City of Manistee

Water & Sewer Cost of Service Rate Study

Final Report

September 16, 2014

Prepared by:

BURTON & ASSOCIATES

UTILITY RATES ▪ ASSESSMENTS ▪ FINANCIAL PLANNING

BURTON & ASSOCIATES

September 16, 2014

Mr. Edward Bradford
Chief Financial Officer
City of Manistee
70 Maple Street
Manistee, MI 49660

Re: Water & Sewer Cost of Service Rate Study

Dear Mr. Bradford:

Burton & Associates is pleased to present this Final Report of the Water & Sewer Cost of Service Rate Study that we performed for the City's Water & Sewer Enterprise Fund.

We appreciate the fine assistance provided by you and all of the members of City staff who participated in the analysis. If you or others at the City have any questions, please do not hesitate to call me in our Tampa, Florida office at (813) 443-5138, or James Bearman in our Jackson, Michigan office at (517) 782-5320.

Sincerely,

Andrew J. Burnham
Senior Vice President

Enclosure

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TABLE OF CONTENTS

EXECUTIVE SUMMARY ..... **I**

E.1 INTRODUCTION I

E.1.1 Objectives ..... *i*

E.2 COST OF SERVICE ALLOCATION II

E.3 RATE STRUCTURE ANALYSIS II

E.4 REVENUE SUFFICIENCY ANLAYSIS IV

E.5 OTHER FEES & CHARGES V

SECTION 1. INTRODUCTION **1**

1.1 BACKGROUND 1

1.2 OBJECTIVES 1

1.3 GENERAL METHODOLOGY 2

SECTION 2. COST OF SERVICE ALLOCATION **4**

2.1 DESCRIPTION 4

2.2 PROCESS 6

2.3 COMPONENTS OF THE ANALYSIS 8

2.3.1 Water & Sewer System Cost Allocations *8*

2.3.2 Water & Sewer System Functional Cost Allocation *9*

2.3.3 Distribution of Costs of Each Function to Cost Components *10*

2.3.4 Determination of Customer Classes *11*

2.3.5 Use of Utility Basis of Ratemaking *12*

2.3.6 Rate of Return *13*

2.3.7 Adjustments to Cost of Service Allocations to Customer Classes *14*

2.4 RESULTS 14

SECTION 3. RATE STRUCTURE ANALYSIS **16**

3.1 BASIS OF ANALYSIS 16

3.2 RECOMMENDED RATE STRUCTURE 17

3.3 FY 2015 RATE SCHEDULES 18

3.4 CUSTOMER IMPACT ANALYSIS 20

SECTION 4. REVENUE SUFFICIENCY ANALYSIS **21**

4.1 DESCRIPTION 21

4.2 SOURCE DATA 22

Beginning Fund Balances *22*

Revenues *22*
Operating Expenditures *23*
General Fund Transfer *23*
Existing Debt Service *24*
Capital Improvement Program *24*
4.3 ASSUMPTIONS 24
Cost Escalation *25*
Interest Earnings on Invested Funds *25*
Growth *25*
Minimum Operating Reserve Balance *25*
Future Borrowing Assumptions *26*
Debt Service and Coverage *26*
4.4 RESULTS 27

SECTION 5. OTHER FEES & CHARGES 29

5.1 MISCELLANEOUS SERVICE CHARGES 29
5.2 SYSTEM DEVELOPMENT CHARGES 30
5.2.1 Background *30*
5.2.2 Legal Considerations *30*
5.2.3 General Methodology *32*
5.2.4 Basis of the Analysis *32*
5.2.5 Capacity Costs *33*
5.2.6 Capacities & ERC Determination *33*
5.2.7 Charge Amounts *34*
5.2.8 Method of Collection *35*

APPENDIX A – SUPPORTING SCHEDULE FOR THE COSA 37

APPENDIX B – FY 2015 RATE SCHEDULES & CUSTOMER IMPACT ANALYSIS 92

APPENDIX C – SUPPORTING SCHEDULES FOR THE RSA 98

APPENDIX D – SUPPORTING SCHEDULES FOR OTHER FEES & CHARGES 115

EXECUTIVE SUMMARY

E.1 INTRODUCTION

This Executive Summary presents an overview of the results of the comprehensive Water & Sewer Cost of Service Rate Study (Study) that was conducted for the City of Manistee's Water & Sewer Utility System (Utility) by Burton & Associates.

E.1.1 Objectives

The principal objectives or components of the Study are as follows:

Perform a Cost of Service Allocation – Conduct a detailed cost of service allocation based upon principles as outlined by the American Water Works Association (AWWA) and other generally accepted industry practices in order to determine the proper allocation of costs between 1) the water and sewer systems and 2) between the users of each system located within and outside of the City.

Perform a Rate Structure Analysis – Develop modifications, as appropriate, to ensure that the City's water and sewer rates conform to accepted industry practice and reflect the appropriate distribution of system costs, while achieving its policy objectives, such as fiscal stability and affordability, to the greatest extent possible.

Perform a Revenue Sufficiency Analysis – Develop and populate a multi-year forecasting model for the City's Water & Sewer Enterprise Fund that will determine the level of annual revenue required to satisfy its projected annual operating, debt service, and capital cost requirements as well as maintain adequate operating reserves.

Assist in the Update & Development of Other Charges – Assist City staff in identifying the cost of providing miscellaneous services to serve as the basis for potential adjustment to these charges. In addition, the Study included the calculation of water and sewer system development charges intended to recover the initial cost of capacity for the City's backbone infrastructure that will be utilized to serve new connections in the future.

E.2 COST OF SERVICE ALLOCATION

A core component to the Study was the completion of a cost of service allocation (COSA) that would identify the allocation of the Utility's current cost of service and revenue requirements to customers both inside and outside of the City. The American Water Works Association (AWWA) publishes a number of manuals intended to assist communities in a variety of areas, including the establishment of a cost-of-service based rates. In this regard, the AWWA has published two manuals identifying general ratemaking practices and principles; Manual M1: Principles of Water Rates, Fees, and Charges (M1), and Manual M54: Developing Rates for Small Systems (M54).

For communities of similar size to the City, we often utilize the cost allocation and ratemaking practices outlined in M54. However, in this instance we utilized the more detailed principles and practices embodied within M1 due to a number of factors, including the availability of high quality detailed data, the absence of any prior detailed cost of service study, and the equity concerns raised by some of the City's stakeholders.

Ultimately, the results of the COSA identified the allocation of costs to each class of customer that was then converted to a cost per thousand gallons for each class of customer. The cost per thousand gallons for the Outside City and Large User customer classes were then compared to that of the Inside City class to identify the cost of service differential for those classes (see table below for a summary and Appendix A for details).

Customer Class	Water	Sewer
Outside City Users	118%	254%
Large User (Oaks)	70%	107%

E.3 RATE STRUCTURE ANALYSIS

Upon completion of the COSA, we developed a recommended rate structure that i) fairly and equitably recover the Utility's current cost of service and revenue requirements for each customer class, ii) conforms to accepted industry practice, iii) provides fiscal stability and recovery of fixed costs of the system, and iv) maintains affordability to low

volume and average users to the greatest extent possible. The recommended rate structure presented herein is intended to be a uniform rate structure for all customers, with a differential in rates for the Outside City and Large User customer classes based upon the results of the COSA and terms of the negotiated contract, respectively.

Common industry practice for water and sewer utilities is a two-part rate structure comprised of both fixed and variable charges. Generally accepted practice recovers a portion of the costs of the system in a fixed monthly readiness-to-serve charge, recognizing that utilities have substantial investments in capacity-related costs and other fixed costs that are incurred year-round to maintain a state of readiness to meet peak demands when they occur. We are recommending the City establish initial readiness-to-serve charges for the water and sewer systems based upon 50% of the extra-capacity related costs as identified in the COSA for each respective system. This results in just over 20% of the annual revenue requirements of the Utility being recovered in fixed monthly charges. As it relates to usage or volume charges, we recommend a single rate for each service that recovers the remaining portion of system costs not recovered in the monthly readiness-to-serve charges. Variables rates recover the remaining costs of the Utility from customers in proportion to their monthly use.

Table E1 on the following page presents the impact to an individually metered or single-family residential customer of the recommended rate structure for FY 2015 that embodies the modifications identified above as well as the identified water and wastewater revenue increases from Table E2 as compared to the FY 2014 rates. The table highlights the typical usage of a single-family residential customer at 6,000 gallons per month and demonstrates that with the rate structure modifications, that customer would see only a 4.7% increase as compared to an 8.5% increase that would otherwise occur if the Utility's FY 2015 required increase in revenue was recovered via increases to the existing rate structure. A schedule of the water and sewer rates recommended for FY 2015 as well as additional customer impact tables are included in Appendix B of this report.

Table E1: Recommended Plan of Water and Sewer Rate Revenue Increases

5/8" Meter	FY 2014 - Existing Rate Structure			FY 2015 - New Rate Structure			$ Change	% Change
Usage (TGAL)	Water	Sewer	Total	Water	Sewer	Total		
0	$ -	$ 6.60	$ 6.60	$ 3.57	$ 10.27	$ 13.84	$ 7.24	109.7%
2	$ 6.74	$ 20.08	$ 26.82	$ 8.61	$ 24.09	$ 32.70	$ 5.88	21.9%
4	$ 13.48	$ 33.56	$ 47.04	$ 13.65	$ 37.91	$ 51.56	$ 4.52	9.6%
6	**$ 20.22**	**$ 47.04**	**$ 67.26**	**$ 18.69**	**$ 51.73**	**$ 70.42**	**$ 3.16**	**4.7%**
8	$ 26.96	$ 60.52	$ 87.48	$ 23.73	$ 65.55	$ 89.28	$ 1.80	2.1%
10	$ 33.70	$ 74.00	$ 107.70	$ 28.77	$ 79.37	$ 108.14	$ 0.44	0.4%
15	$ 50.55	$ 107.70	$ 158.25	$ 41.37	$ 113.92	$ 155.29	$ (2.96)	-1.9%
20	$ 67.40	$ 141.40	$ 208.80	$ 53.97	$ 148.47	$ 202.44	$ (6.36)	-3.0%
30	$ 101.10	$ 208.80	$ 309.90	$ 79.17	$ 217.57	$ 296.74	$ (13.16)	-4.2%

E.4 REVENUE SUFFICIENCY ANLAYSIS

This analysis evaluated the sufficiency of the Utility's revenues to meet all of its current and projected financial requirements over a ten-year projection period and determined the level of rate revenue increases necessary in each year of the projection period to provide sufficient revenues to fund all of the Utility's cost requirements. With City staff, we thoroughly discussed the base data and assumptions of the analysis, and reviewed several alternative scenarios for the Utility. Through this process, we identified the recommended financial management plan and associated plan of annual water and sewer rate revenue increases presented herein to address the current and projected cost requirements of the Utility. The recommended financial management plan and corresponding plan of annual water and sewer rate revenue adjustments is based upon the revenue and expense information, beginning balances, and assumptions as described in Section 4 of this report. Appendix C includes detailed schedules presenting all components of the financial management plan, while the recommended five-year rate revenue adjustment plan is presented in the following table:

Table E2: Recommended Plan of Water and Sewer Rate Revenue Increases

	FY 15*	FY 16	FY 17	FY 18	FY 19
Effective Date	7/1/14	7/1/15	7/1/16	7/1/17	7/1/18
Water Rate Revenue Increases	8.50%	8.50%	3.50%	3.50%	3.50%
Sewer Rate Revenue Increases	8.50%	8.50%	3.50%	3.50%	3.50%
Combined Rate Revenue Increase	8.50%	8.50%	3.50%	3.50%	3.50%

* FY 2015 increase achieved within recommended rate structure adjustments identified in Section 3 of this report, which significantly reduces the impact to average/typical users.

E.5 OTHER FEES & CHARGES

The City currently charges miscellaneous service charges for the provision of specific services to individual customers. Service initiation (turn-on) fees and service disconnection (turn-off) fees are examples of services for which the City has specific charges. The intent of miscellaneous service charges is to ensure the recipient of the benefit of a specific service bears the costs associated with providing that service.

Burton & Associates created a cost-of-service template to be used for each miscellaneous service charge listed in the City's code of ordinances and/or rate resolutions, as well as any new charges the City may wish to consider. This template provided a consistent methodology for assigning the appropriate time and material costs necessary for providing each service (see Appendix D for a screen capture of the template). Upon completion of the templates for each service, City staff will identify any adjustments to the current schedule of fees as well as potential new fees for consideration by the City Council at a later date as part of a proposed ordinance and/or resolution revision.

As part of the Study, Burton & Associates also developed system development charges (SDCs) for the City's water and sewer systems. A system development charge (SDC) is a one-time charge paid by a customer for its share of the initial cost of system capacity. Such charges are the mechanism by which growth can "pay its own way" and minimize the extent to which existing residents must bear the cost of facilities that will be used to serve new residents. In general, SDCs are based upon the costs for major backbone infrastructure components that are necessary to provide service to all customers including water supply facilities, raw water transmission, treatment facilities, pumping facilities, storage tanks, and major treated-water transmission mains.

The City currently assesses capital tap fees of $1,000 for the water and sewer systems, respectively, to recover these types of costs from new customers, and imposes its tap fees as a flat charge for each new connection. However, it is common industry practice to assess or collect SDCs based upon the potential demands of each new individual customer. As such, we would recommend that the City assess/collect SDCs based upon meter size (or estimated use for certain non-residential properties if available at the time

of connection). Using meter size is well established as a good measure for estimating the potential demands placed on the system by each new customer. Moreover, the use of meter size accounts for changes in potential water demands from redevelopment, if the redevelopment requires a larger meter size for additional capacity. Lastly, the use of meter size is a very common method of applying SDCs that is very easy to administer.

Based upon discussions with City staff, we calculated SDCs based upon the replacement cost new less depreciation of the City's existing major water and sewer system components. This approach is commonly employed in situations where growth can be accommodated by the current capacity of the system and the CIP does not contain a significant number of projects that will provide additional system capacity.

The following schedule presents the recommended water and sewer SDCs developed as part of the Study.

RECOMMENDED SYSTEM DEVELOPMENT CHARGES

METER SIZES	AWWA Max Cap. Flow Rates (gpm)	Equivalency/ ERC Factor	WATER	SEWER
5/8"	20	1.0	$ 200	$ 3,700
1"	50	2.5	$ 500	$ 9,250
1-1/4"*	75	3.8	$ 760	$ 14,060
1-1/2"	100	5.0	$ 1,000	$ 18,500
2"	160	8.0	$ 1,600	$ 29,600
3"	320	16.0	$ 3,200	$ 59,200
4"	500	25.0	$ 5,000	$ 92,500
6"	1000	50.0	$ 10,000	$ 185,000
8"	1600	80.0	$ 16,000	$ 296,000
10"	2300	115.0	$ 23,000	$ 425,500
12"	4300	215.0	$ 43,000	$ 795,500
Gallons per Day per Residential Connection			600	200
Charge per Gallon per Day of Estimated Demand			$ 0.33	$ 18.50

* AWWA Manual M-22 does not show 1-1/4" meters. As such GPM interpolated.

SECTION 1. INTRODUCTION

Burton & Associates has conducted a comprehensive Water & Sewer Cost of Service Rate Study (Study) for the City of Manistee's Water & Sewer Utility System (Utility). This report describes in detail the assumptions, procedures, and results of the Study, including our conclusions and recommendations.

1.1 BACKGROUND

On December 12, 2013, the City of Manistee (City) issued a request for proposals from qualified and experienced consultants to perform a water and sanitary sewer utility rate study for users inside and outside the City limits. The study was to (i) determine the cost of serving users of various users within the City as well as within different service areas outside of the City, (ii) recommend a rate structure to fairly and equitably recover the cost of service, (iii) develop specific rates and plans of future adjustments based upon the current and projected cost requirements of the Utility; and (iv) provide a methodology for the City to update the future rate adjustments requirements of the Utility to ensure adequate revenues to meet its ongoing financial requirements.

Burton & Associates was selected through the City's competitive bid process to conduct the study, and is pleased to present this Final Report which identifies the objectives, approach, methodologies, source data, assumptions, as well as the findings and recommendations of the requested study.

1.2 OBJECTIVES

Perform a Cost of Service Allocation – Conduct a detailed cost of service allocation based upon principles as outlined by the American Water Works Association (AWWA) and other generally accepted industry practices in order to determine the proper allocation of costs between 1) the water and sewer systems and 2) between the users of each system located within and outside of the City.

Perform a Rate Structure Analysis – Develop modifications, as appropriate, to ensure that the City's water and sewer rates conform to accepted industry practice and reflect the appropriate distribution of system costs, while achieving its policy objectives, such as fiscal stability and affordability, to the greatest extent possible.

Perform a Revenue Sufficiency Analysis – Develop and populate a multi-year forecasting model for the City's Water & Sewer Enterprise Fund that will determine the level of annual revenue required to satisfy projected annual operating, debt service (including coverage), and capital cost requirements as well as maintain adequate operating reserves.

Assist in the Update & Development of Other Charges – Assist City staff in identifying the cost of providing miscellaneous services to serve as the basis for potential adjustment to these charges. In addition, the Study included the calculation of water and sewer system development charges intended to recover the initial cost of capacity for the City's backbone infrastructure that will be utilized to serve new connections in the future.

1.3 GENERAL METHODOLOGY

This section presents our methodology used to conduct the Study. To begin the Study, we first performed a detailed cost of service allocation analysis based upon the FY 2014 Budget of the Utility in order to properly understand and assess the current cost of service and revenue requirements of the system as well as the usage characteristics of its various customers. Once all costs were properly allocated, we then developed a recommended rate structure for the City's water and sewer services that would be applied to all customers, with different levels of rates applicable to each type of customer based upon the results of the cost of service analysis. Using this approach, we were able to clearly identify and review with City staff and its stakeholders the impacts of the results of the cost of service allocation and recommended rate structure on a revenue-neutral basis.

Upon completion of the cost allocation and rate structure analyses, we then developed a multi-year financial management plan and corresponding projection of rate adjustments that would be applied to the new rate structure in FY 2015 and beyond. This portion of

the Study was conducted using the revenue sufficiency and financial planning module of our proprietary FAMS-XL© modeling system. We customized our module to reflect the financial dynamics, flow of funds, and most current data available for the Utility in order to develop a long-term financial management plan for the Utility, inclusive of projected annual revenue requirements and corresponding annual rate adjustments. The revenue sufficiency module developed for the Utility is expected to be used by the City for its use in evaluating the revenue sufficiency of the enterprise fund in the future.

Lastly, we assisted City staff in the update and development of other miscellaneous charges. First, we provided City staff with a cost of service template that can be used to identify the specific cost of providing certain miscellaneous services, such as reconnects, meter tests, etc. in order to evaluate whether any adjustments may be required to the Utility's current miscellaneous fees and charges. Second, we also developed system development charges that would be applicable to new service connections in order to recover the initial cost of capacity for the Utility's backbone infrastructure that will be used to serve new connections in the future.

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SECTION 2. COST OF SERVICE ALLOCATION

A core component to the Study was the completion of a cost of service allocation (COSA) that would identify the allocation of the Utility's current cost of service and revenue requirements to customers both inside and outside of the City. The following sub-sections present a description of the methodology employed in conducting the COSA, as well as the resulting cost allocations to each type or classification of customer.

2.1 DESCRIPTION

The purpose of a cost of service analysis is to equitably distribute the revenue requirements between the various customers served. A cost of service analysis determines what cost differences exist between serving various customers. In establishing cost-based water and sewer rates, it is important to understand that published industry practices/methodologies outline the basic elements involved in cost allocation and rate-setting and identify a number of alternative procedures for allocating costs and formulating rates based upon various conditions and requirements. By understanding a variety of industry accepted practices and methodologies, cost-based rates can be created that reflect the unique characteristics of a utility and the values of its community.

Consistent with the City's request, we regularly employ well-established industry practices for these types of studies as recognized by the American Water Works Association (AWWA). The AWWA publishes a number of manuals intended to assist communities in a variety of areas, including the establishment of a cost-based rates. In this regard, the AWWA has published two manuals identifying general ratemaking practices and principles; Manual M1: Principles of Water Rates, Fees, and Charges (M1), and Manual M54: Developing Rates for Small Systems (M54). The fundamental difference between approaches presented within M1 and M54 is as follows:

M1 – Costs are first allocated to individual functions or activities (such as supply, treatment, transmission, meters/services, etc.), with the cost of each function then being distributed to the appropriate cost components (such as average day demands, max day

demands, peak hour demands, customers, etc.). The specific units of service for each customer class are then used to distribute the costs of each component, recognizing that some of the units of service for customers are empirically determined based upon meter size or billed usage history, and some are based upon other data sources (such as peak hour demands and max day demands[1]). After costs are allocated to the various types of customers, specific rates can be developed for each type or classification of customer.

The M54 Approach – Costs are less granularly allocated to customer classes through rate structure. In this approach, data readily available from utility billing systems, such as meter size, dwelling units, and annual and monthly customer usage characteristics, are used to establish rate structures that more generally apportion costs to customer classes.

For communities of similar size to the City, we often utilize the ratemaking principles and practices outlined in M54. However, in this particular instance we utilized the more detailed principles and practices embodied within M1 due a number of factors, including the availability of high quality detailed information, the absence of any prior detailed cost of service analysis, and the equity concerns raised by some of the City's stakeholders.

Within M1, there are two generally accepted methodologies for conducting cost-of-service studies. They are called the base-extra capacity method and the commodity-demand method. The functionalization, allocation, and distribution process of the base-extra capacity and commodity-demand methodologies are generally considered fair and equitable because both approaches result in a distribution of costs to customers that are in proportion to their respective contributions to each of the cost components of the system.

The decision as to which method to use is based upon the unique circumstances of each utility. The base-extra capacity method and the commodity demand method result in roughly comparable charges for service if customer class peaking factors do not vary significantly, and assuming that all cost components are properly allocated. It has been

[1] Peak hour and max day demands are not recorded by class because all customers are metered monthly and peak hour and max day usage specificity by customer class is not determinable from historical empirical usage data and has to be imputed from other available data and industry sources.

our experience that of the two methodologies, the base-extra capacity method is more commonly utilized. Based upon consideration of the foregoing and our understanding of the Utility, we selected the base-extra capacity method for the COSA presented herein, with certain adjustments based upon the City's unique characteristics and available data.

Lastly, when allocating the costs of service between inside-city and outside-city customers, government-owned utility systems should give special consideration to factors such as the facilities required, the extent and nature of service, ownership, risk, and other special items. General approaches to this situation (which were employed in the COSA performed for the City) are the use of the utility basis of ratemaking to assign appropriate cost responsibility to outside customers as well as specific adjustments to the cost of service for facilities specifically benefitting users outside of the City. In this particular case, additional adjustments were made recognizing prior contributions made to the Utility from another funding source collected from customers located inside the City.

2.2 PROCESS

The COSA was based upon Utility's FY 2014 Budget and included the following steps:

- Step 1: Allocate the Utility's costs to the water and sewer systems (See Section 2.3.1 and Schedules 2, 3, 6, and 7 of Appendix A)

- Step 2: Allocate the costs of each system to the appropriate activities/functions (See Section 2.3.2 and Schedules 4, 5, 8, and 9 of Appendix A):
  - Water: Supply, Treatment, Distribution, Meters/Services
  - Sewer: Meters/Services, Collection, Treatment & Disposal

- Step 3: Allocate the costs of each function to the appropriate cost component(s) (See Section 2.3.3 and Schedules 10, 11, 13, and 14 of Appendix A):
  - Average day demand, max day demand, peak hour demand, customers

- Step 4: Identify customer classes (See Section 2.3.4):
  - Inside City, Outside City (Manistee & Filer Township), Large User (Oaks)

- Step 5: Identify units of service for each customer class for each cost component (See Schedules 17, 18, 19, 21, 23, and 24 of Appendix A)

- Step 6: Develop unit costs of service for each cost component by dividing the total costs for each cost component by the respective total units of service for all classes of customer (See Schedules 12 and 15 of Appendix A)

- Step 7: Distribute costs to customer classes based upon the calculated unit cost of service for each cost component and the units of service for each respective class (See Schedules 20 and 22 of Appendix A)

- Step 8: Adjust the Utility's cost requirements to reflect the utility basis of ratemaking (i.e. remove debt service and include depreciation and rate of return) (See Section 2.3.5 and Schedules 20 and 22 of Appendix A)

- Step 9: Adjust customer class allocations to reflect system-specific adjustments (See Sections 2.3.6 and 2.3.7 as well as Schedules 20 and 22 of Appendix A):
  - Prior contributions (Oil & Gas Fund) provided by Inside City users
  - Specific facilities serving Outside City users

- Step 10: Deduct the Outside City and Large User cost of service from the total revenue requirement of each system to determine the Inside City revenue requirement (See Section 2.4 and Schedules 20 and 22 of Appendix A)

- Step 11: Divide the revenue requirement by billed volume for each class of customer to determine the cost of service differential to be reflected in the recommended rate structure for Outside City users (See Section 2.4 and Schedules 20 and 22 of Appendix A)

The following section presents a summary of the key components and results of the COSA performed as part of the Study. Appendix A of this report includes detailed supporting schedules that identify the cost allocations supporting the recommended rate differentials for each class of customer developed in the Study.

2.3 COMPONENTS OF THE ANALYSIS

The following presents summaries of the key components of the COSA:

2.3.1 Water & Sewer System Cost Allocations

The debt service expenses for each outstanding debt, the individual operating expense line items within each department of the FY 2014 Budget, and each asset within the accounting system of the City for the Utility were specifically allocated between the water and sewer systems. City staff provided the specific basis of allocations for each debt issuance based upon the projects funded from each issuance. Operating expenses within certain departments were directly assigned to each system, such as the expenses within Water Operations department were assigned to the water system and expenses within the Sewer – WWTP department were directly assigned to the sewer system. The expenses of the Administration and General departments were allocated between the two systems in proportion to the total operation and maintenance costs allocated to each system. The expenses within the Collection department were either directly assigned or allocated based upon detailed management estimates of staff time spent on each respective system.

Lastly each asset (and its associated amount of depreciation expenses) was either directly assigned to a system or allocated between the systems based upon a detailed review with City staff. City staff possessed a significant amount of institutional knowledge of the system and historical investments/improvements that they were able to supplement with supporting records and research as necessary.

In summary (see table on the following page for details), the COSA identified that a redistribution of revenue from water rates to sewer rates is required based upon the allocation of current costs between the respective systems.

FY 2014 Cost Allocation Summary

FY 14 Est. Revenue Collection			
Water	$	1,361,775	34.8%
Sewer	$	2,548,488	65.2%
Total Revenue	$	3,910,263	100.0%
FY 14 Cost Allocation			
Water	$	1,195,250	30.5%
Sewer	$	2,718,988	69.5%
Total Revenue	$	3,914,238	100.0%
FY 14 Revised Revenue $ Change			
Water	$	(166,525)	-12.2%
Sewer	$	170,500	6.7%
Total Revenue	$	3,974	0.1%

2.3.2 Water & Sewer System Functional Cost Allocation

The allocation of debt service, fixed assets (and associated depreciation expenses), and annual operating expenses to each system was then further distributed to the specific activities or functional components of service. For purposes of this analysis the functional components were identified as:

- Supply, Treatment, Distribution, Meters/Services for the water system
- Meters/Services, Collection, Treatment & Disposal for the sewer system

Similar to the allocation of costs between systems, the functional cost allocations of each system reflected a very detailed review process. City staff provided the specific basis of allocations for each debt issuance based upon the types of projects funded from each issuance. Expenses within the Water Operations department were either directly assigned or allocated based upon detailed management estimates of staff time spent on each respective function. The expenses of the Administration and General departments were allocated to the functions in proportion to the total operation and maintenance costs allocated to each function. The expenses within the Collection department were either directly assigned or allocated based upon detailed management estimates of staff time spent on each respective function. Lastly each asset (and its associated amount of

depreciation expenses) was either directly assigned to a function or allocated between functions based upon a detailed review with City staff that was supplemented with additional supporting records and research as appropriate.

2.3.3 Distribution of Costs of Each Function to Cost Components

The COSA utilized distributed the costs of each function for the water and sewer systems to the following cost components:

- Average day demand, max day demand, peak hour demand, customers

The following table presents an illustration of how the cost of each function for the water and sewer systems is distributed to the each of the identified cost components. The supporting schedules within Appendix A present the detailed allocations of the cost of each function to each cost component for both the water and sewer systems.

Cost Allocation Framework: Mapping of Functions & Cost Components

Service	Water	Sewer
Function		
A	Source of Supply	Meters/Services
B	Treatment	Collection System
C	Distribution	Treatment
D	Meters/Services	Disposal

WATER				
Function	Base Capacity - Avg Day	Extra Capacity - Max Day	Extra Capacity - Peak Hour	Customer
Source of Supply	X			
Treatment	X	X		
Distribution	X	X	X	
Meters/Services				X

SEWER				
Function	Volume - Avg Day	Extra Capacity - Max Day	Extra Capacity - Peak Hour	Customer
Meters/Services				X
Collection System	X	X	X	
Treatment	X	X		
Disposal	X			

2.3.4 Determination of Customer Classes

In establishing customer classes, utilities consider a number of factors, including service characteristics, facility requirements, demand patterns, and location in regard to jurisdictional boundaries (i.e. inside vs. outside municipal limits). Service characteristic differences include large-volume industrial customers, wholesale customers, and other large users that are often served directly from major transmission mains (such as the Oaks Prison in the City's case), whereas smaller users are served by both large and small distribution and collection mains. Similarly, there can be differences in demand patterns between various types of customers. For example, the residential customer class (the majority of the users inside the City), that has summer lawn irrigation demands, typically has a much higher peak-demand requirement than do businesses (such as those located in Manistee and Filer Townships, outside the City's boundaries), which may require water on a more uniform basis throughout the year.

Based upon consideration of the factors presented herein, the service agreement in place with the City's largest user (the Oaks Prison), and available data, we have identified the following customer classes for purposes of this Study:

- Inside City (inclusive of residential and commercial customers)
- Outside City (all customers served within Manistee & Filer Townships)
- Large User (the Oaks Prison)

While the City was able to produce a significant amount of detailed data, the City was not able to easily produce the detailed information needed for a base-extra capacity analysis that would allow for separate residential and commercial customer classes. Moreover, given that the City presently has and desires to maintain a single-uniform rate structure applicable to all customers and that its makeup is predominantly residential customers inside the City and non-residential users outside the City, no further customer classifications were determined to be necessary to provide equitable and cost-based rates.

In addition, it is important to note that the City has several individual customers it serves directly in both Manistee and Filer Townships, for which it was able to provide a significant amount of detailed information. We performed the COSA relying upon the detailed information for each of these users provided by the City (as evidenced in certain

of the supporting schedules presented in Appendix A). However, normally utilities would not establish individual rates for each customer outside of its jurisdictional boundaries, but would instead aggregate all users outside the boundaries into a single outside-city customer class as was done in this Study. If in the future, either of the townships were to become wholesale users of the City, whereby they would utilize a master-meter for service from the City and the Townships would assume responsibility for directly serving each customer in their respective jurisdictions, it may be appropriate for the City to consider establishing an additional Wholesale User customer class.

Lastly, due to the nature of the service characteristics and terms of the negotiated contract with the Oaks Prison, the COSA established a separate class of customer referred to as the Large User class. As such, the COSA was performed using the observed billing information and service characteristics for the Oaks Prison as well as the minimum flow requirements and pricing provisions from the contract as appropriate.

2.3.5 Use of Utility Basis of Ratemaking

The utility-basis of ratemaking (i.e. operating expenses, transfers, depreciation, and rate of return) is often used to set rates for outside-city customers as opposed to the cash-needs basis of ratemaking (i.e. operating expenses, transfers, debt service, and capital improvements). In fact, in some states, the use of the utility-basis of ratemaking is a legal requirement for setting outside-city rates. As a result, it is common practice for government-owned utilities to use a combination of cash-needs and utility-basis of ratemaking in order to ensure recovery of the revenue requirements of the system and achieve a fair and equitable distribution of system costs to their users.

While there are variations on how to combine the two ratemaking approaches, the most common approach (as was used in the conduct of this Study) begins by establishing the total revenue requirements for the utility (for inside and outside-city customers) using the cash-needs approach. The revenue requirements for customers located outside the jurisdictional boundaries of the utility are then determined using the utility-basis of ratemaking. Because the utility must meet all of its cash-needs revenue requirements, the utility-basis of ratemaking revenue requirement for outside-city users is then deducted

from the total system revenue requirement on a cash-needs basis in order to determine the remaining revenue requirement to be recovered from inside-city users.

The basis for using the combined approach is that given their owner status and associated risks and responsibilities, the owners of the Utility are entitled to a reasonable and fair return from non-owner customers for their investment and delivery of services. This return is a cost component included in the utility-basis of ratemaking revenue requirements, and for outside-city customers, this return is charged within their revenue requirement in addition to their proportionate share of operating expenses, transfers, and depreciation expenses. The result is an approach that recognizes an appropriate and fair rate of return allocable to non-owner customers, while ensuring recovery of the full revenue requirement of the Utility.

2.3.6 Rate of Return

The basis for earning a fair rate of return is, in part, based on differences in risk between inside-city and outside-city customers of the system. With limited exceptions, the service to customers outside the city may not be unilaterally withdrawn, requiring essentially a permanent (capital and operating resource) investment by the municipality to service outside-city customers. Municipalities extending outside-city services are ultimately responsible for paying all operating expenses and capital costs incurred by the utility, and bear the risk of tort liability and civil penalties related to system operations and construction activities. Moreover, municipal utility debt obligations persist though outside-city customers may elect to discontinue service from the municipality, effectively stranding investments in capacity made to deliver services to customers outside the city.

Under the utility-basis of ratemaking approach, the calculation of an acceptable rate of return is required. A weighted cost of capital analysis is the generally accepted method for determining a rate of return that considers a utility's weighted cost of debt and equity. The first component of the weighted cost of capital and the rate of return is the imbedded interest rate of 2.93% for the outstanding debt of the Utility. For the second component, a risk-free rate of return of 3.71% (the then-current 30-year US Treasury Bond Yield at the time of the analysis), plus a 3% risk premium was used to determine the Utility's return on equity of 6.71%. Based upon the net book value of the Utility's assets and the

portion of assets funded with debt, the Utility's overall rate of return was calculated to be 3.84%, which was then applied to its net book value in order to determine the return on investment cost component of the utility-basis of ratemaking reflected in the COSA.

2.3.7 Adjustments to Cost of Service Allocations to Customer Classes

From 1983 through 2014, the City made almost $6.2 million of contributions to the Utility from its Oil & Gas Fund that were generated within the City limits. As such, the COSA reflects an adjustment to the calculation of the utility-basis of ratemaking revenue requirements to recognize those contributions as a credit to cost of service to inside-city users, thereby resulting in a slightly greater allocation of depreciation and rate of return expenses to outside-city users.

Similarly, an important element of determining outside-city costs is identifying specific investments in facilities dedicated to serving these customers. In this particular case, we worked closely with City staff to identify the specific facilities serving outside-city customers, including their associated costs, in order to directly assign the depreciation and return on investment expenses of those facilities to outside-city users. In making these direct cost assignments of specific facilities to outside-city users, we then deducted the allocation of depreciation and return on investment expenses for the Utility's other similar infrastructure in order to avoid an over-assignment of costs to outside-city users.

2.4 RESULTS

Ultimately, the COSA identified the allocation of costs to each class of customer that was then converted to a cost per thousand gallons for each class of customer. The cost per thousand gallons for the Outside City and Large User customer classes were then compared to that of the Inside City class to identify the cost of service differential for those classes (see the table below for a summary and Appendix A for details).

Customer Class	Water	Sewer
Outside City Users	118%	254%
Large User (Oaks)	70%	107%

The Outside City Users cost of service differential for each system is then applied to the recommended rate structures for the water and sewer systems in order to have a uniform rate structure, but with the level of rates based upon the cost of service differential for the customer class. It is important to note that the level of rate differential used in establishing rates for the Large User class (i.e. the Oaks Prison) is based upon the terms of the unique negotiated contract with the City as opposed to the results of the COSA.

SECTION 3. RATE STRUCTURE ANALYSIS

Upon completion of the COSA, we developed a recommended rate structure that i) fairly and equitably recover the Utility's current cost of service and revenue requirements for each customer class, ii) conforms to accepted industry practice, iii) provides fiscal stability and recovery of fixed costs of the system, and iv) maintains affordability to low volume and average users to the greatest extent possible. The following sub-sections present a description of the basis of the recommended rate structure, specific rate schedules based upon the rate structure recommendations for implementation in FY 2015, as well as the customer impacts of the specific rates recommended for FY 2015.

3.1 BASIS OF ANALYSIS

The recommended rate structure presented was developed based upon consideration of a number of factors, including:

- Fair and equitable distribution of costs to customers
- Conformance to industry practice and legal precedent
- Technically sound and easy to administer
- Fiscal stability
- Affordability

The recommended rate structure and resulting rates are intended for implementation on 7/1/14 (i.e. FY 2015) and embody the recommended FY 2015 rate revenue increase of 8.50% identified in the revenue sufficiency analysis presented in this report.

Moreover, the recommended rate structure presented herein is intended to be a uniform rate structure for all customers, with a differential in rates for the Outside City and Large User customer classes based upon the results of the COSA and terms of the negotiated contract, respectively. Such an approach is well founded in historical precedence, is administratively simple, and is generally better understood by stakeholders.

Lastly, it is important to note that the new rate structure is intended to recover the annual cost of service for the Utility (which includes a cost of ownership transfer to the General Fund as discussed in Section 4.2), and as such, would replace the existing charges for service currently in place, including usage rates, debt charges, PILT fees, capital charges, and other similar fees. The new rate structure, however, would not affect the collection of any one-time, up-front charges, such as system development charges, tap fees, meter/service installation fees, inspection fees, connection fees, etc.

3.2 RECOMMENDED RATE STRUCTURE

Common industry practice for water and sewer utilities is a two-part rate structure comprised of both fixed and variable charges. Generally accepted practice recovers a portion of the costs of the system in a fixed monthly readiness-to-serve charge, recognizing that utilities have substantial investments in capacity-related costs and other fixed costs that are incurred year-round to maintain a state of readiness to meet peak demands when they occur. The amount of system cost recovery in fixed monthly charges versus variable is unique to each community's balance of fiscal stability, philosophy regarding cost recovery, and affordability objectives.

As the City presently has no fixed monthly charge for water service, and a very small charge for sewer service, establishing more traditional levels of fixed monthly readiness-to-serve charges is difficult from a customer impact and affordability perspective. As such, we are recommending the City establish initial readiness-to-serve charges for the water and sewer systems based upon 50% of the extra-capacity related costs as identified in the COSA for each respective system. This results in just over 20% of the annual revenue requirements of the Utility being recovered in fixed monthly charges. In the future, the City should consider increasing the level of cost recovery in its fixed monthly readiness-to-serve charges to be at least 30% of its annual revenue requirements, which is more in line with our industry experience and the guidance of municipal ratings agencies.

Consistent with accepted ratemaking practice, we recommend differentiating monthly readiness-to-serve charges based upon the potential usage characteristics of each customer. Specifically, we recommend that customers with larger meters should have

monthly charges scaled by meter size based upon the maximum capacity flow rates as published by the AWWA (as is common industry practice).

In addition, it is also our recommendation that the City apply the water system readiness-to-serve charges to separate irrigation meters. The water system incurs a substantial amount of fixed capacity related costs associated with serving the potential demands each meter places on the system, including irrigation meters. The readiness-to-serve charge was developed to recover a portion of the water system's capacity related costs associated with meeting peak demands during the summer months, which irrigation meters contribute significantly to. As the water system has been sized to meet the peak demands of its users (including irrigation usage), recovering all or a portion of the costs associated with meeting these demands from a monthly readiness-to-serve charge applicable to each meter (including irrigation meters) based upon its size is appropriate.

Finally, as it relates to usage or volume charges, we recommend a single rate for each service that recovers the remaining portion of system costs not recovered in the monthly readiness-to-serve charges. Variables rates recover the remaining costs of the water and sewer systems from customers in proportion to their monthly use of each system.

3.3 FY 2015 RATE SCHEDULES

Based upon the results of the COSA, the features of the recommended rate structure described herein, as well as the FY 2015 revenue requirements of the Utility, we have prepared the following schedules of the FY 2015 recommended readiness-to-serve and volume charges for water and sewer service for each class of customer.

Water Rates FY 2015 Revenue Requirement

Monthly Readiness-to-Serve Schedule	Inside	Outside	Large User
5/8"	$ 3.57	$ 4.22	$ 7.14
1"	$ 8.93	$ 10.55	$ 17.85
1 1/4"	$ 12.50	$ 14.77	$ 24.99
1 1/2"	$ 17.85	$ 21.10	$ 35.70
2"	$ 28.56	$ 33.76	$ 57.12
3"	$ 57.12	$ 67.52	$ 114.24
4"	$ 89.25	$ 105.50	$ 178.50
6"	$178.50	$ 211.00	$ 357.00

Monthly Volume Rate Schedule / TGAL	$ 2.52	$ 2.98	$ 5.04

Sewer Rates FY 2015 Revenue Requirement

Monthly Readiness-to-Serve Schedule	Inside	Outside	Large User
5/8"	$ 10.27	$ 26.03	$ 20.54
1"	$ 25.68	$ 65.08	$ 51.35
1 1/4"	$ 35.95	$ 91.11	$ 71.89
1 1/2"	$ 51.35	$ 130.15	$ 102.70
2"	$ 82.16	$ 208.24	$ 164.32
3"	$164.32	$ 416.48	$ 328.64
4"	$256.75	$ 650.75	$ 513.50
6"	$513.50	$ 1,301.50	$ 1,027.00

Monthly Volume Rate Schedule / TGAL	$ 6.91	$ 17.52	$ 13.82

3.4 CUSTOMER IMPACT ANALYSIS

In considering implementation of the recommended water and sewer rates presented herein, it is important to examine the impact that those rates will have upon the monthly bill of the Utility's customers. Implementation of the recommended rates will impact customers with different usage patterns differently.

Appendix B includes very detailed customer impact analyses for the Utility's various types of customers, while the following table presents the impacts to typical individually-metered residential customers inside the City.

5/8" Meter	FY 2014 - Existing Rate Structure			FY 2015 - New Rate Structure			$ Change	% Change
Usage (TGAL)	Water	Sewer	Total	Water	Sewer	Total		
0	$ -	$ 6.60	$ 6.60	$ 3.57	$ 10.27	$ 13.84	$ 7.24	109.7%
2	$ 6.74	$ 20.08	$ 26.82	$ 8.61	$ 24.09	$ 32.70	$ 5.88	21.9%
4	$ 13.48	$ 33.56	$ 47.04	$ 13.65	$ 37.91	$ 51.56	$ 4.52	9.6%
6	**$ 20.22**	**$ 47.04**	**$ 67.26**	**$ 18.69**	**$ 51.73**	**$ 70.42**	**$ 3.16**	**4.7%**
8	$ 26.96	$ 60.52	$ 87.48	$ 23.73	$ 65.55	$ 89.28	$ 1.80	2.1%
10	$ 33.70	$ 74.00	$ 107.70	$ 28.77	$ 79.37	$ 108.14	$ 0.44	0.4%
15	$ 50.55	$ 107.70	$ 158.25	$ 41.37	$ 113.92	$ 155.29	$ (2.96)	-1.9%
20	$ 67.40	$ 141.40	$ 208.80	$ 53.97	$ 148.47	$ 202.44	$ (6.36)	-3.0%
30	$ 101.10	$ 208.80	$ 309.90	$ 79.17	$ 217.57	$ 296.74	$ (13.16)	-4.2%

It is important to note when reviewing any customer impacts presented in this report that absent any rate structure changes, the Utility's existing FY 2014 rates would need to increase by 8.50% in FY 2015 per the revenue sufficiency analysis presented herein. As such, the increase to the monthly bill of the City's typical residential user (6,000 gallons per month) of $3.16 or 4.7% increase in FY 2015 with the recommended rate structure presented herein should be considered against a $5.72 or 8.50% increase to the monthly bill that would otherwise be required if no rate structure adjustments were made.

SECTION 4. REVENUE SUFFICIENCY ANALYSIS

4.1 DESCRIPTION

This section presents the financial management plan and corresponding plan of water and sewer rate adjustments developed in the revenue sufficiency analysis (RSA) that was conducted as part of the Study. The following sub-sections of the report present a description of the base data, assumptions, and policies reflected in the RSA, as well as the results of the RSA. Appendix C includes detailed schedules supporting the financial management plan identified herein for the Utility.

During the RSA we reviewed alternative multi-year financial management plans and corresponding water and sewer rate revenue adjustment plans through several interactive work sessions with City staff. During these work sessions we examined the impact of various inputs or assumptions upon key financial indicators by use of graphical representations projected on a large viewing screen from our computer rate models. In this way, we developed the recommended financial management plan and corresponding plan of annual water and sewer rate revenue adjustments presented in this report that will allow the Utility to fund its cost requirements throughout the projection period and meet its financial performance goals and objectives.

In order to initialize the RSA, we obtained the City's historical and budgeted financial information regarding the operation of the Utility. We also obtained the Utility's multi-year capital improvement program (CIP), including annual renewal and replacement requirements. We documented the Utility's current debt service obligations and covenants, or promises made to bond holders or other lenders, relative to net income coverage requirements, reserves, etc. We also counseled with City staff regarding other assumptions and policies that would affect the financial performance of the Utility, such as demands and customer growth, debt coverage levels, levels of operating reserves, earnings on invested funds, escalation rates for operating costs, etc.

All of this information was entered into the financial module of our proprietary Financial Analysis and Management System (FAMS-XL©) interactive modeling system. This module of FAMS-XL© produced a ten-year projection of the sufficiency of the Utility's revenues to meet all of its current and projected financial requirements and determined the level of rate revenue increases necessary in each year of the projection period to provide sufficient revenues to fund all of the Utility's cost requirements.

The revenue sufficiency and financial planning module of FAMS-XL© utilizes all projected available funds in each year of the projection period to pay for capital projects. The model is set up to reflect the rules of cash application as defined and applied by City staff, and it produces a detailed summary of the funding sources to be used for each project in the CIP. To the extent that current revenues and unrestricted reserves are not adequate to fund all capital projects in any year of the projection period, the model identifies a borrowing requirement to fund those projects, or portions thereof that are determined to be eligible for borrowing. In this way the FAMS-XL© model is used to develop a borrowing program that includes the required borrowing amount by year and the resultant annual debt service requirements for each year in the projection period.

4.2 SOURCE DATA

The following presents the key source data relied upon in conducting the RSA:

Beginning Fund Balances

The Statement of Net Assets within the Financial Statements and Independent Auditor's Report for the Fiscal Year Ended June 30, 2013 was used to establish the beginning FY 2014 balances for each of the various funds of the Utility.

Revenues

The revenues utilized in the RSA reflect an evaluation of multiple years of historical results, 8 months of FY 2014 results, the Preliminary FY 2015 Budget, and the historical billing information for each customer class. Revenues consist of rate revenue, interest income, and other minor revenue from miscellaneous service charges. Rate revenue is based upon FY 2013 billing statistics and the recommended rate structure presented

herein, adjusted to reflect changes in revenue based upon expected changes in customers (i.e. assumed customer growth as well as losses of certain outside city users[2]). Projections of all other revenues were based upon the Preliminary FY 2015 Budget, excluding interest income (which was calculated annually based upon projected average fund balances and assumed interest rates).

Operating Expenditures

The Utility's operating expenditures include all operating and maintenance expenses, transfers, debt service requirements, and minor capital outlay. The RSA based operating expenditure projections on the individual expense categories and expenses amounts within the Preliminary FY 2015 Budget, adjusted annually based upon assumed cost escalation factors that were reviewed with City staff (with the exception of annual debt service expenses which reflect the repayment schedules of each outstanding bond/loan).

General Fund Transfer

The RSA includes an annual transfer to the City's General Fund that is calculated as a percentage of the Utility's annual revenues. This transfer is included to recognize i) that the City would otherwise receive compensation if the Utility were privately-owned, such as property taxes and franchise fees, and ii) other intangible costs incurred by the City associated with ownership of the Utility, such as risk/liability and reduced property values for Utility land as well as neighboring/adjacent parcels.

This type of transfer is recognized by the AWWA as a legitimate cost of service for municipal utility systems and is widely utilized by municipalities across the country. It has been our experience that such transfers generally equate to somewhere in the range of 5 to 10% of a utility system's annual revenues. Based upon our industry experience and the City's current/expected level of revenue from PILT and other similar charges from outside-city users that would be eliminated under the new rate structure presented herein,

[2] Notable customer changes for FY 2015 include the addition of Meijer and the loss of sewer service to the Manistee County Jail, West Shore Hospital, and the Medical Care facilities in Manistee Township.

the RSA reflects an annual cost of ownership transfer equal to 4% of annual revenues that would be recovered from all customers of the Utility.

Existing Debt Service

The annual repayment schedules for each outstanding revenue bond/loan and State Revolving Fund (SRF) loans were provided by and discussed in detail with City staff.

Capital Improvement Program

City staff provided the CIP in project level detail from FY 2014 through FY 2019. Beginning in FY 2016, the RSA includes an annual cost inflation factor of 3.0% (based upon recent increases observed in the Engineering News Record Construction Cost Index) to account for the inflation in the future cost of construction.

For the remainder of the projection period (FY 2020 – FY 2024), future levels of annual capital spending were identified by year based upon discussions with City staff. It is important to note that the planned capital spending reflected in this Study was developed in consideration of the Utility's outstanding debt. Specifically, the annual capital spending is lower in the near-term until certain debts are repaid, at which point the annual capital spending increases. This was done in order to moderate the level of rate adjustment requirements to the greatest extent possible without compromising the integrity of the Utility's infrastructure.

In total, the CIP (including inflation) from FY 2014 – FY 2024 is slightly more than $10 million. A list of projects and costs by year is included on Schedule 4 of Appendix C. It is important to note that the analysis does include total grant reimbursements of $150,000 in FY 2017 for i) the $100,000 of estimated cost for the Design of Basin/BOD project, and ii) 30% of the $150,000 of Sewer I&I Suppression projects identified in the CIP.

4.3 ASSUMPTIONS

The following presents the key assumptions utilized in the conduct of the RSA.

Cost Escalation

Annual cost escalation factors for the various types of operating and maintenance expenses were developed based upon a review of historical trends, our industry experience, and detailed discussions with City staff. The specific escalation factors assumed for the various categories of expenses can be seen on Schedule 2 of Appendix C.

Interest Earnings on Invested Funds

The RSA reflects interest earnings on invested funds at a rate of 0.13% in FY 2014, 0.25% in FY 2015, 0.50% in FY 2016, 1.00% in FY 2017, 1.50% in FY 2018, and 2.00% in FY 2019 and each year thereafter.

Growth

Based upon a review of recent historical account data and discussions with City staff, the RSA reflects the following growth assumptions:

- Water System: 7 new connections per year.
- Sewer System: 5 new connections per year.

It is important to note that these growth assumptions are in addition to FY 2015 specific adjustments that account for the addition of water and sewer service to Meijer and the loss of sewer service to the Manistee County Jail, West Shore Hospital, and Medical Care Facility (all within Manistee Township).

Minimum Operating Reserve Balance

The financial management plan presented in this report assumes that the Utility will maintain a minimum fund balance in its operating fund equal to at least 35% of annual operations and maintenance (O&M) expenses. This level of reserve is consistent with 1) our industry experience for similar systems, 2) the findings of reserve studies conducted by the AWWA, and 3) a "Good" level of reserves for a municipal utility system per the evaluation criteria published by the municipal utility ratings agency, Standard & Poor's.

Future Borrowing Assumptions

The RSA reflects an assumed borrowing in FY 2015 to provide proceeds of $3.6 million for near-term capital improvement funding. Based upon discussions with City staff and the City's financial advisor, the new debt is assumed to carry the following terms:

Table 1. FY 2015 Borrowing Assumptions

Term:	20 Years
Debt Service Reserve:	1 Yr. of Debt Service
Capitalized Interest:	1 Year
Cost of Issuance:	2.0% of Par
Interest Rate:	4.25%

Due to the use of capitalized interest, the annual debt service of approximately $315,000 for the new borrowing does not become a part of the Utility's annual revenue requirements until FY 2016.

Debt Service and Coverage

Arguably one of the most important rate covenants in the Utility's outstanding bond/loan agreements is that its net income must be at least at least 1.25 times its annual debt service requirements.

It is important to note that this covenant (often referred to as a debt service coverage requirement) represents the Utility's minimum requirements. Should the Utility be unable to meet these requirements, it could be found in technical default. This would result in the Utility facing a downgrade in its credit rating, which would affect the interest rate and terms of any future financing initiatives. As a policy decision, utilities often measure revenue sufficiency and set rates based upon a higher debt service coverage level so as to ensure compliance with these type of covenants in the event future projections of revenue and expenses do not occur as predicted (due to extended drought conditions, unanticipated capital requirements or operating cost increases, natural disasters, etc.). As such, the financial management plan presented herein reflects a minimum debt service coverage ratio of 1.50 throughout the projection period, which is indicative of a "Strong" utility system per the evaluation criteria published by the municipal utility ratings agency, Standard & Poor's.

4.4 RESULTS

Based upon the data, assumptions, and policies presented herein, the Utility's current rates will not provide sufficient revenue to meet its ongoing debt service, capital, and operating cost requirements over a multi-year projection period. As such the RSA developed a financial management plan and corresponding plan of water and sewer rate revenue increases that will meet the Utility's current and projected cost requirements. Appendix C of this report includes several detailed schedules presenting all components of the financial management plan, while the recommended five-year rate revenue adjustment plan is presented in the following table:

Table 1. Recommended Plan of Water and Sewer Rate Revenue Increases

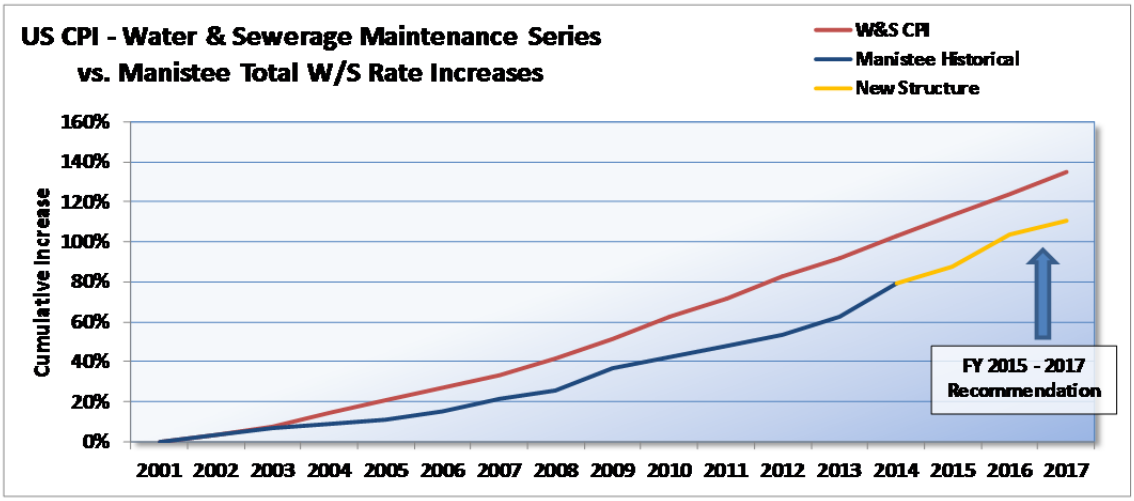
	FY 15*	FY 16	FY 17	FY 18	FY 19
Effective Date	7/1/14	7/1/15	7/1/16	7/1/17	7/1/18
Water Rate Revenue Increases	8.50%	8.50%	3.50%	3.50%	3.50%
Sewer Rate Revenue Increases	8.50%	8.50%	3.50%	3.50%	3.50%
Combined Rate Revenue Increase	8.50%	8.50%	3.50%	3.50%	3.50%

* FY 2015 increase achieved within recommended rate structure adjustments identified in Section 3 of this report, which significantly reduces the impact to average/typical users

The recommended rate adjustments presented herein are very consistent with national trends and our local industry experience. The U.S. Consumer Price Index (CPI) Water & Sewerage Maintenance Series, which measures the average national change in the cost of water and sewer service to households, has risen at an average annual rate well over 6% during the past five years and has averaged approximately 6.0% annually over the past 10-year period. Moreover, many of our clients are presently experiencing rate increase requirements that are about 5% per year, on average.

The following chart presents a comparison of the cumulative impact of the City's historical increases to its typical residential user (6,000 gallons per month) for water and sewer service since 2001 through 2014, plus the increases resulting from the recommendations developed in this Study for 2015 through 2017 as compared against the Water & Sewerage Maintenance Series data for the same time period (which reflects an assumed increase of 6% per year for 2014 through 2017 based upon recent historical

trends). As can be seen the City's level of adjustments has been and is expected to continue to be noticeably below national industry trends.



SECTION 5. OTHER FEES & CHARGES

5.1 MISCELLANEOUS SERVICE CHARGES

The City currently charges miscellaneous service charges in relation to the provision of specific services to individual customers. Service initiation (turn-on) fees and service disconnection (turn-off) fees are examples of the types of miscellaneous services for which the City has specific charges. The intent of miscellaneous service charges is to ensure the recipient of the benefit of a specific service bears the costs associated with providing that service.

Miscellaneous service charges are typically calculated by determining the costs, including both the time and materials, necessary to provide the service. Identification of the type of employee(s) involved in providing the specific service (meter reader, service technician, billing clerk, customer service representative, etc.) and of the materials used (water meter, couplings, forms, vehicles, equipment, etc.) is the first step in developing the appropriate fee. The employee(s) cost, including any overhead allocations (i.e. fringe benefits) are then added to the costs of materials, including any overhead allocations (purchasing, warehousing, etc.) to determine the charge for each respective service.

Burton & Associates created a cost-of-service template to be used for each miscellaneous service charge listed in the City's code of ordinances and/or rate resolutions, as well as any new charges the City may wish to consider. This template provided a consistent methodology for assigning the appropriate time and material costs necessary for providing each service (see Appendix D for a screen capture of an example of the template). Upon completion of the templates for each service, City staff will identify any adjustments to the current schedule of fees as well as potential new fees for consideration by the City Council at a later date as part of a proposed ordinance and/or resolution revision.

5.2 SYSTEM DEVELOPMENT CHARGES

As part of the Study, Burton & Associates developed system development charges (SDCs) for the City's water and sewer systems. This section of the report presents the results of the analysis, including background information, legal requirements, an explanation of the calculation methodology employed, and results of the analysis.

5.2.1 Background

A system development charge (SDC) is a one-time charge paid by a new customer for system capacity, and is also often applied to existing customers requiring increased system capacity. Such charges are the mechanism by which growth can "pay its own way" and minimize the extent to which existing residents must bear the cost of facilities that will be used to serve new residents.

In general, SDCs are based upon the costs for major backbone infrastructure components that are necessary to provide service to all customers including water supply facilities, raw water transmission, treatment facilities, pumping facilities, storage tanks, and major treated-water transmission mains. The City currently assesses capital tap fees of $1,000 for the water and sewer systems, respectively, to recover these types of costs from new customers. SDCs are also commonly termed as impact fees, capacity fees, expansion charges, capital tap fees, or connection charges, and for purposes of this report, the use of any of these terms is interchangeable with SDCs.

5.2.2 Legal Considerations

Common legal considerations we have observed relative to SDCs based upon our industry experience are that SDCs must 1) bear a reasonable relationship to the benefit received by those who pay it, 2) must not exceed the proportional share of the cost of facilities or services needed to serve new development and must include credits for contributions the development will make toward deferring that cost, and 3) must be earmarked and expended in such a way as to ensure that those paying the fee receive benefit from that payment.

In summary, various court systems and state legislative initiatives have addressed three fundamental areas associated with the development of SDCs. These areas include: 1) "fair share" allocations dealing with payment of SDCs by the affected property owners, 2) "rational nexus" standards, which focus on the expenditure or purpose of the SDCs, and 3) "credit" allowances, which recognize offsets in the calculation of SDCs.

The "fair share" allocations would require that a SDC should only be used for capital expenditures that are attributable to new growth. Additionally the "fair share" allocation principles recognize that the cost of facilities used by both existing customers and new development must be apportioned between the two user groups, such that the user groups are treated equally and one group does not subsidize the other.

The "rational nexus" standards require that there is a reasonable relationship between the need for capital facilities and the benefits received by new customers for which the SDC will be expended. There are two general conditions that limit where and when SDCs can be collected and used. With respect to the first condition, although there is no specific limit as to distance between an applicant paying the SDC and the capital expenditure to be constructed by the charge, there should be a general geographical relationship between charge collection and use. The second nexus condition recognizes that the property must receive a benefit from the service for which the SDC is being applied. With respect to the water and sewer SDCs, the water and sewer facilities are used by and constructed on behalf of all the customers of the City, and they benefit both residential and commercial customers. As such, all new growth requesting capacity from the City (either water and/or sewer) should be subject to SDCs.

The "credit" allowances recognize that if a public agency has received property in the form of cost-free capital or if there is another revenue source that will be used for the capital expenditures necessitated by new growth, a credit should be included within the development of SDCs. Specifically, "credits" should be determined as part of calculating SDCs to recognize any grants, contributions by developers, assessments, and other sources that provide funds for the same capital expenditures included in the SDCs to avoid a double-recovery of costs.

5.2.3 General Methodology

There are three primary approaches to the calculation of SDCs. The first approach, which was employed in this update, is to determine the replacement cost of each system's major functional components as the cost basis for the impact fee calculation. This approach is most appropriate for a system with considerable excess capacity such that most new connections to the system will be served by that existing excess capacity.

The second approach is to use the portion of the multi-year CIP associated with the provision of additional system capacity by functional system component as the cost basis for the calculation of SDCs. This approach is most appropriate where 1) the existing system has virtually no excess capacity to accommodate growth, and 2) the CIP has a significant number of projects that provide additional system capacity for each functional system component to be representative of the cost of capacity for an entire system.

The third approach is to use a combination of the two approaches described above. This approach is most appropriate when 1) there is excess capacity in the current system that will accommodate some growth, but additional capacity requirements are reflected in each system's CIP, and 2) the CIP includes projects that will provide additional system capacity, but does not necessarily have a sufficient amount of projects in each functional area to be reflective of a total system.

The first approach was used for the City because growth can be accommodated by the current capacity of the system and the CIP does not contain a significant number of projects that will provide additional system capacity.

5.2.4 Basis of the Analysis

The first step in calculating water and sewer SDCs was to determine the capacity cost for each major system function: water supply/treatment, water transmission, sewer conveyance, and sewer treatment/disposal. The cost basis for the update was the replacement cost new less depreciation of the City's existing major water and sewer system components.

5.2.5 Capacity Costs

The City provided its current asset inventory as of FY 2013 that included a description, year in service, original cost, and useful life for each system asset. These assets were then classified by each major system function and a replacement cost new less depreciation was calculated for each asset record using the data provided by the City and the Engineering News Record Construction Cost Index.

Once the capacity costs were identified, two adjustments were then made to those costs. The first adjustment deducted the amount of costs historically and estimated to be received or funded from other sources, such as grants. The second adjustment added the interest costs for the portion of capacity costs that have been funded with debt.

Relative to the second adjustment, a subsequent credit was included for the net present value of the debt service that will be recovered in user fees after new customers connect to the Utility to avoid double recovery of debt-funded costs. Upon connection to the water and/or sewer systems, new customers will begin to receive services and will pay the rates associated with those services. The rates for those services recover the principal and interest payments (debt service) associated with the debt incurred to fund the capital costs of the water and sewer systems. Therefore, in order to avoid a double recovery of those capital costs in the SDCs and user fees, a credit was calculated based upon the net present value of the annual debt service (through the term of the debt) that the average connection will pay after connecting to the water and sewer systems, respectively.

5.2.6 Capacities & ERC Determination

The capacities in million gallons per day (MGD) provided by the capital costs for each system were then identified and discussed with City staff. These capacities by functional component were converted to equivalent residential connections (ERCs) for water and sewer based upon defined ERC usage factors of 600[3] gallons per day (gpd) for water and

[3] 600 gpd represents the peak demand per ERC corresponding to the water plant peak/max day capacity used in this analysis. The historical max day demands for the water system are approximately three times greater than average day demands. As such, a factor of three was applied to the 200 gpd per ERC average day demand used for the sewer system to establish the peak demand per ERC for the water system.

200 gpd for sewer. The capacity costs identified for each system were then divided by the capacity of each system in ERCs to determine the capacity cost per ERC. It is important to note that prior to determining the final SDCs per ERC, a reduction was made to the capacity cost per ERC as an allowance for estimation and contingencies as an additional measure of conservatism to enhance the defensibility of the calculated SDCs presented herein in the event of a future legal challenge.

5.2.7 Charge Amounts

The chart below presents the calculated water and sewer SDCs based upon the cost and capacity data provided by the City as compared against the Utility's current tap fees:

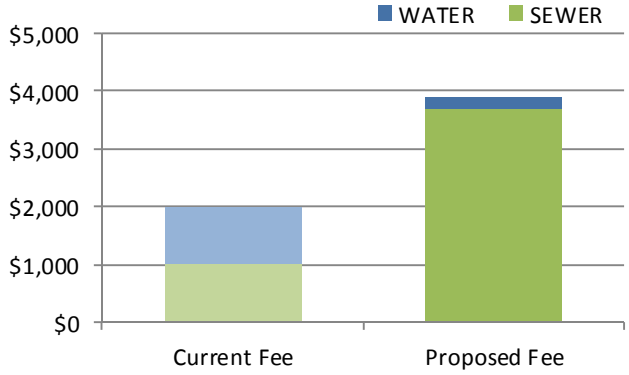
Total System Development Charge

Current	
Water Tap Fee	**$1,000**
Sewer Tap Fee	**$1,000**
Total Tap Fees	**$2,000**

Proposed	
Water System Development Charge	**$200**
Sewer System Development Charge	**$3,700**
Proposed System Development Charges	**$3,900**

Dollar Change	**$1,900**
Percent Change	**95.0%**

Total System Charges



It is important to note that the City has discretion regarding the percentage of cost recovery utilized in the establishment of SDCs. The SDCs can recover any amount up to but not in excess of the full cost recovery amounts identified herein. Adoption of SDCs at full cost recovery would lessen the pressure on user fees or rates by providing more revenue to pay for expansion-related capital costs, thus reducing the debt to be recovered in the user fee rates that would otherwise be necessary to fund those costs. However, the City has discretion to adopt any amount up to 100% of the amounts identified herein.

5.2.8 Method of Collection

The City currently imposes its water and sewer tap fees as a flat charge for each new connection. However, it is common industry practice to assess or collect SDCs based upon the potential demands of each new individual customer. As such the most common methods for SDC collection include meter size, fixture units, dwelling units, and water use estimates based upon the specific property use (for example the water demand estimate for a restaurant may be based a number of gallons per day for each seat).

As such, we would recommend that the City assess/collect SDCs based upon meter size (or estimated use for certain non-residential properties if available at the time of connection). Using meter size is well established as a good measure for estimating the potential demands placed on the system by each new customer. Moreover, the use of meter size will also account for changes in potential water demands from redevelopment, if the redevelopment requires a larger meter size for additional capacity. Lastly, the use of meter size is a very common method of collecting/assessing SDCs that is very easy to administer and apply.

The following schedule presents the recommended water and sewer SDCs based upon the updated amounts identified herein and the recommended basis of collection.

RECOMMENDED SYSTEM DEVELOPMENT CHARGES

METER SIZES	AWWA Max Cap. Flow Rates (gpm)	Equivalency/ ERC Factor	WATER	SEWER
5/8"	20	1.0	$ 200	$ 3,700
1"	50	2.5	$ 500	$ 9,250
1-1/4"*	75	3.8	$ 760	$ 14,060
1-1/2"	100	5.0	$ 1,000	$ 18,500
2"	160	8.0	$ 1,600	$ 29,600
3"	320	16.0	$ 3,200	$ 59,200
4"	500	25.0	$ 5,000	$ 92,500
6"	1000	50.0	$ 10,000	$ 185,000
8"	1600	80.0	$ 16,000	$ 296,000
10"	2300	115.0	$ 23,000	$ 425,500
12"	4300	215.0	$ 43,000	$ 795,500
Gallons per Day per Residential Connection			600	200
Charge per Gallon per Day of Estimated Demand			$ 0.33	$ 18.50

* AWWA Manual M-22 does not show 1-1/4" meters. As such GPM interpolated.

Appendix A – Supporting Schedule for the COSA

Cost Allocation Framework: Mapping of Functions & Cost Components

Schedule 1

Service	Water	Sewer
Function		
A	Source of Supply	Meters/Services
B	Treatment	Collection System
C	Distribution	Treatment
D	Meters/Services	Disposal

WATER

Function	Base Capacity - Avg Day	Extra Capacity - Max Day	Extra Capacity - Peak Hour	Customer
Source of Supply	X			
Treatment	X	X		
Distribution	X	X	X	
Meters/Services				X

SEWER

Function	Volume - Avg Day	Extra Capacity - Max Day	Extra Capacity - Peak Hour	Customer
Meters/Services				X
Collection System	X	X	X	
Treatment	X	X		
Disposal	X			

Current & Historical Operating & Debt Service Expenses

Schedule 2

	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Projected	2014 Budget	ADJ.	FY 2014 COSA
541 ADMINISTRATION											
702.000 Salaries	34,756	36,612	36,991	37,004	37,665	37,477	38,504	69,037	111,961		111,961
703.000 Longevity	625	625	625	625	625	498	-	-	-		-
704.000 Overtime	827	517	1,267	1,081	386	997	745	1,200	1,200		1,200
706.000 Part-Time	-	-	-	-	-	-	-	-	-		-
708.000 V\S\H Sellback	-	-	-	-	-	-	-	-	-		-
712.001 Costs - Social Security	2,163	2,214	2,374	2,485	2,480	2,391	2,502	4,629	7,530		7,530
712.002 Costs - Medicare	506	518	555	581	580	559	585	1,083	1,761		1,761
712.004 Costs - ICMA Contribution	-	-	-	-	-	-	-	-	-		-
712.005 Costs - MERS Contribution	-	-	613	1,157	1,539	2,156	2,698	4,429	8,295		8,295
712.006 Costs - In Lieu of BC/BS	-	-	-	-	-	-	-	-	-		-
712.007 Costs - SUTA	6	5	5	37	158	208	358	537	500		500
712.009 Costs - Workers Compsensation	132	146	158	129	171	96	151	1,128	2,603		2,603
712.010 Costs - Blue Cross Insurance	12,916	12,719	16,838	12,704	14,506	14,341	9,658	13,500	20,902		20,902
712.011 Costs - Life Insurance	78	73	129	132	174	156	79	79	79		79
712.012 HRA Payments	-	-	-	-	-	2,554	9,647	3,781	5,220		5,220
728.000 Operating Expense	6,857	11,263	9,841	8,701	8,743	9,955	14,727	10,500	11,000		11,000
735.000 Periodicals & Publications	-	-	-	-	-	61	-	250	500		500
801.000 Professional Services	-	772	974	-	544	59	675	500	150		150
806.000 Administration	155,000	150,000	180,000	210,000	199,076	235,000	248,000	277,000	236,836		236,836
831.000 Contractual Repairs & Maint.	-	18	314	344	1,177	496	542	4,300	4,300		4,300
850.000 Phone	19,092	21,309	25,225	27,741	33,237	29,106	32,219	7,000	8,000		8,000
860.000 Travel & Training Expense	26	62	62	196	115	216	68	1,400	2,500		2,500
870.000 Membership & Dues	-	-	-	-	-	-	-	75	300		300
873.000 Education	-	-	-	-	-	-	-	-	-		-
874.000 Retiree BCBS	-	-	-	-	-	-	-	-	-		-
900.000 Printing\Publishing	3,096	1,402	2,387	4,811	5,734	6,120	3,281	5,500	6,000		6,000
930.000 Repairs & Maintenance	-	-	-	-	-	-	-	-	-		-
959.000 Bad Debt	852	-	-	-	-	-	-	-	-		-
960.000 Bank Charges	4,060	5,105	5,385	5,372	7,296	10,248	9,743	7,000	7,000		7,000
970.000 Capital Outlay (Expense)	-	-	-	-	-	2,918	-	1,000	1,000		1,000
541 Admin Capital Outlay	-	-	-	-	-	-	-	-	-		-
											-
541 ADMINISTRATION EXPENSES	**240,991**	**243,361**	**283,744**	**313,100**	**314,206**	**355,614**	**374,183**	**413,929**	**437,638**	**-**	**437,638**

Current & Historical Operating & Debt Service Expenses

Schedule 2

	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Projected	2014 Budget	ADJ.	FY 2014 COSA
542 WATER OPERATION											
702.000 Salaries	115,724	115,750	110,768	122,931	125,052	125,476	130,207	129,326	127,662		127,662
703.000 Longevity	1,175	1,225	1,275	1,325	1,375	827	-	-	-		-
704.000 Overtime	9,056	11,122	11,862	11,945	11,297	12,248	10,640	8,000	6,000		6,000
706.000 Part Time	-	-	-	-	-	-	-	-	-		-
708.000 V\S\H Sellback	-	-	-	593	2,076	-	-	-	2,000		2,000
712.001 Costs - Social Security	6,850	7,593	7,424	8,230	8,584	8,142	8,639	8,485	8,360		8,360
712.002 Costs - Medicare	1,602	1,776	1,736	1,925	2,008	1,904	2,020	1,984	1,955		1,955
712.004 Costs - ICMA Contribution	-	-	-	-	-	-	-	-	-		-
712.005 Costs - MERS Contribution	-	-	-	-	-	7,083	5,444	-	-		-
712.006 Costs - In Lieu of BC/BS	-	-	-	-	-	-	-	-	-		-
712.007 Costs - SUTA	19	16	16	111	475	624	1,074	600	750		750
712.009 Costs - Workers Compsensation	2,956	3,282	3,625	3,476	4,728	2,650	4,180	4,379	4,530		4,530
712.010 Costs - Blue Cross Insurance	33,083	34,612	37,229	37,507	50,809	42,787	34,914	27,800	30,348		30,348
712.011 Costs - Life Insurance	235	219	386	395	521	468	238	238	238		238
712.012 HRA Payments	-	-	-	-	-	7,514	9,984	7,562	7,562		7,562
715.000 Uniform & Cleaning Allowance	195	132	1,175	397	581	518	439	800	1,155		1,155
728.000 Operating Expense	2,461	5,383	4,390	2,922	1,769	3,044	3,508	3,000	4,000		4,000
745.000 Chemicals	33,179	30,454	35,212	50,891	43,217	39,594	27,076	40,000	35,500		35,500
750.000 Meters	18,135	25,285	39,762	18,995	16,823	7,004	21,924	18,000	24,000		24,000
770.000 Vehicle Gas	5,379	5,471	7,519	3,389	3,165	5,701	7,648	7,000	6,500		6,500
801.000 Professional Services	4,800	6,656	13,838	35,736	32,969	19,231	7,503	12,000	15,000		15,000
822.000 Insurance	-	3,064	2,872	2,657	3,268	2,665	2,708	3,000	3,500		3,500
824.000 Lab Testing	11,665	6,400	6,483	4,886	9,084	6,549	6,367	7,500	9,000		9,000
831.000 Contractual Repairs & Maint	2,897	3,314	16,823	9,488	14,130	13,831	20,938	25,000	21,000		21,000
860.000 Travel & Training Expense	1,637	4,945	921	2,244	1,683	735	1,357	2,500	2,500		2,500
870.000 Membership & Dues	-	-	424	557	504	300	601	525	525		525
873.000 Education	2,914	-	-	-	-	-	-	-	-		-
874.000 Costs - Retiree BCBS	3,000	3,000	3,000	2,750	1,000	-	-	-	-		-
920.000 Gas	-	-	-	-	-	-	-	-	-		-
925.000 Electric	59,071	61,344	59,080	63,762	72,506	62,339	66,289	50,000	62,000		62,000
930.000 Repairs & Maintenance	69,418	34,209	81,989	51,542	42,838	82,985	32,104	70,000	57,000		57,000
957.000 Motor Pool	36,000	30,000	31,500	33,075	34,398	34,398	34,398	35,000	35,000		35,000
970.000 Capital Outlay (expense)	3,290	-	11,169	10,779	16,116	2,645	6,079	-	-		-
542 Water Capital Outlay	-	-	-	-	-	55,191	262,959	20,000	48,000		48,000
542 WATER OPERATION EXPENSES	**424,741**	**395,251**	**490,478**	**482,508**	**500,974**	**546,452**	**709,237**	**482,700**	**514,085**	**-**	**514,085**

Current & Historical Operating & Debt Service Expenses

Schedule 2

	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Projected	2014 Budget	ADJ.	FY 2014 COSA
543 SEWER - WWTP											
702.000 Salaries	195,819	205,112	218,582	224,818	211,189	165,637	167,294	170,379	170,090		170,090
703.000 Longevity	1,400	1,325	1,425	1,525	1,625	659	-	-	-		-
704.000 Overtime	11,400	17,631	15,473	7,694	6,939	10,498	9,493	9,000	7,000		7,000
706.000 Part Time	-	-	-	-	-	-	-	-	-		-
708.000 V\S\H Sellback	-	-	516	545	12,570	370	-	5,000	2,000		2,000
712.001 Costs - Social Security	12,752	13,670	14,928	14,863	14,752	10,402	10,821	10,983	11,166		11,166
712.002 Costs - Medicare	2,983	3,197	3,491	3,476	3,450	2,433	2,531	2,569	2,611		2,611
712.004 Costs - ICMA Contribution	1,995	-	-	-	-	-	-	-	-		-
712.005 Costs - MERS Contribution	1,633	1,739	2,855	3,824	3,058	9,477	7,258	-	-		-
712.006 Costs - In Lieu of BC/BS	-	7,110	7,783	4,250	3,610	-	-	-	-		-
712.007 Costs - SUTA	31	33	27	185	792	832	1,433	1,000	999		999
712.009 Costs - Workers Compsensation	4,484	4,330	4,713	3,698	5,368	2,168	3,433	3,788	3,962		3,962
712.010 Costs - Blue Cross Insurance	50,243	33,575	30,693	30,893	34,230	32,670	25,607	27,500	19,328		19,328
712.011 Costs - Life Insurance	723	708	886	955	1,112	624	317	317	317		317
712.012 HRA Payments	-	-	-	-	-	7,022	1,192	4,000	7,562		7,562
715.000 Uniform & Cleaning Allowance	2,716	2,216	2,631	2,227	2,169	2,249	2,372	3,000	3,208		3,208
728.000 Operating Expense	23,286	29,420	30,706	27,881	25,677	18,777	19,688	25,000	25,000		25,000
745.000 Chemicals	33,682	43,945	40,359	22,857	30,551	21,760	25,307	30,000	30,000		30,000
770.000 Vehicle Gas	9,525	11,864	16,688	10,966	7,048	6,428	5,530	7,200	7,200		7,200
801.000 Professional Services	31,153	27,901	43,024	13,653	10,580	38,139	31,941	12,000	21,500		21,500
822.000 Insurance	12,105	16,683	12,083	22,344	28,066	26,465	25,417	22,000	29,000		29,000
824.000 Lab Testing	6,662	14,502	8,326	8,190	10,607	8,927	10,189	11,000	10,900		10,900
831.000 Contractual Repairs & Maint.	43,366	48,266	51,813	44,779	53,360	55,907	51,797	60,000	60,000		60,000
860.000 Travel & Training Expense	3,008	4,140	2,692	2,985	3,800	4,683	3,523	4,000	4,000		4,000
870.000 Membership & Dues	-	-	-	-	-	-	-	450	450		450
873.000 Education	-	-	-	-	-	-	-	-	-		-
874.000 Costs - Retiree BCBS	-	-	-	-	750	3,000	1,000	-	-		-
920.000 Gas	16,368	16,751	20,670	19,340	22,348	21,575	18,542	21,000	21,000		21,000
925.000 Electric	63,768	82,806	84,316	86,735	98,188	116,225	116,497	117,000	117,000		117,000
930.000 Repairs & Maintenance	84,820	72,668	88,528	73,140	63,896	76,806	68,038	75,000	117,500		117,500
931.000 Repairs & Maintenance - Buildings	-	-	-	-	13,040	-	-	-	-		-
957.000 Motor Pool	30,000	30,000	31,500	33,075	34,398	34,398	34,398	35,000	35,000		35,000
970.000 Capital Outlay (expense)	3,155	23,801	16,603	5,242	11,957	1,107	2,870	-	-		-
543 WWTP Capital Outlay	-	-	-	-	-	112,962	381,994	8,000	41,000		41,000
543 SEWER - WWTP EXPENSES	**647,079**	**713,394**	**751,310**	**670,140**	**715,128**	**792,200**	**1,028,482**	**665,185**	**747,794**	**-**	**747,794**

Current & Historical Operating & Debt Service Expenses

Schedule 2

	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Projected	2014 Budget	ADJ.	FY 2014 COSA
544 SEWER COLLECTION											
702.000 Salaries	78,164	75,665	77,189	58,633	76,696	75,094	65,613	80,196	80,998		80,998
703.000 Longevity	1,175	1,200	1,225	1,375	775	96	-	-	-		-
704.000 Overtime	3,733	4,359	8,095	6,675	5,440	10,304	3,385	3,500	3,500		3,500
706.000 Part Time	-	-	-	-	-	-	-	-	-		-
708.000 V\S\H Sellback	-	-	-	2,224	2,965	8,752	907	2,500	2,500		2,500
712.001 Costs - Social Security	4,803	4,874	5,263	4,303	5,308	5,657	4,143	5,397	5,448		5,448
712.002 Costs - Medicare	1,123	1,140	1,231	1,006	1,241	1,323	969	1,262	1,274		1,274
712.004 Costs - ICMA Contribution	-	-	-	-	-	-	-	-	-		-
712.005 Costs - MERS Contribution	-	-	-	-	-	4,421	3,629	-	-		-
712.006 Costs - In Lieu of BC/BS	-	-	-	1,563	-	-	-	-	-		-
712.007 Costs - SUTA	13	11	11	61	317	416	716	500	500		500
712.009 Costs - Workers Compsensation	2,596	2,574	2,759	1,601	2,486	1,514	1,950	2,646	2,800		2,800
712.010 Costs - Blue Cross Insurance	23,353	21,778	23,498	15,112	27,176	20,517	18,011	21,500	22,913		22,913
712.011 Costs - Life Insurance	157	146	281	214	311	312	119	158	158		158
712.012 HRA Payments	-	-	-	-	-	2,369	2,245	4,000	5,755		5,755
715.000 Uniform & Cleaning Allowance	3,575	3,934	1,091	1,148	1,096	1,187	946	1,390	1,432		1,432
728.000 Operating Expense	120	1,126	5,517	4,886	1,759	1,555	563	2,000	2,500		2,500
745.000 Chemicals	1,107	-	-	-	7,500	-	-	5,000	8,000		8,000
770.000 Vehicle Gas	-	-	-	-	-	-	-	-	-		-
801.000 Professional Services	272	183	21,768	-	77,572	52,693	13,978	300,000	12,000		12,000
831.000 Contractual Repairs & Maint.	38,460	-	3,500	2,534	3,350	300	307	5,000	10,000		10,000
860.000 Travel & Training Expense	142	195	-	969	790	587	123	1,000	1,000		1,000
870.000 Membership & Dues	-	-	-	-	-	-	-	450	450		450
873.000 Education	-	-	-	-	-	-	-	-	-		-
874.000 Costs - Retiree BCBS	-	-	-	-	-	-	-	-	-		-
930.000 Repairs & Maintenance	13,609	18,299	49,937	24,111	22,598	17,033	12,693	16,000	13,000		13,000
957.000 Motor Pool	30,000	30,000	31,500	21,989	34,398	34,398	34,398	35,000	35,000		35,000
970.000 Capital Outlay (Expense)	16,549	10,000	13,712	-	9,113	-	6,230	-	-		-
544 Sewer Capital Outlay	-	-	-	-	-	4,130,177	1,178,829	-	-		-
544 SEWER COLLECTION EXPENSES	**218,950**	**175,483**	**246,576**	**148,404**	**280,891**	**4,368,704**	**1,349,753**	**487,500**	**209,229**	**-**	**209,229**

Current & Historical Operating & Debt Service Expenses (Source: Water & Sewer Fund Budget.xls, "Total" Tab)

Schedule 2

	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Projected	2014 Budget	ADJ.	FY 2014 COSA
100 GENERAL											
724.000 Accrued Absence Expense	-	-	-	-	-	-	-	-	-		-
799.000 Miscellaneous Expense	-	-	-	-	-	-	-	1,184	-		-
831.007 Abandoned Well Mngt Expenses	18,950	-	-	-	-	-	-	-	-		-
878.000 Retirement Fund Contribution	-	-	-	-	-	-	-	-	-		-
963.000 Amortization Expense	-	-	-	-	-	-	-	-	-		-
964.000 Refunds	-	-	-	-	-	-	-	-	-		-
968.000 Depreciation	-	-	-	-	-	-	-	-	-		-
999.000 Transfer Out	42,000	100,000	175,000	200,000	208,500	424,289	3,797,226	365,548	342,308		342,308
Normalizing Adjustment										49,162	49,162
Return on Investment											
100 GENERAL EXPENSES	**60,950**	**100,000**	**175,000**	**200,000**	**208,500**	**424,289**	**3,797,226**	**366,732**	**342,308**	**49,162**	**391,470**
574 BOND INTEREST											
960.000 Bank Charges	900	1,141	1,141	1,141	541	491	250	491	500		500
962.000 Accrued Interest Expense	-	-	-	-	-	-	-	-	-		-
963.000 Amortization Expense	-	-	-	-	-	-	-	-	-		-
995.002 1997 A Bond Interest	5,036	3,523	2,333	780	-	-	-	-	-		-
995.003 1997 B SRF Bond Interest	7,988	7,144	6,863	6,188	5,513	4,838	4,163	3,488	2,813		2,813
995.004 1998 A Bond Interest	30,625	20,808	13,523	4,600	-	-	-	-	-		-
995.005 1998 B SRF Bond Interest	43,088	38,939	37,519	34,650	31,669	28,631	25,538	22,388	19,181		19,181
995.006 1999 A Bond Interest	22,121	17,107	13,244	8,190	2,789	-	-	-	-		-
995.007 1999 B SRF Bond Interest	46,625	42,860	41,563	38,938	36,250	33,500	30,688	27,813	24,875		24,875
995.008 2005 Refunding Interest	203,874	249,025	245,189	243,726	237,920	225,583	210,258	193,851	174,345		174,345
995.009 2006 SRF Interest	-	21,442	40,966	41,556	40,906	38,874	36,843	34,812	32,699		32,699
995.010 2010 SRF Interest	-	-	-	-	-	-	15,451	15,455	15,875		15,875
995.011 2010 DWRF Interest	-	-	-	-	-	-	11,049	10,871	10,375		10,375
TRFOUT 2010 Cap Imp Interest	-	-	-	-	-	-	-	137,421	134,704		134,704
995.010 2011 SRF Interest	-	-	-	-	-	-	16,870	31,758	30,519		30,519
995.011 2011 DWRF Interest	-	-	-	-	-	-	5,084	10,738	10,314		10,314
300.003 1997 B SRF Bond Principal	-	-	-	-	-	-	30,000	30,000	30,000		30,000
300.005 1998 B SRF Bond Principal	-	-	-	-	-	-	140,000	140,000	145,000		145,000
300.007 1999 B SRF Bond Principal	-	-	-	-	-	-	115,000	115,000	120,000		120,000
300.008 2005 Refunding Principal	-	-	-	-	-	-	445,000	445,000	470,000		470,000
300.009 2006 SRF Principal	-	-	-	-	-	-	130,000	130,000	130,000		130,000
300.010 2010 SRF Principal	-	-	-	-	-	-	25,000	25,000	30,000		30,000
300.011 2010 DWRF Principal	-	-	-	-	-	-	20,000	20,000	20,000		20,000
TRFOUT 2010 Cap Imp Principal	-	-	-	-	-	-	-	134,610	137,822		137,822
300.010 2011 SRF Principal	-	-	-	-	-	-	55,000	55,000	55,000		55,000
300.011 2011 DWRF Principal	-	-	-	-	-	-	20,000	20,000	20,000		20,000
574 BOND INTEREST EXPENSES	**360,257**	**401,989**	**402,338**	**379,769**	**355,586**	**331,916**	**1,336,191**	**1,603,696**	**1,614,022**	**-**	**1,614,022**
TOTAL EXPENDITURES	**1,952,968**	**2,029,478**	**2,349,446**	**2,193,921**	**2,375,284**	**6,819,176**	**8,595,071**	**4,019,742**	**3,865,076**	**49,162**	**3,914,238**

Operating & Debt Service Expense Allocation Between Water & Sewer

Schedule 3

	Test Year COS	Allocation Basis/Factor	Water % Allocation	Sewer % Allocation	N/A	Water $ Allocation	Sewer $ Allocation
541 ADMINISTRATION							
702.000 Salaries	111,961	Indirect	37.36%	62.64%	-	41,828	70,132
703.000 Longevity	-	Indirect	37.36%	62.64%	-	-	-
704.000 Overtime	1,200	Indirect	37.36%	62.64%	-	448	752
706.000 Part-Time	-	Indirect	37.36%	62.64%	-	-	-
708.000 V\S\H Sellback	-	Indirect	37.36%	62.64%	-	-	-
712.001 Costs - Social Security	7,530	Indirect	37.36%	62.64%	-	2,813	4,717
712.002 Costs - Medicare	1,761	Indirect	37.36%	62.64%	-	658	1,103
712.004 Costs - ICMA Contribution	-	Indirect	37.36%	62.64%	-	-	-
712.005 Costs - MERS Contribution	8,295	Indirect	37.36%	62.64%	-	3,099	5,196
712.006 Costs - In Lieu of BC/BS	-	Indirect	37.36%	62.64%	-	-	-
712.007 Costs - SUTA	500	Indirect	37.36%	62.64%	-	187	313
712.009 Costs - Workers Compsensation	2,603	Indirect	37.36%	62.64%	-	973	1,631
712.010 Costs - Blue Cross Insurance	20,902	Indirect	37.36%	62.64%	-	7,809	13,093
712.011 Costs - Life Insurance	79	Indirect	37.36%	62.64%	-	30	50
712.012 HRA Payments	5,220	Indirect	37.36%	62.64%	-	1,950	3,270
728.000 Operating Expense	11,000	Indirect	37.36%	62.64%	-	4,110	6,890
735.000 Periodicals & Publications	500	Indirect	37.36%	62.64%	-	187	313
801.000 Professional Services	150	Indirect	37.36%	62.64%	-	56	94
806.000 Administration	236,836	Indirect	37.36%	62.64%	-	88,482	148,354
831.000 Contractual Repairs & Maint.	4,300	Indirect	37.36%	62.64%	-	1,606	2,694
850.000 Phone	8,000	Indirect	37.36%	62.64%	-	2,989	5,011
860.000 Travel & Training Expense	2,500	Indirect	37.36%	62.64%	-	934	1,566
870.000 Membership & Dues	300	Indirect	37.36%	62.64%	-	112	188
873.000 Education	-	Indirect	37.36%	62.64%	-	-	-
874.000 Retiree BCBS	-	Indirect	37.36%	62.64%	-	-	-
900.000 Printing\Publishing	6,000	Indirect	37.36%	62.64%	-	2,242	3,758
930.000 Repairs & Maintenance	-	Indirect	37.36%	62.64%	-	-	-
959.000 Bad Debt	-	Indirect	37.36%	62.64%	-	-	-
960.000 Bank Charges	7,000	Indirect	37.36%	62.64%	-	2,615	4,385
970.000 Capital Outlay (Expense)	1,000	Indirect	37.36%	62.64%	-	374	626
541 Admin Capital Outlay	-	Indirect	37.36%	62.64%	-	-	-
541 ADMINISTRATION EXPENSES	**437,638**				**-**	**163,501**	**274,136**

Operating & Debt Service Expense Allocation Between Water & Sewer

Schedule 3

	Test Year COS	Allocation Basis/Factor	Water % Allocation	Sewer % Allocation	N/A	Water $ Allocation	Sewer $ Allocation
542 WATER OPERATION							
702.000 Salaries	127,662	Direct	100.00%	0.00%	-	127,662	-
703.000 Longevity	-	Direct	100.00%	0.00%	-	-	-
704.000 Overtime	6,000	Direct	100.00%	0.00%	-	6,000	-
706.000 Part Time	-	Direct	100.00%	0.00%	-	-	-
708.000 V\S\H Sellback	2,000	Direct	100.00%	0.00%	-	2,000	-
712.001 Costs - Social Security	8,360	Direct	100.00%	0.00%	-	8,360	-
712.002 Costs - Medicare	1,955	Direct	100.00%	0.00%	-	1,955	-
712.004 Costs - ICMA Contribution	-	Direct	100.00%	0.00%	-	-	-
712.005 Costs - MERS Contribution	-	Direct	100.00%	0.00%	-	-	-
712.006 Costs - In Lieu of BC/BS	-	Direct	100.00%	0.00%	-	-	-
712.007 Costs - SUTA	750	Direct	100.00%	0.00%	-	750	-
712.009 Costs - Workers Compsensation	4,530	Direct	100.00%	0.00%	-	4,530	-
712.010 Costs - Blue Cross Insurance	30,348	Direct	100.00%	0.00%	-	30,348	-
712.011 Costs - Life Insurance	238	Direct	100.00%	0.00%	-	238	-
712.012 HRA Payments	7,562	Direct	100.00%	0.00%	-	7,562	-
715.000 Uniform & Cleaning Allowance	1,155	Direct	100.00%	0.00%	-	1,155	-
728.000 Operating Expense	4,000	Direct	100.00%	0.00%	-	4,000	-
745.000 Chemicals	35,500	Direct	100.00%	0.00%	-	35,500	-
750.000 Meters	24,000	Direct	100.00%	0.00%	-	24,000	-
770.000 Vehicle Gas	6,500	Direct	100.00%	0.00%	-	6,500	-
801.000 Professional Services	15,000	Direct	100.00%	0.00%	-	15,000	-
822.000 Insurance	3,500	Direct	100.00%	0.00%	-	3,500	-
824.000 Lab Testing	9,000	Direct	100.00%	0.00%	-	9,000	-
831.000 Contractual Repairs & Maint	21,000	Direct	100.00%	0.00%	-	21,000	-
860.000 Travel & Training Expense	2,500	Direct	100.00%	0.00%	-	2,500	-
870.000 Membership & Dues	525	Direct	100.00%	0.00%	-	525	-
873.000 Education	-	Direct	100.00%	0.00%	-	-	-
874.000 Costs - Retiree BCBS	-	Direct	100.00%	0.00%	-	-	-
920.000 Gas	-	Direct	100.00%	0.00%	-	-	-
925.000 Electric	62,000	Direct	100.00%	0.00%	-	62,000	-
930.000 Repairs & Maintenance	57,000	Direct	100.00%	0.00%	-	57,000	-
957.000 Motor Pool	35,000	Direct	100.00%	0.00%	-	35,000	-
970.000 Capital Outlay (expense)	-	Direct	100.00%	0.00%	-	-	-
542 Water Capital Outlay	48,000	Direct	100.00%	0.00%	-	48,000	-
542 WATER OPERATION EXPENSES	**514,085**				**-**	**514,085**	**-**

Operating & Debt Service Expense Allocation Between Water & Sewer

Schedule 3

	Test Year COS	Allocation Basis/Factor	Water % Allocation	Sewer % Allocation	N/A	Water $ Allocation	Sewer $ Allocation
543 SEWER - WWTP							
702.000 Salaries	170,090	Direct	0.00%	100.00%	-	-	170,090
703.000 Longevity	-	Direct	0.00%	100.00%	-	-	-
704.000 Overtime	7,000	Direct	0.00%	100.00%	-	-	7,000
706.000 Part Time	-	Direct	0.00%	100.00%	-	-	-
708.000 V\S\H Sellback	2,000	Direct	0.00%	100.00%	-	-	2,000
712.001 Costs - Social Security	11,166	Direct	0.00%	100.00%	-	-	11,166
712.002 Costs - Medicare	2,611	Direct	0.00%	100.00%	-	-	2,611
712.004 Costs - ICMA Contribution	-	Direct	0.00%	100.00%	-	-	-
712.005 Costs - MERS Contribution	-	Direct	0.00%	100.00%	-	-	-
712.006 Costs - In Lieu of BC/BS	-	Direct	0.00%	100.00%	-	-	-
712.007 Costs - SUTA	999	Direct	0.00%	100.00%	-	-	999
712.009 Costs - Workers Compsensation	3,962	Direct	0.00%	100.00%	-	-	3,962
712.010 Costs - Blue Cross Insurance	19,328	Direct	0.00%	100.00%	-	-	19,328
712.011 Costs - Life Insurance	317	Direct	0.00%	100.00%	-	-	317
712.012 HRA Payments	7,562	Direct	0.00%	100.00%	-	-	7,562
715.000 Uniform & Cleaning Allowance	3,208	Direct	0.00%	100.00%	-	-	3,208
728.000 Operating Expense	25,000	Direct	0.00%	100.00%	-	-	25,000
745.000 Chemicals	30,000	Direct	0.00%	100.00%	-	-	30,000
770.000 Vehicle Gas	7,200	Direct	0.00%	100.00%	-	-	7,200
801.000 Professional Services	21,500	Direct	0.00%	100.00%	-	-	21,500
822.000 Insurance	29,000	Direct	0.00%	100.00%	-	-	29,000
824.000 Lab Testing	10,900	Direct	0.00%	100.00%	-	-	10,900
831.000 Contractual Repairs & Maint.	60,000	Direct	0.00%	100.00%	-	-	60,000
860.000 Travel & Training Expense	4,000	Direct	0.00%	100.00%	-	-	4,000
870.000 Membership & Dues	450	Direct	0.00%	100.00%	-	-	450
873.000 Education	-	Direct	0.00%	100.00%	-	-	-
874.000 Costs - Retiree BCBS	-	Direct	0.00%	100.00%	-	-	-
920.000 Gas	21,000	Direct	0.00%	100.00%	-	-	21,000
925.000 Electric	117,000	Direct	0.00%	100.00%	-	-	117,000
930.000 Repairs & Maintenance	117,500	Direct	0.00%	100.00%	-	-	117,500
931.000 Repairs & Maintenance - Buildings	-	Direct	0.00%	100.00%	-	-	-
957.000 Motor Pool	35,000	Direct	0.00%	100.00%	-	-	35,000
970.000 Capital Outlay (expense)	-	Direct	0.00%	100.00%	-	-	-
543 WWTP Capital Outlay	41,000	Direct	0.00%	100.00%	-	-	41,000
543 SEWER - WWTP EXPENSES	**747,794**				**-**	**-**	**747,794**

Operating & Debt Service Expense Allocation Between Water & Sewer

Schedule 3

	Test Year COS	Allocation Basis/Factor	Water % Allocation	Sewer % Allocation	N/A	Water $ Allocation	Sewer $ Allocation
544 SEWER COLLECTION							
702.000 Salaries	80,998	Mgmnt. Staff Alloc.	20.00%	80.00%	-	16,200	64,799
703.000 Longevity	-	Mgmnt. Staff Alloc.	20.00%	80.00%	-	-	-
704.000 Overtime	3,500	Mgmnt. Staff Alloc.	20.00%	80.00%	-	700	2,800
706.000 Part Time	-	Mgmnt. Staff Alloc.	20.00%	80.00%	-	-	-
708.000 V\S\H Sellback	2,500	Mgmnt. Staff Alloc.	20.00%	80.00%	-	500	2,000
712.001 Costs - Social Security	5,448	Mgmnt. Staff Alloc.	20.00%	80.00%	-	1,090	4,359
712.002 Costs - Medicare	1,274	Mgmnt. Staff Alloc.	20.00%	80.00%	-	255	1,019
712.004 Costs - ICMA Contribution	-	Mgmnt. Staff Alloc.	20.00%	80.00%	-	-	-
712.005 Costs - MERS Contribution	-	Mgmnt. Staff Alloc.	20.00%	80.00%	-	-	-
712.006 Costs - In Lieu of BC/BS	-	Mgmnt. Staff Alloc.	20.00%	80.00%	-	-	-
712.007 Costs - SUTA	500	Mgmnt. Staff Alloc.	20.00%	80.00%	-	100	400
712.009 Costs - Workers Compsensation	2,800	Mgmnt. Staff Alloc.	20.00%	80.00%	-	560	2,240
712.010 Costs - Blue Cross Insurance	22,913	Mgmnt. Staff Alloc.	20.00%	80.00%	-	4,583	18,330
712.011 Costs - Life Insurance	158	Mgmnt. Staff Alloc.	20.00%	80.00%	-	32	127
712.012 HRA Payments	5,755	Mgmnt. Staff Alloc.	20.00%	80.00%	-	1,151	4,604
715.000 Uniform & Cleaning Allowance	1,432	Mgmnt. Staff Alloc.	20.00%	80.00%	-	286	1,146
728.000 Operating Expense	2,500	Mgmnt. Staff Alloc.	20.00%	80.00%	-	500	2,000
745.000 Chemicals	8,000	Direct	0.00%	100.00%	-	-	8,000
770.000 Vehicle Gas	-	Direct	0.00%	100.00%	-	-	-
801.000 Professional Services	12,000	Direct	0.00%	100.00%	-	-	12,000
831.000 Contractual Repairs & Maint.	10,000	Direct	0.00%	100.00%	-	-	10,000
860.000 Travel & Training Expense	1,000	Direct	0.00%	100.00%	-	-	1,000
870.000 Membership & Dues	450	Direct	0.00%	100.00%	-	-	450
873.000 Education	-	Direct	0.00%	100.00%	-	-	-
874.000 Costs - Retiree BCBS	-	Direct	0.00%	100.00%	-	-	-
930.000 Repairs & Maintenance	13,000	Mgmnt. Staff Alloc.	20.00%	80.00%	-	2,600	10,400
957.000 Motor Pool	35,000	Mgmnt. Staff Alloc.	20.00%	80.00%	-	7,000	28,000
970.000 Capital Outlay (Expense)	-	Direct	0.00%	100.00%	-	-	-
544 Sewer Capital Outlay	-	Direct	0.00%	100.00%	-	-	-
544 SEWER COLLECTION EXPENSES	**209,229**				**-**	**35,556**	**173,673**

Operating & Debt Service Expense Allocation Between Water & Sewer

Schedule 3

	Test Year COS	Allocation Basis/Factor	Water % Allocation	Sewer % Allocation	N/A	Water $ Allocation	Sewer $ Allocation
100 GENERAL							
724.000 Accrued Absence Expense	-	Indirect	37.36%	62.64%	-	-	-
799.000 Miscellaneous Expense	-	Indirect	37.36%	62.64%	-	-	-
831.007 Abandoned Well Mngt Expenses	-	Indirect	37.36%	62.64%	-	-	-
878.000 Retirement Fund Contribution	-	Indirect	37.36%	62.64%	-	-	-
963.000 Amortization Expense	-	Indirect	37.36%	62.64%	-	-	-
964.000 Refunds	-	Indirect	37.36%	62.64%	-	-	-
968.000 Depreciation	-	Indirect	37.36%	62.64%	-	-	-
999.000 Transfer Out	342,308	Indirect	37.36%	62.64%	-	127,886	214,422
Normalizing Adjustment	49,162	Indirect	37.36%	62.64%	-	18,367	30,795
Return on Investment	-	Indirect	37.36%	62.64%	-	-	-
0	-	Indirect	37.36%	62.64%	-	-	-
0	-	Indirect	37.36%	62.64%	-	-	-
0	-	Indirect	37.36%	62.64%	-	-	-
100 GENERAL EXPENSES	**391,470**				**-**	**146,253**	**245,217**
574 BOND INTEREST							
960.000 Bank Charges	500	Overall Debt Ratio	20.81%	79.19%	-	104	396
962.000 Accrued Interest Expense	-	Overall Debt Ratio	20.81%	79.19%	-	-	-
963.000 Amortization Expense	-	Overall Debt Ratio	20.81%	79.19%	-	-	-
995.002 1997 A Bond Interest	-	Attach. D 9/13/13 Memo	0.00%	100.00%	-	-	-
995.003 1997 B SRF Bond Interest	2,813	Attach. D 9/13/13 Memo	0.00%	100.00%	-	-	2,813
995.004 1998 A Bond Interest	-	Attach. D 9/13/13 Memo	0.00%	100.00%	-	-	-
995.005 1998 B SRF Bond Interest	19,181	Attach. D 9/13/13 Memo	0.00%	100.00%	-	-	19,181
995.006 1999 A Bond Interest	-	Attach. D 9/13/13 Memo	0.00%	100.00%	-	-	-
995.007 1999 B SRF Bond Interest	24,875	Attach. D 9/13/13 Memo	0.00%	100.00%	-	-	24,875
995.008 2005 Refunding Interest	174,345	Attach. D 9/13/13 Memo	30.00%	70.00%	-	52,304	122,042
995.009 2006 SRF Interest	32,699	Attach. D 9/13/13 Memo	0.00%	100.00%	-	-	32,699
995.010 2010 SRF Interest	15,875	Attach. D 9/13/13 Memo	0.00%	100.00%	-	-	15,875
995.011 2010 DWRF Interest	10,375	Attach. D 9/13/13 Memo	100.00%	0.00%	-	10,375	-
TRFOUT 2010 Cap Imp Interest	134,704	Attach. D 9/13/13 Memo	30.00%	70.00%	-	40,411	94,293
995.010 2011 SRF Interest	30,519	Attach. D 9/13/13 Memo	0.00%	100.00%	-	-	30,519
995.011 2011 DWRF Interest	10,314	Attach. D 9/13/13 Memo	100.00%	0.00%	-	10,314	-
300.003 1997 B SRF Bond Principal	30,000	Attach. D 9/13/13 Memo	0.00%	100.00%	-	-	30,000
300.005 1998 B SRF Bond Principal	145,000	Attach. D 9/13/13 Memo	0.00%	100.00%	-	-	145,000
300.007 1999 B SRF Bond Principal	120,000	Attach. D 9/13/13 Memo	0.00%	100.00%	-	-	120,000
300.008 2005 Refunding Principal	470,000	Attach. D 9/13/13 Memo	30.00%	70.00%	-	141,000	329,000
300.009 2006 SRF Principal	130,000	Attach. D 9/13/13 Memo	0.00%	100.00%	-	-	130,000
300.010 2010 SRF Principal	30,000	Attach. D 9/13/13 Memo	0.00%	100.00%	-	-	30,000
300.011 2010 DWRF Principal	20,000	Attach. D 9/13/13 Memo	100.00%	0.00%	-	20,000	-
TRFOUT 2010 Cap Imp Principal	137,822	Attach. D 9/13/13 Memo	30.00%	70.00%	-	41,347	96,475
300.010 2011 SRF Principal	55,000	Attach. D 9/13/13 Memo	0.00%	100.00%	-	-	55,000
300.011 2011 DWRF Principal	20,000	Attach. D 9/13/13 Memo	100.00%	0.00%	-	20,000	-
574 BOND INTEREST EXPENSES	**1,614,022**				**-**	**335,854**	**1,278,168**

Operating & Debt Service Expense Allocation Between Water & Sewer

Schedule 3

	Test Year COS	Allocation Basis/Factor	Water % Allocation	Sewer % Allocation	N/A	Water $ Allocation	Sewer $ Allocation
TOTAL EXPENDITURES	**3,914,238**				**-**	**1,195,250**	**2,718,988**
% Allocation					0.00%	30.50%	69.50%
Expenses Excluded From Indirect Allocation							
574 BOND INTEREST EXPENSES	1,614,022					335,854	1,278,168
Net Expenses for Indirect Allocation	2,300,216				-	859,396	1,440,820
% of Expenditures			(Basis of Indirect Allocations ->)		N/A	37.36%	62.64%

Water System Operating & Debt Service Expense Allocation to Functions

Schedule 4

	Test Year COS	Allocation Basis/Factor	Supply % Allocation	Treatment % Allocation	Distribution % Allocation	Meters/Services % Allocation	Total % Allocation	Supply $ Allocation	Treatment $ Allocation	Distribution $ Allocation	Meters/Services $ Allocation
541 ADMINISTRATION											
702.000 Salaries	41,828	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	7,921	8,203	11,103	14,602
703.000 Longevity	-	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	-	-	-	-
704.000 Overtime	448	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	85	88	119	157
706.000 Part-Time	-	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	-	-	-	-
708.000 V\S\H Sellback	-	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	-	-	-	-
712.001 Costs - Social Security	2,813	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	533	552	747	982
712.002 Costs - Medicare	658	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	125	129	175	230
712.004 Costs - ICMA Contribution	-	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	-	-	-	-
712.005 Costs - MERS Contribution	3,099	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	587	608	823	1,082
712.006 Costs - In Lieu of BC/BS	-	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	-	-	-	-
712.007 Costs - SUTA	187	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	35	37	50	65
712.009 Costs - Workers Compsensation	973	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	184	191	258	339
712.010 Costs - Blue Cross Insurance	7,809	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	1,479	1,531	2,073	2,726
712.011 Costs - Life Insurance	30	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	6	6	8	10
712.012 HRA Payments	1,950	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	369	382	518	681
728.000 Operating Expense	4,110	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	778	806	1,091	1,435
735.000 Periodicals & Publications	187	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	35	37	50	65
801.000 Professional Services	56	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	11	11	15	20
806.000 Administration	88,482	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	16,756	17,352	23,487	30,888
831.000 Contractual Repairs & Maint.	1,606	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	304	315	426	561
850.000 Phone	2,989	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	566	586	793	1,043
860.000 Travel & Training Expense	934	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	177	183	248	326
870.000 Membership & Dues	112	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	21	22	30	39
873.000 Education	-	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	-	-	-	-
874.000 Retiree BCBS	-	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	-	-	-	-
900.000 Printing\Publishing	2,242	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	424	440	595	783
930.000 Repairs & Maintenance	-	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	-	-	-	-
959.000 Bad Debt	-	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	-	-	-	-
960.000 Bank Charges	2,615	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	495	513	694	913
970.000 Capital Outlay (Expense)	374	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	71	73	99	130
541 Admin Capital Outlay	-	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	-	-	-	-
541 ADMINISTRATION EXPENSES	**163,501**							**30,962**	**32,063**	**43,401**	**57,076**

Water System Operating & Debt Service Expense Allocation to Functions

Schedule 4

	Test Year COS	Allocation Basis/Factor	Supply % Allocation	Treatment % Allocation	Distribution % Allocation	Meters/Services % Allocation	Total % Allocation	Supply $ Allocation	Treatment $ Allocation	Distribution $ Allocation	Meters/Services $ Allocation
542 WATER OPERATION											
702.000 Salaries	127,662	Mgmnt Staff Alloc	12.50%	12.50%	25.00%	50.00%	100.00%	15,958	15,958	31,915	63,831
703.000 Longevity	-	Mgmnt Staff Alloc	12.50%	12.50%	25.00%	50.00%	100.00%	-	-	-	-
704.000 Overtime	6,000	Mgmnt Staff Alloc	12.50%	12.50%	25.00%	50.00%	100.00%	750	750	1,500	3,000
706.000 Part Time	-	Mgmnt Staff Alloc	12.50%	12.50%	25.00%	50.00%	100.00%	-	-	-	-
708.000 V\S\H Sellback	2,000	Mgmnt Staff Alloc	12.50%	12.50%	25.00%	50.00%	100.00%	250	250	500	1,000
712.001 Costs - Social Security	8,360	Mgmnt Staff Alloc	12.50%	12.50%	25.00%	50.00%	100.00%	1,045	1,045	2,090	4,180
712.002 Costs - Medicare	1,955	Mgmnt Staff Alloc	12.50%	12.50%	25.00%	50.00%	100.00%	244	244	489	978
712.004 Costs - ICMA Contribution	-	Mgmnt Staff Alloc	12.50%	12.50%	25.00%	50.00%	100.00%	-	-	-	-
712.005 Costs - MERS Contribution	-	Mgmnt Staff Alloc	12.50%	12.50%	25.00%	50.00%	100.00%	-	-	-	-
712.006 Costs - In Lieu of BC/BS	-	Mgmnt Staff Alloc	12.50%	12.50%	25.00%	50.00%	100.00%	-	-	-	-
712.007 Costs - SUTA	750	Mgmnt Staff Alloc	12.50%	12.50%	25.00%	50.00%	100.00%	94	94	187	375
712.009 Costs - Workers Compsensation	4,530	Mgmnt Staff Alloc	12.50%	12.50%	25.00%	50.00%	100.00%	566	566	1,133	2,265
712.010 Costs - Blue Cross Insurance	30,348	Mgmnt Staff Alloc	12.50%	12.50%	25.00%	50.00%	100.00%	3,794	3,794	7,587	15,174
712.011 Costs - Life Insurance	238	Mgmnt Staff Alloc	12.50%	12.50%	25.00%	50.00%	100.00%	30	30	59	119
712.012 HRA Payments	7,562	Mgmnt Staff Alloc	12.50%	12.50%	25.00%	50.00%	100.00%	945	945	1,891	3,781
715.000 Uniform & Cleaning Allowance	1,155	Mgmnt Staff Alloc	12.50%	12.50%	25.00%	50.00%	100.00%	144	144	289	578
728.000 Operating Expense	4,000	Mgmnt Alloc.	25.00%	75.00%	0.00%	0.00%	100.00%	1,000	3,000	-	-
745.000 Chemicals	35,500	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	35,500	-	-
750.000 Meters	24,000	Direct	0.00%	0.00%	0.00%	100.00%	100.00%	-	-	-	24,000
770.000 Vehicle Gas	6,500	Mgmnt Staff Alloc	12.50%	12.50%	25.00%	50.00%	100.00%	813	813	1,625	3,250
801.000 Professional Services	15,000	Mgmnt Alloc.	20.00%	30.00%	50.00%	0.00%	100.00%	3,000	4,500	7,500	-
822.000 Insurance	3,500	Mgmnt Alloc.	50.00%	50.00%	0.00%	0.00%	100.00%	1,750	1,750	-	-
824.000 Lab Testing	9,000	Mgmnt Alloc.	0.00%	50.00%	50.00%	0.00%	100.00%	-	4,500	4,500	-
831.000 Contractual Repairs & Maint	21,000	Mgmnt Alloc.	50.00%	40.00%	10.00%	0.00%	100.00%	10,500	8,400	2,100	-
860.000 Travel & Training Expense	2,500	Mgmnt Staff Alloc	12.50%	12.50%	25.00%	50.00%	100.00%	313	313	625	1,250
870.000 Membership & Dues	525	Mgmnt Staff Alloc	12.50%	12.50%	25.00%	50.00%	100.00%	66	66	131	263
873.000 Education	-	Mgmnt Staff Alloc	12.50%	12.50%	25.00%	50.00%	100.00%	-	-	-	-
874.000 Costs - Retiree BCBS	-	Mgmnt Staff Alloc	12.50%	12.50%	25.00%	50.00%	100.00%	-	-	-	-
920.000 Gas	-	Mgmnt Alloc.	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
925.000 Electric	62,000	Mgmnt Alloc.	80.00%	10.00%	10.00%	0.00%	100.00%	49,600	6,200	6,200	-
930.000 Repairs & Maintenance	57,000	Mgmnt Alloc.	5.00%	15.00%	65.00%	15.00%	100.00%	2,850	8,550	37,050	8,550
957.000 Motor Pool	35,000	Mgmnt Staff Alloc	12.50%	12.50%	25.00%	50.00%	100.00%	4,375	4,375	8,750	17,500
970.000 Capital Outlay (expense)	-	Mgmnt Alloc.	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
542 Water Capital Outlay	48,000	Mgmnt Staff Alloc	12.50%	12.50%	25.00%	50.00%	100.00%	6,000	6,000	12,000	24,000
542 WATER OPERATION EXPENSES	**514,085**							**104,086**	**107,786**	**128,121**	**174,093**

Water System Operating & Debt Service Expense Allocation to Functions

Schedule 4

	Test Year COS	Allocation Basis/Factor	Supply % Allocation	Treatment % Allocation	Distribution % Allocation	Meters/Services % Allocation	Total % Allocation	Supply $ Allocation	Treatment $ Allocation	Distribution $ Allocation	Meters/Services $ Allocation
543 SEWER - WWTP											
702.000 Salaries	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
703.000 Longevity	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
704.000 Overtime	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
706.000 Part Time	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
708.000 V\S\H Sellback	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
712.001 Costs - Social Security	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
712.002 Costs - Medicare	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
712.004 Costs - ICMA Contribution	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
712.005 Costs - MERS Contribution	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
712.006 Costs - In Lieu of BC/BS	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
712.007 Costs - SUTA	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
712.009 Costs - Workers Compsensation	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
712.010 Costs - Blue Cross Insurance	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
712.011 Costs - Life Insurance	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
712.012 HRA Payments	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
715.000 Uniform & Cleaning Allowance	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
728.000 Operating Expense	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
745.000 Chemicals	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
770.000 Vehicle Gas	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
801.000 Professional Services	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
822.000 Insurance	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
824.000 Lab Testing	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
831.000 Contractual Repairs & Maint.	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
860.000 Travel & Training Expense	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
870.000 Membership & Dues	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
873.000 Education	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
874.000 Costs - Retiree BCBS	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
920.000 Gas	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
925.000 Electric	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
930.000 Repairs & Maintenance	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
931.000 Repairs & Maintenance - Buildings	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
957.000 Motor Pool	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
970.000 Capital Outlay (expense)	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
543 WWTP Capital Outlay	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
543 SEWER - WWTP EXPENSES	**-**							**-**	**-**	**-**	**-**

Water System Operating & Debt Service Expense Allocation to Functions

Schedule 4

	Test Year COS	Allocation Basis/Factor	Supply % Allocation	Treatment % Allocation	Distribution % Allocation	Meters/Services % Allocation	Total % Allocation	Supply $ Allocation	Treatment $ Allocation	Distribution $ Allocation	Meters/Services $ Allocation
544 SEWER COLLECTION											
702.000 Salaries	16,200	Mgmnt Allocation	0.00%	0.00%	50.00%	50.00%	100.00%	-	-	8,100	8,100
703.000 Longevity	-	Mgmnt Allocation	0.00%	0.00%	50.00%	50.00%	100.00%	-	-	-	-
704.000 Overtime	700	Mgmnt Allocation	0.00%	0.00%	50.00%	50.00%	100.00%	-	-	350	350
706.000 Part Time	-	Mgmnt Allocation	0.00%	0.00%	50.00%	50.00%	100.00%	-	-	-	-
708.000 V\S\H Sellback	500	Mgmnt Allocation	0.00%	0.00%	50.00%	50.00%	100.00%	-	-	250	250
712.001 Costs - Social Security	1,090	Mgmnt Allocation	0.00%	0.00%	50.00%	50.00%	100.00%	-	-	545	545
712.002 Costs - Medicare	255	Mgmnt Allocation	0.00%	0.00%	50.00%	50.00%	100.00%	-	-	127	127
712.004 Costs - ICMA Contribution	-	Mgmnt Allocation	0.00%	0.00%	50.00%	50.00%	100.00%	-	-	-	-
712.005 Costs - MERS Contribution	-	Mgmnt Allocation	0.00%	0.00%	50.00%	50.00%	100.00%	-	-	-	-
712.006 Costs - In Lieu of BC/BS	-	Mgmnt Allocation	0.00%	0.00%	50.00%	50.00%	100.00%	-	-	-	-
712.007 Costs - SUTA	100	Mgmnt Allocation	0.00%	0.00%	50.00%	50.00%	100.00%	-	-	50	50
712.009 Costs - Workers Compsensation	560	Mgmnt Allocation	0.00%	0.00%	50.00%	50.00%	100.00%	-	-	280	280
712.010 Costs - Blue Cross Insurance	4,583	Mgmnt Allocation	0.00%	0.00%	50.00%	50.00%	100.00%	-	-	2,291	2,291
712.011 Costs - Life Insurance	32	Mgmnt Allocation	0.00%	0.00%	50.00%	50.00%	100.00%	-	-	16	16
712.012 HRA Payments	1,151	Mgmnt Allocation	0.00%	0.00%	50.00%	50.00%	100.00%	-	-	575	575
715.000 Uniform & Cleaning Allowance	286	Mgmnt Allocation	0.00%	0.00%	50.00%	50.00%	100.00%	-	-	143	143
728.000 Operating Expense	500	Mgmnt Allocation	0.00%	0.00%	50.00%	50.00%	100.00%	-	-	250	250
745.000 Chemicals	-	Mgmnt Allocation	0.00%	0.00%	50.00%	50.00%	100.00%	-	-	-	-
770.000 Vehicle Gas	-	Mgmnt Allocation	0.00%	0.00%	50.00%	50.00%	100.00%	-	-	-	-
801.000 Professional Services	-	Mgmnt Allocation	0.00%	0.00%	50.00%	50.00%	100.00%	-	-	-	-
831.000 Contractual Repairs & Maint.	-	Mgmnt Allocation	0.00%	0.00%	50.00%	50.00%	100.00%	-	-	-	-
860.000 Travel & Training Expense	-	Mgmnt Allocation	0.00%	0.00%	50.00%	50.00%	100.00%	-	-	-	-
870.000 Membership & Dues	-	Mgmnt Allocation	0.00%	0.00%	50.00%	50.00%	100.00%	-	-	-	-
873.000 Education	-	Mgmnt Allocation	0.00%	0.00%	50.00%	50.00%	100.00%	-	-	-	-
874.000 Costs - Retiree BCBS	-	Mgmnt Allocation	0.00%	0.00%	50.00%	50.00%	100.00%	-	-	-	-
930.000 Repairs & Maintenance	2,600	Mgmnt Allocation	0.00%	0.00%	50.00%	50.00%	100.00%	-	-	1,300	1,300
957.000 Motor Pool	7,000	Mgmnt Allocation	0.00%	0.00%	50.00%	50.00%	100.00%	-	-	3,500	3,500
970.000 Capital Outlay (Expense)	-	Mgmnt Allocation	0.00%	0.00%	50.00%	50.00%	100.00%	-	-	-	-
544 Sewer Capital Outlay	-	Mgmnt Allocation	0.00%	0.00%	50.00%	50.00%	100.00%	-	-	-	-
544 SEWER COLLECTION EXPENSES	**35,556**							**-**	**-**	**17,778**	**17,778**

Water System Operating & Debt Service Expense Allocation to Functions

Schedule 4

	Test Year COS	Allocation Basis/Factor	Supply % Allocation	Treatment % Allocation	Distribution % Allocation	Meters/Services % Allocation	Total % Allocation	Supply $ Allocation	Treatment $ Allocation	Distribution $ Allocation	Meters/Services $ Allocation
100 GENERAL											
724.000 Accrued Absence Expense	-	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	-	-	-	-
799.000 Miscellaneous Expense	-	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	-	-	-	-
831.007 Abandoned Well Mngt Expenses	-	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	-	-	-	-
878.000 Retirement Fund Contribution	-	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	-	-	-	-
963.000 Amortization Expense	-	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	-	-	-	-
964.000 Refunds	-	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	-	-	-	-
968.000 Depreciation	-	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	-	-	-	-
999.000 Transfer Out	127,886	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	24,218	25,079	33,947	44,643
Normalizing Adjustment	18,367	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	3,478	3,602	4,875	6,412
Return on Investment	-	Indirect	18.94%	19.61%	26.54%	34.91%	100.00%	-	-	-	-
100 GENERAL EXPENSES	**146,253**							**27,696**	**28,681**	**38,822**	**51,055**
574 BOND INTEREST											
960.000 Bank Charges	104	2005 Refunding	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	104	-
962.000 Accrued Interest Expense	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
963.000 Amortization Expense	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
995.002 1997 A Bond Interest	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
995.003 1997 B SRF Bond Interest	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
995.004 1998 A Bond Interest	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
995.005 1998 B SRF Bond Interest	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
995.006 1999 A Bond Interest	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
995.007 1999 B SRF Bond Interest	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
995.008 2005 Refunding Interest	52,304	Staff Allocation	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	52,304	-
995.009 2006 SRF Interest	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
995.010 2010 SRF Interest	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
995.011 2010 DWRF Interest	10,375	Staff Allocation	5.48%	0.00%	94.52%	0.00%	100.00%	569	-	9,806	-
TRFOUT 2010 Cap Imp Interest	40,411	Staff Allocation	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	40,411	-
995.010 2011 SRF Interest	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
995.011 2011 DWRF Interest	10,314	Staff Allocation	5.48%	0.00%	94.52%	0.00%	100.00%	565	-	9,749	-
300.003 1997 B SRF Bond Principal	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
300.005 1998 B SRF Bond Principal	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
300.007 1999 B SRF Bond Principal	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
300.008 2005 Refunding Principal	141,000	Staff Allocation	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	141,000	-
300.009 2006 SRF Principal	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
300.010 2010 SRF Principal	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
300.011 2010 DWRF Principal	20,000	Staff Allocation	5.48%	0.00%	94.52%	0.00%	100.00%	1,096	-	18,904	-
TRFOUT 2010 Cap Imp Principal	41,347	Staff Allocation	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	41,347	-
300.010 2011 SRF Principal	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
300.011 2011 DWRF Principal	20,000	Staff Allocation	5.48%	0.00%	94.52%	0.00%	100.00%	1,096	-	18,904	-
574 BOND INTEREST EXPENSES	**335,854**							**3,326**	**-**	**332,528**	**-**

Water System Operating & Debt Service Expense Allocation to Functions

Schedule 4

	Test Year COS	Allocation Basis/Factor	Supply % Allocation	Treatment % Allocation	Distribution % Allocation	Meters/Services % Allocation	Total % Allocation	Supply $ Allocation	Treatment $ Allocation	Distribution $ Allocation	Meters/Services $ Allocation
TOTAL EXPENDITURES	**1,195,250**							**166,070**	**168,529**	**560,650**	**300,001**
% Allocation								13.89%	14.10%	46.91%	25.10%
Expenses Excluded From Indirect Allocation											
574 BOND INTEREST EXPENSES	335,854							3,326	-	332,528	-
Net Expenses for Indirect Allocation	859,396							162,744	168,529	228,122	300,001
% of Expenditures							(Basis of Indirect Allocations ->)	18.94%	19.61%	26.54%	34.91%

Sewer System Operating & Debt Service Expense Allocation to Functions

Schedule 5

	Test Year COS	Allocation Basis/Factor	Meters/Services % Allocation	Collection % Allocation	Treatment % Allocation	Disposal % Allocation	Total % Allocation	Meters/Servic $ Allocation	Collection $ Allocation	Treatment $ Allocation	Disposal $ Allocation
541 ADMINISTRATION											
702.000 Salaries	70,132	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	26,102	39,955	4,076
703.000 Longevity	-	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	-	-	-
704.000 Overtime	752	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	280	428	44
706.000 Part-Time	-	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	-	-	-
708.000 V\S\H Sellback	-	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	-	-	-
712.001 Costs - Social Security	4,717	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	1,756	2,687	274
712.002 Costs - Medicare	1,103	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	411	628	64
712.004 Costs - ICMA Contribution	-	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	-	-	-
712.005 Costs - MERS Contribution	5,196	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	1,934	2,960	302
712.006 Costs - In Lieu of BC/BS	-	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	-	-	-
712.007 Costs - SUTA	313	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	116	178	18
712.009 Costs - Workers Compsensation	1,631	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	607	929	95
712.010 Costs - Blue Cross Insurance	13,093	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	4,873	7,459	761
712.011 Costs - Life Insurance	50	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	18	28	3
712.012 HRA Payments	3,270	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	1,217	1,863	190
728.000 Operating Expense	6,890	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	2,564	3,925	400
735.000 Periodicals & Publications	313	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	117	178	18
801.000 Professional Services	94	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	35	54	5
806.000 Administration	148,354	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	55,215	84,518	8,622
831.000 Contractual Repairs & Maint.	2,694	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	1,002	1,535	157
850.000 Phone	5,011	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	1,865	2,855	291
860.000 Travel & Training Expense	1,566	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	583	892	91
870.000 Membership & Dues	188	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	70	107	11
873.000 Education	-	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	-	-	-
874.000 Retiree BCBS	-	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	-	-	-
900.000 Printing\Publishing	3,758	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	1,399	2,141	218
930.000 Repairs & Maintenance	-	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	-	-	-
959.000 Bad Debt	-	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	-	-	-
960.000 Bank Charges	4,385	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	1,632	2,498	255
970.000 Capital Outlay (Expense)	626	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	233	357	36
541 Admin Capital Outlay	-	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	-	-	-
541 ADMINISTRATION EXPENSES	**274,136**							**-**	**102,028**	**156,176**	**15,932**

Sewer System Operating & Debt Service Expense Allocation to Functions

Schedule 5

	Test Year COS	Allocation Basis/Factor	Meters/Services % Allocation	Collection % Allocation	Treatment % Allocation	Disposal % Allocation	Total % Allocation	Meters/Servic $ Allocation	Collection $ Allocation	Treatment $ Allocation	Disposal $ Allocation
542 WATER OPERATION											
702.000 Salaries	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
703.000 Longevity	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
704.000 Overtime	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
706.000 Part Time	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
708.000 V\S\H Sellback	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
712.001 Costs - Social Security	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
712.002 Costs - Medicare	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
712.004 Costs - ICMA Contribution	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
712.005 Costs - MERS Contribution	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
712.006 Costs - In Lieu of BC/BS	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
712.007 Costs - SUTA	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
712.009 Costs - Workers Compsensation	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
712.010 Costs - Blue Cross Insurance	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
712.011 Costs - Life Insurance	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
712.012 HRA Payments	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
715.000 Uniform & Cleaning Allowance	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
728.000 Operating Expense	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
745.000 Chemicals	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
750.000 Meters	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
770.000 Vehicle Gas	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
801.000 Professional Services	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
822.000 Insurance	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
824.000 Lab Testing	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
831.000 Contractual Repairs & Maint	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
860.000 Travel & Training Expense	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
870.000 Membership & Dues	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
873.000 Education	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
874.000 Costs - Retiree BCBS	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
920.000 Gas	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
925.000 Electric	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
930.000 Repairs & Maintenance	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
957.000 Motor Pool	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
970.000 Capital Outlay (expense)	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
542 Water Capital Outlay	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
542 WATER OPERATION EXPENSES	-							-	-	-	-

Sewer System Operating & Debt Service Expense Allocation to Functions

Schedule 5

	Test Year COS	Allocation Basis/Factor	Meters/Services % Allocation	Collection % Allocation	Treatment % Allocation	Disposal % Allocation	Total % Allocation	Meters/Servic $ Allocation	Collection $ Allocation	Treatment $ Allocation	Disposal $ Allocation
543 SEWER - WWTP											
702.000 Salaries	170,090	Mgmnt. Staff Alloc	0.00%	25.00%	70.00%	5.00%	100.00%	-	42,522	119,063	8,504
703.000 Longevity	-	Mgmnt. Staff Alloc	0.00%	25.00%	70.00%	5.00%	100.00%	-	-	-	-
704.000 Overtime	7,000	Mgmnt. Staff Alloc	0.00%	25.00%	70.00%	5.00%	100.00%	-	1,750	4,900	350
706.000 Part Time	-	Mgmnt. Staff Alloc	0.00%	25.00%	70.00%	5.00%	100.00%	-	-	-	-
708.000 V\S\H Sellback	2,000	Mgmnt. Staff Alloc	0.00%	25.00%	70.00%	5.00%	100.00%	-	500	1,400	100
712.001 Costs - Social Security	11,166	Mgmnt. Staff Alloc	0.00%	25.00%	70.00%	5.00%	100.00%	-	2,791	7,816	558
712.002 Costs - Medicare	2,611	Mgmnt. Staff Alloc	0.00%	25.00%	70.00%	5.00%	100.00%	-	653	1,828	131
712.004 Costs - ICMA Contribution	-	Mgmnt. Staff Alloc	0.00%	25.00%	70.00%	5.00%	100.00%	-	-	-	-
712.005 Costs - MERS Contribution	-	Mgmnt. Staff Alloc	0.00%	25.00%	70.00%	5.00%	100.00%	-	-	-	-
712.006 Costs - In Lieu of BC/BS	-	Mgmnt. Staff Alloc	0.00%	25.00%	70.00%	5.00%	100.00%	-	-	-	-
712.007 Costs - SUTA	999	Mgmnt. Staff Alloc	0.00%	25.00%	70.00%	5.00%	100.00%	-	250	700	50
712.009 Costs - Workers Compsensation	3,962	Mgmnt. Staff Alloc	0.00%	25.00%	70.00%	5.00%	100.00%	-	991	2,774	198
712.010 Costs - Blue Cross Insurance	19,328	Mgmnt. Staff Alloc	0.00%	25.00%	70.00%	5.00%	100.00%	-	4,832	13,530	966
712.011 Costs - Life Insurance	317	Mgmnt. Staff Alloc	0.00%	25.00%	70.00%	5.00%	100.00%	-	79	222	16
712.012 HRA Payments	7,562	Mgmnt. Staff Alloc	0.00%	25.00%	70.00%	5.00%	100.00%	-	1,891	5,294	378
715.000 Uniform & Cleaning Allowance	3,208	Mgmt. Allocation	0.00%	25.00%	70.00%	5.00%	100.00%	-	802	2,246	160
728.000 Operating Expense	25,000	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	25,000	-
745.000 Chemicals	30,000	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	30,000	-
770.000 Vehicle Gas	7,200	Mgmt. Allocation	0.00%	50.00%	50.00%	0.00%	100.00%	-	3,600	3,600	-
801.000 Professional Services	21,500	Mgmt. Allocation	0.00%	30.00%	70.00%	0.00%	100.00%	-	6,450	15,050	-
822.000 Insurance	29,000	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	29,000	-
824.000 Lab Testing	10,900	Mgmt. Allocation	0.00%	0.00%	90.00%	10.00%	100.00%	-	-	9,810	1,090
831.000 Contractual Repairs & Maint.	60,000	Mgmt. Allocation	0.00%	15.00%	20.00%	65.00%	100.00%	-	9,000	12,000	39,000
860.000 Travel & Training Expense	4,000	Mgmt. Allocation	0.00%	30.00%	70.00%	0.00%	100.00%	-	1,200	2,800	-
870.000 Membership & Dues	450	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	450	-
873.000 Education	-	Mgmt. Allocation	0.00%	25.00%	70.00%	5.00%	100.00%	-	-	-	-
874.000 Costs - Retiree BCBS	-	Mgmt. Allocation	0.00%	25.00%	70.00%	5.00%	100.00%	-	-	-	-
920.000 Gas	21,000	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	21,000	-
925.000 Electric	117,000	Mgmt. Allocation	0.00%	20.00%	80.00%	0.00%	100.00%	-	23,400	93,600	-
930.000 Repairs & Maintenance	117,500	Mgmt. Allocation	0.00%	40.00%	60.00%	0.00%	100.00%	-	47,000	70,500	-
931.000 Repairs & Maintenance - Buildings	-	Mgmt. Allocation	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
957.000 Motor Pool	35,000	Mgmt. Allocation	0.00%	70.00%	30.00%	0.00%	100.00%	-	24,500	10,500	-
970.000 Capital Outlay (expense)	-	Mgmt. Allocation	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
543 WWTP Capital Outlay	41,000	Mgmnt. Staff Alloc	0.00%	25.00%	70.00%	5.00%	100.00%	-	10,250	28,700	2,050
543 SEWER - WWTP EXPENSES	**747,794**							**-**	**182,461**	**511,781**	**53,552**

Sewer System Operating & Debt Service Expense Allocation to Functions

Schedule 5

	Test Year COS	Allocation Basis/Factor	Meters/Services % Allocation	Collection % Allocation	Treatment % Allocation	Disposal % Allocation	Total % Allocation	Meters/Servic $ Allocation	Collection $ Allocation	Treatment $ Allocation	Disposal $ Allocation
544 SEWER COLLECTION											
702.000 Salaries	64,799	Mgmnt. Staff Alloc	0.00%	90.00%	10.00%	0.00%	100.00%	-	58,319	6,480	-
703.000 Longevity	-	Mgmnt. Staff Alloc	0.00%	90.00%	10.00%	0.00%	100.00%	-	-	-	-
704.000 Overtime	2,800	Mgmnt. Staff Alloc	0.00%	90.00%	10.00%	0.00%	100.00%	-	2,520	280	-
706.000 Part Time	-	Mgmnt. Staff Alloc	0.00%	90.00%	10.00%	0.00%	100.00%	-	-	-	-
708.000 V\S\H Sellback	2,000	Mgmnt. Staff Alloc	0.00%	90.00%	10.00%	0.00%	100.00%	-	1,800	200	-
712.001 Costs - Social Security	4,359	Mgmnt. Staff Alloc	0.00%	90.00%	10.00%	0.00%	100.00%	-	3,923	436	-
712.002 Costs - Medicare	1,019	Mgmnt. Staff Alloc	0.00%	90.00%	10.00%	0.00%	100.00%	-	917	102	-
712.004 Costs - ICMA Contribution	-	Mgmnt. Staff Alloc	0.00%	90.00%	10.00%	0.00%	100.00%	-	-	-	-
712.005 Costs - MERS Contribution	-	Mgmnt. Staff Alloc	0.00%	90.00%	10.00%	0.00%	100.00%	-	-	-	-
712.006 Costs - In Lieu of BC/BS	-	Mgmnt. Staff Alloc	0.00%	90.00%	10.00%	0.00%	100.00%	-	-	-	-
712.007 Costs - SUTA	400	Mgmnt. Staff Alloc	0.00%	90.00%	10.00%	0.00%	100.00%	-	360	40	-
712.009 Costs - Workers Compsensation	2,240	Mgmnt. Staff Alloc	0.00%	90.00%	10.00%	0.00%	100.00%	-	2,016	224	-
712.010 Costs - Blue Cross Insurance	18,330	Mgmnt. Staff Alloc	0.00%	90.00%	10.00%	0.00%	100.00%	-	16,497	1,833	-
712.011 Costs - Life Insurance	127	Mgmnt. Staff Alloc	0.00%	90.00%	10.00%	0.00%	100.00%	-	114	13	-
712.012 HRA Payments	4,604	Mgmnt. Staff Alloc	0.00%	90.00%	10.00%	0.00%	100.00%	-	4,143	460	-
715.000 Uniform & Cleaning Allowance	1,146	Mgmnt. Staff Alloc	0.00%	90.00%	10.00%	0.00%	100.00%	-	1,031	115	-
728.000 Operating Expense	2,000	Mgmnt. Staff Alloc	0.00%	90.00%	10.00%	0.00%	100.00%	-	1,800	200	-
745.000 Chemicals	8,000	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	8,000	-	-
770.000 Vehicle Gas	-	Mgmnt Allocation	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
801.000 Professional Services	12,000	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	12,000	-	-
831.000 Contractual Repairs & Maint.	10,000	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	10,000	-	-
860.000 Travel & Training Expense	1,000	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	1,000	-	-
870.000 Membership & Dues	450	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	450	-	-
873.000 Education	-	Mgmnt Allocation	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
874.000 Costs - Retiree BCBS	-	Mgmnt Allocation	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
930.000 Repairs & Maintenance	10,400	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	10,400	-	-
957.000 Motor Pool	28,000	Mgmnt. Staff Alloc	0.00%	90.00%	10.00%	0.00%	100.00%	-	25,200	2,800	-
970.000 Capital Outlay (Expense)	-	Mgmnt Allocation	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
544 Sewer Capital Outlay	-	Mgmnt. Staff Alloc	0.00%	90.00%	10.00%	0.00%	100.00%	-	-	-	-
544 SEWER COLLECTION EXPENSES	**173,673**							**-**	**160,491**	**13,182**	**-**

Sewer System Operating & Debt Service Expense Allocation to Functions

Schedule 5

	Test Year COS	Allocation Basis/Factor	Meters/Services % Allocation	Collection % Allocation	Treatment % Allocation	Disposal % Allocation	Total % Allocation	Meters/Servic $ Allocation	Collection $ Allocation	Treatment $ Allocation	Disposal $ Allocation
100 GENERAL											
724.000 Accrued Absence Expense	-	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	-	-	-
799.000 Miscellaneous Expense	-	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	-	-	-
831.007 Abandoned Well Mngt Expenses	-	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	-	-	-
878.000 Retirement Fund Contribution	-	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	-	-	-
963.000 Amortization Expense	-	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	-	-	-
964.000 Refunds	-	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	-	-	-
968.000 Depreciation	-	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	-	-	-
999.000 Transfer Out	214,422	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	79,804	122,157	12,461
Normalizing Adjustment	30,795	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	11,461	17,544	1,790
Return on Investment	-	Indirect	0.00%	37.22%	56.97%	5.81%	100.00%	-	-	-	-
100 GENERAL EXPENSES	**245,217**							**-**	**91,265**	**139,701**	**14,251**
574 BOND INTEREST											
960.000 Bank Charges	396	2005 Refunding	0.00%	100.00%	0.00%	0.00%	100.00%	-	396	-	-
962.000 Accrued Interest Expense	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
963.000 Amortization Expense	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
995.002 1997 A Bond Interest	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
995.003 1997 B SRF Bond Interest	2,813	Staff Allocation	0.00%	100.00%	0.00%	0.00%	100.00%	-	2,813	-	-
995.004 1998 A Bond Interest	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
995.005 1998 B SRF Bond Interest	19,181	Staff Allocation	0.00%	100.00%	0.00%	0.00%	100.00%	-	19,181	-	-
995.006 1999 A Bond Interest	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
995.007 1999 B SRF Bond Interest	24,875	Staff Allocation	0.00%	100.00%	0.00%	0.00%	100.00%	-	24,875	-	-
995.008 2005 Refunding Interest	122,042	Staff Allocation	0.00%	100.00%	0.00%	0.00%	100.00%	-	122,042	-	-
995.009 2006 SRF Interest	32,699	Staff Allocation	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	32,699	-
995.010 2010 SRF Interest	15,875	Staff Allocation	0.00%	100.00%	0.00%	0.00%	100.00%	-	15,875	-	-
995.011 2010 DWRF Interest	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
TRFOUT 2010 Cap Imp Interest	94,293	Staff Allocation	0.00%	100.00%	0.00%	0.00%	100.00%	-	94,293	-	-
995.010 2011 SRF Interest	30,519	Staff Allocation	0.00%	100.00%	0.00%	0.00%	100.00%	-	30,519	-	-
995.011 2011 DWRF Interest	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
300.003 1997 B SRF Bond Principal	30,000	Staff Allocation	0.00%	100.00%	0.00%	0.00%	100.00%	-	30,000	-	-
300.005 1998 B SRF Bond Principal	145,000	Staff Allocation	0.00%	100.00%	0.00%	0.00%	100.00%	-	145,000	-	-
300.007 1999 B SRF Bond Principal	120,000	Staff Allocation	0.00%	100.00%	0.00%	0.00%	100.00%	-	120,000	-	-
300.008 2005 Refunding Principal	329,000	Staff Allocation	0.00%	100.00%	0.00%	0.00%	100.00%	-	329,000	-	-
300.009 2006 SRF Principal	130,000	Staff Allocation	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	130,000	-
300.010 2010 SRF Principal	30,000	Staff Allocation	0.00%	100.00%	0.00%	0.00%	100.00%	-	30,000	-	-
300.011 2010 DWRF Principal	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
TRFOUT 2010 Cap Imp Principal	96,475	Staff Allocation	0.00%	100.00%	0.00%	0.00%	100.00%	-	96,475	-	-
300.010 2011 SRF Principal	55,000	Staff Allocation	0.00%	100.00%	0.00%	0.00%	100.00%	-	55,000	-	-
300.011 2011 DWRF Principal	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
574 BOND INTEREST EXPENSES	**1,278,168**							**-**	**1,115,469**	**162,699**	**-**

Sewer System Operating & Debt Service Expense Allocation to Functions

Schedule 5

	Test Year COS	Allocation Basis/Factor	Meters/Services % Allocation	Collection % Allocation	Treatment % Allocation	Disposal % Allocation	Total % Allocation	Meters/Servic $ Allocation	Collection $ Allocation	Treatment $ Allocation	Disposal $ Allocation
TOTAL EXPENDITURES	**2,718,988**							**-**	**1,651,713**	**983,539**	**83,735**
% Allocation								0.00%	60.75%	36.17%	3.08%
Expenses Excluded From Indirect Allocation											
574 BOND INTEREST EXPENSES	1,278,168							-	1,115,469	162,699	-
Net Expenses for Indirect Allocation	1,440,820							-	536,245	820,840	83,735
% of Expenditures							(Basis of Indirect Allocations ->)	0.00%	37.22%	56.97%	5.81%

Fixed Assets & Depreciation Expenses (Sources: 2013 Fixed Assets.xls, "CA List" Tab and Auditor 2012 FACS 063012.PDF) **Schedule 6**

Description	Asset ID	Date Acquired	Funding Source	Original Cost	FYE 2013 Book Value	Useful Life	Depreciation Exp.	ADJ.	FY 2014 Dep. Exp.
WWTP Land	00113	1/1/1940	573	5,000	5,000	N/A	-		-
WSU - 1965 Equipment	00114	1/1/1965	573	26,277	-	10	2,628		-
WSU - 1983 Equipment	00115	1/1/1983	573	23,721	-	10	2,372		-
WSU - 1989 Equipment	00116	1/1/1989	573	33,110	-	10	3,311		-
WSU - 1990 Equipment	00117	1/1/1990	573	22,333	-	10	2,233		-
WSU - 1991 Equipment	00118	1/1/1991	573	2,029	-	10	203		-
WSU - 1992 Equipment	00119	1/1/1992	573	24,190	-	10	2,419		-
WSU - 1997 Equipment	00120	1/1/1997	573	1,000	-	10	100		-
WSU - 2001 Equipment	00121	1/1/2001	573	12,390	7,314	30	413		413
WSU - 2001 Equipment	00122	1/1/2001	573	12,145	-	10	1,215		-
WSU - 2002 Equipment	00123	1/1/2002	573	11,525	-	10	1,153		-
WSU - 2003 Equipment	00124	1/1/2003	573	1,805	-	10	181		-
WSU - 2004 Pump	00125	1/1/2004	573	9,675	88	10	968		88
WSU - 2005 Influent Pump	00126	1/1/2005	573	4,610	2,151	15	307		307
WSU - 2005 Rebuild Pumps	00127	1/1/2005	573	10,915	2,183	10	1,092		1,092
WSU - 2005 SCADA	00128	1/1/2005	573	4,892	-	5	978		-
WSU - 2005 UV Disinfection	00129	1/1/2005	573	3,602	-	3	1,201		-
WSU - 2005 Vactor Repairs	00130	1/1/2005	573	6,561	-	3	2,187		-
WSU - 1965 WWTP	00131	1/1/1965	573	575,266	11,614	50	11,505		11,505
WSU - 1988 WWTP	00132	1/1/1988	573	3,321,000	553,500	30	110,700		110,700
WSU - 1993 WWTP	00133	1/1/1993	573	3,479,466	1,159,822	30	115,982		115,982
WSU - 2004 WWTP	00134	1/1/2004	573	62,451	41,634	30	2,082		2,082
WSU - 2005 SRF WWTP Expansion	00135	1/1/2005	573	11,849	7,109	20	592		592
WSU - 1965 WCD	00136	1/1/1965	573	20,954	838	50	419		419
WSU - 1966 WCD	00137	1/1/1966	573	450,991	18,035	50	9,020		9,020
WSU - 1976 WCD	00138	1/1/1976	573	334,719	80,338	50	6,694		6,694
WSU - 1977 WCD	00139	1/1/1977	573	668,379	173,772	50	13,368		13,368
WSU - 1982 WCD	00140	1/1/1982	573	20,945	7,538	50	419		419
WSU - 1983 WCD	00141	1/1/1983	573	1,012,108	384,604	50	20,242		20,242
WSU - 1984 WCD	00142	1/1/1984	573	138,094	55,236	50	2,762		2,762
WSU - 1985 WCD	00143	1/1/1985	573	50,053	22,826	50	1,001		1,001
WSU - 1986 WCD	00144	1/1/1986	573	410,996	189,057	50	8,220		8,220
WSU - 1989 WCD	00145	1/1/1989	573	123,918	24,784	30	4,131		4,131
WSU - 1991 WCD	00146	1/1/1991	573	14,335	3,345	30	478		478
WSU - 1992 WCD	00147	1/1/1992	573	22,511	6,003	30	750		750
WSU - 1993 WCD	00148	1/1/1993	573	12,246	3,673	30	408		408
WSU - 1994 WCD	00149	1/1/1994	573	27,334	9,111	30	911		911
WSU - 1995 WCD	00150	1/1/1995	573	1,970,836	786,426	30	65,695		65,695
WSU - 1996 WCD	00151	1/1/1996	573	190,449	82,528	30	6,348		6,348
WSU - 1997 WCD	00152	1/1/1997	573	115,583	52,012	30	3,853		3,853
WSU - 1998 WCD	00153	1/1/1998	573	6,695,833	3,533,192	30	223,194		223,194
WSU - 1999 WCD	00154	1/1/1999	573	55,595	29,651	30	1,853		1,853

Fixed Assets & Depreciation Expenses (Sources: 2013 Fixed Assets.xls, "CA List" Tab and Auditor 2012 FACS 063012.PDF) **Schedule 6**

Description	Asset ID	Date Acquired	Funding Source	Original Cost	FYE 2013 Book Value	Useful Life	Depreciation Exp.	ADJ.	FY 2014 Dep. Exp.
WSU - 2000 WCD	00155	1/1/2000	573	584,486	331,605	30	19,483		19,483
WSU - 2001 WCD	00156	1/1/2001	573	4,409,615	2,633,520	30	146,987		146,987
WSU - 2001 WCD	00157	1/1/2001	573	65,343	46,284	40	1,634		1,634
WSU - 2002 WCD	00158	1/1/2002	573	8,370	6,068	40	209		209
WSU - 2003 WCD	00159	1/1/2003	573	38,442	30,625	50	769		769
WSU - Well 10 VFD	00160	1/1/2004	573	12,064	8,043	30	402		402
WSU - Wellhouse 10 addition	00161	1/1/2004	573	3,446	2,297	30	115		115
WSU - Water Tank	00162	1/1/2004	573	2,600	1,736	30	87		87
WSU - Tile flooring water office	00163	1/1/2005	573	8,324	1,665	10	832		832
WSU - Well 10 pulled for repair	00164	1/1/2005	573	6,480	3,888	20	324		324
WSU - Well 6, 7, 10 Improvements	00165	1/1/2005	573	30,099	18,059	20	1,505		1,505
WSU - Well 6, 7 Improvements	00166	1/1/2005	573	26,830	(0)	7	3,833		(0)
WSU - Paint N Water Tank	00167	1/1/2005	573	238,638	111,364	15	15,909		15,909
WSU - 8th & Vine PS Electrical	00168	1/1/2005	573	4,551	2,731	20	228		228
WSU - River St Storm Sewer Collapse	00169	1/1/2005	573	48,406	35,498	30	1,614		1,614
WSU - Storm Sewer outfall near CSX	00170	1/1/2005	573	10,871	7,972	30	362		362
WWTP - 2006	00408	1/1/2006	573	160,036	117,360	30	5,335		5,335
Dipper Sampler	00417	7/28/2006	573	4,615	(0)	7	659		(0)
WSU WWTP - 2007	00430	6/30/2007	573	2,375,166	2,048,581	40	59,379		59,379
WSU Well 9 Rehab - 2007	00435	5/21/2007	573	24,168	15,709	20	1,208		1,208
WSU - Well 10 Motor	00436	7/1/2006	573	10,119	3,036	10	1,012		1,012
WSU - Radio Meter Reads - 2007	00437	6/7/2007	573	135,344	72,183	15	9,023		9,023
WSU - Division St. Outfall - 2007	00438	6/1/2007	573	9,360	7,176	30	312		312
2008 SRF WWTP Expansion	00455	4/1/2008	573	80,003	65,336	30	2,667		2,667
2008 Jerumbo Lift St & Force Main	00456	4/1/2008	573	137,742	99,863	20	6,887		6,887
2008 Water Chemical Feed System	00457	9/18/2007	573	55,350	40,129	20	2,768		2,768
2008 Radio Meter Reads	00458	8/23/2007	573	110,177	79,878	20	5,509		5,509
2008 6th Ave Lift St & Road	00459	6/30/2008	573	147,967	118,373	25	5,919		5,919
2009 WWTP Expansion	00484	6/30/2009	573	90,000	72,000	25	3,600		3,600
2009 Well 10 Rehab	00491	6/30/2009	573	47,993	31,995	15	3,200		3,200
2009 Well 6 Cleaning	00492	6/30/2009	573	15,000	10,000	15	1,000		1,000
2009 Radio Meter Reads	00493	6/30/2009	573	90,640	60,427	15	6,043		6,043
2009 6th Ave Pump Station	00494	6/30/2009	573	326,809	261,448	25	13,072		13,072
2009 Jerumbo Force Main	00495	6/30/2009	573	7,686	6,405	30	256		256
2009 Jones CSO	00496	6/30/2009	573	40,323	34,947	30	1,344		1,344
2009 Cedar St CSO	00497	6/30/2009	573	27,170	23,547	30	906		906
2009 Submersible Pump	00498	6/30/2009	573	5,581	-	5	1,116		-
2009 Galvanized Piping	00499	6/30/2009	573	10,056	8,045	25	402		402
2009 Jerumbo Lift Station	00500	6/30/2009	573	65,347	49,010	20	3,267		3,267
2009 River Bank Sewer	00501	6/30/2009	573	5,579	4,686	25	223		223
2010 WSU Flow Meters	00520	5/30/2010	573	27,784	16,670	10	2,778		2,778
2010 WSU Well 6	00521	5/30/2010	573	39,815	23,889	10	3,982		3,982

Fixed Assets & Depreciation Expenses (Sources: 2013 Fixed Assets.xls, "CA List" Tab and Auditor 2012 FACS 063012.PDF) **Schedule 6**

Description	Asset ID	Date Acquired	Funding Source	Original Cost	FYE 2013 Book Value	Useful Life	Depreciation Exp.	ADJ.	FY 2014 Dep. Exp.
2010 WSU Well House #8	00522	4/30/2010	573	21,229	16,983	20	1,061		1,061
2010 WSU Aeration Trolley	00523	3/31/2010	573	14,500	8,700	10	1,450		1,450
2010 WSU SCADA	00524	4/30/2010	573	17,991	3,598	5	3,598		3,598
2010 WSU Jones St Outfall	00525	11/30/2009	573	33,690	28,300	25	1,348		1,348
2011 WSU Well 10 Reconstruction	00540	6/30/2011	573	26,283	22,341	10	2,628		2,628
2011 WSU Well 9 Transformer	00541	6/30/2011	573	8,960	8,064	15	597		597
2011 WSU Well 8 Transformer	00542	6/30/2011	573	8,964	8,068	15	598		598
2011 WSU Jones St CSO	00543	10/31/2010	573	2,027,383	1,900,671	40	50,685		50,685
2011 WSU Influent Pump Facility	00544	4/30/2011	573	23,230	17,423	10	2,323		2,323
2011 WSU WWTP SCADA	00545	6/30/2011	573	42,240	33,189	7	6,034		6,034
2011 WSU Aeration Tank #2 Rehab	00546	9/16/2010	573	11,550	10,106	20	578		578
2011 WSU WWTP Grit Seperator	00547	2/1/2011	573	10,395	7,796	10	1,040		1,040
2012 WSU Lightning Protection	00572	12/1/2011	573	68,811	54,748	7	9,830		9,830
2012 WSU Fire Hydrants	00573	12/1/2011	573	35,102	33,347	30	1,170		1,170
2012 WSU Wireless Communications	00574	12/1/2011	573	52,824	44,900	10	5,282		5,282
2012 WSU Water Tower Control Cabine	00575	4/1/2012	573	15,770	14,981	10	1,577		1,577
2012 WSU Well 6 & 8 Generator & Dri	00576	3/31/2012	573	74,188	71,715	15	4,946		4,946
2012 WSU Water Tower Generators	00577	4/3/2012	573	16,265	15,723	15	1,084		1,084
2012 WSU Digester Roof	00578	10/18/2011	573	12,707	11,436	15	847		847
2012 WSU Digester Boiler	00579	10/1/2011	573	71,886	66,495	20	3,594		3,594
2012 WSU Grit Roof	00580	8/29/2011	573	5,751	5,320	20	288		288
2012 WSU Jerumbo Lift Station	00581	6/1/2012	573	79,616	77,626	20	3,981		3,981
2012 WSU Oaks Lift Station	00582	6/15/2012	573	31,110	30,332	20	1,555		1,555
2012 WSU Ren Park Lift Station	00583	6/15/2012	573	42,135	41,082	20	2,107		2,107
2012 WSU Arthur Street Lift Station	00584	4/15/2012	573	41,397	40,362	20	2,070		2,070
2012 First Street Lift Station	00585	12/31/2011	573	80,120	78,117	20	4,006		4,006
2012 WSU Insulate Digester	00586	4/16/2012	573	23,600	23,010	15	1,573		1,573
2012 WSU SCADA Upgrade	00587	12/31/2011	573	6,378	5,011	7	911		911
2012 WSU Cedar St CSO	00588	12/1/2011	573	3,269,696	3,147,983	40	81,742		81,742
2012 Jones Street CSO Final Pmt	00589	12/31/2011	573	66,763	64,259	40	1,669		1,669
2013 Well 9 Rehab	00612	6/1/2013	573	44,078	44,078	10	4,408		4,408
2013 Joslin Cove Watermain	00613	11/1/2012	573	31,819	31,288	40	795		795
2013 Generator	00614	11/30/2012	573	13,779	13,320	15	919		919
2013 Water SCADA Computer	00615	6/30/2013	573	5,198	5,198	5	1,040		1,040
2013 WWTP Remote Control Panel #2	00616	6/15/2013	573	5,527	5,527	10	553		553
2013 WWTP Wet Well Transmitter	00617	6/15/2013	573	7,124	7,124	10	712		712
2013 WWTP Open Channel Flow Meter	00618	6/15/2013	573	6,738	6,738	10	674		674
2013 WWTP Aurora Sewage Sump Pump	00619	7/11/2012	573	6,782	6,298	10	678		678
2013 WWTP Aurora Sewage Sump Pump	00620	9/25/2012	573	5,094	4,730	10	509		509
2013 Flyght Pump Old Sixth Ave PS	00621	6/1/2013	573	7,200	7,200	10	720		720
Sixth Avenue Pump Replacement	CWIP	6/30/2013	573	48,495	48,495	10	4,850		4,850
River Bank Sewer	CWIP	6/30/2013	573	49,441	49,441	25	1,978		1,978
TOTAL				**36,021,893**	**19,886,555**		**1,187,753**	**-**	**1,161,086**

Fixed Asset & Depreciation Expense Allocation Between Water & Sewer

Schedule 7

						Original Cost			Depreciation		
	Original Cost	Depreciation	Allocation Basis/Factor	Water % Allocation	Sewer % Allocation	N/A	Water $ Allocation	Sewer $ Allocation	N/A	Water $ Allocation	Sewer $ Allocation
WWTP Land	5,000	-	Direct	0.00%	100.00%	-	-	5,000	-	-	-
WSU - 1965 Equipment	26,277	-	Indirect	10.51%	89.49%	-	2,761	23,516	-	-	-
WSU - 1983 Equipment	23,721	-	Indirect	10.51%	89.49%	-	2,492	21,229	-	-	-
WSU - 1989 Equipment	33,110	-	Indirect	10.51%	89.49%	-	3,479	29,631	-	-	-
WSU - 1990 Equipment	22,333	-	Indirect	10.51%	89.49%	-	2,347	19,986	-	-	-
WSU - 1991 Equipment	2,029	-	Indirect	10.51%	89.49%	-	213	1,816	-	-	-
WSU - 1992 Equipment	24,190	-	Indirect	10.51%	89.49%	-	2,542	21,648	-	-	-
WSU - 1997 Equipment	1,000	-	Indirect	10.51%	89.49%	-	105	895	-	-	-
WSU - 2001 Equipment	12,390	413	Indirect	10.51%	89.49%	-	1,302	11,088	-	43	370
WSU - 2001 Equipment	12,145	-	Indirect	10.51%	89.49%	-	1,276	10,869	-	-	-
WSU - 2002 Equipment	11,525	-	Indirect	10.51%	89.49%	-	1,211	10,314	-	-	-
WSU - 2003 Equipment	1,805	-	Indirect	10.51%	89.49%	-	190	1,615	-	-	-
WSU - 2004 Pump	9,675	88	Direct	0.00%	100.00%	-	-	9,675	-	-	88
WSU - 2005 Influent Pump	4,610	307	Direct	0.00%	100.00%	-	-	4,610	-	-	307
WSU - 2005 Rebuild Pumps	10,915	1,092	Direct	0.00%	100.00%	-	-	10,915	-	-	1,092
WSU - 2005 SCADA	4,892	-	Direct	0.00%	100.00%	-	-	4,892	-	-	-
WSU - 2005 UV Disinfection	3,602	-	Direct	0.00%	100.00%	-	-	3,602	-	-	-
WSU - 2005 Vactor Repairs	6,561	-	Direct	0.00%	100.00%	-	-	6,561	-	-	-
WSU - 1965 WWTP	575,266	11,505	Direct	0.00%	100.00%	-	-	575,266	-	-	11,505
WSU - 1988 WWTP	3,321,000	110,700	Direct	0.00%	100.00%	-	-	3,321,000	-	-	110,700
WSU - 1993 WWTP	3,479,466	115,982	Direct	0.00%	100.00%	-	-	3,479,466	-	-	115,982
WSU - 2004 WWTP	62,451	2,082	Direct	0.00%	100.00%	-	-	62,451	-	-	2,082
WSU - 2005 SRF WWTP Expansion	11,849	592	Direct	0.00%	100.00%	-	-	11,849	-	-	592
WSU - 1965 WCD	20,954	419	Indirect	10.51%	89.49%	-	2,202	18,752	-	44	375
WSU - 1966 WCD	450,991	9,020	Indirect	10.51%	89.49%	-	47,386	403,605	-	948	8,072
WSU - 1976 WCD	334,719	6,694	Indirect	10.51%	89.49%	-	35,169	299,550	-	703	5,991
WSU - 1977 WCD	668,379	13,368	Indirect	10.51%	89.49%	-	70,227	598,152	-	1,405	11,963
WSU - 1982 WCD	20,945	419	Indirect	10.51%	89.49%	-	2,201	18,744	-	44	375
WSU - 1983 WCD	1,012,108	20,242	Direct	0.00%	100.00%	-	-	1,012,108	-	-	20,242
WSU - 1984 WCD	138,094	2,762	Staff Estimate	0.00%	100.00%	-	-	138,094	-	-	2,762
WSU - 1985 WCD	50,053	1,001	Indirect	10.51%	89.49%	-	5,259	44,794	-	105	896
WSU - 1986 WCD	410,996	8,220	Staff Estimate	40.00%	60.00%	-	164,398	246,598	-	3,288	4,932
WSU - 1989 WCD	123,918	4,131	Staff Estimate	50.00%	50.00%	-	61,959	61,959	-	2,065	2,065
WSU - 1991 WCD	14,335	478	Indirect	10.51%	89.49%	-	1,506	12,829	-	50	428
WSU - 1992 WCD	22,511	750	Indirect	10.51%	89.49%	-	2,365	20,146	-	79	672
WSU - 1993 WCD	12,246	408	Indirect	10.51%	89.49%	-	1,287	10,959	-	43	365
WSU - 1994 WCD	27,334	911	Indirect	10.51%	89.49%	-	2,872	24,462	-	96	815
WSU - 1995 WCD	1,970,836	65,695	95-'05 Debt Allocati	15.97%	84.03%	-	314,650	1,656,186	-	10,488	55,206
WSU - 1996 WCD	190,449	6,348	95-'05 Debt Allocati	15.97%	84.03%	-	30,406	160,043	-	1,014	5,335

Fixed Asset & Depreciation Expense Allocation Between Water & Sewer

Schedule 7

						Original Cost			Depreciation		
	Original Cost	Depreciation	Allocation Basis/Factor	Water % Allocation	Sewer % Allocation	N/A	Water $ Allocation	Sewer $ Allocation	N/A	Water $ Allocation	Sewer $ Allocation
WSU - 1997 WCD	115,583	3,853	95-'05 Debt Allocati	15.97%	84.03%	-	18,453	97,130	-	615	3,238
WSU - 1998 WCD	6,695,833	223,194	95-'05 Debt Allocati	15.97%	84.03%	-	1,069,009	5,626,824	-	35,634	187,561
WSU - 1999 WCD	55,595	1,853	95-'05 Debt Allocati	15.97%	84.03%	-	8,876	46,719	-	296	1,557
WSU - 2000 WCD	584,486	19,483	95-'05 Debt Allocati	15.97%	84.03%	-	93,315	491,171	-	3,110	16,372
WSU - 2001 WCD	4,409,615	146,987	95-'05 Debt Allocati	15.97%	84.03%	-	704,008	3,705,607	-	23,467	123,520
WSU - 2001 WCD	65,343	1,634	95-'05 Debt Allocati	15.97%	84.03%	-	10,432	54,911	-	261	1,373
WSU - 2002 WCD	8,370	209	95-'05 Debt Allocati	15.97%	84.03%	-	1,336	7,034	-	33	176
WSU - 2003 WCD	38,442	769	95-'05 Debt Allocati	15.97%	84.03%	-	6,137	32,305	-	123	646
WSU - Well 10 VFD	12,064	402	Direct	100.00%	0.00%	-	12,064	-	-	402	-
WSU - Wellhouse 10 addition	3,446	115	Direct	100.00%	0.00%	-	3,446	-	-	115	-
WSU - Water Tank	2,600	87	Direct	100.00%	0.00%	-	2,600	-	-	87	-
WSU - Tile flooring water office	8,324	832	Direct	100.00%	0.00%	-	8,324	-	-	832	-
WSU - Well 10 pulled for repair	6,480	324	Direct	100.00%	0.00%	-	6,480	-	-	324	-
WSU - Well 6, 7, 10 Improvements	30,099	1,505	Direct	100.00%	0.00%	-	30,099	-	-	1,505	-
WSU - Well 6, 7 Improvements	26,830	(0)	Direct	100.00%	0.00%	-	26,830	-	-	(0)	-
WSU - Paint N Water Tank	238,638	15,909	Direct	100.00%	0.00%	-	238,638	-	-	15,909	-
WSU - 8th & Vine PS Electrical	4,551	228	Direct	0.00%	100.00%	-	-	4,551	-	-	228
WSU - River St Storm Sewer Collapse	48,406	1,614	Direct	0.00%	100.00%	-	-	48,406	-	-	1,614
WSU - Storm Sewer outfall near CSX	10,871	362	Direct	0.00%	100.00%	-	-	10,871	-	-	362
WWTP - 2006	160,036	5,335	Direct	0.00%	100.00%	-	-	160,036	-	-	5,335
Dipper Sampler	4,615	(0)	Direct	0.00%	100.00%	-	-	4,615	-	-	(0)
WSU WWTP - 2007	2,375,166	59,379	Direct	0.00%	100.00%	-	-	2,375,166	-	-	59,379
WSU Well 9 Rehab - 2007	24,168	1,208	Direct	100.00%	0.00%	-	24,168	-	-	1,208	-
WSU - Well 10 Motor	10,119	1,012	Direct	100.00%	0.00%	-	10,119	-	-	1,012	-
WSU - Radio Meter Reads - 2007	135,344	9,023	Customer Ratios	55.24%	44.76%	-	74,763	60,581	-	4,984	4,039
WSU - Division St. Outfall - 2007	9,360	312	Direct	0.00%	100.00%	-	-	9,360	-	-	312
2008 SRF WWTP Expansion	80,003	2,667	Direct	0.00%	100.00%	-	-	80,003	-	-	2,667
2008 Jerumbo Lift St & Force Main	137,742	6,887	Direct	0.00%	100.00%	-	-	137,742	-	-	6,887
2008 Water Chemical Feed System	55,350	2,768	Direct	100.00%	0.00%	-	55,350	-	-	2,768	-
2008 Radio Meter Reads	110,177	5,509	Customer Ratios	55.24%	44.76%	-	60,861	49,316	-	3,043	2,466
2008 6th Ave Lift St & Road	147,967	5,919	Direct	0.00%	100.00%	-	-	147,967	-	-	5,919
2009 WWTP Expansion	90,000	3,600	Direct	0.00%	100.00%	-	-	90,000	-	-	3,600
2009 Well 10 Rehab	47,993	3,200	Direct	100.00%	0.00%	-	47,993	-	-	3,200	-
2009 Well 6 Cleaning	15,000	1,000	Direct	100.00%	0.00%	-	15,000	-	-	1,000	-
2009 Radio Meter Reads	90,640	6,043	Customer Ratios	55.24%	44.76%	-	50,069	40,571	-	3,338	2,705
2009 6th Ave Pump Station	326,809	13,072	Direct	0.00%	100.00%	-	-	326,809	-	-	13,072
2009 Jerumbo Force Main	7,686	256	Direct	0.00%	100.00%	-	-	7,686	-	-	256
2009 Jones CSO	40,323	1,344	Direct	0.00%	100.00%	-	-	40,323	-	-	1,344
2009 Cedar St CSO	27,170	906	Direct	0.00%	100.00%	-	-	27,170	-	-	906

Fixed Asset & Depreciation Expense Allocation Between Water & Sewer

Schedule 7

	Original Cost	Depreciation	Allocation Basis/Factor	Water % Allocation	Sewer % Allocation	Original Cost N/A	Original Cost Water $ Allocation	Original Cost Sewer $ Allocation	Depreciation N/A	Depreciation Water $ Allocation	Depreciation Sewer $ Allocation
2009 Submersible Pump	5,581	-	Direct	0.00%	100.00%	-	-	5,581	-	-	-
2009 Galvanized Piping	10,056	402	Direct	100.00%	0.00%	-	10,056	-	-	402	-
2009 Jerumbo Lift Station	65,347	3,267	Direct	0.00%	100.00%	-	-	65,347	-	-	3,267
2009 River Bank Sewer	5,579	223	Direct	0.00%	100.00%	-	-	5,579	-	-	223
2010 WSU Flow Meters	27,784	2,778	Direct	0.00%	100.00%	-	-	27,784	-	-	2,778
2010 WSU Well 6	39,815	3,982	Direct	100.00%	0.00%	-	39,815	-	-	3,982	-
2010 WSU Well House #8	21,229	1,061	Direct	100.00%	0.00%	-	21,229	-	-	1,061	-
2010 WSU Aeration Trolley	14,500	1,450	Direct	0.00%	100.00%	-	-	14,500	-	-	1,450
2010 WSU SCADA	17,991	3,598	Direct	0.00%	100.00%	-	-	17,991	-	-	3,598
2010 WSU Jones St Outfall	33,690	1,348	Direct	0.00%	100.00%	-	-	33,690	-	-	1,348
2011 WSU Well 10 Reconstruction	26,283	2,628	Direct	100.00%	0.00%	-	26,283	-	-	2,628	-
2011 WSU Well 9 Transformer	8,960	597	Direct	100.00%	0.00%	-	8,960	-	-	597	-
2011 WSU Well 8 Transformer	8,964	598	Direct	100.00%	0.00%	-	8,964	-	-	598	-
2011 WSU Jones St CSO	2,027,383	50,685	Direct	0.00%	100.00%	-	-	2,027,383	-	-	50,685
2011 WSU Influent Pump Facility	23,230	2,323	Direct	0.00%	100.00%	-	-	23,230	-	-	2,323
2011 WSU WWTP SCADA	42,240	6,034	Direct	0.00%	100.00%	-	-	42,240	-	-	6,034
2011 WSU Aeration Tank #2 Rehab	11,550	578	Direct	0.00%	100.00%	-	-	11,550	-	-	578
2011 WSU WWTP Grit Seperator	10,395	1,040	Direct	0.00%	100.00%	-	-	10,395	-	-	1,040
2012 WSU Lightning Protection	68,811	9,830	Direct	100.00%	0.00%	-	68,811	-	-	9,830	-
2012 WSU Fire Hydrants	35,102	1,170	Direct	100.00%	0.00%	-	35,102	-	-	1,170	-
2012 WSU Wireless Communications	52,824	5,282	Direct	50.00%	50.00%	-	26,412	26,412	-	2,641	2,641
2012 WSU Water Tower Control Cabine	15,770	1,577	Direct	100.00%	0.00%	-	15,770	-	-	1,577	-
2012 WSU Well 6 & 8 Generator & Dri	74,188	4,946	Direct	100.00%	0.00%	-	74,188	-	-	4,946	-
2012 WSU Water Tower Generators	16,265	1,084	Direct	100.00%	0.00%	-	16,265	-	-	1,084	-
2012 WSU Digester Roof	12,707	847	Direct	0.00%	100.00%	-	-	12,707	-	-	847
2012 WSU Digester Boiler	71,886	3,594	Direct	0.00%	100.00%	-	-	71,886	-	-	3,594
2012 WSU Grit Roof	5,751	288	Direct	0.00%	100.00%	-	-	5,751	-	-	288
2012 WSU Jerumbo Lift Station	79,616	3,981	Direct	0.00%	100.00%	-	-	79,616	-	-	3,981
2012 WSU Oaks Lift Station	31,110	1,555	Direct	0.00%	100.00%	-	-	31,110	-	-	1,555
2012 WSU Ren Park Lift Station	42,135	2,107	Direct	0.00%	100.00%	-	-	42,135	-	-	2,107
2012 WSU Arthur Street Lift Station	41,397	2,070	Direct	0.00%	100.00%	-	-	41,397	-	-	2,070
2012 First Street Lift Station	80,120	4,006	Direct	0.00%	100.00%	-	-	80,120	-	-	4,006
2012 WSU Insulate Digester	23,600	1,573	Direct	0.00%	100.00%	-	-	23,600	-	-	1,573
2012 WSU SCADA Upgrade	6,378	911	Direct	0.00%	100.00%	-	-	6,378	-	-	911
2012 WSU Cedar St CSO	3,269,696	81,742	Direct	0.00%	100.00%	-	-	3,269,696	-	-	81,742
2012 Jones Street CSO Final Pmt	66,763	1,669	Direct	0.00%	100.00%	-	-	66,763	-	-	1,669
2013 Well 9 Rehab	44,078	4,408	Direct	100.00%	0.00%	-	44,078	-	-	4,408	-
2013 Joslin Cove Watermain	31,819	795	Direct	100.00%	0.00%	-	31,819	-	-	795	-
2013 Generator	13,779	919	Direct	100.00%	0.00%	-	13,779	-	-	919	-

Fixed Asset & Depreciation Expense Allocation Between Water & Sewer

Schedule 7

	Original Cost	Depreciation	Allocation Basis/Factor	Water % Allocation	Sewer % Allocation	Original Cost N/A	Original Cost Water $ Allocation	Original Cost Sewer $ Allocation	Depreciation N/A	Depreciation Water $ Allocation	Depreciation Sewer $ Allocation
2013 Water SCADA Computer	5,198	1,040	Direct	100.00%	0.00%	-	5,198	-	-	1,040	-
2013 WWTP Remote Control Panel #2	5,527	553	Direct	0.00%	100.00%	-	-	5,527	-	-	553
2013 WWTP Wet Well Transmitter	7,124	712	Direct	0.00%	100.00%	-	-	7,124	-	-	712
2013 WWTP Open Channel Flow Meter	6,738	674	Direct	0.00%	100.00%	-	-	6,738	-	-	674
2013 WWTP Aurora Sewage Sump Pump	6,782	678	Direct	0.00%	100.00%	-	-	6,782	-	-	678
2013 WWTP Aurora Sewage Sump Pump	5,094	509	Direct	0.00%	100.00%	-	-	5,094	-	-	509
2013 Flyght Pump Old Sixth Ave PS	7,200	720	Direct	0.00%	100.00%	-	-	7,200	-	-	720
Sixth Avenue Pump Replacement	48,495	4,850	Direct	0.00%	100.00%	-	-	48,495	-	-	4,850
River Bank Sewer	49,441	1,978	Direct	0.00%	100.00%	-	-	49,441	-	-	1,978
TOTAL	36,021,893	1,161,086				-	3,784,901	32,236,992	-	161,359	999,727
% Allocation						0.00%	10.51%	89.49%	0.00%	13.90%	86.10%
Expenses Excluded From Indirect Allocation											
Net Expenses for Indirect Allocation	36,021,893	1,161,086				-	3,784,901	32,236,992	-	161,359	999,727
% of Expenditures				(Basis of Indirect Allocations ->)		N/A	10.51%	89.49%	N/A	13.90%	86.10%

Water System Fixed Asset & Depreciation Expense Allocations to Functions — Schedule 8

									Original Cost				Depreciation			
	Original Cost	Depreciation	Allocation Basis/Factor	Supply % Allocation	Treatment % Allocation	Distribution % Allocation	Meters/Services % Allocation	Total % Allocation	Supply $ Allocation	Treatment $ Allocation	Distribution $ Allocation	Meters/Services $ Allocation	Supply $ Allocation	Treatment $ Allocation	Distribution $ Allocation	Meters/Services $ Allocation
WWTP Land	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
WSU - 1965 Equipment	2,761	-	Indirect	19.55%	3.13%	71.86%	5.46%	100.00%	540	86	1,984	151	-	-	-	-
WSU - 1983 Equipment	2,492	-	Indirect	19.55%	3.13%	71.86%	5.46%	100.00%	487	78	1,791	136	-	-	-	-
WSU - 1989 Equipment	3,479	-	Indirect	19.55%	3.13%	71.86%	5.46%	100.00%	680	109	2,500	190	-	-	-	-
WSU - 1990 Equipment	2,347	-	Indirect	19.55%	3.13%	71.86%	5.46%	100.00%	459	73	1,686	128	-	-	-	-
WSU - 1991 Equipment	213	-	Indirect	19.55%	3.13%	71.86%	5.46%	100.00%	42	7	153	12	-	-	-	-
WSU - 1992 Equipment	2,542	-	Indirect	19.55%	3.13%	71.86%	5.46%	100.00%	497	80	1,827	139	-	-	-	-
WSU - 1997 Equipment	105	-	Indirect	19.55%	3.13%	71.86%	5.46%	100.00%	21	3	76	6	-	-	-	-
WSU - 2001 Equipment	1,302	43	Indirect	19.55%	3.13%	71.86%	5.46%	100.00%	255	41	936	71	8	1	31	2
WSU - 2001 Equipment	1,276	-	Indirect	19.55%	3.13%	71.86%	5.46%	100.00%	249	40	917	70	-	-	-	-
WSU - 2002 Equipment	1,211	-	Indirect	19.55%	3.13%	71.86%	5.46%	100.00%	237	38	870	66	-	-	-	-
WSU - 2003 Equipment	190	-	Indirect	19.55%	3.13%	71.86%	5.46%	100.00%	37	6	136	10	-	-	-	-
WSU - 2004 Pump	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
WSU - 2005 Influent Pump	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
WSU - 2005 Rebuild Pumps	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
WSU - 2005 SCADA	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
WSU - 2005 UV Disinfection	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
WSU - 2005 Vactor Repairs	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
WSU - 1965 WWTP	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
WSU - 1988 WWTP	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
WSU - 1993 WWTP	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
WSU - 2004 WWTP	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
WSU - 2005 SRF WWTP Expansion	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
WSU - 1965 WCD	2,202	44	Indirect	19.55%	3.13%	71.86%	5.46%	100.00%	430	69	1,582	120	9	1	32	2
WSU - 1966 WCD	47,386	948	Indirect	19.55%	3.13%	71.86%	5.46%	100.00%	9,265	1,482	34,053	2,585	185	30	681	52
WSU - 1976 WCD	35,169	703	Indirect	19.55%	3.13%	71.86%	5.46%	100.00%	6,876	1,100	25,274	1,918	138	22	505	38
WSU - 1977 WCD	70,227	1,405	Indirect	19.55%	3.13%	71.86%	5.46%	100.00%	13,731	2,197	50,468	3,831	275	44	1,009	77
WSU - 1982 WCD	2,201	44	Indirect	19.55%	3.13%	71.86%	5.46%	100.00%	430	69	1,582	120	9	1	32	2
WSU - 1983 WCD	-	-	Indirect	19.55%	3.13%	71.86%	5.46%	100.00%	-	-	-	-	-	-	-	-
WSU - 1984 WCD	-	-	Indirect	19.55%	3.13%	71.86%	5.46%	100.00%	-	-	-	-	-	-	-	-
WSU - 1985 WCD	5,259	105	Indirect	19.55%	3.13%	71.86%	5.46%	100.00%	1,028	165	3,779	287	21	3	76	6
WSU - 1986 WCD	164,398	3,288	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	164,398	-	-	-	3,288	-
WSU - 1989 WCD	61,959	2,065	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	61,959	-	-	-	2,065	-
WSU - 1991 WCD	1,506	50	Indirect	19.55%	3.13%	71.86%	5.46%	100.00%	294	47	1,082	82	10	2	36	3
WSU - 1992 WCD	2,365	79	Indirect	19.55%	3.13%	71.86%	5.46%	100.00%	462	74	1,700	129	15	2	57	4
WSU - 1993 WCD	1,287	43	Indirect	19.55%	3.13%	71.86%	5.46%	100.00%	252	40	925	70	8	1	31	2
WSU - 1994 WCD	2,872	96	Indirect	19.55%	3.13%	71.86%	5.46%	100.00%	562	90	2,064	157	19	3	69	5
WSU - 1995 WCD	314,650	10,488	95-'05 Debt Allocations	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	314,650	-	-	-	10,488	-
WSU - 1996 WCD	30,406	1,014	95-'05 Debt Allocations	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	30,406	-	-	-	1,014	-
WSU - 1997 WCD	18,453	615	95-'05 Debt Allocations	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	18,453	-	-	-	615	-
WSU - 1998 WCD	1,069,009	35,634	US 31 & Well 10 Split	20.00%	5.00%	75.00%	0.00%	100.00%	213,802	53,450	801,757	-	7,127	1,782	26,725	-
WSU - 1999 WCD	8,876	296	95-'05 Debt Allocations	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	8,876	-	-	-	296	-
WSU - 2000 WCD	93,315	3,110	95-'05 Debt Allocations	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	93,315	-	-	-	3,110	-
WSU - 2001 WCD	704,008	23,467	95-'05 Debt Allocations	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	704,008	-	-	-	23,467	-
WSU - 2001 WCD	10,432	261	95-'05 Debt Allocations	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	10,432	-	-	-	261	-
WSU - 2002 WCD	1,336	33	95-'05 Debt Allocations	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	1,336	-	-	-	33	-
WSU - 2003 WCD	6,137	123	95-'05 Debt Allocations	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	6,137	-	-	-	123	-
WSU - Well 10 VFD	12,064	402	Direct	100.00%	0.00%	0.00%	0.00%	100.00%	12,064	-	-	-	402	-	-	-
WSU - Wellhouse 10 addition	3,446	115	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	3,446	-	-	-	115	-	-
WSU - Water Tank	2,600	87	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	2,600	-	-	-	87	-
WSU - Tile flooring water office	8,324	832	Indirect	19.55%	3.13%	71.86%	5.46%	100.00%	1,628	260	5,982	454	163	26	598	45
WSU - Well 10 pulled for repair	6,480	324	Direct	100.00%	0.00%	0.00%	0.00%	100.00%	6,480	-	-	-	324	-	-	-
WSU - Well 6, 7, 10 Improvements	30,099	1,505	Direct	100.00%	0.00%	0.00%	0.00%	100.00%	30,099	-	-	-	1,505	-	-	-
WSU - Well 6, 7 Improvements	26,830	(0)	Direct	100.00%	0.00%	0.00%	0.00%	100.00%	26,830	-	-	-	(0)	-	-	-
WSU - Paint N Water Tank	238,638	15,909	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	238,638	-	-	-	15,909	-
WSU - 8th & Vine PS Electrical	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
WSU - River St Storm Sewer Collapse	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
WSU - Storm Sewer outfall near CSX	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
WWTP - 2006	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
Dipper Sampler	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-

Water System Fixed Asset & Depreciation Expense Allocations to Functions — Schedule 8

	Original Cost	Depreciation	Allocation Basis/Factor	Supply % Allocation	Treatment % Allocation	Distribution % Allocation	Meters/Services % Allocation	Total % Allocation	Original Cost: Supply $ Allocation	Original Cost: Treatment $ Allocation	Original Cost: Distribution $ Allocation	Original Cost: Meters/Services $ Allocation	Depreciation: Supply $ Allocation	Depreciation: Treatment $ Allocation	Depreciation: Distribution $ Allocation	Depreciation: Meters/Services $ Allocation
WSU WWTP - 2007	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
WSU Well 9 Rehab - 2007	24,168	1,208	Direct	100.00%	0.00%	0.00%	0.00%	100.00%	24,168	-	-	-	1,208	-	-	-
WSU - Well 10 Motor	10,119	1,012	Direct	100.00%	0.00%	0.00%	0.00%	100.00%	10,119	-	-	-	1,012	-	-	-
WSU - Radio Meter Reads - 2007	74,763	4,984	Direct	0.00%	0.00%	0.00%	100.00%	100.00%	-	-	-	74,763	-	-	-	4,984
WSU - Division St. Outfall - 2007	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2008 SRF WWTP Expansion	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2008 Jerumbo Lift St & Force Main	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2008 Water Chemical Feed System	55,350	2,768	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	55,350	-	-	-	2,768	-	-
2008 Radio Meter Reads	60,861	3,043	Direct	0.00%	0.00%	0.00%	100.00%	100.00%	-	-	-	60,861	-	-	-	3,043
2008 6th Ave Lift St & Road	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2009 WWTP Expansion	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2009 Well 10 Rehab	47,993	3,200	Direct	100.00%	0.00%	0.00%	0.00%	100.00%	47,993	-	-	-	3,200	-	-	-
2009 Well 6 Cleaning	15,000	1,000	Direct	100.00%	0.00%	0.00%	0.00%	100.00%	15,000	-	-	-	1,000	-	-	-
2009 Radio Meter Reads	50,069	3,338	Direct	0.00%	0.00%	0.00%	100.00%	100.00%	-	-	-	50,069	-	-	-	3,338
2009 6th Ave Pump Station	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2009 Jerumbo Force Main	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2009 Jones CSO	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2009 Cedar St CSO	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2009 Submersible Pump	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2009 Galvanized Piping	10,056	402	Direct	0.00%	0.00%	0.00%	100.00%	100.00%	-	-	-	10,056	-	-	-	402
2009 Jerumbo Lift Station	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2009 River Bank Sewer	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2010 WSU Flow Meters	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2010 WSU Well 6	39,815	3,982	Direct	100.00%	0.00%	0.00%	0.00%	100.00%	39,815	-	-	-	3,982	-	-	-
2010 WSU Well House #8	21,229	1,061	Direct	100.00%	0.00%	0.00%	0.00%	100.00%	21,229	-	-	-	1,061	-	-	-
2010 WSU Aeration Trolley	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2010 WSU SCADA	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2010 WSU Jones St Outfall	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2011 WSU Well 10 Reconstruction	26,283	2,628	Direct	100.00%	0.00%	0.00%	0.00%	100.00%	26,283	-	-	-	2,628	-	-	-
2011 WSU Well 9 Transformer	8,960	597	Direct	100.00%	0.00%	0.00%	0.00%	100.00%	8,960	-	-	-	597	-	-	-
2011 WSU Well 8 Transformer	8,964	598	Direct	100.00%	0.00%	0.00%	0.00%	100.00%	8,964	-	-	-	598	-	-	-
2011 WSU Jones St CSO	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2011 WSU Influent Pump Facility	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2011 WSU WWTP SCADA	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2011 WSU Aeration Tank #2 Rehab	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2011 WSU WWTP Grit Seperator	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2012 WSU Lightning Protection	68,811	9,830	Direct	100.00%	0.00%	0.00%	0.00%	100.00%	68,811	-	-	-	9,830	-	-	-
2012 WSU Fire Hydrants	35,102	1,170	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	35,102	-	-	-	1,170	-
2012 WSU Wireless Communications	26,412	2,641	Direct	50.00%	0.00%	50.00%	0.00%	100.00%	13,206	-	13,206	-	1,321	-	1,321	-
2012 WSU Water Tower Control Cabine	15,770	1,577	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	15,770	-	-	-	1,577	-
2012 WSU Well 6 & 8 Generator & Dri	74,188	4,946	Direct	100.00%	0.00%	0.00%	0.00%	100.00%	74,188	-	-	-	4,946	-	-	-
2012 WSU Water Tower Generators	16,265	1,084	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	16,265	-	-	-	1,084	-
2012 WSU Digester Roof	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2012 WSU Digester Boiler	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2012 WSU Grit Roof	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2012 WSU Jerumbo Lift Station	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2012 WSU Oaks Lift Station	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2012 WSU Ren Park Lift Station	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2012 WSU Arthur Street Lift Station	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2012 First Street Lift Station	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2012 WSU Insulate Digester	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2012 WSU SCADA Upgrade	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2012 WSU Cedar St CSO	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2012 Jones Street CSO Final Pmt	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2013 Well 9 Rehab	44,078	4,408	Direct	100.00%	0.00%	0.00%	0.00%	100.00%	44,078	-	-	-	4,408	-	-	-
2013 Joslin Cove Watermain	31,819	795	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	31,819	-	-	-	795	-
2013 Generator	13,779	919	Direct	50.00%	0.00%	50.00%	0.00%	100.00%	6,890	-	6,890	-	459	-	459	-
2013 Water SCADA Computer	5,198	1,040	Direct	50.00%	0.00%	50.00%	0.00%	100.00%	2,599	-	2,599	-	520	-	520	-
2013 WWTP Remote Control Panel #2	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2013 WWTP Wet Well Transmitter	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-

Water System Fixed Asset & Depreciation Expense Allocations to Functions

Schedule 8

									Original Cost				Depreciation			
	Original Cost	Depreciation	Allocation Basis/Factor	Supply % Allocation	Treatment % Allocation	Distribution % Allocation	Meters/Services % Allocation	Total % Allocation	Supply $ Allocation	Treatment $ Allocation	Distribution $ Allocation	Meters/Services $ Allocation	Supply $ Allocation	Treatment $ Allocation	Distribution $ Allocation	Meters/Service $ Allocation
2013 WWTP Open Channel Flow Meter	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2013 WWTP Aurora Sewage Sump Pump	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2013 WWTP Aurora Sewage Sump Pump	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2013 Flyght Pump Old Sixth Ave PS	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
Sixth Avenue Pump Replacement	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
River Bank Sewer	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
TOTAL	3,784,901	161,359							740,038	118,400	2,719,980	206,481	46,986	4,801	97,565	12,007
% Allocation									19.55%	3.13%	71.86%	5.46%	29.12%	2.98%	60.46%	7.44%
Expenses Excluded From Indirect Allocation																
Net Expenses for Indirect Allocation	3,784,901	161,359							740,038	118,400	2,719,980	206,481	46,986	4,801	97,565	12,007
% of Expenditures							(Basis of Indirect Allocations ->)		19.55%	3.13%	71.86%	5.46%	29.12%	2.98%	60.46%	7.44%

Schedule 9 – Sewer Asset & Depreciation Allocations to Functions

Sewer System Fixed Asset & Depreciation Expense Allocations to Functions

Schedule 9

	Original Cost	Depreciation	Allocation Basis/Factor	Meters/Services % Allocation	Collection % Allocation	Treatment % Allocation	Disposal % Allocation	Total % Allocation	Original Cost: Meters/Services $ Allocation	Original Cost: Collection $ Allocation	Original Cost: Treatment $ Allocation	Original Cost: Disposal $ Allocation	Depreciation: Meters/Services $ Allocation	Depreciation: Collection $ Allocation	Depreciation: Treatment $ Allocation	Depreciation: Disposal $ Allocation
WWTP Land	5,000	-	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	5,000	-	-	-	-	-
WSU - 1965 Equipment	23,516	-	Indirect	0.50%	65.30%	34.20%	0.00%	100.00%	118	15,356	8,042	-	-	-	-	-
WSU - 1983 Equipment	21,229	-	Indirect	0.50%	65.30%	34.20%	0.00%	100.00%	106	13,862	7,260	-	-	-	-	-
WSU - 1989 Equipment	29,631	-	Indirect	0.50%	65.30%	34.20%	0.00%	100.00%	148	19,349	10,134	-	-	-	-	-
WSU - 1990 Equipment	19,986	-	Indirect	0.50%	65.30%	34.20%	0.00%	100.00%	100	13,051	6,835	-	-	-	-	-
WSU - 1991 Equipment	1,816	-	Indirect	0.50%	65.30%	34.20%	0.00%	100.00%	9	1,186	621	-	-	-	-	-
WSU - 1992 Equipment	21,648	-	Indirect	0.50%	65.30%	34.20%	0.00%	100.00%	108	14,136	7,404	-	-	-	-	-
WSU - 1997 Equipment	895	-	Indirect	0.50%	65.30%	34.20%	0.00%	100.00%	4	584	306	-	-	-	-	-
WSU - 2001 Equipment	11,088	370	Indirect	0.50%	65.30%	34.20%	0.00%	100.00%	55	7,241	3,792	-	2	241	126	-
WSU - 2001 Equipment	10,869	-	Indirect	0.50%	65.30%	34.20%	0.00%	100.00%	54	7,097	3,717	-	-	-	-	-
WSU - 2002 Equipment	10,314	-	Indirect	0.50%	65.30%	34.20%	0.00%	100.00%	52	6,735	3,527	-	-	-	-	-
WSU - 2003 Equipment	1,615	-	Indirect	0.50%	65.30%	34.20%	0.00%	100.00%	8	1,055	552	-	-	-	-	-
WSU - 2004 Pump	9,675	88	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	9,675	-	-	-	88	-
WSU - 2005 Influent Pump	4,610	307	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	4,610	-	-	-	307	-
WSU - 2005 Rebuild Pumps	10,915	1,092	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	10,915	-	-	-	1,092	-
WSU - 2005 SCADA	4,892	-	Direct	0.00%	50.00%	50.00%	0.00%	100.00%	-	2,446	2,446	-	-	-	-	-
WSU - 2005 UV Disinfection	3,602	-	Direct	0.00%	0.00%	0.00%	100.00%	100.00%	-	-	-	3,602	-	-	-	-
WSU - 2005 Vactor Repairs	6,561	-	Direct	0.00%	90.00%	10.00%	0.00%	100.00%	-	5,905	656	-	-	-	-	-
WSU - 1965 WWTP	575,266	11,505	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	575,266	-	-	-	11,505	-
WSU - 1988 WWTP	3,321,000	110,700	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	3,321,000	-	-	-	110,700	-
WSU - 1993 WWTP	3,479,466	115,982	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	3,479,466	-	-	-	115,982	-
WSU - 2004 WWTP	62,451	2,082	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	62,451	-	-	-	2,082	-
WSU - 2005 SRF WWTP Expansion	11,849	592	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	11,849	-	-	-	592	-
WSU - 1965 WCD	18,752	375	Indirect	0.50%	65.30%	34.20%	0.00%	100.00%	94	12,245	6,413	-	2	245	128	-
WSU - 1966 WCD	403,605	8,072	Indirect	0.50%	65.30%	34.20%	0.00%	100.00%	2,018	263,554	138,033	-	40	5,271	2,761	-
WSU - 1976 WCD	299,550	5,991	Indirect	0.50%	65.30%	34.20%	0.00%	100.00%	1,498	195,606	102,446	-	30	3,912	2,049	-
WSU - 1977 WCD	598,152	11,963	Indirect	0.50%	65.30%	34.20%	0.00%	100.00%	2,991	390,594	204,568	-	60	7,812	4,091	-
WSU - 1982 WCD	18,744	375	Indirect	0.50%	65.30%	34.20%	0.00%	100.00%	94	12,240	6,411	-	2	245	128	-
WSU - 1983 WCD	1,012,108	20,242	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	1,012,108	-	-	-	20,242	-	-
WSU - 1984 WCD	138,094	2,762	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	138,094	-	-	-	2,762	-	-
WSU - 1985 WCD	44,794	896	Indirect	0.50%	65.30%	34.20%	0.00%	100.00%	224	29,250	15,320	-	4	585	306	-
WSU - 1986 WCD	246,598	4,932	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	246,598	-	-	-	4,932	-	-
WSU - 1989 WCD	61,959	2,065	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	61,959	-	-	-	2,065	-	-
WSU - 1991 WCD	12,829	428	Indirect	0.50%	65.30%	34.20%	0.00%	100.00%	64	8,377	4,387	-	2	279	146	-
WSU - 1992 WCD	20,146	672	Indirect	0.50%	65.30%	34.20%	0.00%	100.00%	101	13,155	6,890	-	3	439	230	-
WSU - 1993 WCD	10,959	365	Indirect	0.50%	65.30%	34.20%	0.00%	100.00%	55	7,156	3,748	-	2	239	125	-
WSU - 1994 WCD	24,462	815	Indirect	0.50%	65.30%	34.20%	0.00%	100.00%	122	15,974	8,366	-	4	532	279	-
WSU - 1995 WCD	1,656,186	55,206	95-'05 Debt Allocations	0.00%	100.00%	0.00%	0.00%	100.00%	-	1,656,186	-	-	-	55,206	-	-
WSU - 1996 WCD	160,043	5,335	95-'05 Debt Allocations	0.00%	100.00%	0.00%	0.00%	100.00%	-	160,043	-	-	-	5,335	-	-
WSU - 1997 WCD	97,130	3,238	95-'05 Debt Allocations	0.00%	100.00%	0.00%	0.00%	100.00%	-	97,130	-	-	-	3,238	-	-
WSU - 1998 WCD	5,626,824	187,561	95-'05 Debt Allocations	0.00%	100.00%	0.00%	0.00%	100.00%	-	5,626,824	-	-	-	187,561	-	-
WSU - 1999 WCD	46,719	1,557	95-'05 Debt Allocations	0.00%	100.00%	0.00%	0.00%	100.00%	-	46,719	-	-	-	1,557	-	-
WSU - 2000 WCD	491,171	16,372	95-'05 Debt Allocations	0.00%	100.00%	0.00%	0.00%	100.00%	-	491,171	-	-	-	16,372	-	-
WSU - 2001 WCD	3,705,607	123,520	95-'05 Debt Allocations	0.00%	100.00%	0.00%	0.00%	100.00%	-	3,705,607	-	-	-	123,520	-	-
WSU - 2001 WCD	54,911	1,373	95-'05 Debt Allocations	0.00%	100.00%	0.00%	0.00%	100.00%	-	54,911	-	-	-	1,373	-	-
WSU - 2002 WCD	7,034	176	95-'05 Debt Allocations	0.00%	100.00%	0.00%	0.00%	100.00%	-	7,034	-	-	-	176	-	-
WSU - 2003 WCD	32,305	646	95-'05 Debt Allocations	0.00%	100.00%	0.00%	0.00%	100.00%	-	32,305	-	-	-	646	-	-
WSU - Well 10 VFD	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
WSU - Wellhouse 10 addition	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
WSU - Water Tank	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
WSU - Tile flooring water office	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
WSU - Well 10 pulled for repair	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
WSU - Well 6, 7, 10 Improvements	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
WSU - Well 6, 7 Improvements	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
WSU - Paint N Water Tank	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-

Sewer System Fixed Asset & Depreciation Expense Allocations to Functions

Schedule 9

	Original Cost	Depreciation	Allocation Basis/Factor	Meters/Services % Allocation	Collection % Allocation	Treatment % Allocation	Disposal % Allocation	Total % Allocation	Original Cost: Meters/Services $ Allocation	Original Cost: Collection $ Allocation	Original Cost: Treatment $ Allocation	Original Cost: Disposal $ Allocation	Depreciation: Meters/Services $ Allocation	Depreciation: Collection $ Allocation	Depreciation: Treatment $ Allocation	Depreciation: Disposal $ Allocation
WSU - 8th & Vine PS Electrical	4,551	228	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	4,551	-	-	-	228	-	-
WSU - River St Storm Sewer Collapse	48,406	1,614	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	48,406	-	-	-	1,614	-	-
WSU - Storm Sewer outfall near CSX	10,871	362	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	10,871	-	-	-	362	-	-
WWTP - 2006	160,036	5,335	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	160,036	-	-	-	5,335	-
Dipper Sampler	4,615	(0)	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	4,615	-	-	-	(0)	-
WSU WWTP - 2007	2,375,166	59,379	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	2,375,166	-	-	-	59,379	-
WSU Well 9 Rehab - 2007	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
WSU - Well 10 Motor	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
WSU - Radio Meter Reads - 2007	60,581	4,039	Direct	100.00%	0.00%	0.00%	0.00%	100.00%	60,581	-	-	-	4,039	-	-	-
WSU - Division St. Outfall - 2007	9,360	312	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	9,360	-	-	-	312	-	-
2008 SRF WWTP Expansion	80,003	2,667	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	80,003	-	-	-	2,667	-
2008 Jerumbo Lift St & Force Main	137,742	6,887	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	137,742	-	-	-	6,887	-	-
2008 Water Chemical Feed System	-	-	N/A	0.00%	0.00%	57.33%	42.67%	100.00%	-	-	-	-	-	-	-	-
2008 Radio Meter Reads	49,316	2,466	Direct	100.00%	0.00%	0.00%	0.00%	100.00%	49,316	-	-	-	2,466	-	-	-
2008 6th Ave Lift St & Road	147,967	5,919	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	147,967	-	-	-	5,919	-	-
2009 WWTP Expansion	90,000	3,600	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	90,000	-	-	-	3,600	-
2009 Well 10 Rehab	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2009 Well 6 Cleaning	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2009 Radio Meter Reads	40,571	2,705	Direct	100.00%	0.00%	0.00%	0.00%	100.00%	40,571	-	-	-	2,705	-	-	-
2009 6th Ave Pump Station	326,809	13,072	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	326,809	-	-	-	13,072	-	-
2009 Jerumbo Force Main	7,686	256	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	7,686	-	-	-	256	-	-
2009 Jones CSO	40,323	1,344	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	40,323	-	-	-	1,344	-	-
2009 Cedar St CSO	27,170	906	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	27,170	-	-	-	906	-	-
2009 Submersible Pump	5,581	-	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	5,581	-	-	-	-	-	-
2009 Galvanized Piping	-	-	N/A	0.00%	100.00%	0.00%	0.00%	100.00%	-	-	-	-	-	-	-	-
2009 Jerumbo Lift Station	65,347	3,267	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	65,347	-	-	-	3,267	-	-
2009 River Bank Sewer	5,579	223	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	5,579	-	-	-	223	-	-
2010 WSU Flow Meters	27,784	2,778	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	27,784	-	-	-	2,778	-
2010 WSU Well 6	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2010 WSU Well House #8	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2010 WSU Aeration Trolley	14,500	1,450	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	14,500	-	-	-	1,450	-
2010 WSU SCADA	17,991	3,598	Direct	0.00%	50.00%	50.00%	0.00%	100.00%	-	8,995	8,995	-	-	1,799	1,799	-
2010 WSU Jones St Outfall	33,690	1,348	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	33,690	-	-	-	1,348	-	-
2011 WSU Well 10 Reconstruction	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2011 WSU Well 9 Transformer	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2011 WSU Well 8 Transformer	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2011 WSU Jones St CSO	2,027,383	50,685	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	2,027,383	-	-	-	50,685	-	-
2011 WSU Influent Pump Facility	23,230	2,323	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	23,230	-	-	-	2,323	-
2011 WSU WWTP SCADA	42,240	6,034	Direct	0.00%	50.00%	50.00%	0.00%	100.00%	-	21,120	21,120	-	-	3,017	3,017	-
2011 WSU Aeration Tank #2 Rehab	11,550	578	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	11,550	-	-	-	578	-
2011 WSU WWTP Grit Seperator	10,395	1,040	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	10,395	-	-	-	1,040	-
2012 WSU Lightning Protection	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2012 WSU Fire Hydrants	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2012 WSU Wireless Communications	26,412	2,641	Direct	0.00%	50.00%	50.00%	0.00%	100.00%	-	13,206	13,206	-	-	1,321	1,321	-
2012 WSU Water Tower Control Cabine	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2012 WSU Well 6 & 8 Generator & Dri	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2012 WSU Water Tower Generators	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2012 WSU Digester Roof	12,707	847	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	12,707	-	-	-	847	-
2012 WSU Digester Boiler	71,886	3,594	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	71,886	-	-	-	3,594	-
2012 WSU Grit Roof	5,751	288	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	5,751	-	-	-	288	-
2012 WSU Jerumbo Lift Station	79,616	3,981	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	79,616	-	-	-	3,981	-	-
2012 WSU Oaks Lift Station	31,110	1,555	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	31,110	-	-	-	1,555	-	-
2012 WSU Ren Park Lift Station	42,135	2,107	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	42,135	-	-	-	2,107	-	-
2012 WSU Arthur Street Lift Station	41,397	2,070	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	41,397	-	-	-	2,070	-	-

Sewer System Fixed Asset & Depreciation Expense Allocations to Functions

Schedule 9

									Original Cost				Depreciation			
	Original Cost	Depreciation	Allocation Basis/Factor	Meters/Services % Allocation	Collection % Allocation	Treatment % Allocation	Disposal % Allocation	Total % Allocation	Meters/Services $ Allocation	Collection $ Allocation	Treatment $ Allocation	Disposal $ Allocation	Meters/Services $ Allocation	Collection $ Allocation	Treatment $ Allocation	Disposal $ Allocation
2012 First Street Lift Station	80,120	4,006	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	80,120	-	-	-	4,006	-	-
2012 WSU Insulate Digester	23,600	1,573	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	23,600	-	-	-	1,573	-
2012 WSU SCADA Upgrade	6,378	911	Direct	0.00%	50.00%	50.00%	0.00%	100.00%	-	3,189	3,189	-	-	456	456	-
2012 WSU Cedar St CSO	3,269,696	81,742	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	3,269,696	-	-	-	81,742	-	-
2012 Jones Street CSO Final Pmt	66,763	1,669	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	66,763	-	-	-	1,669	-	-
2013 Well 9 Rehab	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2013 Joslin Cove Watermain	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2013 Generator	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2013 Water SCADA Computer	-	-	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-
2013 WWTP Remote Control Panel #2	5,527	553	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	5,527	-	-	-	553	-
2013 WWTP Wet Well Transmitter	7,124	712	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	7,124	-	-	-	712	-
2013 WWTP Open Channel Flow Meter	6,738	674	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	6,738	-	-	-	674	-
2013 WWTP Aurora Sewage Sump Pump	6,782	678	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	6,782	-	-	-	678	-
2013 WWTP Aurora Sewage Sump Pump	5,094	509	Direct	0.00%	0.00%	100.00%	0.00%	100.00%	-	-	5,094	-	-	-	509	-
2013 Flyght Pump Old Sixth Ave PS	7,200	720	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	7,200	-	-	-	720	-	-
Sixth Avenue Pump Replacement	48,495	4,850	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	48,495	-	-	-	4,850	-	-
River Bank Sewer	49,441	1,978	Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	49,441	-	-	-	1,978	-	-
TOTAL	32,236,992	999,727							158,490	21,053,794	11,021,106	3,602	9,361	642,477	347,888	-
% Allocation									0.50%	65.30%	34.20%	0.00%	0.94%	64.27%	34.80%	0.00%
Expenses Excluded From Indirect Allocation																
Net Expenses for Indirect Allocation	32,236,992	999,727							158,490	21,053,794	11,021,106	3,602	9,361	642,477	347,888	-
% of Expenditures								(Basis of Indirect Allocations ->)	0.50%	65.30%	34.20%	0.00%	0.94%	64.27%	34.80%	0.00%

Water Cost Allocation Functions & Flow Data

Schedule 10

Function	Base Capacity - Avg Day	Extra Capacity - Max Day	Extra Capacity - Peak Hour	Customers
Source of Supply	X			
Treatment	X	X		
Distribution	X	X	X	
Meters/Services				X
% to Each Component				
Source of Supply	100%			
Treatment	33%	67%		
Distribution	28%	56%	16%	
Meters/Services				100%
Per Master Water System Study	**AVERAGE**	**MAX**	**PEAK HOUR**	
Water System	0.995	3.014	3.600	

Historical Water Flow Data

Schedule 11

Source: Water Volumes - Master Water System Study, Table 3-B

Year	AVERAGE	MAX	MD Factor
2008	1.00	3.58	3.59
2009	1.09	3.62	3.32
2010	1.02	3.14	3.08
2011	0.96	3.11	3.24
2012	0.91	3.04	3.34

Water Functional Cost Allocations

Schedule 12

Function	TY Costs	Base Capacity - Avg Day	Extra Capacity - Max Day	Extra Capacity - Peak Hour	Customer - Meters/Services
Operating Expenses					
Source of Supply	$ 162,744	$ 162,744	$ -	$ -	$ -
Treatment	$ 168,529	$ 55,636	$ 112,893	$ -	$ -
Distribution	$ 228,122	$ 63,050	$ 127,938	$ 37,133	$ -
Meters/Services	$ 300,001	$ -	$ -	$ -	$ 300,001
Total Costs	$ 859,396	$ 281,430	$ 240,832	$ 37,133	$ 300,001
% Distribution		32.7%	28.0%	4.3%	34.9%
Unit Cost of Service		$ 1.12	$ 75.89	$ 8.97	$ 75.19
(Unit of measure)		(per TGAL)	(per TGPD)	(per TGPD)	(per meter)
Supply Unit Cost		$ 0.62	$ -	$ -	
Treatment Unit Cost		$ 0.21	$ 33.34	$ -	
T&D Unit Cost					
Transmission		$ 0.07	$ 10.90	$ 2.14	
Distribution (Excludes Large User)		$ 0.22	$ 31.64	$ 6.83	
Debt Service					
Source of Supply	$ 3,326	$ 3,326	$ -	$ -	$ -
Treatment	$ -	$ -	$ -	$ -	$ -
Distribution	$ 332,528	$ 91,907	$ 186,493	$ 54,128	$ -
Meters/Services	$ -	$ -	$ -	$ -	$ -
Total Costs	$ 335,854	$ 95,233	$ 186,493	$ 54,128	$ -
Unit Cost of Service		$ 0.43	$ 62.02	$ 13.07	$ -
(Unit of measure)		(per TGAL)	(per TGPD)	(per TGPD)	(per meter)
Supply Unit Cost		$ 0.01	$ -	$ -	
Treatment Unit Cost		$ -	$ -	$ -	
T&D Unit Cost					
Transmission		$ 0.10	$ 15.89	$ 3.11	
Distribution (Excludes Large User)		$ 0.31	$ 46.13	$ 9.96	
Depreciation & Rate of Return					
Source of Supply	$ 65,444	$ 65,444	$ -	$ -	$ -
Treatment	$ 7,555	$ 2,494	$ 5,061	$ -	$ -
Distribution	$ 151,462	$ 41,863	$ 84,945	$ 24,655	$ -
Meters/Services	$ 16,896	$ -	$ -	$ -	$ 16,896
Total Costs	$ 241,358	$ 109,801	$ 90,006	$ 24,655	$ 16,896
Unit Cost of Service		$ 0.45	$ 29.74	$ 5.95	$ 4.23
(Unit of measure)		(per TGAL)	(per TGPD)	(per TGPD)	(per meter)
Supply Unit Cost		$ 0.25	$ -	$ -	
Treatment Unit Cost		$ 0.01	$ 1.49	$ -	
T&D Unit Cost					
Transmission		$ 0.05	$ 7.24	$ 1.42	
Distribution (Excludes Large User)		$ 0.14	$ 21.01	$ 4.54	

Sewer Cost Allocation Functions & Flow Data

Schedule 13

Function	Base Capacity - Avg Day	Extra Capacity - Max Month	Extra Capacity - Max Day	Customer - Meters/Svc.
Meters/Services				X
Collection	X	X	X	
Treatment	X	X		
Disposal	X			
% to Each Component				
Meters/Services				100%
Collection	47%	27%	26%	
Treatment	64%	36%		
Disposal	100%			
Per SRF Project Plan & SSES (11/13)	**AVERAGE**	**MAX MONTH**	**MAX DAY**	
Sewer System (Calendar Year 2012 Data)	0.83	1.31	1.76	

Historical Sewer Flow Data

Schedule 14

Sources: SRF Project Plan & Sanitary Sewer Evaluation Study Report & Continuing Disclosure

Year	AVERAGE	MAX MONTH	MAX DAY
2008	0.97	NA	1.92
2009	1.07	NA	1.97
2010	1.04	NA	1.66
2011	0.95	1.31	1.85
2012	0.84	1.15	1.65
2013	0.89	1.38	1.86

Sewer Functional Cost Allocations

Schedule 15

Function	TY Costs	Base Capacity - Avg Day	Extra Capacity - Max Month	Extra Capacity - Max Day	Customer - Meters/Services
Operating Expenses					
Meters/Services	$ -	$ -	$ -	$ -	$ -
Collection	$ 536,245	$ 253,210	$ 145,170	$ 137,865	$ -
Treatment	$ 820,840	$ 521,726	$ 299,114	$ -	$ -
Disposal	$ 83,735	$ 83,735	$ -	$ -	$ -
Total Costs	$ 1,440,820	$ 858,671	$ 444,284	$ 137,865	$ -
% Distribution		59.6%	30.8%	9.6%	0.0%
Unit Cost of Service		$ 2.61	$ 321.47	$ 79.65	$ -
(Unit of measure)		(per TGAL)	(per TGPD)	(per TGPD)	(per meter)
Disposal Unit Cost		$ 0.24	$ -	$ -	
Treatment Unit Cost		$ 1.49	$ 203.72	$ -	
Collection Unit Cost					
Transmission		$ 0.22	$ 29.66	$ 18.95	
Collection (Excludes Large User)		$ 0.65	$ 88.09	$ 60.71	
Debt Service					
Meters/Services	$ -	$ -	$ -	$ -	$ -
Collection	$ 1,115,469	$ 526,714	$ 301,974	$ 286,781	$ -
Treatment	$ 162,699	$ 103,411	$ 59,288	$ -	$ -
Disposal	$ -	$ -	$ -	$ -	$ -
Total Costs	$ 1,278,168	$ 630,125	$ 361,262	$ 286,781	$ -
Unit Cost of Service		$ 2.11	$ 285.32	$ 165.69	$ -
(Unit of measure)		(per TGAL)	(per TGPD)	(per TGPD)	(per meter)
Disposal Unit Cost		$ -	$ -	$ -	
Treatment Unit Cost		$ 0.30	$ 40.38	$ -	
Collection Unit Cost					
Transmission		$ 0.45	$ 61.70	$ 39.42	
Collection (Excludes Large User)		$ 1.36	$ 183.24	$ 126.28	
Depreciation & Rate of Return					
Meters/Services	$ 13,067	$ -	$ -	$ -	$ 13,067
Collection	$ 1,152,292	$ 544,102	$ 311,943	$ 296,248	$ -
Treatment	$ 517,392	$ 328,854	$ 188,538	$ -	$ -
Disposal	$ -	$ -	$ -	$ -	$ -
Total Costs	$ 1,682,751	$ 872,956	$ 500,481	$ 296,248	$ 13,067
Unit Cost of Service		$ 2.82	$ 381.44	$ 171.16	$ 4.02
(Unit of measure)		(per TGAL)	(per TGPD)	(per TGPD)	(per meter)
Disposal Unit Cost		$ -	$ -	$ -	
Treatment Unit Cost		$ 0.94	$ 128.41	$ -	
Collection Unit Cost					
Transmission		$ 0.47	$ 63.74	$ 40.72	
Collection (Excludes Large User)		$ 1.41	$ 189.29	$ 130.44	

FY 2014 Budget Revenues

Schedule 16

ACCT NUMBER		Council Adopted	WAT	SEW	N/A	WAT $	SEW $	N/A $
539.000	State Grant	0	0%	0%	100%	0	0	0
608.000	Penalties	36,225	37%	63%	0%	13,420	22,805	0
610.000	Bond Debt	360,000	0%	100%	0%	0	360,000	0
612.000	New Service	2,500	50%	50%	0%	1,250	1,250	0
626.000	Charge for Service	1,000	37%	63%	0%	370	630	0
648.000	Water Sales	1,060,525	100%	0%	0%	1,060,525	0	0
649.000	Sewer Sales	1,802,185	0%	100%	0%	0	1,802,185	0
650.000	Meter Sales	3,500	100%	0%	0%	3,500	0	0
664.000	Interest Income	1,000	35%	65%	0%	349	651	0
667.000	Rental Income	69,922	100%	0%	0%	69,922	0	0
669.000	Hydrant & Tunnel Rental	21,600	100%	0%	0%	21,600	0	0
671.000	Other Revenue	3,500	37%	63%	0%	1,297	2,203	0
676.000	Reimbursement	0	0%	0%	100%	0	0	0
680.000	Capital Cost Recovery	31,836	100%	0%	0%	31,836	0	0
687.000	Refunds	0	0%	0%	100%	0	0	0
695.000	Insurance Settlement	0	0%	0%	100%	0	0	0
699.000	Operating Transfer In	467,308	31%	70%	0%	142,529	324,779	0
			0%	0%	0%	0	0	0
			0%	0%	0%	0	0	0

Total		3,861,101	1,346,597	2,514,504	0	1,346,597	2,514,504	0
		---	34.9%	65.1%		35%	65%	0%

Water System FY 2013 Number of Meters by Size (Per Continuing Disclosure Document and Outside Water & Sewer User Analysis.xls) **Schedule 17**

# of Meters By Size	Inside City	Manistee TWP: 100% + PILT	Manistee TWP: 150% + CAP	Manistee TWP: 200%	Filer TWP: 100% + PILT	Filer TWP: 200%	Oaks	N/A
5/8"	3725	3	1	0	1	8	0	0
1"	133	3	0	1	0	0	0	0
1 1/4"	5	0	0	0	0	0	0	0
1 1/2"	51	1	0	1	0	0	0	0
2"	39	2	1	1	0	0	0	0
3"	4	2	1	0	0	0	0	0
4"	3	0	0	0	0	0	0	0
6"	2	1	0	0	0	0	1	0
Total	3,962	12	3	3	1	8	1	0

Sewer System FY 2013 Number of Meters by Size (Per Continuing Disclosure Document and Outside Water & Sewer User Analysis.xls) **Schedule 18**

# of Meters By Size	Inside City	Manistee TWP: 100% + PILT	Manistee TWP: 150% + CAP	Manistee TWP: 200%	Filer TWP: 100% + PILT	Filer TWP: 200%	Oaks	N/A
5/8"	3,004	6	1	0	4	1	0	0
1"	126	2	0	0	0	0	0	0
1 1/4"	4	0	0	0	0	0	0	0
1 1/2"	43	1	0	1	0	0	0	0
2"	37	1	1	0	6	0	0	0
3"	3	2	0	0	1	0	0	0
4"	3	0	0	0	0	1	0	0
6"	2	1	0	0	0	0	1	0
Total	3,222	13	2	1	11	2	1	0

Summary of Water Maximum Capacity Factors By Current Customer/Rate Group

Schedule 19

Estimate of MD Capacity Factors		Inside City	Manistee TWP: 100% + PILT	Manistee TWP: 150% +	Manistee TWP: 200%	Filer TWP: 100% + PILT	Filer TWP: 200%	Oaks	N/A
FY 2013 Annual ADF	(A)	0.53	0.02	0.02	0.00	0.00	0.00	0.15	0.00
FY 2013 MM ADF	(B)	0.86	0.04	0.03	0.00	0.00	0.00	0.20	N/A
Max-Month / Avg. Day Factor	(C) = B / A	1.63	2.32	1.42	1.17	1.39	1.70	1.40	N/A
System Max-Day to Max Month	(D)	1.79	1.79	1.79	1.79	1.79	1.79	1.79	N/A
Weekly Usage Adj. by Class	(E)	1.75	1.17	1.40	1.40	1.17	1.75	1.40	0.00
Calculated MD Capacity Factor	(F) = C X D X E	5.12	4.85	3.56	2.94	2.90	5.34	3.51	0.00

Test of MD Capacity Factors	
Inside City	2.71
Manistee TWP: 100% + PILT	0.08
Manistee TWP: 150% + CAP	0.07
Manistee TWP: 200%	0.01
Filer TWP: 100% + PILT	0.00
Filer TWP: 200%	0.00
Oaks	0.51
N/A	0.00
Total Noncoincident Demand	3.39
Noncoincident MD Capacity Factor	3.40
Coincidental MD Capacity Factor	3.03
System MD Diversity	1.12

AWWA M1: Range for System MD Diversity For Many Utility Systems is 1.10 - 1.40

Maximum or Peak Hour Capacity Factors		Inside City	Manistee TWP: 100% + PILT	Manistee TWP: 150% + CAP	Manistee TWP: 200%	Filer TWP: 100% + PILT	Filer TWP: 200%	Oaks	N/A
MD Capacity Factors	(A)	5.12	4.85	3.56	2.94	2.90	5.34	3.51	0.00
Estimated Peak Hour / MD Ratio	(B)	1.33	1.50	1.50	2.00	1.50	1.33	2.25	1.00
Calculated PH Capacity Factor	(C) = A X B	6.82	7.28	5.34	5.88	4.35	7.12	7.90	0.00

Test of PH Capacity Factors	
Inside City	3.61
Manistee TWP: 100% + PILT	0.13
Manistee TWP: 150% + CAP	0.11
Manistee TWP: 200%	0.02
Filer TWP: 100% + PILT	0.00
Filer TWP: 200%	0.00
Oaks	1.15
N/A	0.00
Total Noncoincident Demand	5.01
Noncoincident PH Capacity Factor	5.04
Coincidental PH Capacity Factor	3.62
System PH Diversity	1.39

AWWA M1: Range for System MD Diversity For Many Utility Systems is 1.10 - 1.40

Summary of Water Cost Allocations vs. Revenues By Customer Class

	TOTAL	Inside City	Outside City	Large User
Allocation of Debt / Capacity Charges	$31,826	$0	$31,826	$0
Allocation of PILT (2013 Invoice)	$33,150	$0	$33,150	$0
FY 2013 Usage Charges	$967,270	$585,249	$61,295	$320,726
SubTotal	$1,032,245	$585,249	$126,270	$320,726
FY 2013 Rev Plus 10% Rate Inc (7/1/13)	$1,137,372	$650,797	$133,136	$353,440
% Distribution		56.7%	12.2%	31.1%
FY 2014 Op Ex				
Base Capacity - Avg Day	$281,430	$216,507	$16,996	$47,927
Extra Capacity - Max Day	$240,832	$205,442	$12,860	$22,530
Extra Capacity - Peak Hour	$37,133	$32,370	$2,315	$2,448
Customer - Meters/Services	$300,001	$297,895	$2,030	$75
Total Cost Allocation	$859,396	$752,214	$34,202	$72,980
% Distribution		87.5%	4.0%	8.5%
FY 2014 Debt Service				
Base Capacity - Avg Day	$95,233	$82,696	$6,492	$6,046
Extra Capacity - Max Day	$186,493	$167,892	$10,509	$8,092
Extra Capacity - Peak Hour	$54,128	$47,185	$3,375	$3,569
Customer - Meters/Services	$0	$0	$0	$0
Total Cost Allocation	$335,854	$297,772	$20,376	$17,706
% Distribution		88.7%	6.1%	5.3%
FY 2014 Depreciation & Return On Inv.				
Base Capacity - Avg Day	$109,801	$86,778	$6,812	$16,211
Extra Capacity - Max Day	$90,006	$80,519	$5,040	$4,447
Extra Capacity - Peak Hour	$24,655	$21,492	$1,537	$1,626
Customer - Meters/Services	$16,896	$16,778	$114	$4
Total Cost Allocation	$241,358	$205,567	$13,504	$22,287
% Distribution		85.2%	5.6%	9.2%
Subtotal Cost of Service (Op, ROI & Dep)	$1,100,754	$957,781	$47,706	$95,268

Summary of Water Cost Allocations vs. Revenues By Customer Class

	TOTAL	Inside City	Outside City	Large User
Prior Contribution Adjustments				
Prior O&G Contributions: '84 - '14	$ 6,163,551			
Total Asset Base as of 6/30/13	$ 36,021,893			
% Paid by City Via Non-User Fees	17%			
Water System Portion of Assets	11%			
Redistribution of Depreciation & ROI	$4,339			
Subtotal	$0	-$4,339	$1,637	$2,702
Specific Facility Dep. & ROI Adjustments				
Well 10		-$23,349	$7,609	$15,740
US 31 Extension		-$42,139	$13,732	$28,406
Renaissance Park Sewer		$0	$0	$0
Renaissance Park Water		-$15,529	$15,529	$0
Oaks Water & Sewer		-$50,016	$0	$50,016
Oaks Northside Sewer Separation		$0	$0	$0
Armstrong & Stewart (East Lake Estates) Estimate		-$11,156	$11,156	$0
Replace section of Parkdale Force Main		$0	$0	$0
Credit for Trans/Dist Facilities in Base DEP & ROI		$6,753	-$6,753	$0
Credit for Supply/Treatment Facilities in Base DEP/ROI		$18,641	-$4,116	-$14,525
Subtotal	$0	-$116,794	$37,157	$79,637
Total Operating, ROI, DEP & ADJ	$1,100,754	$836,648	$86,499	$177,607
% Distribution of COS		76%	8%	16%
Distribution of Annual RR Based on COS	$1,195,250	$931,144	$86,499	$177,607
Effective Cost / TGAL		$4.82	$5.70	$3.36
Outside City/Large User Cost Differential (Surcharge)		N/A	118%	70%

Summary of Sewer Maximum Capacity Factors By Current Customer/Rate Group

Schedule 21

Estimate of MD Capacity Factors		Inside City	Manistee TWP: 100% + PILT	Manistee TWP: 150% +	Manistee TWP: 200%	Filer TWP: 100% + PILT	Filer TWP: 200%	Oaks	N/A
FY 2013 Annual ADF		0.39	0.02	0.02	0.00	0.00	0.00	0.15	0.00
Allocation of I&I		0.29	0.01	0.01	0.00	0.00	0.00	0.07	0.00
FY 2013 ADF Plus I&I Allocation	(A)	0.68	0.02	0.02	0.00	0.00	0.01	0.22	0.00
FY 2013 MM ADF		0.48	0.03	0.02	0.00	0.01	0.03	0.20	0.00
Allocation of I&I		0.52	0.02	0.01	0.00	0.00	0.02	0.11	0.00
FY 2013 Max-Month ADF Plus I&I	(B)	1.01	0.05	0.04	0.01	0.01	0.04	0.31	0.00
Max-Month / Avg. Day Factor	(C) = B / A	1.48	2.19	1.58	1.22	2.12	7.73	1.46	0.00
System Max-Day to Max Month Ratio	(D)	1.35	1.35	1.35	1.35	1.35	1.35	1.35	0.00
Weekly Usage Adj. by Class	(E)	1.00	1.17	1.40	1.40	1.17	1.00	1.40	0.00
Calculated MD Capacity Factor	(F) = C X D X E	1.99	3.43	2.99	2.30	3.33	10.40	2.75	0.00
Test of Max Month Capacity Factors									
Inside City		1.01							
Manistee TWP: 100% + PILT		0.05							
Manistee TWP: 150% + CAP		0.04							
Manistee TWP: 200%		0.01							
Filer TWP: 100% + PILT		0.01							
Filer TWP: 200%		0.04							
Oaks		0.31							
N/A		0.00							
Total Noncoincident Demand		1.47							
Noncoincident MM Capacity Factor		1.76							
Coincidental MM Capacity Factor		1.57							
System MM Diversity		1.12	*AWWA M1: Range for System MD Diversity For Many Utility Systems is 1.10 - 1.40*						
Test of MD Capacity Factors									
Inside City		1.35							
Manistee TWP: 100% + PILT		0.08							
Manistee TWP: 150% + CAP		0.07							
Manistee TWP: 200%		0.01							
Filer TWP: 100% + PILT		0.02							
Filer TWP: 200%		0.06							
Oaks		0.59							
N/A		0.00							
Total Noncoincident Demand		2.18							
Noncoincident MD Capacity Factor		2.62							
Coincidental MD Capacity Factor		2.12							
System MD Diversity		1.24	*AWWA M1: Range for System MD Diversity For Many Utility Systems is 1.10 - 1.40*						

Summary of Sewer Cost Allocations vs. Revenues By Customer Class

	TOTAL	Inside City	Outside City	Large User
Allocation of Debt / Capacity Charges	$376,651	$344,525	$24,818	$7,308
Allocation of PILT (2013 Invoice)	$75,537	$0	$75,537	$0
FY 2013 Usage Charges	$1,632,376	$865,932	$124,994	$641,451
SubTotal	$2,084,565	$1,210,456	$225,349	$648,759
FY 2013 Rev Plus 10% Rate Inc (7/1/13)	$2,267,391	$1,307,441	$239,349	$720,602
% Distribution	$2,191,853	58.1%	10.8%	31.1%
FY 2014 Op Ex				
Base Capacity - Avg Day	$858,671	$646,516	$58,860	$153,295
Extra Capacity - Max Month	$444,284	$323,549	$47,299	$73,436
Extra Capacity - Max Day	$137,865	$107,912	$18,718	$11,236
Customer - Meters/Services	$0	$0	$0	$0
Total Cost Allocation	$1,440,820	$1,077,977	$124,876	$237,967
% Distribution		74.8%	8.7%	16.5%
FY 2014 Debt Service				
Base Capacity - Avg Day	$630,125	$523,641	$47,673	$58,811
Extra Capacity - Max Month	$361,262	$287,162	$41,979	$32,120
Extra Capacity - Max Day	$286,781	$224,472	$38,936	$23,372
Customer - Meters/Services	$0	$0	$0	$0
Total Cost Allocation	$1,278,168	$1,035,276	$128,588	$114,304
% Distribution		81.0%	10.1%	8.9%
FY 2014 Depreciation & Return On Inv.				
Base Capacity - Avg Day	$872,956	$698,649	$63,606	$110,701
Extra Capacity - Max Day	$500,481	$383,899	$56,121	$60,461
Extra Capacity - Peak Hour	$296,248	$231,883	$40,221	$24,144
Customer - Meters/Services	$13,067	$12,947	$117	$4
Total Cost Allocation	$1,682,751	$1,327,377	$160,065	$195,309
% Distribution		78.9%	9.5%	11.6%
Subtotal Cost of Service (Op, ROI & Dep)	$3,123,572	$2,405,354	$284,941	$433,276

Summary of Sewer Cost Allocations vs. Revenues By Customer Class

	TOTAL	Inside City	Outside City	Large User
Prior Contribution Adjustments				
Prior O&G Contributions: '84 - '14	$ 6,163,551			
Total Asset Base as of 6/30/13	$ 36,021,893			
% Paid by City Via Non-User Fees	17%			
Sewer System Portion of Assets	89%			
Redistribution of Depreciation & ROI	$257,675			
Subtotal	$0	-$257,675	$116,060	$141,615
Specific Facility Dep. & ROI Adjustments				
Well 10		$0	$0	$0
US 31 Water Main Extension		$0	$0	$0
Renaissance Park Sewer		-$33,683	$33,683	$0
Renaissance Park Water		$0	$0	$0
Oaks Water & Sewer		-$55,832	$0	$55,832
Oaks Northside Sewer Separation		-$17,971	$0	$17,971
Armstrong & Stewart (East Lake Estates) Estimate		-$22,313	$22,313	$0
Replace section of Parkdale Force Main		-$9,779	$9,779	$0
Credit for Trans/Coll Facilities in Base DEP & ROI		$27,917	-$27,917	$0
Credit for Disposal/Treatment Facilities in Base DEP/ROI		$0	$0	$0
Subtotal	$0	-$111,659	$37,857	$73,802
Total Operating, ROI, DEP & ADJ	$3,123,572	$2,036,020	$438,858	$648,693
% Distribution of COS		65%	14%	21%
Distribution of Annual RR Based on COS	$2,718,988	$1,631,436	$438,858	$648,693
Effective Cost / TGAL		$11.42	$28.94	$12.26
Outside City/Large User Cost Differential (Surcharge)		N/A	254%	107%

Summary of FY 2013 Water Monthly Billing Data By Current Customer/Rate Group

Schedule 23

	AVERAGE	MAX	MAX MONTH	PEAK HOUR
Total System	1.00	3.01	1.68	3.60

Inside City	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13
Total Use (TGal)	25,018	26,731	25,497	15,691	12,316	12,375	10,596	12,073	11,700	12,444	11,554	17,156
Days	31	31	30	31	30	31	31	28	31	30	31	30
MADF - MGD	0.81	0.86	0.85	0.51	0.41	0.40	0.34	0.43	0.38	0.41	0.37	0.57
Annual ADF	0.53											
MM to Annual Avg.	1.63											

Manistee TWP: 100% + PILT	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13
Total Use (TGal)	741	833	1,208	534	381	326	328	416	319	348	348	559
Days	31	31	30	31	30	31	31	28	31	30	31	30
MADF - MGD	0.02	0.03	0.04	0.02	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.02
Annual ADF	0.02											
MM to Annual Avg.	2.32											

Manistee TWP: 150% + CAP	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13
Total Use (Gal)	456	529	533	493	236	602	701	755	680	863	768	793
Days	31	31	30	31	30	31	31	28	31	30	31	30
MADF - MGD	0.01	0.02	0.02	0.02	0.01	0.02	0.02	0.03	0.02	0.03	0.02	0.03
Annual ADF	0.02											
MM to Annual Avg.	1.42											

Manistee TWP: 200%	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13
Total Use (Gal)	100	101	101	81	102	112	81	92	101	62	102	91
Days	31	31	30	31	30	31	31	28	31	30	31	30
MADF - MGD	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Annual ADF	0.00											
MM to Annual Avg.	1.17											

Filer TWP: 100% + PILT	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13
Total Use (Gal)	4	6	4	3	4	5	3	5	4	4	4	5
Days	31	31	30	31	30	31	31	28	31	30	31	30
MADF - MGD	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Annual ADF	0.00											
MM to Annual Avg.	1.39											

Filer TWP: 200%	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13
Total Use (Gal)	27	24	24	17	33	19	13	11	15	21	15	17
Days	31	31	30	31	30	31	31	28	31	30	31	30
MADF - MGD	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Annual ADF	0.00											
MM to Annual Avg.	1.70											

Oaks	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13
Total Use (Gal)	2,887	3,405	2,518	2,177	2,257	2,012	2,353	2,257	2,100	2,459	2,579	2,624
Days	31	30	31	31	28	31	30	31	30	31	31	30
MADF - MGD	0.09	0.11	0.08	0.07	0.08	0.06	0.08	0.07	0.07	0.08	0.08	0.09
Annual ADF	0.08											
MM to Annual Avg.	1.40											
Total	29,233	31,629	29,885	18,996	15,329	15,451	14,075	15,609	14,919	16,201	15,370	21,245

Summary of FY 2013 Sewer Monthly Billing Data By Current Customer/Rate Group

Schedule 24

	AVERAGE	MAX	MAX MONTH
Total System	0.83	1.31	1.76

Inside City	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13
Total Use (TGal)	13,377	14,484	14,493	10,763	9,944	11,617	10,233	11,572	11,044	12,194	10,835	12,336
Days	31	31	30	31	30	31	31	28	31	30	31	30
MADF - MGD	0.43	0.47	0.48	0.35	0.33	0.37	0.33	0.41	0.36	0.41	0.35	0.41
Annual ADF	0.39											
MM to Annual Avg.	1.23											

Manistee TWP: 100% + PILT	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13
Total Use (TGal)	459	570	977	444	429	369	363	454	363	402	384	469
Days	31	31	30	31	30	31	31	28	31	30	31	30
MADF - MGD	0.01	0.02	0.03	0.01	0.01	0.01	0.01	0.02	0.01	0.01	0.01	0.02
Annual ADF	0.02											
MM to Annual Avg.	2.09											

Manistee TWP: 150% + CAP	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13
Total Use (Gal)	326	406	417	402	122	438	571	635	577	730	639	599
Days	31	31	30	31	30	31	31	28	31	30	31	30
MADF - MGD	0.01	0.01	0.01	0.01	0.00	0.01	0.02	0.02	0.02	0.02	0.02	0.02
Annual ADF	0.02											
MM to Annual Avg.	1.52											

Manistee TWP: 200%	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13
Total Use (Gal)	100	100	100	80	100	110	80	90	100	60	100	90
Days	31	31	30	31	30	31	31	28	31	30	31	30
MADF - MGD	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Annual ADF	0.00											
MM to Annual Avg.	1.17											

Filer TWP: 100% + PILT	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13
Total Use (Gal)	94	101	100	68	80	205	136	67	75	89	87	88
Days	31	31	30	31	30	31	31	28	31	30	31	30
MADF - MGD	0.00	0.00	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.00	0.00	0.00
Annual ADF	0.00											
MM to Annual Avg.	2.03											

Filer TWP: 200%	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13
Total Use (Gal)	6	-	-	860	-	-	257	-	-	247	-	-
Days	31	31	30	31	30	31	31	28	31	30	31	30
MADF - MGD	0.00	0.00	0.00	0.03	0.00	0.00	0.01	0.00	0.00	0.01	0.00	0.00
Annual ADF	0.00											
MM to Annual Avg.	7.39											

Oaks	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13
Total Use (Gal)	2,887	3,405	2,518	2,177	2,257	2,012	2,353	2,257	2,100	2,459	2,579	2,624
Days	31	30	31	31	28	31	30	31	30	31	31	30
MADF - MGD	0.09	0.11	0.08	0.07	0.08	0.06	0.08	0.07	0.07	0.08	0.08	0.09
Annual ADF	0.08											
MM to Annual Avg.	1.40											
Total	17,249	19,066	18,605	14,794	12,932	14,751	13,993	15,075	14,259	16,181	14,624	16,206

Appendix B – FY 2015 Rate Schedules & Customer Impact Analysis

Water Rates FY 2015 Revenue Requirement

Monthly Readiness-to-Serve Schedule	Inside	Outside	Large User
5/8"	$ 3.57	$ 4.22	$ 7.14
1"	$ 8.93	$ 10.55	$ 17.85
1 1/4"	$ 12.50	$ 14.77	$ 24.99
1 1/2"	$ 17.85	$ 21.10	$ 35.70
2"	$ 28.56	$ 33.76	$ 57.12
3"	$ 57.12	$ 67.52	$ 114.24
4"	$ 89.25	$ 105.50	$ 178.50
6"	$178.50	$ 211.00	$ 357.00

Monthly Volume Rate Schedule / TGAL	$ 2.52	$ 2.98	$ 5.04

Sewer Rates FY 2015 Revenue Requirement

Monthly Readiness-to-Serve Schedule	Inside	Outside	Large User
5/8"	$ 10.27	$ 26.03	$ 20.54
1"	$ 25.68	$ 65.08	$ 51.35
1 1/4"	$ 35.95	$ 91.11	$ 71.89
1 1/2"	$ 51.35	$ 130.15	$ 102.70
2"	$ 82.16	$ 208.24	$ 164.32
3"	$164.32	$ 416.48	$ 328.64
4"	$256.75	$ 650.75	$ 513.50
6"	$513.50	$ 1,301.50	$ 1,027.00

Monthly Volume Rate Schedule / TGAL	$ 6.91	$ 17.52	$ 13.82

Inside City Customer Impact/Monthly Bill Analysis - FY 2015 Revenue Requirement Schedule 3

5/8" Meter	FY 2014 - Existing Rate Structure			FY 2015 - New Rate Structure			$ Change	% Change
Usage (TGAL)	Water	Sewer	Total	Water	Sewer	Total		
0	$ -	$ 6.60	$ 6.60	$ 3.57	$ 10.27	$ 13.84	$ 7.24	109.7%
2	$ 6.74	$ 20.08	$ 26.82	$ 8.61	$ 24.09	$ 32.70	$ 5.88	21.9%
4	$ 13.48	$ 33.56	$ 47.04	$ 13.65	$ 37.91	$ 51.56	$ 4.52	9.6%
6	**$ 20.22**	**$ 47.04**	**$ 67.26**	**$ 18.69**	**$ 51.73**	**$ 70.42**	**$ 3.16**	**4.7%**
8	$ 26.96	$ 60.52	$ 87.48	$ 23.73	$ 65.55	$ 89.28	$ 1.80	2.1%
10	$ 33.70	$ 74.00	$ 107.70	$ 28.77	$ 79.37	$ 108.14	$ 0.44	0.4%
15	$ 50.55	$ 107.70	$ 158.25	$ 41.37	$ 113.92	$ 155.29	$ (2.96)	-1.9%
20	$ 67.40	$ 141.40	$ 208.80	$ 53.97	$ 148.47	$ 202.44	$ (6.36)	-3.0%
30	$ 101.10	$ 208.80	$ 309.90	$ 79.17	$ 217.57	$ 296.74	$ (13.16)	-4.2%

1" Meter	FY 2014 - Existing Rate Structure			FY 2015 - New Rate Structure			$ Change	% Change
Usage (TGAL)	Water	Sewer	Total	Water	Sewer	Total		
0	$ -	$ 17.00	$ 17.00	$ 8.93	$ 25.68	$ 34.61	$ 17.61	103.6%
4	$ 13.48	$ 43.96	$ 57.44	$ 19.01	$ 53.32	$ 72.33	$ 14.89	25.9%
8	$ 26.96	$ 70.92	$ 97.88	$ 29.09	$ 80.96	$ 110.05	$ 12.17	12.4%
12	$ 40.44	$ 97.88	$ 138.32	$ 39.17	$ 108.60	$ 147.77	$ 9.45	6.8%
16	$ 53.92	$ 124.84	$ 178.76	$ 49.25	$ 136.24	$ 185.49	$ 6.73	3.8%
20	$ 67.40	$ 151.80	$ 219.20	$ 59.33	$ 163.88	$ 223.21	$ 4.01	1.8%
30	$ 101.10	$ 219.20	$ 320.30	$ 84.53	$ 232.98	$ 317.51	$ (2.79)	-0.9%
40	$ 134.80	$ 286.60	$ 421.40	$ 109.73	$ 302.08	$ 411.81	$ (9.59)	-2.3%
60	$ 202.20	$ 421.40	$ 623.60	$ 160.13	$ 440.28	$ 600.41	$ (23.19)	-3.7%

2" Meter	FY 2014 - Existing Rate Structure			FY 2015 - New Rate Structure			$ Change	% Change
Usage (TGAL)	Water	Sewer	Total	Water	Sewer	Total		
0	$ -	$ 68.00	$ 68.00	$ 28.56	$ 82.16	$ 110.72	$ 42.72	62.8%
5	$ 16.85	$ 101.70	$ 118.55	$ 41.16	$ 116.71	$ 157.87	$ 39.32	33.2%
10	$ 33.70	$ 135.40	$ 169.10	$ 53.76	$ 151.26	$ 205.02	$ 35.92	21.2%
20	$ 67.40	$ 202.80	$ 270.20	$ 78.96	$ 220.36	$ 299.32	$ 29.12	10.8%
30	$ 101.10	$ 270.20	$ 371.30	$ 104.16	$ 289.46	$ 393.62	$ 22.32	6.0%
40	$ 134.80	$ 337.60	$ 472.40	$ 129.36	$ 358.56	$ 487.92	$ 15.52	3.3%
60	$ 202.20	$ 472.40	$ 674.60	$ 179.76	$ 496.76	$ 676.52	$ 1.92	0.3%
80	$ 269.60	$ 607.20	$ 876.80	$ 230.16	$ 634.96	$ 865.12	$ (11.68)	-1.3%
100	$ 337.00	$ 742.00	$ 1,079.00	$ 280.56	$ 773.16	$ 1,053.72	$ (25.28)	-2.3%
Total City	**$ 54,233**	**$ 108,953**	**$ 163,186**	**$ 57,987**	**$ 124,051**	**$ 182,038**	**$ 18,851**	**11.6%**

Manistee Township Customer Impact/Monthly Bill Analysis - FY 2015 Revenue Requirement

Schedule 4

Manistee TWP: 100% + PILT		FY 2014 - Existing Rate Structure					FY 2015 - New Rate Structure			$ Change	% Change
Customer	Usage (TGAL)	Water	Sewer	PILT	Cap Charge	Total	Water	Sewer	Total		
Ronald Purgiel 23 Fowler Ave	0.0	$ -	$ 51.60	$ 105.42	$ -	$ 157.02	$ -	$ 96.11	$ 96.11	$ (60.91)	-38.8%
RIVER HAVEN TRAILER PRK	108.1	$ 364.24	$ 887.08	$ 349.58	$ -	$ 1,600.91	$ 389.61	$ 2,336.13	$ 2,725.74	$ 1,124.83	70.3%
James Wong 321 JERUMBO ST	0.4	$ -	$ 9.41	$ 50.17	$ -	$ 59.58	$ -	$ 33.33	$ 33.33	$ (26.25)	-44.1%
MIDAS	2.0	$ -	$ 20.08	$ 108.25	$ -	$ 128.33	$ -	$ 61.07	$ 61.07	$ (67.26)	-52.4%
MICROTEL	163.1	$ 549.59	$ 1,209.06	$ 1,102.00	$ -	$ 2,860.65	$ 564.06	$ 3,164.20	$ 3,728.26	$ 867.61	30.3%
TOUCH FREE CAR WASH	11.3	$ -	$ 113.83	$ 213.50	$ -	$ 327.33	$ -	$ 327.25	$ 327.25	$ (0.07)	0.0%
Oak Grove	1.6	$ 5.45	$ 9.41	$ 590.50	$ -	$ 605.36	$ 42.80	$ 33.33	$ 76.13	$ (529.23)	-87.4%
WESCO	44.9	$ -	$ 319.74	$ 341.67	$ -	$ 661.41	$ -	$ 852.02	$ 852.02	$ 190.62	28.8%
CHOICE HOMES	0.0	$ -	$ -	$ 65.83	$ -	$ 65.83	$ -	$ -	$ -	$ (65.83)	-100.0%
ROAD COMMISSION	0.0	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	0.0%
EAST LAKE ESTATES	98.6	$ 332.23	$ 1,273.45	$ 48.42	$ -	$ 1,654.09	$ 504.78	$ 3,028.68	$ 3,533.46	$ 1,879.36	113.6%
METAL-LINE	35.5	$ 119.64	$ 48.45	$ -	$ -	$ 168.09	$ 126.89	$ 146.84	$ 273.73	$ 105.64	62.8%
NORTHPOINT	0.0	$ -	$ 6.60	$ -	$ -	$ 6.60	$ 4.22	$ 26.03	$ 30.25	$ 23.65	358.3%
Burger King/Real King LLC	122.3	$ 411.98	$ 380.85	$ 402.25	$ -	$ 1,195.08	$ 419.17	$ 1,021.46	$ 1,440.63	$ 245.54	20.5%

Manistee TWP: 150% + CAP		FY 2014 - Existing Rate Structure					FY 2015 - New Rate Structure			$ Change	% Change
Customer	Usage (TGAL)	Water	Sewer	PILT	Capital Charge	Total	Water	Sewer	Total		
MANISTEE CO JAIL	128.9	$ 651.67	$ -	$ -	$ 664.98	$ 1,316.65	$ 451.69	$ -	$ 451.69	$ (864.96)	-65.7%
WEST SHORE HOSPITAL	433.7	$ 2,192.19	$ 4,452.37	$ -	$ 968.09	$ 7,612.65	$ 1,326.09	$ 7,806.08	$ 9,132.17	$ 1,519.52	20.0%
MEDICAL CARE	54.8	$ 277.18	$ 560.97	$ -	$ 1,019.06	$ 1,857.21	$ 167.62	$ 986.71	$ 1,154.33	$ (702.87)	-37.8%

Manistee TWP: 200%		FY 2014 - Existing Rate Structure					FY 2015 - New Rate Structure			$ Change	% Change
Customer	Usage (TGAL)	Water	Sewer	PILT	Capital Charge	Total	Water	Sewer	Total		
KENNEDY SCHOOL	1.3	$ 8.99	$ -	$ -	$ -	$ 8.99	$ 48.28	$ -	$ 48.28	$ 39.30	437.3%
NW MI HEALTH CENTER	92.5	$ 623.45	$ 1,284.90	$ -	$ -	$ 1,908.35	$ 296.75	$ 1,750.75	$ 2,047.50	$ 139.15	7.3%

Bulk/Wholesale User		FY 2014 - Existing Rate Structure					FY 2015 - New Rate Structure			$ Change	% Change
Customer	Usage (TGAL)	Water	Sewer	PILT	Capital Charge	Total	Water	Sewer	Total		
OAKS	4410.4	$ 29,726.21	$ 60,061.42	$ -	$ -	$ 89,787.63	$ 22,585.50	$ 61,978.96	$ 84,564.46	$ (5,223.17)	-5.8%
Total Manistee Township (Monthl	**5709.4**	**$ 35,262.81**	**$ 70,689.20**	**$ 3,377.58**	**$ 2,652.13**	**$ 111,981.73**	**$ 26,927.45**	**$ 83,648.95**	**$ 110,576.40**	**$ (1,405.33)**	**-1.3%**
Total Township (Excluding Oaks)	**1299.0**	**$ 5,536.60**	**$ 10,627.79**	**$ 3,377.58**	**$ 2,652.13**	**$ 22,194.10**	**$ 4,341.95**	**$ 21,669.99**	**$ 26,011.94**	**$ 3,817.84**	**17.2%**

Filer Township Customer Impact Analysis - FY 2015 Revenue Requirement

Schedule 5

Filer TWP: 100% + PILT		FY 2014 - Existing Rate Structure					FY 2015 - New Rate Structure			$ Change	% Change
Customer	Usage (TGAL)	Water	Sewer	PILT	Cap Charge	Total	Water	Sewer	Total		
Robert Kenny 1055 MAPLE RD	4.3	$ 14.32	$ -	$ 54.00	$ -	$ 68.32	$ 15.58	$ -	$ 15.58	$ (52.75)	-77.2%
Joe Pienta - Auto Fitness	2.3	$ -	$ 21.77	$ 199.67	$ -	$ 221.43	$ -	$ 60.35	$ 60.35	$ (161.08)	-72.7%
Paul A Betten - Car wash	0.0	$ -	$ 68.00	$ 69.00	$ -	$ 137.00	$ -	$ 192.08	$ 192.08	$ 55.08	40.2%
Walgreens #11310	4.5	$ -	$ 98.33	$ 1,220.33	$ -	$ 1,318.66	$ -	$ 264.76	$ 264.76	$ (1,053.91)	-79.9%
S & H	33.7	$ -	$ 362.91	$ 1,595.17	$ -	$ 1,958.08	$ -	$ 927.88	$ 927.88	$ (1,030.20)	-52.6%
Specialty Retailers - Peebles	5.0	$ -	$ 101.70	$ 260.36	$ -	$ 362.06	$ -	$ 272.83	$ 272.83	$ (89.23)	-24.6%
Dunhams	4.0	$ -	$ 94.96	$ 260.36	$ -	$ 355.32	$ -	$ 256.68	$ 256.68	$ (98.64)	-27.8%
Dollar Tree	2.6	$ -	$ 24.01	$ 260.36	$ -	$ 284.37	$ -	$ 65.73	$ 65.73	$ (218.64)	-76.9%
Glens	47.2	$ -	$ 476.50	$ 1,760.42	$ -	$ 2,236.92	$ -	$ 1,169.91	$ 1,169.91	$ (1,067.01)	-47.7%

Filer TWP: 200%		FY 2014 - Existing Rate Structure					FY 2015 - New Rate Structure			$ Change	% Change
Customer	Usage (TGAL)	Water	Sewer	PILT	Cap Charge	Total	Water	Sewer	Total		
KRAUSE 936 14TH ST	1.8	$ 12.36	$ -	$ -	$ -	$ 12.36	$ 8.93	$ -	$ 8.93	$ (3.43)	-27.7%
SEKURIS 947 14TH ST	8.0	$ 53.92	$ -	$ -	$ -	$ 53.92	$ 25.89	$ -	$ 25.89	$ (28.03)	-52.0%
GORLEY 948 14TH ST	1.6	$ 10.67	$ -	$ -	$ -	$ 10.67	$ 8.24	$ -	$ 8.24	$ (2.43)	-22.7%
SWATHWOOD 1175 MAPLE RD	3.3	$ 22.47	$ -	$ -	$ -	$ 22.47	$ 13.06	$ -	$ 13.06	$ (9.41)	-41.9%
WALIGORSKI 1187 MAPLE RD	1.3	$ 8.99	$ -	$ -	$ -	$ 8.99	$ 7.56	$ -	$ 7.56	$ (1.43)	-15.9%
R. WESTON 1199 MAPLE RD	2.2	$ 14.60	$ -	$ -	$ -	$ 14.60	$ 9.85	$ -	$ 9.85	$ (4.76)	-32.6%
BACHINSKI 1245 MAPLE RD	1.4	$ 9.55	$ -	$ -	$ -	$ 9.55	$ 7.79	$ -	$ 7.79	$ (1.76)	-18.5%
P.WORONIAK 1045 MAPLE RD	0	$ -	$ 6.60	$ -	$ -	$ 6.60	$ 3.89	$ 24.01	$ 27.90	$ 21.30	322.7%
HORIZON POINTE	137.0	$ -	$ 2,116.76	$ -	$ -	$ 2,116.76	$ -	$ 2,812.80	$ 2,812.80	$ 696.04	32.9%
Total Filer Township (Monthly)	**260.1**	**$ 146.88**	**$ 3,371.54**	**$ 5,679.67**	**$ -**	**$ 9,198.09**	**$ 100.78**	**$ 6,047.02**	**$ 6,147.80**	**$ (3,050.28)**	**-33.2%**

Appendix C – Supporting Schedules for the RSA

Assumptions

Schedule 1

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Water System:											
Inside City Customers	3,967	3,972	3,977	3,982	3,987	3,992	3,997	4,002	4,007	4,012	4,017
Manistee Township Customers (Including Oaks)	19	21	23	25	27	29	31	33	35	37	39
Filer Township Customers	9	9	9	9	9	9	9	9	9	9	9
Total Water Customers	3,995	4,002	4,009	4,016	4,023	4,030	4,037	4,044	4,051	4,058	4,065
% Increase in Customers	N/A	0.18%	0.17%	0.17%	0.17%	0.17%	0.17%	0.17%	0.17%	0.17%	0.17%
Inside City Billed Volume	193,395	193,639	193,883	194,127	194,370	194,614	194,858	195,102	195,345	195,589	195,833
Manistee Township (Incl. Oaks @ contract min.) Billed Volume	67,809	69,463	71,117	72,771	74,425	76,079	77,732	79,386	81,040	82,694	84,348
Filer Township Billed Volume	287	287	287	287	287	287	287	287	287	287	287
Billed Water Use (TGAL)	261,492	263,389	265,287	267,185	269,082	270,980	272,877	274,775	276,672	278,570	280,468
% Increase in Water Use	N/A	0.73%	0.72%	0.72%	0.71%	0.71%	0.70%	0.70%	0.69%	0.69%	0.68%
Sewer Growth:											
Inside City Customers	3,227	3,232	3,237	3,242	3,247	3,252	3,257	3,262	3,267	3,272	3,277
Manistee Township Customers	17	17	17	17	17	17	17	17	17	17	17
Filer Township Customers	13	14	15	16	17	18	19	20	21	22	23
Total Sewer Customers	3,257	3,263	3,269	3,275	3,281	3,287	3,293	3,299	3,305	3,311	3,317
% Increase in Customers	N/A	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
Inside City Billed Volume	143,115	143,336	143,558	143,780	144,002	144,223	144,445	144,667	144,889	145,110	145,332
Manistee Township (Incl. Oaks @ contract min.) Billed Volume	65,580	65,580	65,580	65,580	65,580	65,580	65,580	65,580	65,580	65,580	65,580
Filer Township Billed Volume	2,834	3,052	3,270	3,488	3,706	3,924	4,142	4,360	4,578	4,796	5,014
Billed Water Use (TGAL)	211,529	211,968	212,408	212,848	213,288	213,727	214,167	214,607	215,047	215,486	215,926
% Increase in Sewer Use	N/A	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.20%	0.20%	0.20%
Capital Spending:											
Annual Capital Budget (Current Dollars)	$89,000	3,597,000	135,000	140,000	95,000	250,000	250,000	750,000	1,200,000	1,200,000	1,200,000
Annual Capital Budget (Future Dollars)	$89,000	3,597,000	139,050	148,540	103,835	281,500	289,750	895,500	1,476,000	1,520,400	1,566,000
Annual Capital Spending Execution	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Average Annual Interest Earnings Rate:											
Interest Earnings Rate on Fund Balances	0.13%	0.25%	0.50%	1.00%	1.50%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Effective Date of Rate Increases:											
Date:	7/1/2013	7/1/2014	7/1/2015	7/1/2016	7/1/2017	7/1/2018	7/1/2019	7/1/2020	7/1/2021	7/1/2022	7/1/2023
Price Elasticity:											
Price Elasticity Coefficient	-	-	-	-	-	-	-	-	-	-	-
Operating Budget Reserve:											
Target as % of Annual Operating Budget/Forecast	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%
Operating Budget Execution Percentage:											
Percent of Personnel Services Budget/Forecast Executed	107%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Percent of Variable O&M Budget/Forecast Executed	98%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Percent of Fixed O&M Budget/Forecast Executed	104%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Manistee & Filer Townships Water Account Assumptions

Schedule 1a

EXISTING CUSTOMER/ACCOUNT	CURRENT RATE STRUCTURE	YEAR OF STRUCTURE CHANGE	NEW RATE STRUCTURE	YEAR OF ACCOUNT STATUS CHANGE	FINAL ACCOUNT STATUS
INSIDE CITY	Inside City	2015	Proposed - Inside		
MANISTEE TOWNSHIP					
Ronald Purgiel 23 Fowler Ave	Sewer Flat Rate	2015	Proposed - Outside		ACTIVE
RIVER HAVEN TRAILER PRK 1	100% + PILT	2015	Proposed - Outside		ACTIVE
RIVER HAVEN TRAILER PRK 2	100% + PILT	2015	Proposed - Outside		ACTIVE
James Wong 321 JERUMBO ST	100% + PILT	2015	Proposed - Outside		ACTIVE
MIDAS	100% + PILT	2015	Proposed - Outside		ACTIVE
MICROTEL	100% + PILT	2015	Proposed - Outside		ACTIVE
MICROTEL SPK	100% + PILT	2015	Proposed - Outside		ACTIVE
TOUCH FREE CAR WASH	100% + PILT	2015	Proposed - Outside		ACTIVE
Oak Grove	100% + PILT	2015	Proposed - Outside		ACTIVE
Oak Grove - Sprinkling	100% + PILT	2015	Proposed - Outside		ACTIVE
WESCO	100% + PILT	2015	Proposed - Outside		ACTIVE
CHOICE HOMES	100% + PILT	2015	Proposed - Outside		ACTIVE
ROAD COMMISSION	100% + PILT	2015	Proposed - Outside		ACTIVE
EAST LAKE ESTATES	100% + PILT	2015	Proposed - Outside		ACTIVE
METAL-LINE	100% + PILT	2015	Proposed - Outside		ACTIVE
METAL-LINE SPK	100% + PILT	2015	Proposed - Outside		ACTIVE
NORTHPOINT	100% + PILT	2015	Proposed - Outside		ACTIVE
Burger King/Real King LLC	100% + PILT	2015	Proposed - Outside		ACTIVE
Burger King/Real King LLC spk	100% + PILT	2015	Proposed - Outside		ACTIVE
MANISTEE CO JAIL	150% + Capital Costs	2015	Proposed - Outside		ACTIVE
WEST SHORE HOSPITAL	150% + Capital Costs	2015	Proposed - Outside		ACTIVE
MEDICAL CARE	150% + Capital Costs	2015	Proposed - Outside		ACTIVE
KENNEDY SCHOOL 1	200% Customer	2015	Proposed - Outside		ACTIVE
KENNEDY SCHOOL 2	200% Customer	2015	Proposed - Outside		ACTIVE
NW MI HEALTH CENTER	200% Customer	2015	Proposed - Outside		ACTIVE
OAKS	200% Customer	2015	Proposed - Oaks		ACTIVE
Meijer	Inside City	2015	Proposed - Outside		ACTIVE
Meijer (Sprinkler)	Inside City	2015	Proposed - Outside		ACTIVE
FILER TOWNSHIP					
Robert Kenny 1055 MAPLE RD	100% + PILT	2015	Proposed - Outside		ACTIVE
Joe Pienta - Auto Fitness	100% + PILT	2015	Proposed - Outside		ACTIVE
Paul A Betten - Car wash	100% + PILT	2015	Proposed - Outside		ACTIVE
Walgreens #11310	100% + PILT	2015	Proposed - Outside		ACTIVE
S & H - Family Farm	100% + PILT	2015	Proposed - Outside		ACTIVE
S & H Hotels	100% + PILT	2015	Proposed - Outside		ACTIVE
Specialty Retailers - Peebles	100% + PILT	2015	Proposed - Outside		ACTIVE
Dunhams	100% + PILT	2015	Proposed - Outside		ACTIVE
Dollar Tree	100% + PILT	2015	Proposed - Outside		ACTIVE
Glens - store	100% + PILT	2015	Proposed - Outside		ACTIVE
Glens - Gas Station	100% + PILT	2015	Proposed - Outside		ACTIVE
KRAUSE 936 14TH ST	200% Customer	2015	Proposed - Outside		ACTIVE
SEKURIS 947 14TH ST	200% Customer	2015	Proposed - Outside		ACTIVE
GORLEY 948 14TH ST	200% Customer	2015	Proposed - Outside		ACTIVE
SWATHWOOD 1175 MAPLE RD	200% Customer	2015	Proposed - Outside		ACTIVE
WALIGORSKI 1187 MAPLE RD	200% Customer	2015	Proposed - Outside		ACTIVE
R. WESTON 1199 MAPLE RD	200% Customer	2015	Proposed - Outside		ACTIVE
BACHINSKI 1245 MAPLE RD	200% Customer	2015	Proposed - Outside		ACTIVE
P.WORONIAK 1045 MAPLE RD	200% Customer	2015	Proposed - Outside		ACTIVE
HORIZON POINTE	200% Customer	2015	Proposed - Outside		ACTIVE

Manistee & Filer Townships Sewer Account Assumptions

Schedule 1b

EXISTING CUSTOMER/ACCOUNT	CURRENT RATE STRUCTURE	YEAR OF STRUCTURE CHANGE	NEW RATE STRUCTURE	YEAR OF ACCOUNT STATUS CHANGE	FINAL ACCOUNT STATUS
INSIDE CITY	Inside City	2015	Proposed - Inside		
MANISTEE TOWNSHIP					
Ronald Purgiel 23 Fowler Ave	Sewer Flat Rate	2015	Proposed - Outside		ACTIVE
RIVER HAVEN TRAILER PRK 1	100% + PILT	2015	Proposed - Outside		ACTIVE
RIVER HAVEN TRAILER PRK 2	100% + PILT	2015	Proposed - Outside		ACTIVE
James Wong 321 JERUMBO ST	100% + PILT	2015	Proposed - Outside		ACTIVE
MIDAS	100% + PILT	2015	Proposed - Outside		ACTIVE
MICROTEL	100% + PILT	2015	Proposed - Outside		ACTIVE
MICROTEL SPK	100% + PILT	2015	Proposed - Outside		ACTIVE
TOUCH FREE CAR WASH	100% + PILT	2015	Proposed - Outside		ACTIVE
Oak Grove	100% + PILT	2015	Proposed - Outside		ACTIVE
Oak Grove - Sprinkling	100% + PILT	2015	Proposed - Outside		ACTIVE
WESCO	100% + PILT	2015	Proposed - Outside		ACTIVE
CHOICE HOMES	100% + PILT	2015	Proposed - Outside		ACTIVE
ROAD COMMISSION	100% + PILT	2015	Proposed - Outside		ACTIVE
EAST LAKE ESTATES	100% + PILT	2015	Proposed - Outside		ACTIVE
METAL-LINE	100% + PILT	2015	Proposed - Outside		ACTIVE
METAL-LINE SPK	100% + PILT	2015	Proposed - Outside		ACTIVE
NORTHPOINT	100% + PILT	2015	Proposed - Outside		ACTIVE
Burger King/Real King LLC	100% + PILT	2015	Proposed - Outside		ACTIVE
Burger King/Real King LLC spk	100% + PILT	2015	Proposed - Outside		ACTIVE
MANISTEE CO JAIL	150% + Capital Costs	2015	Proposed - Outside	2015	INACTIVE
WEST SHORE HOSPITAL	150% + Capital Costs	2015	Proposed - Outside	2015	INACTIVE
MEDICAL CARE	150% + Capital Costs	2015	Proposed - Outside	2015	INACTIVE
KENNEDY SCHOOL 1	200% Customer	2015	Proposed - Outside		ACTIVE
KENNEDY SCHOOL 2	200% Customer	2015	Proposed - Outside		ACTIVE
NW MI HEALTH CENTER	200% Customer	2015	Proposed - Outside		ACTIVE
OAKS	200% Customer	2015	Proposed - Oaks		ACTIVE
Meijer	Inside City	2015	Proposed - Outside		ACTIVE
Meijer (Sprinkler)	Inside City	2015	Proposed - Outside		ACTIVE
FILER TOWNSHIP					
Robert Kenny 1055 MAPLE RD	100% + PILT	2015	Proposed - Outside		ACTIVE
Joe Pienta - Auto Fitness	100% + PILT	2015	Proposed - Outside		ACTIVE
Paul A Betten - Car wash	100% + PILT	2015	Proposed - Outside		ACTIVE
Walgreens #11310	100% + PILT	2015	Proposed - Outside		ACTIVE
S & H - Family Farm	100% + PILT	2015	Proposed - Outside		ACTIVE
S & H Hotels	100% + PILT	2015	Proposed - Outside		ACTIVE
Specialty Retailers - Peebles	100% + PILT	2015	Proposed - Outside		ACTIVE
Dunhams	100% + PILT	2015	Proposed - Outside		ACTIVE
Dollar Tree	100% + PILT	2015	Proposed - Outside		ACTIVE
Glens - store	100% + PILT	2015	Proposed - Outside		ACTIVE
Glens - Gas Station	100% + PILT	2015	Proposed - Outside		ACTIVE
KRAUSE 936 14TH ST	200% Customer	2015	Proposed - Outside		ACTIVE
SEKURIS 947 14TH ST	200% Customer	2015	Proposed - Outside		ACTIVE
GORLEY 948 14TH ST	200% Customer	2015	Proposed - Outside		ACTIVE
SWATHWOOD 1175 MAPLE RD	200% Customer	2015	Proposed - Outside		ACTIVE
WALIGORSKI 1187 MAPLE RD	200% Customer	2015	Proposed - Outside		ACTIVE
R. WESTON 1199 MAPLE RD	200% Customer	2015	Proposed - Outside		ACTIVE
BACHINSKI 1245 MAPLE RD	200% Customer	2015	Proposed - Outside		ACTIVE
P.WORONIAK 1045 MAPLE RD	200% Customer	2015	Proposed - Outside		ACTIVE
HORIZON POINTE	200% Customer	2015	Proposed - Outside		ACTIVE

Cost Escalation Factors

Schedule 2

Operating Expense Category	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
702.000 Salaries	N/A	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
703.000 Longevity	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
704.000 Overtime	N/A	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
706.000 Part-Time	N/A	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
708.000 V/S/H Sellback	N/A	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
712.001 Costs - Social Security	N/A	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
712.002 Costs - Medicare	N/A	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
712.004 Costs - ICMA Contribution	N/A	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
712.005 Costs - MERS Contribution	N/A	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
712.006 Costs - In Lieu of BC/BS	N/A	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
712.007 Costs - SUTA	N/A	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
712.009 Costs - Workers Compensation	N/A	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
712.010 Costs - Blue Cross Insurance	N/A	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
712.011 Costs - Life Insurance	N/A	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
712.012 HRA Payments	N/A	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
715.000 Uniform & Cleaning Allowance	N/A	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
724.000 Accrued Absence Expense	N/A	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
728.000 Supplies Operating	N/A	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
735.000 Periodicals & Publications	N/A	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
745.000 Chemicals	N/A	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
750.000 Meters	N/A	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
770.000 Vehicle Gas	N/A	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
799.000 Miscellaneous Expense	N/A	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
801.000 Professional Services	N/A	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
806.000 Administration [1]	N/A	7.50%	7.50%	7.50%	6.99%	6.94%	6.68%	6.44%	6.20%	5.97%
822.000 Insurance	N/A	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
824.000 Lab Testing	N/A	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
831.000 Contractual Repairs & Maint.	N/A	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
850.000 Phone	N/A	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
860.000 Travel & Training Expense	N/A	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
870.000 Membership & Dues	N/A	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
873.000 Education	N/A	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
874.000 Costs - Retiree BCBS	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
874.000 Retiree BCBS	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
900.000 Printing\Publishing	N/A	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
920.000 Gas	N/A	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
925.000 Electric	N/A	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
930.000 Repairs & Maintenance	N/A	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
957.000 Motor Pool	N/A	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
959.000 Bad Debt	N/A	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
960.000 Bank Charges	N/A	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
962.000 Accrued Interest Expense	N/A	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
963.000 Amortization Expense	N/A	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
968.000 Depreciation	N/A	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
970.000 Capital Outlay (Expense)	N/A	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
985.000 Lease Purchase	N/A	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
999.000 Transfer Out	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Default Inflation Factor (if expense not listed above)	N/A	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%

[1] *Calculated as 7.50% of current year revenues.*

Fund Balances as of June 30, 2013

Schedule 3

Source: Financial Statements and Independent Auditor's Report, For Fiscal Year Ended June 30, 2013 (Page 21)

FUND BALANCES	**6/30/2013**
Capital Projects Fund	$ -
Renewal & Replacement	$ -
Revenue Fund	$ 690,084
Restricted Reserves	$ 464,294
TOTAL CONSOLIDATED FUND BALANCE	**$ 1,154,378**

CURRENT UNRESTRICTED ASSETS	Revenue Fund	Capital Projects Fund	Renewal & Replacement	Restricted Reserves
Cash and Cash Equivalents	$ 191,474	-	-	464,294
Investments	$ 488,613	-	-	-
Accounts Receivable, net of allowance for uncollectibles	$ 318,477	-	-	-
Due From Other Agencies	$ 15,092	-	-	-
Prepaid Expenditures	$ 10,947	-	-	-
Inventory	$ -	-	-	-
TOTAL CURRENT UNRESTRICTED ASSETS	$ 1,024,603	-	-	464,294
Less: Accounts Payable	$ (155,389)	-	-	-
Less: Security Deposits	$ (30,400)	-	-	-
Less: Acrued Payroll & Related Liabilities	$ (10,716)	-	-	-
Less: Accrued Interest Payable	$ (55,486)	-	-	-
Less: Current Portion of Long Term Debt	$ -	-	-	-
Less: Due to Other Funds	$ (21,975)	-	-	-
Less: Inventory	$ -	-	-	-
CALCULATED FUND BALANCE (ASSETS - LIABILITIES)	$ 750,637	-	-	464,294
Plus/(Less): Accrued Absences (Non-Current Liability)	$ (60,553)	-	-	-
NET FUND BALANCE	**$ 690,084**	**-**	**-**	**464,294**

Capital Improvement Program

Schedule 4

Project Description	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
CIP From Capital Improvement 2015 - 2019.pdf											
River & Oak Valve Replacement	$ -	-	40,000	-	-	-	-	-	-	-	-
Arthur St Pump Station Generator	$ -	-	55,000	-	-	-	-	-	-	-	-
Water Towers Cathodic Protection	$ -	-	40,000	-	-	-	-	-	-	-	-
Well 9 Chemical Feed Addition	$ -	-	-	45,000	-	-	-	-	-	-	-
CSO #18 @ Ramsdell Closure	$ -	-	-	25,000	-	-	-	-	-	-	-
Well 9 VFD	$ -	-	-	20,000	-	-	-	-	-	-	-
Small Meter Replacement	$ -	-	-	50,000	50,000	50,000	-	-	-	-	-
Well 10 Chemical Feed Addition	$ -	-	-	-	45,000	-	-	-	-	-	-
Unspecified Projects - Water Distribution Mains	$ -	-	-	-	-	100,000	100,000	150,000	200,000	200,000	200,000
Unspecified Projects - Sewer Collection Upgrades	$ -	-	-	-	-	100,000	150,000	600,000	1,000,000	1,000,000	1,000,000
CIP Per Water & Sewer Fund Budget 2014.xls											
Well 6 VFD	$ 25,000	-	-	-	-	-	-	-	-	-	-
Well 8 Rehab	$ 15,000	-	-	-	-	-	-	-	-	-	-
Fencing at towers and well houses	$ 8,000	-	-	-	-	-	-	-	-	-	-
New 8th/Vine control panel	$ 35,000	-	-	-	-	-	-	-	-	-	-
Fences First St. PS	$ 6,000	-	-	-	-	-	-	-	-	-	-
CIP Per Water & Sewer Fund Budget 2015 Updated.xls											
Maywood Tank Painting	$ -	270,000	-	-	-	-	-	-	-	-	-
Emergency Response trailer	$ -	9,000	-	-	-	-	-	-	-	-	-
Equilization Basin	$ -	1,350,000	-	-	-	-	-	-	-	-	-
6th Ave Pump Station Replacement	$ -	450,000	-	-	-	-	-	-	-	-	-
Renaissance Park Generator	$ -	55,000	-	-	-	-	-	-	-	-	-
Portable Pump	$ -	38,000	-	-	-	-	-	-	-	-	-
Industrial Park PS Rehab	$ -	110,000	-	-	-	-	-	-	-	-	-
Sweetnam pump replacement	$ -	35,000	-	-	-	-	-	-	-	-	-
Design of Basin\BOD	$ -	100,000	-	-	-	-	-	-	-	-	-
Replace Blower #3	$ -	50,000	-	-	-	-	-	-	-	-	-
Repair Gallery Leaks	$ -	40,000	-	-	-	-	-	-	-	-	-
Return Activated Sludge Pumps	$ -	60,000	-	-	-	-	-	-	-	-	-
Riverbank Sewer	$ -	850,000	-	-	-	-	-	-	-	-	-
Sewer I & I Suppression	$ -	150,000	-	-	-	-	-	-	-	-	-
Century Terrace CSO Closure	$ -	30,000	-	-	-	-	-	-	-	-	-
Total CIP Budget (Current Dollars)	**$ 89,000**	**3,597,000**	**135,000**	**140,000**	**95,000**	**250,000**	**250,000**	**750,000**	**1,200,000**	**1,200,000**	**1,200,000**
Cumulative Projected Cost Escalation	0.0%	0.0%	3.0%	6.1%	9.3%	12.6%	15.9%	19.4%	23.0%	26.7%	30.5%
Resulting CIP Funding Level	**$ 89,000**	**3,597,000**	**139,050**	**148,540**	**103,835**	**281,500**	**289,750**	**895,500**	**1,476,000**	**1,520,400**	**1,566,000**
Annual CIP Execution Percentage	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Final CIP Funding Level	**$ 89,000**	**3,597,000**	**139,050**	**148,540**	**103,835**	**281,500**	**289,750**	**895,500**	**1,476,000**	**1,520,400**	**1,566,000**

Projection of Cash Outflows

Schedule 5

			FY 2014 [1]	FY 2015 [2]	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
1	**100 General**												
2	999.000	Transfer Out	$ 342,308	358,543	367,507	376,694	386,112	395,764	405,658	415,800	426,195	436,850	447,771
3	**541 Administration**												
4	702.000	Salaries	$ 111,961	40,059	40,860	41,677	42,511	43,361	44,228	45,113	46,015	46,935	47,874
5	704.000	Overtime	$ 1,200	1,200	1,224	1,248	1,273	1,299	1,325	1,351	1,378	1,406	1,434
6	712.001	Costs - Social Security	$ 7,530	2,760	2,816	2,872	2,929	2,988	3,048	3,109	3,171	3,234	3,299
7	712.002	Costs - Medicare	$ 1,761	646	658	672	685	699	713	727	742	756	772
8	712.005	Costs - MERS Contribution	$ 8,295	3,263	3,328	3,395	3,462	3,532	3,602	3,674	3,748	3,823	3,899
9	712.007	Costs - SUTA	$ 500	157	160	163	166	170	173	177	180	184	187
10	712.009	Costs - Workers Compsensation	$ 2,603	176	180	185	189	194	199	204	209	214	220
11	712.010	Costs - Blue Cross Insurance	$ 20,902	7,014	7,715	8,487	9,335	10,269	11,296	12,425	13,668	15,035	16,538
12	712.011	Costs - Life Insurance	$ 79	79	80	81	82	82	83	84	85	86	87
13	712.012	HRA Payments	$ 5,220	3,147	3,226	3,306	3,389	3,474	3,560	3,649	3,741	3,834	3,930
14	728.000	Operating Expense	$ 11,000	11,000	11,275	11,557	11,846	12,142	12,445	12,757	13,076	13,402	13,737
15	735.000	Periodicals & Publications	$ 500	500	513	525	538	552	566	580	594	609	624
16	801.000	Professional Services	$ 150	-	-	-	-	-	-	-	-	-	-
17	806.000	Administration	$ 236,836	301,292	323,073	346,662	348,994	362,668	376,294	390,689	405,555	420,769	436,660
18	831.000	Contractual Repairs & Maint.	$ 4,300	4,300	4,472	4,651	4,837	5,030	5,232	5,441	5,659	5,885	6,120
19	850.000	Phone	$ 8,000	8,000	8,200	8,405	8,615	8,831	9,051	9,278	9,509	9,747	9,991
20	860.000	Travel & Training Expense	$ 2,500	3,000	3,075	3,152	3,231	3,311	3,394	3,479	3,566	3,655	3,747
21	870.000	Membership & Dues	$ 300	300	308	315	323	331	339	348	357	366	375
22	900.000	Printing\Publishing	$ 6,000	6,000	6,150	6,304	6,461	6,623	6,788	6,958	7,132	7,310	7,493
23	960.000	Bank Charges	$ 7,000	7,000	7,175	7,354	7,538	7,727	7,920	8,118	8,321	8,529	8,742
24	970.000	Capital Outlay (Expense)	$ 1,000	1,000	1,025	1,051	1,077	1,104	1,131	1,160	1,189	1,218	1,249
25	**542 Water Operation**												
26	702.000	Salaries	$ 127,662	128,685	131,258	133,883	136,561	139,292	142,078	144,920	147,818	150,775	153,790
27	704.000	Overtime	$ 6,000	22,125	22,568	23,019	23,479	23,949	24,428	24,917	25,415	25,923	26,442
28	708.000	V\S\H Sellback	$ 2,000	2,000	2,050	2,101	2,154	2,208	2,263	2,319	2,377	2,437	2,498
29	712.001	Costs - Social Security	$ 8,360	8,423	8,592	8,764	8,939	9,118	9,300	9,486	9,676	9,869	10,067
30	712.002	Costs - Medicare	$ 1,955	1,970	2,009	2,050	2,091	2,132	2,175	2,218	2,263	2,308	2,354
31	712.007	Costs - SUTA	$ 750	470	480	489	499	509	519	530	540	551	562
32	712.009	Costs - Workers Compsensation	$ 4,530	4,580	4,695	4,812	4,932	5,055	5,182	5,311	5,444	5,580	5,720
33	712.010	Costs - Blue Cross Insurance	$ 30,348	20,758	22,834	25,117	27,629	30,392	33,431	36,774	40,452	44,497	48,946
34	712.011	Costs - Life Insurance	$ 238	238	240	242	245	247	250	252	255	257	260
35	712.012	HRA Payments	$ 7,562	8,386	8,596	8,811	9,031	9,257	9,488	9,725	9,969	10,218	10,473
36	715.000	Uniform & Cleaning Allowance	$ 1,155	1,155	1,184	1,213	1,244	1,275	1,307	1,339	1,373	1,407	1,442
37	728.000	Operating Expense	$ 4,000	4,000	4,100	4,203	4,308	4,415	4,526	4,639	4,755	4,874	4,995
38	745.000	Chemicals	$ 35,500	35,500	36,388	37,297	38,230	39,185	40,165	41,169	42,198	43,253	44,335
39	750.000	Meters	$ 24,000	32,000	32,800	33,620	34,461	35,322	36,205	37,110	38,038	38,989	39,964
40	770.000	Vehicle Gas	$ 6,500	6,500	6,825	7,166	7,525	7,901	8,296	8,711	9,146	9,603	10,084
41	801.000	Professional Services	$ 15,000	21,000	21,525	22,063	22,615	23,180	23,760	24,354	24,962	25,586	26,226
42	822.000	Insurance	$ 3,500	3,500	3,588	3,677	3,769	3,863	3,960	4,059	4,160	4,264	4,371
43	824.000	Lab Testing	$ 9,000	9,000	9,225	9,456	9,692	9,934	10,183	10,437	10,698	10,966	11,240
44	831.000	Contractual Repairs & Maint	$ 21,000	21,000	21,525	22,063	22,615	23,180	23,760	24,354	24,962	25,586	26,226
45	860.000	Travel & Training Expense	$ 2,500	2,500	2,563	2,627	2,692	2,760	2,829	2,899	2,972	3,046	3,122
46	870.000	Membership & Dues	$ 525	525	538	552	565	580	594	609	624	640	656
47	925.000	Electric	$ 62,000	70,000	73,500	77,175	81,034	85,085	89,340	93,807	98,497	103,422	108,593
48	930.000	Repairs & Maintenance	$ 57,000	63,900	66,456	69,114	71,879	74,754	77,744	80,854	84,088	87,452	90,950
49	957.000	Motor Pool	$ 35,000	35,000	35,875	36,772	37,691	38,633	39,599	40,589	41,604	42,644	43,710
50	970.000	Capital Outlay (expense)	$ -	5,000	5,125	5,253	5,384	5,519	5,657	5,798	5,943	6,092	6,244

Projection of Cash Outflows

Schedule 5

			FY 2014 (1)	FY 2015 (2)	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
51	**543 Sewer WWTP**												
52	702.000	Salaries	$ 170,090	171,512	174,942	178,441	182,010	185,650	189,363	193,150	197,013	200,953	204,972
53	704.000	Overtime	$ 7,000	12,602	12,854	13,111	13,374	13,641	13,914	14,192	14,476	14,766	15,061
54	708.000	V\S\H Sellback	$ 2,000	2,000	2,050	2,101	2,154	2,208	2,263	2,319	2,377	2,437	2,498
55	712.001	Costs - Social Security	$ 11,166	11,254	11,479	11,708	11,943	12,181	12,425	12,674	12,927	13,186	13,449
56	712.002	Costs - Medicare	$ 2,611	2,632	2,685	2,738	2,793	2,849	2,906	2,964	3,023	3,084	3,145
57	712.007	Costs - SUTA	$ 999	627	640	652	665	679	692	706	720	735	749
58	712.009	Costs - Workers Compsensation	$ 3,962	4,104	4,207	4,312	4,420	4,530	4,644	4,760	4,879	5,001	5,126
59	712.010	Costs - Blue Cross Insurance	$ 19,328	17,050	18,755	20,631	22,694	24,963	27,459	30,205	33,226	36,549	40,203
60	712.011	Costs - Life Insurance	$ 317	317	320	323	326	330	333	336	340	343	346
61	712.012	HRA Payments	$ 7,562	6,785	6,955	7,129	7,307	7,490	7,677	7,869	8,066	8,267	8,474
62	715.000	Uniform & Cleaning Allowance	$ 3,208	3,328	3,411	3,496	3,584	3,673	3,765	3,859	3,956	4,055	4,156
63	728.000	Operating Expense	$ 25,000	25,040	25,666	26,308	26,965	27,639	28,330	29,039	29,765	30,509	31,272
64	745.000	Chemicals	$ 30,000	30,000	30,750	31,519	32,307	33,114	33,942	34,791	35,661	36,552	37,466
65	770.000	Vehicle Gas	$ 7,200	7,200	7,560	7,938	8,335	8,752	9,189	9,649	10,131	10,638	11,170
66	801.000	Professional Services	$ 21,500	24,500	25,113	25,740	26,384	27,043	27,720	28,412	29,123	29,851	30,597
67	822.000	Insurance	$ 29,000	20,000	20,500	21,013	21,538	22,076	22,628	23,194	23,774	24,368	24,977
68	824.000	Lab Testing	$ 10,900	14,400	14,760	15,129	15,507	15,895	16,292	16,700	17,117	17,545	17,984
69	831.000	Contractual Repairs & Maint.	$ 60,000	75,500	78,520	81,661	84,927	88,324	91,857	95,532	99,353	103,327	107,460
70	860.000	Travel & Training Expense	$ 4,000	4,000	4,100	4,203	4,308	4,415	4,526	4,639	4,755	4,874	4,995
71	870.000	Membership & Dues	$ 450	600	615	630	646	662	679	696	713	731	749
72	920.000	Gas	$ 21,000	21,000	22,050	23,153	24,310	25,526	26,802	28,142	29,549	31,027	32,578
73	925.000	Electric	$ 117,000	117,000	122,850	128,993	135,442	142,214	149,325	156,791	164,631	172,862	181,505
74	930.000	Repairs & Maintenance	$ 117,500	128,700	133,848	139,202	144,770	150,561	156,583	162,847	169,360	176,135	183,180
75	957.000	Motor Pool	$ 35,000	35,000	35,875	36,772	37,691	38,633	39,599	40,589	41,604	42,644	43,710
76	**544 Sewer Collection**												
77	702.000	Salaries	$ 80,998	40,826	41,642	42,475	43,324	44,191	45,075	45,976	46,896	47,834	48,790
78	704.000	Overtime	$ 3,500	1,750	1,785	1,821	1,857	1,894	1,932	1,971	2,010	2,050	2,091
79	708.000	V\S\H Sellback	$ 2,500	2,500	2,563	2,627	2,692	2,760	2,829	2,899	2,972	3,046	3,122
80	712.001	Costs - Social Security	$ 5,448	2,833	2,890	2,948	3,007	3,067	3,128	3,191	3,255	3,320	3,386
81	712.002	Costs - Medicare	$ 1,274	663	676	689	703	717	732	746	761	776	792
82	712.007	Costs - SUTA	$ 500	157	160	163	166	170	173	177	180	184	187
83	712.009	Costs - Workers Compsensation	$ 2,800	1,456	1,492	1,530	1,568	1,607	1,647	1,688	1,731	1,774	1,818
84	712.010	Costs - Blue Cross Insurance	$ 22,913	10,438	11,482	12,630	13,893	15,283	16,811	18,492	20,341	22,375	24,613
85	712.011	Costs - Life Insurance	$ 158	79	80	81	82	82	83	84	85	86	87
86	712.012	HRA Payments	$ 5,755	3,693	3,785	3,880	3,977	4,076	4,178	4,283	4,390	4,500	4,612
87	715.000	Uniform & Cleaning Allowance	$ 1,432	2,266	2,323	2,381	2,440	2,501	2,564	2,628	2,694	2,761	2,830
88	728.000	Operating Expense	$ 2,500	2,500	2,563	2,627	2,692	2,760	2,829	2,899	2,972	3,046	3,122
89	745.000	Chemicals	$ 8,000	8,000	8,200	8,405	8,615	8,831	9,051	9,278	9,509	9,747	9,991
90	801.000	Professional Services	$ 12,000	12,000	12,300	12,608	12,923	13,246	13,577	13,916	14,264	14,621	14,986
91	831.000	Contractual Repairs & Maint.	$ 10,000	15,300	15,912	16,548	17,210	17,899	18,615	19,359	20,134	20,939	21,777
92	860.000	Travel & Training Expense	$ 1,000	1,000	1,025	1,051	1,077	1,104	1,131	1,160	1,189	1,218	1,249
93	870.000	Membership & Dues	$ 450	600	615	630	646	662	679	696	713	731	749
94	930.000	Repairs & Maintenance	$ 13,000	15,500	16,120	16,765	17,435	18,133	18,858	19,612	20,397	21,213	22,061
95	957.000	Motor Pool	$ 35,000	35,000	35,875	36,772	37,691	38,633	39,599	40,589	41,604	42,644	43,710

Projection of Cash Outflows

Schedule 5

			FY 2014 (1)	FY 2015 (2)	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
	574 Debt												
96	960.000 Bank Charges	$	500	1,500	1,538	1,576	1,615	1,656	1,697	1,740	1,783	1,828	1,873
97	**Incremental O&M (3)**												
98	Renaissance Park Pump Station Generator	$	-	-	750	769	788	808	828	849	870	892	914
99	Arthur St. Pump Station Generator	$	-	-	-	600	615	630	646	662	679	696	713
100	**Cost of Ownership Transfer (4)**	**$**	**-**	**163,159**	**163,159**	**163,465**	**169,820**	**176,421**	**183,279**	**190,402**	**197,801**	**205,486**	**213,468**
101	**Debt Service Payments**												
102	**Debt Interest**												
103	995.003 1997 B SRF Bond Interest	$	2,813	2,138	1,463	788	-	-	-	-	-	-	-
104	995.005 1998 B SRF Bond Interest	$	19,181	15,863	12,488	9,056	5,513	1,856	-	-	-	-	-
105	995.007 1999 B SRF Bond Interest	$	24,875	21,813	18,688	15,500	12,188	8,813	5,375	1,813	-	-	-
106	995.008 2005 Refunding Interest	$	174,345	153,383	133,283	112,913	91,435	68,035	39,743	21,868	18,718	15,673	12,733
107	995.009 2006 SRF Interest	$	32,699	30,587	28,393	26,199	23,924	21,649	19,293	16,937	14,581	12,143	9,706
108	995.010 2010 SRF Interest	$	14,839	14,152	13,402	12,652	11,902	11,152	10,402	9,652	8,839	7,964	7,089
109	995.011 2010 DWRF Interest	$	10,375	9,875	9,375	8,875	8,375	7,875	7,375	6,875	6,313	5,688	5,063
110	TRFOUT 2010 Cap Imp Interest	$	134,704	131,563	127,588	122,929	118,125	112,764	106,426	99,631	92,516	85,080	77,290
111	995.010 2011 SRF Interest	$	30,519	29,144	27,769	26,269	24,769	23,269	21,769	20,144	18,519	16,894	15,144
112	995.011 2011 DWRF Interest	$	10,314	9,814	9,314	8,814	8,314	7,814	7,314	6,814	6,314	5,750	5,125
113	**Debt Principal**	$	-	-	-	-	-	-	-	-	-	-	-
114	300.003 1997 B SRF Bond Principal	$	30,000	30,000	30,000	35,000	-	-	-	-	-	-	-
115	300.005 1998 B SRF Bond Principal	$	145,000	150,000	150,000	155,000	160,000	165,000	-	-	-	-	-
116	300.007 1999 B SRF Bond Principal	$	120,000	125,000	125,000	130,000	135,000	135,000	140,000	145,000	-	-	-
117	300.008 2005 Refunding Principal	$	470,000	490,000	515,000	530,000	585,000	615,000	815,000	75,000	75,000	70,000	70,000
118	300.009 2006 SRF Principal	$	130,000	135,000	135,000	140,000	140,000	145,000	145,000	145,000	150,000	150,000	155,000
119	300.010 2010 SRF Principal	$	25,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	35,000	35,000	35,000
120	300.011 2010 DWRF Principal	$	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	25,000	25,000	25,000
121	TRFOUT 2010 Cap Imp Principal	$	137,822	141,028	147,438	150,643	157,053	160,259	166,669	173,079	182,695	189,105	195,516
122	300.010 2011 SRF Principal	$	55,000	55,000	60,000	60,000	60,000	60,000	65,000	65,000	65,000	70,000	70,000
123	300.011 2011 DWRF Principal	$	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	22,555	25,000	25,000
124	Cumulative New Debt Service (Principal & Interest)	$	-	177,289	313,779	313,779	313,779	313,779	313,779	313,779	313,779	313,779	313,779

Projection of Cash Outflows

Schedule 5

		FY 2014 [1]	FY 2015 [2]	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
125	SUMMARY OF CASH OUTFLOWS BY TYPE											
126	Total Personnel Services Expense Projection [5]	$ 700,337	549,413	565,009	581,364	598,537	616,594	635,605	655,649	676,812	699,186	722,875
127	Execution Percentage	107%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
128	Net Personnel Services Expense Forecast	$ 749,439	549,413	565,009	581,364	598,537	616,594	635,605	655,649	676,812	699,186	722,875
129	Total Variable O&M Expense Projection [6]	$ 252,500	260,500	272,438	284,757	297,030	309,868	323,297	337,346	352,045	367,424	383,517
130	Execution Percentage	98%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
131	Net Variable O&M Expense Forecast	$ 246,850	260,500	272,438	284,757	297,030	309,868	323,297	337,346	352,045	367,424	383,517
132	Total Fixed O&M Expense Projection [7]	$ 866,406	986,406	1,030,731	1,077,652	1,104,134	1,142,806	1,182,311	1,223,497	1,266,100	1,310,033	1,355,662
133	Execution Percentage	104%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
134	Net Fixed O&M Expense Forecast	$ 902,606	986,406	1,030,731	1,077,652	1,104,134	1,142,806	1,182,311	1,223,497	1,266,100	1,310,033	1,355,662
135	Transfers to GF (Oil & Gas + Ownership)	$ 342,308	521,702	530,666	540,159	555,931	572,186	588,937	606,202	623,996	642,336	661,239
136	Annual Capital Outlay (Machinery & Equip.)	$ 1,000	6,000	6,150	6,304	6,461	6,623	6,788	6,958	7,132	7,310	7,493
137	Annual Debt Service	$ 1,607,487	1,791,646	1,927,979	1,928,417	1,925,377	1,927,266	1,933,145	1,170,592	1,034,828	1,027,076	1,021,444
138	TOTAL CASH OUTFLOWS	$ 3,849,690	4,115,668	4,332,972	4,418,653	4,487,472	4,575,342	4,670,085	4,000,244	3,960,912	4,053,365	4,152,230

[1] Source: FY 2014 Amended Budget.
[2] Source: FY 2015 Proposed Budget.
[3] Represents additional costs from completion of capital improvement projects.
[4] Based upon 4% of of expected revenues each year.
[5] Personnel Services expense includes the following account numbers: 702.000, 703.000, 704.000, 706.000, 708.000, 712.001 ,712.002, 712.004, 712.005, 712.006, 712.007, 712.009, 712.010, 712.011, 712.012 and 715.000
[6] Variable O&M expense includes the following account numbers: 728.000, 735.000, 770.000, 801.000, 806.000, 822.000, 824.000, 831.000, 850.000 ,860.000, 870.000, 873.000, 874.000, 900.000, 920.000, 930.000, 957.000, 959.000 and 960.000
[7] Fixed O&M expense includes the following account numbers: 745.000 and 925.000

Projection of Cash Inflows

Schedule 6

		FY 2014 [1]	FY 2015 [2]	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
1	**Assumed Rate Revenue Increases**											
2	Assumed Water Rate Revenue Increase	**N/A**	**8.50%**	**8.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**
3	Assumed Sewer Rate Revenue Increase	**N/A**	**8.50%**	**8.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**
4	**Water & Sewer Rate Revenue [3]**											
5	Water Rate Revenue											
6	Readiness-To-Servce Charges	$ -	222,102	260,302	289,446	308,855	329,284	350,782	373,399	397,188	422,203	448,503
7	Usage Charges	$ 1,060,525	800,539	845,985	851,872	875,987	900,595	925,699	951,300	977,396	1,003,988	1,031,074
8	Sewer Rate Revenue											
9	Readiness-To-Servce Charges	$ 356,000	556,903	620,081	658,212	689,482	722,150	756,277	791,924	829,157	868,045	908,657
10	Usage Charges	$ 1,802,185	1,899,055	2,068,327	2,148,843	2,232,923	2,320,256	2,410,964	2,505,179	2,603,033	2,704,667	2,810,224
11	**Total Water & Sewer Rate Revenue**	**$ 3,218,710**	**3,478,599**	**3,794,695**	**3,948,374**	**4,107,247**	**4,272,285**	**4,443,722**	**4,621,801**	**4,806,774**	**4,998,903**	**5,198,457**
12	**Other Operating Revenue**											
13	608.000 Penalties	$ 36,225	36,225	36,225	36,225	36,225	36,225	36,225	36,225	36,225	36,225	36,225
14	612.000 New Service	$ 18,000	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
15	626.000 Charge for Service	$ 500	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
16	650.000 Meter Sales	$ 4,000	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
17	667.000 Rental Income	$ 69,922	69,922	69,922	69,922	69,922	69,922	69,922	69,922	69,922	69,922	69,922
18	669.000 Hydrant & Tunnel Rental	$ 21,600	21,600	21,600	21,600	21,600	21,600	21,600	21,600	21,600	21,600	21,600
19	671.000 Other Revenue	$ 5,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
20	676.000 Reimbursement	$ 32,000	-	-	-	-	-	-	-	-	-	-
21	**Total Other Operating Revenue**	**$ 187,747**	**138,247**	**138,247**	**138,247**	**138,247**	**138,247**	**138,247**	**138,247**	**138,247**	**138,247**	**138,247**
22	**Other Non-Operating Revenue**											
22	680.000 Capital Cost Recovery [4]	$ 31,836	-	-	-	-	-	-	-	-	-	-
23	687.000 Refunds	$ 1,645	-	-	-	-	-	-	-	-	-	-
24	**Total Non-Operating Revenue**	**$ 33,481**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
25	**Transfers In**											
26	539.000 State Grant	$ 43,096	-	-	-	-	-	-	-	-	-	-
26	699.000 Operating Transfer In	$ 467,308	358,543	367,507	376,694	386,112	395,764	405,658	415,800	426,195	436,850	447,771
27	Grant Reimbursements	$ -	-	-	145,000	-	-	-	-	-	-	-
28	Capitalized Interest From New Borrowing	$ -	177,289	-	-	-	-	-	-	-	-	-
29	**Total Interest Earnings**	**$ 510,404**	**535,832**	**367,507**	**521,694**	**386,112**	**395,764**	**405,658**	**415,800**	**426,195**	**436,850**	**447,771**
30	**Interest Earnings**											
31	Interest Earned on Unrestricted Funds	$ 871	1,808	3,307	6,067	9,977	13,709	14,071	17,779	20,619	20,688	22,092
32	Interest Earned on Restricted Funds	$ 580	1,553	3,890	7,781	11,671	15,561	15,561	15,561	15,561	15,561	15,561
33	**Total Interest Earnings**	**$ 1,451**	**3,361**	**7,197**	**13,847**	**21,648**	**29,271**	**29,632**	**33,341**	**36,180**	**36,250**	**37,654**
34	**Total Revenue**	**$ 3,951,793**	**4,156,038**	**4,307,645**	**4,622,162**	**4,653,253**	**4,835,567**	**5,017,260**	**5,209,189**	**5,407,396**	**5,610,249**	**5,822,129**

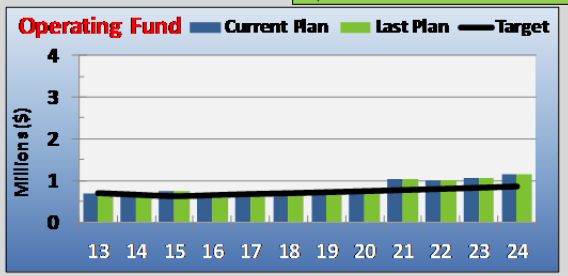
[1] Source: FY 2014 Budget Projection provided by City Staff.
[2] Source: FY 2015 Proposed Budget.
[3] Reflects new rate structure for all users in FY 2015.
[4] Capital Cost Recovery charges eliminated as part of new rate structure in FY 2015.

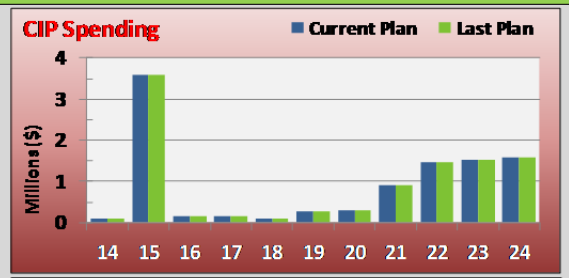
FAMS - Control Panel **Schedule 7**

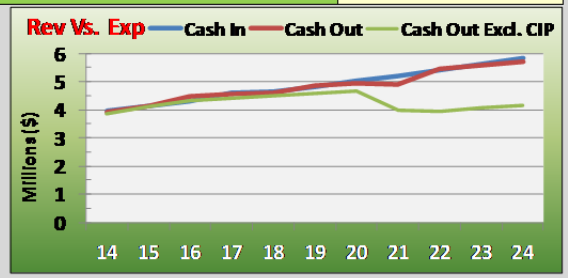
FINANCIAL ANALYSIS AND MANAGEMENT SYSTEM (FAMS) SUMMARY

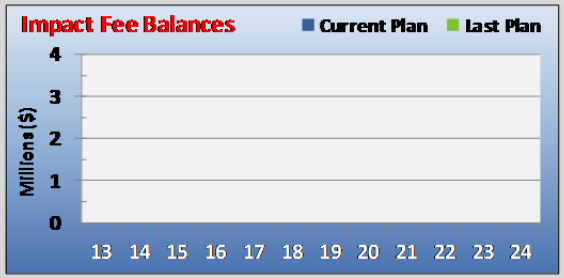
SAVE CALC

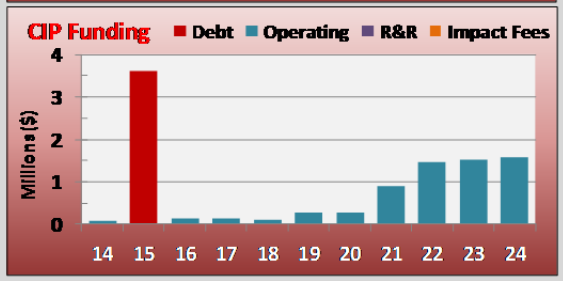
		FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Cumulative Change FY 2019	Cumulative Change FY 2024
Override ▶			8.50%	8.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%		
Water Rate Increases		0.00%	8.50%	8.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	30.56%	54.90%
Last Plan		0.00%	8.50%	8.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	30.56%	54.90%
Override ▶			8.50%	8.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%		
Sewer Rate Increases		0.00%	8.50%	8.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	30.55%	55.01%
Last Plan		0.00%	8.50%	8.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	30.55%	55.01%
Senior Lien Debt Coverage		2.28	2.35	2.09	2.17	2.29	2.38	2.11	6.28	6.59	7.00	7.34	PS FY15 ▶	100%
Last Plan		2.28	2.35	2.09	2.17	2.29	2.38	2.11	6.28	6.59	7.00	7.34	OMV FY15 ▶	100%
Subordinate Debt Coverage		1.32	1.72	1.64	1.76	1.94	2.09	2.65	4.45	6.47	6.78	7.14	OMF FY15 ▶	100%
Last Plan		1.32	1.72	1.64	1.76	1.94	2.09	2.65	4.45	6.47	6.78	7.14	Elasticity	0.00
CIP $ Redistribution ▶		$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	Meijer?	Y
CIP Execution % ▶		100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%		
Operating Reserve % ▶		35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%		
Water	$16.85	$16.85	18.30	19.85	20.55	21.25	22.00	22.75	23.55	24.35	25.20	26.10		
Sewer	$40.30	$40.30	43.71	47.42	49.09	50.82	52.61	54.46	56.37	58.34	60.37	62.47		
Average Bill (5,000 gals.)		$57.15	62.01	67.27	69.64	72.07	74.61	77.21	79.92	82.69	85.57	88.57		
Last Plan		$57.15	62.01	67.27	69.64	72.07	74.61	77.21	79.92	82.69	85.57	88.57	Check	$ -

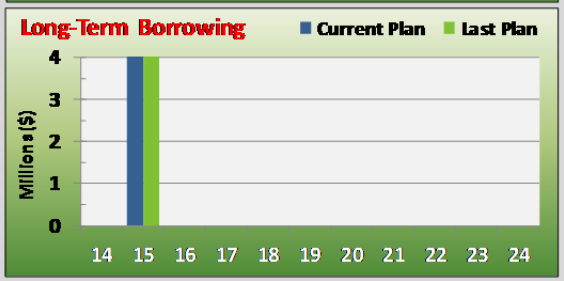












Schedule 8 – Forecast of Net Revenues and Debt Service Coverage

Forecast of Net Revenues and Debt Service Coverage

Schedule 8

			FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
1	Water Rate Revenue												
2	Revenue Generated From Readiness-to-Serve Charges		$0	$222,102	$260,302	$289,446	$308,855	$329,284	$350,782	$373,399	$397,188	$422,203	$448,503
3	Revenue Generated From Usage Rates		1,060,525	800,539	845,985	851,872	875,987	900,595	925,699	951,300	977,396	1,003,988	1,031,074
4	Sewer Rate Revenue												
5	Revenue Generated From Readiness-to-Serve Charges		$356,000	$556,903	$620,081	$658,212	$689,482	$722,150	$756,277	$791,924	$829,157	$868,045	$908,657
6	Revenue Generated From Usage Rates		1,802,185	1,899,055	2,068,327	2,148,843	2,232,923	2,320,256	2,410,964	2,505,179	2,603,033	2,704,667	2,810,224
7	**Total Rate Revenue**		**$ 3,218,710**	**3,478,599**	**3,794,695**	**3,948,374**	**4,107,247**	**4,272,285**	**4,443,722**	**4,621,801**	**4,806,774**	**4,998,903**	**5,198,457**
8	Plus: Other Operating Revenue		$ 187,747	138,247	138,247	138,247	138,247	138,247	138,247	138,247	138,247	138,247	138,247
9	**Equals: Total Operating Revenue**		**$ 3,406,457**	**3,616,845**	**3,932,941**	**4,086,620**	**4,245,494**	**4,410,532**	**4,581,969**	**4,760,048**	**4,945,021**	**5,137,149**	**5,336,704**
10	**Less: Operating Expenses**												
11	Personnel Services		$ (749,439)	(549,413)	(565,009)	(581,364)	(598,537)	(616,594)	(635,605)	(655,649)	(676,812)	(699,186)	(722,875)
12	Variable O&M		$ (246,850)	(260,500)	(272,438)	(284,757)	(297,030)	(309,868)	(323,297)	(337,346)	(352,045)	(367,424)	(383,517)
13	Fixed O&M		$ (902,606)	(986,406)	(1,030,731)	(1,077,652)	(1,104,134)	(1,142,806)	(1,182,311)	(1,223,497)	(1,266,100)	(1,310,033)	(1,355,662)
14	**Equals: Net Operating Income**		**$ 1,507,562**	**1,820,526**	**2,064,764**	**2,142,847**	**2,245,792**	**2,341,264**	**2,440,755**	**2,543,556**	**2,650,065**	**2,760,506**	**2,874,651**
15	**Plus: Non-Operating Income/(Expense)**												
16	Non-Operating Revenue		$ 33,481	-	-	-	-	-	-	-	-	-	-
17	Interest		$ 1,451	3,361	7,197	13,847	21,648	29,271	29,632	33,341	36,180	36,250	37,654
18	Transfers In (Including Capitalized Interest on New Debt)		$ 510,404	535,832	367,507	521,694	386,112	395,764	405,658	415,800	426,195	436,850	447,771
19	**Equals: Net Income**		**$ 2,052,898**	**2,359,719**	**2,439,468**	**2,678,389**	**2,653,552**	**2,766,299**	**2,876,046**	**2,992,696**	**3,112,440**	**3,233,606**	**3,360,075**
20	**Less: Revenues Excluded From Coverage Test**												
21	Transfers In (Excluding Capitalized Interest on New Debt)		$ (510,404)	(358,543)	(367,507)	(521,694)	(386,112)	(395,764)	(405,658)	(415,800)	(426,195)	(436,850)	(447,771)
22	**Equals: Net Income Available For Debt Service**		**$ 1,542,494**	**2,001,176**	**2,071,961**	**2,156,695**	**2,267,440**	**2,370,535**	**2,470,387**	**2,576,896**	**2,686,245**	**2,796,756**	**2,912,304**
23	**Debt Service Coverage Test**												
24	Existing Debt Service		$ 677,158	675,520	679,745	678,700	676,435	683,035	854,743	96,868	93,718	85,673	82,733
25	Cumulative New Debt Service		$ -	177,289	313,779	313,779	313,779	313,779	313,779	313,779	313,779	313,779	313,779
26	**Total Conventional Debt Service**		**$ 677,158**	**852,809**	**993,524**	**992,479**	**990,214**	**996,814**	**1,168,522**	**410,647**	**407,497**	**399,452**	**396,512**
27	Calculated Debt Service Coverage	**Req.: 1.50**	2.28	2.35	2.09	2.17	2.29	2.38	2.11	6.28	6.59	7.00	7.34
28	**SRF Debt Service Coverage**												
29	Existing SRF Debt Service		$ 657,803	666,247	659,428	662,366	659,984	657,428	491,528	487,234	352,121	353,439	352,127
30	**Total SRF Debt Service**		**$ 657,803**	**666,247**	**659,428**	**662,366**	**659,984**	**657,428**	**491,528**	**487,234**	**352,121**	**353,439**	**352,127**
31	Calculated SRF Debt Service Coverage	**Req.: 1.25**	1.32	1.72	1.64	1.76	1.94	2.09	2.65	4.45	6.47	6.78	7.14
32	**Cash Flow Test**												
33	Net Income Available For Debt Service		$ 1,542,494	2,001,176	2,071,961	2,156,695	2,267,440	2,370,535	2,470,387	2,576,896	2,686,245	2,796,756	2,912,304
34	Net Interfund Transfers (In - Out)		$ 168,096	(163,159)	(163,159)	(18,465)	(169,820)	(176,421)	(183,279)	(190,402)	(197,801)	(205,486)	(213,468)
35	Debt Service Payments		$ (1,334,961)	(1,519,056)	(1,652,953)	(1,654,845)	(1,650,199)	(1,654,243)	(1,660,050)	(897,881)	(759,618)	(752,891)	(748,639)
36	Debt Service Transfers - Capital Improvement Debt		$ (272,526)	(272,590)	(275,026)	(273,572)	(275,178)	(273,023)	(273,095)	(272,710)	(275,211)	(274,185)	(272,805)
37	Capital Outlay		$ (1,000)	(6,000)	(6,150)	(6,304)	(6,461)	(6,623)	(6,788)	(6,958)	(7,132)	(7,310)	(7,493)
38	**Net Cash Flow**		**$ 102,103**	**40,371**	**(25,327)**	**203,509**	**165,782**	**260,225**	**347,175**	**1,208,944**	**1,446,484**	**1,556,883**	**1,669,899**
39	**Unrestricted Working Capital Reserve Fund**												
40	Balance At Beginning Of Fiscal Year		$ 690,084	703,187	743,558	579,181	634,150	696,097	674,822	732,247	1,045,691	1,016,175	1,052,658
41	Reserve Fund Balance used For Cash Flow Deficit		$ -	-	(25,327)	-	-	-	-	-	-	-	-
42	Cash Flow Surplus/(Deficit)		$ 102,103	40,371	-	203,509	165,782	260,225	347,175	1,208,944	1,446,484	1,556,883	1,669,899
43	Projects Designated to be Paid with Cash		$ (89,000)	-	(139,050)	(148,540)	(103,835)	(281,500)	(289,750)	(895,500)	(1,476,000)	(1,520,400)	(1,566,000)
44	**Balance At End Of Fiscal Year**		**$ 703,187**	**743,558**	**579,181**	**634,150**	**696,097**	**674,822**	**732,247**	**1,045,691**	**1,016,175**	**1,052,658**	**1,156,558**
45	Minimum Working Capital Reserve Target	35% of O&M	$ 664,613	628,712	653,862	680,321	699,896	724,244	749,425	775,772	803,235	831,825	861,719
46	**Excess/(Deficiency) of Fund Balance**		**$ 38,574**	**114,846**	**(74,681)**	**(46,170)**	**(3,799)**	**(49,422)**	**(17,178)**	**269,919**	**212,940**	**220,833**	**294,839**

Capital Project Funding Summary

Schedule 9

FINAL CAPITAL PROJECTS FUNDING SOURCES		FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
DEBT PROCEEDS	$	-	3,597,000	-	-	-	-	-	-	-	-	-
PROJECTS DESIGNATED TO BE PAID WITH CASH	$	89,000	-	139,050	148,540	103,835	281,500	289,750	895,500	1,476,000	1,520,400	1,566,000
TOTAL PROJECTS PAID	**$**	**89,000**	**3,597,000**	**139,050**	**148,540**	**103,835**	**281,500**	**289,750**	**895,500**	**1,476,000**	**1,520,400**	**1,566,000**
TOTAL CIP INPUT	$	89,000	3,597,000	139,050	148,540	103,835	281,500	289,750	895,500	1,476,000	1,520,400	1,566,000
VARIANCE	$	-	-	-	-	-	-	-	-	-	-	-

Funding Summary by Fund

Schedule 10

		FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
REVENUE FUND												
BALANCE AT BEGINNING OF FISCAL YEAR	$	690,084	703,187	743,558	579,181	634,150	696,097	674,822	732,247	1,045,691	1,016,175	1,052,658
ADDITIONAL ANNUAL REVENUES	$	102,103	40,371	(25,327)	203,509	165,782	260,225	347,175	1,208,944	1,446,484	1,556,883	1,669,899
LESS: CASH-FUNDED CAPITAL PROJECTS	$	(89,000)	-	(139,050)	(148,540)	(103,835)	(281,500)	(289,750)	(895,500)	(1,476,000)	(1,520,400)	(1,566,000)
LESS: RESTRICTED FUNDS	$	(664,613)	(628,712)	(579,181)	(634,150)	(696,097)	(674,822)	(732,247)	(775,772)	(803,235)	(831,825)	(861,719)
TOTAL AMOUNT AVAILABLE FOR PROJECTS	$	38,574	114,846	-	-	-	-	-	269,919	212,940	220,833	294,839
AMOUNT PAID FOR PROJECTS	$	-	-	-	-	-	-	-	-	-	-	-
SUBTOTAL	$	38,574	114,846	-	-	-	-	-	269,919	212,940	220,833	294,839
ADD BACK: RESTRICTED FUNDS	$	664,613	628,712	579,181	634,150	696,097	674,822	732,247	775,772	803,235	831,825	861,719
PLUS: INTEREST EARNINGS	$	871	1,808	3,307	6,067	9,977	13,709	14,071	17,779	20,619	20,688	22,092
LESS: INTEREST ALLOCATED TO CASH FLOW	$	(871)	(1,808)	(3,307)	(6,067)	(9,977)	(13,709)	(14,071)	(17,779)	(20,619)	(20,688)	(22,092)
BALANCE AT END OF FISCAL YEAR	$	703,187	743,558	579,181	634,150	696,097	674,822	732,247	1,045,691	1,016,175	1,052,658	1,156,558
RESTRICTED RESERVES												
BALANCE AT BEGINNING OF FISCAL YEAR	$	464,294	464,294	778,073	778,073	778,073	778,073	778,073	778,073	778,073	778,073	778,073
DEBT SERVICE RESERVE ON NEW DEBT	$	-	313,779	-	-	-	-	-	-	-	-	-
OTHER ADDITIONAL FUNDS	$	-	-	-	-	-	-	-	-	-	-	-
SUBTOTAL	$	464,294	778,073	778,073	778,073	778,073	778,073	778,073	778,073	778,073	778,073	778,073
PLUS: INTEREST EARNINGS	$	580	1,553	3,890	7,781	11,671	15,561	15,561	15,561	15,561	15,561	15,561
LESS: INTEREST ALLOCATED TO CASH FLOW	$	(580)	(1,553)	(3,890)	(7,781)	(11,671)	(15,561)	(15,561)	(15,561)	(15,561)	(15,561)	(15,561)
BALANCE AT END OF FISCAL YEAR	$	464,294	778,073	778,073	778,073	778,073	778,073	778,073	778,073	778,073	778,073	778,073

Long-Term Borrowing Projections

Schedule 11

				FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Term (Years)				20	20	20	20	20	20	20	20	20	20	20
Interest Rate				4.00%	4.25%	4.50%	4.75%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Sources of Funds														
Par Amount			$	-	4,171,498	-	-	-	-	-	-	-	-	-
Uses of Funds														
Proceeds			$	-	3,597,000	-	-	-	-	-	-	-	-	-
Cost of Issuance	2.00%	of Par	$	-	83,430	-	-	-	-	-	-	-	-	-
Underwriter's Discount	$0.00	per $1,000	$	-	-	-	-	-	-	-	-	-	-	-
Bond Insurance	0.00	times total Debt Service	$	-	-	-	-	-	-	-	-	-	-	-
Capitalized Interest	1.00	Years Interest	$	-	177,289	-	-	-	-	-	-	-	-	-
Debt Service Surety	0.00%	of Debt Service	$	-	-	-	-	-	-	-	-	-	-	-
Debt Service Reserve	1.00	Years of Debt Service	$	-	313,779	-	-	-	-	-	-	-	-	-
Other Costs			$	-	-	-	-	-	-	-	-	-	-	-
Total Uses			$	-	4,171,498	-	-	-	-	-	-	-	-	-
1 Year Interest			$	-	177,289	-	-	-	-	-	-	-	-	-
Annual Debt Service			**$**	**-**	**313,779**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Debt Service			$	-	6,275,588	-	-	-	-	-	-	-	-	-
Cumulative New Annual Debt Service			**$**	**-**	**177,289**	**313,779**	**313,779**	**313,779**	**313,779**	**313,779**	**313,779**	**313,779**	**313,779**	**313,779**

Appendix D – Supporting Schedules for Other Fees & Charges

CITY OF MANISTEE, MI

Go To Menu ▶

Determination of Specific Service Costs
--- User input in areas shaded light green ---

Type of Fee:	Water Connection Fee, Meter Only - 3/4" Meter - EXAMPLE	Current Fee:	$115.00

A	B	C	D	E	F	G	H	I
Labor Costs: Staff Position	Task	Average Direct Labor Rate per Hour	Average Indirect Labor % 35.00%	Total Hourly Labor Rate	Time per Task per Occurrence (Minutes)	Number of Occurrences	Labor Costs per Occurrence	Total Labor Costs
Customer Service Rep	Prepare work order	$12.50	$4.38	$16.88	15	1	$4.22	$4.22
Warehouse Supervisor	Gather tools/materials	$17.00	$5.95	$22.95	10	1	$3.83	$3.83
Engineering Technician I	Travel to/from site and perform installation	$14.25	$4.99	$19.24	60	1	$19.24	$19.24
Engineering Technician II	Travel to/from site and perform installation	$18.00	$6.30	$24.30	60	1	$24.30	$24.30
Crew Leader I	Travel to/from site and supervise/inspect installation	$19.50	$6.83	$26.33	30	1	$13.17	$13.17
Total Labor Costs								$64.76

Equipment/Computer Costs: Type of Computer/Equip.	Task	Average Equipment/ Computer Usage Rate	Over Head to be Applied to Rate (%) 5.00%	Total Hourly Rate	Time per Task per Occurrence (Minutes)	Number of Occurrences	Equipment/ Computer Costs per Occurrence	Total Equipment/ Computer Costs
			$0.00	$0.00			$0.00	$0.00
			$0.00	$0.00			$0.00	$0.00
Total Equipment/Computer Costs								$0.00

Vehicle Costs: Type of Vehicle	Task	Average Vehicle Usage Rate (per Mile)	Over Head to be Applied to Rate (%) 5.00%	Total Vehicle Rate (per Mile)	Distance per Task per Occurrence (Miles)	Number of Occurrences	Vehicle Costs per Occurrence	Total Vehicle Costs
Utility Truck	Engineering techs travel to/from site	$1.00	$0.05	$1.05	15	1	$15.75	$15.75
Small Pick-Up/SUV	Crew leader travel to/from site	$0.50	$0.03	$0.53	15	2	$7.95	$15.90
Total Vehicle Costs								$31.65

Materials Costs: Type of Material	Task	Average Cost per Unit	Over Head to be Applied Average Cost per Unit 5.00%	Total Cost per Unit	Average Number of Units per Occurrence (No. of Units)	Number of Occurrences	Materials Costs per Occurrence	Total Materials Costs
Meter - 3/4"	Cost of meter	$50.00	$2.50	$52.50	1	1	$52.50	$52.50
Coupling, Mtr, Brass, 3/4"	Cost of other material(s)	$3.00	$0.15	$3.15	1	1	$3.15	$3.15
Total Materials Costs								$55.65

Total Cost	$152.06

RECOMMENDED SYSTEM DEVELOPMENT CHARGES

METER SIZES	AWWA Max Cap. Flow Rates (gpm)	Equivalency/ ERC Factor	WATER	SEWER
5/8"	20	1.0	$ 200	$ 3,700
1"	50	2.5	$ 500	$ 9,250
1-1/4"*	75	3.8	$ 760	$ 14,060
1-1/2"	100	5.0	$ 1,000	$ 18,500
2"	160	8.0	$ 1,600	$ 29,600
3"	320	16.0	$ 3,200	$ 59,200
4"	500	25.0	$ 5,000	$ 92,500
6"	1000	50.0	$ 10,000	$ 185,000
8"	1600	80.0	$ 16,000	$ 296,000
10"	2300	115.0	$ 23,000	$ 425,500
12"	4300	215.0	$ 43,000	$ 795,500
Gallons per Day per Residential Connection			600	200
Charge per Gallon per Day of Estimated Demand			$ 0.33	$ 18.50

* AWWA Manual M-22 does not show 1-1/4" meters. As such GPM interpolated.

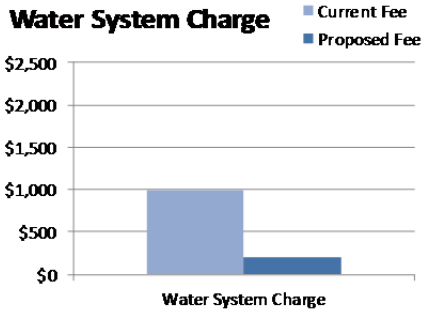
FAMS-XL: SYSTEM DEVELOPMENT CHARGES (TAP FEE) MODULE

CALCULATE

CITY OF MANISTEE, MICHIGAN

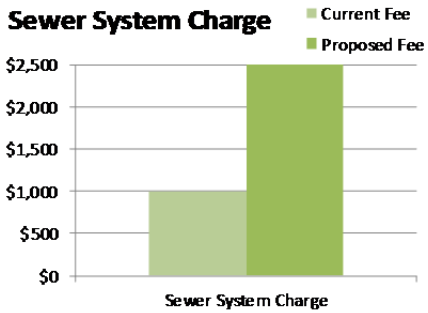
Water System Charge

Total RCNLD of Fixed Assets	$2,975,460
Less: Grants/Contributions	-$297,546
Carrying Costs	$817,893
Total Buy-In Costs	**$3,495,808**
Limiting Capacity	5.04
ERC Capacity	8,400
Cost per ERC	$ 434
Debt Service Credit	$ (234)
Cost Recovery Percentage	100%
Total Proposed Fee:	$ 200
Current Fee:	$1,000
Dollar Change:	($800)
Percentage Change:	-80.0%



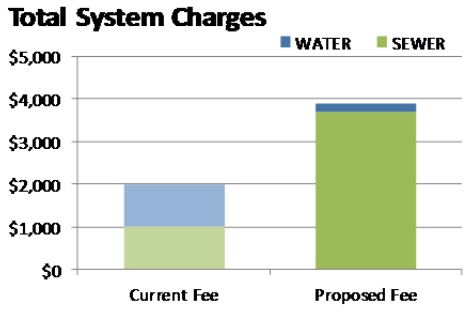
Sewer System Charge

Total RCNLD of Fixed Assets	$26,139,015
Less: Grants/Contributions	-$3,920,852
Carrying Costs	$9,254,596
Total Buy-In Costs	**$31,472,759**
Limiting Capacity	1.30
ERC Capacity	6,500
Cost per ERC	$ 4,678
Debt Service Credit	$ (978)
Cost Recovery Percentage	100%
Total Proposed Fee:	$ 3,700
Current Fee:	$1,000
Dollar Change:	$2,700
Percentage Change:	270.0%



Total System Development Charge

Current	
Water Tap Fee	$1,000
Sewer Tap Fee	$1,000
Total Tap Fees	**$2,000**
Proposed	
Water System Development Charge	$200
Sewer System Development Charge	$3,700
Proposed System Development Charges	**$3,900**
Dollar Change	**$1,900**
Percent Change	**95.0%**



CITY OF MANISTEE, MICHIGAN - Water System Development Charge Calculation

1	Functional Component:						**Total**
2	Water Project Costs:						$2,975,460
3	Less: Grant Funding/Contributions	10.00%					($297,546)
4	Bond Financed Projects	90.00%	(of non-contributed costs)				2,410,123
5	Projects Paid From Other Sources						267,791
6	Financing Analysis:						
7	Projects Financed With Revenue Bonds:						
8	Sources of Funds:						
9	Estimated Par Amount	2.93%	Int for	20	Years		2,639,185
10	Estimated Int Earnings on Const Fund	0.00%	Int for	0	Months		0
11	Total Sources of Funds						2,639,185
12	Uses of Funds:						
13	Project Costs Financed						2,410,123
14	Cost of Issuance	2.00%	of Par Amount				52,784
15	Debt Service Reserve	1	Years of D.S.				176,278
16	Capitalized Interest	0	Years Interest				0
17	Underwriters Discount	0.00%	per $1,000				0
18	Debt Service Surety	0.00%	of Annual Debt Service				0
19	Cost of Bond Insurance	0.00%	of Total D.S.				0
20	Total Uses of Funds						2,639,185
21	Annual Debt Service						176,278
22	Total Principal & Interest Payments over Term of Loan						3,525,562
23	Projects Paid From Other Sources						267,791
24	Total Project Costs						$3,793,354
25	Water System Development Charge Calculation:						
26	Capacity						
27	Permited Maximum Day Capacity - Million Gallons Per Day (MGD)						5.04
28	Equivalent Residential Connections (ERCs) @	600	Gallons Per Day				**8,400**
29	Cost per ERC						$452
30	Credit for NPV of Debt Service Included in Usage Rates						-244
31	Water Connection Fee per ERC						$208
32	Allowance for Estimation and Contingency						4.00%
33	Net Water Capacity Cost per ERC						**$200**
34	Percentage of Full Cost Recovery						100.00%
35	**Proposed Water System Development Charge per ERC**						**$200**
36	Current Water Benefit Fee per ERC						$1,000
37	Change						-$800
38	Percent Change						-80%

CITY OF MANISTEE, MICHIGAN - Wastewater System Development Charge Calculation

1	Fixed Asset/CIP Allocation:						**Total**
2	Wastewater Project Costs:						$26,139,015
3	Less: Grant Funding/Contributions	15.00%					($3,920,852)
4	Bond Financed Projects	90.00%	(of non-contributed costs)				19,996,347
5	Projects Paid From Other Sources						2,221,816
6	Financing Analysis:						
7	Projects Financed With Revenue Bonds:						
8	Sources of Funds:						
9	Estimated Par Amount	2.93%	Int for	20	Years		21,896,831
10	Estimated Int Earnings on Const Fund	0.00%	Int for	0	Months		0
11	Total Sources of Funds						21,896,831
12	Uses of Funds:						
13	Project Costs Financed						19,996,347
14	Cost of Issuance	2.00%	of Par Amount				437,937
15	Debt Service Reserve	1	Years of D.S.				1,462,547
16	Capitalized Interest	0	Years Interest				0
17	Underwriters Discount	$0.00	per $1,000				0
18	Debt Service Surety	0.00%	of Annual Debt Service				0
19	Cost of Bond Insurance	0.00%	of Total D.S.				0
20	Total Uses of Funds						$21,896,831
21	Annual Debt Service						1,462,547
22	Total Principal & Interest Payments over Term of Loan						29,250,943
23	Projects Paid From Other Sources						2,221,816
24	Total Project Costs						$31,472,759
25	Wastewater System Development Charge Calculation:						
26	Capacity						
27	Million Gallons Per Day (MGD)						**1.30**
28	Equivalent Residential Connections (ERCs) @	200	Gallons Per Day				6,500
29	Cost per ERC						$4,842
30	Credit for NPV of Debt Service Included in Usage Rates						-$1,013
31	Wastewater Capacity Cost per ERC						$3,829
32	Allowance for Estimation and Contingency						3.38%
33	Net Wastewater Capacity Cost per ERC						**$3,700**
34	Percentage of Full Cost Recovery						100.00%
35	**Proposed Wastewater System Development Charge per ERC**						**$3,700**
36	Current Wastewater Benefit Fee - per ERC						$1,000
37	Change						$2,700
38	Percent Change						270.0%