **4662**

PO Box 943, Seymour, IN 47274
Fax: 812.522.9494
www.ReedyFinancialGroup.com

Eric F. Reedy, CPA
812.522.9402
EReedy@reedyfinancialgroup.com

Customer:

FIN: 26-3864183

For services provided thru: 6/29/2018

City of Martinsville, Utilities
Ms. Shannon Kohl, Mayor
59 South Jefferson St.
Martinsville, IN 46151



Service	Description	Time	Amount
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers	6.49998	1,137.50
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers	45.33334	6,800.00

$$\begin{aligned} \$1,137.50 \times 50\% &= \$568.75 \\ \$6,800.00 \times 50\% &= \$3,400.00 \end{aligned}$$

\$3,968.75

Claimant Certification:
I hereby certify that the foregoing account is just and correct, that the amount claimed is legally due after allowing all just credits, and that no part of the same has been paid.

Eric F. Reedy

President

Amount of Current Invoice	\$7,937.50
Credits	\$0.00
Balance Due	\$7,937.50
Customer Total Balance	\$7,937.50

(Includes any past due amount)

Invoice

Invoice # 4726

PO Box 943, Seymour, IN 47274
Fax: 812 522.9494
www.ReedyFinancialGroup.com

Eric F. Reedy, CPA
812.522.9402
EReedy@reedyfinancialgroup.com

Customer:

FIN: 26-3864183

For services provided thru: 7/31/2018

City of Martinsville, Utilities
Ms. Shannon Kohl, Mayor
59 South Jefferson St.
Martinsville IN 46151



Service	Description	Time	Amount
Utility Consulting	Work on utility projects as directed by clients bond ordinances, rate studies and developer/commercial rate payers.	6.83329	1,195.83
Utility Consulting	Work on utility projects as directed by clients bond ordinances, rate studies and developer/commercial rate payers	43.83334	6,575.00
Administration	Includes report preparation, duplication, file creation and upkeep, and other related client clerical duties.	10	1,000.00
Utility Consulting	Work on utility projects as directed by clients bond ordinances, rate studies and developer/commercial rate payers.	4.16667	520.83
Utility Consulting	Work on utility projects as directed by clients bond ordinances, rate studies and developer/commercial rate payers.	1 5	150.00
Accounting Bookkeeping	Assist with the reconciliation of the general ledger to the bank. Includes analysis and proposed adjustments to the general ledger, appropriations ledger, receipts detail fund balances and other bookkeeping services as required by client.	19.49999	2,437.50
Utility Consulting	Work on utility projects as directed by clients bond ordinances, rate studies and developer/commercial rate payers.	3.66667	641.67

$\$1,195.83 \times 50\% = \597.92
 $\$6,575.00 \times 50\% = \$3,287.50$
 $\$520.83 \times 50\% = \260.42
 $\$150.00 \times 50\% = \75.00
 $\$641.67 \times 50\% = \320.84

\$4,541.67

Claimant Certification:

I hereby certify that the foregoing account is just and correct, that the amount claimed is legally due after allowing all just credits, and that no part of the same has been paid.

Eric F. Reedy

President

Amount of Current Invoice	\$12,520.83
Credits	\$0.00
Balance Due	\$12,520.83
Customer Total Balance	\$12,520.83
(Includes any past due amount)	

Invoice

Invoice # 4809

PO Box 943, Seymour, IN 47274
Fax: 812.522.9494
www.ReedyFinancialGroup.com

Eric F. Reedy, CPA
812.522.9402
EReedy@reedyfinancialgroup.com

Customer:

FIN: 26-3864183

For services provided thru: 8/31/2018

City of Martinsville, Utilities
Ms. Shannon Kohl, Mayor
59 South Jefferson St.
Martinsville, IN 46151



Service	Description	Time	Amount
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	5.66664	991.66
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	22.66666	3,400.00
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	20.49999	3,075.00
Administration	Includes report preparation, duplication, file creation and upkeep, and other related client clerical duties.	15	1,500.00

$\$ 991.66 \times 50\% = \$ 495.83$
 $\$ 3,400.00 \times 50\% = \$ 1,700.00$
 $\$ 3,075.00 \times 50\% = \$ 1,537.50$

\$3,733.33

Claimant Certification:
I hereby certify that the foregoing account is just and correct, that the amount claimed is legally due after allowing all just credits, and that no part of the same has been paid.

Eric F. Reedy

President

Amount of Current Invoice	\$8,966.66
Credits	\$0.00
Balance Due	\$8,966.66
Customer Total Balance	\$8,966.66
(Includes any past due amount)	

Invoice

Invoice # 4883

PO Box 943, Seymour, IN 47274
Fax: 812.522.9494

www.ReedyFinancialGroup.com

Eric F. Reedy, CPA

812.522.9402

EReedy@reedyfinancialgroup.com

Customer:

FIN: 26-3864183

For services provided thru: 9/30/2018

City of Martinsville, Utilities
Ms. Shannon Kohl, Mayor
59 South Jefferson St.
Martinsville, IN 46151



Service	Description	Time	Amount
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	5.99997	1,049.99
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	5.66666	850.00
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	28.66666	2,866.67

$\$1,049.99 \times 50\% = \525.00
 $\$850.00 \times 50\% = \425.00
 $62,866.67 \times 50\% = \1433.34

\$2,383.33

Claimant Certification:

I hereby certify that the foregoing account is just and correct, that the amount claimed is legally due after allowing all just credits, and that no part of the same has been paid.

Eric F. Reedy

President

Amount of Current Invoice \$4,766.66

Credits \$0.00

Balance Due \$4,766.66

Customer Total Balance \$4,766.66

(Includes any past due amount)

Invoice

Invoice # 4955

PO Box 943, Seymour, IN 47274
Fax: 812.522.9494

www.ReedyFinancialGroup.com

Eric F. Reedy, CPA

812.522.9402

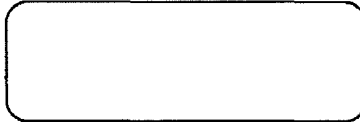
EReedy@reedyfinancialgroup.com

Customer:

FIN: 26-3864183

For services provided thru: 10/31/2018

City of Martinsville, Utilities
Ms. Shannon Kohl, Mayor
59 South Jefferson St.
Martinsville, IN 46151



Service	Description	Time	Amount
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	7.99999	1,400.00
Utility Consulting	Work on utility projects as directed by clients, bond ordinances, rate studies and developer/commercial rate payers.	20.33333	3,050.00

$\$1,400.00 \times 50\% = \700.00
 $\$3,050.00 \times 50\% = \$1,525.00$

\$2,225.00

Claimant Certification:

I hereby certify that the foregoing account is just and correct, that the amount claimed is legally due after allowing all just credits, and that no part of the same has been paid.

Eric F. Reedy

President

Amount of Current Invoice	\$4,450.00
Credits	\$0.00
Balance Due	\$4,450.00
Customer Total Balance	\$4,450.00

(Includes any past due amount)

Vendor	Invoice #	Amount	Description
Barnes & Thornburg LLP	2087609	678.00	IURC 2018 Water Bond Issue
Barnes & Thornburg LLP	2097178	689.00	IURC 2018 Water Bond Issue
Total		<u>1,367.00</u>	

BARNES & THORNBURG LLP

11 South Meridian Street
Indianapolis, Indiana 46204-3535 U.S.A.
E.I.N. 35-0900596
(317) 236-1313

Invoice 2087609

Page 2

CITY OF MARTINSVILLE
ATTN: REBECCA J. TUMEY
CLERK-TREASURER
110 WEST MORGAN STREET
MARTINSVILLE, IN 46151

February 28, 2018
Nicholas K. Kile
00037575-000033

PAYABLE UPON RECEIPT

00037575-000033

IURC 2018 WATER BOND ISSUE

For legal services rendered in connection with the above matter for the period ending January 31, 2018 as described on the attached detail.

Fees for Services	\$	678.00
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TOTAL THIS INVOICE	\$	678.00
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00037575-000033 CITY OF MARTINSVILLE

IURC 2018 WATER BOND ISSUE

Page 3

Date	Name	Description	Hours
01/19/18	Nicholas K. Kile	Meet re timetable on bond issue.	0.50
01/22/18	Nicholas K. Kile	Provide authority to Gutting on IURC approval re refunding bonds.; comments on timetable	0.70
Fees for Services Total			\$ 678.00

BARNES & THORNBURG LLP

Nicholas Kile
317-231-7768
Nicholas.Kile@btlaw.com

11 South Meridian Street
Indianapolis, IN 46204-3535 U.S.A.
(317) 236-1313
Fax (317) 231-7433

www.btlaw.com

February 28, 2018

City of Martinsville
Attn: Rebecca J. Tumey
Clerk Treasurer
110 West Morgan Street
Martinsville, Indiana 46151

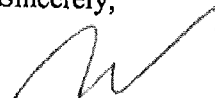
RE: Invoice

Dear Ms. Tumey:

Enclosed please find our statement for services rendered for the period ending January 31, 2018 regarding the IURC 2018 Water Bond Issue Township matter.

Should you have any questions, please do not hesitate to ask.

Sincerely,



Nicholas K. Kile

NKK:jc
Enclosure

DMS 11757167v1

Voucher No. **2203** Warrant No. **10154**

ACCOUNTS PAYABLE
MUNICIPAL WATER DEPT.
MARTINSVILLE, INDIANA

Favor Of
Banco + Hamburg

3/17

Total Amount of Voucher **\$ 678 00**
Deductions

Amount of Warrant **\$ 678 00**

Month of _____, 20__

VOUCHER RECORD	Acct. No.		
Source of Supply			
Water Treatment			
Transmission and Dist.			
Customer Accounts			
Administrative & General			
Operation-Maintenance			
Utility Plant in Service			
Const. Work in Progress			
Materials and Supplies			
Customers Deposits			
Total			

Allowed _____

Board of Control

Filed _____

Official Title

DETAILED ACCOUNTS

Acct. No. **501 400 630**

2/20/18

FWRC 2018 Water Bd

2087609

678 00

BARNES & THORNBURG LLP

11 South Meridian Street
Indianapolis, Indiana 46204-3535 U.S.A.
E.I.N. 35-0900596
(317) 236-1313

Invoice 2097178

Page 2

CITY OF MARTINSVILLE
ATTN: REBECCA J. TUMEY
CLERK-TREASURER
110 WEST MORGAN STREET
MARTINSVILLE, IN 46151

March 28, 2018
Nicholas K. Kile
00037575-000033

PAYABLE UPON RECEIPT

00037575-000033
IURC 2018 WATER BOND ISSUE

For legal services rendered in connection with the above matter for the period ending February 28, 2018 as described on the attached detail.

Fees for Services	\$	689.00
TOTAL THIS INVOICE	\$	689.00

00037575-000033 CITY OF MARTINSVILLE

Page 3

IURC 2018 WATER BOND ISSUE

Date	Name	Description	Hours
02/12/18	Lauren M. Box	Attended meeting with attorney P. Bailey regarding drafting petition for 2018 IURC financing.	0.20
02/12/18	Portia Bailey-Bernard	Drafted petition.	0.90
02/12/18	Portia Bailey-Bernard	Conversed with Lauren Box regarding petition.	0.20
02/13/18	Portia Bailey-Bernard	Drafted and revised petition.	0.80
02/19/18	Portia Bailey-Bernard	Revised financing petition.	0.30
Fees for Services Total			\$ 689.00

OUCR DR 1-17

DATA REQUEST

**City of Martinsville
Cause No. 45262**

Information Requested:

Does the EPA plan to reimburse Martinsville Water for the cost of the filters referenced in adjustment 13?

Information Provided:

No. While Petitioner anticipates the EPA assuming the cost on a going-forward basis, Petitioner has asked the EPA if they would pay for past filter media replacements and we have been told no.

OUCC DR 2-12

DATA REQUEST

**City of Martinsville
Cause No. 45262**

Information Requested:

Please provide documentation from the EPA supporting the statement from page 7 of Mr. Messmer's testimony that "the EPA has agreed to assume responsibility for the long-term maintenance costs of the existing GAC filters."

Information Provided:

The original language from page 7 should have been more precise. To date there are no written agreements with the EPA. All communication has been verbal. As previously indicated on page 6 of Mr. Messmer's testimony, the EPA has the responsibility to clean the aquifer because the site has been designated a superfund site. Drinking water is a human exposure pathway which the GAC treats. The verbal indication is that maintenance of the filters and GAC is the most cost-effective solution. The report is in the peer review stage. Mr. Hardin with the EPA relayed to the City Engineer on 8/15/19 that he hoped to have a final report before the end of the year.

OUCC DR 2-13

DATA REQUEST

**City of Martinsville
Cause No. 45262**

Information Requested:

When will the EPA assume responsibility for the GAC filter maintenance costs? Please provide supporting documentation.

Information Provided:

Please see Petitioner's response to OUCC DR 2-12. This communication has been verbal. Based on his experience with the EPA, Mr. Hardin expects that the cost burden to the City will be relieved within 3 years.

OUCC DR 7-6

DATA REQUEST

**City of Martinsville
Cause No. 45262**

Information Requested:

When does Petitioner anticipate the EPA will begin assuming the cost of the well filters?
Please explain the basis for this assumption.

Information Provided:

Mr. Messmer spoke with Mr. Hardin, referenced in previous testimony, on 10/31/19. Mr. Hardin said after internal discussions it was again reiterated by the EPA that it will be responsible for the cost of carbon exchange. Mr. Messmer asked Mr. Hardin to give an idea of the timeline. Mr. Hardin stated that it was his expectation that the Record of Decision [ROD] would be published by mid-2020. Mr. Hardin said within a year of the ROD he expected the EPA to assume carbon costs. Mr. Hardin also said he is working on an alternate funding mechanism in hopes that the EPA would cover the upcoming carbon exchange. Mr. Hardin could not commit as to the likelihood of funding the carbon exchange prior to the ROD.

Vendor	Invoice #	Amount	Description
Amazon	113-1056365-2753827	15.68	Elf Shoes
Hilton Double Tree	9628	249.90	Christmas Party Venue
Amazon	113-2343541-9437813	54.99	Elf Costume
Amazon	113-4365723-6992256	439.47	Christmas Party Books & Table Cloths
Ralph and Ava's Café Catering	12-6-18	2,794.50	Christmas Party Catering
Artie's Café	1640	229.64	
Fall Follage Festival	10/6/18	1,875.00	2018 Mayor's Bash
	Total	<u>5,659.18</u>	

10/19/2018

amazon.com

Amazon.com - Order 113-1056365-2753827

Details for Order #113-1056365-2753827
Print this page for your records.

Order Placed: October 19, 2018
Amazon.com order number: 113-1056365-2753827
Order Total: \$15.68

Not Yet Shipped

Items Ordered

1 of: *Fun Costumes Wizard of Oz Munchkin Shoes Yellow Brick Road - M*
Sold by: HalloweenCostumes ([seller profile](#))

Price
\$9.99

Condition: New

Shipping Address:

Stacey Williams
110 W MORGAN ST
CITY CLERK-TREASURER
MARTINSVILLE, IN 46151-1448
United States

Shipping Speed:

Standard Shipping

Payment information

Payment Method:

Visa | Last digits: 2435

Item(s) Subtotal: \$9.99
Shipping & Handling: \$4.99

Total before tax: \$14.98
Estimated tax to be collected: \$0.70

Grand Total: \$15.68

ELF COSTUME

Billing address

Stacey Williams
110 W MORGAN ST
CITY CLERK-TREASURER
MARTINSVILLE, IN 46151-1448
United States

Return to Order Summary.

Amazon.com, Inc. or its affiliates

State Board of Accounts
01 (Rev. 1995)

113-1056365-2753827

ACCOUNTS PAYABLE VOUCHER

To U.S. Bank

Address _____

Invoice Date	Invoice Number	Item	Amount
10/19/18	113-1056365-2753827	Elf shoes for Christmas party	15.68
			15.68

I hereby certify that the attached invoice(s), or bill(s), is (are) true and correct and that the materials or services specified thereon for which charge is made were ordered and received except _____

_____, 20 _____

I hereby certify that the attached invoice(s), or bill(s), is (are) true and correct and I have audited same in accordance with the provisions of the Uniform Accounting System for State and Local Governments, C 5-11-10-1.6.

12/3, 20 18
pd 11-20-18
MANAGER
United States

Signature
Rebecca J. Sumey
Officer

Title

Title

turn to Order Summary.

Amazon.com, Inc. or its affiliates

Home Bank

November 2018 Statement 10/04/2018 - 11/02/2018
 CITY OF MARTINSVILLE (CPN 001829533)

Page 2 of 4

Cardmember Service ☎ 1-866-552-8855

Important Messages

Paying Interest: You have a 24 to 30 day interest-free period for Purchases provided you have paid your previous balance in full by the Payment Due Date shown on your monthly Account statement. In order to avoid additional INTEREST CHARGES on Purchases, you must pay your new balance in full by the Payment Due Date shown on the front of your monthly Account statement.

There is no interest-free period for transactions that post to the Account as Advances or Balance Transfers except as provided in any Offer Materials. Those transactions are subject to interest from the date they post to the Account until the date they are paid in full.

Visa Payment Controls allows you to customize each of your employee's Visa business credit cards to control where, when, and how your employees use them. Easily set controls that limit card use by time of day or day of week, dollar amount, transaction types or geographical locations. Visit myaccountaccess.com/vpc to set up customized controls on your employees' business credit cards today.

Transactions TUMEY, REBECCA J ✓ Credit Limit \$5000

Post Date	Trans Date	Ref #	Transaction Description	Amount	Notation
Purchases and Other Debits					
10/22	10/19	4422	AMZN Mktp US*M86GE9FA1 Amzn.com/bill WA	\$15.68 ✓	
10/26	10/24	9628	DOUBLE TREE BY HILTON LAWRENCEBURG IN	\$249.90 ✓	CHRISTMAS PARTY VENUE
Total for Account 4798 5100 6053 2435				\$265.58	

9/11/2018

Amazon.com - Order 113-2343541-9437813

amazon.com

Details for Order #113-2343541-9437813

Print this page for your records.



Order Placed: September 11, 2018
Amazon.com order number: 113-2343541-9437813
Order Total: \$54.99

Not Yet Shipped

Items Ordered

Price

1 of: *Buddy The Elf Costume Kit Adult XL with Wig*
Sold by: BuyCostumes ([seller profile](#))

\$54.99

Condition: New

Shipping Address:

Stacey Williams
110 W MORGAN ST
CITY CLERK-TREASURER
MARTINSVILLE, IN 46151-1448
United States

Shipping Speed:

Local Express Shipping

Payment information

Payment Method:

Visa | Last digits: 2435

Item(s) Subtotal: \$54.99

Shipping & Handling: \$0.00

Total before tax: \$54.99

Estimated tax to be collected: \$0.00

Grand Total: \$54.99

ELF COSTUME

Billing address

Stacey Williams
110 W MORGAN ST
CITY CLERK-TREASURER
MARTINSVILLE, IN 46151-1448
United States

Return to Order Summary.

Amazon.com, Inc. or its affiliates

9/11/2018

Amazon.com - Order 113-4365723-6992256

amazon.com

Details for Order #113-4365723-6992256

Print this page for your records.



Order Placed: September 11, 2018
Amazon.com order number: 113-4365723-6992256
Order Total: \$439.47

Not Yet Shipped

Items Ordered

	Price
50 of: <i>The Berenstain Bears and the Joy of Giving</i> , Jan Berenstain Sold by: Amazon.com Services, Inc	\$3.99
Condition: New	
3 of: <i>Lann's Linens - 10 Premium 90" Round Tablecloths for Wedding/Banquet/Restaurant - Polyester Fabric Table Cloths - Black</i> Sold by: Mix Wholesale (seller profile)	\$79.99
Condition: New	

Shipping Address:

Stacey Williams
110 W MORGAN ST
CITY CLERK-TREASURER
MARTINSVILLE, IN 46151-1448
United States

Shipping Speed:

Two-Day Shipping

Payment information

Payment Method:

Visa | Last digits: 2435

Billing address

Stacey Williams
110 W MORGAN ST

Item(s) Subtotal: \$439.47
Shipping & Handling: \$0.00

Total before tax: \$439.47
Estimated tax to be collected: \$0.00

Grand Total: \$439.47
*CHRISTMAS PARTY
SUPPLIES*

Return to Order Summary.

Amazon.com, Inc. or its affiliates

Prescribed by State Board of Accounts
 Form No. 601 (Rev. 1985)

ACCOUNTS PAYABLE VOUCHER

To US Bank Visa

Address _____

Invoice Date	Invoice Number	Item	Amount
9/11/18	113-2343541-9437813	elf costume - Christmas Party	54.99
9/11/18	113-4365723-6992256	books + tablecloths - Christmas Party	439.47
		Total	494.46

I hereby certify that the attached invoice(s), or bill(s), is (are) true and correct and that the materials or services itemized thereon for which charge is made were ordered and received except _____

_____, 20 _____

Signature

Title

I hereby certify that the attached invoice(s), or bill(s), is (are) true and correct and I have audited same in accordance with IC 5-11-10-1.6.

_____, 11-5th, 20 18

Rebecca Sumey
 Officer

Title

MARTINSVILLE, IN 47551-1170
 United States

turn to Order Summary.

Amazon.com, Inc. or its affiliates

Ralph and Ava's Cafe and Catering
10 N Indiana St. Mooresville, IN 46158
317-834-9780

Inv

PO Number	Terms of Service	Invoice Number
		12-6-18
Today's Date	Date of Event	Confirmation Date
12/06/2018	12/06/2018	11/28/2018
Estimated Count 150	Day of Event: Thursday	Final Count: 180
EVENT TIME TABLE		
Travel:	Caterer Arrives:	Guests Arrive:
Contact Person:	Kirsten	Phone:
Name of Company/Organization: Martinsville Mayor's Office	Type of Event:	Dinner
Address:	Service Begins:	06:00
DELIVERY INSTRUCTIONS		
Name of Location: Martinsville High School	Contact Person:	
Address: Martinsville	Phone:	
Notes:		
MENU		
Items and Quantities	Cost	
Dinner for 180 people @ 13.50++ to include: Baked Pork Chops Spaghetti w/Marinara Corn Mashed Potatoes w/Gravy Tossed Salad w/Ranch and French dressings Rolls and Butter Apple Cobbler Tea and Lemonade Disposable Place Settings	2430.00	
15% Gratuity	364.50	
Additional Notes: Thanks for supporting our small business! Happiest of Holidays to you!	Food and Beverage Cost	2,794.50
	Equipment Cost	
	Sales Tax	194.40
	Delivery Charge	0.00
	Final Quote	2,988.90
	Deposit	0.00
	Balance Due	2,988.90

2794.50
PARTY FOOD
SERVICE

Board of Accounts
v. 1995)

ACCOUNTS PAYABLE VOUCHER

To Ralph + Ava's

Address _____

Invoice Date	Invoice Number	Item	Amount
12/6/18	12-6-18	catering for Christmas party	2095.87
			2095.87

I hereby certify that the attached invoice(s), or bill(s), is (are) true and correct and that the materials or services itemized thereon for which charge is made were ordered and received except _____

_____, 20 _____

I hereby certify that the attached invoice(s), or bill(s), is (are) true and correct and I have audited same in accordance with IC 5-11-10-1.6.

12/17, 20 18
pcl 12-6-18

Signature
Rebecca Kumez
Officer

Title

Title

Food and Beverage Disposable Place Settings		
15% Gratuity		364.50
Additional Notes: Thanks for supporting our small business! Happiest of Holidays to you!	Food and Beverage Cost	2,794.50
	Equipment Cost	
	Sales Tax	194.40
	Delivery Charge	0.00
	Final Quote	2,988.90
	Deposit	0.00
	Balance Due	2,988.90

2794.50



Invoice

From: MSD of Martinsville Food Services
389 East Jackson Street
Martinsville, IN 46151
USA

Date:
Invoice Number:

December 12, 2017
1640

To: Mayors Office
59 South Jefferson Street
Martinsville, IN 46151
USA

PARTY FOOD SERVICE

Quantity	Description	Unit Price	Price
1	Linen Laundered @ Soap n Sun *	94.64	94.64
6	Employee on site to ensure if anything was needed the cater had it & assisted the cater. *	22.5	135.00

* Indicates Non-Taxable Items

Subtotal: 229.64
Tax: 0.00

Grand Total: (USD) \$ 229.64

Note: Mayors Dinner 12/4/2017

Make check payable to MSD of Martinsville Food Services and please pay upon receiving. Please contact Kim Walls, Business Specialist at Ext. 5302 with questions. Thank you

Prescribed by State Board of Accounts

ACCOUNTS PAYABLE VOUCHER
CITY OF MARTINSVILLE, INDIANA

City Form No. 201 (Rev. 1995)

An invoice or bill to be properly itemized must show: kind of service, where performed, dates service rendered, by whom, rates per day, number of hours, rate per hour, number of units, price per unit, etc.

Payee <u>MSD of</u> <u>Martinsville Food Services</u> <u>628</u>	Purchase Order No. _____ Terms _____ Date Due _____
---	---

Invoice Date	Invoice Number	Description (or note attached invoice(s) or bill(s))	Amount
12/12/17	1640	Linen & employee help	229.64
Total			229.64

I hereby certify that the attached invoice(s), or bill(s), is (are) true and correct and that the materials or services itemized thereon for which charge is made were ordered and received except _____

December 19, 20 17

Sharon E. [Signature]
Signature

Mayor
Title

I hereby certify that the attached invoice(s), or bill(s), is (are) true and correct and that I have audited same in accordance with IC 5-11-10-1.6.

_____, 20____

Clerk - Treasure

Martinsville Municipal Water Utility
NAME OF UTILITY

YEAR OF REPORT
December 31, 2018

WATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	(RETIREMENTS) (e)*
301	Organization.....	\$102,191		
302	Franchises.....			
303	Land and Land Rights.....	46,502		
304	Structures and Improvements.....	2,862,489	6,407	
305	Collecting and Impounding Reservoirs.....			
306	Lake, River and Other Intakes.....			
307	Wells and Springs.....	338,524	6,000	
308	Infiltration Galleries and Tunnels.....	5,545		
309	Supply Mains.....			
	Cast Iron or Ductile Iron			
	PVC			
	Other	228,848		
310	Power Generation Equipment.....	26,729		
311	Pumping Equipment.....	163,464		
320	Water Treatment Equipment.....	1,817,856		
330	Distribution Reservoirs and Standpipes.....	3,825,907		
331	Transmission and Distribution Mains.....			
	Cast Iron or Ductile Iron			
	PVC			
	Other	2,484,407	92,007	
333	Services.....	769,839		
334	Meters and Meter Installations.....			
	Automatic			
	Other	519,394	111,064	
335	Hydrants.....	133,271	67,839	
336	Backflow Prevention Devices.....			
339	Other Plant and Miscellaneous Equipment.....	429		
340	Office Furniture and Equipment.....	34,494	15,457	
	Computers			
341	Transportation Equipment.....	79,107	131,802	
342	Stores Equipment.....	3,470		
343	Tools, Shop and Garage Equipment.....	41,252		
344	Laboratory Equipment.....			
345	Power Operated Equipment.....	51,346		
346	Communication Equipment.....			
347	Miscellaneous Equipment.....	78,823	23,777	
348	Other Tangible Plant.....	80,815		
	Total Water Utility Plant In Service.....	\$13,694,702	\$454,353	

*Enter retirements as negative entries.

Assets with Total Depreciation Report

Order by Location Name, Asset Number and only Capital Items

Date: 04/09/2019 09:46:01

FADEPRMU.FRX

Fund #	Dept #	Asset #	Location	Asset Name	Purchase Date	Check #	Historical Serial #	Cost	Salvage Value	% Depreciated	Prior Accum Depreciation	Depreciation This Year
601	400	60140073	Water Operations	Water Dept Storage	12/31/1900			\$1,654.00	\$0.00	5	\$1,654.00	\$0.00
601	400	60140031	Water Operations	N Mulberry St	10/07/1924			\$14,700.00	\$0.00	1	\$147.00	\$147.00
601	400	60140032	Water Operations	N Sycamore St	02/07/1956			\$9,100.00	\$0.00	1	\$91.00	\$91.00
601	400	60140072	Water Operations	Legendary Hills Pumping Station	12/31/1970			\$12,000.00	\$0.00	4	\$12,000.00	\$0.00
601	400	60140080	Water Operations	Legendary Hills Pump Station	12/31/1970			\$44,000.00	\$0.00	4	\$44,000.00	\$0.00
601	400	60140033	Water Operations	S Mulberry St	12/31/1978			\$6,610.00	\$0.00	1	\$66.12	\$66.12
601	400	60140034	Water Operations	60 S Sycamore	08/11/1980			\$54,900.00	\$0.00	1	\$549.00	\$54,351.00
601	400	60140075	Water Operations	Water/Sewer Office Bldg	08/16/1982			\$34,700.00	\$0.00	2	\$17,350.00	\$694.00
601	400	60140076	Water Operations	Water/Sewer Office Change Order	08/16/1982			\$10,569.00	\$0.00	5	\$0.00	\$10,569.00
601	400	60140081	Water	Pump Station #5 Water	12/31/1982			\$158,600.00	\$0.00	4	\$158,600.00	\$0.00
601	400	60140079	Water Operations	N Sycamore Booster Station	12/31/1990			\$93,000.00	\$0.00	4	\$66,960.00	\$26,040.00
601	400	20201223	Water Operations	VERMEER STUMO CUTTER	12/31/1992		1VRC131G2M1999229	\$6,600.00	\$0.00	10	\$6,600.00	\$0.00
601	400	60140036	Water Operations	300 S Mulberry	03/31/1993			\$67,500.00	\$0.00	1	\$675.00	\$32,700.00
601	400	60140077	Water Operations	300 S Mulberry Bldg	03/18/1993			\$148,640.00	\$0.00	2	\$41,619.20	\$2,972.80
601	400	20201224	Water Operations	FLASHER SIGNAL	12/31/1995			\$36,000.00	\$0.00	6.6667	\$28,800.12	\$7,199.88
601	400	20201224	Water Operations	NEW HOLLAND FORD TRACTOR	12/31/1996		125458E11	\$12,210.00	\$0.00	10	\$12,210.00	\$0.00
601	400	60140037	Water Operations	70 S Sycamore St	02/05/1996			\$8,600.00	\$0.00	1	\$86.04	\$111.69
605	505	12	Water Operations	4,000 gal Fuel Tank	09/21/1998			\$24,990.00	\$0.00	3.3333	\$8,538.66	\$16,451.34
601	400	20201224	Water Operations	TRAFFIC SIGNAL	12/31/1999			\$105,000.00	\$0.00	6.6667	\$56,000.36	\$48,999.64
601	400	20201224	Water Operations	TRAFFIC SIGNAL	12/31/1999			\$105,000.00	\$0.00	6.6667	\$56,000.36	\$48,999.64

Assets with Total Depreciation Report

Order by Location Name, Asset Number and only Capital Items

Date: 04/09/2019 09:46:01

FADEPRMU.FRX

Fund #	Dept #	Asset #	Location	Asset Name	Purchase Date	Check #	Historical Serial #	Cost	Salvage Value	% Depreciated	Prior Accum Depreciation	Depreciation This Year
601	400	60140085	Water Operations	Treatment System Bldg Water	03/21/2005			\$45,253.00	\$0.00	2	\$1,810.12	\$905.06
601	400	60440083	Water Operations	Water Plant Trusses	03/28/2005			\$9,050.00	\$0.00	5	\$905.02	\$1,628.99
601	400	60440084	Water Operations	Water Plant Trusses	04/26/2005			\$44,730.00	\$0.00	5	\$4,473.06	\$8,051.39
605	400	79	Water Operations	2007 Water Improvement	12/31/2007		3/4" Water Line	\$36,760.00	\$0.00	4	\$1,470.40	\$1,470.40
605	400	80	Water Operations	2007 Water Improvement	12/31/2007		2" Water Line	\$1,360.00	\$0.00	4	\$54.40	\$54.40
605	400	81	Water Operations	2007 Water Improvement	12/31/2007		4" Water Line	\$1,380.00	\$0.00	4	\$55.20	\$55.20
605	400	82	Water Operations	2007 Water Improvement	12/31/2007		6" Water Line	\$158,050.00	\$0.00	4	\$6,322.00	\$6,322.00
605	400	83	Water Operations	2007 Water Improvement	12/31/2007		8" Water Line	\$123,240.00	\$0.00	4	\$4,929.60	\$4,929.60
605	400	84	Water Operations	2007 Water Improvement	12/31/2007		10" Water Line	\$111,370.00	\$0.00	4	\$4,454.80	\$4,454.80
605	400	85	Water Operations	2007 Water Improvement	12/31/2007		12" Water Line	\$1,469,240.00	\$0.00	4	\$58,769.64	\$58,769.64
605	19	1	Water Operations	Lincoln Hill Standpipe	01/01/2008			\$87,500.00	\$0.00	2	\$1,750.00	\$1,750.00
605	19	2	Water Operations	Water Distribution System	01/01/2008			\$1,243,776.00	\$0.00	2	\$24,875.52	\$24,875.52
605	19	3	Water Operations	Water Distribution System	01/01/2008			\$1,229,060.00	\$0.00	2	\$24,581.20	\$24,581.20
605	19	4	Water Operations	Water Distribution System	01/01/2008			\$1,140,572.15	\$0.00	2	\$22,811.44	\$22,811.44
605	19	5	Water Operations	1.5 Water Storage Tank	01/01/2008		Burton Lane	\$2,125,000.00	\$0.00	2	\$42,500.04	\$42,500.04
605	19	6	Water Operations	1.0 MG Elevated Water Tank	01/01/2008			\$1,726,000.00	\$0.00	2	\$34,520.04	\$34,520.04
601	400	28	Water Operations	Electric Parts for Well House	01/07/2008			\$6,840.00	\$0.00	33.3333	\$2,280.00	\$4,560.00
601	400	150	Water Operations	809 LINCOLN HILL ROAD	03/20/2013			\$20,880.00	\$0.00	6.6667	\$0.00	\$1,392.01
601	400	170	Water Operations	Radio Tower / State Forest Booster Station	12/15/2017			\$18,001.00	\$0.00	5	\$0.00	\$900.05
601	400	171	Water Operations	TRANE HVAC	01/22/2018		17486AL21V	\$9,129.15	\$0.00	10.0001	\$0.00	\$912.96

Assets with Total Depreciation Report

Order by Location Name, Asset Number and only Capital Items

Date: 04/09/2019 09:46:01

FADEPRMU.FRX

Fund #	Dept #	Asset #	Location	Asset Name	Purchase Date	Check #	Historical Serial #	Cost	Salvage Value	% Depreciated	Prior Accum Depreciation	Depreciation This Year
601	400	173	Water Operations	CHEVROLET TRUCK	03/23/2018		1GCHSBEA3J1131266	\$23,520.00	\$0.00	10	\$0.00	\$2,352.00
601	400	174	Water Operations	CHEVROLET TRUCK	07/27/2018		1GCHSBEA9J1178222	\$24,357.00	\$0.00	10	\$0.00	\$2,435.76
601	400	182	Water Operations	PROTEUS CAMERA UNIT	07/13/2018		000013914	\$34,280.00	\$0.00	10	\$0.00	\$3,428.04
601	400	210	Water Operations	2018 Ford Truck	10/11/2018		1FDRF3H63JED03497	\$44,189.47	\$0.00	10	\$0.00	\$4,418.95
601	400	212	Water Operations	GIS Software	08/01/2018			\$8,457.00	\$0.00	20	\$0.00	\$1,691.40
601	400	213	Water Operations	CAD Conversion	08/01/2018			\$7,000.00	\$0.00	20	\$0.00	\$1,400.00
601	400	233	Water Operations	FIRE HYDRANT REPLACEMENT	03/19/2018			\$67,839.00	\$0.00	5	\$0.00	\$3,391.95
601	400	234	Water Operations	I-69 WATER RELOCATION	03/19/2018			\$12,673.99	\$0.00	5	\$0.00	\$634.00
601	400	240	Water Operations	306 METERS	07/16/2018			\$65,790.00	\$0.00	5	\$0.00	\$3,289.50
601	400	241	Water Operations	METER PIT REPLACEMENT	08/20/2018			\$20,000.00	\$0.00	5	\$0.00	\$1,000.00
601	400	243	Water Operations	WATER LINE/MORGAN ST 1	08/22/2018			\$20,000.00	\$0.00	5	\$0.00	\$1,000.00
601	400	244	Water Operations	WATER LINE/MORGAN ST 2	09/07/2018			\$17,000.00	\$0.00	5	\$0.00	\$850.00
601	400	245	Water Operations	METER PIT REPLACEMENT	09/07/2018			\$12,600.00	\$0.00	5	\$0.00	\$630.00
601	400	246	Water Operations	INSTALL WATER MAIN/REMOVED WATER MET	09/17/2018			\$5,000.00	\$0.00	10	\$0.00	\$500.00
601	400	247	Water Operations	MARGAN STR ALLEY SEWER REPL	10/09/2018			\$35,000.00	\$0.00	5	\$0.00	\$1,750.00
601	400	248	Water Operations	WELL #4 REHABILITATION	10/09/2018			\$6,000.00	\$0.00	10	\$0.00	\$600.00
601	400	249	Water Operations	FENCE/INDIANA/MULBERRY	10/09/2018			\$6,406.71	\$0.00	10	\$0.00	\$640.67
601	400	250	Water Operations	LIBERTY VALLEY	11/07/2018			\$15,006.75	\$0.00	10	\$0.00	\$1,500.68
601	400	251	Water Operations	2011 FORD F350	07/11/2018			\$7,696.33	\$0.00	10	\$0.00	\$769.63
601	400	202	Water	2018 Dodge Ram 2500	01/18/2019		3C6LR5AT8JG44477	\$32,039.00	\$0.00	10	\$0.00	\$3,203.90

Assets with Total Depreciation Report

Order by Location Name, Asset Number and only Capital Items

Date: 04/09/2019 09:46:01

FADEPRMU.FRX

Fund #	Dept #	Asset #	Location	Asset Name	Purchase Date	Check #	Historical Serial #	Cost	Salvage Value	% Depreciated	Prior Accum Depreciation	Depreciation This Year
			Operations									
601	400	20201224	Water	SALT BOX	12/31/2002			\$6,006.00	\$0.00	10	\$3,003.00	\$3,003.00
			4 Operations									
601	400	20201224	Water	LEAF VACCUM	12/31/2002			\$8,900.00	\$0.00	10	\$4,450.04	\$4,449.96
			5 Operations	TRAILOR								
601	400	20201224	Water	WARREN SALT BOX E	12/31/2002		SC10015	\$5,460.00	\$0.00	10	\$2,730.00	\$2,730.00
			6 Operations	AC								
601	400	20201224	Water	TRAFFIC SIGNAL	12/31/2003			\$138,000.00	\$0.00	6.6667	\$36,800.20	\$101,199.80
			8 Operations									
601	400	20201224	Water	SAFETY TRENCH	12/31/2003			\$10,080.00	\$0.00	10	\$4,032.00	\$6,048.00
			9 Operations	SHORING								
601	400	20201227	Water	TRAFFIC SIGNAL	12/31/2003			\$138,000.00	\$0.00	6.6667	\$36,800.04	\$101,199.96
			9 Operations									
101	400	40000419	Water	1992 JEEP	12/31/1992		1J4FJ27S9NL222952	\$15,180.00	\$1,010.00	10	\$15,180.00	\$0.00
			7 Operations	CHEROKEE								
601	400	60140011	Water	1900 Water Lines	12/31/1900			\$209,374.00	\$0.00	1.3333	\$209,374.00	\$0.00
			8 Operations									
601	400	60140011	Water	2000 Water Lines	12/31/2000			\$612,435.00	\$0.00	1.3333	\$57,159.24	\$8,165.64
			9 Operations									
601	400	60140012	Water	1983 Water Lines	12/31/1983			\$322,695.00	\$0.00	1.3333	\$103,259.76	\$4,302.49
			0 Operations									
601	400	60140012	Water	1980 Water Lines	12/31/1980			\$300,384.00	\$0.00	1.3333	\$108,135.54	\$4,005.02
			1 Operations									
601	400	60140012	Water	1960 Water Lines	12/31/1960			\$303,161.00	\$0.00	1.3333	\$189,976.38	\$113,184.62
			2 Operations									
601	400	60140012	Water	1990 Rural Water Line	12/31/1990			\$161,407.00	\$0.00	1.3333	\$36,584.72	\$2,152.08
			3 Operations									
601	400	60140012	Water	1960 Water Valves	12/31/1960			\$41,572.00	\$0.00	2	\$39,077.72	\$2,494.28
			4 Operations									
601	400	60140012	Water	2000 Water Valves	12/31/2000			\$34,052.00	\$0.00	2	\$4,767.28	\$681.04
			5 Operations									
601	400	60140012	Water	1980 Water Valves	12/31/1980			\$78,403.00	\$0.00	2	\$45,604.37	\$2,221.41
			6 Operations									
601	400	60140012	Water	1900 Water Valves	12/31/1900			\$14,559.00	\$0.00	2	\$14,559.00	\$0.00
			7 Operations									
601	400	60140012	Water	1983 Water Valves	12/31/1983			\$100,396.00	\$0.00	2	\$48,190.12	\$2,007.96
			8 Operations									
601	400	60140012	Water	1990 Rural Water Valves	12/31/1990			\$30,200.00	\$0.00	2	\$10,268.00	\$604.00
			9 Operations									
601	400	60140014	Water	Water Plant Trusses	04/26/2005			\$53,780.00	\$0.00	4	\$5,557.37	\$9,644.53

Assets with Total Depreciation Report

Order by Location Name, Asset Number and only Capital Items

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Fund #	Dept #	Asset #	Location	Asset Name	Purchase Date	Check #	Historical Serial #	Cost	Salvage Value	% Depreciated	Prior Accum Depreciation	Depreciation This Year
			1 Operations									
601	400	60140025	Water	1982 Chev Dump Truck	12/31/1982	4947		\$38,000.00	\$0.00	5	\$38,000.00	\$0.00
			6 Operations									
601	400	60140025	Water	1985 GMC 7000 Dump Truck	12/31/1985	7434		\$38,000.00	\$0.00	5	\$38,000.00	\$0.00
			7 Operations									
601	400	60140025	Water	Scag Turf Tiger Riding Mower	12/31/1999	4310795		\$8,415.00	\$0.00	10	\$6,732.06	\$1,682.94
			8 Operations									
601	400	60140025	Water	1992 Dodge Utility Truck	11/09/1998		1B7GE16X7NS604909	\$18,480.00	\$0.00	10	\$14,938.00	\$3,542.00
			9 Operations									
601	400	60140026	Water	1999 FORD RANGER	12/31/1999		1FTYR10V6XPBB2640	\$14,000.00	\$0.00	10	\$9,800.04	\$4,199.96
			0 Operations									
601	400	60140026	Water	2001 FORD RANGER	12/31/2001		1FTYR10UX1PB79447	\$10,700.00	\$0.00	10	\$6,420.04	\$4,279.96
			1 Operations									
601	400	60140026	Water	2003 FORD UTILITY	12/31/2003		1FDXF46S33EB49292	\$28,525.00	\$0.00	10	\$11,410.02	\$17,114.98
			2 Operations									
601	400	60140026	Water	2001DODGE P/U	12/31/2001		3B7KF26Z41M562703	\$20,000.00	\$0.00	10	\$12,000.04	\$7,999.96
			3 Operations									
605	505	60550526	Water	UNDERGROUND				\$21,424.00	\$0.00	2	\$428.52	\$428.52
			4 Operations									
605	505	60550526	Water	WATER ST #2				\$21,424.00	\$0.00	2	\$428.52	\$428.52
			5 Operations									
605	505	60550526	Water	WATER BOOSTER #4				\$103,480.00	\$0.00	2	\$2,069.64	\$2,069.64
			6 Operations									
605	505	60550526	Water	WATER BOOSTER #6				\$106,608.00	\$0.00	2	\$2,132.16	\$2,132.16
			7 Operations									
605	505	60550526	Water	TRASH PUMP	02/20/1982			\$6,495.00	\$0.00	4	\$6,495.00	\$0.00
			9 Operations									
605	505	60550527	Water	Bird House Pump	12/31/2003			\$6,000.00	\$0.00	2	\$480.00	\$162.36
			1 Operations									
605	505	60550527	Water	STATION				\$25,000.00	\$0.00	5	\$1,250.04	\$3,958.33
			2 Operations									
605	400	60550527	Water	RADIO CONTROL SYSTEM	7/11/2005			\$49,440.00	\$0.00	4	\$3,955.20	\$1,977.60
			4 Operations									
605	505	60550527	Water	WATER PLANT PUMP	12/31/2006			\$8,600.00	\$0.00	4	\$344.04	\$687.99
			5 Operations									
605	505	60650527	Water	FENCE AT WATER PLANT	09/18/1982			\$11,400.00	\$0.00	4	\$11,400.00	\$0.00
			0 Operations									
Subtotal			Water Operations					\$14,149,054.55	\$1,010.00		\$1,890,327.48	\$949,109.08
												\$ 2,839,436.56

**City of Martinsville Municipal Water Utility
Cause Number 45262
Calculation of Adjusted Accumulated Depreciation**

	Accumulated Depreciation (Per IURC Annual Report)			Utility Plant in Service (Per IURC Annual Report)			(D) Depreciation at 2%	(E) = (D) - (A) Increase (Decrease)	Adjusted Accumulated Depreciation		
	Beginning Balance	(A) Depreciation Expense	Cost of Removal	(B) Ending Balance	UPIS	Land					(C) Depreciable UPIs
2005	\$2,496,641	\$ 96,675	\$ -	\$2,593,316	\$7,324,129	\$28,711	\$ 7,295,418	\$ 145,908	\$ 49,233	\$ 2,642,549	(B) + (E)
2006	2,593,316	96,675	-	2,689,991	7,455,157	28,711	7,426,446	148,529	51,854	2,791,078	PY Adj Accum Depr + (E)
2007	2,689,991	97,050	-	2,787,041	7,761,107	28,711	7,732,396	154,648	57,598	2,945,726	PY Adj Accum Depr + (E)
2008	2,787,041	300,660	-	3,087,701	15,032,987	28,711	15,004,276	300,086	(574)	3,245,812	PY Adj Accum Depr + (E)
2009	3,087,701	307,396	-	3,395,097	15,369,827	53,611	15,316,216	306,324	(1,072)	3,552,136	PY Adj Accum Depr + (E)
2010	3,395,097	308,524	-	3,703,621	15,426,199	53,611	15,372,588	307,452	(1,072)	3,859,588	PY Adj Accum Depr + (E)
2011	3,703,621	308,355	-	4,011,976	15,471,366	53,611	15,417,755	308,355	-	4,167,943	PY Adj Accum Depr + (E)
2012	4,011,976	309,427	-	4,321,403	15,471,368	53,611	15,417,757	308,355	(1,072)	4,476,298	PY Adj Accum Depr + (E)
2013	4,321,403	314,598	-	4,636,001	15,729,894	53,611	15,676,283	313,526	(1,072)	4,789,824	PY Adj Accum Depr + (E)
2014	4,636,001	315,354	-	4,951,355	15,767,664	53,611	15,714,053	314,281	(1,073)	5,104,105	PY Adj Accum Depr + (E)
2015	4,951,355	315,354	-	5,266,709	15,767,664	53,611	15,714,053	314,281	(1,073)	5,418,386	PY Adj Accum Depr + (E)
2016	5,266,709	336,153	(2,963,009)	2,639,853	13,676,701	53,611	13,623,090	272,462	(63,691)	2,727,839	PY Adj Accum Depr + (E)
2017	2,639,853	336,153	-	2,976,006	13,694,702	53,611	13,641,091	272,822	(63,331)	3,000,661	PY Adj Accum Depr + (E)
2018	2,976,006	949,109	-	3,925,115	14,149,055	46,502	14,102,553	282,051	(667,058)	3,282,712	PY Adj Accum Depr + (E)