

| <u>Expenses:</u>                     | <u>2014</u>     | <u>2015</u>     | <u>% Change</u> |
|--------------------------------------|-----------------|-----------------|-----------------|
| General Government                   | 127,658         | 128,787         |                 |
| Public Safety                        | 276,138         | 269,149         |                 |
| Public Works                         | 271,760         | 256,424         |                 |
| Culture, Park and Recreation         | 52,000          | 52,500          |                 |
| Conservation and Development         | 7,000           | 5,000           |                 |
| Capital Outlay                       | 75,900          | 53,350          |                 |
| Other Financing Sources              | <u>113,325</u>  | <u>150,300</u>  |                 |
|                                      | <b>923,780</b>  | <b>915,510</b>  | <b>-0.90%</b>   |
| <u>Revenues:</u>                     |                 |                 |                 |
| Taxes                                | 605,858         | 593,431         |                 |
| Intergovernmental                    | 274,163         | 270,649         |                 |
| Licenses and Permits                 | 5,255           | 3,475           |                 |
| Public Charges for Services          | 38,100          | 37,200          |                 |
| Miscellaneous                        | <u>15,800</u>   | <u>22,505</u>   |                 |
|                                      | <b>939,176</b>  | <b>927,260</b>  | <b>-1.27%</b>   |
| Excess (Deficiency)                  | 15,396          | 11,750          |                 |
| Less: Transfers to Utilities         | 0               | 0               |                 |
| Balance                              | 15,396          | 11,750          |                 |
| Less: Transfer (to) from Contingency | <b>(15,396)</b> | <b>(11,750)</b> |                 |
| Total                                | 0               | 0               |                 |
| <b>Net Property Taxes</b>            | <b>224,449</b>  | <b>229,656</b>  | <b>2.32%</b>    |
| Summary of Property Taxes            |                 |                 |                 |
| General Fund                         | 35,224          | 26,006          |                 |
| Debt Service                         | 113,325         | 150,300         |                 |
| Capital Project                      | <u>75,900</u>   | <u>53,350</u>   |                 |
| Amount to be Raised:                 | <b>224,449</b>  | <b>229,656</b>  |                 |

| <u><i>Revenues</i></u>                               |                     |
|--|---------------------|
| Transfer from general fund                           | \$150,300.00        |
| TOTAL  | <u>\$150,300.00</u> |
| <u><i>2015 Debt Service Expenditures</i></u>         |                     |
| Advantage Community Bank Consolidated September 2014 | 150,300.00          |
| Total  | <u>\$150,300.00</u> |
| Difference   | \$0.00              |

**GENERAL FUND REVENUES****2014****2015****Diff.****%****Notes****(A) TAXES**

|                                      |                |                |                 |     |   |
|--------------------------------------|----------------|----------------|-----------------|-----|---|
| Exempt Computer Aide-General and TIF | 4,500          | 5,000          | 500             | 11% | Per WIDOR Estimate  |
| Mobile Home Taxes                    | 1,670          | 1,700          | 30              | 2%  | Carryover from 2014   |
| PILOT - Other (LSS)                  | 2,500          | 2,500          | 0               | 0%  | Lutheran Social Services PILOT estimate                                       |
| PILOT - Water                        | 64,048         | 64,048         | 0               | 0%  | No longer forgiven through PSC  |
| Property Taxes - General             | 224,449        | 229,656        | 5,207           | 2%  | 2014 levy limit plus 2.32%, additional levy for net new construction          |
| Allowable Exemption                  |                |                | 0               |     | Allowable Debt Service Levy Exemption (refinanced GO Note P & I of \$150,300) |
| Property Taxes - TIF                 | 309,423        | 290,527        | (18,896)        | -6% | ESTIMATE  |
| <b>Taxes</b>                         | <b>606,590</b> | <b>593,431</b> | <b>(13,159)</b> |     |   |

**(B) INTERGOVERNMENTAL**

|                          |                |                |                |     |  |
|--------------------------|----------------|----------------|----------------|-----|--|
| 2% Fire Dues             | 1,800          | 2,120          | 320            | 18% | 2% fire dues                                 |
| Franchise Fee            | 3,330          | 3,500          | 170            | 5%  | Charter Communications                       |
| Library County Aids      | 0              | 0              | 0              |     | Marathon and Taylor County (kept by library) |
| Other State Payments     | 0              | 0              | 0              |     |  |
| Recycling Grant          | 1,534          | 1,532          | (2)            | 0%  | DNR estimate                                 |
| State Revenue Sharing    | 210,194        | 210,194        | 0              | 0%  | Per DOR                                      |
| Transportation Aide      | 57,305         | 53,303         | (4,002)        | -7% | Per DOT GTA estimate                         |
| <b>Intergovernmental</b> | <b>274,163</b> | <b>270,649</b> | <b>(3,514)</b> |     |  |

**(C) LICENSES & PERMITS**

|                                      |              |              |             |       |  |
|--------------------------------------|--------------|--------------|-------------|-------|--|
| Building Permits                     | 70           | 250          | 180         | 257%  |  |
| Business Licenses & Permits - others | 300          | 250          | (50)        | -17%  |  |
| Dog License                          | 450          | 450          | 0           | 0%    |  |
| Liquor License                       | 1,400        | 1,000        | (400)       | -29%  |  |
| Mobile Home License                  | 25           | 25           | 0           | 0%    |  |
| Operating & Cigarette Licenses       | 10           | 250          | 240         | 2400% |  |
| <b>Licenses &amp; Permits</b>        | <b>2,255</b> | <b>2,225</b> | <b>(30)</b> |       |  |

|                                   |              |              |               |      |   |
|-----------------------------------|--------------|--------------|---------------|------|---|
| <b>(D) Fines &amp; Violations</b> | 3,000        | 1,250        | (1,750)       | -58% | Parking and county fines (Per 2013 actuals) |
| <b>Fines and Violations</b>       | <b>3,000</b> | <b>1,250</b> | <b>-1,750</b> |      |   |

**(E) PUBLIC CHARGES FOR SERVICES**

|                                    |               |               |              |       |  |
|------------------------------------|---------------|---------------|--------------|-------|--|
| Garbage and Recycling Fees         | 37,200        | 37,200        | 0            | 0%    |  |
| General Government Fees            | 250           | 0             | (250)        | -100% |  |
| Highway Fees - local               | 100           | 0             | (100)        | -100% |  |
| Mowing and Weed Control            | 500           | 0             | (500)        | -100% |  |
| Police Fees                        | 50            | 0             | (50)         | -100% |  |
| Sidewalk Shoveling                 |               | 0             | 0            |       |  |
| <b>Public Charges for Services</b> | <b>38,100</b> | <b>37,200</b> | <b>(900)</b> |       |  |

**(F) MISC REVENUE**

|                              |               |               |              |      |                  |
|------------------------------|---------------|---------------|--------------|------|------------------|
| Interest Income              | 750           | 1,000         | 250          | 33%  |                  |
| Memorial Hall Income         | 2,500         | 7,500         | 5,000        | 200% | Per 2014 actuals |
| Misc. Income                 | 3,000         | 4,500         | 1,500        | 50%  | Per 2014 actuals |
| Rent - Village Hall          | 1,000         | 750           | (250)        | -25% | Per 2014 actuals |
| Rent - Land                  | 8,550         | 8,755         | 205          | 2%   |                  |
| <b>Miscellaneous Revenue</b> | <b>15,800</b> | <b>22,505</b> | <b>6,705</b> |      |                  |

|                         |                |                |                 |  |  |
|-------------------------|----------------|----------------|-----------------|--|--|
| <b>Total GF Revenue</b> | <b>939,908</b> | <b>927,260</b> | <b>(12,648)</b> |  |  |
|-------------------------|----------------|----------------|-----------------|--|--|

**Notes:**

\*(\$19,000) anticipated decrease in TID revenues

Subject to change based on other taxing jurisdictions' final levy amounts.

\*10,000 anticipated expenses for Memorial Hall (3 year running average is closer to \$20,000)

Offset by greater than anticipated Memorial Hall Income.

\*(\$4,000) decrease in General Transportaion Aide.

**GENERAL FUND EXPENSES****2014****2015****Diff.****%****Notes****(A) General Fund Expenditures**

|                                    |         |         |         |       |   |
|------------------------------------|---------|---------|---------|-------|---|
| Assessor (Becker)                  | 4,400   | 4,400   | 0       | 0%    | Maintenance assessment  |
| Assessor Supplies                  | 700     | 0       | (700)   | -100% |   |
| Attorney Fees (Wachsmuth)          | 4,000   | 4,000   | 0       | 0%    |   |
| Audit (Soyk)                       | 7,000   | 7,000   | 0       | 0%    | Including TID pre-audit (recommended)                         |
| Water Audit (Soyk)                 | (1,800) | (1,800) | 0       | 0%    | 40% of Audit Cost   |
| Sewer Audit (Soyk)                 | (900)   | (900)   | 0       | 0%    | 20% of Audit Cost   |
| Board Fringes                      | 400     | 500     | 100     | 25%   | minor due to increases  |
| Board and Committee Meetings       | 6,300   | 8,820   | 2,520   | 40%   | Board and Committee under new pay schedule                    |
| Board of Review                    | 100     | 350     | 250     | 250%  | 7 members vs. 2 required                                      |
| Board - other                      | 750     | 250     | (500)   | -67%  |   |
| Clerk - cleaning expense           | 240     | 0       | (240)   | -100% | accounted for in wages  |
| Clerk - Dues and Memberships       | 750     | 500     | (250)   | -33%  | WMCA, MTAW only   |
| Clerk Electric                     | 1,100   | 1,200   | 100     | 9%    |   |
| Clerk Fringes                      | 5,005   | 5,826   | 821     | 16%   |   |
| Clerk Gas & Heat                   | 800     | 1,250   | 450     | 56%   |   |
| Clerk Outside Services             | 10,000  | 5,000   | (5,000) | -50%  | QB assistance, 2016 budget and tax levy                       |
| Clerk Telephone                    | 1,650   | 2,000   | 350     | 21%   | Per 2014 actuals  |
| Clerk Salaries                     | 28,148  | 29,372  | 1,224   | 4%    | Clerk and Deputy Clerk  |
|                                    |         |         |         |       | Post Office, Office Supplies, door locks and office furniture |
| Clerk Supplies                     | 5,000   | 4,500   | (500)   | -10%  |   |
| Clerk Training                     | 3,500   | 4,000   | 500     | 14%   | C/T Institute (2 ppl) plus misc regional trainings            |
| Clerk Utilities (W & S)            | 190     | 600     | 410     | 216%  |   |
| Election Salaries                  | 2,750   | 1,550   | (1,200) | -44%  | per Ruge - 2 elections  |
| Election Supplies                  | 500     | 500     | 0       | 0%    |   |
| Data Processing - Supplies         | 1,000   | 1,000   | 0       | 0%    | QuickBooks support and updates                                |
| Insurance - Crime                  | 466     | 490     | 23      | 5%    | Per Westland estimate   |
| Insurance - Liability              | 10,186  | 10,695  | 509     | 5%    | Per Westland estimate   |
| Insurance - Property Insurance     | 8,537   | 8,963   | 427     | 5%    | Per Westland estimate   |
| Insurance - Workers Comp           | 13,438  | 14,110  | 672     | 5%    | Per Westland estimate   |
| Water Utility Insurance Allocation | (5,000) | (5,000) | 0       | 0%    | Insurance % paid by Water Utility                             |
| Sewer Utility Insurance Allocation | (3,900) | (3,900) | 0       | 0%    | Insurance % paid by Sewer Utility                             |
| President Salaries                 | 1,140   | 2,100   | 960     | 84%   | \$60 / meeting plus \$100 / month                             |
| President Fringes                  | 87      | 161     | 73      | 84%   |   |
| President Other                    | 500     | 500     | 0       | 0%    |   |
| Publications                       | 1,600   | 2,000   | 400     | 25%   | Per 2014 actuals  |
| Village Hall Cleaning              | 1,040   | 0       | (1,040) | -100% | accounted for in wages  |

|  |                |                |              |      |                  |
|--|----------------|----------------|--------------|------|------------------|
| Village Hall Other                     | 500            | 1,000          | 500          | 100% |                  |
| Village Hall Telephone                 | 1,500          | 1,000          | (500)        | -33% |                  |
| Village Hall Electric                  | 3,750          | 3,750          | 0            | 0%   |                  |
| Village Hall Gas / Heat                | 3,300          | 5,500          | 2,200        | 67%  | per 2014 actuals |
| Village Hall Utilities (W & S)         | 1,100          | 1,500          | 400          | 36%  |                  |
| Village Hall Misc.                     | 4,000          | 6,000          | 2,000        | 50%  |                  |
| <b>General Government Expenditures</b> | <b>123,826</b> | <b>128,787</b> | <b>4,960</b> |      |                  |

***(B) Public Safety***

|                                      |                |                |                |      |  |
|--------------------------------------|----------------|----------------|----------------|------|--|
| Fire Department / Emergency Services | 49,339         | 49,800         | 461            | 1%   | estimate (\$46,000-\$55,000)   |
| Fire Protection - Water Utility      | 118,021        | 118,021        | 0              | 0%   |  |
| Police Car Insurance                 | 0              | 0              | 0              |      | Included in Admin  |
| Police Fringes                       | 15,950         | 11,402         | (4,548)        | -29% |  |
| Police Fuel                          | 6,240          | 6,000          | (240)          | -4%  |  |
| Police Personnel Assistance          | 25,000         | 20,000         | (5,000)        | -20% |  |
| Police Phone                         | 1,650          | 1,650          | 0              | 0%   | May increase with add'l PD personnel   |
| Police Supplies & misc.              | 7,500          | 8,000          | 500            | 7%   | Office supplies, radio replacement / repairs, squad computer purchase, program / support , outfitting for new unit, new radar - ELIMINATED |
| Police Training                      | 2,000          | 2,000          | 0              | 0%   | May increase with add'l PD personnel   |
| Police Uniforms                      | 750            | 800            | 50             | 7%   | May increase with add'l PD personnel   |
| Police Vehicle                       | 5,000          | 5,000          | 0              | 0%   | Squad maintenance  |
| Police Wages                         | 44,689         | 46,476         | 1,788          | 4%   | Chief Leichtman  |
| <b>Public Safety</b>                 | <b>276,138</b> | <b>269,149</b> | <b>(6,989)</b> |      |  |

***(C) Public Works***

|                                |        |        |          |      |   |
|--------------------------------|--------|--------|----------|------|---|
| Garbage Collection - Refuse    | 27,565 | 27,565 | 0        | 0%   | Advanced Disposal estimate  |
| Garbage Collection - Recycling | 6,621  | 6,621  | 0        | 0%   | Advanced Disposal estimate  |
| PW Contracted Services         | 25,000 | 10,000 | (15,000) | -60% | Non-project related assistance (engineering and contractual services) |
| PW Equipment Repairs           | 25,000 | 15,000 | (10,000) | -40% | tractor / backhoe, sweeper, shop furnace, misc                        |
| PW Electric                    |        |        | 0        |      |   |
| *Brat Stand                    | 110    | 150    | 40       | 36%  | Per 2014 actuals.   |
| *Hwy Sign                      | 1,000  | 1,000  | 0        | 0%   | Per 2014 actuals.   |
| *Street Lights                 | 21,000 | 21,000 | 0        | 0%   | Per 2014 actuals.   |
| PW Fringes                     | 24,423 | 25,482 | 1,059    | 4%   | 80% Faude, Rieck  |
| PW Fuel                        | 15,000 | 15,000 | 0        | 0%   | Per 2014 actuals.   |
| PW Misc.                       | 2,500  | 5,000  | 2,500    | 100% | Diggers, xmas decorations, vehicle licenses                           |

|                         |                |                |                 |      |   |
|-------------------------|----------------|----------------|-----------------|------|---|
| PW Telephone (2 cells)  | 800            | 1,500          | 700             | 88%  | Per 2014 actuals.   |
| PW Street Repairs       | 35,000         | 39,500         | 4,500           | 13%  | Gravel (3rd / Oak), patching, crack sealing, chip sealing, crushed gravel and granite |
| PW Supplies and expense | 22,500         | 22,500         | 0               | 0%   | Per 2014 actuals.   |
| PW Training             | 1,000          | 500            | (500)           | -50% | Rieck and Faude   |
| PW Uniforms             | 1,000          | 1,000          | 0               | 0%   | \$500 clothing allowance (x2)   |
| PW Wages                | 63,240         | 64,606         | 1,366           | 2%   | 80% Faude, Rieck  |
| <b>Public Works</b>     | <b>271,760</b> | <b>256,424</b> | <b>(15,335)</b> |      |   |

**(D) Culture & Recreation**

|                               |               |               |            |      |   |
|-------------------------------|---------------|---------------|------------|------|---|
| Library                       |               |               |            |      |   |
| *Wages                        | 36,352        | 37,250        | 899        | 2%   | Director and Asst.                            |
| *Fringes                      | 2,781         | 2,850         | 69         | 2%   | Director and Asst.                            |
| *Water and Sewer              | 300           | 480           | 180        | 60%  |   |
| *Power                        | 1,740         | 1,560         | (180)      | -10% |   |
| *Gas                          | 1,080         | 1,200         | 120        | 11%  |   |
| *Phone                        | 600           | 600           | 0          | 0%   |   |
| *Technology                   | 4,134         | 4,467         | 333        | 8%   | WAN, VCAT, License, Postage                   |
| *Other                        | 13,436        | 13,255        | (181)      | -1%  | Per Library dept. request                     |
| *Insurance                    | 0             | 0             | 0          |      | Included in Admin insurance                   |
| Memorial Hall                 | 42,000        | 42,500        | 500        | 1%   | Village Cost-total less County reimbursements |
| Memorial Hall                 | 10,000        | 10,000        | 0          | 0%   | Based on 2012, 2013 and 2014 actuals.         |
| <b>Culture and Recreation</b> | <b>52,000</b> | <b>52,500</b> | <b>500</b> |      |   |

|                                |              |              |               |      |                   |
|--------------------------------|--------------|--------------|---------------|------|-------------------|
| Community Dev. / Tourism       | 4,500        | 2,500        | (2,000)       | -44% | Per 2014 actuals. |
| Economic Development           | 2,500        | 2,500        | 0             | 0%   | Per 2014 actuals. |
| <b>Conservation and Devel.</b> | <b>7,000</b> | <b>5,000</b> | <b>-2,000</b> |      |                   |

|              |  |  |          |  |  |
|--------------|--|--|----------|--|--|
| C/O - Police |  |  |          |  | Purchase of New Squad per PD estimate. |
|              |  |  | <b>0</b> |  |  |

|                    |  |               |  |  |  |
|--------------------|--|---------------|--|--|--|
| C/O - PW Equipment |  | 3,000         |  |  | Shop overhead door                                 |
|                    |  | 350           |  |  | Shop Entrance Door                                 |
|                    |  | 30,000        |  |  | Plow Truck Replacement ('94 Ford)                  |
|                    |  |               |  |  | Payloader / Misc. Equip Purchase Payment (per Rau) |
|                    |  |               |  |  | Equipment Replacement Fund - ESCROW                |
|                    |  | <b>33,350</b> |  |  |  |

|               |  |               |  |
|---------------|--|---------------|--|
| C/O - Streets |  |               | Future Street Repair Fund - ESCROW               |
|               |  | 5,000         | Sidewalk Repairs - as needed (Shop, 3rd Street)  |
|               |  | 15,000        | New Access (30 acre parcel "Rural Road") - CTH A |
|               |  |               | CTH A Prelim Engineering PLACEHOLDER             |
|               |  | <b>20,000</b> |  |

**Capital Outlay 53,350**

**Transfers Out (GO Debt Service) 150,300**

**Total Expenditures 915,510**

|                               |                 |                    |
|-------------------------------|-----------------|--------------------|
| <b>GF Excess / Deficiency</b> | <b>\$11,750</b> | <b>Contingency</b> |
|                               |                 | <b>1.28%</b>       |

**Transfers Out (Water Utility) \$0**

**Transfers Out (Sewer Utility) \$0**

|  |                 |                    |
|--|-----------------|--------------------|
| <b>Total Expenditures less Utility Transfers</b> | <b>\$11,750</b> | <b>Contingency</b> |
|  |                 | <b>1.28%</b>       |

**Transfers (Out) In (Savings / Contingency) (\$11,750)**

**Notes:**

- \*TID Audit (No.1 and No. 2) - last year for projects in 2014 and 2017 (included \$2,500 in above) - recommended in 2014, again in 2015
- \*.40 / Hour Wage Increase
- \*Security Health Insurance Eliminated
  - \$6,000 H.S.A. contribution for Ruge, Golze, Faude and Rieck
  - \$6,459 contribution to Leichtman (no HDHP - includes taxes)
  - Additional "premium" wages to field employees to offset health insurance costs - taxes included as add'l expense
  - Estimated 75% of health insurance premium
  - No health insurance provided directly by the Village of Dorchester
- \*\$37,000 increase in debt service (Adv. Comm. Bank Financing vs. recommended State Trust Fund)
- \*30,000 loader / truck replacement PLACEHOLDER
- \*Includes \$15,000 for construction of New Road access along CTH A
- \*No major projects scheduled for 2015



| <u>WATER REVENUES</u>       |  | <u>2014</u>    | <u>2015</u>    | <u>Diff.</u>    | <u>%</u> | <u>Notes</u>   |
|-----------------------------|--|----------------|----------------|-----------------|----------|--|
| Interest Income General     |  | 500            | 500            | 0               | 0%       |  |
| Metered Sales (all)         |  | 216,724        | 200,000        | (16,724)        | -8%      | Per 2014 actuals (adjustments for unbilled in 2014). |
| Public Fire Protection      |  | 118,021        | 118,021        | 0               | 0%       | Public Fire Protection (billed)                      |
| Other Operating Rev - Misc. |  | 300            | 4,500          | 4,200           | 1400%    | Connection Fees                                      |
| <b>Total Water Revenues</b> |  | <b>335,545</b> | <b>323,021</b> | <b>(12,524)</b> |          |  |

WATER EXPENSES

|                                   |  |        |        |       |       |  |
|-----------------------------------|--|--------|--------|-------|-------|--|
| Outside Services - Audit          |  |        |        | 0     |       |  |
| *Outside Services - Other         |  | 5,000  | 5,000  | 0     | 0%    |  |
| *Audit                            |  | 1,800  | 1,800  | 0     | 0%    | 40% of audit cost (per Soyk)   |
| Depreciation                      |  | 83,095 | 83,095 | 0     | 0%    | 2015 depreciation (audit entry)  |
| Taxes                             |  | 64,048 | 64,048 | 0     | 0%    | \$64,048 PILT due to GF  |
| Other Income Deductions           |  | 3,110  | 3,110  | 0     | 0%    | Interest Expense (audit entry)   |
| Interest on Long-term debt        |  | 2,500  | 2,319  | (181) | -7%   | SDWLP project interest (3rd /4th / Washington Ave)   |
| Electric                          |  |        |        | 0     |       |  |
| *Washington Ave                   |  | 11,000 | 11,000 | 0     | 0%    |  |
| *Water Tower                      |  | 1,700  | 1,700  | 0     | 0%    |  |
| *Washington Pump House            |  | 2,000  | 2,000  | 0     | 0%    |  |
| Gas                               |  |        |        | 0     |       |  |
| *1st Ave                          |  | 2,000  | 1,750  | (250) | -13%  |  |
| *Washington Ave.                  |  | 8,000  | 7,500  | (500) | -6%   |  |
| *Pump House                       |  | 1,000  | 1,000  | 0     | 0%    |  |
| Field: Wages                      |  | 28,315 | 28,913 | 598   | 2%    | Golz @ 50% , 10% Faude and Reick   |
| Field: Fringes                    |  | 12,221 | 11,622 | (599) | -5%   | Golz @ 50% , 10% Faude and Reick   |
| Chemicals                         |  | 10,000 | 10,000 | 0     | 0%    | Per 2014 actuals.  |
| Dues and Memberships              |  | 500    | 500    | 0     | 0%    |  |
| Supplies                          |  | 3,500  | 5,000  | 1,500 | 43%   | Office supplies and misc.  |
| Repairs                           |  | 20,000 | 25,000 | 5,000 | 25%   | Chemical pumps (2), RPC valve, Tonka valve, heater, well No. 4 repairs, Omni meter, IPERL meter replacements |
| Training - Field                  |  | 1,000  | 500    | (500) | -50%  |  |
| Training - Admin                  |  | 250    | 0      | (250) | -100% |  |
| Transportation                    |  | 500    | 500    | 0     | 0%    |  |
| Uniforms                          |  | 500    | 250    | (250) | -50%  |  |
| Customer Accounts - Uncollectable |  |        |        | 0     |       | Amount "written off" annually without a followed Collections Policy  |
| Admin: Wages                      |  | 7,541  | 7,488  | (53)  | -1%   | Ruge @ 25%   |

|                                |                |                |              |     |  |
|--------------------------------|----------------|----------------|--------------|-----|--|
| Admin: Fringes                 | 2,060          | 2,420          | 360          | 17% | Ruge @ 25%                                     |
| Outside Services - Contractors | 10,000         | 10,000         | 0            | 0%  | Cross Connection Inspection, excavating, misc. |
| Admin & Gen: Insurance         | 5,000          | 5,000          | 0            | 0%  |  |
| Phone                          | 600            | 600            | 0            | 0%  | Telephone                                      |
| <b>Total Water Expenses</b>    | <b>287,241</b> | <b>292,114</b> | <b>4,873</b> |     |  |

|  |                |               |  |  |              |
|--|----------------|---------------|--|--|--------------|
| C/O - Water                              |                |               |  |  |              |
| South Linden (Phase 1- Water portion)    | 45,000         |               |  |  |              |
| Tonka Tank Recharge and Testing          | 5,000          | 5,000         |  |  | 2015 Project |
| Reservoir Inspection                     | 3,500          | 2,000         |  |  | 2015 Project |
| Media Tower Cleaning                     | 7,000          |               |  |  |              |
| Replace 20 hydrants (per CIP) - \$16,000 | 10,000         | 15,000        |  |  | As needed.   |
| Long-Term Maintenance Fund               | 30,000         | 30,000        |  |  | ESCROW       |
| Equipment Replacement Fund               | 15,000         | 15,000        |  |  | ESCROW       |
|  | <b>115,500</b> | <b>67,000</b> |  |  |              |

|                    |                |                |
|--------------------|----------------|----------------|
|                    | <b>2014</b>    | <b>2015</b>    |
| <b>Total w C/O</b> | <b>402,741</b> | <b>359,114</b> |

|  | <b>2014</b>     | <b>2015</b>     | <b>Rate of Return</b> |
|--|-----------------|-----------------|-----------------------|
| <b>Water Excess / Deficiency</b>                     | <b>(67,196)</b> | <b>(36,093)</b> | <b>-11%</b>           |
| <b>Water Excess / Deficiency (less depreciation)</b> | <b>15,899</b>   | <b>47,002</b>   | <b>13%</b>            |

|   |               |
|---|---------------|
| <b>Operations Transfers In (General Fund)</b> | <b>0</b>      |
| <b>Net Excess / Deficiency</b>                | <b>47,002</b> |

**Recommendations:**

Transfer funds for long-term maintenance / replacement as allowed by cashflow bi-annually (tentatively March and December).  
The Water Utility has over 20% documented water "loss" per PSC Annual Reports. Investigate whether errors occur in billing / meters or within distribution system.  
May have limited ability to fund Long Term Maintenance and Equipment Replacement Funds due to less than anticipated 2014 water revenues (billing and water loss issues suspected).  
Consider rate increase in 2016.

| <u>SEWER REVENUES</u>       |  | <u>2014</u>    | <u>2015</u>    | <u>Diff.</u>   | <u>%</u> | <u>Notes</u>                       |
|-----------------------------|--|----------------|----------------|----------------|----------|------------------------------------|
| Interest Income General     |  | 500            | 500            | 0              |          |                                    |
| Metered Sales (all)         |  | 165,000        | 154,500        | (7,150)        | 2%       | Based on 2014 actuals              |
| Other Operating Rev - Misc. |  | 300            | 2,000          | 1,700          | 0%       | Connection Fees and misc. revenues |
| <b>Total Sewer Revenues</b> |  | <b>165,800</b> | <b>157,000</b> | <b>(8,800)</b> |          |                                    |

| <u>SEWER EXPENSES</u>                       |  | <u>2014</u>    | <u>2015</u>    | <u>Diff.</u>  | <u>%</u> | <u>Notes</u>  |
|---|--|----------------|----------------|---------------|----------|---|
| Depreciation                                |  | 49,249         | 49,249         | 0             | 0%       | 2015 depreciation (audit entry) - should cover USDA RD bond principal |
| Taxes (Meter Charges)                       |  | 2,034          | 2,034          | 0             | 0%       | Carryover \$2,034 (audit entry)                                       |
| Other Income Deductions                     |  | 1,447          | 1,447          | 0             | 0%       | Interest Expense (audit entry)  |
| Interest on Long-Term Debt                  |  | 21,579         | 21,255         | (324)         | -2%      | USDA RD interest  |
| USDA RD Bond - Reserve and Replacement Fund |  | 12,000         | 5,000          | (7,000)       | -58%     | USDA RD requirement   |
| Field: Wages                                |  | 28,315         | 28,913         | 598           | 2%       | Golz @ 50%, Faude and Reick 10%                                       |
| Field: Fringes                              |  | 12,221         | 11,622         | (599)         | -5%      | Golz @ 50%, Faude and Reick 10%                                       |
| Electric & Power                            |  |                |                |               |          |   |
| Electric - Lift Station                     |  | 1,500          | 1,250          | (250)         | -25%     |   |
| Electric - WWTP - Center Ave                |  | 11,500         | 9,500          | (2,000)       | -17%     |   |
| Electric - WWTP - 4th Ave                   |  | 7,000          | 7,000          | 0             | 0%       |   |
| Gas / Heat                                  |  | 3,500          | 4,500          | 1,000         | 29%      | WWTP #1 and #2  |
| Utilities (W/WW)                            |  | 500            | 350            | (150)         | -30%     |   |
| Phone                                       |  | 2,500          | 2,500          | 0             | 0%       | Landline, cell, lift stations   |
| Testing                                     |  | 4,000          | 3,000          | (1,000)       | -29%     |   |
| Supplies                                    |  | 1,000          | 2,500          | 1,500         | 150%     | Per 2014 actuals.   |
| Repairs                                     |  | 7,500          | 12,500         | 5,000         | 77%      | Misc. system and equipment repairs                                    |
| Chemicals                                   |  | 12,000         | 10,000         | (2,000)       | -21%     | Per 2014 actuals.   |
| State Fees                                  |  | 1,000          | 1,000          | 0             | 0%       |   |
| Uniforms                                    |  | 250            | 250            | 0             | 0%       |   |
| Vehicle and Transportation                  |  | 500            | 750            | 250           | 50%      |   |
| Admin: Wages                                |  | 7,541          | 7,488          | (53)          | -1%      | Ruge @ 25%  |
| Admin: Fringes                              |  | 2,060          | 2,420          | 360           | 18%      | Ruge @ 25%  |
| Outside Services-Audit and Accounting       |  | 2,400          | 2,400          | 0             | 0%       | 20% of Audit Cost   |
| Insurance                                   |  | 3,900          | 3,900          | 0             | 0%       |   |
| Misc.                                       |  | 1,500          | 1,500          | 0             | 0%       | Lift Station Security camera  |
| <b>Total Sewer Expenses</b>                 |  | <b>196,997</b> | <b>192,327</b> | <b>-4,670</b> |          |   |

|             |  |               |              |  |  |   |
|-------------|--|---------------|--------------|--|--|---|
| C/O - Sewer |  | 9,000         | 9,000        |  |  | CMOM Compliance (20% annual collection system cleaning) |
|             |  | 5,000         |              |  |  | Future Expense Fund - ESCROW                            |
|             |  | <b>14,000</b> | <b>9,000</b> |  |  |   |

|                    |                |                |
|--------------------|----------------|----------------|
| <b>Total w C/O</b> | <b>210,997</b> | <b>201,327</b> |
|--------------------|----------------|----------------|

|  | <b>2014</b>       | <b>2015</b>       | <b>Rate of Return</b> |
|--|-------------------|-------------------|-----------------------|
| <b>Sewer Excess / Deficiency</b>                     | <b>(\$45,197)</b> | <b>(\$44,327)</b> | <b>-22.02%</b>        |
| <b>Sewer Excess / Deficiency (less depreciation)</b> | <b>\$4,052</b>    | <b>\$4,922</b>    | <b>2.44%</b>          |

|   |            |
|---|------------|
| <b>Operations Transfers In (General Fund)</b> | <b>\$0</b> |
|---|------------|

**Recommendations:**

May have limited ability to fund Long Term Maintenance and Future Expense Funds due to less than anticipated 2014 sewer revenues (billing and water meter issues suspected).  
3% rate increase included in revenue projections.