

UMBAUGH

H. J. Umbaugh & Associates
Certified Public Accountants, LLP
8365 Keystone Crossing
Suite 300
Indianapolis, IN 46240-2687
Phone: 317-465-1500
Fax: 317-465-1550
www.umbaugh.com

February 20, 2015

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

Re: German Township Water District, Inc.
30 Day Filing – Rate Reduction

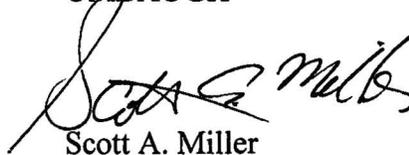
Following is a copy of a Verified Statement In Support of Change in Schedule of Rates, together with supporting exhibits for filing on behalf of German Township Water District, Inc. In addition, a copy of a proposed rate tariff and a copy of the legal notice which is to be published in the Evansville Courier & Press and the Posey County News as well as posted on the Company website (germantownshipwaterdistrict.org) and at the Company's office have also been included. The proofs of publication from the newspapers will be filed with the IURC when they are received.

German Township Water District, Inc. is requesting approval via the thirty day filing procedures to eliminate its Marris Township Service Area Rates and its Stewartsville Debt Service Surcharge for all customers in the affected service areas through the thirty-day filing procedure. These changes are requested as a result of the early retirement of the District's long-term debt. This filing is allowable under Section 3(5)(B) of the rule as the proposed changes will result in an overall decrease in the revenues of the utility and will be done on an across-the-board basis to all customers in the affected service areas. This change will impact customers differently based on their level of usage.

Please forward a stamped approved tariff to our office at your earliest convenience. If you or members of your staff have any questions or comments, please do not hesitate to contact me at the number listed above or via email at miller@umbaugh.com.

Very truly yours

UMBAUGH



Scott A. Miller

Enclosure

cc: Office of Utility Consumer Counselor
Ms. Gaylene Mount

GERMAN TOWNSHIP WATER DISTRICT, INC.

EXHIBIT 1

GERMAN TOWNSHIP WATER DISTRICT, INC.

EXHIBIT 2

GERMAN TOWNSHIP WATER DISTRICT, INC.

**30 DAY FILING REQUEST FOR ELIMINATION OF STEWARTSVILLE
SURCHARGE AND MARRS TOWNSHIP RATE STRUCTURE**

BACKGROUND:

In Cause No. 42283 approved by the Indiana Utility Regulatory Commission (the "IURC") on December 4, 2002 (Order attached as Exhibit 3), German Township Water District, Inc. (the "Utility") was granted authority to issue a maximum of \$3,900,000 of long-term debt for the purpose of refinancing its then outstanding 1993 notes at a savings. The Utility was also granted authority to issue a maximum of \$700,000 of long-term debt to pay the costs of construction and redeem interim financing for its Stewartsville and Nations Road projects. Within thirty days following the issuance of the proposed long-term debt, the Utility was to have disclosed to the IURC and the Office of Utility Consumer Counselor ("OUCC") the actual terms of the financing and reflect those results in Cause No. 42282 which was pending before the IURC at that time.

In Cause No. 42282 approved by the IURC on March 26, 2003 (Order attached as Exhibit 4), the Utility was granted authority to decrease its MARRS Township Service Area rates to reflect the results of the long-term debt financing authorized by Cause No. 42283. In addition, the Utility was authorized to implement a debt service surcharge for customers connecting to the Stewartsville extension. The Stipulation and Settlement Agreement approved by the IURC Order also required that the Utility provide notice to the IURC and OUCC every three years of the specific results of the Stewartsville Debt Service Surcharge for the preceding three years. The first notice was to have been given on April 30, 2007.

ADDITIONAL INFORMATION:

On March 4, 2003, the Utility closed on the issuance of the long-term debt authorized in Cause No. 42283. A copy of the After Sale Letter dated April 28, 2003 is attached as Exhibit 5. The After Sale Letter indicates that the Utility closed on the following two bond issues:

- \$3,680,000 of Water Utility Refunding Revenue Bonds, Series 2003A (the "2003A Bonds")
- \$700,000 of Water Utility Revenue Bonds, Series 2003B (the "2003B Bonds")

The 2003A Bonds were issued for a term of approximately fifteen years and five months with a final maturity date of August 1, 2018. The 2003A Bonds were amortized at interest rates ranging from 2.450% to 5.125%. A net present value savings of \$375,230.34 was achieved as a result of the refunding transaction.

(Continued on next page)

GERMAN TOWNSHIP WATER DISTRICT, INC.

**30 DAY FILING REQUEST FOR ELIMINATION OF STEWARTSVILLE
SURCHARGE AND MARRS TOWNSHIP RATE STRUCTURE**

The 2003B Bonds were issued for a term of approximately nineteen years and five months with a final maturity date of August 1, 2022. The 2003B Bonds were amortized at interest rates ranging from 4.000% to 5.250%.

A comparison of the debt service revenue requirements authorized in Cause No. 42282 is shown below. The calculations were based on an average of bond years 2004, 2005 and 2006.

	<u>Order</u>	<u>Actual</u>	<u>Variance</u>
Debt Service:			
2003A Bonds	\$211,847.00	\$213,913.76	\$2,066.76
2003B Bonds	<u>63,153.00</u>	<u>57,677.50</u>	<u>(5,475.50)</u>
Totals	<u>\$275,000.00</u>	<u>\$271,591.26</u>	<u>(\$3,408.76)</u>

Since the resolution of Cause Nos. 42282 and 42283 in early 2003, the Utility has subsequently requested authority to implement several wholesale water cost tracking factor adjustments to incorporate price increases from its wholesale water supplier. The tracking factors were approved as follows:

- \$0.12 per 1,000 gallons approved per conference minutes, August 18, 2004.
- \$0.33 per 1,000 gallons approved per conference minutes, January 16, 2013.
- \$0.32 per 1,000 gallons approved per conference minutes, December 30, 2013.

The Utility currently has a tracking factor request pending before the IURC (No. 3309). This request seeks an additional \$0.12 per 1,000 gallons. During the course of the OUCC's review of the current tracking factor request, it came to light that the Utility had not completed the various post-order filing requirements identified in Cause Nos. 42282 and 42283. In fact, a review of the Utility's historical records yielded no evidence that these filings were made. It should be noted, however, that the Utility has consistently filed the required IURC Annual Report.

As is typically done, the approved tracking factor adjustments were applied to the Utility's volumetric rates and monthly minimum charges. These adjustments were applied to the rates for both the Original System and MARRS Township Service Area. The tracking factor adjustment was not applied to the Stewartsville Debt Service Surcharge which remains at \$16.61 per month as originally approved in Cause No. 42282. This rate was originally based on an assumption of 102 potential customers. In fact, the Utility has on average 45 to 50 customers in the Stewartsville Service Area and does not anticipate much additional growth in the near future as this area was hard hit by the recent economic crisis. There is, however, potential for growth in the MARRS Township Service Area which would be facilitated by the elimination of the higher rate structure.

(Continued on next page)

GERMAN TOWNSHIP WATER DISTRICT, INC.

**30 DAY FILING REQUEST FOR ELIMINATION OF STEWARTSVILLE
SURCHARGE AND MARRS TOWNSHIP RATE STRUCTURE**

For some time, it has been the Utility's policy to retire the outstanding debt as quickly as possible. To that end, since 2010, on the early redemption dates of February 1st and August 1st, the Utility has made additional principal payments on the outstanding bonds in order to retire the debt early. These payments have averaged approximately \$150,000 to \$300,000 per year depending on the Utility's financial operations. Just two weeks ago on February 1, 2015, the Utility made the final principal payments on the 2003A Bonds and 2003B Bonds. At this point in time, the Utility has no debt outstanding.

REQUEST:

Because the debt associated with the Stewartsville Service Area and the MARRS Township Service Area is no longer outstanding, the Utility requests authority from the IURC to remove the Stewartsville Debt Service Surcharge and the MARRS Township Service Area rates from its approved tariff. This will result in all Utility customers being billed the same rates. The Utility's internally prepared budget for 2015 is attached as Exhibit 6. The budget reflects the elimination of the MARRS Township Service Area rates and the Stewartsville Debt Service Surcharge.

The Utility regrets that the passage of time and changes in personnel resulted in the post-order filing requirements being overlooked. That being said, the Utility believes it has prudently used its available funds to retire the debt prior to its original maturity date making it possible to lower the rates to the affected customers earlier than was anticipated back in 2003. Since the debt has now been retired and since this request to lower rates has been made, the Utility also asks that the IURC waive any requirement to retroactively prepare and file the documentation originally contemplated in the orders for Cause Nos. 42282 and 42283.

GERMAN TOWNSHIP WATER DISTRICT, INC.

EXHIBIT 3

SCANNED
DEC 07 2002
FILE

ORIGINAL
STATE OF INDIANA

*As H
J
W*

INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE PETITION OF)
GERMAN TOWNSHIP WATER DISTRICT,)
INC., A NOT-FOR-PROFIT) CAUSE NO. 42283
CORPORATION, FOR AUTHORITY TO)
ISSUE LONG-TERM DEBT.) APPROVED: DEC 04 2002

BY THE COMMISSION:

David Ziegner, Commissioner
Gregory S. Colton, Administrative Law Judge

On August 20, 2002, German Township Water District, Inc. ("Petitioner") filed its Verified Petition with the Indiana Utility Regulatory Commission ("Commission") for authority to issue approximately \$4,600,000 in long-term debt.

Pursuant to a procedural schedule memorialized in a September 16, 2002 Docket Entry, a hearing was convened in this Cause on November 22, 2002, at 9:30 a.m., EST. The Petitioner and the Office of Utility Consumer Counselor ("OUCC" or "Public") appeared and participated. Petitioner's prefiled evidence was accepted into the record, and the OUCC joined Petitioner in offering a proposed order. No other members of the public appeared or intervened herein.

The Commission, having considered all of the evidence, the proposed order tendered by agreement of the parties, and being duly advised, now finds as follows:

1. **Notice and Jurisdiction.** Due, legal, and timely notice of the public hearing in this Cause was given and published as required by law. Petitioner operates a not-for-profit water utility and is seeking authority to issue long-term debt. The Commission has jurisdiction over the parties and the subject matter of this proceeding.
2. **Petitioner's Characteristics.** Petitioner is a not-for-profit corporation, incorporated under the laws of the State of Indiana. Petitioner owns and operates a utility that provides potable water and fire protection service in Vanderburgh and Posey Counties. The water system serves approximately 3255 customers.
3. **Relief Requested.** Petitioner is seeking authority to issue up to \$4,600,000 of long-term notes or other evidences of indebtedness anticipated to be issued to a local bank or to the Indiana Bond Bank.

Approximately \$3,900,000 of the proposed issuance is to be used to refund outstanding water utility revenue bonds issued through the Indiana Bond Bank, pursuant to IURC Cause No. 39441. The remaining \$700,000 is to be used to finance improvements and extensions to Petitioner's water distribution system, including the reimbursement of Petitioner's treasury for money already expended.

RECEIVED

DEC 05 2002

INDIANA OFFICE OF UTILITY
CONSUMER COUNSELOR

4. **Evidence Presented.** Petitioner, through its witnesses John Seever and Thomas Gress explained that the purpose of issuing long-term debt is to refund some outstanding debt and to fund the construction of two line extensions.

Mr. Seever, Petitioner's accountant, explained in his testimony that the corporation had some 1993 notes outstanding to the Indiana Bond Bank at interest rates ranging from 6.3% to 6.875%. The Petitioner estimated it could refund these obligations with new notes at interest rates ranging from 2.4% to 5.3%, producing a net present value savings of \$411,478. Petitioner seeks authority to issue not more than \$3,900,000 for refinancing purposes.

Mr. Gress, the General Manager for the utility, explained in his testimony that in addition to the notes necessary to refund the outstanding obligations, the Petitioner wished to borrow additional funds to pay the costs of construction and redeem interim financing for two construction projects. He explained that the two construction projects were to provide water service to the unincorporated area of Stewardsville and an area referred to as Nations Road. Although a professionally licensed engineer designed both extensions, the Petitioner is constructing both projects with its own personnel to achieve the lowest possible cost. As such, the proceeds from the portion of the long-term obligations for construction will be used primarily for materials. Petitioner seeks authority to issue not more than \$700,000 in long-term debt for purposes of financing the named construction projects.

Mr. Seever testified that if the entire \$4.6 million issuance is issued on a tax-exempt basis, the maximum average interest rate would not exceed 6%. If instead some of the debt is issued at a taxable rate, then the maximum average interest rate would not exceed 7%. Mr. Seever further testified that the proposed borrowing is a reasonable and necessary method for funding the proposed project and refinancing of the outstanding 1993 debt.

5. **Commission Findings.** Pursuant to Ind. Code § 8-1-2-76, Petitioner cannot issue long-term evidences of indebtedness payable at periods greater than twelve (12) months without this Commission's authorization, and may only issue long-term debt for purposes described in Ind. Code § 8-1-2-78(b).

The evidence indicates that Petitioner's proposed construction projects and refinancing are reasonable and necessary, and that the proposed borrowing is a reasonable and necessary method of funding them. We find that the proposed debt offering satisfies the applicable statutory criteria, and that Petitioner should therefore be authorized to issue long-term debt in an amount not to exceed \$4,600,000 for purposes described in this Order. We find that the maximum average interest rate permitted for the combined \$4,600,000 long-term debt offering should not exceed 6% if the debt is issued on a tax-exempt basis, or 7% if some or all of the debt is issued on a taxable basis. In addition, the term of any debt issued pursuant to this authority should not exceed 30 years. We further find that Petitioner should disclose to the Commission and to the Public the actual terms of any debt issued pursuant to this authority within thirty (30) days of its issuance. Petitioner has further agreed to reflect any material change in its revenue requirement resulting from this financing in its pending rate case, docketed as Cause No. 42282.

IT IS THEREFORE ORDERED BY THE INDIANA UTILITY REGULATORY COMMISSION THAT:

1. Petitioner shall be authorized to issue long-term debt in an amount not to exceed \$3,900,000 for purposes of refinancing existing long-term debt.
2. Petitioner shall be authorized to issue long-term debt in an amount not to exceed \$700,000 to pay the costs of construction and redeem interim financing for the Stewardsville and Nations Road projects.
3. The maximum average interest rate permitted for the combined \$4,600,000 long-term debt offering shall not exceed 6% if the debt is issued on a tax-exempt basis, or 7% if some or all of the debt is issued on a taxable basis. The term of any debt issued pursuant to this authority shall not exceed 30 years.
4. The Petitioner shall within thirty (30) days following the issuance of long term evidence of indebtedness, report back to the Public and to this Commission the actual interest rates, resulting average annual debt service based upon the first five (5) full year period, and the actual terms such debt is to be in existence. Petitioner shall reflect the actual results of this financing in its pending proceeding before this Commission in Cause No. 42282.
5. This Order shall be effective on and after the date of its approval.

McCARTY, HADLEY AND RIPLEY CONCUR; ZIEGNER ABSENT:
APPROVED: DEC 04 2002

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


Nancy E. Manley,
Secretary to the Commission

GERMAN TOWNSHIP WATER DISTRICT, INC.

EXHIBIT 4

SCANNED
MAR 27 2003
FILE

ORIGINAL

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE PETITION OF)
GERMAN TOWNSHIP WATER DISTRICT, INC.,)
A NOT-FOR-PROFIT CORPORATION, FOR) CAUSE NO. 42282
APPROVAL OF A CHANGE IN RATES AND)
CHARGES.) APPROVED: MAR 26 2003

BY THE COMMISSION:
David E. Ziegner, Commissioner
Gregory S. Colton, Administrative Law Judge

On August 20, 2002, German Township Water Corporation, Inc. ("Petitioner") filed with the Commission its Petition for approval of a change in rates and charges.

Pursuant to Notice and as provided for in 170 IAC 1-1-16, a Prehearing Conference in this Cause was held in Room E306 of the Indiana Government Center South, Indianapolis, Indiana, at 10:00 a.m. E.S.T. on October 15, 2002. The Petitioner and the Office of Utility Consumer Counselor ("Public") appeared by counsel at the Prehearing Conference. A procedural schedule was agreed to and read into the record, and further memorialized in our Prehearing Conference Order, issued on October 23, 2002. The procedural schedule was modified pursuant to a Motion for Extension of Time filed by the Petitioner on December 3, 2002.

Pursuant to notice as prescribed by law, a hearing in this Cause was held on March 11, 2003, at 10:00 a.m. in Room E306, Indiana Government Center South, Indianapolis, Indiana. The parties' prefiled evidence was accepted into the record, and leave was granted for the parties to late-file a Stipulation and Settlement Agreement, and a Joint Proposed Order, resolving all of the issues in this Cause. Those items were filed on March 11, 2003 and are hereby incorporated into the record of this Cause.

The Commission, having considered all of the evidence and being duly advised, now finds:

1. **Notice and Jurisdiction.** Due, legal, and timely notice of the public hearing in this Cause was given and published as required by law. The Commission has jurisdiction over the parties and the subject matter of this proceeding.

RECEIVED
MAR 26 2003
INDIANA OFFICE OF UTILITY
CONSUMER COUNSELOR
CONSUMER

2. **Petitioner's Characteristics.** Petitioner is a rural water corporation duly organized and existing under the laws of the State of Indiana pursuant to the Indiana Not-for-Profit Corporation Act. Petitioner is engaged in providing water service to customers in northern Vanderburgh and Posey Counties, Indiana. Petitioner maintains various facilities, transmission, and distribution lines, buildings and land rights, equipment, materials, supplies, and other property which is used and useful for rendering water service to its customers. Petitioner's current customers include approximately 3,900 separate water users located in northern Vanderburgh County and northern Posey County.

3. **Relief Requested.** Petitioner requested a change in its rates and charges that would include the addition of a debt service surcharge for the customers that connect to an extension being constructed to serve the unincorporated area of Stewartsville and to decrease its existing rates to its Marris Township Division to reflect the savings achieved by refunding its 1993 Notes issued to construct the Marris Township system. The parties filed a Stipulation and Settlement Agreement that settles all issues in this Cause. A copy of the Stipulation and Settlement Agreement is attached hereto as Exhibit A. The parties have requested that the Commission accept and use the Stipulation and Settlement Agreement as a basis for entering a final order.

4. **Petitioner's Evidence.** Mr. Thomas A. Gress, General Manager of the Petitioner, testified that Petitioner provides water service to customers in rural and incorporated areas of Vanderburgh and Posey Counties, Indiana. Petitioner's customers are primarily residential, with a few commercial and agricultural customers. In his testimony, Mr. Gress explained the Petitioner is constructing two line extensions to serve additional customers and contemplating a proposed refunding of some existing debt. The first extension is to serve customers in the unincorporated community of Stewartsville. The Stewartsville customers requested service from the Petitioner due to contamination in existing wells. Even with a debt service surcharge, the Petitioner could provide potable water to the area cheaper than the 100 potential customers could otherwise achieve. The second extension is in Petitioner's Marris Township Division to serve a relatively fast-growing area.

The Marris Township Division is already paying an existing debt service surcharge that is sufficient to cover the cost of expanding the system to extend service in the Nations Road Area.

Mr. David Dahl, a registered professional engineer and President of the firm of Midwestern Engineers, Inc., testified regarding the appropriateness of the extensions and the formation of a separate class of customers for the Stewartsville area to pay a surcharge to cover the cost of Petitioner's extension of service. He further testified that the creation of a separate utility for Stewartsville water customers would not allow those customers to benefit from sharing the cost of administration with the current German Township customers, nor would the Stewartsville customers benefit from the revenue history and creditworthiness of German Township. In light of these considerations, Stewartsville determined that the most cost-effective source of potable water was to accept German Township's offer to extend its system to serve them and to pay a surcharge for the cost of extending such service. Lastly, Mr. Dahl explained that it was appropriate to pass on the savings from refunding the 1993 debt obligations to the customers of Marris Township.

Mr. John M. Seever, a Certified Public Accountant with H.J. Umbaugh & Associates, testified regarding the financial aspects of the Petitioner's request. His findings were included in the accounting report, which was also admitted into evidence as Petitioner's Exhibit 2. Mr. Seever explained the estimated savings from refunding the 1993 debt obligations and why such savings should be passed on to the Marrs Township Division. Mr. Seever calculated the proposed decrease from the refunding inclusive of the new loan for the Nations' Road project to be 7.5%. Further, Mr. Seever calculated the debt service surcharge to be paid by the customers connecting to the Stewartsville extension to be \$16.61 per month.

The Public has agreed that Petitioner's request for both the Marrs Township Division rate decrease and the debt service surcharge is reasonable; however, Public's witness, Ms. Gemmecke, proposed some slightly different adjustments to Petitioner's proposed revenue requirements which resulted in an 8.31% rate decrease for the Marrs Township Division. She also suggested that a mechanism be created to modify the surcharge to reflect future changes in the number of Stewartsville customers. In the interest of settlement, the Petitioner agreed to the Public's proposed adjustments and the parties entered into a Stipulation and Settlement Agreement establishing the same. The Stipulation and Settlement Agreement also creates a mechanism to adjust the surcharge to reflect changes in the number of Stewartsville customers. It is the Commission's understanding that all surcharge revenues are to be deposited into the utility's sinking fund, and will be used exclusively for debt service. Based upon the Petitioner's testimony, as well as the supporting testimony of the Public, we find that this constitutes a sufficient evidentiary basis for us to consider the Stipulation and Settlement Agreement below.

5. **Approval of the Agreement.** Having reviewed the Stipulation and Settlement Agreement, along with the evidence described above, we find that the Stipulation and Settlement Agreement is reasonable and we accept it as part of our order and incorporate the terms and conditions herein.

We find that the Stipulation and Settlement Agreement is in the public interest and represents a reasonable, desirable and lawful resolution of the issues dealt with in this case. The Stipulation and Settlement Agreement will avoid further litigation in this proceeding and provide Petitioner with revenue reasonably necessary to support its operations and continue the provision of reliable service.

Included in the parties' Stipulation and Settlement Agreement is a provision discussing the non-precedential effect of the Stipulation and Settlement Agreement. The Commission now finds such provision should be approved in accordance with the Commission's Order in Richmond Power & Light, Cause No. 40434, March 1997.

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

1. The Stipulation and Settlement Agreement filed in this Cause on March 11, 2003, and attached hereto as Exhibit A shall be and hereby is approved in its entirety without change, and the terms and conditions thereof shall be incorporated as part of this Order.

2. German Township is authorized to decrease its MARR Township Division rates by 8.31 percent (8.31%) and impose a debt service surcharge on customers connecting to the Stewartsville extension in the amount of \$16.61. Petitioner shall file revised Tariffs sufficient to achieve the authorized changes with the Gas/Water/Sewer Division of the Commission which shall be effective upon their acceptance and approval by the Engineering Division.

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

McCARTY, HADLEY, LANDIS, AND HADLEY CONCUR; RIPLEY ABSENT:
APPROVED: MAR 26 2003

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



Pamela White
Acting Secretary to the Commission

ORIGINAL

FILED

MAR 11 2003

INDIANA UTILITY
REGULATORY COMMISSION

Exhibit A

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

**IN THE MATTER OF THE PETITION OF)
GERMAN TOWNSHIP WATER DISTRICT, INC.,)
A NOT-FOR-PROFIT CORPORATION, FOR)
APPROVAL OF A CHANGE IN RATES AND)
CHARGES.)**

CAUSE NO. 42282

STIPULATION AND SETTLEMENT AGREEMENT

This Stipulation and Settlement Agreement ("Agreement") is between German Township Water District, Inc. ("German Township") and the Office of Utility Consumer Counselor (hereinafter "Public") and is entered into this 11th day of March, 2003.

Recitals:

1. German Township is a nonprofit water utility located in Vanderburgh County, Indiana. German Township serves residential, commercial, and agricultural customers in Vanderburgh and Posey Counties, Indiana.

2. The Public is an agency of the State of Indiana that represents utility customers in proceedings before the Indiana Utility Regulatory Commission ("Commission").

3. On August 20, 2002, German Township filed a petition with the Indiana Utility Regulatory Commission ("IURC") seeking approval of a change in its rates and charges. German Township and the Public have now reached an agreement regarding all issues in this Cause.

NOW, THEREFORE, based upon the negotiations between the parties and the mutual consideration set forth in the Agreement, the parties stipulate and enter into the following binding agreement:

Terms and Conditions of Agreement:

1. **Rates.** The parties agree that German Township's revenue requirements shall be set according to the attached Joint Exhibit 1. The rates set forth in the attached Joint Exhibit 2 represent the establishment of a debt service surcharge to the customers that connect to the Stewartsville extension (the "Stewartsville Surcharge") and a decrease in the rates of the Marrs Township Division of German Township to achieve the agreed upon revenue requirements.

2. **Notice to the Commission and the Public.** Every three years, the Petitioner shall provide notice ("Notice") to the Public and the Commission of the specific results of the Stewartsville Surcharge for the preceding three calendar years. The Notice shall be provided on or before April 30 of the year following the end of the preceding three year period, which notice shall first be given on April 30, 2007. The Notice shall refer to this cause, include a copy of this stipulation, and make general reference to the Public's responsibility to respond within 30 days of the filing of any amended tariff.

3. **Stewartsville Surcharge True-Up.** If, after each three year period, the average annual revenues from the Stewartsville Surcharge for the three year period are greater than the estimates stated in Joint Exhibit 1, Petitioner shall file with the Commission, with copies to the OUCC, amended tariffs designed to meet but not

exceed the estimated annual surcharge revenues, which amended tariffs shall be based on Petitioner's actual Stewartsville Surcharge revenues collected in the last year of the three year period. Petitioner agrees to file its amended tariffs within thirty (30) days of its Notice without requiring any further order from the Commission. After Petitioner has filed its amended tariffs, the Public shall have thirty (30) days in which to file objections with respect to the calculation of rates and charges contained therein and to request an expedited hearing on those objections. If no objection is filed within thirty (30) days, Petitioner's amended tariff will take effect at the start of the first billing cycle following approval of the amended tariff by the Commission's Engineering Division. If the three year actual average annual revenues from the Stewartsville Surcharge are less than the estimate stated in Joint Exhibit 1, Petitioner may file with the Commission, with copies to the OUCC, amended tariffs designed to meet but not exceed the estimated annual surcharge revenues, which amended tariffs shall be based on Petitioner's average actual Stewartsville Surcharge revenues collected during the three year period. Subject to compliance with this part, the Public waives its right to oppose or challenge Petitioner's right to seek additional authority or file such amended tariffs. However, the Public shall have thirty (30) days to file any objections with respect to the calculation of the rates contained within such amended tariffs and to request an expedited evidentiary hearing on those objections. If the Public does not file an objection within thirty (30) days, Petitioner's amended tariffs will take effect at the start of the first billing cycle following approval of said tariff by the Commission's Engineering Division without requiring any further order of the Commission.

4. **Deposit of Revenues from Stewartville Surcharge.** All revenues derived from the Stewartville Surcharge shall be deposited in the Sinking Fund, an interest bearing account, established and restricted by the Mortgage and Trust Indenture pursuant to which the 2003 debt obligations were issued.

5. **Reasonable Agreement.** The parties stipulate and agree that the Agreement constitutes a fair, just and reasonable resolution of all issues raised in this Cause provided the Commission approves it in its entirety without material change.

6. **Sufficient Evidentiary Basis.** The parties stipulate and agree that the testimony and exhibits presented by the Petitioner's witnesses, Messrs. John M. Seever, David L. Dahl, and Thomas A. Gress, and the Public's witness, Judith I. Gemmerke, constitute evidence sufficient to support the Agreement and provides an adequate evidentiary basis upon which the Commission can make all findings of fact and conclusions of law necessary for the approval of the Agreement.

7. **Agreement is Non-Precedential.** The parties agree that the situation faced by Petitioner is unique and fact-specific involving complex and difficult issues and that the Agreement reflects the same. Therefore, the Agreement shall not constitute, nor be cited as, precedent by any person or deemed an admission by any party in any other proceeding except as necessary to enforce its terms before this Commission or any state court of competent jurisdiction on these particular issues. The Agreement 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 any

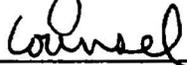
of the parties may take with respect to any or all of the items and issues resolved herein in any future regulatory or non-regulatory proceeding.

8. **Commission Approval.** If the Agreement is not approved by the Commission in its entirety, the parties agree that the terms of the Agreement 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 Agreement is especially predicated upon the Commission's approval of the Agreement, in its entirety. If the Commission alters the terms of the Agreement in any way, unless that alteration is unanimously consented to by the parties in writing, the Agreement shall be deemed withdrawn.

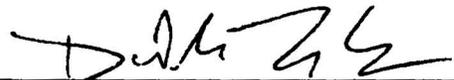
9. **Authorization to Execute Agreement.** The undersigned represent and agree that they have been duly advised by their respective staff, experts and counsel, and that they are fully authorized to execute the Agreement on behalf of their designated clients who will be bound thereby.

This Agreement is accepted and agreed to as of the date above first written.

GERMAN TOWNSHIP WATER DISTRICT,
INC.

By: 
Its: 

OFFICE OF UTILITY CONSUMER
COUNSELOR

By: 
Its: Asst Consumer Court

446311

GERMAN TOWNSHIP WATER DISTRICT, INC.

JOINT EXHIBIT 1

<u>Revenue Requirements:</u>	<u>Marrs Twp. and Proposed Nations Rd. Area</u>	<u>Proposed Stewartsville Area</u>
Operating Expenses	\$207,336	
Debt Service	258,612	\$16,388
Debt Service Reserve	63,275	3,947
Replacements and Improvements	<u>53,063</u>	
Total Revenue Requirements	582,286	20,335
Less test year interest income	<u>(12,900)</u>	
Net Revenue Requirements	<u><u>\$569,386</u></u>	<u><u>\$20,335</u></u>
 <u>Annual Revenues:</u>		
Metered water sales:		
Marrs Township Area	\$611,791	
Proposed Stewartsville Area surcharge		\$20,335
Penalties	4,286	
Miscellaneous	<u>4,502</u>	
Total Annual Revenues	<u><u>\$620,579</u></u>	<u><u>\$20,335</u></u>
Proposed (Decrease)	<u><u>(\$51,193)</u></u>	<u><u>\$0</u></u>
Percentage (Decrease)	<u><u>-8.31%</u></u>	<u><u>0.00%</u></u>
 <u>Stewartsville Area Debt Service Surcharge Calculation:</u>		
Pro forma annual debt service and reserve requirements		\$20,335
Divide by 12 months		<u>12</u>
Monthly Requirement		1,695
Divide by pro forma number of customers		<u>102</u>
Proposed monthly debt service surcharge		<u><u>\$16.61</u></u>

GERMAN TOWNSHIP WATER DISTRICT, INC.

JOINT EXHIBIT 2

		Monthly Rate Per 1,000 Gallons		
		Present		Proposed
		Original System (1)	Marrs Township Service Area (2)	Marrs Township Service Area (3)
(A) Metered Consumption:				
First	3,000 gallons	\$4.46	\$11.28	\$10.34
Next	7,000 gallons	4.06	10.27	9.42
Next	15,000 gallons	3.36	8.50	7.79
Next	75,000 gallons	2.66	6.73	6.17
Next	100,000 gallons	2.06	5.21	4.78
All over	200,000 gallons	1.56	3.95	3.62

(B) Minimum Charge:		Gallons Allowed for Minimum	Per Month		
<u>Meter Size:</u>					
5/8	inch meter	2,000	\$8.92	\$22.56	\$20.68
3/4	inch meter	3,000	13.38	33.84	31.02
1	inch meter	5,000	21.50	54.38	49.86
1 1/2	inch meter	12,000	48.52	122.73	112.54
2	inch meter	20,000	75.40	190.73	174.86
3	inch meter	30,000	105.50	266.88	244.66
4	inch meter	50,000	158.70	401.48	368.06
6	inch meter	100,000	291.70	737.98	676.56

(C) Monthly Debt Service Surcharge:

Stewartsville Area	\$16.61
--------------------	---------

Note: No changes in non-recurring charges are being requested as part of this proceeding.

- (1) Pursuant to IURC Cause No. 34088 approved on March 2, 1976.
Rates include a \$0.06 per 1,000 gallon wholesale water tracking factor approved January 20, 1988.
- (2) Pursuant to IURC Cause No. 39441 approved on December 30, 1992.
- (3) Represents a proposed 8.31% decrease in current Marrs Township Service Area rates and charges.
No changes to original system rates and charges are being sought as part of this proceeding.

GERMAN TOWNSHIP WATER DISTRICT, INC.

EXHIBIT 5



H.J.Umbaugh & Associates

Certified Public Accountants, LLP

Suite 100 9100 Meridian Square 20 East 91st Street P.O. Box 40458
Indianapolis, Indiana 46240-0458 Telephone 317 844-7288 Facsimile 317 848-3604

Plymouth Office 219 935-5178

Herschell J. Umbaugh, CPA
(1915-1989)
Myron H. Frasier, CPA
(Retired)

Partners & Principals
Roger L. Umbaugh, CPA
Edward W. Guntz, CPA
Gerald G. Malone, CPA
Charles A. Dalton, CPA
David C. Frederick, CPA
John D. Julien, CPA
John M. Seever, CPA
Colette J. Irwin-Knott
Todd A. Samuelson, CPA
Loren M. Matthes

April 28, 2003

Via Facsimile

Mr. Thomas A. Gress
German Township Water District, Inc.
2636 West Boonville - New Harmony Road
Evansville, IN 47712

Re: German Township Water District
Water Utility Refunding Revenue Bonds, Series 2003A
Water Utility Revenue Bonds, Series 2003B

Dear Tom:

The purpose of this letter is to provide information to you and others concerning the recent sale of the Water Utility Refunding Revenue Bonds, Series 2003A and Water Utility Revenue Bonds, Series 2003B and to make suggestions in such areas as delivery of bonds, maintenance of records, use of proceeds, etc.

Bond Amortization Schedule

We are attaching the two amortization schedules reflecting the sale of the Bonds to J.J.B. Hilliard, W.L. Lyons, Inc. The schedules provide information as to both principal and interest requirements by bond year throughout the term of the issues. The third schedule of amortization combines the payments of the old National Bank Notes and the 2003 Bonds.

Delivery of the Bonds

Upon delivery of the bonds, the Trustee received the principal amount of \$4,380,000 less the underwriter's discount of \$43,275 plus the reoffering premium of \$2,279.60.

Mr. Thomas A. Gress

Re: German Township Water District
Water Utility Refunding Revenue Bonds, Series 2003A
Water Utility Revenue Bonds, Series 2003B

April 28, 2003

Page Two

At the closing on March 4, 2003, the amount of wire transfer proceeds received was as follows:

Par amount of bonds	\$4,380,000.00
Less bond discount	(43,275.00)
Plus reoffering premium	<u>2,279.60</u>

Amount received by wire transfer by Trustee	<u>\$4,339,004.60</u>
--	-----------------------

Refunding of 1993 Bonds

Par amount of Series A Bonds	\$3,680,000.00
Less bond discount	(36,800.00)
Plus reoffering premium	<u>2,736.20</u>

Sub-total	3,645,936.20
Less amount to Cost of Issuance account	✓ (36,800.00)
Plus transfers from prior issue DSR	<u>179,324.04</u>

Total cost of escrow at Old National Bank	<u>\$3,788,460.24</u>
--	-----------------------

Construction Account

Par amount of Series B Bonds	\$700,000.00
Less bond discount	(6,475.00)
Less reoffering discount	<u>(456.60)</u>

Sub-total	693,068.40
Less amount to Cost of Issuance account	✓ (7,525.00)
Less transfer to new DSR	<u>(31,675.00)</u>

Total Balance in the Construction Account	<u>\$653,868.40</u>
--	---------------------

Mr. Thomas A. Gress

Re: German Township Water District
Water Utility Refunding Revenue Bonds, Series 2003A
Water Utility Revenue Bonds, Series 2003B

April 28, 2003

Page Three

Cost of Issuance Account

Transfer from Series A issue	\$36,800.00
Plus transfer from Series B issue	7,525.00
Plus transfer from prior issue Debt Service	50,000.00
Plus transfer from prior issue DSR	<u>24,875.00</u>

Total Balance in the Cost of Issuance Account	<u>\$119,200.00</u>
--	---------------------

Debt Service Reserve Account

Transfer from prior issue DSR	\$207,800.96
Plus transfer from Series B issue	<u>31,675.00</u>

Total Balance in the New Debt Service Reserve Account	<u>\$239,475.96</u>
--	---------------------

Water Utility Funds

The Trust Indenture established several funds to be maintained by the Water District. Two of these funds include the General Fund and the Sinking Fund.

All revenues derived from the operation of the District and from the collection of water rates and charges should be deposited in the General Fund. Out of the General Fund the reasonable expenses of operation, repair and maintenance of the system and the costs of replacements or additions to the system shall be paid. This requirement is found in Section 401 of the Trust Indenture.

As a "rule of thumb" the balance in the General Fund should be maintained at a level to provide for the next two month's expenses for normal operation, repair and maintenance. Based upon the forecasted cash operating expenses, this amount should equal approximately \$113,700 during 2003.

Mr. Thomas A. Gress
Re: German Township Water District
Water Utility Refunding Revenue Bonds, Series 2003A
Water Utility Revenue Bonds, Series 2003B
April 28, 2003
Page Four

Water Utility Funds (Cont'd)

After the requirement of the General Fund is met, revenues should be credited to the Sinking Fund. The Sinking Fund consists of a Principal and Interest Account and a Debt Service Reserve Account. Monthly transfers should be made to the Principal and Interest Account equal to one-sixth (1/6) of the interest due on all outstanding Notes payable on the next succeeding Interest Payment Date and one-twelfth (1/12) of the principal due on all outstanding Notes payable on the next succeeding Principal Payment Date. The bank fiscal agency charges may also be paid from the Sinking Fund. These requirements are in accordance with Section 402(b) of the Trust Indenture.

The Debt Service Reserve Account is assumed to be equal to 125% of the average annual principal and interest payment for the 2003 Bonds (\$429,294.67) funded with \$239,475.96 at issuance and through future revenues over a period not to exceed five years from the date of delivery with monthly transfers of approximately \$3,165. These requirements are in accordance with Section 402(c) of the Bond Ordinance.

We were very pleased with net present value savings of \$375,230.34 on the refunding and the net effective interest rates on the 2003 Bonds received from J.J. Hilliard, W.L. Lyons, Inc., et. al. (5.0026% for Series A and 5.1613% for Series B). We take satisfaction in having the opportunity to be a part of this endeavor, and we extend our appreciation to all those who were instrumental in bringing the project to this point. If you have any questions at any time, please do not hesitate to call.

Very truly yours,

H.J. UMBAUGH & ASSOCIATES


John M. Seever

JMS/DLB/ceb

Enclosures

cc: Mr. Ty H. Conner
Ms. Shannon Marshall
Mr. David Wimmer

GERMAN TOWNSHIP WATER DISTRICT, INC.

**SCHEDULE OF AMORTIZATION OF \$3,680,000 PRINCIPAL AMOUNT
 OF WATER UTILITY REFUNDING REVENUE BONDS - SERIES 2003A**

Bonds dated March 4, 2003.

Purchased by: J.J.B. Hilliard, W.L. Lyons, Inc.

Bond Year Ending August 1st	Principal Balance (In \$1,000's)	Interest Rate(s) (%)	Debt Service		
			Principal (In \$1,000s)	Interest (-----In Dollars-----)	Total
2003	\$3,680	2.450	\$20	\$71,704.86	\$91,704.86
2004	3,660	2.950	40	175,113.76	215,113.76
2005	3,620	3.100	40	173,933.76	213,933.76
2006	3,580	3.550	40	172,693.76	212,693.76
2007	3,540	3.850	155	171,273.76	326,273.76
2008	3,385	4.250	245	165,306.26	410,306.26
2009	3,140	4.550	255	154,893.76	409,893.76
2010	2,885	4.750	265	143,291.26	408,291.26
2011	2,620	4.800	275	130,703.76	405,703.76
2012	2,345	4.900	290	117,503.76	407,503.76
2013	2,055	5.000	300	103,293.76	403,293.76
2014	1,755	4.875	320	88,293.76	408,293.76
2015	1,435	5.000	330	72,693.76	402,693.76
2016	1,105	5.000	350	56,193.76	406,193.76
2017	755	5.125	370 *	38,693.76	408,693.76
2018	385	5.125	385 *	19,731.26	404,731.26
Totals			\$3,680	\$1,855,318.76	\$5,535,318.76

* Represents \$755,000 of term bonds due July 1, 2018 subject to mandatory redemption by the Trustee at par.

(Continued on next page)

H. J. UNBRAUGH & ASSOCIATES, CPAs, P.C. PUBLIC ACCOUNTANTS, LLP

GERMAN TOWNSHIP WATER DISTRICT, INC.

CALCULATION OF ANNUAL SAVINGS

<u>Bond Year Ending August 1st</u>	<u>Refunding Bonds of 2003</u>	<u>Outstanding Series 1993A Bonds</u>	<u>Less Bond Fund Accruals</u>	<u>Gross Annual Savings (Loss)</u>	<u>Present Value (1)</u>
2003	\$91,704.86	\$175,496.88	(\$50,000.00)	\$33,792.02	\$32,156.69
2004	215,113.76	302,843.75		87,729.99	82,794.42
2005	213,933.76	299,131.25		85,197.49	76,610.89
2006	212,693.76	300,418.75		87,724.99	75,119.31
2007	326,273.76	296,368.75		(29,905.01)	(23,530.49)
2008	410,306.26	297,318.75		(112,987.51)	(86,397.24)
2009	409,893.76	472,931.25		63,037.49	46,920.88
2010	408,291.26	471,393.75		63,102.49	44,713.18
2011	405,703.76	473,843.75		68,139.99	45,922.84
2012	407,503.76	469,943.75		62,439.99	40,095.14
2013	403,293.76	470,031.25		66,737.49	40,763.98
2014	408,293.76	473,375.00		65,081.24	37,841.27
2015	402,693.76	470,000.00		67,306.24	37,228.36
2016	406,193.76	470,250.00		64,056.24	33,719.93
2017	408,693.76	473,781.25		65,087.49	32,590.77
2018	404,731.26	470,250.00		65,518.74	31,204.45
Totals	<u>\$5,535,318.76</u>	<u>\$6,387,378.13</u>	<u>(\$50,000.00)</u>	802,059.37	547,754.38
				(412,000.00)	(412,000.00)
				239,475.96	239,475.96
				<u>\$629,535.33</u>	<u>\$375,230.34</u>

(1) At bond yield for the refunding bonds.

(Continued on next page.)

GERMAN TOWNSHIP WATER DISTRICT, INC.

**SCHEDULE OF AMORTIZATION OF \$700,000 PRINCIPAL AMOUNT
OF TAX-EXEMPT WATER UTILITY REVENUE BONDS - SERIES 2003B**

Bonds dated March 4, 2003.

Purchased by: J.J.B. Hilliard, W.L. Lyons, Inc.

Bond Year Ending August 1st	Principal Balance (In \$1,000's)	Interest Rate(s) (%)	Debt Service		
			Principal (In \$1,000s)	Interest (-----In Dollars-----)	Total
2003	\$700	4.000	\$15	\$13,996.65	\$28,996.65
2004	685	4.000	25	33,677.50	58,677.50
2005	660	4.000	25	32,677.50	57,677.50
2006	635	4.000	25	31,677.50	56,677.50
2007	610	4.500	25	30,677.50	55,677.50
2008	585	4.500	25	29,552.50	54,552.50
2009	560	4.550	30	28,427.50	58,427.50
2010	530	5.000	30	27,062.50	57,062.50
2011	500	5.000	30	25,562.50	55,562.50
2012	470	5.000	35	24,062.50	59,062.50
2013	435	5.000	35	22,312.50	57,312.50
2014	400	4.875	35	20,562.50	55,562.50
2015	365	5.000	40	18,856.26	58,856.26
2016	325	5.000	40	16,856.26	56,856.26
2017	285	5.125	40 *	14,856.26	54,856.26
2018	245	5.125	45 *	12,806.26	57,806.26
2019	200	5.250	45 **	10,500.00	55,500.00
2020	155	5.250	50 **	8,137.50	58,137.50
2021	105	5.250	50 **	5,512.50	55,512.50
2022	55	5.250	55 **	2,887.50	57,887.50
Totals			\$700	\$410,661.69	\$1,110,661.69

* Represents \$85,000 of term bonds due July 1, 2018 subject to mandatory redemption by the Trustee at par.

** Represents \$200,000 of term bonds due July 1, 2022 subject to mandatory redemption by the Trustee at par.

(Continued on next page)

GERMAN TOWNSHIP WATER DISTRICT, INC.

COMBINED SCHEDULE OF AMORTIZATION

<u>Bond Year Ending August 1st</u>	<u>Old National Bank Note #100190415 (Unaudited)</u>	<u>Refunding Series 2003A (-----Tax-Exempt-----)</u>	<u>Project Series 2003B</u>	<u>Total Combined Debt Service</u>
2003	\$195,181.44	\$91,704.86	\$28,996.65	\$315,882.94
2004	195,181.44	215,113.76	58,677.50	468,972.70
2005	195,181.44	213,933.76	57,677.50	466,792.70
2006	195,181.44	212,693.76	56,677.50	464,552.70
2007	81,325.60	326,273.76	55,677.50	463,276.86
2008		410,306.26	54,552.50	464,858.76
2009		409,893.76	58,427.50	468,321.26
2010		408,291.26	57,062.50	465,353.76
2011		405,703.76	55,562.50	461,266.26
2012		407,503.76	59,062.50	466,566.26
2013		403,293.76	57,312.50	460,606.26
2014		408,293.76	55,562.50	463,856.26
2015		402,693.76	58,856.26	461,550.02
2016		406,193.76	56,856.26	463,050.02
2017		408,693.76	54,856.26	463,550.02
2018		404,731.26	57,806.26	462,537.52
2019			55,500.00	55,500.00
2020			58,137.50	58,137.50
2021			55,512.50	55,512.50
2022			57,887.50	57,887.50
Totals	<u>\$862,051.36</u>	<u>\$5,535,318.76</u>	<u>\$1,110,661.69</u>	<u>\$7,508,031.80</u>

Average annual debt service for the 3 (bond) years ending August 1, 2006

\$466,772.70

(Continued on next page)

GERMAN TOWNSHIP WATER DISTRICT, INC.

(Cont'd)

**SCHEDULE OF AMORTIZATION OF \$3,680,000 PRINCIPAL AMOUNT OF
 REFUNDING REVENUE BONDS, SERIES 2003A AND \$700,000 PRINCIPAL
 AMOUNT OF TAX-EXEMPT WATER UTILITY REVENUE BONDS, SERIES 2003B**

Bonds dated March 4, 2003.

Purchased by: J.J.B. Hilliard, W.L. Lyons, Inc.

	<u>Series 2003A Refunding Bonds</u>	<u>Series 2003B Revenue Bonds</u>
Gross interest cost	\$1,855,318.76	\$410,661.69
Add bond discount	36,800.00	6,475.00
Deduct reoffering premium	(2,736.20)	
Add reoffering discount		456.60
	<u>\$1,889,382.56</u>	<u>\$417,593.29</u>
Net interest cost		
	<u>5.0026%</u>	<u>5.1613%</u>

REDEMPTION PROVISIONS

Optional Redemption:

The 2003A and 2003B Bonds maturing on or after August 1, 2010, are subject to redemption prior to maturity, in whole on any date or in part on any Interest Payment Date commencing August 1, 2009, at the redemption price expressed as a percentage of the principal amount together with accrued interest to the date of redemption in accordance with the following schedule:

<u>Redemption Period</u>	<u>Redemption Price</u>
August 1, 2009 through July 31, 2010	102%
August 1, 2010 through July 31, 2011	101%
August 1, 2011 and thereafter	100%

Sinking Fund Redemption of the 2003A Bonds:

The 2003A Bonds due on August 1, 2018 are subject to mandatory sinking fund redemption on August 1 of each year in the principal amounts shown below, plus accrued interest to the Redemption Date, and without premium:

<u>Term Bond Due August 1, 2018</u>	
<u>Date</u>	<u>Amount</u>
8/1/17	\$370,000
8/1/18 Final Maturity	385,000
	<u> </u>
Total	<u>\$755,000</u>

(Continued on next page)

H. J. UNBRAUGH & ASSOCIATES, CPAs PUBLIC ACCOUNTANTS, LLP

GERMAN TOWNSHIP WATER DISTRICT, INC.

(Cont'd)

**SCHEDULE OF AMORTIZATION OF \$3,680,000 PRINCIPAL AMOUNT OF
REFUNDING REVENUE BONDS, SERIES 2003A AND \$700,000 PRINCIPAL
AMOUNT OF TAX-EXEMPT WATER UTILITY REVENUE BONDS, SERIES 2003B**

Bonds dated March 4, 2003.

Purchased by: J.J.B. Hilliard, W.L. Lyons, Inc.

Sinking Fund Redemption of the 2003B Bonds:

The 2003B Bonds due on August 1, 2018 and August 1, 2022 are subject to mandatory sinking fund redemption on August 1 of each year in the principal amounts shown below, plus accrued interest to the Redemption Date, and without premium:

<u>Term Bond Due August 1, 2018</u>		<u>Term Bond Due August 1, 2022</u>	
<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>
8/1/17	\$40,000	8/1/19	\$45,000
8/1/18 Final Maturity	<u>45,000</u>	8/1/20	50,000
		8/1/21	50,000
Total	<u>\$85,000</u>	8/1/22 Final Maturity	<u>55,000</u>
		Total	<u>\$200,000</u>

Prepared by:

H.J. Umbaugh & Associates
Certified Public Accountants, LLP
20 East 91st Street, Suite 100
P.O. Box 40458
Indianapolis, IN 46240-0458

GERMAN TOWNSHIP WATER DISTRICT, INC.

SCHEDULE OF MONTHLY TRANSFERS TO PRINCIPAL AND INTEREST
ACCOUNT FOR THE SERIES 2003A AND 2003B BONDS
 (Trustee and paying agent fees not included)

For the Period		Series 2003A Bonds		Total Transfer
From	To	Principal	Interest	
03/01/03	07/31/03	\$4,000	\$14,350	\$18,350
08/01/03	07/31/04	3,330	14,600	17,930
08/01/04	07/31/05	3,330	14,500	17,830
08/01/05	07/31/06	3,330	14,400	17,730
08/01/06	07/31/07	12,920	14,280	27,200
08/01/07	07/31/08	20,420	13,780	34,200
08/01/08	07/31/09	21,250	12,910	34,160
08/01/09	07/31/10	22,080	11,950	34,030
08/01/10	07/31/11	22,920	10,900	33,820
08/01/11	07/31/12	24,170	9,800	33,970
08/01/12	07/31/13	25,000	8,610	33,610
08/01/13	07/31/14	26,670	7,360	34,030
08/01/14	07/31/15	27,500	6,060	33,560
08/01/15	07/31/16	29,170	4,690	33,860
08/01/16	07/31/17	30,830	3,230	34,060
08/01/17	07/31/18	32,080	1,650	33,730

For the Period		Series 2003B Bonds		Total Transfer
From	To	Principal	Interest	
03/01/03	07/31/03	\$3,000	\$2,800	\$5,800
08/01/03	07/31/04	2,080	2,810	4,890
08/01/04	07/31/05	2,080	2,730	4,810
08/01/05	07/31/06	2,080	2,650	4,730
08/01/06	07/31/07	2,080	2,560	4,640
08/01/07	07/31/08	2,080	2,470	4,550
08/01/08	07/31/09	2,500	2,370	4,870
08/01/09	07/31/10	2,500	2,260	4,760
08/01/10	07/31/11	2,500	2,140	4,640
08/01/11	07/31/12	2,920	2,010	4,930
08/01/12	07/31/13	2,920	1,860	4,780
08/01/13	07/31/14	2,920	1,720	4,640
08/01/14	07/31/15	3,330	1,580	4,910
08/01/15	07/31/16	3,330	1,410	4,740
08/01/16	07/31/17	3,330	1,240	4,570
08/01/17	07/31/18	3,750	1,070	4,820
08/01/18	07/31/19	3,750	880	4,630
08/01/19	07/31/20	4,170	680	4,850
08/01/20	07/31/21	4,170	460	4,630
08/01/21	07/31/22	4,580	250	4,830

H. J. UMBACH & ASSOCIATES, C.P.A. PUBLIC ACCOUNTANTS, LLP

GERMAN TOWNSHIP WATER DISTRICT, INC.

EXHIBIT 6

High Rates Impact: Revenue Analysis - October, November, December 2014

OCT	% of Total Rev	Actual Oct Rev	W/o tracker, w/o high rates & 16.61		Prop \$.12 tracker	With tracker, w/o High Rates & 16.61		%	Oct usage	% of Total Usage
Low Rates	47.83%	\$70,578.55	\$70,578.55	0.00%	\$1,720.41	\$72,298.96	\$72,298.96	0.00%	14,338,710	65.99%
Stewartsville + 16.61	1.98%	\$2,924.41	\$2,010.86	31.24%	\$57.84	\$2,982.25	\$2,068.70	30.63%	481,990	2.22%
High Rates	50.05%	\$73,847.07	\$36,923.54	50.00%	\$828.96	\$74,676.03	\$37,338.02	50.00%	6,908,040	31.80%
Total	99.86%	\$147,350.03	\$109,512.95	-25.68%	\$2,607.21	\$149,957.24	\$111,705.67	-25.51%	21,726,740	100.00%
plus sitco rental	0.14%	\$200.00	\$200.00	0.00%	\$0.00	\$200.00	\$200.00	0.00%	0	0
	100.00%	\$147,550.03	\$109,512.95	-25.78%	\$2,607.21	\$149,957.24	\$111,705.67	-25.51%	21,726,740	100.00%

October - Billing	Billing
MTR SALES TO RESIDENTIAL	133,566.02
MTR SALES TO COMMERCIAL	6,425.29
MTR SALES TO PUBLIC AUTHORITY	265.01
MTR SALES TO MULTI FAMILY	640.70
MTR SALES TO NON PROFIT	711.85
MTR SALES TO PUBLIC RD	2,350.98
SALES FOR RESALE	2,451.63
FORFEITED DISCOUNTS-SER CHARGE	1,138.55
(stewartsville)- 913.55	147,550.03
(rental) \$225-SITGO+ MARRS Twp	

NOV	% of Total Rev	Actual Oct Rev	W/o tracker, w/o high rates & 16.61		Prop \$.12 tracker	With tracker, w/o High Rates & 16.61		%	Oct usage	% of Total Usage
Low Rates	47.25%	\$66,198.92	\$66,198.92	0.00%	\$1,606.63	\$67,805.55	\$67,805.55	0.00%	13,388,550	64.48%
Stewartsville + 16.61	1.89%	\$2,646.00	\$1,732.45	34.53%	\$49.40	\$2,695.40	\$1,781.85	33.89%	411,680	1.98%
High Rates	50.72%	\$71,053.58	\$35,526.79	50.00%	\$835.70	\$71,889.28	\$35,944.64	50.00%	6,964,190	33.54%
	99.86%	\$139,898.50	\$103,458.16	-26.05%	\$2,491.73	\$142,390.23	\$105,532.04	-25.89%	20,764,420	100.00%
plus sitco rental	0.14%	\$200.00	\$200.00	\$0.00	\$0.00	\$200.00	\$200.00	\$0.00	0	0
	100.00%	\$140,098.50	\$103,458.16	-26.15%	\$4,983.46	\$142,390.23	\$105,532.04	-25.89%	20,764,420	100.00%

November - Billing	Billing
MTR SALES TO RESIDENTIAL	122,687.61
MTR SALES TO COMMERCIAL	10,344.13
MTR SALES TO PUBLIC AUTHORITY	149.05
MTR SALES TO MULTI FAMILY	574.61
MTR SALES TO NON PROFIT	800.56
MTR SALES TO PUBLIC RD	2,055.35
SALES FOR RESALE	2,348.64
FORFEITED DISCOUNTS-SER CHARGE	1,138.55
(stewartsville) 913.55	140,098.50
(rental) \$225-SITGO+ MARRS Twp	

DEC	% of Total Rev	Actual Oct Rev	W/o tracker, w/o high rates & 16.61		Prop \$.12 tracker	Total w/Tracker	With tracker, w/o High Rates & 16.61		Oct usage	% of Total Usage
				%				%		
Low Rates	44.72%	\$61,989.16	\$61,989.16	0.00%	\$1,457.85	\$63,447.01	\$63,447.01	0.00%	12,148,740	62.22%
Stewartsville + 16.61	1.76%	\$2,445.06	\$1,548.12	36.68%	\$36.78	\$2,481.84	\$1,584.90	36.14%	306,510	1.57%
High Rates	53.38%	\$73,992.79	\$36,996.40	50.00%	\$848.57	\$74,841.36	\$37,420.68	50.00%	7,071,390	36.21%
	99.86%	\$138,427.01	\$100,533.68	-27.37%	\$2,343.20	\$140,770.21	\$102,452.59	-27.22%	19,526,640	100.00%
plus sitco rental	0.14%	\$200.00	\$200.00	\$0.00	\$0.00	\$200.00	\$200.00	\$0.00	0	0
	100.00%	\$138,627.01	\$100,533.68	-27.48%	\$4,686.39	\$140,770.21	\$102,452.59	-27.22%	19,526,640	100.00%

December - Billing	Billing
MTR SALES TO RESIDENTIAL	124,646.95
MTR SALES TO COMMERCIAL	7,516.13
MTR SALES TO PUBLIC AUTHORITY	227.36
MTR SALES TO MULTI FAMILY	582.49
MTR SALES TO NON PROFIT	680.31
MTR SALES TO PUBLIC RD	1,664.19
SALES FOR RESALE	2,187.64
FORFEITED DISCOUNTS-SER CHARGE	1,121.94
(stewartsville) 896.94	138,627.01
(rental) \$225-SITGO+ MARRS Twp	

Overall Ave. Impact to Revenue 25%
 (resulting from eliminating high rates following Bonds PIF 2015)

REVENUE FORECAST
2/16/2015

PROFIT/LOSS REPORT	2014 FY Actuals	2015 FY Forecast
REVENUE		
INTEREST & DIVIDEND INCOME	3,500	3,500
MTR SALES TO RESIDENTIAL	1,512,653	1,157,180
MTR SALES TO COMMERCIAL	70,281	53,765
MTR SALES TO PUBLIC AUTHORITY	2,967	2,270
MTR SALES TO MULTI FAMILY	7,478	5,721
MTR SALES TO NON PROFIT	7,564	5,787
MTR SALES TO PUBLIC ED	20,821	15,928
PRIVATE FIRE PROTECTION	3,736	3,800
SALES FOR RESALE	28,718	30,000
FORFEITED DISCOUNTS	13,149	14,000
FORFEITED DISCOUNTS-SER CHARGE	14,036	4,500
MISC SERVICE REVENUES	22,550	23,000
TOTAL REVENUE	1,707,455	1,319,450
EXPENSE		
Labor		
EMPLOYER SHARE OF FICA	18,364	19,000
EMPLOYER SHARE OF MEDICARE	4,295	4,500
FEDERAL UNEMPLOYMENT INS. EXP.	1,159	1,200
STATE UNEMPLOYMENT INS. EXP.	939	1,000
SAL&WAGES EMPLOYEES/OPERATE	102,042	108,045
VACATION EXPENSE/OP	5,775	6,785
HOLIDAY EXPENSE/OP	3,715	4,239
OVERTIME EXPENSE/OP	1,372	1,000
SICK/PERS TIME EXPENSE/OP	3,472	3,393
WATER CERTIFICATION EXP	3,900	4,400
SAL&WAGES EMPLOYEES/AD&G	149,384	154,576
VACATION EXPENSE/AD&G	12,214	12,630
HOLIDAY EXPENSE/AD&G	6,011	6,222
OVERTIME EXPENSE/AD&G	167	500
SICK/PERS TIME EXPENSE/AD&G	6,050	6,315
EMPLOYEE PENS&BENE/OPERATE	16,267	18,000
EMPLOYEE PENS&BENE/AD&G	41,371	43,000
INSUR WKMN'S COMP/OPERA	4,994	5,000
CAP LABOR	-12,276	0
Other Labor		
CONTR SERV-ACCT/AD&G	8,700	8,800
CONTR SERV--LEGAL / AD&G	1,980	2,000
CONTR SERV-OTHER/MAINT	4,068	4,100
CONTR SERV-OTHER/AD&G/OPS	8,714	8,800
Total Labor	392,677	423,505
Operational Expense		
PURCHASE WATER/OPERATE	394,933	425,000
PURCHASE POWER/OPERATE	30,548	32,000
MATERIALS & SUP/OPERATE	2,064	2,000
MATERIALS & SUP/MAINT	145	200
MATERIALS & SUP/AD&G	4,888	5,000
BILLING EXPENSES	31,185	33,000
TRANSPORT EXP/OPERATION	28,383	30,000
TRANSPORT EXP/MAINT	5,323	5,500
TRANSPORT EXP/AD&G	318	500
EQUIPMENT MAINT	4,162	4,200
OFFICE EQUIP/MAINT/REPAIRS/LEASES	412	500

REVENUE FORECAST

2/16/2015

PROFIT/LOSS REPORT	2014 FY Actuals	2015 FY Forecast
REG COMM EXP OTHER / AD&G	5,754	5,800
MISCELLANEOUS EXP/OPERATE	1,317	1,500
EMPLOYEE INCENTIVES/OPERATE	403	500
MISCELLANEOUS EXP/MAINT	43	200
MISCELLANEOUS EXP/ AD&G	2,710	1,000
TRAVEL/AD&G	141	200
BANK CHARGES	55	100
BOARD MEETINGS/ANNUAL MEETINGS	2,100	2,000
BUILDINGS/GROUNDS	1,189	1,200
EMPLOYEE INCENTIVES/AD&G	618	700
POSTAGE/SHIP/USPS FEES	588	700
SOFTWARE SUPPORT & UPDATES	13,277	14,000
EMPLOYEE TRAINING & EDUCATON	420	500
TELEPHONE/AD&G	11,853	13,000
GAS/BLDG/AD&G	3,029	3,100
INTERNET SERVICE	1,200	1,200
Total Operational Expense	547,058	583,600
Debt Service		
INT + ON LONG TERM DEBT/2003	467,542	0
Total Debt Service	467,542	0
Other Expenses		
TAX OTHER EXPENSE	50	50
INSUR GEN LBLTY/OPERATE	23,555	24,000
INSUR-OTHER/AD&G	200	200
ORG FEES DUES & EXP ACCT D/O	1,409	1,400
Total Other Expenses	25,214	25,650
Depreciation		
DEPRECIATION EXPENSES	212,864	235,000
TOTAL EXPENSE	1,645,355	1,267,755
2015 FY NET INCOME FORECAST	62,100	51,695

GERMAN TOWNSHIP WATER DISTRICT, INC.

EXHIBIT 7

German Township Water District, Inc.

Board of Directors Meeting Minutes

November 25, 2014

President Jim West called the Board Meeting to order at 6:37 PM at the Business Office.

Attending	Absent	Attendee	Responsibility
	X	Jim West	President
X		Larry Schenk	Vice President
X		John Stephan	Treasurer
X		Gary Gilmore	Secretary
X		Mike Lipking	Director
	X	Anne Lewis	Director
X		Randy Rolley	Director
X		Guy Smyth	Director
X		Don Musgrave	Director
X		Gaylene Mount	Director of Operations

Minutes of the prior month's Director's meeting were reviewed by the Directors attending.

Motion to approve by – Guy Smyth

Seconded by - John Stephan

Motion unanimously approved by the board members present.

Financial Report:

Revenue for October 2014 - \$150,198

Compared to October 2013 - \$144,204

October Days Billed 2014 - 32

October Days Billed 2013 - 30

October 2014 Expenses - \$83,136

October 2013 Expenses - \$92,989

October 2014 Net Income - \$67,062

YTD Net Income - \$427,129

Motion to approve the financial report by – John Stephan

Seconded by – Mike Lipking

Motion unanimously approved by the board members present.

Operations Director's Report:

Dashboard Report:

2014	Description	Count
October	New Connects	21
October	Non Pay Disconnects	11
October	Meter Sets	10
October	Line Extension Quotes/Completes	0/1
October	Water Main Breaks/Leaks	0
October	Total Memberships	4082
October	Total Connections	4572
September	Water Loss	2.96%
12 Months	Rolling Water loss Average	10.90%

Directors Report

- Dashboard Report – above
- Water Loss Report – above
- Wells Town & Country Estates Project Update - Gaylene reported that in spite of the increased new connect and meter set volumes, the Field completed the final 100 ft of the south end main replacement and an additional 500 feet of the north end. This leaves 200 feet on the main replacement, then they will begin replacing the old service lines in December. Her goal is to complete at least 40-50 per month with a target date of March 31, 2015 to fully complete the project.
- GTWD Website Upgrade - Gaylene reported that Tab has started the work to upgrade and redesign the GTWD website (budgeted for 2015). The upgrade will allow access from any platform including computers and all mobile devices. He's also creating a GTWD app. The redesign will include a much cleaner and crisp look, simpler navigation and a new and improved trouble ticket option among other things. Gaylene expects the website upgrade to be completed, including testing, by Jan. 1, 2015.

Unfinished Business

- GTWD Fee Increases - Gaylene indicated that we should hear something by the end of December.
- 2015 Wholesale Water Cost Tracker – Gaylene is submitting the documentation for the 2015 tracker increase to Umbaugh & Assoc. in Dec.

New Business

- A/B Bonds: February 2015 Early Redemption Payment - Gaylene provided handouts related to the A & B Bonds. The last Early Redemption Payment was for \$150K on the A Bond on 8/1/2014. This completed payment of the balance in full on the A Bond. Gaylene provided the following options for 2015 ERP's for consideration by the Board.
 - Option 1 - Pay the scheduled payment, plus the remaining total balance of the final Bonds of \$165K for total interest savings of \$22,425 on Feb. 1, 2015.
 - Option 2 - Pay off the highest interest Bond of \$85,000 with interest savings of \$17,425 on Feb. 1, 2015, then the remaining Bonds totaling \$40,000 with interest savings of \$4,000 on Aug. 1, 2015.
 - Gaylene explained the revenue impact of the elimination of the MARR Twp. Rates and Stewartville Debt Service related to both of these options.
 - Based on current Investments of \$470K, plus our General Fund balance of \$506K and Net Income YTD of \$420K and given the agreed plan to pay off the Bonds in full in 2015, Gaylene recommended Option 1 and requested motions from the Board to move forward to notify ONB Trust within the 30 day required timeframe to bondholders.
 - The Board of Directors made motions to move forward with the Feb. 1, 2015 \$165,000 Early Redemption Payment of the total remaining Bonds and the elimination of the MARR Twp. higher rate structure, as well as the Stewartville surcharge.

Motion to approve – John Stephan

Seconded – Mike Lipking_

Motion unanimously approved by the board members present.

- December Board Meeting - Gaylene recommended that we cancel the December Board meeting as it's scheduled for the week of Christmas and there are no items due for motions that month. The Board was in agreement to cancel the meeting and to resume our next Board meeting as scheduled on Jan. 27, 2015.

Motion to approve – Guy Smyth

Seconded – Don Musgrave

Motion unanimously approved by the board members present.

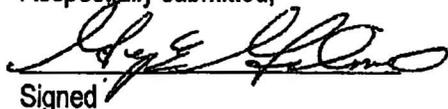
Adjournment:

Motion to adjourn – by John Stephan

Seconded by – Randy Rolley

The motion was approved and the meeting adjourned at 7:40 PM

Respectfully submitted,


Signed

Secretary

GERMAN TOWNSHIP WATER DISTRICT, INC.

EXHIBIT 8

EXHIBIT 8

LEGAL NOTICE OF FILING FOR A CHANGE IN WATER RATES
BY THE GERMAN TOWNSHIP WATER DISTRICT, INC.
Evansville, Indiana

Notice is hereby given that the German Township Water District, Inc., Evansville, Indiana, under and pursuant to the Public Service Commission Act, as amended, intends to file with the Indiana Utility Regulatory Commission on or about February 20, 2015 a request to reduce its schedule of rates and charges for water sold by its water utility to the customers in the Stewartsville Service Area and the Marrs Township Service Area of the German Township Water District.

The changes in schedules of rates submitted to the Commission are based solely upon a reduction in costs of the Utility resulting from the retirement of the Utility's long-term debt. These reductions shall apply for the next practical consumption period following final approval by the Commission or April 1, 2015, whichever is later. Customers in the Stewartsville Service Area will see a reduction in their monthly bill of \$16.61 through the elimination of the Stewartsville Debt Service Surcharge. Customers in the Marrs Township Service Area will see a reduction in their monthly bill based on the elimination of the Marrs Township Service Area rates and transition to the Original System rates. The amount of the reduction will be dependent on the amount of water purchased.

Objections to this filing can be forwarded to Secretary, Utility Regulatory Commission, 101 West Washington Street, Suite 1500 East Indianapolis, Indiana 46204 and Office of Utility Consumer Counselor, 115 West Washington Street, Suite 1500 South, Indianapolis, IN 46204.

GERMAN TOWNSHIP WATER DISTRICT, INC.

Evansville, Indiana

By: _____
Utility Manager

GERMAN TOWNSHIP WATER DISTRICT, INC.
PROPOSED TARIFF

GERMAN TOWNSHIP WATER DISTRICT, INC.
2636 W. Boonville-New Harmony Road
Evansville Indiana, 47720
(Rates approved in Cause No. 42282 dated March 26, 2003)

<u>Metered Consumption</u>		<u>Monthly Rate</u> <u>Per 1,000 Gallons</u>
First	3,000 gallons	\$4.46 *
Next	7,000 gallons	4.06 *
Next	15,000 gallons	3.36 *
Next	75,000 gallons	2.66 *
Next	100,000 gallons	2.06 *
Over	200,000 gallons	1.56 *

Minimum Charges

<u>Meter Size</u>	<u>Gallons Allowed</u> <u>For Minimum</u>	<u>Per Month</u>
5/8 inch meter	2,000	\$8.92 *
3/4 inch meter	3,000	13.38 *
1 inch meter	5,000	21.50 *
1 1/2 inch meter	12,000	48.52 *
2 inch meter	20,000	75.40 *
3 inch meter	30,000	105.50 *
4 inch meter	50,000	158.70 *
6 inch meter	100,000	291.70 *

Collection and Deferred Payments

All bills for water service not paid within 17 days from the due date thereof, as stated in such bills, shall be subject to a collection or deferred payment of 10 percent of the first \$3.00 and 3 percent on the excess over \$3.00.

* Subject to the wholesale water tracking factor listed in "Appendix A."

(Continued on next page)

GERMAN TOWNSHIP WATER DISTRICT, INC.

<u>Meter Size</u>	<u>Tap Fee</u>
5/8" Meter	\$500.00
3/4" Meter	\$535.00
Meters larger than 3/4" shall be the cost of Labor, and Material, but not less than \$535.00.	
<u>Membership Fee</u>	\$100.00
<u>Membership Transfer</u> The transfer of membership certificate on the corporate books include users agreement fee to be paid by new member.	\$20.00
<u>Final Meter Reading</u> Customer has choice of requesting meter to remain on or locked in position.	\$13.00
<u>Unlock and Read Meter</u> Applicable when meter has remained on premises at customer's request.	\$13.00
<u>Reinstallation of Meter</u>	\$16.00
<u>Special Meter Reading and Meter Check</u> No charge if meter found to be faulty or incorrect reading.	\$13.00
<u>Reconnect Fee Resulting from Suspension of Service</u>	\$60.00

All fees to be paid by person requesting service for items above.

The water office is responsible for billing and collecting service fees.

Relocating District Water Main

- A. Relocating on member's property, at member's request (cost to be borne by member).
- B. Relocating on member's property, at Company request (cost to be borne by Company).
- C. Relocating on highway right-of-way at Highway Department or at Company request (cost to be borne by Company).

Voluntary Removal of Meter

- A. Pays the minimum monthly rate multiplied by the number of months the meter has been out of service, plus meter reinstallation of \$16.00 or \$100.00, whichever is less.

(Continued on next page)

GERMAN TOWNSHIP WATER DISTRICT, INC.

Page Three of Four

Special Equipment of Read Out Meter \$77.00

For hazardous conditions with prior notification of customer.

\$32.00 non-refundable if problem is corrected.

\$45.00	Meter deposit
24.00	Installation and labor
8.00	Post
<u> </u>	
\$77.00	

Returned Check for Non-Sufficient Funds \$20.00

Renter's Fee \$15.00

When rental property is involved, there will be a \$15.00 fee to do final reading, beginning reading, and for paperwork involved to change mailing from property owner to renter. If membership is kept in property owner's name, the property owner will be responsible for any delinquent bills. If the property owner does not want to be held responsible for any delinquent bill, the renter must obtain membership.

If the renter obtains membership, the renter must prove credit worthy. If credit worthiness cannot be established, the renter must pay a deposit of \$40.00 which is the average usage for two months. It will be refundable upon satisfactory payment by the customer for a period of either nine successive months or ten out of any twelve months, provided that the customer did not make late payment for any two consecutive months.

Fire Protection Fee (Annual)

This price is based on a 6" meter monthly minimum billing. The Water District must maintain the line and constant meter service to these customers. The customer would pay for one month, based on 6" meter minimum billing per year. \$285.70

Fire Protection Fee (Annual)

This price is based on a 4" meter monthly minimum billing. The Water District must maintain the line and constant meter service to these customers. The customer would pay for one month, based on 6" meter minimum billing per year. \$155.70

Fire Protection for Non Members

The Fire Chief would estimate the water usage on a fire of a non member. That person would be billed for that usage.

Water Used by Volunteer Fire Department No Charge

(Continued on next page)

GERMAN TOWNSHIP WATER DISTRICT, INC.

Page Four of Four

Special Portable Water Meter

To install and pick up a Portable Water Meter	\$26.00	
<u>Deposit on meter</u>	\$500.00	
((\$500.00 is the replacement cost of meter)		
Monthly minimum billing	\$105.50	*

(A 3" meter will be used and the monthly minimum billing is \$105.50*)

The \$26.00 charge is not refundable to the customer, nor is the \$105.50 per month minimum billing. The \$500.00 is refundable if the meter is returned in good order and undamaged. If not, the customer will be charged for the repair or replacement of the meter from the deposit.

Line Extensions

All line extensions and new construction must be paid in full advance.

General

All fees are based on Materials, Labor, Equipment and Engineering costs.

* Subject to the wholesale water tracking factor listed in "Appendix A."

GERMAN TOWNSHIP WATER DISTRICT, INC.
2636 W. Boonville-New Harmony Road
Evansville, Indiana 47720

Appendix A

Water Tracking Adjustment - The water tracking factor set forth in this schedule is applicable where clearly denoted on other rate schedules and shall be occasioned solely by changes in the wholesale cost of water, in accordance with 170 IAC 6-5-1.

Water Tracking Rate: 0.89 per 1,000 gallons*

***Inclusive of the following tracking factors:**

\$0.12 per 1,000 gallons approved per conference minutes, August 18, 2004.
0.33 per 1,000 gallons approved per conference minutes, January 16, 2013.
0.32 per 1,000 gallons approved per conference minutes, December 30, 2013.