



Received: April 27, 2022  
IURC 30-Day Filing No.: 50513  
Indiana Utility Regulatory Commission

**Crowe LLP**  
Independent Member Crowe Global  
135 North Pennsylvania Street, Suite 200  
Indianapolis, Indiana 46204-2407  
Tel 317.632.1100  
Fax 317.635.6127  
[www.crowe.com](http://www.crowe.com)

April 27, 2022

ELECTRONIC TRANSMISSION

Secretary of the Commission  
Indiana Utility Regulatory Commission  
101 West Washington Street, Suite 1500 East  
Indianapolis, Indiana 46204

In re: City of Marion, Indiana Municipal Water Utility  
Thirty-Day Filing – Utility Receipts Tax Adjustment

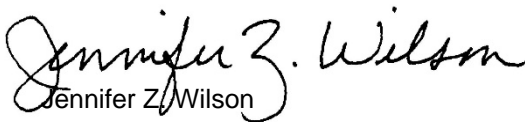
The City of Marion, Indiana Municipal Water Utility (the "Water Utility") proposes to decrease its rates and charges pursuant to the Indiana Utility Regulatory Commission's ("IURC" or "Commission") thirty-day administrative filing procedures as set forth in 170 IAC 1-6. The decrease to existing rates charges are attributable to House Enrolled Act 1002-2022 ("HEA 1002") which repealed the URT and required all utilities subject to the URT and the Commission's jurisdiction to file for a rate adjustment no later than May 1, 2022. This filing is allowed under 170 IAC 1-6-3 and 5 because there has been a change in rates and charges that results in an overall decrease in the revenues of the Water Utility and is done on an across-the-board basis to all classes of customers.

In support of the requested rates and charges, this filing includes the following Appendices:

- Appendix A: Verified Statement of the Water Utility
- Appendix B: General Ordinance No. 8-2022 passed by the City of Marion, Indiana Common Council on April 19, 2022
- Appendix C: Public Customer Notice
- Appendix D: Current Tariff
- Appendix E: Proposed Tariff Reflecting Requested Charges.
- Appendix F: Memo prepared by Crowe LLP detailing revised rates and charges and adjustment methodology
- Appendix G: Documentation in Support of the Requested Charges

If you have any questions concerning this filing, please contact  
Jennifer Wilson or Craig Lotz  
Crowe LLP  
(317) 269-6696 (Jennifer) or (317) 689-5512 (Craig)  
135 North Pennsylvania Street, Suite 200, Indianapolis, Indiana 46204  
[jennifer.wilson@crowe.com](mailto:jennifer.wilson@crowe.com) or [craig.lotz@crowe.com](mailto:craig.lotz@crowe.com)

Sincerely,

  
Jennifer Z. Wilson

cc: Office of Utility Consumer Counselor

Appendix A  
Verified Statement of the Water Utility

**VERIFIED STATEMENT IN SUPPORT OF RATES AND CHARGES**

ATTENTION: INDIANA UTILITY REGULATORY COMMISSION ("Commission")

Comes Now the Executive Director for the Marion Municipal Utilities and for and on behalf of the Marion, Indiana Municipal Water Utility ("Water Utility") does hereby state that:

1. The City of Marion, Indiana Municipal Water Utility is requesting a decrease of its existing rates and charges due to the passage of House Enrolled Act 1002-2022 ("HEA 1002") which repealed the utility receipts tax and required all utilities subject to the utility receipt tax and the Commission's jurisdiction to file for a rate adjustment no later than May 1, 2022.
2. Affected customers have been notified by a legal notice published in the Marion Chronicle Tribune, a newspaper of general circulation that has a circulation encompassing the highest number of the Water Utility's customers affected by the requested adjustment. The notice has also been placed on the Utility's website and posted in a public place at the Utility's local customer service office. A copy of the legal notice is attached as Appendix C.
3. The accompanying changes in the schedule of rates and charges are based solely on the adjustments prescribed in HEA 1002.
4. All of the matters and facts stated herein and the attached exhibits are true and accurate. The rate change shall take effect for the next practical consumption period following this Commission's approval of the same, but no earlier than July 1, 2022.

Marion Municipal Utilities

  
John C. Binkerd, Executive Director

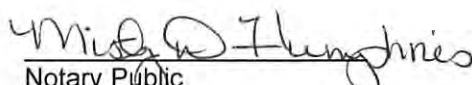
STATE OF INDIANA                     )  
  ) SS:  
COUNTY OF Grant                     )

Before me, the undersigned, a Notary Public in and for said County and State, personally appeared John C. Binkerd, Executive Director for the Marion Municipal Utilities, Marion, Indiana, who executed the foregoing in my presence and state the representations contained therein are true.

Witness my hand and Notarial seal this 26<sup>th</sup> day of April, 2022.

Residing in Grant County

My Commission Expires: May 31, 2027

  
Notary Public



Seal  
Misty D. Humphries  
Notary Public  
Resident of Grant County, IN  
Commission #NP0626851  
My Commission Expires: May 31, 2027.

Appendix B

General Ordinance No. 8-2022 passed by the City of Marion, Indiana Common Council on April 19, 2022

General  
ORDINANCE 8-2022

AN ORDINANCE OF THE CITY OF MARION, INDIANA ADOPTING  
A NEW SCHEDULE OF RATES AND CHARGES FOR SERVICES RENDERED BY THE  
WATER UTILITY OF THE CITY OF MARION, INDIANA

WHEREAS, the City of Marion, Indiana owns and operates a waterworks system, through its Utilities Service Board, as the Water Utility of the City of Marion, Indiana (the "Utility"), which provides water and related services to customers in and around the City of Marion; and

WHEREAS, the existing rates and charges for water provided by the Utility were placed into effect following approval by the Indiana Utility Regulatory Commission (the "Commission") in Cause No. 42720, Order dated March 30, 2005, and per Commission Conference Minutes dated June 15, 2005; and

WHEREAS, the Utility intends to file with the Commission a thirty-day filing seeking approval of new schedules of water rates and charges that would reflect reasonable and just rates and charges under IC 8-1.5-3-8; and

WHEREAS, on March 15, 2022, Governor Eric Holcomb signed into law HEA 1002, which repeals the utility receipts tax levied on retail receipts of certain utilities, including the Utility; and

WHEREAS, HEA 1002 requires the Utility to adjust its rates and charges to reflect the repeal of the utility receipts tax with a rate adjustment filing with the Commission by May 1, 2022; and

WHEREAS, the Commission's staff recommends that the rate decrease filing be made using the 30-day filing process as described in 170 IAC 1-6; and

WHEREAS, the Utility engaged Crowe LLP to prepare the rate decrease calculation, and the Common Council has been advised by the Utility Service Board of the City of Marion that this calculation results in an across-the-board rate decrease of 1.42%; and

WHEREAS, the Utility Service Board of the City of Marion has recommended to the Common Council that it approve by Ordinance the decrease in operating revenues produced by the revised schedules of rates and charges for water prepared by Crowe LLP, which are attached hereto as Exhibit "A;" and

WHEREAS, upon the Common Council's adoption of the revised water rates and charges set forth in Exhibit "A," the Utility intends to file with the Commission a thirty-day filing seeking approval of the revised rates and charges; and

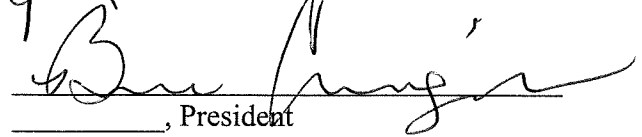
WHEREAS, based upon the foregoing, the Common Council of the City of Marion now finds that the Utility's annual operating revenues from rates and charges should be decreased by approximately 1.42% effective upon approval of the Commission (See Exhibit A); and the proposed rates and charges set forth in Exhibit "A" are "nondiscriminatory reasonable and just" charges for services within the meaning of IC 8-1.5-3-8.

NOW, THEREFORE, BE IT ORDAINED by the Common Council of the City of Marion, Indiana, that:

Section 1. The schedules of revised rates and charges attached hereto as Exhibit "A" are hereby adopted as and for the rates and charges to be utilized by the Utility when charging customers for water, effective as set forth below.

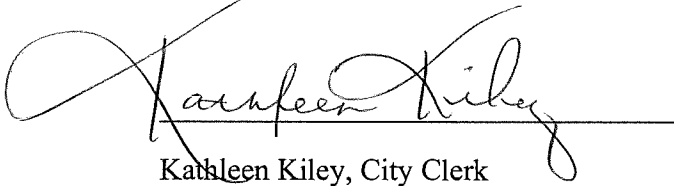
ORDINANCE \_\_

PASSED AND ADOPTED BY THE COMMON COUNCIL OF THE CITY OF  
MARION, INDIANA THIS 19 DAY OF April, 2022.

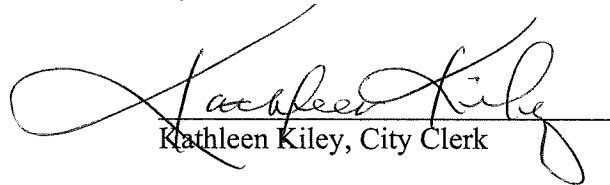
  
\_\_\_\_\_, President

Common Council of the City of Marion

ATTEST:


  
Kathleen Kiley, City Clerk

Presented by me, the undersigned City Clerk of the City of Marion, to the Mayor  
of said City for his approval on the 20 day of April, 2022, at 9:00 o'clock  
10 .m.

  
Kathleen Kiley, City Clerk

Having examined the foregoing Ordinance, I do now, as the Mayor of the City of Marion,  
Indiana, approve said Ordinance and return the same to the City Clerk of the City of Marion, this

26th day of April, 2022.

  
\_\_\_\_\_  
Jess Alumbaugh  
Mayor of Marion, Indiana

Sponsored by:  
Chuck Binkerd, Executive Director, Marion Utilities

ORDINANCE \_\_

SCHEDULE A

I. Schedule of Rates and Charges

a. Metered Rates Per Month

For use of and service rendered in the service area by the waterworks system of the Marion Municipal Water Utility based on the use of water supplied by said waterworks system:

<u>Metered Rates Per Month</u>		<u>Rate per 100 Cubic Feet</u>
First	133 cubic feet	\$ 3.96
Next	534 cubic feet	3.43
Next	9,333 cubic feet	1.95
Over	10,000 cubic feet	1.30

b. Minimum Charge Per Month

Each user shall pay a minimum monthly charge based on the size of the meter installed, for which the user will be entitled to the quantity of water set out in the above metered schedule of rates.

<u>Meter Size Monthly</u>	<u>Minimum Rate</u>
5/8 inch meter	\$11.06
3/4 inch meter	18.00
1 inch meter	31.63
1 1/2 inch meter	48.36
2 inch meter	82.97
3 inch meter	168.14
4 inch meter	335.53
6 inch meter	502.87
8 inch meter	670.25

c. Private Fire Protection Service – Per Annum

<u>Type of Service</u>	<u>Rate per Unit per Annum</u>
Private hydrant – per hydrant	\$ 413.06
Sprinkler heads – per head	0.43

ORDINANCE \_\_

d. Public Fire Protection Charges Per Month Per Customer Connection

5/8 inch connection	\$ 3.02
3/4 inch connection	3.02
1 inch connection	7.72
1 1/2 inch connection	17.38
2 inch connection	30.89
3 inch connection	69.50
4 inch connection	123.56
6 inch connection	278.01
8 inch connection	494.23

II. Schedule of Non-Recurring Charges – Approved August 5, 1992 in Cause No. 39422

	<u>Non-recurring Charge</u>	
Reconnect Charges	During Regular Hours	\$ 10.00
	After Hours	20.00
	Weekends	35.00
Pool Filling Labor Charges	Hourly Rate	\$ 8.00
Repeat Calls to same residence for off-repair (3 calls)		\$10.00



Appendix C  
Public Customer Notice



CENTRAL INDIANA

MARKETPLACE

A Division of Central Indiana Newspaper Group

To Place Your Classified Ad Today Call...

1-800-955-7888

and press 2

CARS

HOMES

JOBS

SERVICES

MERCHANDISE

GARAGE SALES

www.CentralIndianaMarketplace.com

0100

ANNOUNCEMENTS

DOGS, PETS OR LIVESTOCK

Happy Jack® Skin Balm stops scratching, promotes healing & hair growth for dogs & cats due to hot spots, allergies & flea bites without steroids. At Tractor Supply® (www.fleabeacon.com)

BUILDING MATERIALS

ROOFING – Half Priced Economy Dimensional Shingles: On Sale Only \$57 per square, Farmer’s Mix colors only \$30 per square. www.CardwellHomeCenter.com, 3205 Madison Avenue, Indianapolis (317) 788-0008.

FARM EQUIPMENT

EARN \$15,000 - \$40,000 OVER 5 YEARS #1 Hunting Lease Company in America. Customize your contract. Call Base Camp Leasing (888) 871-1982

0200

EMPLOYMENT

FLEET MANAGER/DISPATCHER:

Family oriented company seeking individual to help manage drivers for OTR Over dimensional trucking. Associates Degree or Significant Experience preferred. Health ins., 401K program, paid holidays, and vacations. Must be proficient in Microsoft office, and logistically versed. Please send resume to: Sycamore Spec. Carriers, 3400 Engle Road, Ft. Wayne, IN 46809 or email to: bill.craighead@sycamoretrkg.com. No phone calls. (A)

0600

REAL ESTATE FOR RENT

MARION

2 Bdrm Condos/Houses

Call for Availability

765-662-3460

MARION

1 BR 215 E 3rd St; \$150/wk basic utilities included

1 BR 509 E Bradford St; \$125/wk basic utilities included

1 BR 613 W Spencer Ave \$110/wk; basic utilities included

1 BR 210 S Branson St; \$100/wk tenant pays utilities

1 BR 616 S Boots St; \$100/wk tenant pays electric

1 BR 311 E Sherman St; \$100/wk tenant pays electric

1 BR 1606 W Jeffras St; \$100/wk tenant pays electric

2 BR 509 E Bradford St \$155-165/wk; basic utilities included

2 BR 605 W 3rd St; \$140/wk basic utilities included

2 BR 624 S. Boots St; \$125/wk basic utilities included

3 BR 509 E Bradford St; \$200/wk basic utilities included

Hoosier Rental Group  
Call for more information  
765-662-1499 or visit our website  
www.hoosierrentalgroup.com

MARION

2 BR 920 S Boots St; \$300/mo tenant pays all utilities

2 BR 2343 W 11th St; \$400/mo tenant pays all utilities

2 BR 205 N Park Ave; \$400/mo tenant pays all utilities

2 BR 1433 W Jeffras St \$400/mo; tenant pays all utilities

3 BR 608 W. 2nd St; \$600/mo tenant pays all utilities

Hoosier Rental Group  
Call for more information  
765-662-1499 or visit our website  
www.hoosierrentalgroup.com

0700

REAL ESTATE FOR SALE

PERU

3 bedroom trailer for sale. Includes gas stove, fridge, gas furnace, central air unit all under 5yrs old. Possible washer dryer set. \$10,000.00 FIRM AS IS. Moving must sell by June 1st. 765-244-9953

1000

HOME SERVICE DIRECTORY

MARION

• Garden Tilled  
• Lawn Mowing

7 Days a Week  
Lowest Prices Guaranteed  
We don't leave until your happy

Call Doug at 765-517-0802

0900

NOTICE OF PROPOSED RATE CHANGE BY MARION WATER UTILITY

Notice is hereby given to ratepayers of the Marion Water Utility (Utility) and other interested persons that the Indiana Legislature has repealed the utility receipts tax levied on retail revenues of certain water utilities effective July 1, 2022.

Historically, the utility receipts tax was approximately 1.4% of retail receipts embedded in the utility's retail water rates. On Tuesday, March 15, 2022, Governor Eric Holcomb signed into law HEA 1002, which repeals the utility receipts tax levied on retail receipts of certain utilities, including the Marion Water Utility. HEA 1002 requires the Utility to adjust its rates and charges to reflect the repeal of the utility receipts tax. The Utility's current rates and charges were established by order of the Indiana Utility Regulatory Commission through Cause 42720 on March 30, 2005.

Removal of the utility receipts tax results in an average decrease in rates of 1.42%, which in turn will result in a 1.42% decrease in adjustable operating revenues of the Utility. Actual percentage differences vary between rates and charges based on rounding of rates to two or three decimal places.

The Utility has made a filing with the Indiana Regulatory Commission for approval of the rate decrease. If approved, the change of rate will take effect for bills to be rendered beginning July 1, 2022. Any objection should be directed in writing to:

Indiana Utility Regulatory Commission Office of Utility Consumer Counselor  
Consumer Services Staff  
115 W. Washington Street  
Suite 1500 South  
Indianapolis, IN 46204

Email: uccinfo@oucc.IN.gov

Appendix A - Calculations

Table 2 – Current and Proposed Rates and Charges

	Current Rates and Charges	Proposed Rates and Charges	Percent Decrease in Rates and Charges
Metered Rates Per Month			
First 133 Cubic Feet	\$4.02	\$3.96	-1.49%
Next 534 Cubic Feet	\$3.48	3.43	-1.44%
Next 9,333 Cubic Feet	1.98	1.95	-1.52%
Over 10,000 Cubic Feet	1.32	1.30	-1.52%
Minimum Charge Per Month			
5/8 inch meter	11.22	11.06	-1.43%
3/4 inch meter	18.26	18.00	-1.42%
1 inch meter	32.09	31.63	-1.43%
1 1/2 inch meter	49.06	48.36	-1.43%
2 inch meter	84.17	82.97	-1.43%
3 inch meter	170.56	168.14	-1.42%
4 inch meter	340.36	335.53	-1.42%
6 inch meter	510.11	502.87	-1.42%
8 inch meter	679.90	670.25	-1.42%
Fire Protection - per Annum			
Private Hydrant - per hydrant	419.01	413.06	-1.42%
Sprinkler Heads - per head	0.44	0.43	-2.27%
Monthly Public Fire Protection Charge			
5/8 inch connection	3.06	3.02	-1.31%
3/4 inch connection	3.06	3.02	-1.31%
1 inch connection	7.83	7.72	-1.40%
1 1/2 inch connection	17.63	17.38	-1.42%
2 inch connection	31.33	30.89	-1.40%
3 inch connection	70.50	69.50	-1.42%
4 inch connection	125.34	123.56	-1.42%
6 inch connection	282.01	278.01	-1.42%
8 inch connection	501.35	494.23	-1.42%

HSPAXLP.04/26/2022



JOIN THE

READERSHIP.

SUBSCRIBE TODAY!

0900

TO THE OWNERS OF THE WITHIN DESCRIBED REAL ESTATE AND ALL INTERESTED PARTIES STATE OF INDIANA COUNTY OF GRANT ) SS: IN THE SUPERIOR COURT OF GRANT COUNTY MARION, INDIANA WILMINGTON SAVINGS FUND SOCIETY, FSB, AS TRUSTEE OF JUNIPER MORTGAGE LOAN TRUST A, PLAINTIFF vs ROBERT LEE MICHAEL A/K/A BOB MICHAEL, A/K/A ROBERT MICHAEL A/K/A ROBERT L. MICHAEL, DECEASED; JOSH MICHAEL, HEIR AND/OR DEVISEE OF THE ESTATE OF ROBERT L. MICHAEL, DECEASED; JEREMIAH MICHAEL, HEIR AND/OR DEVISEE OF THE ESTATE OF ROBERT L. MICHAEL, DECEASED; MICHELLE KENDALL, HEIR AND/OR DEVISEE OF THE ESTATE OF ROBERT L. MICHAEL, DECEASED; MELISSA PHILBERT, HEIR AND/OR DEVISEE OF THE ESTATE OF ROBERT L. MICHAEL, DECEASED; UNKNOWN HEIRS AND/OR DEVISEES OF ROBERT LEE MICHAEL A/K/A BOB MICHAEL, A/K/A ROBERT MICHAEL A/K/A ROBERT L. MICHAEL, DECEASED; ESTATE OF ROBERT L. MICHAEL, DECEASED; ATLAS COLLECTIONS, INC., DEFENDANTS CAUSE NO: 27D01-2103-MF-000010 NOTICE OF SHERIFF'S SALE OF REAL ESTATE By virtue of an Order of Sale, directed to me from the Clerk of the Grant Superior Court and pursuant to a Judgment of Foreclosure entered on 08/09/2021, I will expose to public sale to the highest bidder for cash in hand, at the office of the Sheriff of Grant County, in Grant County, Indiana, located at Grant County Security Center, 214 East 4th Street, Marion, IN 46953on June 14, 2022 at 10:00 AM Local Time, the fee simple title together with the rents, profits, issues and income or so much thereof as may be sufficient to satisfy said judgment, interest, costs and accruing costs of the following described real estate located in Grant County, Indiana, to-wit: Lot Numbered Eight (8) in Robert Corder's First Addition to the Town of Jonesboro, Indiana as per plat thereof recorded in the Office of the Recorder of Grant County, Indiana. Commonly known as: 507 West 7th Street, Jonesboro, IN 46938-1309 State Parcel Number: 27-10-04-202-033.000-019 This sale is to be made in all respects pursuant to an act of the General Assembly of the State of Indiana, approved March 7, 1931, and entitled An act concerning proceedings in actions to foreclose real estate mortgages, providing for the sale and custody of the mortgaged premises and repealing all laws conflicting therewith (see Indiana Code). It is further provided by law that there shall be no redemption from such sale, and the purchaser at such sale, upon complying with the terms of his purchase, shall be entitled to immediately receive from the undersigned, Sheriff of Grant County, a deed conveying to him, the purchaser, the fee simple title in and to said real estate. Taken as the property of the Defendant(s) stated above at the suit of Wilmington Savings Fund Society, FSB, as Trustee of Juniper Mortgage Loan Trust A. Said sale to be without relief from valuation and/or appraisement laws. Attorney for Plaintiff Codilis Law, LLC 8050 Cleveland Place Merrillville, IN 46410 (219) 736-5579 15-21-02574 THE SHERIFF'S OFFICE DOES NOT WARRANT THE ACCURACY OF THE STREET ADDRESS PUBLISHED HEREIN. Reggie E. Nevels, Sheriff of Grant County NOTE: This law firm is a debt collector. HSPAXLP.04/26,05/03,05/10/2022

SUMMONS - SERVICE BY PUBLICATION

STATE OF INDIANA ) IN THE GRANT CIRCUIT COURT ) SS: COUNTY OF GRANT ) CAUSE NO. 27C01-2203-MF-000024

THE BANK OF NEW YORK MELLON F/K/A THE BANK OF NEW YORK, AS TRUSTEE FOR THE CERTIFICATEHOLDERS OF THE CWALT, INC., ALTERNATIVE LOAN TRUST 2006 OC10, MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2006-OC10, Plaintiff,

vs.

THE UNKNOWN HEIRS AND DEVISEES OF RONALD D. CARR, DECEASED, Defendant.

NOTICE OF SUIT

The State of Indiana to the Defendant(s) above named, and any other person who may be concerned. You are hereby notified that you have been sued in the Court above named. The nature of the suit against you is:

Complaint on Note and to Foreclose Mortgage on Real Estate Against the property commonly known as 3483 E Monroe Pike, Marion, IN 46953-9717 and described as follows:

Commencing at a cornerstone which is situated at the Southeast corner of the Southwest Quarter of Section 10; Township 24 North, Range 8 East and running; thence North on the East line of the said Quarter Section 1258.3 feet to the Place of Beginning, thence continuing North along the said East line a distance of 304.0 feet, thence in a Westerly direction, a distance of 148.0 feet to a point; which is 278.0 feet North of the centerline of the Monroe Pike; thence South 278.0 feet to the centerline of the Monroe Pike; thence East along the centerline of the said Monroe Pike a distance of 152.8 feet to the Place of Beginning, and containing 1.0 acre, more or less and being a part of the East half of the Southwest Quarter of Section 10, Township 24 North, Range 8 East, and subject to all legal right-of-ways and easements of record.

This summons by publication is specifically directed to the following named defendant(s) whose whereabouts are unknown: The Unknown Heirs and Devisees of Ronald D. Carr, Deceased

If you have a claim for relief against the plaintiff arising from the same transaction or occurrence, you must assert it in your written answer or response. You must answer the Complaint in writing, by you or your attorney, within thirty (30) days after the Third Notice of Suit, and if you fail to do so a judgment by default may be entered against you for the relief demanded, by the Plaintiff.

FEIWELL & HANNOY, P.C.

By /s/ BARRY T BARNES  
BARRY T. BARNES  
Attorney No. 19657-49  
Attorney for Plaintiff

BARRY T. BARNES  
FEIWELL & HANNOY, P.C.  
8415 Allison Pointe Blvd., Suite 400  
Indianapolis, IN 46250  
(317) 237-2727

NOTICE  
FEIWELL & HANNOY, P.C. IS A DEBT COLLECTOR.  
hpsaxlp

Buy It. Sell It. Find It.

CLASSIFIED.

Appendix D  
Current Tariff

MARION MUNICIPAL WATER UTILITY  
Marion, Indiana

SCHEDULE OF RATES AND CHARGES

I. Rates Approved in Cause No. 42720, Order dated March 30, 2005

(a) Metered Rates Per Month

For use of and service rendered in the service area by the waterworks system of the Marion Municipal Water Utility based on the use of water supplied by said waterworks system:

<u>Consumption Per Month</u>			<u>Rate Per 100 Cubic Feet</u>
First	133	cubic feet	\$ 4.02
Next	534	cubic feet	3.48
Next	9,333	cubic feet	1.98
Over	10,000	cubic feet	1.32

(b) Minimum Charge Per Month

Each user shall pay a minimum charge in accordance with the following applicable size of meter installed, for which the user will be entitled to the quantity of water set out in the above schedule of rates at the above level of charges.

<u>Meter Size</u>	<u>Monthly Minimum Rate</u>
5/8 inch meter	\$ 11.22
3/4 inch meter	18.26
1 inch meter	32.09
1 1/2 inch meter	49.06
2 inch meter	84.17
3 inch meter	170.56
4 inch meter	340.36
6 inch meter	510.11
8 inch meter	679.90

**APPROVED**  
PER CONFERENCE MINUTES  
JUN 15 2005  
INDIANA UTILITY  
REGULATORY COMMISSION

(c) Fire Protection

<u>Type of Service</u>	<u>Rate per Unit per Annum</u>
Private hydrant - per hydrant	\$ 419.01
Sprinkler heads - per head	.44

Approved by the Indiana Utility Regulatory Commission  
Cause No. 42720, Order dated March 30, 2005  
Issued By: Bill McElhaney, Utility Director  
City of Marion Utilities  
1540 North Washington Street  
Marion, Indiana 46953

RECEIVED

APR 8 2005

MARION MUNICIPAL WATER UTILITY  
Marion, Indiana

SCHEDULE OF RATES AND CHARGES

(d) Public Fire Protection Charges Per Month Per Customer Connection  
Rates Approved by Commission of \_\_\_\_\_.

5/8 inch connection	\$ 3.06
3/4 inch connection	3.06
1 inch connection	7.83
1 1/2 inch connection	17.63
2 inch connection	31.33
3 inch connection	70.50
4 inch connection	125.34
6 inch connection	282.01
8 inch connection	501.35

II. Rates Approved August 5, 1992 in Cause No. 39422  
Schedule of Non-Recurring Charges

Reconnect charges

Rates

During working hours	\$ 10.00
After hours	20.00
Weekends	35.00

Pool Filling Labor Charges

Hourly rate	\$ 8.00
Repeat calls to same residence for off-repair (3 calls)	\$ 10.00



Approved by the Indiana Utility Regulatory Commission  
Cause No. 42720, Order dated March 30, 2005  
Issued By: Bill McElhaney, Utility Director  
City of Marion Utilities  
1540 North Washington Street  
Marion, Indiana 46953

RECEIVED

APR 8 2005

INDIANA UTILITY REGULATORY  
COMMISSION  
GAS/WATER/SEWER DIVISION

Appendix E  
Proposed Tariff Reflecting Requested Changes



MARION MUNICIPAL WATER UTILITY  
MARION, INDIANA  
SCHEDULE OF RATES AND CHARGES

I. Rates Per Conference Minutes dated \_\_\_\_\_, 2022

Approved in Cause No. 42720, Order dated March 30, 2005

a. Metered Rates Per Month

For use of and service rendered in the service area by the waterworks system of the Marion Municipal Water Utility based on the use of water supplied by said waterworks system:

<u>Metered Rates Per Month</u>		<u>Rate per 100 Cubic Feet</u>
First	133 cubic feet	\$ <u>3.964.02</u>
Next	534 cubic feet	3.4 <u>38</u>
Next	9,333 cubic feet	1.9 <u>58</u>
Over	10,000 cubic feet	1.3 <u>02</u>

b. Minimum Charge Per Month

Each user shall pay a minimum monthly charge based on the size of the meter installed, for which the user will be entitled to the quantity of water set out in the above metered schedule of rates.

<u>Meter Size Monthly</u>	<u>Minimum Rate</u>
5/8 inch meter	\$11. <u>0622</u>
3/4 inch meter	18. <u>0026</u>
1 inch meter	<u>31.632.09</u>
1 1/2 inch meter	<u>48.369.06</u>
2 inch meter	<u>82.974.17</u>
3 inch meter	<u>168.1470.56</u>
4 inch meter	<u>335.5340.36</u>
6 inch meter	<u>502.8710.11</u>
8 inch meter	<u>670.259.90</u>

c. Fire Protection

<u>Type of Service</u>	<u>Rate per Unit per Annum</u>
Private hydrant – per hydrant	\$ 41 <u>3.069.01</u>
Sprinkler heads – per head	0.4 <u>34</u>

Approved by the Indiana Utility Regulatory Commission  
Per Conference Minutes dated \_\_\_\_\_, 2022  
Issued by: Chuck Binkerd, Executive Director Cause No. 42720, Order date March  
Issued by: Bill McElhaney, Utility Director

City of Marion Utilities  
1540 North Washington Street  
Marion, Indiana 46953

MARION MUNICIPAL WATER UTILITY  
MARION, INDIANA  
SCHEDULE OF RATES AND CHARGES

d. Public Fire Protection Charges Per Month Per Customer Connection. ~~Rates Approved by Commission of \_\_\_\_\_~~

5/8 inch connection	\$ 3.0 <del>26</del>
3/4 inch connection	3.0 <del>26</del>
1 inch connection	7.7 <del>283</del>
1 1/2 inch connection	17.3 <del>863</del>
2 inch connection	30.8 <del>91.33</del>
3 inch connection	69 <del>70.50</del>
4 inch connection	123.5 <del>65.34</del>
6 inch connection	278 <del>82.01</del>
8 inch connection	501.3 <del>5494.23</del>

II. Rates Approved August 5, 1992 in Cause No. 39422  
Schedule of Non-Recurring Charges –

	<u>Non-recurring Charge</u>	
Reconnect Charges	During Regular Hours	\$ 10.00
	After Hours	20.00
	Weekends	35.00
Pool Filling Labor Charges	Hourly Rate	\$ 8.00
Repeat Calls to same residence for off-repair (3 calls)		\$10.00



## Appendix F

Memo prepared by Crowe LLP detailing revised rates and charges and adjustment methodology

**Crowe LLP**

Independent Member Crowe Global

135 North Pennsylvania Street, Suite 200  
Indianapolis, Indiana 46204-2407  
Tel 317.632.1100  
Fax 317.635.6127  
[www.crowe.com](http://www.crowe.com)

To: Chuck Binkerd, Executive Director, Marion Utilities

From: Jennifer Wilson, Crowe LLP  
Craig Lotz, Crowe LLP

Subject: Water Rates and Charges Adjustment - House Enrolled Act 1002-2022 ("HEA 1002")

Date: April 7, 2022

---

The purpose of this memo is to set forth revised rates and charges of the City of Marion, Indiana Municipal Water Utility (the "Utility") as adjusted for the removal of utility receipts tax.

*Background*

Prior to January 1, 2022, the utility receipts tax was 1.40% of retail receipts; effective January 1, 2022, the utility receipt tax increased to 1.46%. On Tuesday, March 15, 2022, Governor Eric Holcomb signed into law HEA 1002, which repeals the utility receipts tax levied on retail receipts of certain utilities, including the Utility. HEA 1002 requires the Utility to adjust its rates and charges to reflect the repeal of the utility receipts tax. The Utility's current rates and charges were established by order of the Indiana Utility Regulatory Commission (the "Commission") through Cause 42720 on March 30, 2005, with the addition of the public fire protection charges through a thirty-day filing which was approved by Conference Minutes on June 15, 2005.

*Calculation*

To calculate the revised rates and charges, Crowe LLP ("we") first determined the amount of utility receipts tax included in the Utility's revenue requirement approved in Cause 42720. The revenue requirements included \$68,078 of utility receipts tax. Next, we calculated the total adjustable revenues as determined by the settlement after the rate increase by adding the calculated increase from the settlement, after adjustments for incremental utility receipts tax, to the revenues subject to the increase. To calculate the proposed rate decrease, the reduction in Utility Receipts Tax is divided by the total adjustable revenues as shown in *Table 1 Calculation of Rate Decrease* in Appendix A – Calculations.

## Appendix A - Calculations

**Table 1 – Calculation of Rate Decrease**

<u>Utility Receipts Tax (URT) in Revenue Requirements</u>		
URT in Test Year	\$	39,484
Add: Adjustment		3,161
Adjusted URT in Settlement		42,645
Add: Additional URT due to Rate Increase		25,433
Total URT Tax in Revenue Requirements	\$	68,078 (1)
<u>Per Settlement Overall - Adjustable Revenues</u>		
Revenues Subject to Increase	\$	2,965,029 (2)
Increase as Calculated		1,816,651 (2)
Total Adjustable Revenues after Rate Increase	\$	4,781,680
<u>Calculation of Rate Decrease</u>		
Decrease for URT	\$	(68,078)
Divide by: Total Adjustable Revenues		4,781,680
Percent Decrease		-1.42%

(1) Settlement Schedule 4 Page 1 of 1

(2) Settlement Schedule 1 Page 1 of 2

### *Effect*

Removal of the utility receipts tax results in an average decrease in rates of 1.42%, which in turn will result in a 1.42% decrease in adjustable operating revenues of the Utility. Actual percent differences vary between rates and charges based on rounding of rates to two or three decimal places. We applied the across-the-board decrease to the Utility's current rates and charges to calculate the revised rates and charges of the Utility. See *Table 2 – Current and Proposed Rates and Charge*. The effect of the rate decrease on a 5/8 inch meter customer is shown on *Table 3 – Typical Monthly Bill Analysis*.

## Appendix A - Calculations

**Table 2 – Current and Proposed Rates and Charges**

	Current Rates and Charges	Proposed Rates and Charges	Percent Decrease in Rates and Charges
<u>Metered Rates Per Month</u>			
First 133 Cubic Feet	\$ 4.02	\$ 3.96	-1.49%
Next 534 Cubic Feet	3.48	3.43	-1.44%
Next 9,333 Cubic Feet	1.98	1.95	-1.52%
Over 10,000 Cubic Feet	1.32	1.30	-1.52%
<u>Minimum Charge Per Month</u>			
5/8 inch meter	11.22	11.06	-1.43%
3/4 inch meter	18.26	18.00	-1.42%
1 inch meter	32.09	31.63	-1.43%
1 1/2 inch meter	49.06	48.36	-1.43%
2 inch meter	84.17	82.97	-1.43%
3 inch meter	170.56	168.14	-1.42%
4 inch meter	340.36	335.53	-1.42%
6 inch meter	510.11	502.87	-1.42%
8 inch meter	679.90	670.25	-1.42%
<u>Fire Protection - per Annum</u>			
Private Hydrant - per hydrant	419.01	413.06	-1.42%
Sprinkler Heads - per head	0.44	0.43	-2.27%
<u>Monthly Public Fire Protection Charge</u>			
5/8 inch connection	3.06	3.02	-1.31%
3/4 inch connection	3.06	3.02	-1.31%
1 inch connection	7.83	7.72	-1.40%
1 1/2 inch connection	17.63	17.38	-1.42%
2 inch connection	31.33	30.89	-1.40%
3 inch connection	70.50	69.50	-1.42%
4 inch connection	125.34	123.56	-1.42%
6 inch connection	282.01	278.01	-1.42%
8 inch connection	501.35	494.23	-1.42%

## Appendix A - Calculations

**Table 3 – Typical Monthly Bill Analysis**

Consumption (CCF)	Present Charges	Proposed Charge	Difference
0	\$ 14.28	\$ 14.08	\$ (0.20)
1	14.28	14.08	(0.20)
2	14.28	14.08	(0.20)
3	14.28	14.08	(0.20)
4	17.70	17.44	(0.26)
5	21.18	20.87	(0.31)
6	24.66	24.30	(0.36)
7	27.64	27.25	(0.39)
8	29.62	29.20	(0.42)
9	31.60	31.15	(0.45)
10	33.58	33.10	(0.48)
11	35.56	35.05	(0.51)
12	37.54	37.00	(0.54)
13	39.52	38.95	(0.57)
14	41.50	40.90	(0.60)
15	43.48	42.85	(0.63)
16	45.46	44.80	(0.66)
17	47.44	46.75	(0.69)
18	49.42	48.70	(0.72)
19	51.40	50.65	(0.75)
20	53.38	52.60	(0.78)

Appendix G  
Documentation in Support of the Requested Charges

COPY

FILED

STATE OF INDIANA  
INDIANA UTILITY REGULATORY COMMISSION

FEB 03 2005

INDIANA UTILITY  
REGULATORY COMMISSION

PETITION OF THE CITY OF MARION )  
FOR AUTHORITY TO )  
INCREASE ITS RATES AND CHARGES )  
FOR WATER SERVICE, AND FOR )  
APPROVAL OF NEW SCHEDULE OF ) CAUSE NO. 42720  
RATES AND CHARGES APPLICABLE )  
THERETO )

STIPULATION AND SETTLEMENT AGREEMENT

City of Marion (“Petitioner”) and the Office of Utility Consumer Counselor (the “OUCC”) being all of the parties to this proceeding (collectively referred to as the “Parties”), stipulate and agree for the purposes of resolving the issues in this cause to the terms and conditions set forth below (which terms and conditions and the exhibits attached thereto are collectively referred to herein as the “Settlement”).

1. The Parties stipulate and agree to the issuance by the Commission of a final order in this proceeding (the “Proposed Order”) in the form attached hereto as Attachment 1. Each description of an agreement by the Parties contained in the Proposed Order is incorporated herein by reference and is accepted by each of the Parties as if fully set forth herein.
2. Solely for purposes of settlement, the Parties stipulate and agree that the terms, findings, and ordering paragraphs of the Proposed Order constitute a fair, just and reasonable resolution of the issues raised in this Cause provided they are approved by the Commission in their entirety.

100

3. The Parties stipulate and agree that Petitioner's rates and charges should be increased by 61.27%, as detailed in the accounting schedules attached hereto as Attachment 2 and incorporated herein by reference. In addition, the Parties stipulate and agree that Petitioner's proposed customer surcharge of \$3.06 per month per 5/8 inch meter equivalent to recover the costs of public fire protection in lieu of directly billed hydrant charges should be approved. The Parties stipulate and agree that the proposed increase in Petitioner's rates and charges is just and reasonable and should be approved.

4. Extensions/Replacements. Petitioner's revenue requirements include at least \$1,721,380 for extensions and replacements per year. Within one year of the final order and on an annual basis until its next rate case or five years after issuance of the final order (whichever occurs first), Petitioner shall submit to the OUCC an extensions and replacements reconciliation complete with project descriptions and shall provide an explanation to the extent its actual extensions and replacements are less than this figure or do not conform to the capital improvements plan..

5. Rate Case Expense. Petitioner did not seek as part of Petitioner's Case-in-Chief to recover its rate case expense as part of its revenue requirements and has not provided to the OUCC its actual rate case expenses. The Parties stipulate and agree that the amount for the rate case expense is at least the amount included in Attachment 2.

6. Unaccounted for Water. Within one year of the final order and on an annual basis until its next rate case, Petitioner shall submit to the OUCC a report showing the percentage of unaccounted for water and the steps being take to address the same.



7. If the Settlement is not approved by the Commission, the Parties agree that the terms thereof shall not be admissible in evidence or in any way discussed in any proceeding. Moreover, the concurrence of the Parties with the terms of the Settlement is expressly predicated upon the Commission's approval of the Settlement. If the Commission alters the Settlement in any material way, unless that alteration is unanimously consented to by the Parties in writing, the Settlement shall be deemed withdrawn. In that event, an informal attorneys' conference will be promptly scheduled where a procedural schedule will be fixed for the processing of the balance of this Cause. The Parties expressly reserve all of their rights, including the right to present appropriate evidence, in the event this Cause is required to be litigated.

If the Settlement is approved by the Commission, the Parties agree that the terms of the Settlement are intended to represent a resolution by compromise of the issues in this Cause. The Parties further agree that the provisions of the Settlement may never be deemed an admission made by any of the Parties, may never be used as substantive precedent in future Commission proceedings and may never be used against any of the Parties in subsequent regulatory or other Commission proceedings, except to the extent necessary to enforce the Settlement.

The Parties stipulate and agree that the Settlement is solely the result of compromise in the settlement process and, except as provided herein, is without prejudice to and shall not constitute a waiver of any position that either of the Parties may take with respect to any issue or item whether or not resolved herein, in any future regulatory or other proceeding.

8. The undersigned have represented and agreed that they are fully authorized to execute this Stipulation and Settlement Agreement on behalf of their designated clients who will be bound thereby.

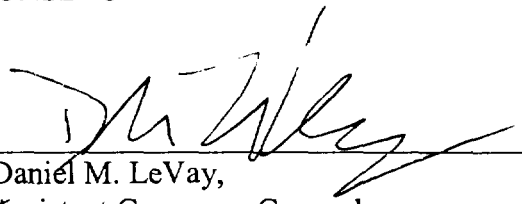
CITY OF MARION

Date: Feb. 3, 2005

By:   
Nicholas K. Kile

OFFICE OF UTILITY CONSUMER  
COUNSELOR

Date: Feb. 3, 2005

By:   
Daniel M. LeVay,  
Assistant Consumer Counselor

**STATE OF INDIANA**  
**INDIANA UTILITY REGULATORY COMMISSION**

<b>PETITION OF THE CITY OF MARION</b>	)	
<b>FOR AUTHORITY TO</b>	)	
<b>INCREASE ITS RATES AND CHARGES</b>	)	
<b>FOR WATER SERVICE, AND FOR</b>	)	
<b>APPROVAL OF NEW SCHEDULE OF</b>	)	<b>CAUSE NO. 42720</b>
<b>RATES AND CHARGES APPLICABLE</b>	)	
<b>THERE TO</b>	)	

**BY THE COMMISSION:**

**David E. Ziegner, Commissioner**  
**Andrea Brandes, Administrative Law Judge**

On September 9, 2004, the City of Marion ("Petitioner") filed with the Commission its Petition for authority to increase its rates and charges for water service and for approval of a new schedule of rates and charges applicable thereto. Pursuant to notice as provided by law, an evidentiary hearing was convened on February 24, 2004, at 9:30 a.m. EST in the hearing rooms of the Commission. Petitioner and the OUCC offered a Joint Exhibit setting forth the rate increase to which the parties have agreed.

Based upon the applicable law and the evidence herein, the Commission now finds that:

1. **Notice and Jurisdiction.** Petitioner is a "municipally-owned utility" as that phrase is used in IC 8-1-2-1(h), and is subject to the jurisdiction of this Commission as and to the extent provided by law. Notice of the prehearing conference and the evidentiary hearings was provided as required by law. The Commission has jurisdiction over the parties and the subject matter of this Cause.

2. **Petitioner's Characteristics.** Petitioner is a municipality that owns and operates plant and equipment within the State of Indiana for the production, transmission, delivery, and furnishing of water to the public within and around the City of Marion, Indiana. Petitioner's existing schedule of water rates and charges was approved by the Commission on August 5, 1992, in Cause No. 39422.

3. **Test Year.** The test year used by Petitioner for determining Petitioner's annual revenue requirement in this Cause was the 12 months ended April 30, 2004, with adjustments for changes which are fixed, known, and measurable and which will occur within 12 months of the close of the test year. We find this test year to be sufficiently representative of Petitioner's ongoing operations to be used for ratemaking purposes.

4. **Petitioner's Requested Rate Increase.**

Petitioner has requested a rate increase not to exceed 61.27%. In addition to this increase, Petitioner has adopted an ordinance pursuant to Ind. Code § 8-1-2-103(d) to change the method of recovery of public fire protection from a hydrant charge directly billed to the City of Marion to a surcharge by meter size to be paid by Petitioner's customers. The combination of the requested rate increase and the change in public fire protection cost recovery would result in an increase in the amount paid by the average residential customer of approximately 80%. While Petitioner presented revenue requirements that would support a more significant increase, Petitioner's Mayor Wayne Seybold testified that Petitioner is unwilling at this time to increase the rates higher than this level due to the significance of the increase.

The revenue requirements before additional Utility Receipts Tax to which the parties have agreed and which we find are as follows:

Operation and Maintenance Expense	\$2,228,585
Taxes other than Income Taxes	\$ 111,577
Debt Service	\$ 857,875
Extensions and Replacements	<u>\$1,721,380</u>
Revenue Requirement	\$4,919,417
Offset: Interest Income	( <u>81,602</u> )
TOTAL	\$4,837,815

The level of extensions and replacements in the Joint Stipulation is higher than the amount included in Petitioner's Case-in-Chief. Petitioner did not propose rates that would fully fund all of the extensions and replacements requested by Petitioner's capital improvement plan. The OUCC identified adjustments to revenues and expenses that should allow a greater percentage of pro forma revenues to be available for extensions and replacements such that Petitioner's budget for extensions and replacements can be increased with the rate increase to which the parties have agreed. There is no dispute that Petitioner's extensions and replacements needs are at least at the level to which the parties have stipulated.

The parties stipulate and we find that Petitioner's pro forma revenues at present rates is \$3,046,597. The Commission finds that the rates and charges currently in effect for services rendered by Petitioner are inadequate to provide for Petitioner's annual revenue requirement and should be increased across-the-board by 61.27% to produce \$1,816,651 in additional revenues and total operating revenues of \$4,863,248, including additional Utility Receipts Tax of \$25,433.

5. **Public Fire Protection.** As indicated, Petitioner's Council has adopted an ordinance pursuant to Ind. Code § 8-1-2-103(d) to change the method of recover of public fire protection costs from directly billed charges to a customer surcharge by meter size. We find that Petitioner has properly calculated the customer surcharge, which is \$3.06 per 5/8-inch meter equivalent.

6. **Stipulation and Settlement Agreement.** We find that the parties' Stipulation and Settlement Agreement should be approved and further direct that Petitioner comply with the reporting requirements agreed to therein.

**IT IS THEREFORE ORDERED BY THE INDIANA UTILITY REGULATORY COMMISSION that:**

1. Petitioner shall be and hereby is authorized to increase its rates and charges for water utility service across-the-board by 61.27% to produce \$1,816,651 in additional revenues and total operating revenues of \$4,863,248.

2. Petitioner shall file with the Engineering Division of the Commission new schedules of rates and charges before placing in effect the rate increase authorized herein, which schedules, when approved by the Engineering Division, shall be effective and shall cancel all previously approved schedules of rates and charges.

3. Petitioner's proposed customer charge of \$3.06 per 5/8-inch meter equivalent in lieu of directly billed hydrant charges shall be and hereby is approved.

4. The Stipulation and Settlement Agreement signed by the parties shall be and hereby is approved.

5. This Order shall be effective on and after the date of its approval.

**McCARTY, HADLEY, LANDIS, RIPLEY and ZIEGNER CONCUR:**  
**APPROVED:**

I hereby certify that the above is a true and correct copy of the Order as approved.

---

Nancy E. Manley,  
Secretary to the Commission

**MARION MUNICIPAL WATER UTILITY  
CAUSE NO. 42720**

**Revenue Requirement**

Description	Per Petitioner	Per Settlement	Sch Ref	Settlement More/Less
Operation and Maintenance Expense	\$ 2,296,013	\$ 2,228,585	4	\$ (67,428)
Taxes Other Than Income Taxes	110,110	111,577	4	1,467
Payment In Lieu of Taxes	-	-		-
Maximum Annual Debt Service	857,875	857,875	9	-
Extensions and Replacements	1,435,480	1,721,380	7	285,900
Working Capital	-	-	8	-
Total Revenue Requirement	4,699,478	4,919,417		219,939
Less: Interest Income	-	81,602		81,602
Revenues not subject to increase	33,408	81,568		48,160
Less: Pro-forma Present Rate Revenue	2,908,849	2,965,029	4	56,180
Net Increase Required	1,757,221	1,791,218		33,997
Divided By: Revenue Conversion Factor	0.9860	0.9860		0.9860
Recommended Increase	\$1,782,171	\$1,816,651		\$ 34,480
Percentage Increase	61.27%	61.27%		0.00%

Adjustable  
Revenues in  
Revenue  
Requirements

Recommended  
Increase in  
Adjustable  
Revenues

Rates at 700 cf. per month	Current Rate	Petitioner	OUCC
	\$15.25	\$24.59	\$24.59
Fire Protection Surcharge	-	\$3.05	\$3.05
	\$15.25	\$27.64	\$27.64
Total Rate Increase		81.25%	81.25%



**MARION MUNICIPAL WATER UTILITY  
CAUSE NO. 42720**

**Comparison of Income Statement Adjustments  
Test Year Ending April 30, 2004**

<u>Adjustment</u>	<u>Per Petitioner</u>	<u>Per Settlement</u>	<u>Settlement More/(Less)</u>
<u>Operating Revenues:</u>			
Metered Residential Sales		\$ (13,295)	\$ (13,295)
Metered Industrial Sales	(348,026)	(295,179)	52,847
Metered Commercial Sales		16,615	16,615
Metered Institutional Sales		5,098	5,098
Metered Residential Sales - Outside City		(2,421)	(2,421)
Metered Other Sales - Outside City		(136)	(136)
Public Fire Protection - Hydrants	520	520	-
Public Fire Protection - Sprinklers			-
Private Fire Protection - Hydrants	(685)	(685)	-
Private Fire Protection - Sprinklers	1,934	1,934	-
Forfeited Discounts			-
Miscellaneous Operation Revenue			-
Total Operating Revenue	<u>(346,257)</u>	<u>(287,549)</u>	<u>72,003</u>
<u>Operating Expenses:</u>			
Salaries and Wages	(24,659)	(24,659)	-
Employee Benefits	4,035	4,035	-
Training & Education		-	-
Electricity		-	-
Telephone		-	-
Natural Gas		-	-
Chemicals		-	-
Materials and Supplies		-	-
Contract Services - Testing		-	-
Contract Services - Legal		-	-
Contract Services - Other		(24,603)	(24,603)
Audit Expense - SBA		-	-
Equipment Rental		-	-
General Insurance	19,559	(10,636)	(30,195)
Transportation Expense		-	-
Office Supplies		-	-
Computer and Software Support		-	-
Customer Accounts		-	-
Bad Debt Expense		-	-
Miscellaneous Expenses		-	-
Non-recurring / Capital		(17,973)	(17,973)
Customer Normalization		3,466	3,466
IDEM Fee	11,014	8,892	(2,122)
FICA Tax	(339)	(339)	-
Utility Receipts Tax	1,694	3,161	1,467
Amortization Expense		4,000	4,000
Depreciation Expense	2,301	2,301	-
Total Operating Expenses	<u>13,605</u>	<u>(52,355)</u>	<u>(65,960)</u>
Net Operating Income	<u>\$ (359,862)</u>	<u>(\$235,194)</u>	<u>\$124,668</u>

MARION MUNICIPAL WATER UTILITY  
CAUSE NO. 42720

Consolidated Balance Sheet

	As of 4/30/2004	As of 12/31/2003
<b>TOTAL ASSETS</b>		
Utility Plant:		
Utility Plant In Service	\$27,144,014	\$ 27,139,417
Less: Accumulated Depreciation	9,658,035	9,502,039
Total Utility Plant in Service	17,485,979	17,637,378
Other Utility Property		
Construction work in progress	42,196	41,211
Total Utility Property	17,528,175	17,678,589
Current Assets:		
Cash and cash equivalents	273,595	506,313
Accounts Receivable - Customer	197,882	221,142
Accounts Receivable - Other	385,135	821
Materials and Supplies	112,814	110,130
Prepaid Expenses	93,787	39,603
Interest and Dividends Receivable	47,027	23,328
Due From Other Funds	2,226	432
Other Accrued Assets		
Total Current Assets	1,112,466	901,769
Other Property and Investments:		
Special Funds	-	-
Total Other Property and Investments	-	-
Restricted Assets:		
Depreciation Fund	219,935	144,772
Construction Fund	1,780	1,780
Debt Service	728,433	709,866
Debt Service Reserve	397,500	397,500
Customer Deposits	191,752	186,681
Quail Hollow Fund	21,700	21,700
Total Restricted Assets	0.04447715 1,561,100	1,462,299
Deferred Debits:		
Unamortized Bond Issuance costs	104,646	112,121
Unamortized Bond Discount	-	-
Unamortized Bond Deferral on Refunding	175,017	187,518
Total Deferred Debits	279,663	299,639
Total Assets	\$ 20,481,404	\$ 20,342,296
<b>LIABILITIES AND STOCKHOLDERS EQUITY</b>		
Equity:		
Retained Earnings	\$ 13,710,363	\$ 13,509,073
Current Year Earnings	504,477	201,290
Other Paid In Capital	716,455	716,455
Donated Surplus	34,680	34,680
Total Equity Capital	14,965,975	14,461,498
Current Liabilities:		
Accounts Payable to Associated Entities	0	302,598
Accounts Payable	2,126	32,824
Accrued Payroll and Withholdings	5,431	69,814
Compensated Absences Payable	0	54,294
Customer Deposits	206,999	203,363
Accrued Interest	34,725	0
Accrued Taxes	67,558	19,315
Total Current Liabilities	316,839	682,208
Long Term Liabilities:		
1993 Revenue Bonds	0	0
1994 Refunding Revenue Bonds	0	0
2003 Refunding Revenue Bonds	3,975,000	3,975,000
Total Long Term Liabilities	3,975,000	3,975,000
Contributions In Aid Of Construction:		
Contributions in Aid of Construction	1,135,389	1,135,389
Contributions - 38th Street Project	8,435	8,435
Contributions - Quail Hollow	18,500	18,500
Total Contributions in Aid of Construction	1,162,324	1,162,324
Deferred Credits:		
Other Deferred Credits	61,266	61,266
Total Deferred Credits	61,266	61,266
Total Liabilities and Stockholders Equity	\$ 20,481,404	\$ 20,342,296

**MARION MUNICIPAL WATER UTILITY  
CAUSE NO. 42720**

**Income Statement - Water Utility**

	<u>4/30/2004</u>
<u>Operating Revenue</u>	
Metered Residential Sales	\$1,515,520
Metered Industrial Sales	467,401
Metered Commercial Sales	416,709
Metered Institutional Sales	276,658
Metered Residential Sales - Outside City	75,885
Metered Other Sales - Outside City	17,493
Public Fire Protection - Hydrants	376,739
Public Fire Protection - Sprinklers	117
Private Fire Protection - Hydrants	74,214
Private Fire Protection - Sprinklers	34,370
Forfeited Discounts	25,510
Miscellaneous Operation Revenue	7,898
Total Operating Revenue	<u>3,288,514</u>
<u>Operating Expenses</u>	
Source of Supply - Operations	98,766
Source of Supply - Maintenance	96,194
Water Treatment - Operations	693,211
Water Treatment - Maintenance	339,493
Transmission and Distribution - Operation	57,692
Transmission and Distribution - Maintenance	277,233
Customer Accounts	397,573
Administrative and General	325,902
FICA Tax	69,271
Utility Receipts Tax	39,484
Payment in Lieu of Taxes	145,067
Amortization Expense	39,533
Depreciation Expense	464,078
Total Operating Expenses	<u>3,043,497</u>
Net Operating Income	245,017
<u>Other Income</u>	
Interest Income	81,602
Reconnection Fees	20,000
Tap Fees	5,226
Rents for Water Property	18,633
Bad Debt Recovery	1,981
Gain on Sale of Assets	637
Miscellaneous Other Income	4,717
Total Other Income	<u>132,796</u>
<u>Other Expense</u>	
Interest Expense	200,249
Other Interest Expense	4,691
Loss on Sale of Assets	
Total Other Expense	<u>204,940</u>
Net Income	<u>\$ 172,873</u>

MARION MUNICIPAL WATER UTILITY  
CAUSE NO. 42720

Pro-forma Net Operating Income Statement

Description	Year Ending 4/30/2004	Adjustments	Sch. Ref.	Pro-forma Present Rates	Adjustments	Sch. Ref.	Pro-forma Proposed Rates
Operating Revenues:							
Metered Residential Sales	\$1,515,520	(13,295)	5-2	\$1,502,225	\$920,402	1	\$2,422,627
Metered Industrial Sales	467,401	(348,026)	Pet.	169,694	103,970	1	273,665
		50,319	5-1				
		2,528	5-3				
Metered Commercial Sales	416,709	16,615	5-4	433,324	265,494	1	698,818
Metered Institutional Sales	276,658	5,098	5-5	281,756	172,630	1	454,386
Metered Residential Sales - Outside City	75,885	(2,421)	5-6	73,464	45,011	1	118,475
Metered Other Sales - Outside City	17,493	(136)	5-7	17,357	10,635	1	27,992
Public Fire Protection - Hydrants	376,739	520	Pet	377,259	231,144	1	608,403
Public Fire Protection - Sprinklers	117			117	72	1	189
Private Fire Protection - Hydrants	74,214	(685)	Pet	73,529	45,051	1	118,580
Private Fire Protection - Sprinklers	34,370	1,934	Pet	36,304	22,243	1	58,547
Forfeited Discounts	25,510			25,510			25,510
Miscellaneous Operation Revenue	7,898			7,898			7,898
Other Misc. Income:							
Reconnect Fees	20,000			20,000			20,000
Tap Fees	5,226			5,226			5,226
Rental Income	18,633			18,633			18,633
Bad Debt Recovery	1,981			1,981			1,981
Bad Check Fees	2,320			2,320			2,320
Total Operating Revenues	<u>3,336,674</u>	<u>(287,549)</u>		<u>3,046,597</u>	<u>1,816,651</u>		<u>4,863,248</u>
Operating Expenses:							
Salaries and Wages	925,731	(24,659)	Pet.	901,072			901,072
Employee Benefits	323,654	4,035	Pet.	327,689			327,689
Training & Education	2,682			2,682			2,682
Electricity	211,298			211,298			211,298
Telephone	5,360			5,360			5,360
Natural Gas	16,274			16,274			16,274
Chemicals	184,930			184,930			184,930
Materials and Supplies	142,943			142,943			142,943
Contract Services - Testing	10,237			10,237			10,237
Contract Services - Legal	7,738			7,738			7,738
Contract Services - Other	159,046	808	6-5	134,443			134,443
		(25,411)	6-8				
Audit Expense - SBA	3,687			3,687			3,687
Equipment Rental	3,226			3,226			3,226
General Insurance	126,618	(10,636)	6-2	115,982			115,982
Transportation Expense	25,355			25,355			25,355
Office Supplies	11,498			11,498			11,498
Computer and Software Support	15,816			15,816			15,816
Customer Accounts	60,658			60,658			60,658
Bad Debt Expense	16,759			16,759			16,759
Miscellaneous Expenses	32,553			32,553			32,553
Rate Case Expense	-	4,000	6-4	4,000			4,000
Non-recurring and Capital Costs	-	(17,973)	6-6	(17,973)			(17,973)
Customer Normalization Expense Adjustment	-	3,466	6-7	3,466			3,466
IDEM Fee	-	8,892	6-1	8,892			8,892
FICA Tax	69,271	(339)	Pet.	68,932			68,932
Utility Receipts Tax	39,484	3,161	6-3	42,645	25,433	6-3	68,078
Amortization Expense	39,533			39,533			39,533
Depreciation Expense	464,078	2,301	Pet	466,379			466,379
Total Operating Expenses	<u>2,898,429</u>	<u>(52,355)</u>		<u>2,846,074</u>	<u>25,433</u>		<u>2,871,507</u>
Net Operating Income	<u>\$438,245</u>	<u>(\$235,194)</u>		<u>\$200,523</u>	<u>\$1,791,218</u>		<u>\$1,991,741</u>

Utility  
Receipts Tax  
in Revenue  
Requirements

**MARION MUNICIPAL WATER UTILITY  
CAUSE NO. 42720**

**Income Adjustments**

(1)

**Industrial Customer Revenue**

To increase "Metered Industrial Sales" for the reversing entry that was made during the test year for 2002.

Adjustment - decrease

\$50,319

(2)

**Residential Normalization**

To normalize residential growth within the test year.

	# of Cust.	Growth	# of Bills	Additional	Consumption	Sales
May	9,792			-	52,863	\$ 127,333
Jun	9,820	28	1	28	51,304	125,992
Jul	9,891	71	2	142	54,543	131,068
Aug	9,835	(56)	3	(168)	56,333	132,104
Sept	9,841	6	4	24	55,354	130,294
Oct	9,850	9	5	45	54,032	127,956
Nov	9,768	(82)	6	(492)	50,472	120,628
Dec	9,818	50	7	350	49,181	117,998
Jan	9,733	(85)	8	(680)	58,542	132,245
Feb	9,657	(76)	9	(684)	54,380	124,707
Mar	9,636	(21)	10	(210)	56,611	123,284
Apr	9,692	56	11	616	53,824	121,909
Total -	<u>117,333</u>			<u>(1,029)</u>	<u>647,439</u>	<u>1,515,518</u>

Average Bill (Sales/# of Customers)

\$ 12.92

Average Consumption (Consumption/# of Customers) (100 Cubic Feet)

5.52

Additional Residential Billings

(1,029)

(1,029)

Adjustment - Increase

(5,680.08)

\$ (13,295)

**MARION MUNICIPAL WATER UTILITY  
CAUSE NO. 42720**

**Income Adjustments**

(3)

**Commercial Normalization**

To normalize commercial growth within the test year.

	<u># of Cust.</u>	<u>Growth</u>	<u># of Bills</u>	<u>Additional</u>	<u>Consumption</u>	<u>Sales</u>
May	959			-	21,176	\$ 31,171
Jun	966	7	1	7	21,187	34,271
Jul	965	(1)	2	(2)	22,949	35,942
Aug	973	8	3	24	23,978	37,854
Sept	979	6	4	24	23,295	37,020
Oct	982	3	5	15	22,162	35,558
Nov	986	4	6	24	20,835	34,157
Dec	989	3	7	21	18,849	34,077
Jan	976	(13)	8	(104)	22,038	32,672
Feb	967	(9)	9	(81)	20,565	33,034
Mar	978	11	10	110	25,952	37,084
Apr	981	3	11	33	21,789	33,871
Total -	<u>11,701</u>			<u>71</u>	<u>264,775</u>	<u>416,711</u>

Average Bill (Sales/# of Customers)

\$ 35.61

Average Consumption (Consumption/# of Customers) (100 Cubic Feet)

22.63

Additional Commercial Billings

71

Adjustment - Increase

1,606.73

71

\$ 2,528

(4)

**Industrial Normalization**

To normalize industrial growth within the test year.

	<u># of Cust.</u>	<u>Growth</u>	<u># of Bills</u>	<u>Additional</u>	<u>Consumption</u>	<u>Sales</u>
May	63			-	54,162	\$ 47,027
Jun	64	1	1	1	57,555	50,155
Jul	64	-	2	-	58,957	51,100
Aug	64	-	3	-	57,157	49,233
Sept	64	-	4	-	57,109	49,297
Oct	64	-	5	-	48,165	41,884
Nov	64	-	6	-	60,227	51,709
Dec	66	2	7	14	47,522	68,699
Jan	66	-	8	-	30,278	(82)
Feb	66	-	9	-	45,940	40,123
Mar	67	1	10	10	42,631	37,217
Apr	67	-	11	-	35,111	31,360
Total -	<u>779</u>			<u>25</u>	<u>594,814</u>	<u>517,722</u>

Average Bill (Sales/# of Customers)

\$ 664.60

Average Consumption (Consumption/# of Customers) (100 Cubic Feet)

763.56

Additional Industrial Billings

25

Adjustment - Increase

19,089.00

25

\$ 16,615

**MARION MUNICIPAL WATER UTILITY  
CAUSE NO. 42720**

**Income Adjustments**

(5)

**Institutional Normalization**

To normalize institutional growth within the test year.

	<u># of Cust.</u>	<u>Growth</u>	<u># of Bills</u>	<u>Additional</u>	<u>Consumption</u>	<u>Sales</u>
May	290			-	18,273	\$ 13,181
Jun	292	2	1	2	18,964	22,546
Jul	297	5	2	10	16,271	34,986
Aug	297	-	3	-	19,671	23,571
Sept	301	4	4	16	23,432	26,538
Oct	301	-	5	-	21,640	25,797
Nov	300	(1)	6	(6)	22,243	25,066
Dec	299	(1)	7	(7)	15,173	28,129
Jan	299	-	8	-	18,824	13,467
Feb	300	1	9	9	18,556	21,879
Mar	302	2	10	20	16,612	20,310
Apr	304	2	11	22	17,678	21,190
Total -	<u>3,582</u>			<u>66</u>	<u>227,337</u>	<u>276,660</u>

Average Bill (Sales/# of Customers)

\$ 77.24

Average Consumption (Consumption/# of Customers) (100 Cubic Feet)

63.47

Additional Industrial Billings

66

Adjustment - Increase

4,189.02

66

\$ 5,098

(6)

**Out of City Customer Normalization**

To normalize out of city growth within the test year.

	<u># of Cust.</u>	<u>Growth</u>	<u># of Bills</u>	<u>Additional</u>	<u>Consumption</u>	<u>Sales</u>
May	389			-	3,556	\$ 5,901
Jun	389	-	1	-	3,651	7,033
Jul	360	(29)	2	(58)	3,639	6,984
Aug	359	(1)	3	(3)	3,989	6,937
Sept	364	5	4	20	3,513	6,361
Oct	361	(3)	5	(15)	3,563	6,443
Nov	362	1	6	6	3,628	5,972
Dec	370	8	7	56	3,321	7,158
Jan	360	(10)	8	(80)	3,811	4,482
Feb	361	1	9	9	3,578	5,782
Mar	359	(2)	10	(20)	4,093	6,389
Apr	354	(5)	11	(55)	4,323	6,445
Total -	<u>4,388</u>			<u>(140)</u>	<u>44,665</u>	<u>75,887</u>

Average Bill (Sales/# of Customers)

\$ 17.29

Average Consumption (Consumption/# of Customers) (100 Cubic Feet)

10.18

Additional Industrial Billings

(140)

(140)

Adjustment - Increase

(1,425.20)

\$ (2,421)

1/31/2005

**MARION MUNICIPAL WATER UTILITY  
CAUSE NO. 42720**

**Income Adjustments**

(7)

**Out of City - Other Customer Normalization**

To normalize out of city - Other growth within the test year.

	<u># of Cust.</u>	<u>Growth</u>	<u># of Bills</u>	<u>Additional</u>	<u>Consumption</u>	<u>Sales</u>
May	32			-	519	\$ 1,643
Jun	32	-	1	-	488	1,518
Jul	32	-	2	-	522	1,488
Aug	32	-	3	-	595	1,559
Sept	33	1	4	4	518	1,517
Oct	33	-	5	-	506	1,689
Nov	33	-	6	-	433	2,198
Dec	32	(1)	7	(7)	372	425
Jan	32	-	8	-	399	1,126
Feb	32	-	9	-	404	1,130
Mar	32	-	10	-	1,261	1,758
Apr	32	-	11	-	918	1,441
Total -	<u>387</u>			<u>(3)</u>	<u>6,935</u>	<u>17,492</u>

Average Bill (Sales/# of Customers)

\$ 45.20

Average Consumption (Consumption/# of Customers) (100 Cubic Feet)

17.92

Additional Industrial Billings

(3)

(3)

Adjustment - Increase

(53.76)

(136)



**MARION MUNICIPAL WATER UTILITY  
CAUSE NO. 42720**

**Expense Adjustments**

**(1)  
IDEM Fee**

To adjust for the public water system annual operation fee to the Indiana Department of Environmental Management.

Number of Service Connections (per IDEM invoice dated 8/4/04)	11,700	
Times: Annual Rate	0.95	
Annual Fee	<u>\$ 11,115</u>	
2004	1/3 of annual fee due	3,705
2005	2/3 of annual fee due	7,410
2006		11,115
2007		11,115
2008		11,115
		<u>44,460</u>
		5
	Average Fee - 5 years	\$ 8,892
	Less: Test Year Expense	-
	Adjustment - Increase/(Decrease)	<u>\$ 8,892</u>

**(2)  
General Insurance**

To adjust for the water utility's allocation of general insurance expense.

Type of Insurance	Amount
Liability Insurance	\$ 39,906
Automobile Insurance	24,826
Property Insurance	13,121
Boiler and Machinery Insurance	701
Worker's Compensation	<u>37,428</u>
Total Pro-forma General Insurance	115,982
Less: Test Year Expense	<u>126,618</u>
Adjustment - Increase/(Decrease)	<u>\$ (10,636)</u>

**(3)  
Utility Receipts Tax**

To adjust Utility Receipts to allow for the appropriate utility receipts tax at the adjusted level of operating revenues.

	Present	Proposed
Adjusted Operating Revenues	\$ 3,046,597	\$ 4,863,248
Less: Exemptions	500	500
Public Fire Protection	-	-
Taxable Operating Revenues	<u>3,046,097</u>	<u>4,862,748</u>
Times: URT Rate	1.40%	1.40%
Pro-forma URT	42,645	68,078
Less: test year expense	<u>39,484</u>	<u>42,645</u>
Adjustment - Increase/(Decrease)	<u>\$ 3,161</u>	<u>\$ 25,433</u>

**MARION MUNICIPAL WATER UTILITY  
CAUSE NO. 42720**

**Expense Adjustments**

(4)

**Rate Case Expense**

To adjust for the amortization of estimated costs for this rate case.

Estimated rate case costs	\$ 20,000
Divided by Amortization Period	5
Adjustment - Increase/(Decrease)	<u>\$ 4,000</u>

(5)

**Contract Services - Other**

To adjust contract services - other to update the audit fee charged by the State Board of Accounts.

Annual Fee per invoice dated 7/19/04	\$ 4,495
Less: Test Year Expense	<u>3,687</u>
Adjustment - Increase/(Decrease)	<u>\$ 808</u>

(6)

**Non-Recurring or Capital**

To adjust test year expenses to exclude costs that are non-recurring or capital in nature.

Accounting fees related to refinancing bonds	\$ (5,573)
Water System Study	(15,500)
Add: One year amortization of Water System Study (\$15,500/5)	<u>3,100</u>
	<u>\$ (17,973)</u>

(7)

**Customer Normalization Expense**

To adjust test year operating expenses for the OUCC's normalization of customer growth that occurred during the test year.

Test Year Expense:

Purchased Power	\$ 211,298	
Chemicals	184,930	
Billing Service		17,417
Postage		<u>41,788</u>
Sub-Total	<u>396,228</u>	<u>59,205</u>
Divided by: Test Year Consumption (100's of cubic feet)	1,785,965.00	
Divided by: Test Year # of Bills		<u>138,170</u>
Cost Per 100 cu ft./Bill	<u>\$ 0.22</u>	<u>\$ 0.43</u>
Additional Consumption (100's of cubic feet)	17,725.71	
Additional Bills		<u>(1,010)</u>
	<u>\$ 3,900</u>	<u>\$ (434)</u>
Adjustment - Increase/(Decrease)		<u>\$ 3,466</u>

(8)

**Contract Services - Other**

To adjust contract services - other to remove test year maintenance costs. These expenses have been included in E&R.

Peerless Midwest - Clean Well D-1	\$ (14,396)
Peerless Midwest - Clean Well D-2	(10,320)
Boyd Machine & Repair - Rebuild water pump	<u>(695)</u>
Adjustment - Increase/(Decrease)	<u>\$ (25,411)</u>

**MARION MUNICIPAL WATER UTILITY  
CAUSE NO. 42720**

**Five-Year Capital Improvement Plan (Extensions & Replacements)**

	2005	2006	2007	2008	2009
Plant Improvements	\$ 465,000	\$ 432,000	\$ 339,500	\$ 410,000	\$ 355,000
Distribution Improvements	978,300	1,058,100	1,095,000	1,050,500	994,000
Total Capital Improvement Projects	<u>\$ 1,443,300</u>	<u>\$ 1,490,100</u>	<u>\$ 1,434,500</u>	<u>\$ 1,460,500</u>	<u>\$ 1,349,000</u>

Total Proposed Improvements	\$7,177,400
Divided by: 5 years	<u>5</u>
Proposed Annual Requirement	<u>\$1,435,480</u>
Add: Settlement Adjustment	<u>285,900</u>
Total Extensions and Replacements	<u>\$1,721,380</u>

**MARION MUNICIPAL WATER UTILITY  
CAUSE NO. 42720**

**Working Capital Calculation**

<u>Description</u>	
Total Operation and Maintenance Expense	Sch4 \$2,228,585
Less: Purchased Power	211,298
Purchased Water	<u>0</u>
Adjusted Operation and Maintenance Expense	2,017,287
Divide: 45 Day Factor	<u>8</u>
Static Working Capital Requirement	252,161
Less: Cash on Hand (Operating Fund)	<u>273,595</u>
Working Capital Requirement	(21,434)
Divide: Amortization Period (Years)	<u>3</u>
Annual Working Capital Requirement	<u><u>\$0</u></u>

**MARION MUNICIPAL WATER UTILITY  
CAUSE NO. 42720**

**Debt Service Schedule**

Date	Principal Payments	Coupon	Interest	Period Total	Fiscal Total
7/1/2004	\$ 375,000	1.10%	\$ 52,088	\$ 427,088	
1/1/2005	380,000	3.00%	50,025	430,025	\$ 857,113
7/4/2005	385,000	3.00%	44,325	429,325	
1/1/2006	390,000	2.50%	38,550	428,550	857,875
7/1/2006	395,000	2.50%	33,675	428,675	
1/1/2007	400,000	2.50%	28,738	428,738	857,413
7/1/2007	405,000	2.50%	23,738	428,738	
1/1/2008	410,000	3.00%	18,675	428,675	857,413
7/1/2008	415,000	3.00%	12,525	427,525	
1/1/2009	420,000	3.00%	6,300	426,300	853,825
Totals	<u>\$ 3,975,000</u>		<u>\$ 308,639</u>	<u>\$4,283,639</u>	
Maximum Annual Debt Service					<u>\$ 857,875</u>