

Village of
Cross Plains
2017 Budget

Sewer Utility
Fund

Summary

Village of Cross Plains
2017 Sewer Utility Operating Budget

SUMMARY of REVENUES

	2015 Actual	2016 Budget	YTD 6/30/2016	2016 Projected	2017 Budget	% Change vs. 2016
PUBLIC CHARGES FOR SERVICES	1,195,751	1,333,750	638,792	1,279,000	1,370,000	2.72%
MISCELLANEOUS REVENUES	350,636	5,000	4,475	8,000	5,000	0.00%
OTHER FINANCING SOURCES	0	50,000	58,969	267,854	54,750	9.50%
Total Budget Revenue	1,546,387	1,388,750	702,237	1,554,854	1,429,750	2.95%

SUMMARY of EXPENDITURES

	2015 Actual	2016 Budget	YTD 6/30/2016	2016 Projected	2017 Budget	% Change vs. 2016
51510 ACCOUNTING	389,734	6,000	5,175	393,700	393,700	6461.67%
51600 GENERAL BUILDINGS AND PLANT	59,955	71,500	25,764	67,000	67,000	-6.29%
53610 SEWAGE SERVICE	363,788	290,250	122,431	287,350	291,750	0.52%
53630 SOLID WASTE DISPOSAL	186,138	175,000	88,156	190,000	190,000	8.57%
57410 SEWAGE SERVICE CAPITAL OUTLAY	348,902	251,750	59,690	387,500	278,250	10.53%
58000 DEBT SERVICE	110,734	594,250	483,081	131,418	121,750	-79.51%
59200 TRANSFERS TO OTHER FUNDS	0	0	0	0	0	-----
Total Budget Expenditures	1,459,251	1,388,750	784,297	1,456,968	1,342,450	-3.33%

SUMMARY of CASH FLOW ADJUSTMENTS

	2015 Actual	2016 Budget	YTD 6/30/2016	2016 Projected	2017 Budget	% Change vs. 2016
51510-502 DEPRECIATION	(377,903)	0	0	(377,900)	(377,900)	-----
51500-503 AMORTIZATION	(4,806)	0	0	(4,800)	(4,800)	-----
20000-224 PRINCIPAL	352,373	0	0	416,019	429,750	-----
20000-224 PRINCIPAL ON DEBT TO MUNICIPALITY	0	0	0	29,190	39,500	-----
Total Cash Flow Adjustments	(30,336)	0	0	62,509	86,550	-----

<i>Difference between Revenues and Expenditures</i>	117,472	0	(82,060)	35,377	750	-----
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Revenues

**REVENUES
SEWER UTILITY - FUND 670**

Budget Summary

PUBLIC CHARGES FOR SERVICES	
	46000

		2015 Actual	2016 Budget	YTD 6/30/2016	2016 Projected	2017 Budget	% Change vs. 2016
46410							
501	Residential	995,421	1,146,250	544,671	1,080,000	1,100,000	-4.03%
502	Commercial	94,946	100,000	50,659	101,000	102,500	2.50%
503	Industrial	34,208	35,000	15,018	34,000	35,000	0.00%
504	OTR Sales to the Public	53,656	45,000	28,444	50,000	50,000	11.11%
505	Liquid Connection Fee	11,320	4,500	0	9,000	55,000	1122.22%
506	Sludge Connection Fee	6,200	3,000	0	5,000	27,500	816.67%
Total PUBLIC CHARGES		1,195,751	1,333,750	638,792	1,279,000	1,370,000	2.72%

MISCELLANEOUS REVENUES	
	48000

		2015 Actual	2016 Budget	YTD 6/30/2016	2016 Projected	2017 Budget	% Change vs. 2016
48000	Miscellaneous Revenue	347,050	3,000	4,416	6,000	3,000	0.00%
48100	Interest	3,586	2,000	59	2,000	2,000	0.00%
Total MISCELLANEOUS Rev		350,636	5,000	4,475	8,000	5,000	0.00%

OTHER FINANCING SOURCES	
	49000

		2015 Actual	2016 Budget	YTD 6/30/2016	2016 Projected	2017 Budget	% Change vs. 2016
49100	Proceeds of Long-term Debt	0	0	58,969	213,250	0	-----
49200	Transfers from Other Funds	0	50,000	0	54,604	54,750	9.50%
49300	Fund Balance Applied	0	0	0	0	0	-----
Total OTHER FINANCING		0	50,000	58,969	267,854	54,750	9.50%

Total Sewer Revenue	1,546,387	1,388,750	702,237	1,554,854	1,429,750	2.95%
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Expenses

**ACCOUNTING
SEWER UTILITY - FUND 670**

MISSION STATEMENT:

To ensure the proper financial management and accounting of the Sewer Utility as an Enterprise Fund.

PROGRAM DESCRIPTION:

The annual audit includes an independent review of the Sewer Utility to comply accounting rules and regulations. The Sewer Utility is established as an enterprise fund which is run like a business. The service for sale is the treatment of wastewater from the resident or business. The fee paid through the rate schedule is the main source of revenue that is used to offset the expenses associated with treating the wastewater and returning it to Black Earth Creek.

PROGRAM OBJECTIVES:

Maintain compliance with applicable laws and accounting standards.

Improve reporting of finance related information to the public.

ACCOUNTING BUDGET SUMMARY

REVENUES

	2015 Actual	2016 Budget	YTD 6/30/2016	2016 Projected	2017 Budget	% Change vs. 2016
[Redacted]						
Allocated Revenues	389,734	6,000	5,175	393,700	393,700	6461.67%

EXPENDITURES

	2015 Actual	2016 Budget	YTD 6/30/2016	2016 Projected	2017 Budget	% Change vs. 2016
[Redacted]						
	51510					
207 Support Services	7,025	6,000	5,175	7,000	7,000	16.67%
502 Depreciation	377,903	0	0	377,900	377,900	-----
503 Amortization	4,806	0	0	4,800	4,800	-----
508 Taxes	0	0	0	4,000	4,000	-----
Total ACCOUNTING Expense	389,734	6,000	5,175	393,700	393,700	6461.67%

Notes:

207 Includes funding for annual audit plus additional funds for rate study/analysis.

502-503 Both of these line items are determined by the Auditor and required in the budget according to current accounting standards.

508 The Utility is responsible to refund the General Fund for what it would otherwise have to pay for Property Taxes. This payment is made as a Payment in Lieu of Taxes (PILOT). This number remains consistent from year to year and is determined by the Auditor.

**GENERAL BUILDINGS AND PLANT
SEWER UTILITY - FUND 670**

MISSION STATEMENT:

To efficiently maintain and provide a functional sewage treatment plant facility.

PROGRAM DESCRIPTIONS:

The current treatment plant was constructed in 2005 and requires funding for utilities, basic maintenance, and grounds care.

PROGRAM OBJECTIVES:

Explore opportunities for facility improvement.

Continue to maintain facility to provide for efficient sewage treatment.

GENERAL BUILDINGS AND PLANT BUDGET SUMMARY

REVENUES

	2015 Actual	2016 Budget	YTD 6/30/2016	2016 Projected	2017 Budget	% Change vs. 2016
Allocated Revenue	59,955	71,500	25,764	67,000	67,000	-6.29%

EXPENDITURES

	2015 Actual	2016 Budget	YTD 6/30/2016	2016 Projected	2017 Budget	% Change vs. 2016
51600						
202 Communication	4,153	4,000	2,137	4,500	4,500	12.50%
203 Utilities	55,510	62,500	23,627	60,000	60,000	-4.00%
305 General Maintenance	293	5,000	0	2,500	2,500	-50.00%
Total BUILD & PLANT Exp	59,955	71,500	25,764	67,000	67,000	-6.29%

Notes:

202 Includes cell phone for operator, land line, and internet connection.

203 The facility is operational 24 hours a day, 7 days a week, and 365 days a year, and requires consistent power supply during that time for the treatment process.

SEWAGE SERVICE (Continued)
SEWER UTILITY - FUND 670

EXPENDITURES (Continued)

CONTRACTUAL SERVICES

		2015 Actual	2016 Budget	YTD 6/30/2016	2016 Projected	2017 Budget	% Change vs. 2016
53610							
201	Postage	1,331	2,500	296	1,750	1,750	-30.00%
205	Meetings	647	750	235	750	750	0.00%
206	Printing	26,748	500	134	500	500	0.00%
207	Support Services	31,411	25,000	4,566	25,000	25,000	0.00%
208	Legal	1,243	500	68	500	500	0.00%
209	Insurance	18,884	17,750	7,591	20,000	20,000	12.68%
Total CONTRACTUAL Exp		80,263	47,000	12,890	48,500	48,500	3.19%

Notes:

- 206** Provides funding for contracted printing and distribution costs of the quarterly bills. 2015 includes Joint meter allocation costs due to the Water Fund and tax equivalent costs due to the General Fund.
- 207** Provides funding for required laboratory testing.

SUPPLIES AND EXPENSES

		2015 Actual	2016 Budget	YTD 6/30/2016	2016 Projected	2017 Budget	% Change vs. 2016
53610							
301	Equipment	13,541	10,000	1,500	15,000	10,000	0.00%
302	Technology	0	1,000	0	0	500	-50.00%
303	Fuel	3,324	11,000	339	5,000	8,000	-27.27%
304	Supplies	9,173	7,750	3,263	6,500	7,750	0.00%
305	General Maintenance	32,678	7,500	5,023	7,500	7,500	0.00%
307	System Maintenance	51,732	50,000	24,297	50,000	50,000	0.00%
399	Miscellaneous	904	2,000	48	1,000	2,000	0.00%
501	Compliance Fees	1,744	1,000	2,526	2,750	2,500	150.00%
Total SUPPLIES AND EXPENSES		113,094	90,250	36,995	87,750	88,250	-2.22%

Notes:

- 301** Includes the replacement of a pump motor, general tools/equipment, and other safety equipment for general needs and confined space.
- 302** Required maintenance on the SCADA System (automated system that runs the treatment plant functions).
- 305** Provides funding for maintenance on vehicles and related equipment.
- 307** Lift station maintenance, chemicals, and various aspects of the collection system that require additional work.
- 501** Annual fee for compliance with the DNR. Charge is based on the amount of water discharged back to Black Earth Creek.

Total SEWAGE SERVICE Expense	363,788	290,250	122,431	287,350	291,750	0.52%
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**SEWAGE SERVICE CAPITAL OUTLAY
SEWER UTILITY - FUND 670**

MISSION STATEMENT:

To ensure for proper financial planning related to sewer capital equipment, vehicle, and infrastructure needs.

PROGRAM DESCRIPTIONS:

The Sewer Utility is responsible for its own assets and manages its own projects including engineering and construction depending on the capital improvement need.

PROGRAM OBJECTIVES:

Study and plan for impacts on new Phosphorous Regulations

SEWAGE SERVICE CAPITAL OUTLAY BUDGET SUMMARY

REVENUES

	2015 Actual	2016 Budget	YTD 6/30/2016	2016 Projected	2017 Budget	% Change vs. 2016
Allocated Revenue	348,902	251,750	59,690	387,500	278,250	10.53%

EXPENDITURES

	2015 Actual	2016 Budget	YTD 6/30/2016	2016 Projected	2017 Budget	% Change vs. 2016
57410						
207-000 Support Services	7,951	20,000	36,777	50,000	50,000	150.00%
801-000 Vehicle	0	23,500	0	23,500	27,500	17.02%
803-000 Equipment	4,712	0	0	0	0	-----
804-000 Stream Monitoring	0	54,000	0	54,000	54,000	0.00%
805-101 Liquid Connection Fee	0	4,500	0	0	0	-100.00%
805-102 Sludge Connection Fee	0	3,000	0	0	0	-100.00%
805-103 Infrastructure - US Highway 14 (Main St)	336,239	0	22,913	113,250	0	-----
805-104 Treatment Facility Replacement Fund	0	65,500	0	65,500	65,500	0.00%
805-105 Collection System Replacement Fund	0	81,250	0	81,250	81,250	0.00%
Total CAPITAL OUTLAY Expense	348,902	251,750	59,690	387,500	278,250	10.53%

Notes:

- 207-000** Provides continued funding for the studying of phosphorous levels in the Black Earth Creek as part of a multi-year plan to meet new regulations.
- 801-000** It is proposed that a shared vehicle between the Water and Sewer Systems be replaced in 2017 (Department Head - pickup truck w/plow). The included number represents half the cost of the new vehicle.
- 804-000** New permitting requirements will necessitate studies to be conducted of the stream to better align discharge levels with actual conditions of Black Earth Creek. The permit is presently under review and funding will be needed in the near term to help meet these conditions as they come to fruition.
- 805** The Village invested significant funds in the reconstruction of the Sewer Treatment Plant and improvements to Dane-Iowa Wastewater Treatment Plant for sludge disposal. New connections to the system pay a fee for each meant to account for their share of the debt service for those improvements would they have been place when the improvements were made. The 2016 rate for General Treatment is \$2,356 and specifically for Sludge is \$1,240. This is paid at the time of permitting.
- 805-103** Funding provided for sewer main construction within the Highway 14 project.
- 805** The fund annually depositing cash into savings earmarked to fund improvements to both the collection system and treatment plant as applicable. This has been done since the new treatment plan was built in 2005 and has helped to offset the need for new debt for various pieces of equipment and projects.

**DEBT SERVICE
SEWER UTILITY - FUND 670**

MISSION STATEMENT:

The Sewer Utility will continue to meet all debt obligations on time and review opportunities to help lower interest expense.

PROGRAM DESCRIPTIONS:

The Sewer Utility currently has one major loan outstanding for the treatment plant's construction in 2005. This loan was taken out through the Clean Water Fund which is administered through the Department of Natural Resources as a means to provide low interest rates to sanitary sewer projects.

PROGRAM OBJECTIVES:

Pay debt obligations in a timely manner.

Examine new ways to lower interest through early repayment and refinancing as available.

DEBT SERVICE BUDGET SUMMARY

REVENUES

	2015 Actual	2016 Budget	YTD 6/30/2016	2016 Projected	2017 Budget	% Change vs. 2016
Allocated Revenue	110,734	594,250	483,081	131,418	121,750	-79.51%

EXPENDITURES

	2015 Actual	2016 Budget	YTD 6/30/2016	2016 Projected	2017 Budget	% Change vs. 2016
58000						
601 Principal	0	425,750	416,019	0	0	-100.00%
602 Interest	110,734	134,500	67,062	126,730	114,250	-15.06%
604 Principal on Debt to Municipality	0	29,250	0	0	0	-100.00%
605 Interest on Debt to Municipality	0	4,750	0	4,688	7,500	57.89%
Total DEBT SERVICE Expense	110,734	594,250	483,081	131,418	121,750	-79.51%

Notes:

601, 602 Includes payments on 2005 Revenue Bonds and 2015C Revenue Bonds. 2015 borrowing was for US Highway 14 (Main Street) Reconstruction project. This debt was borrowed by the Sewer Fund directly from the State through their Clean Water Fund Program.

604, 605 The Sewer Fund has also had some smaller borrowings that have been included in the Capital Fund and paid for by the Debt Service Fund. This debt is not borrowed directly by the fund and the amounts included reflect the Sewer Fund's share in this expense based on the amount it borrowed.

**TRANSFERS TO OTHER FUNDS
SEWER UTILITY - FUND 670**

MISSION STATEMENT:

To allow for the ability for the Sewer Fund to transfer money to other funds as needed and/or approved by the Village Board.

PROGRAM DESCRIPTIONS:

Occasionally, other funds within the Village require money to be transferred from the Sewer Fund. This line item is included for accounting purposes as the auditor typically identifies when this is necessary according to applicable accounting standards.

PROGRAM OBJECTIVES:

Reduces the need to amend the budget if a transfer between funds is needed.

Transfers from the Sewer Fund will be identified in the annual Audit.

TRANSFERS TO OTHER FUNDS BUDGET SUMMARY

REVENUES

	2015 Actual	2016 Budget	YTD 6/30/2016	2016 Projected	2017 Budget	% Change vs. 2016
Allocated Revenue	0	0	0	0	0	-----

EXPENDITURES

Dept. No.		2015 Actual	2016 Budget	YTD 6/30/2016	2016 Projected	2017 Budget	% Change vs. 2016
59200	Transfers	0	0	0	0	0	-----
	Total TRANSFER Expense	0	0	0	0	0	-----