

*Accounting Report  
On Rate Study*

*Lawrence (Indiana)  
Municipal Water Utility*

*April 10, 2017*

*Umbaugh  
Certified Public Accountants  
Indianapolis, Indiana*

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## ACCOUNTANTS' RATE STUDY AND COMPILATION REPORT

April 10, 2017

Utility Service Board  
9001 East 59<sup>th</sup> Street  
Lawrence, IN 46216

RE: Lawrence (Indiana) Municipal Water Utility (the "Utility")

In connection with the proposed increase in the Utility's schedule of water rates and charges and the proposed project, we have, at your request, compiled this special purpose rate study report.

This special purpose rate study report has been prepared for the purpose of requesting approval of a new schedule of water rates and charges and should not be used for any other purpose.

Further, the pro forma financial information in this report which has not been compiled, reviewed or audited by us, is based upon unaudited financial information for the twelve months ended December 31, 2015 which was compiled by us and assumptions provided by management and their consulting engineers or obtained from other sources. This pro forma financial information is prepared for the purpose of showing the estimated financial effects on the Utility's revenue and revenue requirements of an increase in rates and charges for service and other changes that may be reasonably fixed, known or measured. The actual results achieved may vary from the pro forma information and the variations may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

We have compiled the accompanying comparative schedule of selected financial information arising from cash transactions and the comparative schedule of cash receipts and disbursements as of December 31, 2014 and 2015 and for the periods then ended and supplementary data. We have not audited or reviewed the accompanying historical financial statements and supplementary data, and accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the cash basis of accounting.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

(Continued on next page)

Utility Service Board

Date: April 10, 2017

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Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

The financial statements are presented on the cash basis of accounting used by the Utility which is a comprehensive basis of accounting other than the generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Utility's assets, liabilities, equity, revenues and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

  
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**LAWRENCE (INDIANA) MUNICIPAL WATER UTILITY**

**PRO FORMA FINANCIAL INFORMATION**

**LAWRENCE (INDIANA) MUNICIPAL WATER UTILITY**

**SCHEDULE OF ESTIMATED PROJECT COSTS AND FUNDING**

**(Per Consulting Engineers)**

	Phase I	Phase II
<b><u>ESTIMATED PROJECT COSTS</u></b>		
Estimated Construction Costs:		
Well field rehabilitation and capacity expansion	\$1,095,000	
Richardt WTP Phase II	5,038,500	
Oaklandon Rd. elevated tank rehabilitation	473,000	
Sumac Lane water main	375,000	
Fort Harrison WTP filter building and asset rehabilitation		\$4,909,500
Indiana Lake WTP improvements		301,000
52nd St. elevated tank rehabilitation		374,000
Downtown water main		1,222,000
N. Kitley Ave/Karen Dr. area water main		1,475,000
Winding Ridge booster station improvements		99,000
	<u>6,981,500</u>	<u>8,380,500</u>
Estimated Non-Construction Costs:		
Non-construction costs	1,281,000	2,106,000
Allowance for legal, bond counsel, financial advisory bond issuance costs and rounding	132,500	133,500
	<u>1,413,500</u>	<u>2,239,500</u>
Total Estimated Non-Construction Costs	<u>1,413,500</u>	<u>2,239,500</u>
Total Estimated Project Costs	<u>\$8,395,000</u>	<u>\$10,620,000</u>
<b><u>ESTIMATED PROJECT FUNDING</u></b>		
Proposed Waterworks Revenue Bonds of 2017	<u>\$8,395,000</u>	
Proposed Waterworks Revenue Bonds of 2019		<u>\$10,620,000</u>

(See Accountants' Report)

**LAWRENCE (INDIANA) MUNICIPAL WATER UTILITY**

**PRO FORMA ANNUAL OPERATING DISBURSEMENTS**

	<u>2017 Budget (1)</u>
Salaries and benefits	\$1,698,937
Professional and contractual services	641,250
Materials and supplies	386,950
Transportation expense	97,950
Insurance	74,524
Chemicals	125,000
Rental of equipment	14,500
Purchased power	286,500
Miscellaneous	<u>642,245</u>
Total 2017 Budgeted Operating Disbursements	3,967,856
3% Inflation (2018)	<u>119,036</u>
Total Pro Forma Operating Disbursements (2018)	4,086,892
3% Inflation (2019)	<u>122,607</u>
Total Pro Forma Operating Disbursements (2019)	<u><u>\$4,209,499</u></u>

(1) 2017 Budget per Utility Management. Periodic maintenance has been built into the annual budget.

(See Accountants' Report)

**LAWRENCE (INDIANA) MUNICIPAL WATER UTILITY**

**PAYMENT IN LIEU OF TAX CALCULATION**

	Pro Forma		
	Current	Phase I	Phase II
Depreciated value of assets*	\$127,660,607	\$127,660,607	\$136,055,607
Water Bond projects completed	-	8,395,000	10,620,000
Estimated net assessed value	127,660,607	136,055,607	146,675,607
Divided by 100	100	100	100
Sub-totals	1,276,606	1,360,556	1,466,756
Times 2016 corporate tax rate of \$0.7883 per \$100	0.7883	0.7883	0.7883
Total calculated payment in lieu of tax	<u>\$1,006,349</u>	<u>\$1,072,526</u>	<u>\$1,156,244</u>

\* Per Wessler Engineering report dated November of 2016.

(See Accountants' Report)

**LAWRENCE (INDIANA) MUNICIPAL WATER UTILITY**

**NORMALIZED ANNUAL OPERATING RECEIPTS**  
**AT EXISTING RATES**

<u>Month</u>	<u>Number of Customers</u>	<u>Increase (Decrease) In Users</u>	<u>Times Additional Monthly Bills</u>	<u>Additional Monthly Bills</u>
January, 2015	14,236			
February	14,212	(24)	1	(24)
March	14,176	(36)	2	(72)
April	14,194	18	3	54
May	14,225	31	4	124
June	14,230	5	5	25
July	14,248	18	6	108
August	14,244	(4)	7	(28)
September	14,279	35	8	280
October	14,307	28	9	252
November	14,295	(12)	10	(120)
December	14,327	32	11	352
Totals		<u>91</u>		951

Times average residential monthly bill for 4,000 gallons at existing rates	x	<u>\$22.41</u>
Total normalized increase in metered sales		21,312
Plus test year normalized metered sales (1)		<u>5,230,240</u>
Normalized metered sales		<u><u>\$5,251,552</u></u>

(1) Test year metered sales have been normalized to account for abnormal November and December billing. Calculated as follows:

10 Month Average Metered Sales (Jan. - Oct.)	\$435,853
Times 12 Months	<u>12</u>
Normalized metered sales	<u><u>\$5,230,236</u></u>

(See Accountants' Report)

## LAWRENCE (INDIANA) MUNICIPAL WATER UTILITY

SRFPRO FORMA ANNUAL REVENUE REQUIREMENTS  
AND ANNUAL OPERATING RECEIPTS

(See explanation of adjustments, page 8.)

(Amounts rounded to nearest \$100)

<u>Pro Forma Revenue Requirements:</u>	<u>Phase I</u> <u>7/1/2017</u>	<u>Phase II</u> <u>1/1/2018</u>	<u>Phase III</u> <u>1/1/2019</u>	<u>Phase IV</u> <u>1/1/2020</u>
Operation and maintenance (1)	\$4,086,900	\$4,086,900	\$4,209,500	\$4,209,500
Utility receipts tax (2)	87,400	137,700	137,700	146,200
Additional Indiana utility receipts tax (2)	50,300	-	8,500	14,600
Payment in lieu of taxes (3)	1,072,500	1,072,500	1,072,500	1,156,200
Repayment of sewer loan (4)	1,500,000	-	-	-
Lease payments (5)	251,700	251,700	251,700	251,700
Debt service:				
Outstanding bonds (6)	1,232,600	1,232,600	1,232,600	1,237,900
Proposed Phase I bonds (7)	617,700	617,700	617,700	617,700
Proposed Phase II bonds (8)	-	-	-	781,400
Debt service reserve:				
Proposed Phase I bonds (9)	123,500	123,500	123,500	123,500
Proposed Phase II bonds (9)	-	-	-	156,300
Allowance for replacements and improvements (10)	813,000	2,313,000	2,787,500	2,787,500
Total Revenue Requirements	9,835,600	9,835,600	10,441,200	11,482,500
Less other nonoperating income (11)	(281,700)	(281,700)	(281,700)	(281,700)
Less penalties (12)	(116,500)	(116,500)	(116,500)	(116,500)
Less minimum user water sales (13)	(564,000)	(564,000)	(564,000)	(564,000)
Net Revenue Requirements	<u>\$8,873,400</u>	<u>\$8,873,400</u>	<u>\$9,479,000</u>	<u>\$10,520,300</u>
<u>Pro Forma Available Revenues:</u>				
Metered sales (14)	\$5,251,600	\$5,251,600	\$5,251,600	\$5,251,600
Less metered sales from minimum users	(336,000)	(336,000)	(336,000)	(336,000)
Private fire protection (14)	364,000	364,000	364,000	364,000
Additional revenues from rate increase (15)	-	3,593,800	3,593,800	4,199,400
Total Available Revenues	<u>\$5,279,600</u>	<u>\$8,873,400</u>	<u>\$8,873,400</u>	<u>\$9,479,000</u>
Additional Revenues Required	<u>\$3,593,800</u>	<u>\$0</u>	<u>\$605,600</u>	<u>\$1,041,300</u>
Resulting Approximate Increase in Average Residential Bill (Presently \$22.41 for 4,000 gallons)	<u>\$15.25</u>	<u>\$0.00</u>	<u>\$2.57</u>	<u>\$4.42</u>

(Continued on next page)

(See Accountants' Report)

LAWRENCE (INDIANA) MUNICIPAL WATER UTILITY

(Cont'd)

PRO FORMA ANNUAL REVENUE REQUIREMENTS  
AND ANNUAL OPERATING RECEIPTS  
(Explanation of Adjustments)

SRF

- (1) See "Pro Forma Annual Cash Operating Disbursements," page 4.
- (2) To provide an allowance for Indiana Utility Receipts tax at 1.4% and additional Utility Receipts tax on increased receipts.
- (3) To provide an allowance for payment in lieu of taxes. See calculation on page 5.
- (4) To provide an allowance for repayment of the \$1,500,000 sewer loan over a 12 month period. Assumes \$750,000 in 2017 and 2018.
- (5) To provide an allowance for the repayment of the Utility's outstanding lease obligations.
- (6) To provide an allowance to pay the outstanding bonds.
- (7) To provide an allowance for the average annual debt service on the proposed bonds of 2018. Assumes a \$8,395,000 SRF bond issue amortized over 20 years at 4%.
- (8) To provide an allowance for the average annual debt service on the proposed bonds of 2019. Assumes a \$10,620,000 SRF bond issue amortized over 20 years at 4%.
- (9) To provide an allowance for the funding of a debt service reserve on the proposed bonds over 5 years.
- (10) To provide an allowance for annual capital improvements equal to annual depreciation expense.
- (11) Based on the 2 year historical average for 2014 and 2015 for tap fees, inspection fees, special assessment fees, plan review fees, meter fees, backflow and EDU fees.
- (12) Based on 2015 collections.
- (13) Assumes the receipts generated from minimum users as follows:
  - Water usage less than 1,200 gallons monthly charged \$14.95
  - Water usage from 1,201 gallons to 2,000 gallons monthly charged \$24.30
- (14) Based on 2015 collections normalized for November and December collections, see page 6.
- (15) Additional receipts from prior phases of the proposed rate increase.

(See Accountants' Report)

**LAWRENCE (INDIANA) MUNICIPAL WATER UTILITY**

**SCHEDULE OF PRESENT WATER RATES AND CHARGES**

(Approved July 23, 2008, Ordinance No. 15, 2008)

I. Monthly Service Charge:

Meter Size (Per Month)	Current Rates
5/8 inch meter	\$7.53
1 inch meter	9.94
1 1/2 inch meter	12.36
2 inch meter	19.24
3 inch meter	69.25
4 inch meter	87.84
6 inch meter	130.59
8 inch meter	179.85
10 inch meter	251.80
12 inch meter	352.52

II. Monthly Consumption: (Per 1,000 Gallons)

First	15,000 gallons	\$3.72
Next	985,000 gallons	2.24
Over	1,000,000 gallons	1.86

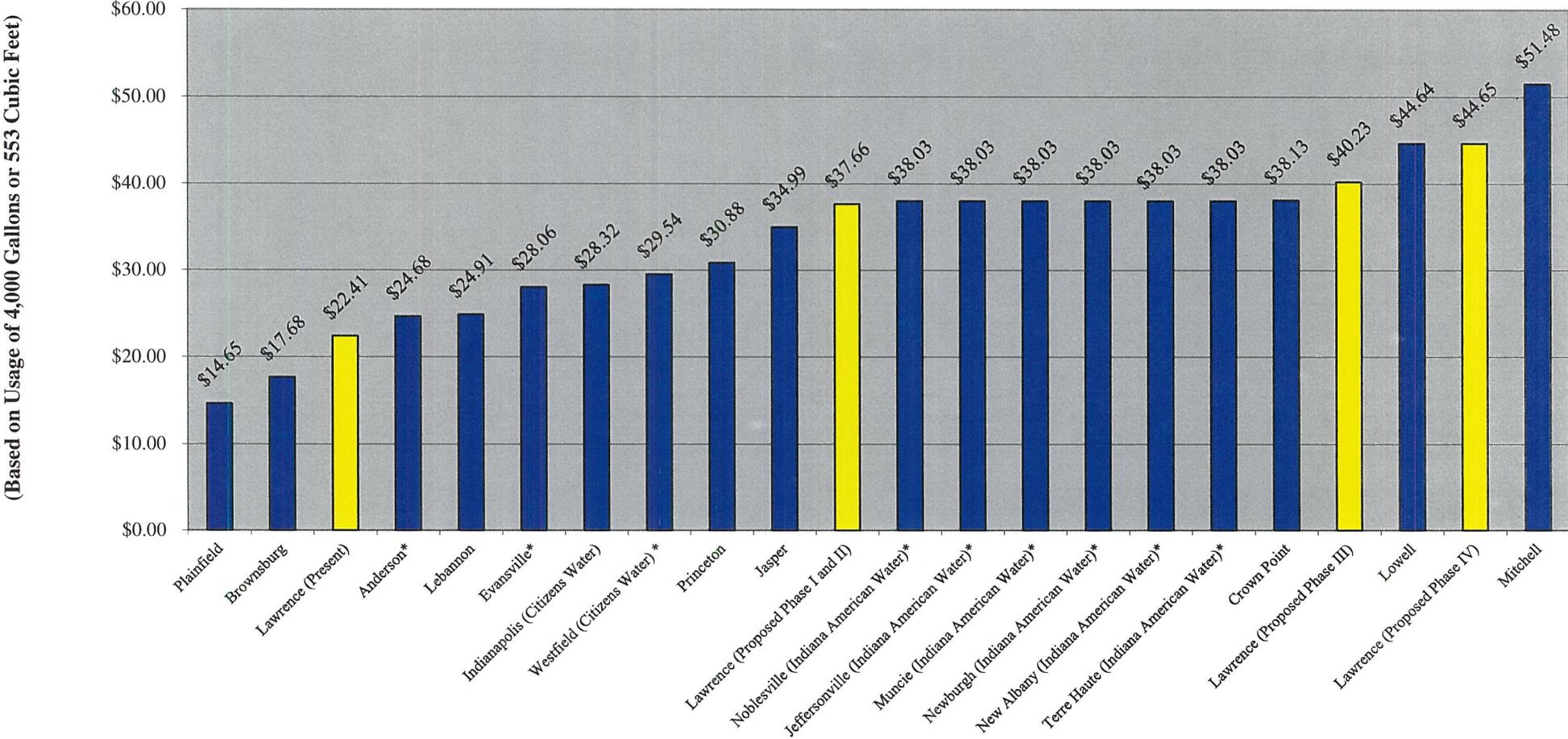
III: Fire Protection Services: (Per Annum)

Private Hydrant	\$594.88
Sprinkler Connection	
4 inch line	\$674.35
6 inch line	1,467.75
8 inch line	2,578.54
10 inch line	3,967.01
12 inch line	5,950.51

(See Accountants' Report)

# LAWRENCE (INDIANA) MUNICIPAL WATER UTILITY

## COMPARISON OF RESIDENTIAL WATER UTILITY MONTHLY BILLINGS



(See Accountants' Report)

**LAWRENCE (INDIANA) MUNICIPAL WATER UTILITY**  
**SUPPLEMENTAL HISTORICAL FINANCIAL INFORMATION**

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LAWRENCE (INDIANA) MUNICIPAL WATER UTILITY

**COMPARATIVE SCHEDULE OF SELECTED FINANCIAL  
INFORMATION ARISING FROM CASH TRANSACTIONS**

	As of	
<u>Cash and Cash Equivalents:</u>	<u>12/31/2014</u>	<u>12/31/2015</u>
Operating	(\$637,848)	(\$1,097,023)
Sinking fund:		
Bond and interest	-	
Debt service reserve '07	663,508	663,508
Debt service reserve '09	395,232	395,232
Capital Improvement	<u>-</u>	<u>(377,735)</u>
Total Cash and Cash Equivalents	<u>\$420,892</u>	<u>(\$416,018)</u>

(See Accountants' Report)

LAWRENCE (INDIANA) MUNICIPAL WATER UTILITY

COMPARATIVE SCHEDULE OF CASH RECEIPTS  
AND DISBURSEMENTS

	Calendar Year	
	2014	2015
Operating Receipts:		
Residential	\$3,734,534	\$3,533,118
Commercial	1,567,470	1,473,292
Penalties	116,065	116,484
Private Fire Protection	225,874	215,806
Hydrants	136,258	117,683
Total Operating Receipts	<u>5,780,201</u>	<u>5,456,383</u>
Operating Disbursements:		
Salaries and wages	1,198,012	1,197,085
Employee benefits	513,534	609,638
Purchased water	63,247	14,670
Purchased power	314,175	240,626
Chemicals	111,232	117,992
Materials and supplies	427,246	526,291
Contractual services	473,863	360,302
Equipment rental	4,721	4,780
Transportation	145,387	81,567
Insurance	72,897	60,013
Postage	3,480	3,034
Communication	54,635	85,251
Advertising	1,743	2,396
Repairs and maintenance	21,993	45,961
Refunds	16,527	21,093
Licenses and fees	20,353	21,546
Bond premiums	2,700	1,840
Travel	556	520
Subscriptions	7,681	3,774
Bank charges	116,893	-
Miscellaneous	22,066	18,557
Total Operating Disbursements	<u>3,592,941</u>	<u>3,416,936</u>
Net Operating Receipts	<u>2,187,260</u>	<u>2,039,447</u>
Non-Operating Receipts:		
Tap fees	35,000	30,500
Inspection fees	8,700	16,275
Special assessments	37,715	33,178
Plan review fees	18,990	20,740
Meter fees	16,455	40,781
Backflow	7,902	15,077
EDU fees	114,440	156,810
Application fees	4,850	6,050
Observation fees	600	-
Refunds	478	-
Miscellaneous	11,585	13,678
Sale of assets	911	1,724
Sales tax (net)	(9,083)	(4,217)
Totals	<u>248,543</u>	<u>330,596</u>
Non-Operating Disbursements:		
Debt service	1,482,272	1,484,398
Capital improvements	419,484	377,734
Utility receipts tax	288,443	-
Contractual payment to City	1,112,727	1,344,821
Totals	<u>3,302,926</u>	<u>3,206,953</u>
Increase/(Decrease) In Cash and Cash Equivalents	(867,123)	(836,910)
Beginning Cash and Cash Equivalents	<u>1,288,015</u>	<u>420,892</u>
Ending Cash and Cash Equivalents	<u>\$420,892</u>	<u>(\$416,018)</u>

(See Accountants' Report)

**LAWRENCE (INDIANA) MUNICIPAL WATER UTILITY**

**COMPARISON OF ACCOUNT BALANCES WITH  
MINIMUM BALANCES REQUIRED**

<u>Cash and Investments:</u>	Account Balance at 12/31/2015	Minimum Balance Required	Ref.*	Variance
Operating	(\$1,097,023)	\$885,623	(1)	(\$1,982,646)
Sinking fund:				
Bond and interest account	-	-	(2)	-
Debt service reserve account	1,058,740	1,243,136	(3)	(184,396)
Capital Improvement	(377,735)	-	(4)	(377,735)
Totals	(\$416,018)	\$2,128,759		(\$2,544,777)

\* Minimum balance required by Bond Ordinance.

- (1) The balance maintained in this fund shall be sufficient to pay expenses of operation, repair and maintenance for the next succeeding two calendar months.

Operating Disbursements	\$5,312,677
Times factor for 2 months (2 months/12 months)	16.67%
Minimum balance required	\$885,623

- (2) The balance of this account should be equal to the accrued monthly transfers of 1/6 of the interest on all outstanding bonds payable on the then next succeeding interest payment date and 1/12th of the principal on all outstanding bonds payable on the then next succeeding principal payment date.

	Amount	Months Factor *	Balance
Principal due 1/1/2016			
2007 A Bonds	\$155,000	0/12	\$ -
2007 B Bonds	155,000	0/12	-
2009 A Bonds	200,000	0/12	-
2009 B Bonds	70,000	0/12	-
Interest due 1/1/2016			
2007 A Bonds	65,809	0/6	-
2007 B Bonds	107,653	0/6	-
2009 A Bonds	120,036	0/6	-
2009 B Bonds	32,866	0/6	-
Minimum balance required			\$ -

\* Principal and interest payments were made prior to December 31, 2016. No balance is required.

- (3) The balance in this account should be equal to the maximum annual combined debt service

Minimum balance required	\$1,243,136
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- (4) No balance is required. However, it is recommended that a reserve equal to annual depreciation expense be maintained in this account.

	\$ -
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(See Accountants' Report)

**LAWRENCE (INDIANA) MUNICIPAL WATER UTILITY**

**SCHEDULE OF AMORTIZATION OF \$2,555,000 PRINCIPAL AMOUNT OF  
OUTSTANDING WATERWORKS UTILITY REVENUE REFUNDING BONDS, SERIES 2007A**

**Principal payable annually on January 1st.  
Interest payable semiannually on January 1st and July 1st.  
Interest rates as indicated.**

Payment Date	Principal Balance (-----In \$1,000's-----)	Principal	Interest Rates (%)	Debt Service		Bond Year Total
				Interest	Total	
				(-----In Dollars-----)		
1/1/2017	\$2,555	\$165	4.125	\$62,515.63	\$227,515.63	\$227,515.63
7/1/2017				59,112.50	59,112.50	
1/1/2018	2,390	170	4.250	59,112.50	229,112.50	288,225.00
7/1/2018				55,500.00	55,500.00	
1/1/2019	2,220	175	5.000	55,500.00	230,500.00	286,000.00
7/1/2019				51,125.00	51,125.00	
1/1/2020	2,045	185	5.000	51,125.00	236,125.00	287,250.00
7/1/2020				46,500.00	46,500.00	
1/1/2021	1,860	195	5.000	46,500.00	241,500.00	288,000.00
7/1/2021				41,625.00	41,625.00	
1/1/2022	1,665	205	5.000	41,625.00	246,625.00	288,250.00
7/1/2022				36,500.00	36,500.00	
1/1/2023	1,460	215	5.000	36,500.00	251,500.00	288,000.00
7/1/2023				31,125.00	31,125.00	
1/1/2024	1,245	225	5.000	31,125.00	256,125.00	287,250.00
7/1/2024				25,500.00	25,500.00	
1/1/2025	1,020	235	5.000	25,500.00	260,500.00	286,000.00
7/1/2025				19,625.00	19,625.00	
1/1/2026	785	250	5.000	19,625.00	269,625.00	289,250.00
7/1/2026				13,375.00	13,375.00	
1/1/2027	535	260	5.000	13,375.00	273,375.00	286,750.00
7/1/2027				6,875.00	6,875.00	
1/1/2028	275	275	5.000	6,875.00	281,875.00	288,750.00
	Totals	<u>\$2,555</u>		<u>\$836,240.63</u>	<u>\$3,391,240.63</u>	<u>\$3,391,240.63</u>

Redemption Provisions:

The Bonds maturing on or after January 1, 2018 are callable by the City at face value plus accrued interest to the date of redemption.

(See Accountants' Report)

**LAWRENCE (INDIANA) MUNICIPAL WATER UTILITY**

**SCHEDULE OF AMORTIZATION OF \$2,945,000 PRINCIPAL AMOUNT OF OUTSTANDING  
TAXABLE WATERWORKS UTILITY REVENUE REFUNDING BONDS, SERIES 2007B**

**Principal payable annually on January 1st.  
Interest payable semiannually on January 1st and July 1st.  
Interest rates as indicated.**

Payment Date	Principal Balance (-----In \$1,000's-----)	Principal	Interest Rates (%)	Debt Service		Bond Year Total
				Interest (-----In Dollars-----)	Total	
1/1/2017	\$2,945	\$165	6.000	\$103,003.16	\$268,003.16	\$268,003.16
7/1/2017				98,053.16	98,053.16	
1/1/2018	2,780	175	6.000	98,053.16	273,053.16	371,106.32
7/1/2018				92,803.16	92,803.16	
1/1/2019	2,605	185	7.125	92,803.16	277,803.16	370,606.32
7/1/2019				86,212.53	86,212.53	
1/1/2020	2,420	200	7.125	86,212.53	286,212.53	372,425.06
7/1/2020				79,087.53	79,087.53	
1/1/2021	2,220	215	7.125	79,087.53	294,087.53	373,175.06
7/1/2021				71,428.15	71,428.15	
1/1/2022	2,005	230	7.125	71,428.15	301,428.15	372,856.30
7/1/2022				63,234.40	63,234.40	
1/1/2023	1,775	245	7.125	63,234.40	308,234.40	371,468.80
7/1/2023				54,506.27	54,506.27	
1/1/2024	1,530	265	7.125	54,506.27	319,506.27	374,012.54
7/1/2024				45,065.64	45,065.64	
1/1/2025	1,265	285	7.125	45,065.64	330,065.64	375,131.28
7/1/2025				34,912.51	34,912.51	
1/1/2026	980	305	7.125	34,912.51	339,912.51	374,825.02
7/1/2026				24,046.88	24,046.88	
1/1/2027	675	325	7.125	24,046.88	349,046.88	373,093.76
7/1/2027				12,468.75	12,468.75	
1/1/2028	350	350	7.125	12,468.75	362,468.75	374,937.50
Totals		<u>\$2,945</u>		<u>\$1,426,641.12</u>	<u>\$4,371,641.12</u>	<u>\$4,371,641.12</u>

Redemption Provisions:

The Bonds maturing on or after January 1, 2018 are callable by the City at face value plus accrued interest to the date of redemption.

(See Accountants' Report)

**LAWRENCE (INDIANA) MUNICIPAL WATER UTILITY**

**SCHEDULE OF AMORTIZATION OF \$4,190,000 PRINCIPAL AMOUNT  
OF OUTSTANDING WATERWORKS REVENUE BONDS, SERIES 2009A**

**Principal payable annually on January 1st.  
Interest payable semiannually on January 1st and July 1st.  
Interest rates as indicated.**

Payment Date	Principal Balance (-----In \$1,000's-----)	Principal	Interest Rates (%)	Debt Service		Bond Year Total
				Interest (-----In Dollars-----)	Total	
1/1/2017	\$4,190	\$210	4.80	\$115,436.00	\$325,436.00	\$325,436.00
7/1/2017				110,396.00	110,396.00	
1/1/2018	3,980	220	4.99	110,396.00	330,396.00	440,792.00
7/1/2018				104,907.00	104,907.00	
1/1/2019	3,760	230	5.11	104,907.00	334,907.00	439,814.00
7/1/2019				99,030.50	99,030.50	
1/1/2020	3,530	245	5.21	99,030.50	344,030.50	443,061.00
7/1/2020				92,648.25	92,648.25	
1/1/2021	3,285	255	5.26	92,648.25	347,648.25	440,296.50
7/1/2021				85,941.75	85,941.75	
1/1/2022	3,030	270	5.34	85,941.75	355,941.75	441,883.50
7/1/2022				78,732.75	78,732.75	
1/1/2023	2,760	285	5.41	78,732.75	363,732.75	442,465.50
7/1/2023				71,023.50	71,023.50	
1/1/2024	2,475	300	5.46	71,023.50	371,023.50	442,047.00
7/1/2024				62,833.50	62,833.50	
1/1/2025	2,175	315	5.56	62,833.50	377,833.50	440,667.00
7/1/2025				54,076.50	54,076.50	
1/1/2026	1,860	330	5.66	54,076.50	384,076.50	438,153.00
7/1/2026				44,737.50	44,737.50	
1/1/2027	1,530	350	5.77	44,737.50	394,737.50	439,475.00
7/1/2027				34,640.00	34,640.00	
1/1/2028	1,180	370	5.83	34,640.00	404,640.00	439,280.00
7/1/2028				23,854.50	23,854.50	
1/1/2029	810	395	5.89	23,854.50	418,854.50	442,709.00
7/1/2029				12,221.75	12,221.75	
1/1/2030	415	415	5.89	12,221.75	427,221.75	439,443.50
Totals		<u>\$4,190</u>		<u>\$1,865,523.00</u>	<u>\$6,055,523.00</u>	<u>\$6,055,523.00</u>

(See Accountants' Report)

**LAWRENCE (INDIANA) MUNICIPAL WATER UTILITY**

**SCHEDULE OF AMORTIZATION OF \$865,000 PRINCIPAL AMOUNT OF  
OUTSTANDING TAXABLE WATERWORKS REVENUE BONDS, SERIES 2009B**

**Principal payable annually on January 1st.  
Interest payable semiannually on January 1st and July 1st.  
Interest rates as indicated.**

Payment Date	Principal Balance (-----In \$1,000's-----)	Principal	Interest Rates (%)	Debt Service		Bond Year Total
				Interest	Total	
				(-----In Dollars-----)		
1/1/2017	\$865	\$70	6.76	\$30,587.00	\$100,587.00	\$100,587.00
7/1/2017				28,221.00	28,221.00	
1/1/2018	795	75	7.00	28,221.00	103,221.00	131,442.00
7/1/2018				25,596.00	25,596.00	
1/1/2019	720	85	7.11	25,596.00	110,596.00	136,192.00
7/1/2019				22,574.25	22,574.25	
1/1/2020	635	90	7.11	22,574.25	112,574.25	135,148.50
7/1/2020				19,374.75	19,374.75	
1/1/2021	545	95	7.11	19,374.75	114,374.75	133,749.50
7/1/2021				15,997.50	15,997.50	
1/1/2022	450	100	7.11	15,997.50	115,997.50	131,995.00
7/1/2022				12,442.50	12,442.50	
1/1/2023	350	110	7.11	12,442.50	122,442.50	134,885.00
7/1/2023				8,532.00	8,532.00	
1/1/2024	240	115	7.11	8,532.00	123,532.00	132,064.00
7/1/2024				4,443.75	4,443.75	
1/1/2025	125	125	7.11	4,443.75	129,443.75	133,887.50
Totals		<u>\$865</u>		<u>\$304,950.50</u>	<u>\$1,169,950.50</u>	<u>\$1,169,950.50</u>

(See Accountants' Report)

**LAWRENCE (INDIANA) MUNICIPAL WATER UTILITY**

**SCHEDULE OF COMBINED BOND AMORTIZATION**

Payment Date	2007A Bonds	2007B Bonds	2009A Bonds	2009B Bonds	Bond Year Total
1/1/2017	\$227,515.63	\$268,003.16	\$325,436.00	\$100,587.00	\$921,541.79
7/1/2017	59,112.50	98,053.16	110,396.00	28,221.00	
1/1/2018	229,112.50	273,053.16	330,396.00	103,221.00	1,231,565.32
7/1/2018	55,500.00	92,803.16	104,907.00	25,596.00	
1/1/2019	230,500.00	277,803.16	334,907.00	110,596.00	1,232,612.32
7/1/2019	51,125.00	86,212.53	99,030.50	22,574.25	
1/1/2020	236,125.00	286,212.53	344,030.50	112,574.25	1,237,884.56
7/1/2020	46,500.00	79,087.53	92,648.25	19,374.75	
1/1/2021	241,500.00	294,087.53	347,648.25	114,374.75	1,235,221.06
7/1/2021	41,625.00	71,428.15	85,941.75	15,997.50	
1/1/2022	246,625.00	301,428.15	355,941.75	115,997.50	1,234,984.80
7/1/2022	36,500.00	63,234.40	78,732.75	12,442.50	
1/1/2023	251,500.00	308,234.40	363,732.75	122,442.50	1,236,819.30
7/1/2023	31,125.00	54,506.27	71,023.50	8,532.00	
1/1/2024	256,125.00	319,506.27	371,023.50	123,532.00	1,235,373.54
7/1/2024	25,500.00	45,065.64	62,833.50	4,443.75	
1/1/2025	260,500.00	330,065.64	377,833.50	129,443.75	1,235,685.78
7/1/2025	19,625.00	34,912.51	54,076.50		
1/1/2026	269,625.00	339,912.51	384,076.50		1,102,228.02
7/1/2026	13,375.00	24,046.88	44,737.50		
1/1/2027	273,375.00	349,046.88	394,737.50		1,099,318.76
7/1/2027	6,875.00	12,468.75	34,640.00		
1/1/2028	281,875.00	362,468.75	404,640.00		1,102,967.50
7/1/2028			23,854.50		
1/1/2029			418,854.50		442,709.00
7/1/2029			12,221.75		
1/1/2030			427,221.75		439,443.50
Totals	<u>\$3,391,240.63</u>	<u>\$4,371,641.12</u>	<u>\$6,055,523.00</u>	<u>\$1,169,950.50</u>	<u>\$14,988,355.25</u>

Average annual principal and interest payment  
for the five bond years ending January 1, 2022

\$1,234,453.61

(See Accountants' Report)