



Otto W. Krohn, CPA, CMC
James W. Treat, CPA

231 E. Main Street, Westfield, Indiana 46074

American Institute of CPAs
Indiana CPA Society

January 21, 2015

RECEIVED

JAN 23 2015

INDIANA UTILITY
REGULATORY COMMISSION

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

Attn: Brenda A. Howe
Re: Fortville Municipal Water Utility 30-Day Filing

Dear Ms. Howe:

Pursuant to 170 IAC 1-6, enclosed is the following 30 Day filing by the Fortville Municipal Water Utility. Five copies of the Supplementary Calculation worksheet have been enclosed. The purpose of this filing is to establish a fire protection (hydrant) fee for water users located outside of the Town's corporate limits who do not contribute to the Town's property tax base. Since the Town subsidizes the fire protection related water system capacity costs through its local property tax levy, any customer that is not located inside of the Town is not contributing their fair share towards these fire protection system capacity costs. It is presumed that the Town will continue to subsidize its residents for the hydrants located *inside* the corporate limits. Should that change in the future, the Town will ensure parity between inside and outside customers with respect to hydrant charges. The charge is proposed to become effective on July 1, 2015.

This proposed change is to recoup the costs of service, including water system fire flow capacity costs, as well as maintenance and other expenses incurred for hydrants, high service pumps and overhead storage facilities that are owned and operated by the Fortville Municipal Water Utility. In the past, the number of outside users were relatively nominal. Most all of the Town's water customers were located within the corporate limits (or were anticipated to be annexed) at which point fire protection costs are covered by property tax revenues. However, due to new subdivision developments in an adjacent County, establishing hydrant surcharges for out of Town users is essential to ensure that all users are treated fairly and pay the same costs that the inside Town users pay, albeit through property taxes. 170 IAC 1-6 addresses this specific situation and the Town respectfully submits this 30 day filing consistent therewith. There are no other adjustments to rates or other charges contemplated as part of this filing.

If you have any questions, please contact me at 317/867-5888 or buzz@owkcpa.com.

Kindest regards,

Otto W. "Buzz" Krohn

OWK/slo
Cc: Joe Renner ; oucc
Encl.

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INDIANA UTILITY
REGULATORY COMMISSION

VERIFICATION

STATE OF INDIANA)
TOWN OF FORTVILLE)
)

SS:

The undersigned, Joe Renner, under penalties of perjury and being first duly sworn on his oath, says that the representations set forth below are true and correct to the best of his knowledge, information, and belief.

- 1. I am the Town Manager of the Town of Fortville, Indiana (the "Town"). I currently have, and have had since assuming the position of Town Manager, responsibility for the management of the Town and the Municipal Water Utility.
- 2. I am familiar with the Town's intention to file with the Indiana Utility Regulatory Commission pursuant to 170 IAC 1-6 a request to modify some recurring charges applicable to the operation of its water utility (the "30-Day Filing").
- 3. Customers of the Town have been notified of the Town's intention to make the 30-Day Filing by posting notice of the same in a public place at the Town Hall in Fortville, Indiana. The Town also has published notice of its intention to make the 30-Day Filing in at least one (1) newspaper of general circulation in Fortville, Indiana. Attached are copies of the written notices provided by the Town related to the 30-Day Filing.

Joe Renner
Joe Renner, Town Manager

Subscribed and sworn to before me, a Notary Public, this 20 day of January, 2015.

Tammy J. White
Signature
TAMMY J. White
Printed Name

My Commission Expires: _____
My County of Residence: HANCOCK



Town of Fortville, Indiana - Municipal Water Utility
Notice of Filing with Indiana Utility Regulatory Commission
for Tariff Amendments - Recurring Charges

Pursuant to the procedures outlined in 170 IAC 1-6-6, the Town of Fortville is filing amendments to Schedule of "Public Fire Protection" charges of its existing Water Utility Tariff Sheet with the INDIANA UTILITY REGULATORY COMMISSION (IURC).

(A) The nature of the filing: Amends recurring charges for hydrant fees for customers located outside the corporate limit who do not contribute to the Town's property tax base. The proposed charge has been calculated at \$8.85 per month for affected users, and is based on the actual cost per hydrant, per annum that is currently being paid by all of the customers located inside of the Town's corporate limits through the Town's property tax levies.

(B) Which customers may be affected: Customers located outside of the corporate limits who are served by the Town's water utility and subject to the utility's Water Tariff / Fees.

(C) How those customers may be affected: The impact on the customer's monthly water bill has been calculated at \$8.85 per month, based upon the number of in-town hydrants divided by the number of in-town customers.

(D) A new subdivision development in an adjacent County is driving the need for the 30 day filing at this time so that the Town can begin implementing the Hydrant Charges in July, 2015. New customers are anticipated to begin receiving service in the new development outside of Hancock County on or about that time. While the adjacent County development is driving this filing, the implementation will affect a handful of existing customers located outside of the Town, in Vernon Township, Hancock County.

The Town filed its Tariff Revisions with the IURC on January 30, 2015. However, the 30-day filing clock will not start until after proof of publication of this Notice is filed with the IURC. The expected filing completion date is anticipated to be completed on or around February 25th, 2015.

The date by which approval of the filing is expected from the IURC is sometime during April, 2015. The Town is proposing an effective date of July 1, 2015.

This tariff Amendment *will not* affect customers located within the Town's Corporate Limits, as the Town Council intends to continue to subsidize the in-town customers through property taxes.

Contact information, to which an objection should be made:

(A) Indiana Utility Regulatory Commission
Secretary of the IURC
101 West Washington Street, Suite 1500E
Indianapolis, IN 46204; and

(C) Town of Fortville
Town Hall
714 E. Broadway
Fortville, IN 46040

(B) Office of the Utility Consumer Counselor (OUCC)
115 West Washington Street, Suite 1500 South
Indianapolis, IN 46204; and

FORTVILLE (INDIANA) MUNICIPAL WATER UTILITY

714 East Broadway
Fortville, Indiana 46040-1557

SUPPLEMENTARY CALCULATIONS

FIRE PROTECTION CHARGES - PER USER

**FOR USERS SERVED WHO ARE NOT CONTRIBUTING TO PROPERTY TAX BASE
SO LONG AS TOWN CONTINUES TO SUBSIDIZE ITS RESIDENTS WITH PROPERTY TAXES
PROPOSED HYDRANT FEE ASSUMES NO TOWN SUBSIDY**

TOTAL MUNICIPAL HYDRANTS LOCATED INSIDE CORPORATE LIMITS	261
COST PER HYDRANT, PER ANNUM	<u>\$ 756.11</u>
TOTAL MUNICIPAL HYDRANT REVENUE, PER ANNUM	\$197,344.71
DIVIDE BY NUMBER OF PARCELS (IN TOWN) SUBJECT TO STORM WATER FEE	<u>1,850</u>
COMPUTED COST PER ANNUM	<u>\$ 106.67</u>
COMPUTED COST PER MONTH	<u>\$ 8.89</u>
PROPOSED MUNICIPAL HYDRANT CHARGE - PER USER - PER MONTH	<u>\$ 8.85</u>

FORTVILLE (INDIANA) MUNICIPAL WATER UTILITY

714 East Broadway
Fortville, Indiana 46040-1557

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SCHEDULE OF RATES AND CHARGES

For use of and service rendered by the waterworks system of the Town based on the use of water supplied by said waterworks system.

		Rate Per 1,000 Gallons
(a) Metered Usage Per Month		
First	3,333 gallons	\$ 5.93
Next	3,334 gallons	4.43
Next	6,667 gallons	3.46
Next	10,000 gallons	2.47
Over	23,334 gallons	2.00

		Gallons	Per Month
(b) Minimum Monthly Charge			
<u>Size of Meter:</u>			
5/8	inch meter	3,015	\$ 17.87
3/4	inch meter	6,112	32.06
1	inch meter	12,967	56.29
1 1/2	inch meter	22,481	80.16
2	inch meter	46,233	128.10
3	inch meter	102,247	240.20
4	inch meter	183,704	403.21
6	inch meter	212,762	461.36

(c) Fire Hydrants		Per Annum
Municipal Fire Hydrants - per hydrant - per annum if funded through Town Property Tax		\$ 756.11

Alternative Municipal Hydrant Charge - per User:

		Per Month
Municipal Fire Hydrants - per user - if not funded by Town Property Tax	\$ 8.85	\$ 106.20

To Become Effective in July, 2015 for all Out of Town Users.

If Town Phases Out Subsidy, combination must equat \$756.11 / Hydrant (In Town Users)

Private Fire Hydrant	- per hydrant - per annum for all users with private hydrants	\$ 756.11
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(d) Private Fire Protection		Per Annum
2 inch connection and under - per annum		\$ 211.71
3 inch connection		362.94
4 inch connection		604.90

FORTVILLE (INDIANA) MUNICIPAL WATER UTILITY

**714 East Broadway
Fortville, Indiana 46040-1557**

**APPENDIX A
NON-RECURRING CHARGES**

<u>Description of Charges</u>	<u>Charge</u>
System Development Charge (Per EDU)	\$ 1,200.00
Connection charges:	
5/8 inch meter	\$ 582.00
Greater than 5/8 inch meter	Cost of materials, labor and equipment, but not less than \$582.00
Reconnection during working hours	\$ 20.00
Reconnection after working hours	\$ 40.00
Special meter reading	\$ 3.50
Bad check charge	\$ 25.00
Late payment charge	10% of first \$3.00 and 3% of balance, incur 10 days after billing
Deposit	\$ 36.00
Meter test requested by user	\$ 25.00