



# Waukesha Water Utility

SERVING WAUKESHA SINCE 1886

115 DELAFIELD STREET  
WAUKESHA, WI 53188-3615

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## 2015 BUDGET

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**WAUKESHA WATER UTILITY  
BUDGET  
EXECUTIVE SUMMARY**

2015

Capital expenditures are budgeted at \$13.5 million in 2015, an increase over the projected 2014 expenditures of \$5.2 million. Expenditures for future water supply account for almost \$7.8 million of the 2015 expenditures. The future supply is assumed to be provided by Oak Creek. \$5.7 million of the expenditures relate to the routine capital projects. The increase over the 2014 projected of \$8.3 million is due primarily the delay of projects from 2014 to 2015.

This level of capital expenditure assumes that the Utility will secure \$12.1 million in new debt. \$ 7.6 million will come from the City's GO debt offering, and approximately \$4.5 million of funding from the state's revolving loan program. The Utility will issue a bond to secure the state loan.

A summary of significant capital expenditures is attached.

"Net Income" is budgeted at \$3.5 million, up from the \$2.2 million projected for 2014. Contributions of fixed assets from developers (non cash) accounts for all of the increase.

The Utility will submit an application for a Simplified Rate Increase of 3% in the spring. Yet, because it expects the volume of billed gallons to decrease, revenue will increase by only 1%.

Expenses are budgeted to increase by 11% (back to 2014 budgeted levels) because of deferred maintenance (expenses for 2014 are expected to be nearly \$1 million lower than budgeted). Compensation and pumping power are the Utility's two largest expenses. Compensation, the sum of wages and benefits, is expected to increase 2.9% (adjusting for the addition of 1 staff member mid-year.) In contrast, the market is expected to increase by 3.1%. Pumping power is budgeted to increase by 1%.

The Utility has budgeted to submit an application for a Conventional rate increase, but will wait until the Great Lakes Application has been approved by the Governors (4<sup>th</sup> quarter 2015).

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 2015, despite the decline in the operating margin. The Capital and Operating plans combine to produce a cash balance at year end of \$19.2 million, up from the \$17.9 million projected for 2014. 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 4.48%, less than the 5.75% allowed by the Public Service Commission in the 2012 rate case. The Debt Service Coverage ratio is budgeted at 4.6, exceeding the required 1.25. The plans meet all debt covenants, see attached Key Indicators.

## 10 Year Financial Plan

An alternative water supply will be costly to secure and will require a great deal of financing. As a result, the typical Five Year Plan has been extended to ten years. The Springsted model has been used to predict the financial impacts of securing an alternate water supply, costing \$206 million, from Oak Creek. The plan assumes funding from the state revolving loans of almost \$95.5 million.

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 2016 through 2018. Additional increases of 15%, 15%, 3% and 3% will be sought in 2019, 2021, 2023, and 2024, respectively.

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 2015. 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 2015 through 2023 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 4.48% to 6.56%. The Utility will be working with the Public Service Commission to 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  
TEN YEAR FINANCIAL PLAN

KEY INDICATORS

2015

	Actual	Actual	Actual	Projected	Budget	Projected								
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Rate Increase	3%	27%	0%	0%	3%	25%	25%	25%	15%	0%	15%	0%	3%	3%
Average Annual Bill - Residential	\$ 261.46	\$ 275.19	\$ 316.37	\$ 316.37	\$ 327.59	\$ 409.49	\$ 511.86	\$ 639.82	\$ 735.79	\$ 735.79	\$ 846.16	\$ 846.16	\$ 871.55	\$ 897.69
Capital Budget	\$ 3,543,997	\$ 3,536,314	\$ 3,187,350	\$ 5,230,015	\$ 13,480,570	\$ 28,662,531	\$ 48,305,070	\$ 61,217,835	\$ 59,779,344	\$ 9,491,006	\$ 6,062,239	\$ 6,000,000	\$ 6,000,000	\$ 6,000,000
Feet Replaced	6,235	7,301	9,398	11,135	19,800	21,900	15,255	17,157	17,157	17,157	17,157	17,157	17,157	17,157
Managers' Margin	4,574,477	5,832,357	6,269,259	6,308,064	5,824,277	8,517,812	11,918,593	16,204,826	19,367,913	17,379,867	18,362,329	18,004,540	18,518,805	19,045,827
Net Operating Income - PSC	1,774,937	2,747,885	3,007,165	2,964,544	2,345,979	4,877,170	7,942,804	11,653,498	14,083,284	11,368,545	12,236,436	11,754,439	12,164,224	12,580,062
Average Net Rate Base	\$ 39,123,944	\$ 40,177,270	\$ 41,163,297	\$ 42,686,861	\$ 52,309,269	\$ 77,023,806	\$ 121,117,289	\$ 177,626,407	\$ 232,045,205	\$ 235,533,630	\$ 235,566,690	\$ 235,504,724	\$ 235,433,282	\$ 236,786,244
Return on Rate Base	4.54%	6.84%	7.31%	6.94%	4.48%	6.33%	6.56%	6.56%	6.07%	4.83%	5.19%	4.99%	5.17%	5.31%
Debt Coverage - 1.25 Required	3.06	4.23	7.01	4.71	4.62	1.32	3.48	2.47	1.93	1.29	1.34	1.31	1.40	1.43
YE Cash Balance	\$ 4,369,725	\$ 4,366,435	\$ 13,268,703	\$ 17,955,518	\$ 19,181,838	\$ 19,367,216	\$ 25,723,294	\$ 28,211,747	\$ 29,884,912	\$ 25,746,285	\$ 22,069,391	\$ 17,983,104	\$ 14,767,835	\$ 11,961,864
Minimum Cash Required	\$ 2,509,542	\$ 2,455,086	\$ 2,699,725	\$ 2,706,116	\$ 2,885,402	\$ 2,950,015	\$ 2,910,255	\$ 4,927,194	\$ 7,172,550	\$ 7,889,233	\$ 7,978,681	\$ 8,071,443	\$ 7,692,750	\$ 7,792,556

# Waukesha Water Utility Capital Improvement Plan 2015

History

Significant Items

Cash

Borrowing

WWU  
CAPITAL IMPROVEMENT PLAN  
SUMMARY  
2015

Year	Source, Pumping & Treatment (Table 2)	Transmission & Distribution (Table 3)	General Plant (Table 4)	Total Utility	% Δ from 14 B	Developer Contributed (Table 5)	Total Capital Improvement Plan
2014 B	3,507,068	3,603,193	553,865	7,664,126		2,534,419	10,198,546
2014 P	1,130,023	3,674,025	425,967	5,230,015	-32%	373,289	5,603,304
2015	3,730,366	9,324,519	425,685	13,480,570	76%	2,705,463	16,186,034
2016	17,730,000	10,804,056	128,475	28,662,531	103%	1,187,009	29,849,541
2017	41,665,000	6,349,591	290,479	48,305,070	61%	1,302,723	49,607,794
2018	51,405,000	9,619,322	193,514	61,217,835	27%	1,269,834	62,487,670
2019	51,387,268	8,050,497	341,579	59,779,344	-2%	1,313,389	61,092,733
Total	\$ 165,917,634	\$ 44,147,985	\$ 1,379,732	\$ 211,445,351		\$ 7,778,418	\$ 219,223,772

# Waukesha Water Utility CIP

## SIGNIFICANT ITEMS > \$100,000 2015

### FUTURE WATER SUPPLY

GL Application		
Long Term Planning	\$	120,000
Environmental Studies	\$	120,000
Public Outreach		120,000
Funding		120,000
Project Management		120,000
Construction Management		600,000
Supply		1,000,000
Distribution System Improvements		4,562,952
Effluent		1,000,000
		\$ 7,762,952

### ROUTINE

Capital Pumping Equipment	433,189	
Undesignated Main Replacement - 13400 feet	4,066,966	
Cloverland Farms Upsizing	113,814	
Lateral Replacements	101,109	
Valve Replacements	132,268	
Water Meter Replacement	185,359	
Parking Deck Repairs	175,000	
		\$ 5,207,705

12,970,657      96%

### TOTAL CAPITAL BUDGET

13,480,570

### CONTRIBUTED CAPITAL

\$ 2,705,463

**WAUKESHA WATER UTILITY  
PROJECTED STATEMENT OF SOURCES AND USES OF CASH  
PERIOD ENDING DECEMBER 31, 2014**

Cash Balance - August 31, 2014

\$19,303,255

**SOURCES 9/1 - 12/31:**

**Operations:**

Customers - water sales	\$3,763,349
Waste Water Utility - joint metering billing	250,062
Rent of utility property - cellular leases	158,408
Receipts on sewer bills	3,315,422
Other - miscellaneous	50,932
Total Cash From Operating Activities	\$7,538,172

**Capital and Related Financing Activities:**

Grants	
Contributions	74,815
Issuance of long-term debt	0
Sale of short-term debt	
Interest income	10,883
Total Cash From Capital/ Investing Activities	\$85,698

**Total Cash Receipts**

**\$7,623,871**

**USES 9/1 - 12/31/:**

Salaries, wages, payroll taxes and benefits	\$915,378
Subcontracted and outside services	131,080
Disbursement to city for sewer transfer	3,251,363
Pumping power	354,875
Purchase of materials and supplies	234,623
Tax equivalent - PILOT	
Acquisition of capital assets	2,750,910
Debt service	1,333,379

**Total Cash Used**

**\$8,971,608**

**Net Change in Cash**

**(\$1,347,737)**

**Cash Balance - December 31, 2014**

**\$17,955,518**



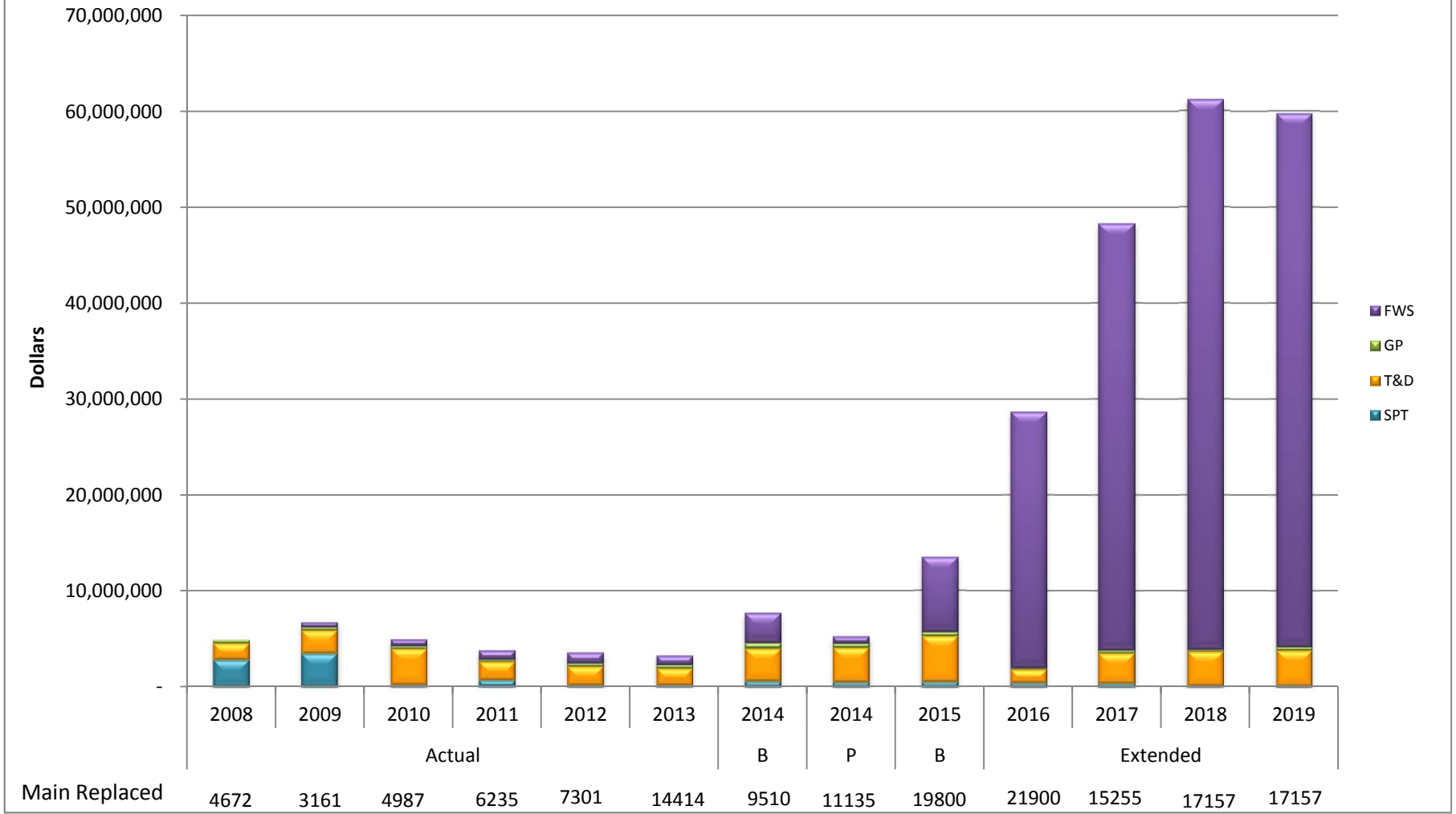
# Waukesha Water Utility CIP

## Borrowed Funds - Budget 2015

<u>Capital</u>	Budget	Less Proj FR	Total Needed	Less Grants	Total Borrow	Less SWDLP	GO Debt
FWS	7,762,950	1,335,249	6,427,702		6,427,702	4,562,952	1,864,750
Routine	5,717,620	30,705	5,686,915		5,686,915		5,686,915
	13,480,570	1,365,953	12,114,617	-	12,114,617	4,562,952	7,551,665
<u>2014 NAN</u>			5,782,250	-	5,782,250		5,782,250
							<u><u>13,333,915</u></u>



## WWU CAPITAL IMPROVEMENTS - HISTORY 2008 - 2019



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CIP  
**SOURCE, PUMPING, TREATMENT**  
2015

	<b>Job #</b>	<b>Description</b>	<b>Budget Macro</b>	<b>Budget per WS</b>	<b>Projected</b>
		<b>2014</b>			
		<b>FWS</b>			
		GL Application	1,300,000		
	GLC-A0001	Environmental Studies		36,354	36,354
	GLC-A0007	Long Term Planning		625,546	250,000
	GLC-A0008	Public Outreach		241,943	200,000
	GLC-A0005	Funding	100,000	114,574	114,574
	GLC-A0006	Project Management		378,463	25,000
	GLCC#	Construction Management	500,000	500,000	-
		Supply	500,000	500,418	-
	GLC-S0001	Shallow Well			5,995
		Land			
	GLC-E0001	Effluent Pipeline	500,000	514,574	13,498
		Total FWS	2,900,000	2,911,873	645,422
		<b>Routine</b>			
3250-300		Capital Pumping Equipment	120,558	120,432	30,000
3250-300	W01151	Well #10 Failure		375,000	216,283
3250-300	W01153	Well #8 Failure			157,564
3210-300		Capital Pumping Structure Improvement	42,774	42,754	42,754
3320-300		Tmnt Equipment Update	48,090	57,008	38,000
		Total Routine	211,422	595,195	484,601
		<b>2014 Total</b>	<b>3,111,422</b>	<b>3,507,068</b>	<b>1,130,023</b>

WWU  
CIP  
**SOURCE, PUMPING, TREATMENT**  
2015

	Job #	Description	Budget Macro	Budget per WS	Projected
		<b>2015</b>			
		<b>FWS</b>			
		Application			
	GLC-A0001	Environmental Studies	120,000	120,000	
	GLC-A0007	Long Term Planning	120,000	120,000	
	GLC-A0008	Public Outreach	120,000	120,000	
	GLC-A0005	Funding	120,000	120,000	
	GLC-A0006	Project Management	120,000	120,000	
	GLCC#	Construction Management	600,000	600,000	
		Supply	1,000,000	996,774	
	GLC-S0001	Shallow Well		3,225	
		Effluent Pipeline	1,000,000	1,000,000	
		Total FWS	3,200,000	3,199,999	
		<b>Routine</b>			
	3250-300	Well Pump Maintenance - Rehab #3 & #6	380,000	332,638	
	3250-300	Capital Pumping Equipment	53,000	100,550	
	3210-300	Capital Pumping Structure Improvement	72,000	72,144	
	3320-300	Tmnt Equipment Update	25,000	25,035	
		Total Routine	530,000	530,368	
		<b>2015 Total</b>	3,730,000	3,730,366	
		<b>2016</b>			
		<b>FWS</b>			
		Application			
	GLC-A0001	Environmental Studies			
	GLC-A0007	Long Term Planning			
	GLC-A0008	Public Outreach			
	GLC-A0005	Funding	100,000		
	GLC-A0006	Project Management			
	GLCC#	Construction Management	1,200,000		
		Supply	8,000,000		
		Effluent Pipeline	8,000,000		
		FWS Total	17,300,000		
		<b>Routine</b>			
	3250-300	Capital Pumping Equipment - Well #7 & #13	300,000		
	3210-300	Capital Pumping Structure Improvement	30,000		
	3320-300	Tmnt Equipment Update	25,000		
		SE Reduced Pressure PRV	75,000		
		Routine Total	430,000		
		<b>2016 Total</b>	17,730,000		

WWU  
CIP  
**SOURCE, PUMPING, TREATMENT**  
2015

	Job #	Description	Budget Macro	Budget per WS	Projected
		<b>2017</b>			
		<b>FWS</b>			
		Application			
	GLC-A0001	Environmental Studies			
	GLC-A0007	Long Term Planning			
	GLC-A0008	Public Outreach			
	GLC-A0005	Funding		100,000	
	GLC-A0006	Project Management			
	GLCC#	Construction Management		1,200,000	
		Supply		20,000,000	
		Effluent Pipeline		20,000,000	
		FWS Total		41,300,000	
		<b>Routine</b>			
	3250-300	Capital Pumping Equipment		30,000	
	3210-300	Capital Pumping Structure Improvement		30,000	
	3320-300	Tmnt Equipment Update		25,000	
	3250-300	Upgrade Oakmont Booster Station		80,000	
	3250-300	Airport Booster Station Upgrade		200,000	
		Routine Total		365,000	
		<b>2017 Total</b>		41,665,000	
		<b>2018</b>			
		<b>FWS</b>			
		Application			
	GLC-A0001	Environmental Studies			
	GLC-A0007	Long Term Planning			
	GLC-A0008	Public Outreach			
	GLC-A0005	Funding		100,000	
	GLC-A0006	Project Management			
	GLCC#	Construction Management		1,200,000	
		Supply		25,000,000	
		Effluent Pipeline		25,000,000	
		FWS Total		51,300,000	
		<b>Routine</b>			
	3250-300	Capital Pumping Equipment - Well #8		50,000	
	3210-300	Capital Pumping Structure Improvement		30,000	
		Tmnt Equipment Update		25,000	
	3200-600	Land - Pebble Valley		-	
		Routine Total		105,000	
		<b>2018 Total</b>		51,405,000	
		<b>2019</b>			
		<b>FWS</b>			
		Application			
	GLC-A0001	Environmental Studies			
	GLC-A0007	Long Term Planning			
	GLC-A0008	Public Outreach			
	GLC-A0005	Funding		102,268	
	GLC-A0006	Project Management			
	GLCC#	Construction Management		1,200,000	
		Supply		25,000,000	
		Effluent Pipeline		25,000,000	
		FWS Total		51,302,268	
		<b>Routine</b>			
	3250-300	Capital Pumping Equipment		30,000	
	3210-300	Capital Pumping Structure Improvement		30,000	
	3320-300	Tmnt Equipment Update		25,000	
		Routine Total		85,000	
		<b>2019 Total</b>		51,387,268	
		<b>Grand Total 2015 - 2019</b>		165,917,268	

Description	Budget Macro	Budget per WS	Projected
<b>2014</b>			
<b>FWS</b>			
Application - Negotiation			
Construction Management			
Distribution System Improvements	200,000	199,952	36,284.89
Effluent			
Supply			
Les Paul - Main St to Sunset By-Pass Design			15,000
Main St - WI to Clinton - Based on ACOE GLCD0001			10,000
Hillcrest Main Easement Acquisition			-
FWS-Hillcrest Water Main Connector			25,723
Total FWS	200,000	199,952	87,008
<b>Routine</b>			
Undesignated T&D Improvement	2,917,499	2,758,611	
S. East Ave. - Estberg Ave. to College Ave.			79,000
Scott Ave. - 8" PVC Watermain Installed			364,859
S. East Ave - Sunset Drive to Estberg Ave.			11,300
USH-18(Moreland Blvd) -Manhattan Dr to I94			330
N Moreland Blvd - Madison to Michigan 16" Main Install			433,230
Clinton St - Broadway to Wisconsin - Replace 12" Main			476,267
Windsor - East to Hartwell - Replace 6" Main with 8" Main			249,325
Genesee - Main to Arcadian - Replace 6" Main with 8" Main			380,092
Arcadian & N Hartwell Ave's -E to Colton&Whiterock to			212,540
Chicago Ave - Hyde Park Ave to LaSalle St			154,242
Eales Ave. - Replace 6" Main with 8" Main			169,020
Woodman's Stub - Water Main Install to Eliminate Dead End			11,500
Heyer Drive - Larchmont to Lynne 8" Water Main			336,556
S. East Ave. - Hwy 164 By-pass to Rivera - Replace 16"			149,500
Cloverland Farms - Oversizing Costs	113,814	113,814	
Reservoir Improvements			17,000
Laterals Replacement - Street Only	97,457	107,214	107,214
No-Lead Brass Inventory Purchase	10,000	10,000	0
Main Inventory			35,617
Hydrant Replacement	27,286	27,209	60,000
Valve Replacements	138,516	138,321	138,321
Manhole to valve box conversions	75,721	75,560	28,592
Water Meter Replacement 5/8" - 6"	164,050	172,512	172,512
Total Routine	3,544,343	3,403,241	3,587,018
<b>2014 Total</b>	<b>3,744,343</b>	<b>3,603,193</b>	<b>3,674,025</b>
<b>2015</b>			
<b>FWS</b>			
Application - Negotiation			
Construction Management			
Distribution System Improvements			
Les Paul - Arcadian to Broadway	3,400,000	3,446,952	
Les Paul - Broadway to Sunset	880,000	238,888	
W. Main St, West Ave to Clinton St		877,112	
Effluent			
Supply			
Total FWS	4,280,000	4,562,952	
<b>Routine</b>			

WWU  
CIP  
T + D  
2015

Table 3

Description	Budget Macro	Budget per WS	Projected
Undesignated T&D Improvement	-		
E St Paul NE of Madison Street	3,159	3,159	
S. East Ave. - Estberg Ave. to College Ave.		69,000	
Arcadian & N Hartwell Ave's -E to Colton & Whiterock to Arcadian	53,135	53,135	
Chicago Ave - Hyde Park Ave to LaSalle St	17,138	17,138	
Eales Ave. - Replace 6" Main with 8" Main	42,255	42,255	
Cloverland Oversizing		113,814	
Inspection Services		36,000	
Maple Ave - College to Dunbar	388,700	386,224	
Maple Ave - Dunbar to WI	426,400	423,099	
Maple Ave - WI to Main St	133,200	132,375	
Summit Ave. - Greenmeadow to Grandview and N. Moreland to Spring St.	1,807,200	1,753,887	
S East Ave. - Estberg to Sunset	1,010,900	977,739	
Rosemary St. - National to Arcadian	174,400	172,956	
Laterals Replacement - Street Only	100,381	101,109	
Hydrant Replacement	50,400	50,510	
Valve Replacements	108,000	132,268	
Manhole to valve box conversions	52,500	52,649	
Water Meter Replacement 5/8" - 6"	185,280	185,359	
Aviation Light Upgrades - UWW and Meadowbrook	58,600	38,123	
Reservoir Buildings - Wells #5 and #6	26,000	20,771	
Total Routine	4,637,648	4,761,567	
<b>Total 2015</b>	<b>8,917,648</b>	<b>9,324,519</b>	
<b>2016</b>			
<b>FWS</b>			
Application - Negotiation			
Construction Management			
Distribution System Improvements			
Les Paul - Broadway to Sunset	4,950,000		
Les Paul - Sunset to Hillside - SE Zone	3,360,000		
W. Main St. - Clinton to Barstow	1,086,000		
Effluent			
Supply			
Total FWS	9,396,000		
<b>Routine</b>			
Undesignated T&D Improvement	803,664		
Howell Oaks Oversizing	100,000		
Laterals Replacement - Street Only	103,392		
Hydrant Replacement	52,000		
Valve Replacements	115,000		
Manhole to valve box conversions	60,000		
Water Meter Replacement 5/8" - 6"	174,000		
Total Routine	1,408,056		
<b>2016 Total</b>	<b>10,804,056</b>		
<b>2017</b>			
<b>FWS</b>			
Application - Negotiation			
Construction Management			
Distribution System Improvements			
W. Main St - Barstow to Hartwell	1,580,000		
W. Main - Manhattan to Les Paul	1,600,000		



WWU  
CIP  
T + D  
2015

Table 3

Description	Budget Macro	Budget per WS	Projected
Effluent			
Supply			
Total FWS	3,180,000		
<b>Routine</b>			
Undesignated T&D Improvement - By-pass	2,641,752		
Laterals Replacement - Street Only	106,494		
Hydrant Replacement	52,125		
Valve Replacements	125,000		
Manhole to valve box conversions	65,000		
Water Meter Replacement 5/8" - 6"	179,220		
Total Routine	3,169,591		
<b>2017 Total</b>	<b>6,349,591</b>		
<b>2018</b>			
<b>FWS</b>			
Application - Negotiation			
Construction Management			
Distribution System Improvements			
Additional Storage Towers	6,000,000		
Effluent			
Supply			
Total FWS	6,000,000		
<b>Routine</b>			
Undesignated T&D Improvement	3,073,036		
Laterals Replacement - Street Only	109,689		
Hydrant Replacement	52,000		
Valve Replacements	130,000		
Manhole to valve box conversions	70,000		
Water Meter Replacement 5/8" - 6"	184,597		
Total Routine	3,619,322		
<b>2018 Total</b>	<b>9,619,322</b>		
<b>2019</b>			
<b>FWS</b>			
Application - Negotiation			
Construction Management			
Distribution System Improvements			
W. Main St. to Dopp (includes River Crossing)	2,000,000		
W. Main St - Oakland to Manhattan	2,310,000		
Effluent			
Supply			
Total FWS	4,310,000		
<b>Routine</b>			
Undesignated T&D Improvement	3,178,497		
Laterals Replacement - Street Only	110,000		
Hydrant Replacement	54,000		
Valve Replacements	135,000		
Manhole to valve box conversions	75,000		
Water Meter Replacement 5/8" - 6"	188,000		
Total Routine	3,740,497		
<b>2019 Total</b>	<b>8,050,497</b>		
<b>Grand Total 2015 - 2019</b>	<b>\$ 44,147,985</b>		

WWU  
CIP  
GENERAL PLANT  
2015

Acct	Dept	Job	Description	Budget Macro	Budget per WS	Projected
3890	100		Land		-	
3900			<b>General Struct &amp; Improvements</b>			
			<u>2014</u>			
			Door Replacements	6,782	6,777	6,777
	W01113		Parking Deck Repairs	136,093	136,065	12,000
			Heating System Upgrades	12,292	12,283	12,283
	W01164		Meter Room Revisions	8,838	8,825	6,000
			<b>2014 Total</b>	<b>164,005</b>	<b>163,950</b>	<b>37,060</b>
			<u>2015</u>			
	W01113		Parking Deck Repairs	175,000	175,000	
			HVAC and Boiler - Office	35,000	35,000	
			<b>2015 Total</b>	<b>210,000</b>	<b>210,000</b>	
			2016 Total	10,000		
			2017 Total	10,000		
			2018 Total	10,000		
			2019 Total	10,000		
			Total General Struct & Improvements 2015 - 2019	<u>250,000</u>		
3910			<b>Office Furniture and Equipment</b>			
			<u>2014</u>			
	600		Plotter/Scanner	10,000	10,500	10,000
	200 W01151		Conference Room Upgrade	5,500	6,620	6,620
	200		Printer Replacement for Basement/Up Front	7,500	8,620	7,278
			<b>2014 Total</b>	<b>23,000</b>	<b>25,741</b>	<b>23,898</b>
			<u>2015</u>			
			Office Improvements	10,000	4,000	
			<b>2015 Total</b>	<b>10,000</b>	<b>4,000</b>	
			2016 Total	10,000		
			2017 Total	10,000		
			2018 Total	10,000		
			2019 Total	20,000		
			Total Office Furniture & Equipment 2015 - 2019	<u>60,000</u>		

WWU  
CIP  
GENERAL PLANT  
2015

Acct	Dept	Job	Description	Budget Macro	Budget per WS	Projected
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**3911**

**Administrative Computer Equipment**

2014

IT Equipment				10,000	19,261	10,261
W01129	CIS Billing Upgrade--online payment			80,000	82,512	82,512
W01154	Network Cable - Install			15,000	15,000	18,750
W01166	Granicus					6,000
<b>2014 Total</b>				<b>105,000</b>	<b>116,772</b>	<b>117,523</b>

2015

IT Equipment				15,000	21,007	
	Mobile Technology			7,500	9,004	
	Janssen Specs			10,000	9,004	
<b>2015 Total</b>				<b>32,500</b>	<b>39,015</b>	

2016 Total	33,475		
2017 Total	34,479		
2018 Total	35,514		
2019 Total	36,579		
Total Administrative Computer Equipment 2015 - 2019	<u>172,547</u>		

**3920 300**

**Transportation Equipment**

2014

Fleet Replacement - Truck # 2				30,000	30,000	30,000
<b>2014 Total</b>				<b>30,000</b>	<b>30,000</b>	<b>30,000</b>

2015

Fleet Replacement - Truck # 1				22,000	28,000	
	Fleet Replacement - Truck # 28			29,000	42,000	
<b>2015 Total</b>				<b>51,000</b>	<b>70,000</b>	

2016 Total	24,000		
2017 Total	87,000		
2018 Total	107,000		
2019 Total	44,000		
Total Transportation Equipment 2015 - 2019	<u>313,000</u>		

WWU  
CIP  
GENERAL PLANT  
2015

Acct	Dept	Job	Description	Budget Macro	Budget per WS	Projected
<b>3940</b>	<b>300</b>		<b>Tools &amp; Shop/Garage Equipment</b>			
			<u>2014</u>			
			GPS Unit	15,000	15,000	15,084
			<b>2014 Total</b>	<b>15,000</b>	<b>15,000</b>	<b>15,084</b>
			<u>2015</u>			
			Equipment Upgrades	6,500	6,500	
			<b>2015 Total</b>	<b>6,500</b>	<b>6,500</b>	
			2016 Total			
			2017 Total	10,000		
			2018 Total			
			2019 Total			
			Total Tools/Shop Equipment 2015 - 2019	<u>16,500</u>		
<b>3960</b>	<b>300</b>		<b>Power Operated Equipment</b>			
			<u>2014</u>			
			Replacement of the small Vac Jetter - Replace #69	61,046	61,042	61,042
			<b>2014 Total</b>	<b>61,046</b>	<b>61,042</b>	<b>61,042</b>
			<u>2015</u>			
			<b>2015 Total</b>	<b>-</b>	<b>-</b>	
			2016 Total	-		
			2017 Total	68,000		
			2018 Total	-		
			2019 Total	135,000		
			Total Power Operated Equipment 2015 - 2019	<u>203,000</u>		

WWU  
CIP  
GENERAL PLANT  
2015

Table 4

Acct	Dept	Job	Description	Budget Macro	Budget per WS	Projected
<b>3970</b>			<b>Communications - Teleph &amp; Radio</b>			
			<u>2014</u>			
			Phone System	30,000	30,137	30,137
			<b>2014 Total</b>	<b>30,000</b>	<b>30,137</b>	<b>30,137</b>
			<u>2015</u>			
			800 MHZ Radio Conversion to Digital	6,000	6,000	
			<b>2015 Total</b>	<b>6,000</b>	<b>6,000</b>	
			2016 Total	6,000		
			2017 Total	46,000		
			2018 Total	6,000		
			2019 Total	6,000		
			Total Communications - Teleph & Radio 2015 - 2019	<u>70,000</u>		
<b>3971</b>	<b>300</b>		<b>Computers - SCADA</b>			
			<u>2014</u>			
			W01157,58,59,60,63 SCADA Upgrades	89,202	111,223	111,223
			<b>2014 Total</b>	<b>89,202</b>	<b>111,223</b>	<b>111,223</b>
			<u>2015</u>			
			SCADA Upgrades	90,000	90,170	
			<b>2015 Total</b>	<b>90,000</b>	<b>90,170</b>	
			2016 Total	45,000		
			2017 Total	25,000		
			2018 Total	25,000		
			2019 Total	90,000		
			Total Computers SCADA 2015 - 2019	<u>275,000</u>		
			<b>General Plant Total</b>			
			2014 Total		<b>553,865</b>	<b>425,967</b>
			<b>2015 Total</b>	<b>425,685</b>		
			2016 Total	128,475		
			2017 Total	290,479		
			2018 Total	193,514		
			2019 Total	341,579		
			<b>Total General Plant 2015 - 2019</b>	<u><b>1,379,732</b></u>		

Acct Dept	Description	Budget	Projected	
<b>2014</b>				
3220 600	Pump Structures - Contributed	359,804	3262.49	Broadway Commons
3432 600	Subdivision Mains - Developer	1,482,260	280,829	Broadway Commons
3452 600	Street Laterals - Developers	477,119	54,698	Cloverland
3482 600	Hydrants - Developers	215,237	34,500	Meijer
	<b>Total</b>	<b>\$ 2,534,419</b>	<b>373,289</b>	Rivers Crossing - Single Family Rivers Crossing Multi-family Deer Trail Meadown Ln
<b>2015</b>				
3432 600	Subdivision Mains - Developer	2,023,897		2015 Projects Meijer, (1450' -12" offsite, 2590' -12" on site, 265' - 8")
3452 600	Street Laterals - Developers	424,937		Clearwater Apartments (1200' of 8") - Previously known as Rivers Crossing M
3482 600	Hydrants - Developers	256,629		Howell Oaks Add 1 Phase 2 (3750' of 8")
	<b>Total</b>	<b>2,705,463</b>		Good Harvest Market. (400' of 8") Cloverland Farms (carry over from 2014) Broadway Commons (carry over from 2014) Hickory Flats (carry over from 2014) Rivers Crossing Single Family
<b>2016</b>				
3432 600	Subdivision Mains - Developer	482,065		
3452 600	Street Laterals - Developers	439,512		
3482 600	Hydrants - Developers	265,431		
	<b>Total</b>	<b>1,187,009</b>		
<b>2017</b>				
3220 600	Pump Structure PRV Station - Howell Oaks	75,000		
3432 600	Subdivision Mains - Developer	498,600		
3452 600	Street Laterals - Developers	454,588		
3482 600	Hydrants - Developers	274,535		
	<b>Total</b>	<b>1,302,723</b>		
<b>2018</b>				
3432 600	Subdivision Mains - Developer	515,702		
3452 600	Street Laterals - Developers	470,180		
3482 600	Hydrants - Developers	283,952		
	<b>Total</b>	<b>1,269,834</b>		
<b>2019</b>				
3432 600	Subdivision Mains - Developer	533,391		
3452 600	Street Laterals - Developers	486,307		
3482 600	Hydrants - Developers	293,691		
	<b>Total</b>	<b>1,313,389</b>		
<b>5 Year Contributed Capital 2015 - 2019</b>				
3220 600	Pump Structures - Contributed	75,000		
3432 600	Subdivision Mains - Developer	4,053,656		
3452 600	Street Laterals - Developers	2,275,524		
3482 600	Hydrants - Developers	1,374,238		
	<b>Total</b>	<b>\$ 7,778,418</b>		

# **Waukesha Water Utility**

## **Operating Plan**

**2015**

**11/20/2014**

Statement of Revenues and Expenses - Extended  
Compensation  
Other Significant Items  
Detailed Variance Analysis

WWU  
STATEMENT OF REVENUES EXPENSES  
2015 BUDGET

	<u>2014 B</u>	<u>2014 P</u>	<u>2015 B</u>	<u>2014 P</u> <u>v. 2014 B</u>	<u>2015 B</u> <u>v. 2014 P</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<b>OPERATING REVENUES:</b>														
Residential	\$ 5,170,035	\$ 4,806,174	\$ 4,808,215	0.93	1.00	\$ 6,010,268	\$ 7,512,836	\$ 9,391,044	\$ 10,799,701	\$ 10,799,701	\$ 12,419,656	\$ 12,419,656	\$ 12,792,246	\$ 13,176,013
Commercial	1,479,605	\$ 1,426,320	\$ 1,486,949	0.96	1.04	1,858,686.48	2,323,358.10	2,904,197.63	3,339,827.27	3,339,827.27	3,840,801.36	3,840,801.36	3,956,025.40	4,074,706.16
Industrial	958,351	\$ 933,290	\$ 874,160	0.97	0.94	1,092,700.14	1,365,875.17	1,707,343.97	1,963,445.56	1,963,445.56	2,257,962.40	2,257,962.40	2,325,701.27	2,395,472.31
Public	343,894	\$ 337,289	\$ 342,811	0.98	1.02	428,513.52	535,641.90	669,552.37	769,985.23	769,985.23	885,483.01	885,483.01	912,047.50	939,408.93
Multi Family	1,566,591	\$ 1,473,183	\$ 1,491,934	0.94	1.01	1,864,917.77	2,331,147.21	2,913,934.01	3,351,024.11	3,351,024.11	3,853,677.73	3,853,677.73	3,969,288.06	4,088,366.70
<b>Total Metered Sales</b>	<b>9,518,475</b>	<b>8,976,256</b>	<b>9,004,069</b>	<b>0.94</b>	<b>1.00</b>	<b>11,255,086</b>	<b>14,068,858</b>	<b>17,586,072</b>	<b>20,223,983</b>	<b>20,223,983</b>	<b>23,257,581</b>	<b>23,257,581</b>	<b>23,955,308</b>	<b>24,673,967</b>
Private Fire Capacity	190,382	\$ 182,634	\$ 179,182	0.96	0.98	223,978.09	279,972.61	349,965.76	402,460.63	402,460.63	462,829.72	462,829.72	476,714.61	491,016.05
Public Fire Capacity	1,772,241	\$ 1,692,337	\$ 1,731,953	0.95	1.02	2,164,940.96	2,706,176.20	3,382,720.25	3,890,128.29	3,890,128.29	4,473,647.54	4,473,647.54	4,607,856.96	4,746,092.67
Other Operating Revenues	490,393	\$ 502,949	\$ 509,652	1.03	1.01	637,064.78	796,330.98	995,413.72	1,144,725.78	1,144,725.78	1,316,434.65	1,316,434.65	1,355,927.69	1,396,605.52
<b>TOTAL OPERATING REVENUES</b>	<b>11,971,491</b>	<b>11,354,176</b>	<b>11,424,856</b>	<b>0.95</b>	<b>1.01</b>	<b>14,281,070.16</b>	<b>17,851,337.70</b>	<b>22,314,172.13</b>	<b>25,661,297.95</b>	<b>25,661,297.95</b>	<b>29,510,492.64</b>	<b>29,510,492.64</b>	<b>30,395,807.42</b>	<b>31,307,681.64</b>
<b>OPERATING EXPENSES:</b>														
Source	959,203	725,726	726,558	0.76	1.00	748,355	770,805	793,929	817,747	3,217,280	5,688,798	5,859,462	6,035,246	6,216,303
Pumping	1,181,833	1,122,335	1,160,448	0.95	1.03	1,161,536	1,162,863	1,164,438	1,166,265	727,984	733,051	738,373	743,958	749,812
Treatment	458,581	369,500	450,520	0.81	1.22	470,110	490,669	512,248	534,905	420,294	440,772	462,358	485,115	509,112
Distribution	1,150,513	1,200,462	1,229,080	1.04	1.02	1,265,952	1,303,931	1,343,049	1,383,340	1,424,840	1,689,918	1,740,616	1,792,835	1,846,620
Customer Service	164,221	173,241	193,108	1.05	1.11	198,901	204,868	211,014	217,344	223,865	230,581	237,498	244,623	251,962
Administrative	1,856,650	1,454,847	1,840,865	0.78	1.27	1,918,405	1,999,609	2,084,668	2,173,784	2,267,167	2,365,043	2,467,646	2,575,226	2,688,047
<b>Total</b>	<b>5,771,002</b>	<b>5,046,112</b>	<b>5,600,579</b>	<b>0.87</b>	<b>1.11</b>	<b>5,763,258</b>	<b>5,932,745</b>	<b>6,109,346</b>	<b>6,293,385</b>	<b>8,281,431</b>	<b>11,148,163</b>	<b>11,505,953</b>	<b>11,877,002</b>	<b>12,261,855</b>
<b>MANAGERS' MARGIN</b>	<b>6,200,489</b>	<b>6,308,064</b>	<b>5,824,277</b>	<b>1.02</b>	<b>0.92</b>	<b>8,517,812</b>	<b>11,918,593</b>	<b>16,204,826</b>	<b>19,367,913</b>	<b>17,379,867</b>	<b>18,362,329</b>	<b>18,004,540</b>	<b>18,518,805</b>	<b>19,045,827</b>
Depreciation	2,371,804	2,269,598	2,421,577	0.96	1.07	2,511,140	2,774,733	3,271,864	3,923,692	4,565,726	4,592,325	4,625,113	4,634,588	4,647,038
Tax Equivalent	1,790,232	1,790,232	1,776,510	1.00	0.99	1,847,570	1,917,409	1,994,105	2,073,869	2,156,824	2,243,097	2,332,821	2,426,134	2,523,179
Other Taxes	106,003	92,379	107,917	0.87	1.17	121,096	134,669	148,650	163,051	170,114	177,476	185,149	193,146	201,480
<b>TOTAL OPERATING EXPENSES</b>	<b>10,039,040</b>	<b>9,198,321</b>	<b>9,906,584</b>	<b>0.92</b>	<b>1.08</b>	<b>10,243,064</b>	<b>10,759,556</b>	<b>11,523,965</b>	<b>12,453,997</b>	<b>15,174,095</b>	<b>18,161,061</b>	<b>18,649,035</b>	<b>19,130,869</b>	<b>19,633,553</b>
<b>TOTAL OPERATING INCOME(LOSS)</b>	<b>1,932,451</b>	<b>2,155,855</b>	<b>1,518,272</b>	<b>1.12</b>	<b>0.70</b>	<b>4,038,006</b>	<b>7,091,782</b>	<b>10,790,207</b>	<b>13,207,301</b>	<b>10,487,203</b>	<b>11,349,432</b>	<b>10,861,458</b>	<b>11,264,938</b>	<b>11,674,129</b>
<b>NON OPERATING INCOME&amp;(EXPENSE)</b>	<b>1,927,321</b>	<b>5,756</b>	<b>2,010,017</b>	<b>0.00</b>	<b>349.19</b>	<b>(286,043)</b>	<b>(1,061,086)</b>	<b>(2,762,040)</b>	<b>(4,858,844)</b>	<b>(6,856,446)</b>	<b>(6,764,986)</b>	<b>(6,581,652)</b>	<b>(6,392,576)</b>	<b>(6,212,438)</b>
<b>NET INCOME(LOSS)</b>	<b>\$ 3,859,772</b>	<b>\$ 2,161,611</b>	<b>\$ 3,528,290</b>	<b>0.56</b>	<b>1.63</b>	<b>\$ 3,751,963</b>	<b>\$ 6,030,696</b>	<b>\$ 8,028,167</b>	<b>\$ 8,348,457</b>	<b>\$ 3,630,757</b>	<b>\$ 4,584,446</b>	<b>\$ 4,279,806</b>	<b>\$ 4,872,362</b>	<b>\$ 5,461,691</b>





Recommended Compensation for 2015  
Budget Impact

	Volume Adjusted 2014 P	2015 B	Per Market Forecast
Benefits			
Medical Insurance	457,585	475,054	484,354
Dental Insurance	28,134	31,399	31,399
Life Insurance	9,969	10,984	10,984
Disability	6,926	7,684	7,684
Pension	146,065	143,525	143,525
Total Benefits	648,680	668,646	677,946
	-		
Wages	2,058,780	2,116,374	2,113,132
	-		
Grand Total	\$ 2,707,460	\$ 2,785,020	\$ 2,791,077
Increases to			
Benefits		3.1%	4.5%
Wages *		2.8%	2.6%
Total Comp		2.9%	<b>3.1%</b>

\* A solid employee will receive a 3.25% increase.

WWU  
SIGNIFICANT ITEMS  
EXPENSES > \$500,000 OR CHANGES > \$25,000  
2015

**ITEMS UNRELATED TO COMPENSATION**

ACCOUNT #	DESCRIPTION	<u>2014 P</u>	<u>2015 B</u>	<u>\$ Δ</u>	<u>% Δ</u>
6030	200 SOURCE MISC OPERATING EXPENSES	\$ 711,117	\$ 711,117	-	0% Per PSC - spreads \$ previously spent on FWS (over 4 years)
6230	300 PUMP OP - POWER	926,873	932,534	5,661	1% Energy to move water throughout the system
6424	300 TMNT - RADIUM TESTING/ANALYZING	76,904	110,141	33,238	43% Wells 8 & 10 were down at the beginning of 2014 which reduced the 2014 expense.
6720	300 T&D MAINT RESERVOIRS & STANDPIPES	607	28,144	27,537	4540% There are two reservoir cleanings budgeted in 2015.
9060	200 CA CONSERVATION AND OUTREACH	50,168	85,999	35,831	71% Increasing to levels expected by PSC, including hydrant survey and the rebate program.
9219	200 A&G OFFICE SUPPLIES & PRINTING	18,411	53,260	34,849	189% Bank fees for electronic credit card payments are budgeted for the whole year in 2015.
9280	200 A&G REGULATORY COMMISSION	5,566	84,558	78,992	1419% There was no rate increase in 2014.
		\$ 1,789,646	\$ 2,005,753	\$ 216,108	12%
<b>COMPENSATION</b>		2,707,460	<u>2,785,020</u>	77,560	2.9%
	<b>TOTAL EXPENSES ANALYZED</b>		<b>\$ 4,790,773</b>		
	<b>MANAGERS' EXPENSES</b>		<b>\$ 5,600,579</b>		
	<b>% OF MANAGERS' EXPENSES ANALYZED</b>		<b>86%</b>		

WWU  
Detailed Budget Variance Analysis

Scope ≥ 5% \$5,000

2015 Budget Variance Analysis							
			2014 B	2014 P	2015 B	15B/14P Δ	
						%	
						\$	
4030	200	DEPRECIATION EXP - U PLANT	1,835,289	1,741,441	1,892,866	9%	151,425
4030		DEPRECIATION EXP - U PLANT - CONTRA & SC	(181,990)	(188,153)	(191,078)	2%	(2,924)
4080	200	PROP TAX EQUIV (PILOT) EXPENSE	1,790,232	1,790,232	1,776,510	-1%	(13,722)
4080	-	PILOT (PROP TAX EQUIV) - SC & CONTRA	(50,281)	(50,281)	(48,066)	-4%	2,215
4081	100	EMPLOYER SOC SEC/MEDICARE	151,701	148,256	157,070	6%	8,814
4081	-	EMPLOYER'S FICA - SC	(17,076)	(17,076)	(17,717)	4%	(642)
4082	100	TAXES - UNEMPLOYMENT COMP	9,534	-	4,810	100%	4,810
4083	200	TAXES - PSC ASSESSMENT	12,000	11,356	11,696	3%	340
4084	300	TAXES - DNR WATER USE FEE	125	125	125	0%	-
4150	200	REVENUE FROM JOBBING/CONTRACTS	(6,100)	(16,943)	(11,295)	-33%	5,648
4160	200	COS FROM JOBBING & CONTRACTS	4,000	13,391	11,295	-16%	(2,096)
4170	100	MISC. NON-OPERATING REVENUE	-	(101)	-	-100%	101
4170	300	MISC. NON-OPERATING REVENUE	-	-	-	0%	-
4190	200	INT INCOME - SWEEP - WSB	(1,020)	(20,643)	(20,166)	-2%	477
4191	200	INT INCOME - LGIP - GEN FUND	(7)	(4,236)	(3,846)	-9%	390
4192	200	INT INCOME - LGIP - DEBT PAYMENT FUND	(732)	(728)	(365)	-50%	363
4193	200	INT INCOME - LGIP - IMPROVE FUND	-	(3,868)	(3,507)	-9%	361
4195	200	INT INCOME - LGIP - EQUIP REPLACE	-	(1,019)	(1,049)	3%	(30)
4196	200	INT INCOME - LGIP - PILOT - TAX EQUIV	(958)	(1,219)	(1,183)	-3%	36
4197	200	INT INCOME - LGIP - FAIR MARKET VALUE	-	-	-	0%	-
4198	200	INT INCOME - LGIP - DEBT RESERVE	(1,601)	(302)	(240)	-20%	61
4210	100	REVENUE FROM CONTRIBUTIONS	-	-	-	0%	-
4210	600	REVENUE FROM CONTRIBUTIONS	(2,534,419)	(373,289)	(2,705,463)	625%	(2,332,174)
4250	200	MISCELLANEOUS AMORTIZATION	(191,106)	(191,106)	(191,106)	0%	(0)
4260	200	DEPRECIATION EXPENSE - CONTRIBUTED PLANT	716,855	716,310	719,789	0%	3,480
4269	200	MISC INTEREST EXPENSE	-	167	0	-100%	(167)
4270	200	INTEREST EXPENSE - NOTES	219,075	111,616	226,994	103%	115,378
4274	200	Int Expense-LTD-2014 Bonds	-	101,989	348,223	241%	246,234
4274	-	INTEREST EXPENSE - CONTRA	(129,069)	(171,824)	(216,472)	26%	(44,647)
4275	200	INT EXPENSE - LTD - 2006 BONDS	249,600	45,488	26,238	-42%	(19,250)
4276	200	INT EXPENSE - LTD - 2008 BONDS	142,097	145,144	129,769	-11%	(15,375)
4277	200	INT EXPENSE - LTD - 2013 BONDS	327,166	328,916	320,141	-3%	(8,775)
4277	600	INT EXPENSE - LTD - 2013 SDWLP BONDS	20,797	20,730	80,891	290%	60,161
4280	200	AMORTIZATION EXP - ISSUE COSTS ON NOTES PAY	151,250	96,163	134,606	40%	38,443
4285	200	AMORT OF PREPAID INTEREST EXP/LOSS ON ADV	-	46,743	46,743	0%	-
4286	200	AMORTIZATION EXP-2008 BONDS	-	-	-	0%	-
4290	200	AMORTIZED REV - PREMIUM ON NOTES PAYABLE T	(118,774)	(79,806)	(125,361)	57%	(45,555)
4295	200	AMORTIZED REV - 2006 BOND PREMIUM	(44,997)	(51,018)	(54,864)	8%	(3,846)
4340	-	MISC CREDITS TO SURPLUS	-	-	-	0%	-
4350	-	MISC DEBITS TO SURPLUS	-	-	-	0%	-
4611	200	M SALES - RESIDENTIAL	(5,170,035)	(4,806,174)	(4,808,215)	0%	(2,041)
4612	200	M SALES - COMMERCIAL	(1,479,605)	(1,426,320)	(1,486,949)	4%	(60,629)
4613	200	M SALES - INDUSTRIAL	(958,351)	(933,290)	(874,160)	-6%	59,130
4614	200	M SALES - PUBLIC	(343,894)	(337,289)	(342,811)	2%	(5,522)
4615	200	METERED/MULTI-FAMILY	(1,566,591)	(1,473,183)	(1,491,934)	1%	(18,751)
4616	200	SALES - PRIVATE FIRE	(190,382)	(182,634)	(179,182)	-2%	3,451
4618	200	SALES - PUBLIC FIRE	(1,772,241)	(1,692,337)	(1,731,953)	2%	(39,616)
4700	200	CUSTOMER LATE CHARGES	(139,775)	(141,102)	(146,937)	4%	(5,835)
4710	200	MISC SERVICE REVENUES	(32,000)	(44,180)	(29,453)	-33%	14,727
4710	300	MISC SERVICE REVENUES	-	-	-	0%	-
4710	600	MISC SERVICE REVENUES	(3,400)	(1,913)	(20,285)	961%	(18,373)
4720	200	RENTS FROM UTILITY PROPERTY	(245,129)	(245,129)	(245,129)	0%	0
4740	200	OTHER WATER REVENUES	-	(537)	-	-100%	537
4742	200	SEWER BILLING REIMBURSEMENT	(70,090)	(70,090)	(67,849)	-3%	2,241
6000	300	SOURCE OPR/SUPR & ENGINEERING	1,244	1,245	1,293	4%	48
6030	200	SOURCE MISC OPERATING EXPENSES	946,394	711,117	711,117	0%	-
6030	300	SOURCE MISC OPERATING EXPENSES	4,977	4,962	5,171	4%	210
6030	600	SOURCE MISC OPERATING EXPENSES	-	-	-	0%	-
6100	100	SOURCE MTCE/SUPR & ENGINEERING	4,163	4,388	4,296	-2%	(92)
6100	300	SOURCE MTCE/SUPR & ENGINEERING	1,493	1,409	1,551	10%	143

625% Increase - An increase in development is budgeted for 2015. Many projects budgeted to be completed in 2014, will not be completed until 2015.

103% Increase - The 2015 amount includes the note budgeted in 2015.

241% Increase - The 2015 amount includes the bond budgeted in 2015.

26% Increase - The new debt that will be taken out in 2015, has increased this amount for 2015.

42% Decrease - The interest owed on this bond will continue to decrease as the balance owed decreases.

11% Decrease - The interest owed on the bond will continue to decrease as the balance owed decreases.

3% Decrease - The interest owed on the bond will continue to decrease as the balance owed decreases.

290% Increase - The 2015 SDWLP interest is also included here.

40% Increase - There are 3 issue costs budgeted for 2015.

57% Increase - The new debt that will be taken out in 2015, has increased this amount for 2015.

33% Decrease - This is an unpredictable and variable account. The budget figure is conservative.

961% Increase - Vacuum breaker revenue is budgeted here for 2015.

WWU  
Detailed Budget Variance Analysis

Scope ≥ 5% \$5,000

			2014 B	2014 P	2015 B	15B/14P Δ		
						%	\$	
6140	300	SOURCE MAINT WELLS AND SPRINGS	-	-	-	0%	-	
6145	200	SOURCE MAINT - WELL ABANDON & CROSS CONN	-	501	-	-100%	(501)	
6145	300	SOURCE MAINT - WELL ABANDON & CROSS CONN	-	-	452	100%	452	
6145	600	SOURCE MAINT - WELL ABANDON & CROSS CONN	933	2,106	2,677	27%	571	
6200	300	PUMP OP - SUP & ENGINEERING	13,102	21,315	21,680	2%	365	
6230	300	PUMP OP - POWER	921,195	926,873	932,534	1%	5,661	
6240	300	PUMP OP - LAB & EXP	53,161	39,106	46,200	18%	7,094	
6260	300	PUMP OP - MISC EXP	85,225	51,186	65,728	28%	14,543	28% Increase - 2014 labor is low in this account because the harsh winter required labor hours to be allocated elsewhere.
6260	600	PUMP OP - MISC EXP	-	-	-	0%	-	
6269	300	PUMP OP - TRAINING	5,374	1,123	5,577	397%	4,455	
6300	300	PUMP MAINT - SUP & ENGINEER	7,535	7,670	7,855	2%	185	
6310	300	PUMP STRUCT MAINTENANCE	31,749	12,190	15,317	26%	3,127	
6330	300	PUMP EQUIP MAINTENANCE	64,492	62,872	65,557	4%	2,685	
6400	300	TMNT OPS - SUPERV & ENGINEERING	2,488	2,495	1,293	-48%	(1,202)	
6410	300	TMNT - CHEMICALS	180,590	168,976	186,000	10%	17,024	10% Increase - Wells 8 & 10 were down at the beginning of 2014, so HMO treatment was not done.
6420	300	TMNT - LABOR, MATERIALS & EXPENSES	110,887	90,594	98,482	9%	7,888	
6420	600	TMNT - LABOR, MATERIALS & EXPENSES	-	241	-	-100%	(241)	
6424	300	TMNT - RADIUM TESTING/ANALYZING	112,978	76,904	110,141	43%	33,238	43% Increase - Wells 8 & 10 were down at the beginning of 2014 which reduced the 2014 expense.
6429	300	TMNT - TRAINING	751	1,518	1,045	-31%	(473)	
6430	300	TMNT - MISC EXPENSE	450	450	1,245	177%	795	
6434	300	WATER QUALITY TEAM EXPENSE	-	-	-	0%	-	
6435	300	TMNT - MISC EXP SARA	-	-	-	0%	-	
6500	300	TMNT MAINT - SUPERV & ENGINEERING	6,843	6,888	7,111	3%	222	
6510	300	TMNT MAINT - BLDG & FIXTURES	1,551	-	1,595	100%	1,595	
6520	300	TMNT EQUIPMENT MAINT	42,042	21,433	43,609	103%	22,176	103% Increase - 2014 labor is low in this account because the harsh winter required labor hours to be allocated elsewhere.
6600	300	T&D OPS - SUPERV & ENGINEERING	55,977	34,002	32,954	-3%	(1,047)	
6610	300	T&D OPS - STORAGE FACILITIES EXPENSE	22,746	19,923	29,647	49%	9,724	49% Increase - Tower cleanings are budgeted in 2015.
6620	200	T&D OPS - LABOR, MATERIALS, & LINES EXP	-	-	-	0%	-	
6620	300	T&D OPS - LABOR, MATERIALS, & LINES EXP	114,869	118,939	166,582	40%	47,642	40% Increase - 2014 labor (locating) is low in this account because the harsh winter required labor hours to be allocated elsewhere.
6620	600	T&D OPERATOR & LINES EXP	3,188	5,842	6,708	15%	866	
6630	100	T&D METER EXPENSE	-	-	-	0%	-	
6630	200	T&D METER EXPENSE	36,169	30,418	30,540	0%	122	
6630	300	T & D METER EXPENSE	130,104	116,233	134,206	15%	17,973	15% Increase - A slightly smaller amount of meters were replaced in 2014.
6630	600	T & D METER EXPENSE	-	-	-	0%	-	
6630	-	T&D METER EXPENSE -SC	(83,137)	(83,137)	(82,373)	-1%	764	
6640	200	T&D CUSTOMER INSTALL	-	12,258	14,947	22%	2,689	
6640	300	T&D CUSTOMER INSTALL	38,491	25,836	25,828	0%	(8)	
6640	600	T&D CUSTOMER INSTALL	41,677	51,052	58,497	15%	7,445	15% Increase - Vacuum breakers will be purchased and will be available for sale for the entire year in 2015.
6650	100	T&D MISC EXPENSE	-	-	-	0%	-	
6650	200	T&D MISC EXPENSE	-	-	-	0%	-	
6650	300	T&D MISC EXPENSE	59,260	41,464	45,846	11%	4,382	
6650	600	T&D MISC EXPENSE	107,433	99,974	124,168	24%	24,193	24% Increase - A co-op student will be hired in 2015 to work on GPS and GIS.
6659	300	T&D TRAINING	8,168	8,936	9,091	2%	155	
6659	600	T&D TRAINING	-	1,446	458	-68%	(988)	
6700	100	T&D MAINT SUPERVISION & ENGR	4,163	7,250	4,296	-41%	(2,954)	
6700	300	T&D MAINT SUPERVISION & ENGR	13,126	7,737	13,639	76%	5,902	
6700	600	T&D MAINT SUPERVISION & ENGR	7,460	7,747	3,346	-57%	(4,400)	
6720	300	T&D MAINT RESERVOIRS & STANDPIPES	12,303	607	28,144	4540%	27,538	4540% Increase - There are two reservoir cleanings budgeted in 2015.
6730	300	T&D MAINT OF MAINS	300,805	298,433	291,285	-2%	(7,148)	
6730	600	T&D MAINT OF MAINS	-	-	-	0%	-	
6750	300	T&D MAINT STREET SERVICES	26,829	152,560	40,173	-74%	(112,387)	74% Decrease - There were a record number of frozen services in 2014.
6750	600	T&D MAINT STREET SERVICES	-	6,834	-	-100%	(6,834)	100% Decrease - There were a record number of frozen services in 2014.
6751	300	T&D MAINT PROPERTY SERVICES	89,361	130,556	119,564	-8%	(10,992)	8% Decrease - There were a record number of frozen services in 2014.
6751	600	T&D MAINT PROPERTY SERVICES	-	6,841	-	-100%	(6,841)	100% Decrease - There were a record number of frozen services in 2014.
6760	300	T&D MAINT OF METERS	-	2,747	-	-100%	(2,747)	
6760	-	T&D MAINT OF METERS - SC	(4,900)	(4,900)	(2,500)	-49%	2,400	
6761	300	T&D MAINT OF MIU'S	9,800	75	5,000	6602%	4,925	6602% Increase - Battery replacements for MIU's are budgeted to be purchased in 2015.
6765	600	MAINT OF LAB EQUIP	-	-	-	0%	-	
6770	300	T&D MAINT OF HYDRANTS	106,018	57,597	79,516	38%	21,920	38% Increase - 2014 labor is low in this account because the harsh winter required labor hours to be allocated elsewhere. (Hydrant survey was not done)
6770	600	T&D MAINT OF HYDRANTS	-	-	-	0%	-	

WWU  
Detailed Budget Variance Analysis

Scope ≥ 5% \$5,000

		2014 B	2014 P	2015 B	15B/14P Δ			
					%	\$		
6780	300	T&D MAINT - COMPUTER PUMP CONTROLS	50,602	43,196	49,519	15%	6,323	15% Increase - SCADA maintenance is budgeted to increase in 2015.
9010	200	CA - SUPERVISION	11,172	7,398	17,618	138%	10,220	138% Increase - There will be a labor allocation shift in 2015, with no increase to FTE's.
9010	-	CA SUPERVISION - SC	(5,586)	(5,586)	(8,809)	58%	(3,223)	
9020	200	CA METER READING	7,505	5,878	6,970	19%	1,091	
9020	300	CA METER READING	13,759	11,361	18,427	62%	7,066	
9020	-	CA METER READING - SC	(10,632)	(10,632)	(12,698)	19%	(2,066)	
9023	200	CA SEWER ADMIN	10,431	7,533	10,880	44%	3,346	
9023	300	CA SEWER ADMIN	-	884	-	-100%	(884)	
9023	-	CA SEWER ADMIN - SC	(10,431)	(10,431)	(10,880)	4%	(449)	
9030	100	CA RECORDS/COLLECTIONS	2,760	2,751	2,910	6%	160	
9030	200	CA RECORDS/COLLECTIONS	196,301	220,404	214,777	-3%	(5,626)	
9030	-	CA RECORDS/COLLECTIONS - SC	(102,856)	(102,856)	(114,014)	11%	(11,158)	
9032	200	CA TAX ROLL/COLLECTIONS	5,938	5,876	9,383	60%	3,507	
9032	600	CA TAX ROLL/COLLECTIONS	713	1,100	957	-13%	(143)	
9040	200	CA UNCOLLECTIBLE ACCOUNTS	13,336	7,733	8,000	3%	267	
9050	100	CA MISC EXPENSE	-	-	-	0%	-	
9050	200	CA MISC EXPENSE	-	102	-	-100%	(102)	
9050	300	CA MISC EXPENSE	-	-	-	0%	-	
9050	600	CA MISC EXPENSE	4,243	2,790	2,291	-18%	(499)	
9050	-	CA MISC EXPENSE - SC	-	-	-	0%	-	
9060	100	CA CONSERVATION AND OUTREACH	4,163	6,337	4,296	-32%	(2,041)	
9060	200	CA CONSERVATION AND OUTREACH	50,974	50,168	85,999	71%	35,831	71% Increasing to levels expected by PSC, including hydrant survey and the rebate program.
9060	600	CA - CONSERVATION AND OUTREACH	-	-	-	0%	-	
9060	-	CA CONSERVATION AND OUTREACH - SC	(27,569)	(27,569)	(42,999)	56%	(15,431)	56% Increase - The increase is related to the budgeted increase in conservation expenses in 2015.
9200	100	A&G WAGES - BUDG, PSC, A/R, A/P, PURCH	71,514	70,441	75,085	7%	4,644	
9200	200	A&G WAGES - BUDG,PSC, A/R, A/P, PURCH	212,706	199,724	194,007	-3%	(5,717)	
9200	300	A&G WAGES - BUDG, PURCH, PSC, A/R, A/P	5,257	4,094	4,139	1%	45	
9200	600	A&G WAGES - BUDG, PSC, PURCH, A/R, A/P	15,374	22,269	24,947	12%	2,678	
9200	-	A&G OH - CONTRA & SC	(154,483)	(178,157)	(131,390)	-26%	46,767	26% Decrease - The borrowing budgeted in 2015 is the reason for the variance. The increase in the interest exp contra account reduces the percentage allocated for this account.
9201	100	A&G ADMIN WAGES ASSOC W/ CONSTRUCTION	8,421	7,328	8,690	19%	1,362	
9201	200	A&G ADMIN WAGES ASSOC W/ CONSTRUCTION	12,344	8,590	5,432	-37%	(3,159)	
9201	300	A&G ADMIN WAGES ASSOC W/ CONSTRUCTION	-	742	695	-6%	(46)	
9201	600	A&G ADMIN WAGES ASSOC W/ CONSTRUCTION	15,312	6,246	6,216	0%	(30)	
9208	100	A&G WORKSHOPS & PROF MTGS LABOR	9,099	8,609	9,452	10%	844	
9208	200	A&G WORKSHOPS & PROF MTGS LABOR	5,553	3,292	8,352	154%	5,060	
9208	300	A&G WORKSHOPS & PROF MTGS LABOR	3,129	-	3,942	100%	3,942	
9208	600	A&G WORKSHOPS & PROF MTGS LABOR	16,070	14,490	18,613	28%	4,123	
9209	600	A&G ADMINISTRATIVE TRAINING	-	-	-	0%	-	
9211	300	A&G VEHICLE & EQUIP SERVICE & MAINTENANCE	111,288	95,588	105,200	10%	9,613	
9211	600	A&G VEHICLE & EQUIP SERVICE & MAINTENANCE	-	-	-	0%	-	
9212	100	A&G WORKSHOPS & MTG REGISTRATIONS	3,700	840	4,250	406%	3,410	
9212	200	A&G WORKSHOPS & MTG REGISTRATIONS	4,500	668	4,000	499%	3,333	
9212	300	A&G WORKSHOPS & MTG REGISTRATIONS	-	334	350	5%	16	
9212	600	A&G WORKSHOPS & MTG REGISTRATIONS	1,210	1,728	1,955	13%	227	
9213	100	A&G SUBSCRIPTIONS & PUBLICATIONS	465	261	550	111%	289	
9213	200	A&G SUBSCRIPTIONS & PUBLICATIONS	200	-	200	100%	200	
9213	300	A&G SUBSCRIPTIONS & PUBLICATIONS	-	-	-	0%	-	
9213	600	A&G SUBSCRIPTIONS & PUBLICATIONS	-	-	-	0%	-	
9214	300	A&G BUILDING SERVICES	58,079	59,313	64,821	9%	5,509	
9215	200	A&G COMMUNICATIONS	19,200	14,965	31,385	110%	16,420	110% Increase - The Utility will be implementing new technology in 2015.
9216	100	A&G MINOR EQUIPMENT	5,000	4,521	13,000	188%	8,479	188% Increase - Minor computer equipment will be purchased in 2015.
9216	200	A&G MINOR EQUIPMENT	4,464	477	1,150	141%	673	
9216	300	A&G MINOR EQUIPMENT	33,312	33,325	35,026	5%	1,701	
9216	600	A&G MINOR EQUIPMENT	2,290	132	-	-100%	(132)	
9217	100	A&G MEMBERSHIPS/INDUSTRY	8,590	5,436	8,600	58%	3,164	
9217	200	A&G MEMBERSHIPS/INDUSTRY	300	38	300	700%	263	
9217	300	A&G MEMBERSHIPS/INDUSTRY	1,850	578	1,900	229%	1,323	
9217	600	A&G MEMBERSHIPS/INDUSTRY	85	68	-	-100%	(68)	
9218	100	A&G MEALS, LODGING, TRAVEL	8,350	711	8,350	1074%	7,639	
9218	200	A&G MEALS, LODGING, TRAVEL	3,968	1,434	3,816	166%	2,382	
9218	300	A&G MEALS, LODGING, TRAVEL	1,430	403	1,430	255%	1,027	
9218	600	A&G MEALS, LODGING, TRAVEL	3,540	418	3,961	847%	3,542	
9219	100	A&G OFFICE SUPPLIES & PRINTING	350	188	350	87%	163	

WWU  
Detailed Budget Variance Analysis

Scope ≥ 5% \$5,000

		2014 B	2014 P	2015 B	15B/14P Δ			
					%	\$		
9219	200	A&G OFFICE SUPPLIES & PRINTING	50,282	18,411	53,260	189%	34,849	189% Increase - Bank fees for electronic credit card payments are budgeted for the whole year in 2015.
9219	300	A&G OFFICE SUPPLIES & PRINTING	-	-	-	0%	-	
9219	600	A&G OFFICE SUPPLIES & PRINTING	-	-	-	0%	-	
9230	100	A&G OUTSIDE SERVICES	21,950	12,972	24,450	88%	11,479	88% Increase - There were less labor issues (attorney) in 2014.
9230	200	A&G OUTSIDE SERVICES	54,000	42,911	25,000	-42%	(17,911)	42% Decrease - A payroll redesign project was done in 2014 and the billing efficiency study was budgeted in 2014, but did not happen.
9230	300	A&G OUTSIDE SERVICES	-	-	-	0%	-	
9230	600	A&G OUTSIDE SERVICES	-	-	-	0%	-	
9240	200	A&G PROPERTY, LIABILITY, CASUALTY INS	71,563	69,743	75,999	9%	6,256	
9250	200	A&G WORKERS COMPENSATION INSURANCE	32,000	24,426	25,184	3%	759	
9250	-	A&G BENEFITS - CONTRA & SC	(173,857)	(191,231)	(147,905)	-23%	43,326	23% Decrease - The borrowing budgeted in 2015 is the reason for the variance. The increase in the interest exp contra account reduces the percentage allocated for this account.
9251	100	A&G LOSSES, DAMAGES & FINES - NOT COVERED	6,000	-	4,000	100%	4,000	
9263	100	A&G RETIREMENT	142,467	142,446	143,525	1%	1,079	
9264	100	A&G HEALTH INSURANCE	465,779	445,609	475,054	7%	29,445	
9264	150	A&G HEALTH INSURANCE	337,183	246,264	268,723	9%	22,459	9% Increase - Insurance premiums are budgeted to increase by 2% in 2015. Premiums for retired individuals also increase as they get older.
9265	100	A&G LIFE INSURANCE	10,987	9,694	10,984	13%	1,290	
9265	150	A&G LIFE INSURANCE	3,733	3,039	2,800	-8%	(239)	
9266	100	A&G UNIFORMS	6,100	6,417	10,389	62%	3,972	
9266	300	A&G UNIFORMS	-	-	-	0%	-	
9266	600	A&G UNIFORMS	-	-	-	0%	-	
9267	100	A&G OTHER BENEFITS	5,000	5,037	5,500	9%	463	
9267	200	A&G OTHER BENEFITS	-	-	-	0%	-	
9267	300	A&G OTHER BENEFITS	-	-	-	0%	-	
9267	600	A&G OTHER BENEFITS	-	-	-	0%	-	
9269	100	A&G NON PRODUCTIVE TIME	62,648	62,648	64,115	2%	1,467	
9269	200	A&G NON PRODUCTIVE TIME	69,103	69,103	73,043	6%	3,940	
9269	300	A&G NON PRODUCTIVE TIME	147,785	147,785	161,531	9%	13,746	
9269	600	A&G NON PRODUCTIVE TIME	26,092	26,092	27,420	5%	1,328	
9269	-	A&G NON PRODUCTIVE TIME CONTRA	(305,628)	(305,628)	(326,109)	7%	(20,481)	
9271	100	A&G DENTAL INSURANCE	28,545	27,342	31,399	15%	4,057	
9271	150	A&G DENTAL INSURANCE	-	-	-	0%	-	
9272	100	A&G LONG TERM DISABILITY INSURANCE	7,430	6,732	7,684	14%	952	
9273	100	A&G SEC. 125 PLAN ADMIN - FLEX CO.	1,650	1,296	1,650	27%	354	
9275	100	A&G HRA FUND - WWU PAID	40,000	44,476	40,090	-10%	(4,386)	
9280	200	A&G REGULATORY COMMISSION	79,993	5,566	84,558	1419%	78,992	1419% Increase - There was no rate increase in 2014.
9300	100	A&G MISC GENERAL EXPENSE	3,200	5,341	5,600	5%	259	
9300	200	A&G MISC GENERAL EXPENSE	500	22	600	2569%	578	
9300	300	A&G MISC GENERAL EXPENSE	-	-	-	0%	-	
9300	600	A&G MISC GENERAL EXPENSE	3,262	2,558	1,722	-33%	(836)	
9301	100	A&G COMMISSION MEETING EXPENSE	18,222	16,031	18,835	17%	2,803	
9301	200	A&G COMMISSION MEETING EXPENSE	8,450	10,426	11,463	10%	1,037	
9308	200	A&G SALES TAX EXPENSE	2,979	2,979	3,098	4%	119	
9320	100	A&G MAINT OF GENERAL PLANT	30,203	26,464	39,351	49%	12,887	49% Increase - There will be an increase in manager labor related to IT in 2015.
9320	200	A&G MAINT OF GENERAL PLANT	49,686	39,043	49,500	27%	10,457	27% Increase - Increased Expenses relating to fees for electronic bill pay (maintenance fee) have been budgeted for the whole year in 2015.
9320	300	A&G MAINT OF GENERAL PLANT	45,001	41,744	48,379	16%	6,635	
9320	600	A&G MAINT OF GENERAL PLANT	1,000	-	1,200	100%	1,200	
9328	-	A&G TRANSFERS-BURDEN (LABOR BENEFITS) ALL	-	-	-	0%	-	
9329	-	A&G TRANSFERS-OVERHEAD ALLOCATION	-	-	-	0%	-	
			(\$3,859,771.77)	(\$2,161,610.83)	(\$3,528,289.68)			

WATER UTILITY PROJECTIONS

Input Percentage of Rate Increase Collected in Year

100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
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Projected Water Rate Adjustment	Average Change 2012-2015	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Operating Revenues</b>											
Metered Sales - Residential	6.63%	(4,808,215)	(6,010,268)	(7,512,836)	(9,391,044)	(10,799,701)	(10,799,701)	(12,419,656)	(12,419,656)	(12,792,246)	(13,176,013)
Metered Sales - Commercial	11.20%	(1,486,949)	(1,858,686)	(2,323,358)	(2,904,198)	(3,339,827)	(3,339,827)	(3,840,801)	(3,840,801)	(3,956,025)	(4,074,706)
Metered Sales - Industrial	7.18%	(874,160)	(1,092,700)	(1,365,875)	(1,707,344)	(1,963,446)	(1,963,446)	(2,257,962)	(2,257,962)	(2,325,701)	(2,395,472)
Metered Sales - Public	9.02%	(342,811)	(428,514)	(535,642)	(669,552)	(769,985)	(769,985)	(885,483)	(885,483)	(912,048)	(939,409)
Metered Sales - Multi-Family	9.79%	(1,491,934)	(1,864,918)	(2,331,147)	(2,913,934)	(3,351,024)	(3,351,024)	(3,853,678)	(3,853,678)	(3,969,288)	(4,088,367)
Total Metered Sales		<b>(9,004,069)</b>	<b>(11,255,086)</b>	<b>(14,068,858)</b>	<b>(17,586,072)</b>	<b>(20,223,983)</b>	<b>(20,223,983)</b>	<b>(23,257,581)</b>	<b>(23,257,581)</b>	<b>(23,955,308)</b>	<b>(24,673,967)</b>
Sales - Private Fire	8.02%	(179,182)	(223,978)	(279,973)	(349,966)	(402,461)	(402,461)	(462,830)	(462,830)	(476,715)	(491,016)
Sales - Public Fire	9.39%	(1,731,953)	(2,164,941)	(2,706,176)	(3,382,720)	(3,890,128)	(3,890,128)	(4,473,648)	(4,473,648)	(4,607,857)	(4,746,093)
Other Operating Revenues	2.16%	(509,652)	(637,065)	(796,331)	(995,414)	(1,144,726)	(1,144,726)	(1,316,435)	(1,316,435)	(1,355,928)	(1,396,606)
<b>Total Operating Revenue</b>		<b>(11,424,856)</b>	<b>(14,281,070)</b>	<b>(17,851,338)</b>	<b>(22,314,172)</b>	<b>(25,661,298)</b>	<b>(25,661,298)</b>	<b>(29,510,493)</b>	<b>(29,510,493)</b>	<b>(30,395,807)</b>	<b>(31,307,682)</b>
<b>Operating Expenses</b>											
Source											
Purchased Water	0.00%	-	-	-	-	-	2,375,000	4,821,250	4,965,888	5,114,864	5,268,310
Source Other	253.01%	726,558	748,355	770,805	793,929	817,747	842,280	867,548	893,574	920,382	947,993
Source Total		726,558	748,355	770,805	793,929	817,747	3,217,280	5,688,798	5,859,462	6,035,246	6,216,303
Pumping											
Pumping Power	-0.62%	932,534	926,784	921,069	915,390	909,745	463,769	460,910	458,068	455,243	452,436
Pumping Equipment Maintenance	0.63%	88,729	91,391	94,132	96,956	99,865	102,861	105,947	109,125	112,399	115,771
Pumping Other	-5.49%	139,185	143,361	147,662	152,092	156,654	161,354	166,195	171,180	176,316	181,605
Pumping Total		1,160,448	1,161,536	1,162,863	1,164,438	1,166,265	727,984	733,051	738,373	743,958	749,812
Treatment											
Treatment Chemicals	6.27%	186,000	197,654	210,039	223,200	237,185	240,956	256,054	272,098	289,147	307,265
Treatment Radium Testing/Analyzing	16.09%	110,141	113,445	116,849	120,354	123,965	371	382	393	405	417
Treatment Labor, Materials & Expenses	0.61%	98,482	101,437	104,480	107,614	110,843	114,168	117,593	121,121	124,755	128,497
Treatment Other	0.81%	55,896	57,573	59,301	61,080	62,912	64,799	66,743	68,746	70,808	72,932
Treatment Total		450,520	470,110	490,669	512,248	534,905	420,294	440,772	462,358	485,115	509,112
Distribution											
T&D Ops Labor, Materials & Lines Expense	27.31%	173,289	178,488	183,842	189,358	195,038	200,890	206,916	213,124	219,518	226,103
T&D Maintenance of Mains	8.99%	291,285	300,023	309,024	318,294	327,843	337,679	347,809	358,243	368,991	380,060
T&D Maintenance of Street Services	0.07%	40,173	41,378	42,619	43,898	45,215	46,571	47,968	49,407	50,889	52,416
T&D Maintenance of Property Services	12.83%	119,564	123,151	126,846	130,651	134,571	138,608	142,766	147,049	151,461	156,004
T&D Maintenance of Meters	-69.66%	(2,500)	(2,572)	(2,652)	(2,738)	(2,814)	(2,898)	(2,985)	(3,075)	(3,167)	(3,262)
T&D Maintenance of Hydrants	-12.82%	79,516	81,902	84,359	86,890	89,496	92,181	94,947	97,795	100,729	103,751
T&D Other	5.24%	527,753	543,586	559,893	576,690	593,991	611,810	630,288	649,336	668,954	689,142
Total Distribution		1,229,080	1,265,952	1,303,931	1,343,049	1,383,340	1,424,840	1,468,918	1,514,616	1,562,835	1,613,606
Customer Service											
CA Records/Collections	18.14%	103,674	106,784	109,988	113,287	116,686	120,186	123,792	127,506	131,331	135,271
CA Conservation and Outreach	27.93%	47,295	48,714	50,176	51,681	53,231	54,828	56,473	58,167	59,912	61,710
CA Other	-10.67%	42,138	43,403	44,705	46,046	47,427	48,850	50,315	51,825	53,380	54,981
Total Customer Service		193,108	199,901	204,868	211,014	217,344	223,865	230,581	237,498	244,623	251,962
Administration											
A&G Wages	0.60%	359,568	370,355	381,466	392,910	404,697	416,838	429,343	442,224	455,490	469,155
A&G Vehicle & Equipment Service & Maintenance	7.14%	105,200	108,356	111,607	114,955	118,404	121,956	125,615	129,383	133,265	137,263
A&G Building Services	1.63%	64,821	66,766	68,769	70,832	72,957	75,146	77,400	79,722	82,114	84,577
A&G Outside Services	-32.41%	49,450	50,934	52,462	54,035	55,656	57,326	59,046	60,817	62,642	64,521
A&G Retirement	-12.72%	143,525	147,831	152,266	156,834	161,539	166,385	171,376	176,518	181,813	187,268
A&G Health Insurance	4.08%	743,777	788,403	835,707	885,850	939,001	995,341	1,055,061	1,118,365	1,185,467	1,256,595
A&G Maintenance of General Plant	6.90%	138,431	142,584	146,861	151,267	155,805	160,480	165,294	170,253	175,360	180,621
A&G Other	-263.56%	236,093	243,175	250,471	257,985	265,724	273,696	281,907	290,364	299,075	308,047
Total Administrative		1,840,865	1,918,405	1,999,609	2,084,668	2,173,784	2,267,167	2,365,043	2,467,646	2,575,226	2,688,047
<b>Total</b>		<b>5,600,579</b>	<b>5,763,258</b>	<b>5,932,745</b>	<b>6,109,346</b>	<b>6,293,385</b>	<b>6,484,431</b>	<b>6,682,163</b>	<b>6,886,616</b>	<b>7,097,953</b>	<b>7,315,855</b>
Manager's Margin		(5,824,277)	(8,517,812)	(11,918,593)	(16,204,826)	(19,367,913)	(22,379,867)	(25,362,329)	(28,320,540)	(31,264,805)	(34,207,827)
Existing Depreciation	5.90%	1,701,788	1,616,699	1,535,864	1,459,071	1,386,117	1,316,811	1,250,971	1,188,422	1,129,001	1,072,551
New Depreciation	0.00%	-	-	-	-	-	-	-	-	-	-
Property Tax Equivalent	10.29%	1,776,510	1,847,570	1,917,409	1,994,105	2,073,869	2,156,824	2,243,097	2,332,821	2,426,134	2,523,179
Other Taxes	2.23%	155,983	170,604	185,663	201,174	217,150	225,836	234,869	244,264	254,034	264,196
Other Operating Expenses	-15.70%	(48,066)	(49,508)	(50,993)	(52,523)	(54,099)	(55,722)	(57,393)	(59,115)	(60,889)	(62,715)
<b>Total Operating Expenses</b>		<b>9,186,795</b>	<b>9,524,995</b>	<b>10,043,203</b>	<b>10,809,325</b>	<b>11,741,065</b>	<b>12,746,867</b>	<b>13,900,330</b>	<b>15,230,283</b>	<b>16,651,621</b>	<b>18,182,813</b>
<b>Operating (Income) Loss</b>		<b>(2,238,062)</b>	<b>(4,756,075)</b>	<b>(7,808,134)</b>	<b>(11,504,847)</b>	<b>(13,920,233)</b>	<b>(16,262,436)</b>	<b>(18,618,167)</b>	<b>(21,013,867)</b>	<b>(23,467,854)</b>	<b>(26,031,958)</b>
<b>Non Operating (Revenues) Expenses</b>											
Interest Income	30.71%	(30,356)	(95,909)	(96,836)	(128,616)	(141,059)	(149,425)	(128,731)	(110,347)	(89,916)	(73,839)
State and Federal Funds		-	-	-	-	-	-	-	-	-	-
Revenue From Contributions	73.25%	(2,705,463)	(449,210)	(462,686)	(476,567)	(490,864)	(490,864)	(490,864)	(490,864)	(490,864)	(490,864)
Miscellaneous Amortization	0.00%	(191,106)	(191,106)	(191,106)	(191,106)	(191,106)	(191,106)	(191,106)	(191,106)	(191,106)	(191,106)
Depreciation on Contributed Plant	-0.24%	719,789	718,069	716,353	714,640	712,932	711,228	709,528	707,832	706,140	704,453
Interest Expense Debt	5.88%	504,229	656,332	1,445,778	3,192,393	5,315,936	7,321,904	7,209,751	7,008,032	6,798,525	6,602,311
Amortization Expense	98.77%	46,743	1	1	1	1	1	1	1	1	1
Other Non-Operating	16.61%	365,935	365,935	365,935	365,935	365,935	365,935	365,935	365,935	365,935	365,935
<b>Total Non Operating Revenues (Expenses)</b>		<b>(1,290,228)</b>	<b>1,004,112</b>	<b>1,777,439</b>	<b>3,476,681</b>	<b>5,571,776</b>	<b>7,567,674</b>	<b>7,474,514</b>	<b>7,289,484</b>	<b>7,098,716</b>	<b>6,916,891</b>
<b>Change in Net Assets</b>		<b>(3,528,290)</b>	<b>(3,751,963)</b>	<b>(6,030,696)</b>	<b>(8,028,167)</b>	<b>(8,348,457)</b>	<b>(3,630,757)</b>	<b>(4,584,446)</b>	<b>(4,279,806)</b>	<b>(4,872,362)</b>	<b>(5,461,691)</b>
<b>Beginning Cash &amp; Investments</b>		<b>17,955,518</b>	<b>19,181,838</b>	<b>19,367,216</b>	<b>25,723,294</b>	<b>28,211,747</b>	<b>29,884,912</b>	<b>25,746,285</b>	<b>22,069,391</b>	<b>17,983,104</b>	<b>14,767,835</b>
Change in Net Assets		3,528,290	3,751,963	6,030,696	8,028,167	8,348,457	3,630,757	4,584,446	4,279,806	4,872,362	5,461,691
Depreciation		2,421,577	2,511,140	2,774,733	3,271,864	3,923,692	4,565,726	4,592,325	4,625,113	4,634,588	4,647,038
Current Year Property Tax Equivalent		1,776,510	1,847,570	1,917,409	1,994,105	2,073,869	2,156,824	2,243,097	2,332,821	2,426,134	2,523,179
Previous Year Property Tax Equivalent		(1,790,232)	(1,776,510)	(1,847,570)	(1,917,409)	(1,994,105)	(2,073,869)	(2,156,824)	(2,243,097)	(2,332,821)	(2,426,134)
Current Year State and Federal Grants		-	-	-	-	-	-	-	-	-	-
Previous Year State and Federal Grants		-	-	-	-	-	-	-	-	-	-
Revenue From Contributions		(2,705,463)	(449,210)	(462,686)	(476,567)	(490,864)	(490,864)	(490,864)	(490,864)	(490,864)	(490,864)
Miscellaneous Amortization		(191,106)	(191,106)	(191,106)	(191,106)	(191,106)	(191,106)	(191,106)	(191,106)	(191,106)	(191,106)
Amortization		46,743	1	1	1	1	1	1	1	1	1
Acquisition and Construction of Assets		(13,480,572)	(28,662,531)	(48,305,070)	(61,217,836)	(59,779,344)	(9,491,006)	(6,062,239)	(6,000,000)	(6,000,000)	(6,000,000)
Capitalized OH		-	-	-	-	-	-	-	-	-	-
Proceeds from New Debt		12,280,572	28,662,531	48,305,070	56,200,000	54,310,000	3,611,002	-	-	-	-
Payments on Debt		(660,000)	(5,508,470)	(1,865,398)	(3,202,766)	(4,527,436)	(5,856,093)	(6,195,730)	(6,398,961)	(6,133,563)	(6,329,776)
<b>Ending Cash Balance</b>		<b>19,181,838</b>	<b>19,367,216</b>	<b>25,723,294</b>	<b>28,211,747</b>	<b>29,884,912</b>	<b>25,746,285</b>	<b>22,069,391</b>	<b>17,983,104</b>	<b>14,767,835</b>	<b>11,961,866</b> </