

Revenue Requirements Report

Bloomington Municipal Water Utility

July 9, 2025



Table of Contents

Purpose of the Report	1
Financial Statements	2
Balance Sheets as of December 31, 2024, 2023, and 2022	2
Combined Outstanding Debt.....	4
Waterworks Revenue Bonds of 2017 Amortization Schedule	6
Waterworks Refunding Revenue Bonds of 2020, Series B Amortization Schedule	7
Waterworks Revenue Bonds of 2022 Amortization Schedule	8
ESG Solar Lease Amortization Schedule	9
Equipment Lease Purchase for Advance Metering Infrastructure Project Amortization Schedule	10
Statements of Income for the Twelve Months Ended December 31, 2024, 2023, and 2022	11
Adjustments to the Financial Statements	14
Adjusted Statement of Income	14
Detail of Adjustments	17
Capital Improvement Plan.....	21
Proposed Waterworks Revenue Bonds, Series 2026.....	24
Estimated Sources and Uses of Funds.....	24
Estimated 2026 Bonds Amortization Schedule	25
Proposed Waterworks Revenue Bonds, Series 2028.....	26
Estimated 2028 Bonds Amortization Schedule	27
Estimated Combined Lease and Debt Amortization Schedule	28
Statement of Revenue Requirements	29
Schedule of Present Rates and Charges.....	30



Purpose of the Report

Crowe LLP (“Crowe” or “we”) has performed a study and analysis of the operating and financial reports, budgets, and other data pertaining to Bloomington Municipal Water Utility (“Utility”). The results of our analysis are contained in this Revenue Requirements Report (“Report”).

The purpose of this Report is to estimate the Utility’s on-going revenue requirements for operation and maintenance expenses, current and proposed debt service payments, and make capital improvements to the Utility’s system. This Report is based on data for the twelve months ended December 31, 2024 (“Test Year”). The historical information used in this Report was taken from the books and records of the Utility and was adjusted as necessary for fixed, known, and measurable items as disclosed in the schedules of this Report.

In the course of preparing this Report, we have not conducted an audit of any financial or supplemental data used in the accompanying exhibits and schedules. We have made certain projections that may vary from actual results because events and circumstances frequently do not occur as estimated and such variances may be material. We have no responsibility to update this Report for events and circumstances occurring after the date of this Report.

If you have any questions regarding this Report, please call Jennifer Wilson at (317) 269-6696.

Financial Statements

Balance Sheets as of December 31, 2024, 2023, and 2022

ASSETS AND OTHER DEBITS	2024	2023	2022
<u>Utility Plant</u>			
Utility Plant in Service	\$ 166,297,682	\$ 158,221,772	\$ 156,686,285
Less: Accumulated Depreciation	(73,937,748)	(70,084,791)	(66,774,658)
Net Utility Plant in Service	92,359,934	88,136,981	89,911,627
Add: Construction Work in Progress	1,854,147	6,909,031	2,055,876
Net Utility Plant	94,214,081	95,046,012	91,967,503
<u>Restricted Assets</u>			
Sinking Fund	1,545	35	9,739
Hydrant Meter Fund	60,750	50,750	54,900
Cash with Fiscal Agent	536,985	3,541,736	3,545,372
Debt Service Reserve Fund	6,224,966	5,962,450	5,736,979
Construction Fund	2,746,583	4,165,859	10,115,914
Total Restricted Assets	9,570,829	13,720,830	19,462,904
<u>Current and Accrued Assets</u>			
Operation and Maintenance Fund	6,420,124	5,471,671	5,751,894
Accounts Receivable - Net	1,935,776	1,703,299	1,047,529
Materials and Supplies	1,128,080	582,993	858,161
Total Current and Accrued Assets	9,483,980	7,757,963	7,657,584
<u>Deferred Debits</u>			
Unamortized Bond Discount	-	-	674,194
Unamortized Bond Issuance Costs	-	-	35,875
Deferred Pension and OPEB Outflow	832,601	732,933	-
Deferred Loss on Advance Refunding	548,368	788,134	-
Total Deferred Debits	1,380,969	1,521,067	710,069
Total Assets and Other Debits	\$ 114,649,859	\$ 118,045,872	\$ 119,798,060

Source: Utility Trial Balances.

Balance Sheets as of December 31, 2024, 2023, and 2022 (Continued)

LIABILITIES AND OTHER CREDITS	2024	2023	2022
<u>Equity Capital</u>			
Unappropriated Retained Earnings	\$ 51,707,264	\$ 51,693,278	\$ 48,189,870
Current Year Earnings	5,766,226	13,988	3,926,142
Total Equity Capital	<u>57,473,490</u>	<u>51,707,266</u>	<u>52,116,012</u>
<u>Long Term Debt</u>			
Amended 2006 Bonds	711,600	1,039,400	1,358,500
Revenue Bonds of 2017	3,240,000	3,435,000	3,625,000
Refunding Revenue Bonds of 2020	18,340,000	22,550,000	26,690,000
Revenue Bonds of 2022	14,885,000	15,430,000	15,430,000
Long Term Lease	1,890,000	2,272,000	2,644,000
Total Long Term Debt	<u>39,066,600</u>	<u>44,726,400</u>	<u>49,747,500</u>
<u>Current and Accrued Liabilities</u>			
Accounts Payable	770,865	1,806,960	673,787
Revenue Bonds - Current	-	2,331,900	2,297,500
Interest Payable	690,824	745,429	-
Accounts Payable to Associated Company	6,872	6,549	7,714
Compensated Absences Payable	183,827	153,390	149,065
Customer Deposits	60,750	50,750	54,900
Unearned Revenue	67,404	79,374	74,952
Accrued Taxes	(776)	31,602	31,891
Accrued Payroll	110,329	79,638	58,012
Total Current and Accrued Liabilities	<u>1,890,095</u>	<u>5,285,592</u>	<u>3,347,821</u>
<u>Deferred Credits</u>			
Unamortized Bond Premium	1,519,218	1,686,001	2,000,152
Advances for Construction	97,131	97,131	109,957
Other Deferred Liabilities (Pension and OPEB)	2,126,707	2,066,864	-
Total Deferred Credits	<u>3,743,056</u>	<u>3,849,996</u>	<u>2,110,109</u>
<u>Contributions in Aid</u>			
Contributions in Aid of Construction	<u>12,476,618</u>	<u>12,476,618</u>	<u>12,476,618</u>
Total Liabilities and Other Credits	<u>\$ 114,649,859</u>	<u>\$ 118,045,872</u>	<u>\$ 119,798,060</u>

Source: Utility Trial Balances.

Combined Outstanding Debt

Year	Amended 2006 Bonds	2017 Bonds	2020B Refunding Bonds	2022 Bonds	Total	ESG Solar Lease	2017 AMI Lease	Total Leases and Bonds
2025	\$ 376,743	\$ 299,244	\$ 4,603,413	\$ 1,312,125	\$ 6,591,525	\$ 79,683	\$ 456,196	\$ 7,127,404
2026	378,382	303,169	4,595,355	1,308,125	6,585,031	79,683	456,392	7,121,106
2027		301,794	4,976,140	1,307,750	6,585,684	79,683	456,146	7,121,513
2028		300,344	4,976,858	1,310,750	6,587,952	79,683	457,390	7,125,025
2029		303,669		1,312,125	1,615,794	79,683		1,695,477
2030		301,769		1,306,750	1,608,519	79,683		1,688,202
2031		304,644		1,309,750	1,614,394	79,683		1,694,077
2032		306,907		1,310,750	1,617,657	79,683		1,697,340
2033		308,859		1,309,750	1,618,609	79,683		1,698,292
2034		310,500		1,306,750	1,617,250	79,683		1,696,933
2035		311,569		1,311,625	1,623,194	79,683		1,702,877
2036		312,306		1,309,125	1,621,431	79,683		1,701,114
2037		315,038		1,309,250	1,624,288	79,683		1,703,971
2038				1,311,750	1,311,750			1,311,750
2039				1,311,625	1,311,625			1,311,625
2040				1,313,625	1,313,625			1,313,625
2041				1,312,625	1,312,625			1,312,625
Totals	<u>\$ 755,125</u>	<u>\$3,979,812</u>	<u>\$ 19,151,766</u>	<u>\$22,274,250</u>	<u>\$46,160,953</u>	<u>\$1,035,879</u>	<u>\$1,826,124</u>	<u>\$49,022,956</u>
Combined Average Annual Debt Service (2025-2028)					<u>\$ 6,587,548</u>			
Combined Average Annual Debt Service and Lease Payment (2025-2028)								<u>\$ 7,123,762</u>

Note: The 2/25/25 2017 AMI Lease Payment has been excluded from the combined debt analysis.

Amended Waterworks Revenue Bonds of 2006, Series A-1 Amortization Schedule

Date	Principal	Coupon	Interest	Period Total	Fiscal Total
7/1/25	\$ 170,900	4.83 %	\$ 17,185	\$ 188,085	
1/1/26	175,600	4.83	13,058	188,658	\$ 376,743
7/1/26	180,200	4.83	8,817	189,017	
1/1/27	184,900	4.83	4,465	189,365	378,382
Totals	<u>\$ 711,600</u>		<u>\$ 43,525</u>	<u>\$ 755,125</u>	

Note: The 2006 A-1 Bonds were issued through the Indiana Bond Bank. The amortization schedule was amended March 26, 2015, and resulted in a reduction in the overall payments of approximately \$480,000.

Source: Bond Specimen for the Amended 2006 Series A Bonds, as recalculated by Crowe.

Waterworks Revenue Bonds of 2017 Amortization Schedule

Date	Principal	Coupon	Interest	Period Total	Fiscal Total
7/1/25	\$ 100,000	3.00 %	\$ 50,372	\$ 150,372	
1/1/26	100,000	3.00	48,872	148,872	\$ 299,244
7/1/26	105,000	3.00	47,372	152,372	
1/1/27	105,000	3.00	45,797	150,797	303,169
7/1/27	110,000	3.00	44,222	154,222	
1/1/28	105,000	3.00	42,572	147,572	301,794
7/1/28	110,000	3.00	40,997	150,997	
1/1/29	110,000	3.00	39,347	149,347	300,344
7/1/29	115,000	3.00	37,697	152,697	
1/1/30	115,000	3.00	35,972	150,972	303,669
7/1/30	115,000	3.00	34,247	149,247	
1/1/31	120,000	3.00	32,522	152,522	301,769
7/1/31	120,000	3.00	30,722	150,722	
1/1/32	125,000	3.13	28,922	153,922	304,644
7/1/32	130,000	3.13	26,969	156,969	
1/1/33	125,000	3.13	24,938	149,938	306,907
7/1/33	135,000	3.13	22,984	157,984	
1/1/34	130,000	3.13	20,875	150,875	308,859
7/1/34	140,000	3.13	18,844	158,844	
1/1/35	135,000	3.25	16,656	151,656	310,500
7/1/35	145,000	3.25	14,463	159,463	
1/1/36	140,000	3.25	12,106	152,106	311,569
7/1/36	145,000	3.25	9,831	154,831	
1/1/37	150,000	3.25	7,475	157,475	312,306
7/1/37	310,000	3.25	5,038	315,038	315,038
Totals	<u>\$3,240,000</u>		<u>\$ 739,812</u>	<u>\$ 3,979,812</u>	

Source: Waterworks Revenue Bonds of 2017 Final Official Statement, as recalculated by Crowe.

Waterworks Refunding Revenue Bonds of 2020, Series B Amortization Schedule

Date	Principal	Coupon	Interest	Period Total	Fiscal Total
7/1/25	\$ 2,130,000	1.70 %	\$ 170,759	\$ 2,300,759	
1/1/26	2,150,000	1.70	152,654	2,302,654	\$4,603,413
7/1/26	2,165,000	1.70	134,379	2,299,379	
1/1/27	2,180,000	1.95	115,976	2,295,976	4,595,355
7/1/27	2,390,000	1.95	94,721	2,484,721	
1/1/28	2,420,000	1.95	71,419	2,491,419	4,976,140
7/1/28	2,440,000	1.95	47,824	2,487,824	
1/1/29	<u>2,465,000</u>	1.95	<u>24,034</u>	<u>2,489,034</u>	4,976,858
Totals	<u>\$ 18,340,000</u>		<u>\$ 811,766</u>	<u>\$ 19,151,766</u>	

Source: Waterworks Refunding Revenue Bonds of 2020, Series B Amortization Schedule provided by the Utility, as recalculated by Crowe.

Waterworks Revenue Bonds of 2022 Amortization Schedule

Date	Principal	Coupon	Interest	Period Total	Fiscal Total
7/1/25	\$ 285,000	5.00 %	\$ 372,125	\$ 657,125	
1/1/26	290,000	5.00	365,000	655,000	\$ 1,312,125
7/1/26	295,000	5.00	357,750	652,750	
1/1/27	305,000	5.00	350,375	655,375	1,308,125
7/1/27	310,000	5.00	342,750	652,750	
1/1/28	320,000	5.00	335,000	655,000	1,307,750
7/1/28	330,000	5.00	327,000	657,000	
1/1/29	335,000	5.00	318,750	653,750	1,310,750
7/1/29	345,000	5.00	310,375	655,375	
1/1/30	355,000	5.00	301,750	656,750	1,312,125
7/1/30	360,000	5.00	292,875	652,875	
1/1/31	370,000	5.00	283,875	653,875	1,306,750
7/1/31	380,000	5.00	274,625	654,625	
1/1/32	390,000	5.00	265,125	655,125	1,309,750
7/1/32	400,000	5.00	255,375	655,375	
1/1/33	410,000	5.00	245,375	655,375	1,310,750
7/1/33	420,000	5.00	235,125	655,125	
1/1/34	430,000	5.00	224,625	654,625	1,309,750
7/1/34	440,000	5.00	213,875	653,875	
1/1/35	450,000	5.00	202,875	652,875	1,306,750
7/1/35	465,000	5.00	191,625	656,625	
1/1/36	475,000	5.00	180,000	655,000	1,311,625
7/1/36	485,000	5.00	168,125	653,125	
1/1/37	500,000	5.00	156,000	656,000	1,309,125
7/1/37	510,000	5.00	143,500	653,500	
1/1/38	525,000	5.00	130,750	655,750	1,309,250
7/1/38	540,000	5.00	117,625	657,625	
1/1/39	550,000	5.00	104,125	654,125	1,311,750
7/1/39	565,000	5.00	90,375	655,375	
1/1/40	580,000	5.00	76,250	656,250	1,311,625
7/1/40	595,000	5.00	61,750	656,750	
1/1/41	610,000	5.00	46,875	656,875	1,313,625
7/1/41	625,000	5.00	31,625	656,625	
1/1/42	640,000	5.00	16,000	656,000	1,312,625
Totals	<u>\$ 14,885,000</u>		<u>\$ 7,389,250</u>	<u>\$ 22,274,250</u>	

Source: Waterworks Revenue Bonds of 2022 Final Official Statement, as recalculated by Crowe.

ESG Solar Lease Amortization Schedule

Date	Principal	Coupon	Interest	Period Total	Fiscal Total	Water Portion (1)
6/30/25	\$ 305,088	2.97 %	\$ 142,527	\$ 447,615		
12/30/25	309,618	2.97	137,997	447,615	\$895,230	\$ 79,683
6/30/26	314,216	2.97	133,399	447,615		
12/30/26	318,882	2.97	128,733	447,615	895,230	79,683
6/30/27	323,618	2.97	123,997	447,615		
12/30/27	328,423	2.97	119,192	447,615	895,230	79,683
6/30/28	333,300	2.97	114,315	447,615		
12/30/28	338,250	2.97	109,365	447,615	895,230	79,683
6/30/29	343,273	2.97	104,342	447,615		
12/30/29	348,371	2.97	99,244	447,615	895,230	79,683
6/30/30	353,544	2.97	94,071	447,615		
12/30/30	358,794	2.97	88,821	447,615	895,230	79,683
6/30/31	364,122	2.97	83,493	447,615		
12/30/31	369,529	2.97	78,086	447,615	895,230	79,683
6/30/32	375,017	2.97	72,598	447,615		
12/30/32	380,586	2.97	67,029	447,615	895,230	79,683
6/30/33	386,237	2.97	61,377	447,614		
12/30/33	391,973	2.97	55,642	447,615	895,229	79,683
6/30/34	397,794	2.97	49,821	447,615		
12/30/34	403,701	2.97	43,914	447,615	895,230	79,683
6/30/35	409,696	2.97	37,919	447,615		
12/30/35	415,780	2.97	31,835	447,615	895,230	79,683
6/30/36	421,954	2.97	25,661	447,615		
12/30/36	428,220	2.97	19,395	447,615	895,230	79,683
6/30/37	434,580	2.97	13,035	447,615		
10/30/37	443,227	2.97	4,388	447,615	895,230	79,683
Totals	<u>\$9,597,793</u>		<u>\$2,040,196</u>	<u>\$11,637,989</u>		

(1) The ESG Solar Lease payments are allocated between the Water Utility, the City of Bloomington Sewage Works, the City of Bloomington Redevelopment Commission, and the City of Bloomington Parks & Recreation Department. Per IURC Order, Cause No. 45533 approved December 22, 2021, the Water Utility's portion of the ESG Solar Lease is \$79,683. The ESG Solar Lease payments are not on parity with the outstanding bonds of the Utility.

Source: ESG Solar Lease Payment Schedule, as recalculated by Crowe.

Equipment Lease Purchase for Advance Metering Infrastructure Project Amortization Schedule

Date	Principal	Coupon	Interest	Period Total	Fiscal Total	Water Portion (1)
2/15/25	\$ 490,000	3.40 %	\$ 80,325	\$ 570,325	\$ 570,325	\$ 228,130
8/15/25	500,000	3.40	71,995	571,995		
2/15/26	505,000	3.40	63,495	568,495	1,140,490	456,196
8/15/26	520,000	3.40	54,910	574,910		
2/15/27	520,000	3.40	46,070	566,070	1,140,980	456,392
8/15/27	535,000	3.40	37,230	572,230		
2/15/28	540,000	3.40	28,135	568,135	1,140,365	456,146
8/15/28	555,000	3.40	18,955	573,955		
2/15/29	560,000	3.40	9,520	569,520	1,143,475	457,390
Totals	<u>\$ 4,725,000</u>		<u>\$ 410,635</u>	<u>\$ 5,135,635</u>		

(1) The Advance Metering Infrastructure Project lease payments are allocated between the Utility and the City of Bloomington Sewage Works. The Utility's allocated share is forty percent (40%). The Advance Metering Infrastructure Project lease payments are not on parity with the outstanding bonds of the Utility.

Source: Equipment Lease Purchase for Advance Metering Infrastructure Project Agreement, as recalculated by Crowe.

Statements of Income for the Twelve Months Ended December 31, 2024, 2023, and 2022

	2024	2023	2022
<u>Operating Revenues</u>			
Metered Sales Residential	\$4,257,385	\$5,002,752	\$5,008,452
Metered Sales Commercial	2,549,354	2,192,183	2,151,915
Metered Sales Industrial	501,911	370,930	334,261
Sales to Public Authorities	2,213,587	1,841,231	1,968,937
Multiple Family Dwellings	5,425,928	4,526,979	4,422,957
Public Fire Protection	1,002,303	875,598	867,945
Private Fire Protection	1,035,965	898,346	878,531
Irrigation Sales	715,803	570,887	565,100
Sales for Resale	3,811,656	3,088,764	2,819,684
Forfeited Discounts	34,030	24,895	28,714
Connection Charges	238,823	240,263	299,992
Miscellaneous Operating Revenues	804,793	615,595	650,139
Total Operating Revenues	<u>22,591,538</u>	<u>20,248,423</u>	<u>19,996,627</u>
<u>Operating Expenses</u>			
<u>Operation and Maintenance Expenses</u>			
<u>Source of Supply</u>			
Purchased Water	183,053	177,626	179,976
Purchased Power	799,973	724,644	921,179
Materials and Supplies	52,737	56,899	63,733
Total Source of Supply	<u>1,035,763</u>	<u>959,169</u>	<u>1,164,888</u>
<u>Treatment</u>			
Salaries and Wages	1,139,065	1,069,765	997,095
Employee Pensions and Benefits	242,499	431,553	406,737
Purchased Power	253,271	249,540	299,385
Chemicals	1,570,069	1,565,561	1,654,199
Materials and Supplies	286,374	457,481	439,251
Contractual Services - Engineering	-	1,126	-
Contractual Services - Testing	29,150	43,490	56,423
Contractual Services - Other	70,968	37,069	29,800
Transportation Expenses	39,543	38,485	40,779
Miscellaneous Expenses	90,502	42,600	26,013
Total Treatment	<u>3,721,441</u>	<u>3,936,670</u>	<u>3,949,682</u>
<u>Transmission and Distribution</u>			
Salaries and Wages	1,229,641	1,093,057	817,678
Employee Pensions and Benefits	256,728	467,141	415,652
Purchased Power	541,290	538,207	647,908
Materials and Supplies	1,208,457	1,244,516	826,021
Transportation Expenses	214,807	178,921	168,315
Miscellaneous Expenses	82,785	47,241	44,188
Total Transmission and Distribution	<u>3,533,708</u>	<u>3,569,083</u>	<u>2,919,762</u>

Source: Utility Trial Balance.

Statements of Income for Twelve Months Ended December 31, 2024, 2023, and 2022 (Continued)

	2024	2023	2022
Customer Account			
Salaries and Wages	\$ 397,600	\$ 375,882	\$ 381,748
Employee Pensions and Benefits	85,772	213,721	218,769
Materials and Supplies	160,634	221,959	231,640
Transportation Expenses	19,866	17,012	22,390
Bad Debt Expense	84,342	10,137	49,001
Miscellaneous Expenses	171,210	259,378	223,098
Total Customer Account	919,424	1,098,089	1,126,646
Administrative and General			
Salaries and Wages	1,396,324	1,263,909	1,168,827
Employee Pensions and Benefits	262,426	580,393	547,036
Purchased Power	5,770	3,714	7,034
Materials and Supplies	336,095	135,942	108,852
Contractual Services - Engineering	1,750	22,011	2,000
Contractual Services - Accounting	69,274	33,070	124,111
Contractual Services - Legal	10,869	22,509	24,449
Contractual Services - Testing	43,886	101,684	68,265
Contractual Services - Other	146,865	2,192,676	174,009
Transportation Expenses	41,382	43,679	36,376
Insurance - General Liability	184,835	156,087	127,766
Insurance - Other	-	4,000	8,091
Advertising Expense	188	1,553	3,518
Public Water System Fee	27,342	445	414
Miscellaneous Expenses	(15,756)	494,882	222,850
Total Administrative and General	2,511,250	5,056,554	2,623,598
Total Operation and Maintenance Expenses	11,721,586	14,619,565	11,784,576
Depreciation Expense	3,826,974	3,481,519	3,482,819
Taxes Other Than Income Taxes			
Utility Receipts Tax	-	583	105,639
Payment in Lieu of Property Taxes	-	945,322	-
Total Taxes Other Than Income Taxes	-	945,905	105,639
Total Operating Expenses	15,548,560	19,046,989	15,373,034
Net Operating Income	7,042,978	1,201,434	4,623,593

Note: The Contractual Services- Other and the Payment in Lieu of Taxes (PILOT) in the year 2023 were payments to the City of Bloomington for Shared Services and PILOT that accrued over multiple years.

Source: Utility Financial Statements.

Statement of Income for the Twelve Months Ended December 31, 2024, 2023, and 2022 (Continued)

	2024	2023	2022
<u>Other Income</u>			
Interest Income	\$ 730,201	\$ 822,985	\$ 253,422
Miscellaneous Other Income	87,382	28,048	5,054
Total Other Income	<u>817,583</u>	<u>851,033</u>	<u>258,476</u>
<u>Other Expenses</u>			
Interest Expense	2,092,337	2,036,555	773,115
Miscellaneous Other Expenses	1,999	1,924	182,813
Total Other Expenses	<u>2,094,336</u>	<u>2,038,479</u>	<u>955,928</u>
Net Income	<u>\$ 5,766,226</u>	<u>\$ 13,988</u>	<u>\$ 3,926,142</u>

Source: Utility Trial Balance.

Adjustments to the Financial Statements

Adjusted Statement of Income

	December 31, 2024	Adjustment	Pro Forma
<u>Operating Revenues</u>			
Metered Sales Residential	\$ 4,257,385		\$ 4,257,385
Metered Sales Commercial	2,549,354		2,549,354
Metered Sales Industrial	501,911		501,911
Sales to Public Authorities	2,213,587		2,213,587
Multiple Family Dwellings	5,425,928		5,425,928
Public Fire Protection	1,002,303		1,002,303
Private Fire Protection	1,035,965		1,035,965
Irrigation Sales	715,803		715,803
Sales for Resale	3,811,656		3,811,656
Forfeited Discounts	34,030		34,030
Connection Charges	238,823		238,823
Miscellaneous Operating Revenues	804,793		804,793
Total Operating Revenues	<u>22,591,538</u>		<u>22,591,538</u>
<u>Operating Expenses</u>			
<u>Operation and Maintenance Expenses</u>			
<u>Source of Supply</u>			
Purchased Water	183,053		183,053
Purchased Power	799,973		799,973
Materials and Supplies	52,737		52,737
Total Source of Supply	<u>1,035,763</u>		<u>1,035,763</u>
<u>Treatment</u>			
Salaries and Wages	1,139,065	\$ 136,026 (1)	1,322,525
		47,434 (2)	
Employee Pensions and Benefits	242,499	28,548 (3)	289,344
		18,297 (4)	
Purchased Power	253,271		253,271
Chemicals	1,570,069		1,570,069
Materials and Supplies	286,374		286,374
Contractual Services - Testing	29,150		29,150
Contractual Services - Other	70,968		70,968
Transportation Expenses	39,543	50,000 (5)	89,543
Miscellaneous Expenses	90,502		90,502
Total Treatment	<u>3,721,441</u>	<u>280,305</u>	<u>4,001,746</u>

See Detail of Adjustments.

Adjusted Statement of Income (Continued)

	December 31, 2024	Adjustment	Pro Forma
Transmission and Distribution			
Salaries and Wages	\$ 1,229,641	\$ 360,545 (1) 117,620 (2)	\$ 1,707,806
Employee Pensions and Benefits	256,728	34,260 (3) 41,709 (4)	332,697
Purchased Power	541,290		541,290
Materials and Supplies	1,208,457		1,208,457
Transportation Expenses	214,807	42,217 (6)	257,024
Miscellaneous Expenses	82,785		82,785
Total Transmission and Distribution	3,533,708	596,351	4,130,059
Customer Account			
Salaries and Wages	397,600	(988) (1) 48,884 (2)	445,497
Employee Pensions and Benefits	85,772	11,420 (3) 5,441 (4)	102,633
Materials and Supplies	160,634		160,634
Transportation Expenses	19,866		19,866
Bad Debt Expense	84,342	(36,517) (7)	47,825
Miscellaneous Expenses	171,210		171,210
Total Customer Account	919,424	28,241	947,665
Administrative and General			
Salaries and Wages	1,396,324	309,144 (1) 84,254 (2)	1,789,722
Employee Pensions and Benefits	262,426	22,840 (3) 35,603 (4)	320,869
Purchased Power	5,770		5,770
Materials and Supplies	336,095		336,095
Contractual Services - Engineering	1,750		1,750
Contractual Services - Accounting	69,274	(25,636) (8) 197,474 (9) 35,000 (10)	276,112
Contractual Services - Legal	10,869	(26,829) (8) 35,000 (10)	19,040
Contractual Services - Testing	43,886	62,470 (11)	106,356
Contractual Services - Other	146,865	(69,261) (8) 35,000 (10) 836,901 (12)	949,505

See Detail of Adjustments.

Adjusted Statement of Income (Continued)

	December 31, 2024	Adjustment	Pro Forma
Administrative and General (Continued)			
Transportation Expenses	\$ 41,382		\$ 41,382
Insurance - General Liability	184,835		184,835
Advertising Expense	188		188
Public Water System Fee	27,342		27,342
Miscellaneous Expenses	(15,756)	\$ 346,940 (13)	251,501
		(79,683) (14)	
Total Administrative and General	<u>2,511,250</u>	<u>1,799,217</u>	<u>4,310,467</u>
Total Operation and Maintenance Expenses	<u>11,721,586</u>	<u>2,704,113</u>	<u>14,425,699</u>
Depreciation Expense	<u>3,826,974</u>		<u>3,826,974</u>
<u>Taxes Other Than Income Taxes</u>			
Payment in Lieu of Property Taxes	<u>-</u>	<u>476,886 (15)</u>	<u>476,886</u>
Total Operating Expenses	<u>15,548,560</u>	<u>3,180,999</u>	<u>18,729,559</u>
Net Operating Income	<u>\$ 7,042,978</u>	<u>\$ (3,180,999)</u>	<u>\$ 3,861,979</u>

See Detail of Adjustments.

Detail of Adjustments

(1)

To adjust "Operation and Maintenance Expenses" for the increased salaries and wages using 2025 pay rates.

<u>Category</u>	<u>Pro Forma</u>	<u>Test Year</u>	<u>Change</u>
Treatment	\$ 1,275,091	\$ 1,139,065	\$ 136,026
Transmission and Distribution	1,590,186	1,229,641	360,545
Customer Account	396,612	397,600	(988)
Administrative and General	1,705,468	1,396,324	309,144
Total	<u>\$ 4,967,357</u>	<u>\$ 4,162,630</u>	<u>\$ 804,727</u>

(2)

To adjust "Operation and Maintenance Expenses" for the salaries and wages for open employee positions to be filled.

<u>Position</u>	<u>Category</u>	<u>Water Portion</u>	
Lab Technician I	Treatment	\$ 1,861	
Water Plant Operator	Treatment	45,573	
Treatment Total			\$ 47,434
Laborer	Transmission and Distribution	17,980	
Laborer	Transmission and Distribution	17,980	
Utilities Specialist I	Transmission and Distribution	19,028	
Specialized Crew Leader	Transmission and Distribution	22,073	
Specialized Crew Leader	Transmission and Distribution	22,073	
Master Motor Equipment Operator	Transmission and Distribution	18,487	
Transmission and Distribution Total			117,620
Assistant Superintendent	Customer Account	30,539	
Meter Technician II	Customer Account	18,346	
Customer Account Total			48,884
Communications Operator	Administrative and General	15,923	
Data Analyst	Administrative and General	27,799	
Asst Director of Env. Programs	Administrative and General	39,498	
Water Specialist	Administrative and General	1,033	
Administrative and General Total			84,254
Adjustment - Increase			<u>\$ 298,192</u>

(3)

To adjust "Operation and Maintenance Expenses" for the insurance costs associated with positions to be filled.

	<u>Number of</u>	<u>Benefit Amount</u>	<u>Increase</u>
	<u>Positions</u>	<u>Per Position</u>	
Treatment	2	\$ 14,274	\$ 28,548
Transmission and Distribution	6	5,710	34,260
Customer Account	2	5,710	11,420
Administrative and General	4	5,710	22,840
Totals	<u>\$ 14</u>	<u>\$ 31,404</u>	<u>\$ 97,068</u>

Detail of Adjustments (Continued)

(4)

To adjust "Operation and Maintenance Expenses" for the increase in FICA related to increased Salaries and Wages.

	Pro Forma Salaries and Wages	Pro Forma FICA	Test Year	Increase
Treatment	\$ 1,322,525	\$ 101,173	\$ 82,876	\$ 18,297
Transmission and Distribution	1,707,806	130,647	88,938	41,709
Customer Account	445,496	34,080	28,639	5,441
Administrative and General	<u>1,789,722</u>	<u>136,914</u>	<u>101,311</u>	<u>35,603</u>
Totals	<u>\$ 5,265,549</u>	<u>\$ 402,814</u>	<u>\$ 301,765</u>	<u>\$ 101,049</u>

(5)

To adjust "Operation and Maintenance Expenses" for the increase in fuel charges for Transportation for Sludge Hauling.

Adjustment - Increase	<u>\$ 50,000</u>
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(6)

To adjust "Operation and Maintenance Expenses" for the increase in fuel charges for Transportation for Lines Services due to increased fuel charges and additional fleet.

Pro Forma Transportation Lines - Transmission and Distribution	\$ 220,000
Less: Test Year	<u>(177,783)</u>
Adjustment - Increase	<u>\$ 42,217</u>

(7)

To adjust "Operation and Maintenance Expenses" for the estimated change in Bad Debt expense to the average annual bad debt for the years 2022 to 2024.

Three Year Average Bad Debt Expense (2022-2024)	\$ 47,825
Less: Test Year	<u>(84,342)</u>
Adjustment - Decrease	<u>\$ (36,517)</u>

Detail of Adjustments (Continued)

(8)

To adjust "Operation and Maintenance Expenses" for non-recurring expenses or multi-year expenses.

<u>Vendor</u>	<u>Expense Classification</u>	
Dentons Bingham Greenebaum	Contractual Legal	\$ (26,829)
Crowe LLP	Contractual Accounting	(25,636)
Stantec	Contractual Engineering	(9,261)
M.E. Simpson	Electro Scan Software	<u>(60,000)</u>
Adjustment - Decrease		<u>\$ (121,726)</u>

(9)

To adjust "Operation and Maintenance Expenses" for the changes in Contract Services Accounting expense in the 2025 Budget.

Pro Forma Contract Service Accounting Expense	\$ 264,500
Less: Test Year	<u>(67,026)</u>
Total	<u>\$ 197,474</u>

(10)

To adjust "Operation and Maintenance Expenses" for to amortize rate case expenses over four years.

<u>Vendor</u>	<u>Expense Classification</u>	
Dentons Bingham Greenebaum	Contractual Legal	\$ 140,000
Crowe LLP	Contractual Accounting	140,000
Stantec	Contractual Other	<u>140,000</u>
Total		420,000
Divide by: Four Years		<u>4</u>
Adjustment - Increase		<u>\$ 105,000</u>

(11)

To adjust "Operation and Maintenance Expenses" for the changes in Contract Services Testing expense in the 2025 Budget.

Pro Forma Contract Service Testing Expense	\$ 102,000
Less: Test Year	<u>(39,530)</u>
Adjustment - Increase	<u>\$ 62,470</u>

Detail of Adjustments (Continued)

(12)	
To adjust "Operation and Maintenance Expenses" for inclusion of the Water Utility's portion of the Shared Services Contract between the City of Bloomington Utilities and the City of Bloomington.	
Adjustment - Increase	<u>\$ 836,901</u>
(13)	
To adjust "Operation and Maintenance Expenses" to the estimated change in Inventory Cycle Count expense to the average annual Inventory Cycle Count expense for the years 2022 to 2024.	
Three Year Average Inventory Cycle Count (2022-2024)	\$ (62,123)
Less: Test Year	<u>409,063</u>
Adjustment - Increase	<u>\$ 346,940</u>
(14)	
To adjust "Operation and Maintenance Expenses" to remove the ESG Solar Lease Payment from Operating Expenses.	
Adjustment - Decrease	<u>\$ (79,683)</u>
(15)	
To adjust "Taxes Other Than Income Taxes" for the pro forma Payment in Lieu of Property Taxes (PILOT)	
Net Utility Plant in Service (UPIS) as of December 31, 2024	\$ 92,359,934
Add: Construction Work in Progress	1,854,147
Less: Outside City Net UPIS	<u>(38,986,941)</u>
Inside City UPIS as of December 31, 2024	55,227,140
Times: Gross Corporate Tax Rate (per \$100 Assessed Valuation)	<u>0.8635</u>
Pro Forma PILOT	476,886
Less: Test Year	<u>-</u>
Adjustment - Increase	<u>\$ 476,886</u>

Capital Improvement Plan

	2025	2026	2027	2028	2029	Total
Monroe WTP - Intake Projects						
Intake Bypass Pumping Improvements				\$ 104,800	\$ 419,200	\$ 524,000
Monroe WTP - Rapid Mix, Splitter Box, Parshall Flume						
Repairs to Splitter box, Rapid mix, and Parshall Flume			\$ 25,000	225,000		250,000
Monroe WTP - Flocculation / Sedimentation Projects						
Sedimentation Basin 1 Rehabilitation, Valve Actuator (2 sludge), and Horizontal Flocculator System Rebuilds - Basin 1			404,100	3,636,900 &		4,041,000
Sedimentation Basin 2 Rehabilitation, Valve Accuator (2 intake, 2 sludge), and Horizontal Flocculator System Rebuilds - Basin			404,100		3,636,900 &	4,041,000
Monroe WTP - Chemical Projects						
Chemical Feed Line Replacement	\$ 4,000,000 *					4,000,000
Alum Equipment Issues	331,000					331,000
Chemical Building Improvements			1,680,000 *			1,680,000
Monroe WTP - Piping and Valve Projects						
Install Permanent Air Monitoring in New Pipe Gallery			50,000 ^			50,000
Repair Finished Water Header Leaks			100,000			100,000
Monroe WTP - Tank Projects						
Finished Water Reservoir Inspection	18,000 ^					18,000
Transfer Pump Station Wetwell Inspection	36,000 ^					36,000
Transfer Pump Station Wetwell Rehabilitation			73,000 ^			73,000
Finished Water Reservoir Repairs			450,000			450,000
Backwash Tank Rehabilitation			45,000 ^			45,000
Monroe WTP - Pump Projects						
<u>High Service Pumps</u>						
Rebuild HSP 3	286,000					286,000
Rebuild HSP 4		\$ 22,100	198,900			221,000
Add VFD to HSP #3 & #4			1,000,000			1,000,000
High Service Pump Area HVAC		27,800	250,200			278,000

Capital Improvement Plan (Continued)

	2025	2026	2027	2028	2029	Total
Monroe WTP - Pump Projects (Continued)						
<u>Transfer Pumps</u>						
Rebuild TPS 1				\$ 216,000		\$ 216,000
Rebuild TPS 5		\$ 215,000				215,000
Add VFD to Transfer Pumps				1,000,000		1,000,000
<u>Low Service Pumps</u>						
Rebuild LSP 1					413,000	413,000
Rebuild LSP 2			413,000			413,000
VFD for LSP 2			578,000			578,000
Monroe WTP - Residuals Projects						
Backwash Holding Basin Pumps and Railing System		142,000				142,000
Monroe WTP - Electrical / Controls Projects						
<u>Electrical Upgrades</u>						
Part 1		2,728,000 *				2,728,000
Part 2		485,600	4,370,400 *			4,856,000
SCADA Upgrades		1,500,000				1,500,000
Monroe WTP - Misc. Projects						
Maintenance Plans - Phase 2 Asset Management		300,000				300,000
Miscellaneous Repair and Replacement	\$ 200,000	200,000	200,000	\$ 200,000	200,000	1,000,000
Water Distribution System Projects						
West Booster Station Rehabilitation	2,250,000 *					2,250,000
South Central Booster Station Rehabilitation		5,400,000 *				5,400,000
Booster Stations - Emergency generator upgrades					250,000	250,000
Storage Tank Inspections	25,000 ^		25,000			50,000

Capital Improvement Plan (Continued)

	2025	2026	2027	2028	2029	Total
Water Distribution System Projects (Continued)						
South & West Storage Tank Engineering & Rehabilitation	\$ 250,000	\$ 2,500,000 *				\$ 2,750,000
SE SW Redbud Storage Tank Engineering & Rehabilitation			250,000	\$ 2,500,000 &		2,750,000
Valve Relocation at 17th Street & Dunn				500,000		500,000
Gentry Booster Station Improvements			45,000	75,000		120,000
Dogwood Booster Station Rehabilitation		50,000				50,000
Improve pressure along Handy Rd - add smaller mains		500,000				500,000
Watermain Projects						
Annual Replacement Projects - Bond Funded		1,500,000 *	1,500,000 *			3,000,000
Annual Replacement Projects - Cash Funded		2,100,000	2,000,000	4,000,000	\$ 4,000,000	12,100,000
Watermain Relocation for Transportation Projects		1,000,000	500,000	500,000	500,000	2,500,000
Fire Hydrant Maint and Capacity testing	\$ 175,000 ^	175,000 ^	200,000 ^	200,000 ^	200,000 ^	950,000
Valve Replacement Program	100,000	300,000	300,000	300,000	300,000	1,300,000
Shared Project with all Bloomington Utilities						
WT New Service Center - Soft Costs	1,750,000 *					1,750,000
WT New Service Center and Maintenance Buildings		17,000,000 *				17,000,000
Total Capital Improvement Plan	9,171,000	33,895,500	17,561,700	13,457,700	9,919,100	84,005,000
Less: Projects to be Funded by Operation and Maintenance (^)	254,000	175,000	368,000	200,000	200,000	1,197,000
Less: Projects to be Funded by Proposed 2026 Bonds (*)	8,000,000	26,628,000	10,050,400			44,678,400
Less: Projects to be Funded by Proposed 2028 Bonds (&)				6,136,900	3,636,900	9,773,800
Extensions and Replacements Funded by Cash	<u>\$ 917,000</u>	<u>\$ 7,092,500</u>	<u>\$ 7,143,300</u>	<u>\$ 7,120,800</u>	<u>\$ 6,082,200</u>	<u>\$28,355,800</u>
Average Annual Extensions and Replacements Funded by Cash 2026-2028						<u>\$ 7,118,867</u>

Proposed Waterworks Revenue Bonds, Series 2026

Estimated Sources and Uses of Funds

Estimated Sources of Funds:

Par Amount of Bonds	\$ 51,930,000
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Total Sources of Funds	<u>\$ 51,930,000</u>
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Estimated Uses of Funds:

Project Fund	\$ 44,678,400
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Capitalized Interest	6,491,250
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Bond Counsel	65,000
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Municipal Advisor	45,000
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Underwriter's Discount	519,300
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IURC Regulatory Fees	129,825
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Additional Proceeds	<u>1,225</u>
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Total Uses of Funds	<u>\$ 51,930,000</u>
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Estimated 2026 Bonds Amortization Schedule

Date	Principal	Coupon	Interest	Capitalized Interest	Period Total	Fiscal Total
1/1/27			\$ 1,298,250	\$ (1,298,250)	-	-
7/1/27			1,298,250	(1,298,250)	-	
1/1/28			1,298,250	(1,298,250)	-	-
7/1/28			1,298,250	(1,298,250)	-	
1/1/29			1,298,250	(1,298,250)	-	-
7/1/29	\$ 1,000,000	5.00 %	1,298,250		\$ 2,298,250	
1/1/30	1,000,000	5.00	1,273,250		2,273,250	\$ 4,571,500
7/1/30	1,045,000	5.00	1,248,250		2,293,250	
1/1/31	1,055,000	5.00	1,222,125		2,277,125	4,570,375
7/1/31	1,100,000	5.00	1,195,750		2,295,750	
1/1/32	1,105,000	5.00	1,168,250		2,273,250	4,569,000
7/1/32	1,160,000	5.00	1,140,625		2,300,625	
1/1/33	1,160,000	5.00	1,111,625		2,271,625	4,572,250
7/1/33	1,215,000	5.00	1,082,625		2,297,625	
1/1/34	1,220,000	5.00	1,052,250		2,272,250	4,569,875
7/1/34	1,280,000	5.00	1,021,750		2,301,750	
1/1/35	1,280,000	5.00	989,750		2,269,750	4,571,500
7/1/35	1,345,000	5.00	957,750		2,302,750	
1/1/36	1,345,000	5.00	924,125		2,269,125	4,571,875
7/1/36	1,415,000	5.00	890,500		2,305,500	
1/1/37	1,410,000	5.00	855,125		2,265,125	4,570,625
7/1/37	1,480,000	5.00	819,875		2,299,875	
1/1/38	1,485,000	5.00	782,875		2,267,875	4,567,750
7/1/38	1,555,000	5.00	745,750		2,300,750	
1/1/39	1,560,000	5.00	706,875		2,266,875	4,567,625
7/1/39	1,635,000	5.00	667,875		2,302,875	
1/1/40	1,640,000	5.00	627,000		2,267,000	4,569,875
7/1/40	1,720,000	5.00	586,000		2,306,000	
1/1/41	1,720,000	5.00	543,000		2,263,000	4,569,000
7/1/41	1,805,000	5.00	500,000		2,305,000	
1/1/42	1,810,000	5.00	454,875		2,264,875	4,569,875
7/1/42	1,900,000	5.00	409,625		2,309,625	
1/1/43	1,900,000	5.00	362,125		2,262,125	4,571,750
7/1/43	1,995,000	5.00	314,625		2,309,625	
1/1/44	1,995,000	5.00	264,750		2,259,750	4,569,375
7/1/44	2,095,000	5.00	214,875		2,309,875	
1/1/45	2,095,000	5.00	162,500		2,257,500	4,567,375
7/1/45	2,205,000	5.00	110,125		2,315,125	
1/1/46	2,200,000	5.00	55,000		2,255,000	4,570,125
Totals	<u>\$51,930,000</u>		<u>\$32,251,000</u>	<u>\$ (6,491,250)</u>	<u>\$77,689,750</u>	
Estimated Average Annual Debt Service (2029-2033)						<u>\$ 4,570,600</u>

Proposed Waterworks Revenue Bonds, Series 2028

Estimated Sources and Uses of Funds

Estimated Sources of Funds:

Par Amount of Bonds	<u>\$10,360,000</u>
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Total Sources of Funds	<u>\$10,360,000</u>
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Estimated Uses of Funds:

Project Fund	\$ 9,773,800
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Capitalized Interest	345,333
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Bond Counsel	65,000
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Municipal Advisor	45,000
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Underwriter's Discount	103,600
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IURC Regulatory Fees	25,900
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Additional Proceeds	<u>1,367</u>
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Total Uses of Funds	<u>\$10,360,000</u>
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Estimated 2028 Bonds Amortization Schedule

Date	Principal	Coupon	Interest	Capitalized Interest	Period Total	Fiscal Total
7/1/28			\$ 86,333	\$ (86,333)	-	
1/1/29			259,000	(259,000)	-	-
7/1/29	\$ 170,000	5.00 %	259,000		\$ 429,000	
1/1/30	170,000	5.00	254,750		424,750	\$ 853,750
7/1/30	175,000	5.00	250,500		425,500	
1/1/31	180,000	5.00	246,125		426,125	851,625
7/1/31	190,000	5.00	241,625		431,625	
1/1/32	185,000	5.00	236,875		421,875	853,500
7/1/32	195,000	5.00	232,250		427,250	
1/1/33	195,000	5.00	227,375		422,375	849,625
7/1/33	205,000	5.00	222,500		427,500	
1/1/34	205,000	5.00	217,375		422,375	849,875
7/1/34	215,000	5.00	212,250		427,250	
1/1/35	215,000	5.00	206,875		421,875	849,125
7/1/35	230,000	5.00	201,500		431,500	
1/1/36	225,000	5.00	195,750		420,750	852,250
7/1/36	235,000	5.00	190,125		425,125	
1/1/37	240,000	5.00	184,250		424,250	849,375
7/1/37	250,000	5.00	178,250		428,250	
1/1/38	250,000	5.00	172,000		422,000	850,250
7/1/38	260,000	5.00	165,750		425,750	
1/1/39	265,000	5.00	159,250		424,250	850,000
7/1/39	275,000	5.00	152,625		427,625	
1/1/40	275,000	5.00	145,750		420,750	848,375
7/1/40	290,000	5.00	138,875		428,875	
1/1/41	290,000	5.00	131,625		421,625	850,500
7/1/41	300,000	5.00	124,375		424,375	
1/1/42	310,000	5.00	116,875		426,875	851,250
7/1/42	320,000	5.00	109,125		429,125	
1/1/43	320,000	5.00	101,125		421,125	850,250
7/1/43	340,000	5.00	93,125		433,125	
1/1/44	335,000	5.00	84,625		419,625	852,750
7/1/44	350,000	5.00	76,250		426,250	
1/1/45	355,000	5.00	67,500		422,500	848,750
7/1/45	375,000	5.00	58,625		433,625	
1/1/46	370,000	5.00	49,250		419,250	852,875
7/1/46	390,000	5.00	40,000		430,000	
1/1/47	390,000	5.00	30,250		420,250	850,250
7/1/47	410,000	5.00	20,500		430,500	
1/1/48	410,000	5.00	10,250		420,250	850,750
Totals	<u>\$10,360,000</u>		<u>\$ 6,150,458</u>	<u>\$ (345,333)</u>	<u>\$ 16,165,125</u>	
Estimated Average Annual Debt Service (2029-2033)						<u>\$ 851,675</u>

Estimated Combined Lease and Debt Amortization Schedule After Issuance of the 2026 and 2028 Bonds

Year	Amended 2006 Bonds	2017 Bonds	2020B Refunding Bonds	2022 Bonds	Proposed 2026 Bonds	Proposed 2028 Bonds	Total Bonds	ESG Solar Lease	2017 AMI Lease	Total Leases and Bonds
2025	\$ 376,743	\$ 299,244	\$ 4,603,413	\$ 1,312,125			\$ 6,591,525	\$ 79,683	\$ 456,196	\$ 7,127,404
2026	378,382	303,169	4,595,355	1,308,125			6,585,031	79,683	456,392	7,121,106
2027		301,794	4,976,140	1,307,750			6,585,684	79,683	456,146	7,121,513
2028		300,344	4,976,858	1,310,750			6,587,952	79,683	457,390	7,125,025
2029		303,669		1,312,125	\$ 4,571,500	\$ 853,750	7,041,044	79,683		7,120,727
2030		301,769		1,306,750	4,570,375	851,625	7,030,519	79,683		7,110,202
2031		304,644		1,309,750	4,569,000	853,500	7,036,894	79,683		7,116,577
2032		306,907		1,310,750	4,572,250	849,625	7,039,532	79,683		7,119,215
2033		308,859		1,309,750	4,569,875	849,875	7,038,359	79,683		7,118,042
2034		310,500		1,306,750	4,571,500	849,125	7,037,875	79,683		7,117,558
2035		311,569		1,311,625	4,571,875	852,250	7,047,319	79,683		7,127,002
2036		312,306		1,309,125	4,570,625	849,375	7,041,431	79,683		7,121,114
2037		315,038		1,309,250	4,567,750	850,250	7,042,288	79,683		7,121,971
2038				1,311,750	4,567,625	850,000	6,729,375			6,729,375
2039				1,311,625	4,569,875	848,375	6,729,875			6,729,875
2040				1,313,625	4,569,000	850,500	6,733,125			6,733,125
2041				1,312,625	4,569,875	851,250	6,733,750			6,733,750
2042					4,571,750	850,250	5,422,000			5,422,000
2043					4,569,375	852,750	5,422,125			5,422,125
2044					4,567,375	848,750	5,416,125			5,416,125
2045					4,570,125	852,875	5,423,000			5,423,000
2046						850,250	850,250			850,250
2047						850,750	850,750			850,750
Totals	<u>\$ 755,125</u>	<u>\$3,979,812</u>	<u>\$19,151,766</u>	<u>\$ 22,274,250</u>	<u>\$77,689,750</u>	<u>\$ 16,165,125</u>	<u>\$140,015,828</u>	<u>\$ 1,035,879</u>	<u>\$ 1,826,124</u>	<u>\$142,877,831</u>
Estimated Combined Average Annual Debt Service (2025-2028)							<u>\$ 6,587,548</u>			
Estimated Combined Average Annual Debt Service and Lease Payment (2025-2028)										<u>\$ 7,123,762</u>

Statement of Revenue Requirements

Adjusted Operation and Maintenance Expense	\$ 14,425,699
Adjusted Taxes Other Than Income Taxes	476,886
Current Average Annual Debt Service and Lease Payments	7,123,762
Annual Extensions and Replacements	7,118,867
Total Revenue Requirements	<u>29,145,214</u>
Less: Adjusted Operating Revenues	<u>(22,591,538)</u>
Deficit	6,553,676
Divide by: Adjustable Operating Revenues	<u>21,513,892</u>
Percent Rate Increase Required	<u>30.5%</u>
Total Revenue Requirements, Net of Non-Adjustable Revenue	<u>\$28,067,568</u>

Note: Actual percentage rate increases will vary by customer class pending results of the Utility's cost of service study.

Schedule of Present Rates and Charges

	Present Rates (1)
<u>Monthly Usage Charge (Per 1,000 Gallons)</u>	
Residential	\$ 4.38
Commercial, Governmental, Interdepartmental	3.98
Industrial	3.71
Indiana University - Master Metered	2.99
Indiana University - Non-Master Metered	3.98
Irrigation	4.92
<u>Contract Sales for Resale Monthly Usage Charge</u>	
<u>(Per 1,000 Gallons)</u>	\$ 3.03
<u>Monthly Service Charge (in addition to</u>	
<u>Monthly Usage Charge)</u>	
5/8 inch meter	\$ 6.50
3/4 inch meter	7.93
1 inch meter	10.68
1 1/2 inch meter	22.12
2 inch meter	29.70
3 inch meter	61.06
4 inch meter	100.40
6 inch meter	198.78
8 inch meter	297.17
10 inch meter	395.53

(1) Present rates were approved by the IURC through Cause No. 45533 on December 22, 2021, and were effective January 1, 2024.

Schedule of Present Rates and Charges (Continued)

		Present Rates (1)
<u>Monthly Public Fire Protection Charge - Inside City</u>		
<u>(excluding Indiana University - Master Metered)</u>		
5/8 inch meter	\$	2.20
3/4 inch meter		3.28
1 inch meter		5.48
1 1/2 inch meter		10.95
2 inch meter		17.52
3 inch meter		38.34
4 inch meter		65.70
6 inch meter		136.93
8 inch meter		197.17
10 inch meter		317.64
<u>Monthly Public Fire Protection Charge - Outside City</u>		
<u>(excluding Indiana University - Master Metered)</u>		
5/8 inch meter	\$	3.67
3/4 inch meter		5.52
1 inch meter		9.21
1 1/2 inch meter		18.38
2 inch meter		29.44
3 inch meter		64.40
4 inch meter		110.34
6 inch meter		229.90
8 inch meter		331.00
10 inch meter		533.40
<u>Monthly Fire Protection Charge -</u>		
<u>Indiana University - Master Metered</u>		\$ 1,480.00
	Present	Present
<u>Monthly Private Fire Protection Charge (per connection)</u>	<u>Monthly</u>	<u>Annual</u>
4 inch line or smaller	\$ 11.04	\$ 132.48
6 inch line	30.69	368.28
8 inch line	62.88	754.56
10 inch line	110.15	1,321.80
12 inch line	173.65	2,083.80

(1) Present rates were approved by the IURC through Cause No. 45533 on December 22, 2021, and were effective January 1, 2024.