

MINUTES OF THE GREENVILLE TOWN COUNCIL MEETING OF AUGUST 11, 1992

The Council meeting was called by President Ron Lamb at 8:00 p.m. with all Councilmembers present as was the Clerk Treasurer. Also attending was Sherie Kimberlien, Ruby Acra, Mr. & Mrs. A. Vetter, Mr. & Mrs. Jim Gish, Bill Burkhart, Jr. Gary Getrost, Janice Gibson, and Virgil Bolly.

Ron Lamb questioned those present if any was present for the hearing on the proposed budget. No one answered in the affirmative. Mr. Lamb then moved that the budget be prepared as advertised.

Mr. Virgil Bolly, Attorney, stated that he had prepared an interim water rate ordinance for consideration by the Council. He then stated that it would now be in order for the Council to consider an ordinance approving an interim water rate ordinance.

The Council President then introduced the ordinance, entitled "An Interim Ordinance establishing rates and charges for the use of and services rendered by the waterworks system of the Town of Greenville"; other matters connected therewith; and repealing ordinances inconsistent herewith; and moved that said ordinance be numbered and placed on first reading, and that the same be read by title at this time.

Said motion was seconded by Robert J. Williams, and on call of the roll was carried by the following vote: Ayes: 3 Nays: 0

The ordinance having been numbered 92-02, and having be read by title Mr. Lamb moved that the ordinance be read a second time by title and opportunity be given for the offering of comments. This motion was seconded by Harold M. Hall, and on call of the roll was carried by the following vote: Ayes 3 Nays: 0

Ordinance No. 92-02 was then read a second time by title and no ammendments were offered.

Mr. Lamb moved that any applicable local rules be suspended and that unanimous consent of the members present be given for consideration of Ordinance No. 92-02 on the day or at the meeting at which said ordinance was introduced and for third reading of Ordinance No. 92-02 at this meeting without further consideration. This motion was seconded by Robert J. Williams, and on call of the roll the vote on said motion was as follows: Ayes 3 Nays 0

The Presiding Officer stated that the motion for the suspension of the rules and such consideration of Ordinance No. 92-02 having been carried by unanimous vote of the members present, final action on said ordinance would now be in order. He then directed the Clerk of the Council to read said ordianace a third time by title.

Said ordinance having been read a third time by title, Mr. Lamb then moved that the ordinance be adopted as read. This motion was seconded by Harold Hall, and on call of the roll was carried by the following vote: Ayes 3 Nays 0

Mr. Lamb announced that there being at least two-thirds of the Councilmembers elect of the Council present at the meeting and the motion for adoption having been carried by a two-thirds vote of all such elected members, Ordinance No. 92-02 had been duly passed and adopted.

Council reviewed the Road Inventory, noting E. 5th Street from E. Harrison Street to U.S. 150 was not listed. This street has been opened for traffic for a number of years and yearly maintenance has been provided; it should be included in inventory.

Minutes of Council Meeting of August 11, 1992 Cont'd.

Residents of the Springhill Dr. area were present to request water service to their area. There was some discussion as to the length of line which the residents stated was approximately 600 feet. It was brought out that the street where the residents live is property owned by one (1) individual with a right of way easement. Virgil Bolly suggested all individuals sign an easement providing roadway is sufficient to handle line extension and normal maintenance. Gary was instructed to survey the area to determine the feasibility of a line extension.

At the July 14, 1992 meeting Ms. Janice Gibson made a request for change in the medical plan administrator. Ordinance no. 1991-02, dated October 8, 1991 states: "The town shall purchase individual hospitalization, major medical, and life insurance coverage on all full time employees, etc."

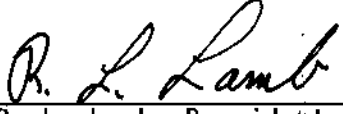
The Council stated is desirous of extending relief to Ms. Gibson but at the same time not jeopardizing the plan. It is the understanding of the Council that payment can be made to Aetna Life & Casualty, the Administrator requested by Ms. Gibson, that such payment would be in conformance with Ordinance 1991-02. On roll call vote the Council voted Ayes 3 Nays 0.

The Council in approving the new carrier also stated the actual cost to the Town of Greenville for such medical insurance premium will not exceed the cost to the Town/Utility for the plan (s) now in effect. Future premium payments for all plans in effect shall be determined by the Council.

Mr. Lamb instructed the Clerk that the reading of the July minutes were suspended by vote of 3-0.

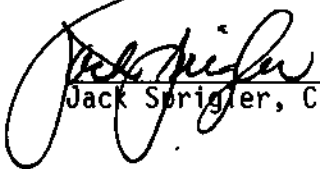
The Council approved claims for the Town/Utility.

There being no further business coming before the Council Harold Hall motioned for adjournment, seconded by Ron Lamb.



R. L. Lamb, President of the Council

ATTEST:



Jack Sprigler, Clerk of the Council

O. W. KROHN

*Certified Public Accountant
Certified Management Consultant*

11911 Lakeside Drive
Fishers, Indiana 46038
(317) 842-7771

*American Institute of Certified Public Accountants
Indiana CPA Society
Institute of Management Consultants*

July 28, 1992

Mr. Virgil Bolly
204 East Utica Street
P O Box 72
Sellersburg, IN 47172-0072

Re: Greenville Municipal Water Utility

Dear Virgil:

As we recently discussed on the telephone, the Town of Greenville desires to Petition the Indiana Utility Regulatory Commission for "interim rates and charges", subject to subsequent approval of long-term financing and final rates after a capital improvement project has been designed, bid and ready to finance. This should occur within a 12 - 18 month time frame. The financing mechanism will likely be the issuance of water utility revenue bonds. The amount of bonds to be issued is to be determined after the project is designed and bid.

In the meantime, the Town of Greenville is purchasing 100% of its water from other utilities due to problems with its own source of supply. The utility had produced approximately 75% of its total water needs prior to the source of supply problems. The Town can not afford to purchase 100% of its water needs under the current schedule of water rates and charges, thus the need for approval of interim rates as soon as possible.

The proposed interim water rates and charges include a "purchased water cost roll-in factor" of \$.5265 per 1,000 gallons and a 26% across the board increase in the resulting base rates and charges. The purchased water cost roll-in factor is necessary to fairly incorporate the change in source of supply related costs into the base water rates and charges. The 26% across the board rate increase is necessary to recover other cash revenue requirements. The last water rate increase for the Town was approved by the Indiana Utility Regulatory Commission in 1980.

I have enclosed a schedule of present and proposed water rates and charges for your reference. The Town needs to adopt an amended rate ordinance as soon as possible. Please check with Janice Gibson or Ron Lamb as to the Town's next meeting date. If possible, this ordinance should be introduced and passed, subject to the approval of the Indiana Utility Regulatory Commission, at the next meeting of the Town Council. The public hearing will be in Indianapolis at the Commission.

Mr. Virgil Bolly
July 28, 1992
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Regarding the pre-filed testimony, I will prepare an accounting exhibit and testimony in question and answer form. In addition to the petition, it would be appropriate for you to assist at least one Town Official, perhaps Ron Lamb, with pre-filed testimony. The areas to be covered in this testimony should focus on the physical problems with the current source of supply, the fact that engineering studies are ongoing evaluating the Town's options and that the Town anticipates that it will be ready to seek approval of long-term financing and final rates within the next 12 to 18 months. Also, because the Town has not had a rate adjustment in more than 12 years, it desperately needs approval of interim rates as soon as possible in order to prevent a financial emergency. The Town is losing \$5,000 to \$7,500 per month due to the fact that it must purchase 100% of its water supply.

Because of the limited number of Town meetings (one per month), passage of the rate ordinance at the next council meeting would be the most eminent task, unless a special meeting were to be held. Local ordinance adoption procedures may require at least two meetings without unanimous consent of the Town Council. That will be your call.

Should you have any questions regarding these or other matters, please do not hesitate to contact me. I am looking forward to working with you on this project.

Kindest regards,



Otto W. Krohn

Enclosures

cc: Mrs. Janice Gibson
Town of Greenville
Mr. Vincent Sommers

Greenville Water Utility

Schedule Of Present And Proposed Water Rates And Charges

Metered Sales:	Rate per 1,000 Gallons			Proposed Rates
	Base Rates	Roll - In	Sub-Total	
First 10,000 Gallons				26.00X
Next 20,000 Gallons	\$2.9000	\$0.5265	\$3.4265	\$4.3174
Next 30,000 Gallons	2.5400	0.5265	3.0665	3.8638
Next 40,000 Gallons	2.1800	0.5265	2.7065	3.4102
Over 100,000 Gallons	1.8100	0.5265	2.3365	2.9440
	1.4500	0.5265	1.9765	2.4904

Minimum Charges:

	Minimum Charge Per Month	
	Present Rates	Proposed Rates
		26.00X
5/8 Inch Meter	\$7.25	\$9.14
3/4 Inch Meter	7.25	9.14
1 Inch Meter	29.00	36.54
1 1/2 Inch Meter	67.06	84.50
2 Inch Meter	101.50	127.89
Inch Meter	217.50	274.05

Fire Protection Charges:

	Charge Per Annum	
	Base Rates	Proposed Rates
Public Hydrants	\$145.00	\$182.70
Private Hydrants	\$145.00	\$182.70
Automatic Sprinklers:		
1 Inch Connection	\$4.05	\$5.10
1 1/4 Inch Connection	6.30	7.94
1 1/2 Inch Connection	9.05	11.40
2 Inch Connection	16.10	20.29
3 Inch Connection	36.25	45.68
4 Inch Connection	64.45	81.21
6 Inch Connection	145.00	182.70
8 Inch Connection	257.80	324.83

Greenville Municipal Water Utility

Computation Of Proposed Water Cost Roll - In Factor

Based Upon The Twelve Months Ended April 30, 1992

Projected Increase In Annual Purchased Water Costs	\$45,011
Projected Decrease In Production Costs:	
Power	(2,029)
Chemicals	(2,618)

Net Projected Increase In Cost Of Water	\$40,364
Divide By Annual Water Sales (In Gallons)	77,600,200

Proposed Increase In Water Cost - Per 1,000 Gallons	\$0.5202

Proposed Water Cost Roll - In Factor - Per 1,000 Gallons	\$0.5265



Greenville Municipal Water Utility

Projected Annual Cash Revenue Requirements

Based Upon The Twelve Months Ended April 30, 1992

	12 MOS. ENDING 04-30-92	ADJUSTMENTS	PROJECTED ANNUAL AMOUNT
Cash Operating Expenses	\$251,709	\$54,041 (a)	\$305,750
Depreciation Expense	33,796	(18,838) (b)	14,958
Debt Service	67,592	(11,379) (c)	56,213
Total Revenue Requirements	\$353,097	\$23,824	376,921
Less Test Year Operating Revenue			(259,027)
Less Projected Additional Revenue From Proposed Water Cost Roll - In Factor			(40,364)
Projected Revenue Deficit at Present Rates			\$77,530
Proposed Across - The - Board Increase *			267

* In Addition To The Proposed Water Cost Roll - In Factor

- (a) See Projected Cash Operating Expenses.
- (b) Based Upon a 1.5% Composite Depreciation Rate.
- (c) Based Upon Average Annual Debt Service (1992-1996).

Town of Greenville

REVENUE / EXPENSES

	CASH	INVESTMENTS	TOTALS
1 Bank Balance @			
2 7-31-92	15,723.41	41,500.00	114,723.41
3			
4 FUND: General	7,723.41	10,000.00	19,723.41
5			
6 L.R. + S.	25,111.58	10,000.00	32,014.06
7			
8 M.V.H.	25,111.58	21,000.00	56,111.58
9			
10 Veh. Insp.	72.81		72.81
11			
12 Acc. Rpt.	11.00		11.00
13			
14 C.E.I.	4,217.00		4,217.00
15			
16 Gun Permit	300.00		300.00
17			
18 Totals	15,723.41		

EXPENDITURES	Amnt. Budgeted	Spent	Balance
20			
21			
22 Gen. Fund:			
23 Salaries - Council C/T	7,940.00	6,000.00	7,310.00
24 Other	1,140.00	815.00	7,325.00
25 Marshall/Dep.	3,600.00	1,800.00	1,800.00
26 FICA Taxes	1,100.00	211.00	2,224.00
27			
28 Supplies	800.00	350.00	443.14
29			
30 Legal Services	1,000.00	700.00	700.00
31			
32 Travel	250.00	260.00	221.00
33			
34 Printing - Legal	600.00	110.00	487.14
35 Other	100.00		100.00
36			
37 Insurance	1,480.00	310.00	1,169.00
38			
39 Trash Removal	800.00		800.00
40			
41 Rep/Maint - Auto	725.00		725.00
42			
43 Hydrant Rental	2,610.00	1,300.00	1,305.00
44			
45 Dues/Subscriptions	50.00	25.00	25.00
46			
47 Bond Premiums	400.00	120.00	280.00
48			
49 IACT/Other Membership	475.00		475.00
50			

	Part BUDGETED	Spent	Balance
Fire Protection	2700-	1350.00	1350.00
Total Gen. Fund	* 25710-	* 721,438	184,535.2
<u>L.R. & S. Fund</u>			
Repairs Streets/Alleys	* 15000-	* -	15,000.00
<u>MNH FUND</u>			
Salaries/Wages	* 1000-	* -	1,000.00
FICA TAXES	100-		100.00
School Crossing Guard	2200-		2,200.00
Supplies	600-	225.00	375.00
Street Signs	2000-		2,000.00
Legal Services	500-		500.00
Engineering/Surveys	2000-		2,000.00
Printing - legal	400-		400.00
Insurance	500-		500.00
Street Lighting	4000-	2011.50	1,988.50
Snow Removal	3000-	641.00	2,359.00
Repairs - Streets/Alleys	8700-		8,700.00
Total MNH Fund	* 25000-	* 27,157.50	22,103.50
<u>Veh. Insp. Fund</u>			
Clothing Allow	* 45-	* -	45.00
<u>Acc. Ret. Fund</u>			
Clothing Allow.	* 235-	* -	235.00
<u>C.C.I. Fund</u>			
Tft to Gen Fund	* 3842-	* -	3,842.00
<u>Gun Permit Fund</u>			
Clothing Allow	* 20-	* -	20.00
Total Budget/ Expense	* 69912-	* 1,021,254	59,697.46

Vehicle Year and Type 1986 Buick

Plate No. 43820

Vehicle I.D. Number Car One

Employee's Name WILLIAM BURKHART JR.

Employee's Department Marshall

Date	Time Out	Nature of Vehicle Use	Time In	Odometer Reading (Start)	Odometer Reading (End)	Total Mileage
7-14-92	8:00 P.M.	TOWN BOARD MEETING	9:30 P.M.	71,142	71,143	1 MILE
7-21-92	6:03 P.M.	PATROL	7:10 P.M.	71,143	71,159	16 MILES
7-25	5:20 P.M.	PATROL	6:12 P.M.	71,159	71,171	11 MILES
7-27-92	3:45 P.M.	(1) Ticket PATROL No Drivers License Reg.	4:30 P.M.	71,171	71,178	7 MILES
7-28-92	4:45 P.M.	PAPER WORK PATROL	6:00 P.M.	71,178	71,193	15 MILES
8-1-92	8:30 P.M.	PATROL, WASHED CAR JUVENILE Disturbance ASSIST 10:52 HAMB/ Road	11:30 P.M.	71,193	71,232	39 MILES
8-5-92	1:00 P.M.	PATROL V.I.N. Reg. 7/258 GAS 71,258	4:00 P.M.	71,232	71,269	37 MILES
8-11-90	5:00 P.M.	PATROL 10:50 P.I. Voltes Rd.	6:00 P.M.	71,269	71,297	28 MILE

I hereby certify that the above information is correct and accurate to the best of my knowledge.

William B. Burkhardt Jr.
signature of employee