

2016 BUDGET

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**WAUKESHA WATER UTILITY
BUDGET
EXECUTIVE SUMMARY**

2016

Capital expenditures are budgeted at \$18.2 million in 2016, a \$9.4 million increase over the projected 2015 expenditures of \$8.8 million. Expenditures for future water supply account for almost \$11.7 million of the 2016 expenditures. \$6.5 million of the expenditures relate to the routine capital projects. The increase is due primarily the delay of projects from 2015 to 2016.

This level of capital expenditure assumes that the Utility, via the City, will secure \$18.2 million in new General Obligation Debt (NAN).

A summary of significant capital expenditures is attached.

“Net Income” is budgeted at \$3.5 million, up from the \$2.4 million projected for 2015. A decrease in the amortization of preliminary expenditures related to the future water supply and an increase in contributions of fixed assets from developers (both are non-cash items) account for all of the increase.

The Utility has not budgeted for a rate increase. However, if it qualifies, it will submit an application for a Simplified Rate Increase of 3% in the spring. Because it expects the volume of billed gallons to decrease, revenue is budgeted to decrease by 2%.

Expenses are budgeted to decrease by 5% because of the decrease in the amortization of preliminary expenditures, mentioned above. Compensation and pumping power are the Utility’s two largest expenses. Compensation, the sum of wages and benefits, is expected to increase 2.6% (adjusting for changes in staff). The increase exactly mirrors market conditions. Trending with the expected decrease in billed gallons, pumping power is budgeted to decrease by 1%.

A more detailed understanding of the expenses can be gained by examining the Significant Expenses and Variance Analysis (both attached).

The Utility’s cash position will improve in 2016. The Capital and Operating plans combine to produce a cash balance at year end of \$23.0 million, up from the \$20.4 million projected for 2015. Cash reserves are being built in anticipation of the large capital expenditures associated with the future water supply. The Utility’s Return on Rate Base is budgeted at 4.3%. This is less than the 5.75% allowed by the Public Service Commission in the 2012 rate case, however the Utility will wait to file for a conventional rate increase until after the Great Lakes decision. The Debt Service Revenue Ratio is budgeted at 3.2, exceeding the required 1.25. The cash balance meets the debt service and working capital requirements in the debt covenants.

5 Year Financial Plan

An alternative water supply will be costly to secure and will require a great deal of financing. The Springsted model has been used to predict the financial impacts of securing an alternate water supply, costing \$206 million, from Oak Creek. This conservative plan assumes that the Utility will not receive grant funds. Therefore, the project is assumed to be financed with debt from the state revolving loans of almost \$120 million, and the use of \$90 million in water revenue bonds.

Operating expenses, that are variable, are budgeted to increase 3% each year. All other expenses are budgeted based on actual schedules, e.g. interest and PILOT, or on long standing ratios, e.g. depreciation.

The plan calls for filing Conventional Rate Increases of 25% in 2017 through 2019. An additional increase of 20% will be needed in 2020. The revenue increases are not sufficient to fund the acquisition of a future water supply. Debt will be secured for construction. However, the rate increases are necessary to satisfy the debt covenants.

The Managers' Margins will vary and are predicted to more than triple the amount budgeted in 2016. This margin is a function of revenue and routine operating expenses. In order to fund the cash flow requirements of the alternative source, rates will have to increase, yet routine operating expenses will not.

Return on Rate Base (ROR) typically measures how well revenue is being generated by an organization's assets. However, during years 2016 through 2020 the ROR's will be mostly a function of the large rate increases that will be needed. Assuming the construction in process is included in the calculation, the ROR's range from 4.3 to 14.0%. The Utility is working with the Public Service Commission to draft a process that will allow the ROR's necessary to satisfy the bond covenants.

In summary, the financial activities associated with securing an alternate source of water will focus on borrowing funds, raising rates, and releasing cash at the optimal levels in order to:

1. Minimize the total cost of the future water supply to the rate payers.
2. Minimize public disruption.
3. Minimize excess cash at the end of the project.

WWU
FIVE YEAR FINANCIAL PLAN

KEY INDICATORS

2016

	Actual 2011	Actual 2012	Actual 2013	Actual 2014	Projected 2015	2016	2017	Extended 2018	2019	2020
Capital Budget	\$ 5,156,688	\$ 3,824,176	\$ 4,588,482	\$ 9,326,092	\$ 8,768,518	\$ 18,176,687	\$ 26,043,135	\$ 50,800,236	\$ 64,879,106	\$ 64,605,739
Feet Replaced	6,235	7,301	14,414	10,258	15,561	29,200	25,055	17,157	17,157	17,157
Rate Increase	3%	27%	0%	0%	3%	0%	25%	25%	25%	20%
Managers' Margin	4,574,477	5,832,357	6,269,259	5,501,087	5,916,661	\$ 6,383,965	9,023,973	12,352,300	16,542,174	\$ 20,725,943
Average Annual Bill - Residential	\$ 261.46	\$ 275.19	\$ 316.37	\$ 319.67	\$ 324.47	\$ 327.59	\$ 409.49	\$ 511.86	\$ 639.82	\$ 767.79
Net Operating Income - PSC	1,774,937	2,747,885	3,007,165	2,185,950	1,613,509	2,600,658	3,909,607	6,664,179	10,352,586	14,211,142
Average Net Rate Base	\$ 39,123,944	\$ 40,177,270	\$ 41,163,297	\$ 44,027,203	\$ 48,893,818	\$ 60,237,541	\$ 65,178,533	\$ 85,399,308	\$ 95,243,306	\$ 100,841,740
Return on Rate Base	4.54%	6.84%	7.31%	4.96%	3.30%	4.32%	6.00%	7.80%	10.87%	14.09%
Debt Coverage										
Revenue Requirement - 1.25	3.06	4.23	7.01	6.21	2.69	3.22	3.74	2.96	2.08	1.74
YE Cash Balance	\$ 4,369,725	\$ 4,366,435	\$ 13,268,703	\$ 18,454,882	\$ 20,374,458	\$ 22,956,766	\$ 27,794,258	\$ 32,249,898	\$ 32,718,374	\$ 31,341,168
Minimum Cash Required	\$ 2,509,542	\$ 2,455,086	\$ 2,699,134	\$ 2,706,116	\$ 3,281,974	\$ 4,556,675	\$ 5,977,230	\$ 6,035,517	\$ 7,680,443	\$ 10,120,585



WAUKESHA WATER UTILITY Capital Improvement Plan

2016

Summary

History

Significant Items

Cash

Borrowing

Source, Pumping & Treatment

Transmission & Distribution

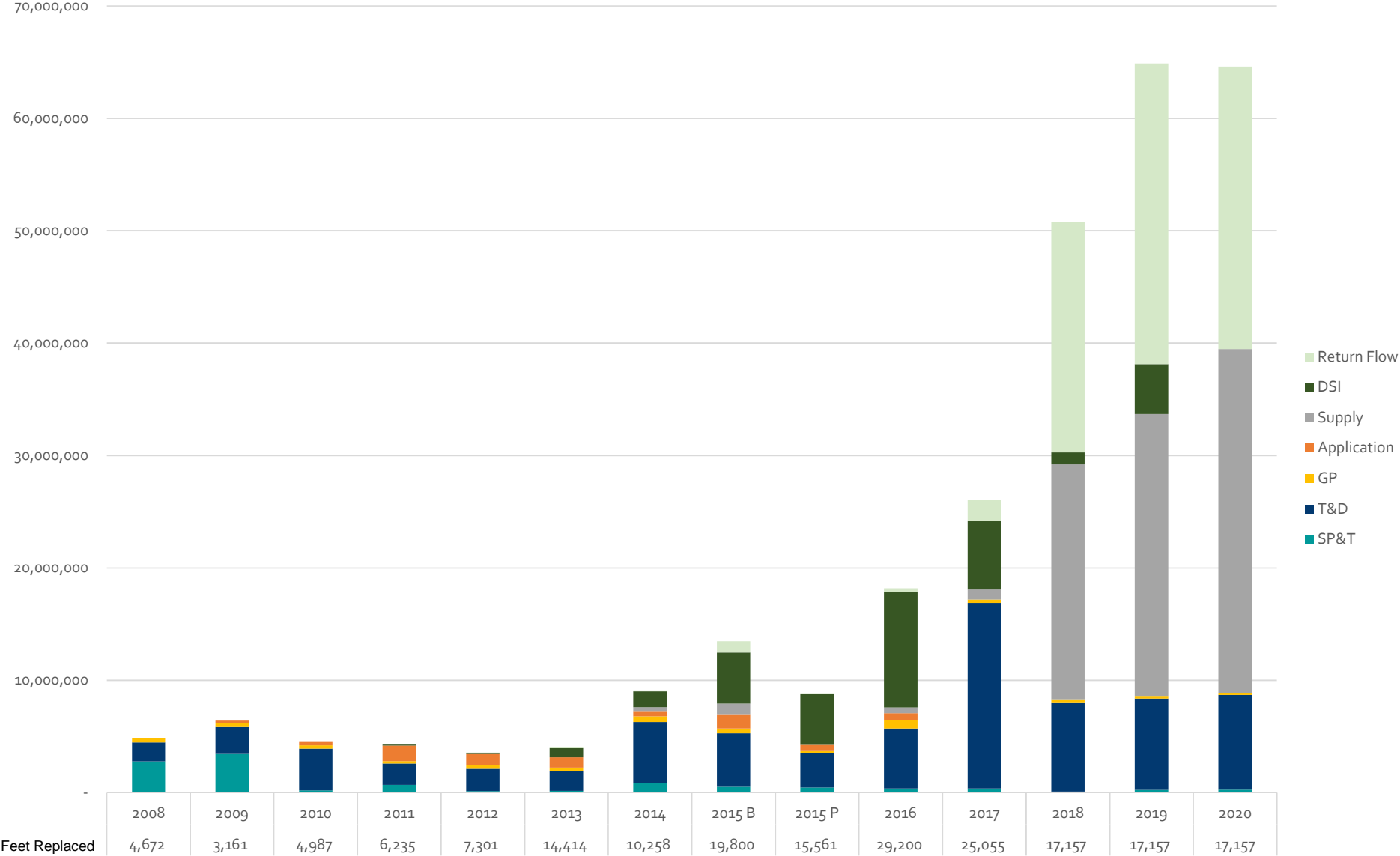
General Plant

Contributed Plant

WAUKESHA WATER UTILITY
Capital Improvement Plan
Summary
2016

Year	Application (FWS)	Supply (FWS)	Distribution System Improvements (FWS)	Return Flow (FWS)	Source, Pumping & Treatment	Transmission & Distribution	General Plant	Total Utility	% Δ from 15 B	Developer Contributed (Table 5)	Total Capital Improvement Plan
2015 B	1,203,225	996,774	4,562,952	1,000,000	530,368	4,761,567	425,685	13,480,571		2,705,463	16,186,034
2015 P	555,000	-	4,511,182	8,240	465,000	3,013,234	215,862	8,768,518	-35%	1,222,896	9,991,414
2016	585,065	519,158	10,222,615	365,300	366,175	5,349,171	769,203	18,176,687	35%	2,551,102	20,727,790
2017	-	889,985	6,082,281	1,880,787	365,000	16,513,002	312,080	26,043,135	43%	1,000,000	27,043,135
2018	-	20,962,956	1,057,542	20,526,899	105,000	7,859,647	288,192	50,800,236	95%	1,000,000	51,800,236
2019	-	25,137,242	4,425,782	26,752,512	255,000	8,129,232	179,338	64,879,106	28%	1,000,000	65,879,106
2020	-	30,638,064	-	25,132,091	275,000	8,408,065	152,518	64,605,739	0%	1,000,000	65,605,739
Total	\$ 585,065	\$ 78,147,405	\$ 21,788,220	\$ 74,657,590	\$ 1,366,175	\$ 46,259,117	\$ 1,701,332	\$ 224,504,903		\$ 6,551,102	\$ 231,056,006

WWU CAPITAL IMPROVEMENTS - HISTORY 2008-2020



WAUKESHA WATER UTILITY
CIP
SIGNIFICANT ITEMS > \$100,000
2016

FUTURE WATER SUPPLY

GL Application			
Long Term Planning	\$	145,388	
Public Outreach		249,010	
Supply			
Water Delivery			
Water Mains		498,124	
Distribution System Improvements			
Segment AC		1,302,543	
Segment AW - SE Pressure Zone		3,152,118	
Segment AA - Central Pressure Zone		5,642,955	
Pressure Reducing Station		124,999	
Return Flow			
Effluent Pipeline		360,621	\$ 11,475,758

ROUTINE

Capital Pumping Equipment	\$	300,751	
Undesignated Main Replacement - 12000 feet		4,796,949	
Valve Replacements		122,183	
Water Meter Replacement		165,139	
Parking Deck Repairs		587,189	\$ 5,972,211

\$ 17,447,969 96%

TOTAL CAPITAL BUDGET

\$ 18,176,687

CONTRIBUTED CAPITAL

\$ 2,551,102

**WAUKESHA WATER UTILITY
PROJECTED STATEMENT OF SOURCES AND USES OF CASH
PERIOD ENDING DECEMBER 31, 2015**

Cash Balance - August 31, 2015

\$24,777,695

SOURCES 9/1 - 12/31:

Operations:

Customers - water sales	\$3,619,690
Waste Water Utility - joint metering billing	237,838
Rent of utility property - cellular leases	158,835
Receipts on sewer bills	3,524,319
Other - miscellaneous	<u>50,677</u>
Total Cash From Operating Activities	\$7,591,360

Capital and Related Financing Activities:

Grants	
Contributions	204,928
Issuance of long-term debt	0
Sale of short-term debt	
Interest income	<u>17,183</u>
Total Cash From Capital/ Investing Activities	\$222,111

Total Cash Receipts

\$7,813,472

USES 9/1 - 12/31:

Salaries, wages, payroll taxes and benefits	\$931,954
Subcontracted and outside services	174,900
Disbursement to city for sewer transfer	3,444,437
Pumping power	295,761
Purchase of materials and supplies	241,051
Tax equivalent - PILOT	
Acquisition of capital assets	5,689,111
Debt service	<u>1,439,495</u>

Total Cash Used

\$12,216,710

Net Change in Cash

(\$4,403,238)

Cash Balance - December 31, 2015

\$20,374,458

WAUKESHA WATER UTILITY
CIP
BORROWED FUNDS - BUDGET
2016

Capital	Budget	Less Proj FR	Total Needed	Less Grants	Total Borrow	Less SDWLP	GO Debt
FWS	11,692,139						
Routine	6,484,549						
	18,176,687	-	18,176,687	-	18,176,687	-	18,176,687
2015 NAN			6,990,000		6,990,000		6,990,000
					Needed in 2016		25,166,687
					GO Debt from City	50,000,000	
					GO Debt Utilized	15,725,000	
					GO Debt Available		34,275,000
					GO Debt Remaining after 2016		9,108,313

WWU
CIP
Source, Pumping Treatment

Account #	Job #	Description	2015				2016			2017	2018	2019	2020
			Budget Macro	Budget per WS	Projected	2015 Total Spent 6/30	Budget Macro	Budget per WS	Variance	Budget Macro	Budget Macro	Budget Macro	Budget Macro
3250-300	W01174,	Capital Pumping Equipment	53,000	100,550	80,000	50,976		31,783	31,783	30,000	50,000	200,000	220,000
3250-300	W01183	Well Pump Maintenance - Rehab #3 & #6 Well #7 and #13	380,000	332,638	310,000	1,313							
		Upgrade Oakmont Booster Station					300,000	268,968	(31,032)	80,000			
		Airport Booster Station Upgrade								200,000			
3210-300	W01190,	Capital Pumping Structure Improvement	72,000	72,144	65,000	6,432	50,000	50,377	377	30,000	30,000	30,000	30,000
3320-300		Trmnt Equipment Update	25,000	25,035	10,000		15,000	15,047	47	25,000	25,000	25,000	25,000
3200-600		Land - Future Redundant PRV Station									0		
TOTAL SOURCE, PUMPING, & TREATMENT			530,000	530,368	465,000	58,721	365,000	366,175	1,175	365,000	105,000	255,000	275,000

WWU
CIP
Transmission Distribution

Account #	Job #	Description	2015			2016			2017	2018	2019	2020	
			Budget Macro	Budget per WS	Projected	2015 Total Spent 6/30	Budget Macro	Budget per WS	Variance	Budget Macro	Budget Macro	Budget Macro	Budget Macro
		Total Replacement Footage Budgeted		13,400					25,055	17,157	17,157	17,157	
		Total Replacement Cost per Foot							415	429	444	459	
3431-600		Water Main Improvements					2,882	2,882	10,402,683	7,367,817	7,620,533	7,881,917	
	M00417	E St Paul NE of Madison Street	3,159	3,159	-			-					
	M00436	S. East Ave. - Estberg Ave. to College Ave.		69,000	-			-					
	M00453	USH-18(Moreland Blvd) -Manhattan Dr to 194 Arcadian & N Hartwell Ave's -E to Colton & Whiterock to Arcadian			79	79	70,000	70,439	439				
	M00468	Chicago Ave - Hyde Park Ave to LaSalle St	53,135	53,135	-			-					
	M00469	Eales Ave. - Replace 6" Main with 8" Main	17,138	17,138	-			-					
	M00470	Heyer Dr	42,255	42,255	9,232			-					
	M00472	S East Ave - 164			15,393			-					
	M00475	Cloverland Oversizing			4,000			-					
		E. Moreland Bld, Fox River to West of Manhattan Dr.	113,814		113,814			-					
		Maple Ave - College to Dunbar			16,300		424,400	425,716	1,316				
	M00480	Maple Ave - Dunbar to WI	388,700	386,224				-					
	M00479	Maple Ave - WI to Main St	426,400	423,099	625,000	23,732		-					
		Summit Ave. - Greenmeadow to Grandview and N. Moreland to Spring St.	133,200	132,375	132,375	83,370		-					
	M00483	S East Ave. - Estberg to Sunset	1,807,200	1,753,887	190,000	4,227		-					
	M00449	Rosemary St. - National to Arcadian	1,010,900	977,739	1,004,000	31,052	251,000	251,303	303				
	M00481	Greenfield Ave N, Main St to Arcadian	174,400	172,956	300,016	13,529		-					
		Tenny, Newhall to College					607,700	612,082	4,382				
		Grand, Hoover to Estberg - resurfacing project.					486,100	488,846	2,746				
		Summit/Delafield, E of Moreland Blvd to Spring St plus "Area D" (intersection North/Delafield/St Paul)					387,600	392,314	4,714				
		Summit/Delafield, W of Green Meadow to Grandview					1,508,000	1,465,913	(42,087)				
		CTH JJ and Silvernail					922,500	926,196	3,696				
		West Side Bypass: MacArthur (Commanche to Bypass), N on Bypass to Madison					159,800	161,257	1,457				
		Howell Oaks Oversizing							-	5,284,800			
		Inspection Services		36,000				55,080	55,080		100,000		
		Main Inventory				161,329			-				
3451-300		Laterals Replacement - Street Only	100,381	101,109	101,109	25,509	21,500	54,990	33,490	22,237	23,000	23,789	24,605
3481-300		Hydrant Replacement	50,400	50,510	70,000	42,946	82,800	83,763	963	85,640	88,577	91,616	94,758
3431-300		Valve Replacements	108,000	132,268	150,268	25,921	120,000	122,183	2,183	124,116	128,373	132,776	137,331
3431-300		Manhole to valve box conversions	52,500	52,649	52,649	15,143	70,500	71,067	567	72,918	75,419	78,006	80,682
3461-300		Water Meter Replacement 5/8" - 6"	185,280	185,359	176,000	33,878	164,950	165,139	189	170,608	176,460	182,512	188,772
3461-300		Automated Meter Reading							-	250,000			
3420-300		Reservoirs							-				
		Aviation Light Upgrades - UWW and Meadowbrook	58,600	38,123	23,000	9,583			-				
		Reservoir Buildings - Wells #5 and #6	26,000	20,771	30,000				-				
TOTAL TRANSMISSION & DISTRIBUTION			4,637,648	4,761,567	3,013,234	470,299	5,276,850	5,349,171	72,321	16,513,002	7,859,647	8,129,232	8,408,065

WWU
CIP
General Plant

Account #	Job #	Description	2015				2016			2017	2018	2019	2020
			Budget Macro	Budget per WS	Projected	2015 Total Spent 6/30	Budget Macro	Budget per WS	Variance	Budget Macro	Budget Macro	Budget Macro	Budget Macro
3890		Land											
3900		General Struct & Improvements							75,000	10,000	10,000	25,000	
	W01113	Parking Deck Repairs	175,000	175,000	30,000	4,457	575,000	587,189	12,189				
		HVAC and Boiler - Office	35,000	35,000	-				-				
3910		Office Furniture and Equipment											
		Office Improvements	10,000	4,000	4,000		4,000	4,000	-	4,000	4,000	20,000	
									-			4,000	
3911		Administrative Computer Equipment											
		IT Equipment	15,000	21,007	5,300	360	22,000	21,528	(472)	37,080	38,192	39,338	
		Mobile Technology	7,500	9,004	8,700			11,514	11,514			40,518	
		Jannsen Specs	10,000	9,004	-				-				
		Microsoft Upgrade - Office Suite					14,000		(14,000)				
3920		Transportation Equipment											
		Fleet Replacement - Truck # 1	22,000	28,000	20,722				-	87,000	80,000	74,000	
	W01181	Fleet Replacement - Truck # 28	29,000	42,000	49,640	949			-			47,000	
		Fleet Replacement - Truck # 100					35,000	35,000	-				
3940		Tools & Shop/Garage Equipment											
		Equipment Upgrades	6,500	6,500	6,500	4,239	5,000	5,000	-	10,000	5,000	5,000	
3960		Power Operated Equipment											
		Valve Turner					35,000	35,000	-	68,000	120,000	-	
3970		Communications - Teleph & Radio											
		800 MHZ Radio Conversion to Digital	6,000	6,000	-	-	6,000	6,000	-	6,000	6,000	6,000	
3971		Computers - SCADA											
		SCADA Upgrades	90,000	90,170	91,000	25,381	60,000	63,972	3,972	25,000	25,000	25,000	
TOTAL GENERAL PLANT			406,000	425,685	215,862	35,387	756,000	769,203	13,203	312,080	288,192	179,338	152,518

WWU
CIP
Contributed Plant

Account #	Job #	Description	2015					2016					2017	2018	2019	2020	
			Cost per		Budget Macro	Budget per WS	Projected	2015 Total Spent 6/30	Cost per		Budget per			Budget Macro	Budget Macro	Budget Macro	Budget Macro
			Quantity	Unit					Quantity	Unit	Budget Macro	WS	Variance				
3432		Subdivision Mains - Developer	19,975	101		2,023,897	966,748	44,703	12,141	180	2,188,417	2,188,417	-	1,000,000	1,000,000	1,000,000	1,000,000
3452		Street Laterals - Developers	131	3,244		424,937	154,380	2,696	77	2,498	192,326	192,326	-	-	-	-	-
3482		Hydrants - Developers	40	6,416		256,629	101,767		29	5,874	170359.52	170,360	-	-	-	-	-
3220		Pump Structure PRV Station - Howell Oaks											-	-	-	-	-
						2,705,463	1,222,896	47,399			2,551,102	2,551,102	-	1,000,000	1,000,000	1,000,000	1,000,000

2015 Projects

Meijer, (1450' -12" offsite, 2590' -12" on site, 2f	4,305
Clearwater Apartments (1200' of 8") - Previous	1,200
Howell Oaks Add 1 Phase 2 (3750' of 8")	3,750
Good Harvest Market. (400' of 8")	400
Cloverland Farms (carry over from 2014)	7,200
Broadway Commons (carry over from 2014)	2,140
Hickory Flats (carry over from 2014)	500
Rivers Crossing Single Family	480

2016 Projects

Meijer, (1450' -12" offsite, 2590' -12" on site, 2f	4,305
Clearwater Apartments (1200' of 8") - Previous	1,200
Howell Oaks Add 1 Phase 2 (3750' of 8")	3,750
Kwik Trip	114
Oberlin Filter	2,300
Dolphin Court - Dental Associates	472

2017

Fox Lake Village Addition #2
Prairie Song Villas and Courtyard



WAUKESHA WATER UTILITY

Operating Plan

2016

11/19/2016

Statement of Revenues and Expenses – Extended

Compensation

Other Significant Items

Detailed Variance Analysis

WWU
STATEMENT OF REVENUES EXPENSES
2016 BUDGET

	<u>2015 B</u>	<u>2015 P</u>	<u>2016</u>	<u>2015 P v. 2015 B</u>	<u>2016 B v. 2015 P</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
OPERATING REVENUES:									
Residential	\$ 4,808,215	\$ 4,715,936	\$ 4,595,871	0.98	0.97	\$ 5,744,839	\$ 7,181,048	\$ 8,976,310	\$ 10,771,572
Commercial	1,486,949	1,458,708	1,425,743	0.98	0.98	1,782,178.33	2,227,722.92	2,784,653.64	3,341,584.37
Industrial	874,160	851,314	815,486	0.97	0.96	1,019,357.46	1,274,196.83	1,592,746.04	1,911,295.24
Public	342,811	360,052	349,980	1.05	0.97	437,474.74	546,843.42	683,554.28	820,265.14
Multi Family	1,491,934	1,502,126	1,490,226	1.01	0.99	1,862,782.12	2,328,477.65	2,910,597.07	3,492,716.48
Total Metered Sales	9,004,069	8,888,136	8,677,305	0.99	0.98	10,846,631	13,558,289	16,947,861	20,337,434
Private Fire Capacity	179,182	180,518	182,205	1.01	1.01	227,756.86	284,696.08	355,870.10	427,044.12
Public Fire Capacity	1,731,953	1,737,660	1,745,612	1.00	1.00	2,182,015.29	2,727,519.11	3,409,398.89	4,091,278.66
Other Operating Revenues	509,652	509,174	497,472	1.00	0.98	621,840.52	777,300.65	971,625.81	1,165,950.97
TOTAL OPERATING REVENUES	11,424,856	11,315,489	11,102,595	0.99	0.98	13,878,243.91	17,347,804.89	21,684,756.11	26,021,707.33
OPERATING EXPENSES:									
Source	726,558	957,439	8,832	1.32	0.01	9,097	9,370	9,651	9,941
Pumping	1,160,448	1,034,249	1,071,915	0.89	1.04	1,075,025	1,078,377	1,081,976	1,085,829
Treatment	450,520	388,375	444,059	0.86	1.14	457,789	471,944	486,537	501,583
Distribution	1,229,080	1,092,498	1,180,864	0.89	1.08	1,216,290	1,252,779	1,290,362	1,329,073
Customer Service	193,108	241,107	197,204	1.25	0.82	203,120	209,214	215,490	221,955
Administrative	1,840,865	1,685,161	1,815,756	0.92	1.08	1,892,949	1,973,822	2,058,565	2,147,383
Total	5,600,579	5,398,828	4,718,631	0.96	0.87	4,854,271	4,995,505	5,142,582	5,295,764
MANAGERS' MARGIN	5,824,277	5,916,661	6,383,965	1.02	1.08	9,023,973	12,352,300	16,542,174	20,725,943
Depreciation	2,421,577	2,432,380	2,568,223	1.00	1.06	3,162,332	3,367,036	3,557,729	3,694,694
Tax Equivalent	1,776,510	1,776,510	1,774,814	1.00	1.00	2,528,675	2,895,709	3,204,015	3,389,332
Other Taxes	107,917	94,262	109,484	0.87	1.16	122,682	136,275	150,277	164,699
TOTAL OPERATING EXPENSES	9,906,584	9,701,981	9,171,152	0.98	0.95	10,667,961	11,394,526	12,054,604	12,544,489
TOTAL OPERATING INCOME(LOSS)	1,518,272	1,613,509	1,931,443	1.06	1.20	3,210,283	5,953,279	9,630,152	13,477,218
NON OPERATING INCOME&(EXPENSE)	2,010,017	811,328	1,540,109	0.40	1.90	42,371	(954,591)	(2,536,468)	(4,447,092)
NET INCOME(LOSS)	\$ 3,528,290	\$ 2,424,837	\$ 3,471,552	0.69	1.43	\$ 3,252,654	\$ 4,998,687	\$ 7,093,685	\$ 9,030,126



Recommended Compensation for 2016
Budget Impact

	2016 B	Volume Adjusted 2015P	2016 Per Market Forecast	Budget Compared to			
				2015P	Vol Adj	Mkt	
Benefits							Benefits
Medical Insurance	482,247	474,594	493,577	10.4%	1.6%	-2.3%	Medical Insurance
Dental Insurance	31,304	30,267	31,478	13.4%	3.4%	-0.6%	Dental Insurance
Life Insurance	10,986	10,345	10,986	11.9%	6.2%	0.0%	Life Insurance
Disability	8,036	7,559	8,036	11.0%	6.3%	0.0%	Disability
Pension	142,652	139,816	142,652	6.2%	2.0%	0.0%	Pension
Total Benefits	675,225	662,581	686,729	9.6%	1.9%	-1.7%	Total Benefits
Wages	2,157,044	2,096,787	2,144,384	7.4%	2.9%	0.6%	Wages
Grand Total	\$ 2,832,269	\$ 2,759,367	\$ 2,831,113	7.9%	2.6%	0.0%	Grand Total

Solid employee receives increase of 2.25%

WWU
SIGNIFICANT ITEMS
EXPENSES > \$500,000 OR CHANGES > \$25,000
2016

ITEMS UNRELATED TO COMPENSATION

ACCOUNT #	DESCRIPTION	2015 P	2016 B	\$ Δ	% Δ	NOTE
6030	200 SOURCE MISC OPERATING EXPENSES	\$ 945,706	\$ -	\$ (945,706)	-100%	100% Decrease - The PSC amortization of preliminary survey costs through 2012 was fully amortized in 2015.
6230	300 PUMP OP - POWER	839,745	827,643	\$ (12,102)	-1%	1% Decrease - Pumpage was down in 2015. That trend has been budgeted to continue in 2016. WE Energies is also not anticipating a rate increase of anything over 1/2% in 2016.
6330	300 PUMP EQUIP MAINTENANCE	34,225	62,125	\$ 27,900	82%	82% Increase - Less maintenance was performed in 2015, as projects were completed in other areas.
6410	300 TMNT - CHEMICALS	122,203	159,606	\$ 37,403	31%	31% Increase - Pumpage is down in 2015 and well #3 was out of service for a period of time in 2015. There is a budgeted cost increase ranging from 2% - 9% depending on the chemical in 2016.
6640	600 T&D CUSTOMER INSTALL	34,982	98,358	\$ 63,375	181%	181% Increase - In 2016, we will do cross connection inspections on multi-family properties (4 units and larger) under the contract of Hydro Design.
9211	300 A&G VEHICLE & EQUIP SERVICE & MAINTENANCE	73,020	103,317	\$ 30,297	41%	41% Increase - In 2015, there were no major repairs needed on the fleet.
		\$ 2,049,881	\$ 1,251,049	\$ (798,832)	-39%	

COMPENSATION

	2,832,269
TOTAL EXPENSES ANALYZED	\$ 4,083,317
MANAGERS' EXPENSES	\$ 4,718,631
% OF MANAGERS' EXPENSES ANALYZED	87%

2016 Budget Variance Analysis

	2015 B	2015 P	2016 B	16B/15P Δ %	var. = 2015P vs 2016B \$	Greg's Questions:	Answers:	Greg's Questions 2:	Answers 2:
4030 200 DEPRECIATION EXP - U PLAN	1,892,866	1,892,865	2,046,336	8%	153,472				
4030 DEPRECIATION EXP - U PLAN	(191,078)	(180,273)	(193,394)	7%	(13,122)				
4080 200 PROP TAX EQUIV (PILOT) EXF	1,776,510	1,776,510	1,774,814	0%	(1,696)				
4080 - PILOT (PROP TAX EQUIV) - SC	(48,066)	(46,467)	(46,067)	-1%	400				
4081 100 EMPLOYER SOC SEC/MEDICA	157,070	147,054	162,359	10%	15,305	new hire, sal/wage increases?	A new Operations employee is budgeted to start in January 2016, and there was a 2.25% wage increase budgeted for solid performers in 2016. In 2015, the GIS Specialist position was empty for approximately six months and the part-time admin assistant position was not filled until March.		
4081 - EMPLOYER'S FICA - SC	(17,717)	(18,071)	(19,036)	5%	(965)				
4082 100 TAXES - UNEMPLOYMENT CC	4,810	-	-	0%	-				
4083 200 TAXES - PSC ASSESSMENT	11,696	11,622	12,228	5%	606	sufficient increase in light of, hopeful, 2016 compact activity??	This account holds the advance assessment that is billed to all Utilities based on gross revenues. Any work that the PSC provides us related to future water supply is billed separately and is currently booked to funding.		
4084 300 TAXES - DNR WATER USE FEI	125	125	-	-100%	(125)				
4150 200 REVENUE FROM JOBBING/CC	(11,295)	(13,514)	(9,009)	-33%	4,505		The 2016 figures are a bit conservative. Revenue is often higher than costs here for several reasons; labor is billed at the whole Utility rate, while costs have the employee labor rate doing the work. Material that is not inventoried will not show on the cost side, but will be billed to the customer on the revenue side.		
4160 200 COS FROM JOBBING & CONTI	11,295	9,534	6,356	-33%	(3,178)	revenue up, cos down??			
4170 100 MISC. NON-OPERATING REVE	-	-	-	0%	-				
4170 300 MISC. NON-OPERATING REVE	-	-	-	0%	-				
4190 200 INT INCOME - SWEEP - WSB	(20,166)	(25,048)	(5,800)	-77%	19,248	investable bal. going down??	We do not anticipate any major change in the investment balances. We budget interest income very conservatively every year in an effort to prevent overstating revenues.	If we budget conservatively & bal.is not declining, is a 77% decrease justified?	While we don't see huge swings in our investment balance, we have been spending down the WSB account this autumn to cover the construction expenditures that were not covered by the SDWLP \$ that we expected to get. The rates at WSB are higher than at Local Government Investment Pool (LGIP). We earn 50 basis points at WSB, we earn only 14 at LGIP. Our balance at WSB was \$4.760 million at the end of September. Friday's balance was \$3.243 million. Because of this declining balance, and the fact that so much of the LGIP \$ is restricted, we thought it was safer to assume that the \$20,000 decrease in interest income.
4191 200 INT INCOME - LGIP - GEN FUN	(3,846)	(6,513)	(13,038)	100%	(6,525)				
4192 200 INT INCOME - LGIP - DEBT PA	(365)	(1,637)	(1,341)	-18%	296				
4193 200 INT INCOME - LGIP - IMPROVE	(3,507)	(6,286)	(11,793)	88%	(5,506)				
4195 200 INT INCOME - LGIP - EQUIP RI	(1,049)	(4,285)	(10,233)	139%	(5,948)				
4196 200 INT INCOME - LGIP - PILOT -	(1,183)	(2,427)	(1,154)	-52%	1,274				
4197 200 INT INCOME - LGIP - FAIR MA	-	-	-	0%	-				
4198 200 INT INCOME - LGIP - DEBT RE	(240)	(239)	(210)	-12%	29				
4210 100 REVENUE FROM CONTRIBUT	-	-	-	0%	-				
4210 600 REVENUE FROM CONTRIBUT	(2,705,463)	(1,222,896)	(2,548,632)	108%	(1,325,736)		108% Increase - An increase in development is budgeted for 2016. Many projects budgeted to be completed in 2015, will not be completed until 2016.		
4250 200 MISCELLANEOUS AMORTIZA	(191,106)	(191,106)	(191,106)	0%	(0)				
4260 200 DEPRECIATION EXPENSE - C	719,789	719,789	715,282	-1%	(4,507)				
4269 200 MISC INTEREST EXPENSE	0	-	-	0%	-				
4270 200 INTEREST EXPENSE - NOTES	226,994	133,774	311,798	133%	178,024	133% Increase - The 2016 amount includ	2016 note start date??	May 1, 2016 is the budgeted note start date.	
4273 200 INT EXPENSE - LTD - 2013 BO	320,141	320,141	314,316	-2%	(5,825)				
4273 600 INT EXPENSE - LTD - 2013 SD	80,891	20,519	19,141	-7%	(1,379)				
4274 INTEREST EXPENSE - CONTR	(216,472)	(271,168)	(349,568)	29%	(78,400)	29% Increase - The new debt that will be taken out in 2016 has increased the 2016 interest expense contra account.	explain contra a/c	Contra - Per the PSC, contras are used to offset expenses recorded in admin that the PSC wants included in the operations detail.	
4274 200 Int Expense-LTD-2014 Bonds	348,223	163,952	166,263	1%	2,310				
4275 200 INT EXPENSE - LTD - 2015 BOND - U2B 200	129,276	198,928	69,653	54%	69,653	54% Increase - Interest expense will be recorded for a full year in 2016.			
4276 INT EXPENSE - LTD - 2006 BO	26,238	26,237	10,678	-59%	(15,559)	59% Decrease - The interest owed on this bond will continue to decrease as the balance owed decreases.			

2016 Budget Variance Analysis

	2015 B	2015 P	2016 B	16B/15P Δ %	var. = 2015P vs 2016B \$	Greg's Questions:	Answers:	Greg's Questions 2:	Answers 2:
6145 200 SOURCE MAINT - WELL ABAN	-	-	-	0%	-				
6145 300 SOURCE MAINT - WELL ABAN	452	-	-	0%	-				
6145 600 SOURCE MAINT - WELL ABAN	2,677	-	-	0%	-				
6200 300 PUMP OP - SUP & ENGINEERI	21,680	34,811	23,300	-33%	(11,511)	33% Decrease - There will be a labor allocation shift in 2016 for manager hours.	where will they be recorded?	There will be several capital projects that will require additional manager labor in 2016 including the parking deck, SCADA projects, and well 7&13 rehabs. Additional manager labor is also budgeted in a/n 9200-300.	
6230 300 PUMP OP - POWER	932,534	839,745	827,643	-1%	(12,102)		reduction in power? (pumpage dn in 2015)	Pumpage was down in 2015. That trend has been budgeted to continue in 2016. WE Energies is also not anticipating a rate increase of anything over 1/2% in 2016.	
6240 300 PUMP OP - LAB & EXP	46,200	38,284	45,349	18%	7,065				
6260 300 PUMP OP - MISC EXP	65,728	61,550	67,195	9%	5,644				
6260 600 PUMP OP - MISC EXP	-	-	-	0%	-				
6269 300 PUMP OP - TRAINING	5,577	637	5,827	814%	5,190				
6300 300 PUMP MAINT - SUP & ENGINE	7,855	10,086	9,264	-8%	(822)				
6310 300 PUMP STRUCT MAINTENANCI	15,317	14,910	31,213	109%	16,303	109% Increase - An increased amount of maintenance including painting, electrical work, and seal coating driveways is budgeted for 2016.			
6330 300 PUMP EQUIP MAINTENANCE	65,557	34,225	62,125	82%	27,900	82% Increase - Less maintenance was performed in 2015, as projects were completed in other areas.			
6400 300 TMNT OPS - SUPERV & ENGIN	1,293	4,372	5,286	21%	914				
6410 300 TMNT - CHEMICALS	186,000	122,203	159,606	31%	37,403	31% Increase - Pumpage is down in 2015 and well #3 was out of service for a period of time in 2015. There is a budgeted cost increase ranging from 2% - 9% depending on the chemical in 2016.			
6420 300 TMNT - LABOR, MATERIALS &	98,482	80,837	87,852	9%	7,015				
6420 600 TMNT - LABOR, MATERIALS &	-	42	-	-100%	(42)				
6424 300 TMNT - RADIUM TESTING/AN/	110,141	119,074	118,605	0%	(469)				
6429 300 TMNT - TRAINING	1,045	-	1,051	100%	1,051				
6430 300 TMNT - MISC EXPENSE	1,245	8,910	1,251	-86%	(7,659)				
6434 300 WATER QUALITY TEAM EXPE	-	-	-	0%	-				
6435 300 TMNT - MISC EXP SARA	-	-	-	0%	-				
6500 300 TMNT MAINT - SUPERV & ENC	7,111	8,748	5,286	-40%	(3,462)				
6510 300 TMNT MAINT - BLDG & FIXTU	1,595	285	2,001	602%	1,716				
6520 300 TMNT EQUIPMENT MAINT	43,609	43,904	63,120	44%	19,216	44% Increase - The rebuild of Watson Marlow chemical feed equipment at at least 3 sites is budgeted in 2016.			
6600 300 T&D OPS - SUPERV & ENGINI	32,954	42,951	27,682	-36%	(15,269)	36% Decrease - There will be a labor allocation shift in 2016 for manager hours.			
6610 300 T&D OPS - STORAGE FACILIT	29,647	19,827	21,435	8%	1,608				
6620 200 T&D OPS - LABOR, MATERIAL	-	-	-	0%	-				
6620 300 T&D OPS - LABOR, MATERIAL	166,582	119,973	169,819	42%	49,846	42% Increase - An additional FTE is budgeted in 2016 allowing for more maintenance in this account.	new hire or reassignment??	A new Operations employee has been budgeted to start in January 2016.	
6620 600 T&D OPERATOR & LINES EX	6,708	3,610	3,598	0%	(12)				
6630 100 T&D METER EXPENSE	-	-	-	0%	-				
6630 200 T&D METER EXPENSE	30,540	23,994	26,189	9%	2,195				
6630 300 T & D METER EXPENSE	134,206	107,851	120,681	12%	12,830				
6630 600 T & D METER EXPENSE	-	-	-	0%	-				
6630 - T&D METER EXPENSE -SC	(82,373)	(59,386)	(73,435)	24%	(14,049)	24% Increase - Less meter changes were performed in 2015.			
6640 200 T&D CUSTOMER INSTALL	14,947	1,356	1,485	9%	129				
6640 300 T&D CUSTOMER INSTALL	25,828	8,837	16,693	89%	7,856				
6640 600 T&D CUSTOMER INSTALL	58,497	34,982	98,358	181%	63,375	181% Increase - In 2016 we will do cross connection inspections on multi-family properties (4 units and larger) under the contract of Hydro Design.			
6650 100 T&D MISC EXPENSE	-	116	-	-100%	(116)				
6650 200 T&D MISC EXPENSE	-	3,812	-	-100%	(3,812)				
6650 300 T&D MISC EXPENSE	45,846	54,931	49,926	-9%	(5,006)				

2016 Budget Variance Analysis

	2015 B	2015 P	2016 B	16B/15P Δ %	var. = 2015P vs 2016B \$	Greg's Questions:	Answers:	Greg's Questions 2:	Answers 2:
6650 600 T&D MISC EXPENSE	124,168	113,874	93,956	-17%	(19,919)				
6659 300 T&D TRAINING	9,091	14,392	11,495	-20%	(2,897)				
6659 600 T&D TRAINING	458	235	494	111%	260				
6700 100 T&D MAINT SUPERVISION & I	4,296	2,704	4,340	61%	1,636				
6700 300 T&D MAINT SUPERVISION & I	13,639	27,260	661	-98%	(26,599)				
6700 600 T&D MAINT SUPERVISION & I	3,346	9,084	7,067	-22%	(2,016)				
6720 300 T&D MAINT RESERVOIRS & S	28,144	16,657	6,067	-64%	(10,590)				
6730 300 T&D MAINT OF MAINS	291,285	274,427	282,373	3%	7,946				
6730 600 T&D MAINT OF MAINS	-	938	-	-100%	(938)				
6750 300 T&D MAINT STREET SERVICE	40,173	54,022	71,431	32%	17,410				
6750 600 T&D MAINT STREET SERVICE	-	-	-	0%	-				
6751 300 T&D MAINT PROPERTY SERV	119,564	99,450	97,418	-2%	(2,032)				
6751 600 T&D MAINT PROPERTY SERV	-	-	-	0%	-				
6760 300 T&D MAINT OF METERS	-	206	-	-100%	(206)				
6760 - T&D MAINT OF METERS - SC	(2,500)	(1,091)	-	-100%	1,091				
6761 300 T&D MAINT OF MIU'S	5,000	-	-	0%	-				
6765 600 MAINT OF LAB EQUIP	-	-	-	0%	-				
6770 300 T&D MAINT OF HYDRANTS	79,516	73,727	98,421	33%	24,694				
6770 600 T&D MAINT OF HYDRANTS	-	-	-	0%	-				
6780 300 T&D MAINT - COMPUTER PUM	49,519	43,761	44,711	2%	950				
9010 200 CA - SUPERVISION	17,618	12,679	18,480	46%	5,801				
9010 - CA SUPERVISION - SC	(8,809)	(4,304)	(9,240)	115%	(4,937)				
9020 200 CA METER READING	6,970	5,549	7,625	37%	2,076				
9020 300 CA METER READING	18,427	10,591	19,216	81%	8,625				
9020 - CA METER READING - SC	(12,698)	(10,107)	(13,420)	33%	(3,314)				
9023 200 CA SEWER ADMIN	10,880	8,517	9,635	13%	1,118				
9023 300 CA SEWER ADMIN	-	1,150	-	-100%	(1,150)				
9023 - CA SEWER ADMIN - SC	(10,880)	(7,625)	(9,635)	26%	(2,010)				
9030 100 CA RECORDS/COLLECTIONS	2,910	2,805	3,543	26%	738				
9030 200 CA RECORDS/COLLECTIONS	214,777	205,228	230,013	12%	24,785				
9030 - CA RECORDS/COLLECTIONS	(114,014)	(110,519)	(119,960)	9%	(9,440)				
9032 200 CA TAX ROLL/COLLECTIONS	9,383	9,019	5,559	-38%	(3,460)				
9032 600 CA TAX ROLL/COLLECTIONS	957	807	804	0%	(3)				
9040 200 CA UNCOLLECTIBLE ACCOUN	8,000	7,439	8,000	8%	561				
9050 100 CA MISC EXPENSE	-	297	-	-100%	(297)				
9050 200 CA MISC EXPENSE	-	36,584	-	-100%	(36,584)				
9050 300 CA MISC EXPENSE	-	891	-	-100%	(891)				
9050 600 CA MISC EXPENSE	2,291	5,688	1,533	-73%	(4,155)				
9050 - CA MISC EXPENSE - SC	-	(528)	-	-100%	528				
9060 100 CA CONSERVATION AND OUT	4,296	3,274	4,340	33%	1,066				
9060 200 CA CONSERVATION AND OUT	85,999	86,789	81,422	-6%	(5,368)				
9060 300 CA - CONSERVATION AND OUTREACH	-	6,373	-	-100%	(6,373)				
9060 600 CA - CONSERVATION AND OL	-	993	-	-100%	(993)				
9060 - CA CONSERVATION AND OU	(42,999)	(30,484)	(40,711)	34%	(10,227)				
9200 100 A&G WAGES - BUDG, PSC, A/F	75,085	67,939	73,429	8%	5,491				
9200 200 A&G WAGES - BUDG,PSC, A/F	194,007	176,544	195,198	11%	18,654				
9200 300 A&G WAGES - BUDG, PURCH,	4,139	3,529	16,553	369%	13,024				

17% Decrease - There will be a labor allocation shift related to capital projects.

98% Decrease - There will be a labor allocation shift in 2016 for manager hours.

64% Decrease - In 2015, 4 reservoirs were cleaned.

32% Increase - Increased maintenance will be performed in 2016, including labor from the new FTE.

new hire or reassignment??

A new Operations employee has been budgeted to start in January 2016.

33% Increase - Increased maintenance will be performed in 2016, including labor from the new FTE.

100% Decrease - Labor and expenses from the temp service for the admin assistant hired in 2015 is booked to this account. Payroll accrual is also booked to this account.

explain "SC" a/c vs nonSC a/c's

SC (sewer credit) - The sewer credit is a deduction of expenses that are billed to the City for sewer related work.

2016 Budget Variance Analysis

	2015 B	2015 P	2016 B	16B/15P Δ %	var. = 2015P vs 2016B \$	Greg's Questions:	Answers:	Greg's Questions 2:	Answers 2:
9200 600 A&G WAGES - BUDG, PSC, PI	24,947	39,972	19,542	-51%	(20,430)				
									51% Decrease - There will be a labor allocation shift in 2016 for manager hours.
									30% Increase - The large increase in distribution system improvements has increased the amount that can be used to offset overhead expenses.
9200 - A&G OH - CONTRA & SC	(131,390)	(139,701)	(181,122)	30%	(41,421)				
9201 100 A&G ADMIN WAGES ASSOC V	8,690	6,758	9,309	38%	2,551				
9201 200 A&G ADMIN WAGES ASSOC V	5,432	11,005	9,048	-18%	(1,957)				
9201 300 A&G ADMIN WAGES ASSOC V	695	192	668	249%	476				
9201 600 A&G ADMIN WAGES ASSOC V	6,216	7,552	2,421	-68%	(5,131)				
9208 100 A&G WORKSHOPS & PROF M	9,452	8,211	9,620	17%	1,409				
9208 200 A&G WORKSHOPS & PROF M	8,352	4,710	7,753	65%	3,044				
9208 300 A&G WORKSHOPS & PROF M	3,942	1,193	3,992	235%	2,800				
9208 600 A&G WORKSHOPS & PROF M	18,613	14,860	13,206	-11%	(1,654)				
9209 600 A&G ADMINISTRATIVE TRAINI	-	-	-	0%	-				
									41% Increase - In 2015, there was no major repairs needed on the fleet.
9211 300 A&G VEHICLE & EQUIP SERV	105,200	73,020	103,317	41%	30,297				
9211 600 A&G VEHICLE & EQUIP SERV	-	-	-	0%	-				
9212 100 A&G WORKSHOPS & MTG REI	4,250	610	4,250	597%	3,640				
9212 200 A&G WORKSHOPS & MTG REI	4,000	1,124	4,100	265%	2,977				
9212 300 A&G WORKSHOPS & MTG REI	350	235	350	49%	115				
9212 600 A&G WORKSHOPS & MTG REI	1,955	235	1,940	726%	1,705				
9213 100 A&G SUBSCRIPTIONS & PUBL	550	441	550	25%	109				
9213 200 A&G SUBSCRIPTIONS & PUBL	200	150	200	33%	50				
9213 300 A&G SUBSCRIPTIONS & PUBL	-	131	-	-100%	(131)				
9213 600 A&G SUBSCRIPTIONS & PUBL	-	-	-	0%	-				
									28% Increase - In 2015, there was a milder winter, which required less snow maintenance (OT hours).
9214 300 A&G BUILDING SERVICES	64,821	58,105	74,289	28%	16,184		maybe El Nino will help		
9215 200 A&G COMMUNICATIONS	31,385	24,109	27,130	13%	3,021				
9216 100 A&G MINOR EQUIPMENT	13,000	7,912	9,250	17%	1,338				
9216 200 A&G MINOR EQUIPMENT	1,150	1,547	1,650	7%	103				
9216 300 A&G MINOR EQUIPMENT	35,026	30,872	29,357	-5%	(1,515)				
9216 600 A&G MINOR EQUIPMENT	-	298	-	-100%	(298)				
9217 100 A&G MEMBERSHIPS/INDUSTF	8,600	5,423	7,380	36%	1,958				
9217 200 A&G MEMBERSHIPS/INDUSTF	300	98	300	208%	203				
9217 300 A&G MEMBERSHIPS/INDUSTF	1,900	591	2,150	264%	1,559				
9217 600 A&G MEMBERSHIPS/INDUSTF	-	-	-	0%	-				
9218 100 A&G MEALS, LODGING, TRAV	8,350	3,125	8,350	167%	5,225				
9218 200 A&G MEALS, LODGING, TRAV	3,816	1,060	3,485	229%	2,424				
9218 300 A&G MEALS, LODGING, TRAV	1,430	975	1,480	52%	505				
9218 600 A&G MEALS, LODGING, TRAV	3,961	626	4,466	613%	3,840				
9219 100 A&G OFFICE SUPPLIES & PRI	350	868	450	-48%	(418)				
9219 200 A&G OFFICE SUPPLIES & PRI	53,260	25,132	31,087	24%	5,955				
9219 300 A&G OFFICE SUPPLIES & PRI	-	-	-	0%	-				
9219 600 A&G OFFICE SUPPLIES & PRI	-	-	-	0%	-				
									Legal services for personnel and non-future water supply issues, random drug testing, government and media relations, and funding assistance development services are budgeted here.
9230 100 A&G OUTSIDE SERVICES	24,450	128,493	139,950	9%	11,457		type of services?		Consulting and auditing services from Baker Tilly and accounting software support from Net@Work are budgeted here.
9230 200 A&G OUTSIDE SERVICES	25,000	27,249	32,510	19%	5,261		type of services?		
9230 300 A&G OUTSIDE SERVICES	-	-	-	0%	-				
9230 600 A&G OUTSIDE SERVICES	-	-	-	0%	-				
9240 200 A&G PROPERTY, LIABILITY, I	75,999	74,410	81,332	9%	6,921				
9250 200 A&G WORKERS COMPENSAT	25,184	19,991	26,741	34%	6,750				
9250 - A&G BENEFITS - CONTRA & S	(147,905)	(156,481)	(175,135)	12%	(18,654)				
9251 100 A&G LOSSES, DAMAGES & FII	4,000	1,500	3,000	100%	1,500				
9263 100 A&G RETIREMENT	143,525	134,284	142,652	6%	8,368				
9264 100 A&G HEALTH INSURANCE	475,054	436,954	482,247	10%	45,293				
9264 150 A&G HEALTH INSURANCE	268,723	270,648	275,113	2%	4,465				
9265 100 A&G LIFE INSURANCE	10,984	10,069	11,000	9%	931				
9265 150 A&G LIFE INSURANCE	2,800	2,739	3,100	13%	361				
9266 100 A&G UNIFORMS	10,389	9,560	8,299	-13%	(1,261)				

2016 Budget Variance Analysis

	2015 B	2015 P	2016 B	16B/15P Δ %	var. = 2015P vs 2016B \$	Greg's Questions:	Answers:	Greg's Questions 2:	Answers 2:
9266 300 A&G UNIFORMS	-	-	-	0%	-				
9266 600 A&G UNIFORMS	-	-	-	0%	-				
9267 100 A&G OTHER BENEFITS	5,500	5,435	5,500	1%	65				
9267 200 A&G OTHER BENEFITS	-	-	-	0%	-				
9267 300 A&G OTHER BENEFITS	-	336	-	-100%	(336)				
9267 600 A&G OTHER BENEFITS	-	-	-	0%	-				
							90% Increase - An incentive is budgeted in 2016.		An incentive based on the future water supply approval expected in 2016.
9269 100 A&G NON PRODUCTIVE TIME	64,115	34,115	64,833	90%	30,718	explain			
9269 200 A&G NON PRODUCTIVE TIME	73,043	73,043	74,295	2%	1,252				
9269 300 A&G NON PRODUCTIVE TIME	161,531	161,531	171,637	6%	10,106				
9269 600 A&G NON PRODUCTIVE TIME	27,420	27,420	28,288	3%	868				
9269 - A&G NON PRODUCTIVE TIME	(326,109)	(296,109)	(339,052)	15%	(42,943)	explain			An incentive based on the future water supply approval expected in 2016.
9271 100 A&G DENTAL INSURANCE	31,399	27,615	31,304	13%	3,689				
9271 150 A&G DENTAL INSURANCE	-	-	-	0%	-				
9272 100 A&G LONG TERM DISABILITY	7,684	7,238	8,036	11%	798				
9273 100 A&G SEC. 125 PLAN ADMIN -	1,650	1,295	1,325	2%	30				
9275 100 A&G HRA FUND - WWU PAID	40,090	40,572	40,090	-1%	(482)				
9280 200 A&G REGULATORY COMMISSE	84,558	1,341	909	-32%	(432)				
9300 100 A&G MISC GENERAL EXPENSE	5,600	13,602	5,600	-59%	(8,002)				
							97% Decrease - This is a payroll Accrual account for 2015. Labor projected here will be allocated to the proper expense accounts by YE.		
9300 200 A&G MISC GENERAL EXPENS	600	17,159	600	-97%	(16,559)				
9300 300 A&G MISC GENERAL EXPENS	-	5,709	-	-100%	(5,709)				
9300 600 A&G MISC GENERAL EXPENS	1,722	4,263	2,643	-38%	(1,620)				
9301 100 A&G COMMISSION MEETING	18,835	20,519	22,870	11%	2,352				
9301 200 A&G COMMISSION MEETING	11,463	4,606	3,353	-27%	(1,253)				
9301 300 A&G COMMISSION MEETING EXPENSE			-	0%	-				
9301 600 A&G COMMISSION MEETING EXPENSE			2,375	100%	2,375				
9308 200 A&G SALES TAX EXPENSE	3,098	2,657	3,479	31%	821				
9320 100 A&G MAINT OF GENERAL PLU	39,351	33,144	39,911	20%	6,767				
9320 200 A&G MAINT OF GENERAL PLU	49,500	48,271	59,699	24%	11,428				24% Increase - Web maintenance fees are budgeted in 2016.
9320 300 A&G MAINT OF GENERAL PLU	48,379	52,235	62,106	19%	9,871				19% Increase - Newhall is budgeted to be painted in 2016.
9320 600 A&G MAINT OF GENERAL PLU	1,200	299	-	-100%	(299)				
9328 - A&G TRANSFERS-BURDEN (LABOR BENEI	-	-	-	0%	-				
9329 - A&G TRANSFERS-OVERHEAD ALLOCATIO	-	-	-	0%	-				
	(3,528,290)	(2,424,837)	(3,471,552)						
	(3,528,290)	(2,424,837)	(3,471,552)	43%	(1,046,715)				