

# SHELBYVILLE (INDIANA) MUNICIPAL STORM WATER

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# SHELBYVILLE (INDIANA) MUNICIPAL STORM WATER

## FORECASTED STATEMENT OF INCOME AT PRESENT RATES

	FISCAL YE JUNE 2025	ADJUSTMENTS	Ref.	FORECASTED AT PRESENT RATES
<b>OPERATING REVENUE:</b>				
STORM WATER FEES	\$ 893,510			\$ 893,510
REFUNDS AND REIMBURSEMENTS	14,138			14,138
TOTAL OPERATING REVENUE	<u>\$ 907,648</u>			<u>\$ 907,648</u>
<b>OPERATING EXPENSES:</b>				
OPERATORS/DRIVERS/LABORERS	\$ 100,876	\$ 2,162	(1)	\$ 103,037
MS4 OPERATOR	75,941	1,556	(1)	77,497
UTILITY BOARD PAY	4,561	93	(1)	4,655
FICA/MED	12,978	1,890	(2)	14,868
PERF	25,108	2,490	(3)	27,598
FICA/MED TRANSFER OUT	4,896			4,896
PERF TRANSFER OUT	9,088			9,088
HEALTH INSURANCE	108,289	7,686	(4)	115,975
OFFICE SUPPLIES	203			203
LOCATES, FLAGS, PAINT	3,259			3,259
GAS & OIL	9,480			9,480
MOTOR SUPPLIES	169			169
SWEEPER SUPPLIES	21,546	(6,037)	(5)	15,509
EQUIPMENT REPAIR PARTS	198			198
OTHER MATERIALS	44			44
GENERAL SUPPLIES	487			487
PROTECTIVE CLOTHING	195			195
TELEPHONE	370			370
PRINTING	821			821
GENERAL INSURANCE	14,874			14,874
MISC CONTRACTUAL SERVICE	85,748	(7,500)	(5)	78,248
GENERAL AD & PUBLIC ED	300			300
SUBSCRIPTIONS/DUES	719			719
SEWER & DRAINAGE PROJECTS	284,417	(284,417)	(5)	-
SEWER & DRAINAGE REPAIRS	44,176	(31,824)	(5)	12,352
MISC PROJECTS & EQUIP	125,625	(125,000)	(5)	625
MOTOR EQUIPMENT	372			372
STORM WATER UTIL UNAPPROPRIATED	1,006			1,006
TOTAL OPERATING EXPENSES	<u>\$ 935,746</u>	<u>\$ (438,901)</u>		<u>\$ 496,845</u>
NET OPERATING INCOME	<u>\$ (28,099)</u>	<u>\$ 438,901</u>		<u>\$ 410,802</u>
DEPRECIATION EXPENSE	\$ -	\$ -		\$ -
<b>OTHER INCOME &amp; EXPENSES</b>				
INTEREST ON INVESTMENTS	\$ 16,340	\$ -		\$ 16,340
PRINCIPAL PAYMENTS ON DEBT	-	68,404		68,404
TOTAL OTHER INCOME & EXPENSES	<u>\$ 16,340</u>	<u>\$ 68,404</u>		<u>\$ 84,745</u>
NET INCOME/(LOSS)	<u>\$ (11,758)</u>	<u>\$ 507,305</u>		<u>\$ 495,547</u>

The information presented in this statement is directly correlated with the financial statements provided by the client. Any incorrect representation or misspelling of line-items is not that of RFG's.



# SHELBYVILLE (INDIANA) MUNICIPAL STORM WATER

## DETAIL OF ADJUSTMENTS

### Adjustment (1) Salaries & Wages

Annualized 2025 salaries and wages and applied approved 2% increase for 2026.

<u>Position Title</u>	<u>2025 Annual Salary</u>	<u>2026 Annual Salary</u>	<u>Adjustment Increase/(Decrease)</u>
Operators/Drivers/Laborers	\$ 108,076.80	\$ 110,238.34	\$ 2,161.54
MS4 Operator	\$ 77,792.00	\$ 79,347.84	\$ 1,555.84
Utility Board	\$ 4,672.56	\$ 4,766.01	\$ 93.45

### Adjustment (2) FICA & Medicare

<u>2026 Salaries &amp; Wages</u>	
Operators/Drivers/Laborers	\$ 110,238
MS4 Operator	\$ 79,348
Utility Board	\$ 4,766
	<u>\$ 194,352</u>
Multiply by: FICA & Medicare Rate	7.65%
	\$ 14,868
Less: Test Year FICA & Medicare	\$ 12,978
<b>Adjustment Increase/(Decrease)</b>	<b>\$ 1,890</b>

### Adjustment (3) PERF

<u>2026 Salaries &amp; Wages</u>	
Operators/Drivers/Laborers	\$ 110,238
MS4 Operator	\$ 79,348
Utility Board	\$ 4,766
	<u>\$ 194,352</u>
Multiply by: Employer/(ee) Contribution	14.20%
	\$ 27,598
Less: Test Year PERF	\$ 25,108
<b>Adjustment Increase/(Decrease)</b>	<b>\$ 2,490</b>

### Adjustment (4) Health Insurance

To include the average increase of health insurance from years 2022-2024.

Increase from 2022 to 2023	\$ 4,262
Increase from 2023 to 2024	\$ 8,950
Increase from 2024 to 2025	\$ 9,845
<b>Average Increase</b>	<b>\$ 7,686</b>



# SHELBYVILLE (INDIANA) MUNICIPAL STORM WATER

## DETAIL OF ADJUSTMENTS

### Adjustment (5) Capital Expenditures

To exclude transactions from test year that should be capitalized rather than expensed.

Vendor:	Purpose:		
BEC Enterprises, LLC	Gutter Brooms (12) & Main Brooms (16)	\$	6,037
<b>Equals: decrease in SWEEPER SUPPLIES</b>		<b>\$</b>	<b>(6,037)</b>
<hr/>			
Vendor:	Purpose:		
L.M.E. Consultants LLC	Wicked Software fro Camera Truck	\$	7,500
<b>Equals: decrease in MISC CONTRACTUAL SERVICES</b>		<b>\$</b>	<b>(7,500)</b>
<hr/>			
Vendor:	Purpose:		
Walls Excavating LLC	Southern Trace Outlet Pipe - Pay 2	\$	60,000
Walls Excavating LLC	Southern Trace Outlet Pipe - Pay 1	\$	10,000
Dave O'Mara Contractor, Inc	McKay Rd Overlay / Proj 24-06117	\$	103,572
Chuck Johnson, Inc	Van Pelt Ditch Clearing - Grant 35359 Recvd From BR Foundation	\$	14,845
Walls Excavating LLC	Southern Trace Pond Pipe - Draw 1	\$	96,000
<b>Equals: decrease in SEWER &amp; DRAINAGE PROJECTS</b>		<b>\$</b>	<b>(284,417)</b>
<hr/>			
Vendor:	Purpose:		
Hubler Ford, Inc	2023 Ford F 250 VIN# 1FTBF2AAXPED49559	\$	25,000
Aries Industries, Inc	Portion for Camera Truck VIN 1FDUF5GT6RDA26309	\$	100,000
<b>Equals: decrease in MISC PROJECTS &amp; EQUIP</b>		<b>\$</b>	<b>(125,000)</b>
<hr/>			
Vendor:	Purpose:		
Samuel Hensley	Manhole Restoration (9)	\$	31,824
<b>Equals: decrease in SEWER &amp; DRAINAGE REPAIRS</b>		<b>\$</b>	<b>(31,824)</b>
<hr/>			



# SHELBYVILLE (INDIANA) MUNICIPAL STORM WATER

## SCHEDULE OF AMORTIZATION OF \$670,000 PRINCIPAL AMOUNT OF OUTSTANDING SEWAGE WORKS REFUNDING REVENUE BONDS, SERIES 2016

DATE	PRINCIPAL	INTEREST RATE	INTEREST EXPENSE	PERIOD TOTAL	FISCAL TOTAL	PRINCIPAL BALANCE
1/12/2016						\$ 4,460,000
7/1/2016	\$ 190,000	2.230%	\$ 46,690	\$ 236,690		4,270,000
1/1/2017	190,000	2.230%	47,611	237,611	\$ 474,301	4,080,000
7/1/2017	190,000	2.230%	45,492	235,492		3,890,000
1/1/2018	190,000	2.230%	43,374	233,374	468,866	3,700,000
7/1/2018	190,000	2.230%	41,255	231,255		3,510,000
1/1/2019	190,000	2.230%	39,137	229,137	460,392	3,320,000
7/1/2019	190,000	2.230%	37,018	227,018		3,130,000
1/1/2020	200,000	2.230%	34,900	234,900	461,918	2,930,000
7/1/2020	200,000	2.230%	32,670	232,670		2,730,000
1/1/2021	200,000	2.230%	30,440	230,440	463,110	2,530,000
7/1/2021	200,000	2.230%	28,210	228,210		2,330,000
1/1/2022	200,000	2.230%	25,980	225,980	454,190	2,130,000
7/1/2022	200,000	2.230%	23,750	223,750		1,930,000
1/1/2023	210,000	2.230%	21,520	231,520	455,270	1,720,000
7/1/2023	210,000	2.230%	19,178	229,178		1,510,000
1/1/2024	210,000	2.230%	16,837	226,837	456,015	1,300,000
7/1/2024	210,000	2.230%	14,495	224,495		1,090,000
1/1/2025	210,000	2.230%	12,154	222,154	446,649	880,000
7/1/2025	210,000	2.230%	9,812	219,812		<b>670,000</b>
1/1/2026	220,000	2.230%	7,471	227,471	447,283	450,000
7/1/2026	220,000	2.230%	5,018	225,018		230,000
1/1/2027	230,000	2.230%	2,565	232,565	457,583	-
	<u>\$ 4,460,000</u>		<u>\$ 585,577</u>	<u>\$ 5,045,577</u>	<u>\$ 5,045,577</u>	

**MAX DEBT SERVICE (YEAR 2026): \$ 140,158**

Note: Bonds, Series 2014 and Bonds, Series 2016 are remitted 69.37%, Sewer and 30.63%, Stormwater.



# SHELBYVILLE (INDIANA) MUNICIPAL STORM WATER

## CALCULATION OF MAXIMUM PILOT AND ANNUAL DEPRECIATION EXPENSE

### MAXIMUM PILOT PAYMENT

UTILITY PLANT IN SERVICE	19,003,199
LESS: DEPRECIATED ASSETS	
INFRASTRUCTURE	(9,246,076)
BUILDINGS	-
IMPROVEMENTS OTHER THAN BUILDINGS	-
MACHINERY AND EQUIPMENT	(136,001)
TAXABLE NETBOOK VALUE	96,211
TOWN'S TAX RATE PER 2025 BUDGET ORDER	1.2802
MAXIMUM PILOT PAYMENT	<u>\$ 123,170</u>

### ANNUAL DEPRECIATION EXPENSE

UTILITY PLANT IN SERVICE	
LAND	-
INFRASTRUCTURE	12,074,487
BUILDINGS	-
IMPROVEMENTS OTHER THAN BUILDINGS	-
MACHINERY AND EQUIPMENT	143,718
LESS: LAND	-
DEPRECIABLE ASSETS	12,218,205
COMPOSITE DEPRECIATION FACTOR	2.5%
ANNUAL DEPRECIATION EXPENSE	<u>\$ 305,455</u>

Utility Plant in Service per 2024 Gateway Annual Financial Report.



# SHELBYVILLE (INDIANA) MUNICIPAL STORM WATER

## PRO FORMA ANNUAL REVENUE REQUIREMENTS AND ANNUAL REVENUE AT CURRENT RATES

	Fiscal YE June 30, 2025	ADJUSTMENTS	Notes	PRO FORMA CASH FLOW
<b>Annual revenue requirements:</b>				
Operation & maintenance expenses	935,746	(420,777)	(1),(2)	514,969
Maximum Annual Debt Service	140,158	-		140,158
PILOT	-	123,170	(3)	123,170
Extensions and replacements	-	454,778	(4)	454,778
<b>Total revenue requirements</b>	<b>\$ 1,075,904</b>			<b>\$ 1,233,074</b>
<b>Annual revenues:</b>				
Storm Water Fees	893,510			893,510
Refunds and Reimbursements	14,138			14,138
Interest on Investments	16,340			16,340
<b>Total adjusted annual receipts</b>	<b>\$ 923,988</b>			<b>\$ 923,988</b>
<b>Net income/(loss)</b>	<b>\$ (151,916)</b>			<b>\$ (309,086)</b>

**PERCENTAGE INCREASE IN STORM WATER FEES**

34.59%

**Projected debt service coverage:**

Pro forma annual revenues	923,988	\$	309,086	(5)	1,233,074
Pro forma annual O&M expenses	(935,746)		420,777	(1),(2)	(514,969)
Pro forma annual PILOT	-				(123,170)
<b>Net revenues available for debt service</b>	<b>\$ (11,758)</b>				<b>\$ 594,935</b>
 Maximum Annual Debt Service	 \$ 140,158				 \$ 140,158

**Coverage percentage**

**424.48%**

**Notes/Assumptions:**

- (1) Per Detail of Adjustments, pages 2-3.
- (2) 6-year Indiana inflationary average:
- (3) Per Calculation of Maximum PILOT, page 5.
- (4) Fiscal year-end capital expenditures.

3.648%



## SHELBYVILLE (INDIANA) MUNICIPAL STORM WATER

### PROJECTED CASH PROGRESSION

	FISCAL YE JUNE 30, 2025	Year 1 PROJECTED 2025	Year 2 PROJECTED 2026	Year 3 PROJECTED 2027	Year 4 PROJECTED 2028	Year 5 PROJECTED 2029	Year 6 PROJECTED 2030	Year 7 PROJECTED 2031	Year 8 PROJECTED 2032	Year 9 PROJECTED 2033	Year 10 PROJECTED 2034
Total Revenues	923,988	923,988	923,988	1,163,710	1,243,618	1,243,618	1,243,618	1,243,618	1,243,618	1,243,618	1,243,618
Rate Increase (1)	-	-	239,722	79,907	-	-	-	-	-	-	-
O&M	935,746	514,969	514,969	514,969	514,969	514,969	514,969	514,969	514,969	514,969	514,969
Net Revenues	\$ (11,758)	\$ 409,019	\$ 648,741	\$ 728,648	\$ 728,648	\$ 728,648	\$ 728,648	\$ 728,648	\$ 728,648	\$ 728,648	\$ 728,648
Less: E&R	-	-	454,778	454,778	454,778	454,778	454,778	454,778	454,778	454,778	454,778
Less: PILOT	-	123,170	123,170	123,170	123,170	123,170	123,170	123,170	123,170	123,170	123,170
Less: Annual Debt Service	140,158	137,003	140,158	-	-	-	-	-	-	-	-
Less: Debt Service Reserve	-	-	-	-	-	-	-	-	-	-	-
Total Outflows	\$ 140,158	\$ 260,172	\$ 718,105	\$ 577,947	\$ 577,947	\$ 577,947	\$ 577,947	\$ 577,947	\$ 577,947	\$ 577,947	\$ 577,947
Net Cash Flow	\$ (151,916)	\$ 148,846	\$ (69,364)	\$ 150,701	\$ 150,701	\$ 150,701	\$ 150,701	\$ 150,701	\$ 150,701	\$ 150,701	\$ 150,701
Operating Cash Fund	\$ 575,990	\$ 724,836	\$ 655,472	\$ 806,173	\$ 956,874	\$ 1,107,575	\$ 1,258,276	\$ 1,408,977	\$ 1,559,678	\$ 1,710,379	\$ 1,861,080
Cash Reserve (# of days)	195	341	194	269	320	370	420	471	521	571	622
Depreciation Fund	-	-	364,778	729,555	794,333	859,111	1,213,888	1,456,666	1,675,044	1,864,141	2,078,103
E&R Expenditures (2)	-	90,000	90,000	390,000	390,000	100,000	212,000	236,400	265,680	240,816	210,979
Ending Depreciation Cash	\$ -	\$ (90,000)	\$ 274,778	\$ 339,555	\$ 404,333	\$ 759,111	\$ 1,001,888	\$ 1,220,266	\$ 1,409,364	\$ 1,623,325	\$ 1,867,124

(1) Revenues produced from proposed rate increase, implemented April 2026.

(2) Per Capital Improvement Plan, page 8.



# SHELBYVILLE (INDIANA) MUNICIPAL STORM WATER

## CAPITAL IMPROVEMENT PLAN

### Capital Funding Needs:

	2025	2026	2027	After 2027	Total
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### COLLECTIONS

Fortune Ditch Relief Pond	-	-	-	-	50,000
Storm Work Associated with Street Overlays	90,000	90,000	90,000	-	450,000
Glessner Ditch and Clearview	-	300,000	300,000	-	600,000
Hasecuster Pond Expansion	-	-	-	100,000	100,000
<b>Annual Totals</b>	<b>\$ 90,000</b>	<b>\$ 390,000</b>	<b>\$ 390,000</b>	<b>\$ 100,000</b>	<b>\$ 1,200,000</b>

### Funding Sources:

Stormwater Operating	90,000	390,000	390,000	100,000	1,200,000
Developer Funded	-	-	-	-	-
<b>Totals</b>	<b>\$ 90,000</b>	<b>\$ 390,000</b>	<b>\$ 390,000</b>	<b>\$ 100,000</b>	<b>\$ 1,200,000</b>



# SHELBYVILLE (INDIANA) MUNICIPAL STORM WATER

## SCHEDULE OF PRESENT RATES AND CHARGES

### Coverage Rates for Residential

	Current Rates	Proposed Rates
Developed	\$ 6.00	\$ 8.08
Undeveloped	2.00	2.69

### Coverage Rates for Non-Residential Developed

Minimal	Low Coverage	\$ 12.00	\$ 16.15
Minimal	Medium Coverage	24.00	\$ 32.30
Minimal	High Coverage	36.00	\$ 48.45
Small	Low Coverage	\$ 24.00	\$ 32.30
Small	Medium Coverage	48.00	\$ 64.60
Small	High Coverage	72.00	\$ 96.91
Medium	Low Coverage	\$ 48.00	\$ 64.60
Medium	Medium Coverage	96.00	\$ 129.21
Medium	High Coverage	144.00	\$ 193.81
Large	Low Coverage	\$ 96.00	\$ 129.21
Large	Medium Coverage	192.00	\$ 258.42
Large	High Coverage	288.00	\$ 387.63

### Coverage Rates for Non-Residential Undeveloped

Minimal	Undeveloped	\$ 4.00	\$ 5.38
Small	Undeveloped	8.00	\$ 10.77
Medium	Undeveloped	16.00	\$ 21.53
Large	Undeveloped	32.00	\$ 43.07



# SHELBYVILLE (INDIANA) MUNICIPAL STORM WATER

## HISTORICAL STATEMENTS OF INCOME

	YE 2022	YE 2023	YE 2024
<u>OPERATING REVENUE:</u>			
STORM WATER FEES	\$ 872,522	\$ 856,884	\$ 890,606
SALE OF INVESTMENTS	700,000	-	-
REFUNDS AND REIMBURSEMENTS	3,307	20,372	14,249
TOTAL OPERATING REVENUE	\$ 1,575,829	\$ 877,255	\$ 904,854
<u>OPERATING EXPENSES:</u>			
OPERATORS/DRIVERS/LABORERS	\$ 92,829	\$ 89,048	\$ 92,765
MS4 OPERATOR	52,688	71,926	74,090
CITY ENGINEER	20,000	20,000	-
UTILITY BOARD PAY	3,003	4,300	4,450
ADMINISTRATIVE ASSISTANT	12,000	12,000	-
FICA/MED	10,453	11,650	12,170
PERF	20,663	22,858	23,693
FICA/MED TRANSFER OUT	2,448	2,448	2,448
PERF TRANSFER OUT	4,544	4,544	4,544
HEALTH INSURANCE	85,232	89,494	98,444
UNIFORMS	-	479	-
OFFICE SUPPLIES	88	178	108
COMPUTER SUPPLIES	-	632	-
LOCATES, FLAGS, PAINT	2,476	2,738	3,040
GAS & OIL	11,457	12,409	10,773
TIRES & TUBES	789	946	-
MOTOR SUPPLIES	884	203	523
SWEEPER SUPPLIES	25,234	19,012	17,378
VAC-TRUCK SUPPLIES	286	3,895	-
EQUIPMENT REPAIR PARTS	-	50	218
OTHER MATERIALS	42	263	126
GENERAL SUPPLIES	318	94	487
PROTECTIVE CLOTHING	355	327	180
CONSULTING ENGINEER	1,600	-	-
TRAVEL EXPENSES	-	613	-
TELEPHONE	531	600	600
MOBILE PHONES	-	2,000	2,000
PRINTING	537	611	486
GENERAL INSURANCE	9,245	12,291	13,521
INSTRUCTION	125	352	-
MISC CONTRACTUAL SERVICE	51,111	55,141	73,940
GENERAL AD & PUBLIC ED	-	-	300
FILING FEES/LIEN RECORDINGS	95	-	-
UTILITY REIMBURSEMENT	84	-	-
SUBSCRIPTIONS/DUES	190	390	459



# SHELBYVILLE (INDIANA) MUNICIPAL STORM WATER

## HISTORICAL STATEMENTS OF INCOME

	YE 2022	YE 2023	YE 2024
SEWER & DRAINAGE PROJECTS	265,608	220,079	269,371
SEWER & DRAINAGE REPAIRS	11,842	7,369	18,109
MISC PROJECTS & EQUIP	-	-	625
MOTOR EQUIPMENT	293,002	-	-
STORM WATER UTIL UNAPPROPRIATED	1,773	6,571	3,836
BOND & INT TRANSFER TO SINKING	250,910	262,265	182,862
STORM WATER OPER INV	200,000	-	-
TOTAL OPERATING EXPENSES	\$ 1,432,439	\$ 937,778	\$ 911,547
NET OPERATING INCOME	\$ 143,390	\$ (60,523)	\$ (6,692)
DEPRECIATION EXPENSE	\$ -	\$ -	
<u>OTHER INCOME &amp; EXPENSES</u>			
INTEREST ON INVESTMENTS	\$ 3,785	\$ 22,215	\$ 20,660
TOTAL OTHER INCOME & EXPENSES	\$ 3,785	\$ 22,215	\$ 20,660
NET INCOME/(LOSS)	\$ 147,175	\$ (38,308)	\$ 13,968



# SHELBYVILLE (INDIANA) MUNICIPAL STORM WATER

## FUND & INVESTMENT BALANCES

	FISCAL YE June 30, 2025	YE 2024	YE 2023	YE 2022
STORM WATER OPERATING	\$ 575,990	\$ 587,749	\$ 142,820	\$ 1,579,614
<b>STORM WATER OPERATING INVESTMENT</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 156,826</b>	<b>\$ -</b>
STORM WATER SINKING FUND	\$ (88,830)	\$ 46,388	\$ 237,053	\$ 250,910

