

OFFICIAL
EXHIBITS

IURC
PETITIONER'S
EXHIBIT NO. 15
10-16-20 AT
DATE REPORTER

Petitioner's Exhibit 15

Cedar Lake Municipal Water Utility

Cedar Lake, Indiana

Annual Revenue Requirements

Line No.		Ref. Col. A	Test Year Current Rates Col. B	Pro Forma Proposed Rates (SRF Debt) Col. C
1	Operations and Maintenance Costs	Exh C	\$ 639,177	\$ 935,537
2	Taxes other than Income Taxes	Exh C	35,101	50,817
3	Payment In Lieu of Property Taxes	Exh F	-	3,340
4	Capital Expenditures	Exh A	171,221	-
5	Capital Improvement Plan	Exh G	-	210,571
6	Revenue Requirement needed to provide for SRF Debt Coverage			59,930
7	Current Debt - Test Year	Exh D	324,612	-
8	5 Year Average Annual Debt Service - Current and Proposed Debt	Exh D-1	-	393,186
9	Debt Service Reserve - Proposed Debt	Exh E	-	19,753
10	Total Cash Revenue Requirements		\$1,170,111	\$ 1,673,134
11	Less: Other Non-Rate Revenues	Exh C	(142,952)	(142,952)
12	Net Revenue Requirements		\$1,027,159	\$ 1,530,182
13	Less: Rate Revenues	Exh C	(1,189,093)	(1,374,530)
14	Required Increase/(Decrease) in Net Revenues		<u>\$ (161,934)</u>	\$ 155,652
15	Additional Utilities Receipt Tax			2,210
16	Required Increase in Gross Revenues			<u>\$ 157,862</u>
17	Required Percentage Change in Gross Revenues			<u>11.48%</u>
18	Debt Coverage Ratio based on Current Debt and unadjusted Net Operating Receipts	Exh E	<u>2.02</u>	
19	Debt Coverage Ratio based on Current and Proposed Debt with adjusted Net Operating Receipts	Exh E		<u>1.30</u>
20	System Wide Average Residential Consumption = 4,769 gallons			
21	Monthly Rates calculated using System Wide Average Consumption:			
22	Westside/Eastside		\$41.82	46.61
23	Robins Nest		\$25.28	46.61
24	Krystal Oaks		\$33.88	46.61
25				Increase % over Current
26	Westside/Eastside			11.47%
27	Robins Nest			84.38%
28	Krystal Oaks			37.56%
29	<u>Minimum Charge</u> for Residential (5/8 - 3/4" meters)		Current	Proposed Monthly Charge based on 2,000 Gallons Allowed
30			Gallons Allowed	
31	Westside/Eastside	4,000	\$36.04	\$20.09
32	Robins Nest	4,000	\$20.78	\$20.09
33	Krystal Oaks	3,000	\$21.50	\$20.09
34				Increase % over Current
35	Westside/Eastside			-44.26%
36	Robins Nest			-3.32%
37	Krystal Oaks			-6.56%

Cedar Lake Municipal Water Utility

Cedar Lake, Indiana

Pro-forma Net Operating Receipts and Disbursements Statement 12 Months Ending December 31, 2019

Line No.		12 months		Sch C Ref	Pro-forma		Sch Ref	11.48%
		ending 12/31/2019	Adjustments		Present Rates	Adjustments		Pro-forma Proposed Rates
	Operating Receipts							
1	Water Rate Receipts	\$ 1,189,093	\$ 45,265	C-1	\$ 1,374,530	\$ 157,796	Exh B	\$ 1,532,326
2			90,833	C-2				
3			49,339	C-3				
4	Tap-on Fees (not allowed by SRF)	-			-			-
5	Reconnect Fees	680			680			680
6	Misc. Receipts	9,302			9,302			9,302
7	Total Operating Receipts	<u>1,199,075</u>	<u>185,437</u>		<u>1,384,512</u>	<u>157,796</u>		<u>1,542,308</u>
8	O&M Disbursements	\$ 639,177			\$ 935,537			\$ 935,537
9	Additional costs for normalization		\$ 8,421	C-4				
10	SBOA Audit		1,450	C-5				
11	Salaries and Wages		175,669	C-6				
12	INPRS		17,191	C-6				
13	Employee Benefits		58,276	C-7				
14	Amortized Rate Case Costs		40,000	C-8				
15	Professional Services		(115,692)	C-9				
16	Periodic Maintenance		111,044	C-11				
17	Taxes Other than Income							
18	Payroll Taxes	17,480	14,108	C-6	31,588			31,588
19	Utility Receipts Tax	17,621	1,608	C-10	19,229	\$ 2,411	Exh B	21,640
20	Total Operating Disbursements	<u>674,278</u>	<u>312,076</u>		<u>986,354</u>	<u>2,411</u>		<u>988,765</u>
21	Net Operating Receipts	<u>\$ 524,796</u>	<u>\$ (126,639)</u>		<u>\$ 398,157</u>	<u>\$ 155,385</u>		<u>\$ 553,542</u>

Cedar Lake, Indiana

Summary Amortization Schedule for all Current and Proposed SRF Bonds

Line No.	Date	2009	2010	2010 B Series	2012	Proposed	Combined Debt Service		
		SRF Debt	SRF Debt	Debt	SRF Debt	2021 SRF Debt	Semi-Annual	Annual	
1	7/1/2020	\$ 6,489.00	\$ 14,746.00	\$ 8,710.00	\$ 16,234.15		\$ 46,179.15		
2	1/1/2021	69,989.00	104,746.00	68,710.00	35,234.15		278,679.15	\$ 324,858.30	
3	7/1/2021	5,488.88	13,432.00	7,210.00	15,978.60		42,109.48		
4	1/1/2022	70,988.88	103,432.00	72,210.00	35,978.60	\$ 44,043.75	326,653.23	368,762.71	
5	7/1/2022	4,457.25	12,118.00	5,536.25	15,709.60	44,043.75	81,864.85		
6	1/1/2023	71,957.25	107,118.00	75,536.25	32,709.60	55,043.75	342,364.85	424,229.70	
7	7/1/2023	3,394.13	10,731.00	3,733.75	15,480.95	43,920.00	77,259.83		
8	1/1/2024	72,894.13	105,731.00	73,733.75	39,480.95	54,920.00	346,759.83	424,019.66	
9	7/1/2024	2,299.50	9,344.00	1,931.25	15,158.15	43,796.25	72,529.15		
10	1/1/2025	74,299.50	109,344.00	76,931.25	36,158.15	54,796.25	351,529.15	424,058.30	
11	7/1/2025	1,165.50	7,884.00		14,875.70	43,672.50	67,597.70		
12	1/1/2026	75,165.50	107,884.00		63,875.70	108,672.50	355,597.70	423,195.40	
13	7/1/2026		6,424.00		14,216.65	42,941.25	63,581.90		
14	1/1/2027		111,424.00		138,216.65	109,941.25	359,581.90	423,163.80	
15	7/1/2027		4,891.00		12,548.85	42,187.50	59,627.35		
16	1/1/2028		114,891.00		139,548.85	109,187.50	363,627.35	423,254.70	
17	7/1/2028		3,285.00		10,840.70	41,433.75	55,559.45		
18	1/1/2029		113,285.00		145,840.70	108,433.75	367,559.45	423,118.90	
19	7/1/2029		1,679.00		9,024.95	40,680.00	51,383.95		
20	1/1/2030		116,679.00		147,024.95	107,680.00	371,383.95	422,767.90	
21	7/1/2030				7,168.85	39,926.25	47,095.10		
22	1/1/2031				269,168.85	106,926.25	376,095.10	423,190.20	
23	7/1/2031				3,644.95	39,172.50	42,817.45		
24	1/1/2032				274,644.95	106,172.50	380,817.45	423,634.90	
25	7/1/2032					38,418.75	38,418.75		
26	1/1/2033					385,418.75	385,418.75	423,837.50	
27	7/1/2033					34,515.00	34,515.00		
28	1/1/2034					388,515.00	388,515.00	423,030.00	
29	7/1/2034					30,532.50	30,532.50		
30	1/1/2035					392,532.50	392,532.50	423,065.00	
31	7/1/2035					26,460.00	26,460.00		
32	1/1/2036					397,460.00	397,460.00	423,920.00	
33	7/1/2036					22,286.25	22,286.25		
34	1/1/2037					401,286.25	401,286.25	423,572.50	
35	7/1/2037					18,022.50	18,022.50		
36	1/1/2038					405,022.50	405,022.50	423,045.00	
37	7/1/2038					13,668.75	13,668.75		
38	1/1/2039					409,668.75	409,668.75	423,337.50	
39	7/1/2039					9,213.75	9,213.75		
40	1/1/2040					414,213.75	414,213.75	423,427.50	
41	7/1/2040					4,657.50	4,657.50		
42	1/1/2041					418,657.50	418,657.50	423,315.00	
43		<u>\$ 458,588.52</u>	<u>\$ 1,179,068.00</u>	<u>\$ 394,242.50</u>	<u>\$ 1,508,764.20</u>	<u>\$ 5,198,141.25</u>	<u>\$ 8,738,804.47</u>	<u>\$ 8,738,804.47</u>	
44		Maximum Annual Debt Service							<u>\$ 424,229.70</u>
45		Average Annual Debt Service (2021 - 2025) (5 Year)						\$ 393,185.73	

Cedar Lake Municipal Water Utility
Cedar Lake, Indiana

Proposed SRF Waterworks Revenue Bonds, Series 2021
Amortization Schedule

Bond Amount	\$ 3,915,000	Term (years)	20
Net Interest Rate	2.25%	Original Issue Date	7/1/2021

Line No.	Date	Outstanding	Principal	Interest	Debt Service	
					Semi-Annual	Annual
1	1/1/2022	\$ 3,915,000		\$ 44,044	\$ 44,044	\$ 44,044
2	7/1/2022	3,915,000		44,044	44,044	
3	1/1/2023	3,904,000	\$ 11,000	44,044	55,044	99,088
4	7/1/2023	3,904,000		43,920	43,920	
5	1/1/2024	3,893,000	11,000	43,920	54,920	98,840
6	7/1/2024	3,893,000		43,796	43,796	
7	1/1/2025	3,882,000	11,000	43,796	54,796	98,593
8	7/1/2025	3,882,000		43,673	43,673	
9	1/1/2026	3,817,000	65,000	43,673	108,673	152,345
10	7/1/2026	3,817,000		42,941	42,941	
11	1/1/2027	3,750,000	67,000	42,941	109,941	152,883
12	7/1/2027	3,750,000		42,188	42,188	
13	1/1/2028	3,683,000	67,000	42,188	109,188	151,375
14	7/1/2028	3,683,000		41,434	41,434	
15	1/1/2029	3,616,000	67,000	41,434	108,434	149,868
16	7/1/2029	3,616,000		40,680	40,680	
17	1/1/2030	3,549,000	67,000	40,680	107,680	148,360
18	7/1/2030	3,549,000		39,926	39,926	
19	1/1/2031	3,482,000	67,000	39,926	106,926	146,853
20	7/1/2031	3,482,000		39,173	39,173	
21	1/1/2032	3,415,000	67,000	39,173	106,173	145,345
22	7/1/2032	3,415,000		38,419	38,419	
23	1/1/2033	3,068,000	347,000	38,419	385,419	423,838
24	7/1/2033	3,068,000		34,515	34,515	
25	1/1/2034	2,714,000	354,000	34,515	388,515	423,030
26	7/1/2034	2,714,000		30,533	30,533	
27	1/1/2035	2,352,000	362,000	30,533	392,533	423,065
28	7/1/2035	2,352,000		26,460	26,460	
29	1/1/2036	1,981,000	371,000	26,460	397,460	423,920
30	7/1/2036	1,981,000		22,286	22,286	
31	1/1/2037	1,602,000	379,000	22,286	401,286	423,573
32	7/1/2037	1,602,000		18,023	18,023	
33	1/1/2038	1,215,000	387,000	18,023	405,023	423,045
34	7/1/2038	1,215,000		13,669	13,669	
35	1/1/2039	819,000	396,000	13,669	409,669	423,338
36	7/1/2039	819,000		9,214	9,214	
37	1/1/2040	414,000	405,000	9,214	414,214	423,428
38	7/1/2040	414,000		4,658	4,658	
39	1/1/2041	(0)	414,000	4,658	418,658	423,315
40			<u>\$ 3,915,000</u>	<u>\$ 1,283,141</u>	<u>\$ 5,198,141</u>	<u>\$ 5,198,141</u>
41				Maximum Annual Debt Service		<u>\$ 423,920</u>

Cedar Lake Municipal Water Utility
Cedar Lake, Indiana

Proposed SRF Waterworks Revenue Bonds, Series 2021

Schedule of Sources and Uses of Funds

**Line
No.**

1 Sources of Funds:

2	Par Amount of Bonds		\$ 3,915,000
3		Total Sources of Funds	<u>\$ 3,915,000</u>

4 Uses of Funds:

5	Construction/Acquisition Costs:		
6	250,000 gallon Krystal Oaks Elevated Tank	\$ 1,000,000	
7	New HS Pumps, Motors and Controls as part of Krystal Oaks El Tank Project	66,976	
8	Robins Nest New Well Supply as part of Krystal Oaks El Tank Project	490,000	
9	Robins Nest New transmission Main as part of Krystal Oaks El Tank Project	511,250	
10	Utopia Water Main Replacement (Exhibit G)	1,045,500	
11	Construction Contingency (approximately 12.1%)	<u>377,856</u>	
12	Subtotal Construction		\$ 3,491,582
13	Engineering Costs:		<u>155,000</u>
14	Subtotal		3,646,582
15	Regulatory and Bond Issuance Costs:		
16	Bond Attorney	\$ 65,000	
17	Financial Advisor - Bond Issue	45,000	
18	Local Attorney - Bonds/Land Acquisition/Negotiations	50,000	
19	Regulatory Attorney - Land Acquisition/Supply Negotiation	50,000	
20	Application/PER/SRF Counsel	55,000	
21	Miscellaneous Fees	<u>3,418</u>	
22	Subtotal		<u>268,418</u>
23		Total Uses of Funds	<u>\$ 3,915,000</u>

Cedar Lake Municipal Water Utility
Cedar Lake, Indiana

Debt Service Coverage Calculations - Proposed SRF 2021 Debt

Line No.		Test Year	Pro Forma Current Rates	Pro Forma Proposed Rates
1	Net Operating Income (excluding Tap Fees as SRF requires)	\$ 524,796	\$ 398,157	\$ 553,542
2	Add: Interest Income	-	-	-
3	Cash available for Coverage	\$ 524,796	\$ 398,157	\$ 553,542
4	Current Maximum Annual Debt Service (Year 2024 Payment)	\$ 325,466	\$ 325,466	
5	Maximum Annual Debt Service Current and Proposed Debt			\$ 424,230
6	Coverage	1.61	1.22	1.30

Debt Service Reserve Calculation

7	Maximum Annual Debt Service Current and Proposed Debt	\$ 424,230
8	Less: Current Debt Service Reserve	(325,466)
9	Additional Debt Reserve Funding needed	\$ 98,764
10	Divide By: Years to Fund	5
11	Annual Debt Service Reserve Annual Revenue Requirement	\$ 19,753

Cedar Lake Municipal Water Utility
Cedar Lake, Indiana

Current and Proposed Rates and Charges
Westside/Eastside Customers
Proposed 2021 Debt issued through SRF

Line No.			Current	Pro Forma Proposed Rates
	Metered Rates per Month, per 1,000 gallons			
1	First	4,000	\$ 9.01	\$10.04
2	Next	4,000	7.51	8.37
3	Next	4,000	6.16	6.87
4	Next	4,000	5.11	5.70
5	Next	4,000	4.35	4.85
6	Next	20,000	3.61	4.02
7	All Over	40,000	1.50	1.67
	Minimum Charge			
	Meter Size	Volume Included		
8	5/8, 3/4 inch meter	4,000	\$ 36.04	
9	5/8, 3/4 inch meter	2,000		\$20.09
10	1 inch meter	10,000	78.40	87.40
11	1 1/2 inch meter	20,000	128.56	143.32
12	2 inch meter	32,000	171.88	191.61
13	3 inch meter	60,000	230.76	257.25
14	4 inch meter	100,000	290.76	324.14
15	6 inch meter	200,000	440.76	491.36
16	Fire Hydrant Rental per Annum		\$ 168.60	\$0.00
17	Late Fees			
18	10% of the first \$3.00 and 3% of the amount over \$3.00.			

Cedar Lake Municipal Water Utility
Cedar Lake, Indiana

Current and Proposed Rates and Charges
(Robins Nest District)
Proposed 2021 Debt issued through SRF

Line No.	Metered Rates per Month, per 1,000 gallons		Current	Pro Forma Proposed Rates
40	First	4,000	\$ 5.34	\$10.04
41	Next	4,000	4.45	8.37
42	Next	4,000	3.65	6.87
43	Next	4,000	3.03	5.70
44	Next	4,000	2.58	4.85
45	Next	20,000	2.14	4.02
46	All Over	40,000	0.89	1.67
47	Minimum Charge per Month	4,000 gallons	\$21.36	Pro Forma Based on Meter Size and Volume Included
48	Minimum Charge			
49	Meter Size	Volume Included		
50	5/8, 3/4 inch meter	2,000		\$20.09
51	1 inch meter	10,000		87.40
52	1 1/2 inch meter	20,000		143.32
53	2 inch meter	32,000		191.61
54	3 inch meter	60,000		257.25
55	4 inch meter	100,000		324.14
56	6 inch meter	200,000		491.36
57	Monthly Fire Hydrant Fee		\$0.50	\$0.00
58	Tap Fee		\$750.00	\$730.00
59	<u>Krystal Oaks Customers</u>			
60	Metered Rates per Month, per 1,000 gallons			
61	All consumption per 1,000 gallons		\$7.00	
62	Metered Rates per Month, per 1,000 gallons			
63	First	4,000		\$10.04
64	Next	4,000		8.37
65	Next	4,000		6.87
66	Next	4,000		5.70
67	Next	4,000		4.85
68	Next	20,000		4.02
69	All Over	40,000		1.67
70	Minimum Charge per Month	3,000 gallons	\$21.00	Pro Forma Based on Meter Size and Volume Included
71	Minimum Charge			
72	Meter Size	Volume Included		
73	5/8, 3/4 inch meter	2,000		\$20.09
74	1 inch meter	10,000		87.40
75	1 1/2 inch meter	20,000		143.32
76	2 inch meter	32,000		191.61
77	3 inch meter	60,000		257.25
78	4 inch meter	100,000		324.14
79	6 inch meter	200,000		491.36
80	Monthly Fire Hydrant Fee		\$0.50	\$0.00
81	Tap Fee		\$750.00	\$730.00