

**UTILITY ADVISORY BOARD MEETING**  
**March 09, 2015**  
**CITY COUNCIL CONFERENCE ROOM**  
**5:30 P.M.**

**MEMBERS PRESENT**

Daniel Peterson  
Shawn Libby  
Tom Willis  
Arthur Hoffman

**OTHERS PRESENT**

Blaine Cox, Deputy City Manager  
Mark Sullivan, Sr. Accountant  
David Hynes, Appellant

**MEMBERS ABSENT**

None

**MINUTES**

**1. Call to Order.**

Daniel Peterson called the meeting to order at 5:30 P.M. All Board members were present.

**2. Acceptance of January 26, 2015 Minutes**

Shawn Libby **MOVED** to accept the January 26, 2015 minutes as written. Tom Willis provided a second to the motion which was **ADOPTED** on a unanimous voice vote.

**3. Old Business**

**4. Appeals**

**4.1 Hynes Appeal**

Mr. Hynes was present and explained the basis of his request for abatement. The appellant seeks an abatement because of a water heater that malfunctioned and flooded the basement.

Deputy City Manager Cox's recommendation is to abate 53 units of sewer fees valued at \$330.72.

The above recommendation is based upon the following findings:

1. A water heater malfunctioned causing a leak of water. The leaked usage did not enter the sewer system. Proof of the repair was provided.
2. The leaked usage was estimated as follows:

a. Usage on current invoice	80 units
b. Average usage of previous 4 quarters	<u>-27 units</u>
c. Estimated leaked usage	53 units

Value of 53 units of sewer: 53 units x \$6.24/unit=\$330.72.

Arthur Hoffman **MOVED** to abate 53 units of sewer fees valued at \$330.72. Tom Willis provided a second to the motion which was **ADOPTED** on a unanimous voice vote.

## 5. Water and Sewer Rates

Senior Accountant Sullivan presented a series of Power Point slides (copies attached) pertaining to a cash flow analysis of both the water and sewer funds as well as varied rate analysis for each fund.

The Board kept this item in committee for further discussion at the April meeting.

## 6. Financials

There was no discussion on the Monthly Financial Statements.

## 7. Abatement Form

Deputy City Manager Cox informed the Board of staff work to update the abatement request form.

## 8. Other

Mr. Cox informed the Board of Mayor Jean's planned attendance at the April meeting of the Board.

The Board discussed the old business item of Elderly Exemption rates for water and sewer customers. Daniel Peterson **MOVED** to send a request to reconsider to the Council Finance Committee with regard to granting the reduced elderly rates to residents of mobile home parks on private water meters. Shawn Libby provided a second to the motion which was **ADOPTED** by a voice vote of 3 yes and 1 abstain (Hoffman).

## 9. Adjournment

Tom Willis **MOVED** to adjourn the meeting. Arthur Hoffman provided a second to the motion which was **ADOPTED** on a unanimous voice vote.

The meeting adjourned at 6:29 P.M.

Respectfully,

Blaine M. Cox  
Deputy City Manager

BMC: sam

# **Water Fund**

## **FY14 Statistical Results**

**Overall Water Consumption  
Decreased 4.58% to  
722,432 billable units**

**Residential Consumption  
Decreased 2.2%**

**Commercial Consumption  
Decreased 10%**

**Total Consumption FY11 to FY14  
Decreased 7.88 %**

# **Water Fund**

## **FY14 Statistical Results**

### **Shut Offs for Non Payment**

**Increased 33 %**

**368 Shut Off Events**

**45% Remain Shut Off Longer than 1 Day**

**57 Accounts had Multiple Shut Offs Events**

### **Customer Requested Shut-Offs**

**Essentially Even at 162 Events**

**Primarily related to RE Transactions**

**& Winter Vacationing**

**64% Remain Off for Extended Periods**

**Total Shut Offs- 530 Events**

# **Water Fund**

## **FY14 Statistical Results**

### **New Service Connections**

**FY11- 46**

**FY12- 25**

**FY13- 32**

**FY14- 20**

# **Water Fund** **FY14 Financial Results**

## **User Fee Revenues**

**Decreased 3%**

**\$3,363,957**

## **Operating Expenses**

**Increased 7%**

**\$1,978,227**

**(Excludes Debt & Depreciation)**

**Cash Funded Capital Expenses \$125,000**

## **Debt Service P&I**

**\$1,491,458- essentially even**

# **Water Fund**

## **FY14 Financial Results**

**O&M- Income Before Depreciation**

**\$1,036,262**

**Principal Debt**  
**(\$975,581)**

**\$60,681-O&M Surplus**

# Water Fund FY14 Revenue & Expense Results

	FY14 Audited	FY14 Audited-Bridge	
<b>OPERATING REVENUES</b>			
User Fees	\$3,363,779	\$3,363,957	
Other Service Charges	<b>\$0</b>	<b>\$91,883</b>	* Auditors reduced revenues to account for potential User Fee defaults.
Miscellaneous	\$72,419	\$72,419	
<b>Total Operating Revenues</b>	<b>\$3,436,198</b>	<b>\$3,528,259</b>	
<b>OPERATING EXPENSES</b>			
Personal Services	\$1,217,801	\$1,217,801	
Materials & Supplies	\$251,126	\$251,126	
Utilities	\$156,441	\$156,441	
Micellaneous	\$352,859	\$352,859	
<b>Total Operating Expenses (Less Depreciation)</b>	<b>\$1,978,227</b>	<b>\$1,978,227</b>	
<b>Depreciation</b>	\$1,164,750	\$1,164,750	
<b>OPERATING INCOME</b>	<b>\$293,221</b>	<b>\$385,282</b>	
<b>Non Operating Expenses, (Revenues)</b>			
Intergovernmental Revenues	<b>(389,407)</b>	<b>0</b>	* Auditors included Contributed Capital In this section.
Interest Revenue	(\$2,500)	(\$2,500)	
Interest Expense	\$516,270	\$516,270	
<b>Net non-Operating Expenses (Revenues)</b>	<b>124,363</b>	<b>\$513,770</b>	
<b>Income (Loss)</b>	<b>\$168,858</b>	<b>(\$128,488)</b>	
<b>Income Before Depreciation &amp; Principal Payment</b>	<b>\$1,333,608</b>	<b>\$1,036,262</b>	
<b>Principal Payment</b>	<b>(\$1,231,260)</b>	<b>(\$975,582)</b>	
<b>FY14 Net Position</b>	<b>\$102,348</b>	<b>\$60,681</b>	
*Above is based on Accrual Accounting			

\*Contributed Capital related to new Assets from the GSBP project. DWSRF Principal Forgiveness is principal we do not have to pay

## Water Fund FY14-Cash Flows

Cash Flows	FY14 Audited	FY14 Audited-Bridge	
Cash Received	\$3,634,622	\$3,634,622	
Cash Paid to Supplier & Employees	(\$1,965,699)	(\$1,965,699)	
Noncapital Financing	(\$1,935)	(\$1,935)	
Principal Payments	(\$1,231,260)	(\$975,582)	*Audit Adjustment included Principal Debt Forgiveness
Interest Payments	(\$516,270)	(\$516,270)	
Cash from Investments	\$2,500	\$250	
Other Contributions	\$114,127	\$0	*Non Cash Audit Adjustment-Related to Net Cash Capital Adjustment
<b>Net Cash Flow</b>	<b>\$36,085</b>	<b>175,386.0</b>	
<b>Balance Sheet Cash Flows</b>			
Capital Purchases	(\$1,944,100)	(1,944,100.0)	
Proceeds from Long Term Debt-Other Revenue	\$359,779	\$0	*Audit Adjustment included Contributed Capital &
<b>Net Cash (Used)</b>	<b>(\$1,584,321)</b>	<b>(1,944,100.0)</b>	Principal Debt Forgiveness
<b>Net Increase (Decrease) in Cash &amp; Equivalents</b>	<b>(\$1,548,236)</b>	<b>(\$1,768,714)</b>	
		<b>(\$220,478)</b>	

# Water Fund Working Capital

CITY OF ROCHESTER, NEW HAMPSHIRE								
Working Capital Analysis - Water Fund								
	Fiscal Year Ending							
	2014	2013	2012	2011	2010	2009	2008	2007
<b>Current Assets:</b>								
Accounts receivable	\$ 850,651	\$ 1,049,075	\$ 1,071,649	\$ 968,845	\$ 1,064,724	\$ 998,144	\$ 937,330	\$ 904,314
Due from other governments	53,401	2,196	15,076	101,097	1,074,529	80	620,372	4,237
Due from other funds				549,991	622,112	4,493	677	7,000
Deferred debt financing expense	-	4,689	3,200	3,067	4,110	5,392	5,392	
Prepaid expenses	-	314	351	384	359	11,597	16,497	14,062
Inventory	389,984	321,831	276,733	247,190	265,134	248,539	231,381	242,083
<b>Total Current Assets</b>	<b>\$ 1,294,036</b>	<b>\$ 1,378,105</b>	<b>\$ 1,367,009</b>	<b>\$ 1,870,574</b>	<b>\$ 3,030,968</b>	<b>\$ 1,268,245</b>	<b>\$ 1,811,649</b>	<b>\$ 1,171,696</b>
<b>Current Liabilities:</b>								
Accounts payable	\$ 70,070	\$ 175,210	\$ 81,654	\$ 413,918	\$ 692,309	\$ 109,049	\$ 204,060	\$ 211,191
Accrued expenses	274,521	291,861	258,416	229,395	240,632	234,495	247,671	169,509
Retainage payable	49,018	61,920	79,878	105,641	141,730	82,495	125,280	159,081
Deposits payable	-							25,000
Notes payable	176,239				14,235			
Due to other governments	-				14,235			
Current portion of bonds payable	1,024,924	976,861	910,450	824,694	836,614	620,325	618,363	422,827
<b>Total Current Liabilities</b>	<b>\$ 1,594,772</b>	<b>\$ 1,505,852</b>	<b>\$ 1,330,398</b>	<b>\$ 1,573,648</b>	<b>\$ 1,939,755</b>	<b>\$ 1,046,364</b>	<b>\$ 1,195,374</b>	<b>\$ 987,608</b>
<b>Working Capital Balance (Deficit) from Operations</b>	<b>(300,736)</b>	<b>(127,747)</b>	<b>36,611</b>	<b>296,926</b>	<b>1,091,213</b>	<b>221,881</b>	<b>616,275</b>	<b>184,088</b>
<b>Liquidity Ratio</b>	<b>0.81</b>	<b>0.92</b>	<b>1.03</b>	<b>1.19</b>	<b>1.56</b>	<b>1.21</b>	<b>1.52</b>	<b>1.19</b>
Due to other funds	2,096,957	855,648	301,372	38,533	19,227	1,995,109	191,445	4,067,581
<b>Net Working Capital Balance (Deficit)</b>	<b>\$(2,397,693)</b>	<b>\$(983,395)</b>	<b>\$ 36,611</b>	<b>\$ 296,926</b>	<b>\$ 1,091,213</b>	<b>\$ 221,881</b>	<b>\$ 616,275</b>	<b>\$ 184,088</b>
<b>Net Liquidity Ratio</b>	<b>0.35</b>	<b>0.58</b>	<b>0.84</b>	<b>1.16</b>	<b>1.55</b>	<b>0.42</b>	<b>1.31</b>	<b>0.23</b>
<b>Cash and Equivalents Analysis:</b>								
Due from other funds	\$ -	\$ -	\$ -	\$ 549,991	\$ 622,112	\$ 4,493	\$ 677	\$ 7,000
Due to other funds	2,096,957	855,648	301,372	38,533	19,227	1,995,109	191,445	4,067,581
<b>Net Cash and Equivalents Position (Deficit)</b>	<b>\$(2,096,957)</b>	<b>\$(855,648)</b>	<b>\$(301,372)</b>	<b>\$ 511,458</b>	<b>\$ 602,885</b>	<b>\$ (1,990,616)</b>	<b>\$ (190,768)</b>	<b>\$(4,060,581)</b>

# WATER FUND-USER RATE FORECAST FY16-FY18

WATER FUND	FY15	FY16	FY17	FY18
New Connections	20	20	38	39
Consumption Growth %	0.00%	0.50%	0.50%	0.50%
<b>TOTAL REVENUE UNITS</b>	<b>722,227</b>	<b>725,838</b>	<b>729,468</b>	<b>733,115</b>
<i>(1) Unit = 748 gallons</i>				
<b>OPERATING REVENUES</b>				
User Fees	\$3,372,802	\$3,810,652	\$4,267,386	\$4,486,664
Other Service Charges	\$171,069	\$178,130	\$185,500	\$193,193
<b>TOTAL OPERATING REVENUES</b>	<b>\$3,543,870</b>	<b>\$3,988,782</b>	<b>\$4,452,886</b>	<b>\$4,679,856</b>
<b>OPERATING EXPENSES (Less Depreciation)</b>	<b>\$2,017,792</b>	<b>\$2,058,147</b>	<b>\$2,099,310</b>	<b>\$2,141,297</b>
<b>WATER CURRENT 20 YEAR DEBT SERVICE</b>	<b>\$1,460,148</b>	<b>\$1,360,670</b>	<b>\$1,333,652</b>	<b>\$1,299,617</b>
<b>ADDITIONAL DEBT SERVICE</b>				
Authorized & Unissued Debt	\$4,993,260	\$5,800,000	\$3,000,000	\$3,000,000
Added Principal & Interest Payments	\$0	\$515,604	\$493,000	\$255,000
Prior Year Authorized & Unissued P&I Payments	\$0	\$0	\$506,106	\$979,457
<b>Additional Principal &amp; Interest Payments</b>	<b>\$0</b>	<b>\$515,604</b>	<b>\$999,106</b>	<b>\$1,234,457</b>
<b>ALL OPERATIONAL EXPENSES</b>	<b>\$3,477,940</b>	<b>\$3,934,422</b>	<b>\$4,432,068</b>	<b>\$4,675,371</b>
<b>PROJECTED USER RATES</b>	<b>\$4.67</b>	<b>\$5.25</b>	<b>\$5.85</b>	<b>\$6.12</b>
<b>RATE INCREASE PERCENTAGE</b>	<b>0.0%</b>	<b>12.4%</b>	<b>11.4%</b>	<b>4.6%</b>
<b>PROJECTED SURPLUS (DEFICIT)</b>	<b>\$65,931</b>	<b>\$54,360</b>	<b>\$20,818</b>	<b>\$4,485</b>

## WATER FUND-USER RATE FORECAST FY16-FY17

USER RATE SCALE	FY16	FY17
RATE-BEST CASE- Expenses-5%	\$4.67	\$4.67
Estimated Surplus (Deficit)	(\$263,718)	(\$734,989)
RATE LEVEL INCREASE 1.5% & Expenses -5%	\$4.74	\$4.81
Estimated Surplus (Deficit)	(\$212,874)	(\$632,024)
RATE- PROJECTION	\$5.25	\$5.85
Estimated Surplus (Deficit)	\$54,360	\$20,818
RATE-CONSERVATIVE-Expenses +5%	\$5.56	\$6.22
Estimated Surplus (Deficit)	\$178,130	\$185,500

# **Sewer Fund**

## **FY14 Statistical Results**

**Overall Billable Sewer Discharge Units  
Decreased 3.09% to  
\*715,459 billable units**

**\* 166,000 units is High Volume User  
Down 11%**

**Residential Discharges  
Increase .05%**

**Commercial Discharge  
Decreased 2.54%**

# **Sewer Fund**

## **FY14 Statistical Results**

### **New Service Connections**

FY14-36

FY13-30

FY12-22

FY11-40

### **New Sewer Deduct Meters**

FY14-14

FY13-17

FY12-20

FY11-26

# **Sewer Fund**

## **FY14 Financial Results**

### **User Fee Revenues**

**Decreased 6.43%**

**\$4,430,500**

### **Septic Disposal Permit Revenue**

**Decreased 10%**

**\$117,926**

### **Operating Expenses**

**Increased 6%**

**\$2,166,514**

**(Excludes Debt & Depreciation)**

**Sewer Fund**  
**FY14 Financial Results**

**O&M- Income Before Depreciation**

**\$2,012,550**

**Principal Debt**

**(\$1,730,949)**

**\$281,601-O&M Surplus**

## Sewer FY14 Revenue & Expense Results

	FY14 Audited	FY14 Audited-Bridge	
<b>OPERATING REVENUES</b>			
User Fees	\$4,285,141	\$4,430,500	* Auditors reduced revenues to account for potential User Fee defaults.
Other Service Charges	\$0	\$117,926	
Miscellaneous	\$373,018	\$214,724	
<b>Total Operating Revenues</b>	<b>\$4,658,159</b>	<b>\$4,763,150</b>	
<b>OPERATING EXPENSES</b>			
Personal Services	\$1,216,386	\$1,216,386	
Materials & Supplies	\$259,329	\$259,329	
Utilities	\$321,756	\$321,756	
Miscellaneous	\$369,043	\$369,043	
<b>Total Operating Expenses (Less Depreciation)</b>	<b>\$2,166,514</b>	<b>\$2,166,514</b>	
Depreciation	\$1,163,258	\$1,163,258	
<b>OPERATING INCOME</b>	<b>\$1,328,387</b>	<b>\$1,433,378</b>	
<b>Non Operating Expenses, (Revenues)</b>			
<i>Intergovernmental Revenue</i>	<i>(1,925,194)</i>	<i>0</i>	* Auditors included Contributed Capital from GSBP & SRF Principal Debt Forgiveness
Interest Revenue	(\$2,500)	(\$2,500)	
Interest Expense	\$586,586	\$586,586	
<b>Net non-Operating Expenses (Revenues)</b>	<b>(1,341,108)</b>	<b>\$584,086</b>	
<b>Income (Loss)</b>	<b>\$2,669,495</b>	<b>\$849,292</b>	
<b>Income Before Depreciation &amp; Principal Payment</b>	<b>\$3,832,753</b>	<b>\$2,012,550</b>	
Principal Payment	(\$2,129,412)	(\$1,730,949)	* Audit Adjustment included Principal Debt Foregiveness
<b>FY14 Net Position</b>	<b>\$1,703,341</b>	<b>\$281,601</b>	
* Above based on accrual accounting			

## Sewer FY14 Revenue & Expense Results

	FY14 Audited	FY14 Audited-Bridge	
<b>Cash Flows</b>			
Cash Received	\$5,183,789	\$5,183,789	
Cash Paid to Supplier & Employees	(\$2,037,955)	(\$2,037,955)	
Noncapital Financing	(\$1,935)	(\$1,935)	
Principal Payments	(\$2,129,412)	<b>(\$1,703,949)</b>	* Audit Adjustment included Principal Debt Forgiveness
Interest Payments	(\$586,586)	(\$586,586)	
Cash from Investments	\$2,500	\$2,500	
<b>Other Capital Contributions &amp; State Aid Grants</b>	<b>(\$18,783)</b>	<b>\$460,839</b>	* Auditors Excluded the SRF Cash Payments received from SRF Principal & Interest Forgiveness
<b>Net Cash Flow</b>	<b>\$411,618</b>	<b>\$1,316,703</b>	
<b>Balance Sheet Cash Flows</b>			
Capital Purchases	(\$1,877,011)	(\$1,877,011)	
<b>Proceeds from Long Term Debt-Other Revenue</b>	<b>\$843,633</b>	<b>\$0</b>	Auditors included SRF Principal Cash Only, plus portion on Contributed Capital and Bond Premium
<b>Net Cash (Used)</b>	<b>(\$1,033,378)</b>	<b>(\$1,877,011)</b>	
<b>Net Increase (Decrease) in Cash &amp; Equivalent</b>	<b>(\$621,760)</b>	<b>(\$560,308)</b>	

# Sewer Fund Working Capital

CITY OF ROCHESTER, NEW HAMPSHIRE

## Working Capital Analysis - Sewer Fund

	Fiscal Year Ending							
	2014	2013	2012	2011	2010	2009	2008	2007
<b>Current Assets:</b>								
Accounts receivable	\$ 1,046,950	\$ 1,634,302	\$ 1,682,551	\$ 1,642,851	\$ 1,766,532	\$ 1,645,527	\$ 1,592,872	\$ 1,073,562
Due from other governments	358,891	294,278	326,257	951,300	1,303,873	1,522,668	4,383,402	4,366,674
Due from other funds	1,782,378	2,663,685	3,178,744	2,439,382	1,066,957		4,278,937	7,114
Deferred debt financing expense	-	10,458	3,256	3,667	4,915	6,448	6,448	
Inventory	<u>42,392</u>	<u>31,621</u>						
<b>Total Current Assets</b>	<u>\$ 3,230,611</u>	<u>\$ 4,634,344</u>	<u>\$ 5,190,808</u>	<u>\$ 5,037,200</u>	<u>\$ 4,142,277</u>	<u>\$ 3,174,643</u>	<u>\$ 10,261,659</u>	<u>\$ 5,447,350</u>
<b>Current Liabilities:</b>								
Accounts payable	\$ 105,325	\$ 201,751	\$ 134,018	\$ 368,086	\$ 161,335	\$ 109,203	\$ 255,539	\$ 222,946
Accrued expenses	282,105	304,322	564,025	605,538	664,706	677,277	630,858	660,862
Retainage payable	41,578	66,866	19,595	17,646	54,091	50,338	133,988	181,755
Deferred revenue	331,834	355,482	379,182	402,880	426,579	436,752	466,033	
Notes payable	9,830				5,231			
Other liabilities	48,083				5,231			
Due to other governments	-				5,231			
Due to other funds	-					250,870	3,681,239	751,948
Current portion of bonds payable	<u>1,685,030</u>	<u>1,773,780</u>	<u>1,554,765</u>	<u>1,554,332</u>	<u>1,574,510</u>	<u>1,538,380</u>	<u>1,730,924</u>	<u>1,620,408</u>
<b>Total Current Liabilities</b>	<u>\$ 2,503,785</u>	<u>\$ 2,702,201</u>	<u>\$ 2,651,585</u>	<u>\$ 2,948,482</u>	<u>\$ 2,896,914</u>	<u>\$ 3,062,820</u>	<u>\$ 6,898,581</u>	<u>\$ 3,437,919</u>
<b>Working Capital Analysis:</b>								
Working Capital Balance (Deficit)	<u>\$ 726,826</u>	<u>\$ 1,932,143</u>	<u>\$ 2,539,223</u>	<u>\$ 2,088,718</u>	<u>\$ 1,245,363</u>	<u>\$ 111,823</u>	<u>\$ 3,363,078</u>	<u>\$ 2,009,431</u>
<b>Liquidity Ratio</b>	1.29	1.72	1.96	1.71	1.43	1.04	1.49	1.58
<b>Cash and Equivalents Analysis:</b>								
Due from other funds	\$ 1,782,378	\$ 2,663,685	\$ 3,178,744	\$ 2,439,382	\$ 1,066,957	\$ -	\$ 4,278,937	\$ 7,114
Due to other funds	-	-	-	-	-	250,870	3,681,239	751,948
<b>Net Cash and Equivalents Position (Deficit)</b>	<u>\$ 1,782,378</u>	<u>\$ 2,663,685</u>	<u>\$ 3,178,744</u>	<u>\$ 2,439,382</u>	<u>\$ 1,066,957</u>	<u>\$ (250,870)</u>	<u>\$ 597,698</u>	<u>\$ (744,834)</u>

## SEWER FUND-USER RATE FORECAST FY16-FY18

### Excludes WWTP Upgrade Costs

SEWER FUND	FY15	FY16	FY17	FY18
Regular Units	563,850	566,669	572,336	575,198
High Volume	160,000	160,000	160,000	160,000
<b>Total Units</b>	<b>723,850</b>	<b>726,669</b>	<b>732,336</b>	<b>735,198</b>
	-2.64%	0.39%	0.78%	0.39%
<b>OPERATING REVENUES</b>				
User Fees	\$4,457,824	\$4,591,683	\$4,745,124	\$4,940,344
Other Service Charges	\$117,000	\$119,340	\$121,727	\$124,161
Miscellaneous	\$100,000	\$102,000	\$104,040	\$106,121
<b>Total Operating Revenues</b>	<b>\$4,674,824</b>	<b>\$4,813,023</b>	<b>\$4,970,891</b>	<b>\$5,170,626</b>
<b>OPERATING EXPENSES</b>	<b>\$2,177,705</b>	<b>\$2,221,260</b>	<b>\$2,265,685</b>	<b>\$2,310,998</b>
	2.50%	2.00%	2.00%	2.00%
<b>SEWER CURRENT 20 YEAR DEBT SERVICE</b>	<b>\$2,123,392</b>	<b>\$2,075,441</b>	<b>\$2,013,584</b>	<b>\$1,928,880</b>
<b>ADDITIONAL DEBT SERVICE</b>				
Authorized & Unissued Debt	\$3,093,807	\$3,000,000	\$3,000,000	\$3,000,000
Added Principal & Interest Payments	\$0	\$440,801	\$255,000	\$255,000
Prior Year Authorized & Unissued P&I Payments	\$0	\$0	\$440,801	\$695,801
<b>Additional Principal &amp; Interest Payments</b>	<b>\$0</b>	<b>\$440,801</b>	<b>\$695,801</b>	<b>\$950,801</b>
<b>ALL OPERATIONAL EXPENSES</b>	<b>\$4,301,098</b>	<b>\$4,737,502</b>	<b>\$4,975,069</b>	<b>\$5,190,679</b>
Regular Rate	\$6.24	\$6.40	\$6.52	\$7.06
High Volume Rate	\$5.62	\$5.78	\$5.90	\$6.44
<b>PERCENTAGE INCREASE</b>	<b>0.00%</b>	<b>2.56%</b>	<b>1.87%</b>	<b>8.29%</b>
<b>PROJECTED SURPLUS (DEFICIT)</b>	<b>\$373,726</b>	<b>\$75,522</b>	<b>(\$4,179)</b>	<b>(\$20,053)</b>

## SEWER FUND-USER RATE FORECAST FY16-FY17

USER RATE SCALE	RATES	FY16	FY17
RATE-BEST CASE- Expenses-5%	User	\$6.24	\$6.24
	High Vol	\$5.62	\$5.62
Estimated Surplus (Deficit)		\$30,118	(\$138,264)
RATE LEVEL INCREASE 1.5% & Expenses -5%	User	\$6.33	\$6.43
	High Vol	\$5.70	\$5.79
Estimated Surplus (Deficit)		\$94,606	(\$29,520)
RATE- PROJECTION	User	\$6.40	\$6.52
	High Vol	\$5.78	\$5.90
RATE-CONSERVATIVE-Expenses +5%	User	\$6.85	\$7.13
	High Vol	\$6.23	\$6.51

## Due to General Fund & Due From General Fund

- **Due To General Fund**-Means the Fund required more cash than it contributed. This is usually due to Capital Outlays in advance of actual Bond cycles.
- **Due From General Fund**-Means the Fund contributed more cash than it used. This due to strong O&M operations and Cash received from actual Bond cycles.
- A **Due From General Fund Balance** is essentially the cash strength of the fund.

## FY14 Actual and FY15 Estimated Due To & Due From General Fund Balances

Fund	Account Balance	FY14 Audited	FY15 Bond Issue	FY15 Esimated Change	FY15 Capital Outlays	FY15 O&M Deficit	FY15 Forecast
Water Fund	Due To General Fund	(\$2,403,884)					
Water Fund	Due From General Fund		\$4,933,260	\$2,529,376	(\$2,000,000)	\$0	\$529,376
Sewer Fund	Due To General Fund						
Sewer Fund	Due From General Fund	\$1,782,378	\$3,093,807	\$4,876,185	(\$2,000,000)	\$0	\$2,876,185

Water-Sewer Billable Units History 2007-2014

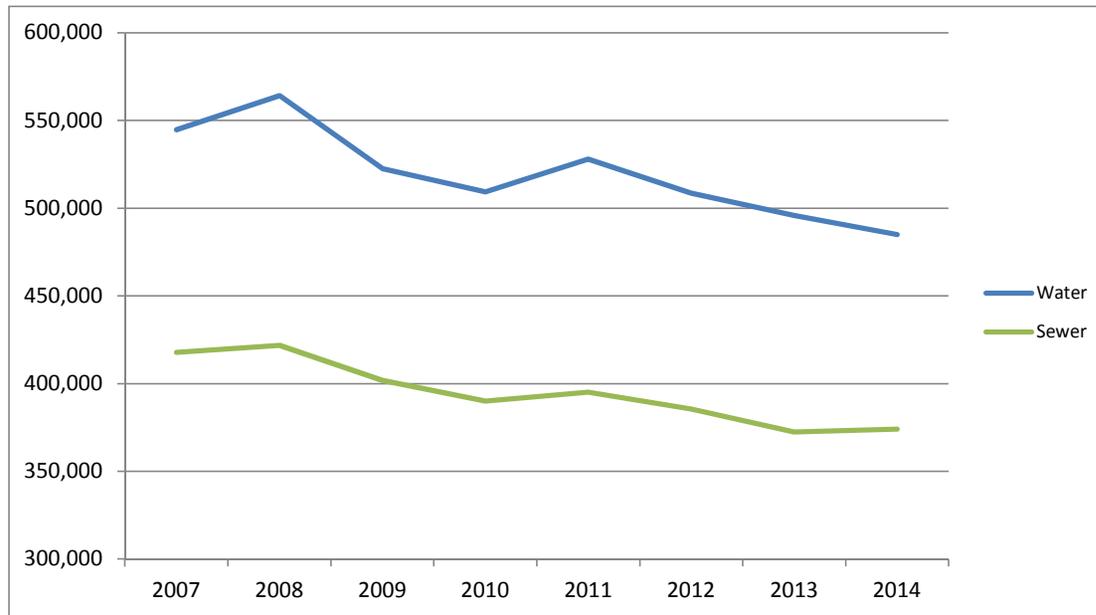
<b>WATER</b>		<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
	<b>User Revenue</b>	<b>\$2,796,671</b>	<b>\$2,964,390</b>	<b>\$3,200,049</b>	<b>\$3,315,641</b>	<b>\$3,375,580</b>	<b>\$3,436,237</b>	<b>\$3,470,969</b>	<b>\$3,363,957</b>
	<b>User Rates</b>	<b>\$3.63</b>	<b>\$4.04</b>	<b>\$4.19</b>	<b>\$4.19</b>	<b>\$4.29</b>	<b>\$4.49</b>	<b>\$4.60</b>	<b>\$4.60</b>
	<b>Rate Change %</b>		<b>11.29%</b>	<b>3.71%</b>	<b>0.00%</b>	<b>2.39%</b>	<b>4.66%</b>	<b>2.45%</b>	<b>0.00%</b>
	<b>Revenue Change</b>	<b>-</b>	<b>6.00%</b>	<b>7.95%</b>	<b>3.61%</b>	<b>1.81%</b>	<b>1.80%</b>	<b>1.01%</b>	<b>-3.08%</b>
	<b>New Service Connections</b>	<b>66</b>	<b>73</b>	<b>57</b>	<b>44</b>	<b>49</b>	<b>25</b>	<b>32</b>	<b>46</b>
<b>Code</b>	<b>Units Billed (Unaudited)</b>								
100	Residential	<b>544,647</b>	<b>564,166</b>	<b>522,611</b>	<b>509,260</b>	<b>528,007</b>	<b>508,586</b>	<b>495,916</b>	<b>485,059</b>
105	Elderly	8,940	9,138	9,390	8,501	8,578	8,131	8,611	8,173
110	Commercial	<b>214,050</b>	<b>214,340</b>	<b>214,910</b>	<b>216,477</b>	<b>215,919</b>	<b>204,851</b>	<b>225,678</b>	<b>202,849</b>
115	Governmental	4,336	4,815	5,284	4,121	4,495	4,151	5,342	4,573
120	School	5,522	5,732	5,678	5,692	11,342	7,979	9,228	6,912
125	Industrial	15,049	17,348	16,604	14,074	12,721	10,681	9,531	12,071
140	Non Profit	3,401	4,054	3,159	2,969	2,847	2,957	2,571	2,462
145	Elderly 2 unit	751	480	457	277	306	306	268	333
150	Non Billed	0	14,186	19,563	20,843	20,461	21,149	21,880	20,127
	<b>Sub Total</b>	<b>796,696</b>	<b>834,259</b>	<b>797,656</b>	<b>782,214</b>	<b>804,676</b>	<b>768,791</b>	<b>779,025</b>	<b>742,559</b>
	<b>Less Non Billed</b>	<b>796,696</b>	<b>820,073</b>	<b>778,093</b>	<b>761,371</b>	<b>784,215</b>	<b>747,642</b>	<b>757,145</b>	<b>722,432</b>
	<b>Percent Change</b>	<b>-</b>	<b>-</b>	<b>-5.12%</b>	<b>-2.15%</b>	<b>3.00%</b>	<b>-4.66%</b>	<b>1.27%</b>	<b>-4.58%</b>
	<b>Billable Units Per Day</b>	<b>2,183</b>	<b>2,247</b>	<b>2,132</b>	<b>2,086</b>	<b>2,149</b>	<b>2,048</b>	<b>2,074</b>	<b>1,979</b>

<b>SEWER</b>		<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
	<b>User Revenue</b>	<b>\$3,720,564</b>	<b>\$4,221,344</b>	<b>\$4,287,727</b>	<b>\$4,832,183</b>	<b>\$4,843,443</b>	<b>\$4,878,314</b>	<b>\$4,735,135</b>	<b>\$4,430,500</b>
	<b>User Rates</b>	<b>\$5.17</b>	<b>\$5.51</b>	<b>\$5.95</b>	<b>\$5.95</b>	<b>\$5.95</b>	<b>\$6.11</b>	<b>\$6.24</b>	<b>\$6.24</b>
	<b>Rate Change %</b>	<b>-</b>	<b>6.58%</b>	<b>7.99%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>2.69%</b>	<b>2.13%</b>	<b>0.00%</b>
	<b>Revenue Change</b>	<b>-</b>	<b>13.46%</b>	<b>1.57%</b>	<b>12.70%</b>	<b>0.23%</b>	<b>0.72%</b>	<b>-2.94%</b>	<b>-6.43%</b>
	<b>New Deduct Meters</b>	<b>7</b>	<b>13</b>	<b>16</b>	<b>14</b>	<b>26</b>	<b>20</b>	<b>17</b>	<b>14</b>
<b>Code</b>	<b>Units Billed (Unaudited)</b>								
200	Residential	<b>417,834</b>	<b>421,861</b>	<b>401,885</b>	<b>390,107</b>	<b>395,159</b>	<b>385,475</b>	<b>372,369</b>	<b>374,037</b>
205	Elderly	6,961	7,001	7,573	6,941	7,070	6,716	7,159	6,755
210	Commercial	<b>332,555</b>	<b>274,107</b>	<b>163,772</b>	<b>159,997</b>	<b>143,503</b>	<b>142,481</b>	<b>151,993</b>	<b>148,131</b>
213	High Volume	<b>0</b>	<b>76,578</b>	<b>181,011</b>	<b>217,466</b>	<b>192,094</b>	<b>204,838</b>	<b>187,515</b>	<b>166,895</b>
215	Governmental	2,942	3,390	3,801	2,713	3,006	2,862	3,057	2,619
220	School	3,901	4,586	4,033	4,034	4,292	4,784	4,957	4,541
225	Industrial	14,195	15,316	13,718	12,027	10,241	8,755	8,402	10,100
240	Non Profit	2,949	3,089	2,751	3,105	2,381	2,425	2,541	2,048
245	Elderly 2 unit	771	480	457	277	306	306	268	333
	<b>Sub Total</b>	<b>782,108</b>	<b>806,408</b>	<b>779,001</b>	<b>796,667</b>	<b>758,052</b>	<b>758,642</b>	<b>738,261</b>	<b>715,459</b>
	<b>Less High Volume</b>	<b>782,108</b>	<b>729,830</b>	<b>597,990</b>	<b>579,201</b>	<b>565,958</b>	<b>553,804</b>	<b>550,746</b>	<b>548,564</b>
	<b>Percent Change</b>	<b>-</b>	<b>-</b>	<b>-18.06%</b>	<b>-3.14%</b>	<b>-2.29%</b>	<b>-2.15%</b>	<b>-0.55%</b>	<b>-0.40%</b>
	<b>Billable Units Per Day</b>	<b>2,143</b>	<b>2,000</b>	<b>1,638</b>	<b>1,587</b>	<b>1,551</b>	<b>1,517</b>	<b>1,509</b>	<b>1,503</b>

Water-Sewer Billable Units History 2007-2014

	Residential Units	2007	2008	2009	2010	2011	2012	2013	2014
Water	Residential Units	544,647	564,166	522,611	509,260	528,007	508,586	495,916	485,059
	<b>Percent Change</b>			<b>-7.37%</b>	<b>-2.55%</b>	<b>3.68%</b>	<b>-3.68%</b>	<b>-2.49%</b>	<b>-2.19%</b>
Sewer	Residential Units	417,834	421,861	401,885	390,107	395,159	385,475	372,369	374,037
	<b>Percent Change</b>			<b>-4.74%</b>	<b>-2.93%</b>	<b>1.30%</b>	<b>-2.45%</b>	<b>-3.40%</b>	<b>0.45%</b>
	<b>Ratio Sewer-Water</b>	<b>77%</b>	<b>75%</b>	<b>77%</b>	<b>77%</b>	<b>75%</b>	<b>76%</b>	<b>75%</b>	<b>77%</b>

WATER-SEWER RESIDENTIAL UNITS CHART



Water Service Statistics FY06-FY14  
Non-Payment Shut-Offs-New Service- Sewer Deduct Meter

<b>1 NON PAYMENT SHUT-OFFS</b>	<b>FY06</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>
<b>Total Non Payment Water-Shut Offs</b>	<b>63</b>	<b>67</b>	<b>112</b>	<b>161</b>	<b>279</b>	<b>363</b>	<b>351</b>	<b>276</b>	<b>368</b>
Shut Off & Restored On-Same Day	59	39	68	70	170	221	245	196	205
Percent Shut Off & Restored Same Day	93.65%	58.21%	60.71%	43.48%	60.93%	60.88%	69.80%	71.01%	55.71%
<b>Non Payment Shut Offs-Greater than 1 day</b>	<b>4</b>	<b>28</b>	<b>44</b>	<b>91</b>	<b>109</b>	<b>142</b>	<b>106</b>	<b>80</b>	<b>163</b>
<b>Water Shut Offs- Percent Change</b>		<b>6.35%</b>	<b>67.16%</b>	<b>43.75%</b>	<b>73.29%</b>	<b>30.11%</b>	<b>-3.31%</b>	<b>-21.37%</b>	<b>33.33%</b>
<b>Number of Residences with 2 or more Shut Offs</b>	<b>5</b>	<b>8</b>	<b>4</b>	<b>13</b>	<b>33</b>	<b>43</b>	<b>60</b>	<b>31</b>	<b>57</b>
Prior Year Percent Change		60.00%	-50.00%	225.00%	153.85%	30.00%	39.86%	-48.33%	83.87%

<b>2 CUSTOMER REQUESTED-SHUT OFFS-ON</b>	<b>FY06</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>
<b>All Customer Requested Shut Offs-On</b>	<b>46</b>	<b>45</b>	<b>123</b>	<b>164</b>	<b>137</b>	<b>134</b>	<b>148</b>	<b>171</b>	<b>162</b>
Customer Accounts- Off Only	41	41	86	108	96	88	101	85	104
Customer Accounts- Off & On Same Month	5	4	16	17	18	20	22	39	26
Customer Accounts- Off & On -3 or More Times	0	0	1	7	1	2	1	7	5

<b>3 COMBINED SHUT OFF EVENTS</b>	<b>FY06</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>
<b>Total Shut Off Events</b>	<b>109</b>	<b>112</b>	<b>235</b>	<b>325</b>	<b>416</b>	<b>497</b>	<b>499</b>	<b>447</b>	<b>530</b>
Non-Payment	63	67	112	161	279	363	351	276	368
Customer Requested	46	45	123	164	137	134	148	171	162

<b>4 NEW SERVICE &amp; SEWER DEDUCT</b>	<b>FY06</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>
New Service Connections	24	66	73	57	44	49	25	32	46
New Sewer Deduct Meters	12	7	13	16	14	26	20	17	14

<b>5 NEW SERVICE SEWER</b>	<b>FY06</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>
New Service Connections	0	0	0	0	0	40	22	30	36

Source Date: Water Billing- Reports  
FY06-FY14