

WATER AND SEWER RATE STUDY

for the

**VILLAGE OF PALOS PARK,
ILLINOIS**



Village of Palos Park

**FINAL Copy for Council Approval
August 5, 2008**

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VILLAGE OF PALOS PARK, ILLINOIS

AUGUST 5, 2008

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August 5, 2008

Ms. Patricia L. Jones
Village Administrator
Village of Palos Park
8999 W. 123rd Street
Palos Park, Illinois 60464

Re: Water and Sewer Rate Study

Dear Ms. Jones:

In accordance with our contract of April 27, 2007, AB&H, A Donohue Group (AB&H/Donohue) has examined the records of the Water and Sewer Fund in order to develop water and sewer rates that will support the water and sewer systems through FY 2012.

As part of the study, AB&H/Donohue reviewed the operating budgets from the past six years, rate ordinances, service agreements, water demands, and population and development data. Meetings with the Village's Public Works Department and administrative staff were held throughout the course of the study to establish the Village's goals for the operation and expansion of the water and sewer systems.

The basic financial principle in the successful operation of a water and sewer system is that sufficient funds be generated, through the sale of water and charges for sewer service, in order for the systems to be self-supporting and self-perpetuating. To accomplish this, revenue generated by the water and sewer rates of municipally owned systems should cover operation and maintenance expenses, routine system improvements and replacements, capital expenses, principal and interest on outstanding debt, and bond coverage requirements. In the development of the rates and charges AB&H/Donohue sought to meet each of these criteria. The water and sewer rates and charges recommended in this report are expected to provide sufficient revenue for the continued successful operation of the Village's water and sewer systems. The major conclusions and recommendations of the study are listed in this summary.

1. The current schedule of rates and charges is:

	Amount
Water Volume Charge (per 1,000 gallons)	\$5.30
Minimum Bi-Monthly Water Volume Charge (6,000 gallons)	\$31.80
Sewer Volume Charge (metered) per 1,000 gallons	\$0.75
Minimum Bi-Monthly Sewer Volume Charge (6,000 gallons)	\$4.50
Minimum Bi-Monthly Sewer Line Charge (unmetered)	\$7.50

2. Number of water and sewer accounts are projected to increase as follows:

Projected Number of Accounts

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Water Acct.	1,893	1,899	1,907	1,917	1,929
Sewer Acct.	1,893	1,899	1,907	1,917	1,929

Increases in water and sewer accounts were projected at 6, 8, 10, and 12 accounts in FY 2009, 2010, 2011, and 2012, respectively, based on information provided by the Village.

3. Billed water consumption is projected to increase as follows:

Projected Billed Water Consumption in 1,000 Gallons

FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
150,230	150,689	151,301	152,066	152,985

We have assumed growth in water billed at 78,600 gallons per year per single family connection.

4. Billed sewage flow is projected to increase as follows:

Projected Billed Sewage Flow in 1,000 Gallons

FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
192,374	192,794	193,354	194,055	194,895

We have assumed growth in sewage flow billed at 72,000 gallons per year per single family connection.

5. Water Purchase is projected to increase as follows:

Projected Water Purchase in 1,000 Gallons

FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
183,085	183,645	184,391	185,324	186,443

We have assumed water billed to water purchase at 82%.

6. Revenue requirements for the operation, maintenance and improvement of the water system between FY 2008 and FY 2012 are projected as follows:

Projected Revenue Requirements of the Water Fund [1]

FY 2008 [2]	FY 2009	FY 2010	FY 2011	FY 2012
\$1,277,928	\$1,308,585	\$1,405,974	\$1,430,468	\$1,429,095

[1] Not including CIP

[2] Budget

We have projected:

- Salaries at 5% increase annually for full time positions and 3% for part time and overtime,
- Health and dental insurance at 6% increase annually,
- Social security and medicare at 7.65% of total salaries,
- Oak Lawn water rate at \$1.753/1000 gallons as of January 1, 2008 with an annual increase of 15%,
- Water purchase equal Oak Lawn rate times projected water purchase,
- Capital expenditure in accordance with Table 9 - Capital Improvements Program,

- Principal and interest payments in accordance with Table 10 – Existing and Proposed Bond Payment Schedule,
- Transfer to General Fund provided by Village: \$55,000 in FY 2009, \$56,650 in FY 2010, \$58,350 in FY 2011, and \$60,100 in FY 2012,
- Transfer to Sewer Fund provided by Village: \$8,000 in FY 2009, \$8,240 in FY 2010, \$8,487 in FY 2011, and \$8,742 in FY 2012, and
- All other expenses at 3.0% increase annually.

7. Revenue requirements for the operation, maintenance and improvement of the sewer system between FY 2008 and FY 2012 are projected as follows:

Projected Revenue Requirements of the Sewer Fund [1]

FY 2008 [2]	FY 2009	FY 2010	FY 2011	FY 2012
\$362,960	\$483,038	\$533,612	\$551,960	\$571,132

[1] Not including CIP
[Budget]

We have projected:

- Salaries at 5% increase annually for full time positions and 3% for part time and overtime,
- Health and dental insurance at 6% increase annually,
- Social security and medicare at 7.65% of total salaries,
- Oak Lawn water rate at \$1.753/1000 gallons as of January 1, 2008 with an annual increase of 15%,
- Water purchase equal Oak Lawn rate times projected water purchase,
- Capital expenditure in accordance with Table 9 - Capital Improvements Program,
- Principal and interest payments in accordance with Table 10 – Existing and Proposed Bond Payment Schedule,
- Transfer to General Fund provided by Village: \$25,000 in FY 2009, \$25,750 in FY 2010, \$26,523 in FY 2011, and \$27,318 in FY 2012, and
- All other expenses at 3.0% increase annually.

8. Capital improvements program is projected as follows:

Projected Capital Improvements Program

	FY 2008[1]	FY 2009	FY 2010	FY 2011	FY 2012
Water CIP	\$2,053,000	\$0	\$2,432,500	\$80,000	\$80,000
Sewer CIP	\$0	\$137,000	\$242,000	\$50,000	\$50,000

[1]Budget

Major water capital projects are \$2,250,000 for additional water storage, \$102,500 for a new chlorinator, and \$240,000 for utility improvements.

Major sewer capital project is \$479,000 for the purchase of sewer televising and cleaning equipment.

9. Funding for future capital needs of the water system is assumed to be from the \$1,750,000 general obligation bond at 20 years and 4.5% interest rate, and revenues of the water fund. Bond sale of \$1,750,000 in FY 2010 is assumed. The debt service schedule is projected as follows:

Debt Service

	FY 2008[1]	FY 2009	FY 2010	FY 2011	FY 2012
Water D.S.	\$124,421	\$107,828	\$156,787	\$238,525	\$241,043
Sewer D.S.	\$47,135	\$46,299	\$48,408	\$47,450	\$46,439

[1] Budget

10. Revenues generated by the current water and sewer rates and charges are projected as follows:

Projected Revenue of the Water and Sewer Fund under Current Rates and Charges

	FY 2008[1]	FY 2009	FY 2010	FY 2011	FY 2012
Water Revenue	\$1,005,252	\$958,347	\$2,744,313	\$1,027,111	\$1,062,246
Sewer Revenue	\$382,050	\$246,295	\$275,507	\$304,832	\$334,771

[1] Budget

11. Water and sewer revenues projected under the current schedule of rates and charges are expected to be inadequate to meet revenue requirements each year of the study period.

Adequacy of the Current Rates and Charges to Support the Water and Sewer Fund

	FY 2008 [1]	FY 2009	FY 2010	FY 2011	FY 2012
Water Revenue	\$1,005,252	\$958,347	\$2,744,313	\$1,027,111	\$1,062,246
Water Revenue Requirements	\$3,330,928	\$1,308,585	\$3,877,849	\$1,644,218	\$1,645,370
Water Surplus (Deficit)	(\$2,325,676)	(\$350,238)	(\$1,133,536)	(\$617,107)	(\$583,124)
Water Beginning Cash Balance		\$1,044,998	\$694,760	(\$438,777)	(\$1,055,883)
Water Ending Cash Balance	\$1,044,998	\$694,760	(\$438,777)	(\$1,055,883)	(\$1,639,007)
Sewer Revenue	\$382,050	\$246,295	\$275,507	\$304,832	\$334,771
Sewer Revenue Requirements	\$362,960	\$620,038	\$775,612	\$601,960	\$621,132
Sewer Surplus (Deficit)	\$19,090	(\$373,743)	(\$500,105)	(\$297,128)	(\$286,361)
Sewer Beginning Cash Balance		\$627,177	\$253,434	(\$246,671)	(\$543,799)
Sewer Ending Cash Balance	\$627,177	\$253,434	(\$246,671)	(\$543,799)	(\$830,160)

[1] Budget

12. Rates were developed to provide adequate revenue for the operation and maintenance of the water and sewer systems. Rates were also developed assuming bond proceeds of \$1,750,000 for capital projects in FY 2010. The rates also fund debt service and allow for necessary improvements to the water and sewer systems in future years. The rates recommended in this report would allow the Village to maintain a healthy cash reserve which can be used to fund major capital improvements and emergencies and can be relied upon in the event of unforeseen revenue shortfalls.

13. To cover the projected water revenue requirements, two schedules of rate options were considered. Option 1 assumed all the water revenue requirements will be met from the water

commodity charges and miscellaneous revenues. Option 2 assumed the revenue requirements will be met from a combination of water commodity charges and miscellaneous revenues, and a monthly \$6.50 capital improvements fee. The fee will be discontinued after the 2010 bond issue is paid off. The proposed water rates and charges under Option 1 and Option 2 are summarized as follows:

Proposed Water Rates and Charges – Option 1 (No Capital Improvements Fee)

	FY 2008 Budget	FY 2009 Proposed	FY 2010 Proposed	FY 2011 Proposed	FY 2012 Proposed
Total Water Volume Charge (per 1,000 gallons)	\$5.30	\$8.50	\$9.50	\$10.25	\$10.40
Amount of Water Volume Charge Passed from Oak Lawn and Chicago	\$1.89	\$2.46	\$2.83	\$3.25	\$3.74
Minimum Bi-Monthly Water Volume Charge (6,000 gallons)	\$31.80	\$51.00	\$57.00	\$61.50	\$62.40

Proposed Water Rates and Charges – Option 2 (\$6.50 Capital Improvements Fee)

	FY 2008 Budget	FY 2009 Proposed	FY 2010 Proposed	FY 2011 Proposed	FY 2012 Proposed
Total Water Volume Charge (per 1,000 gallons)	\$5.30	\$6.75	\$8.15	\$9.75	\$9.75
Amount of Water Volume Charge Passed from Oak Lawn and Chicago	\$1.89	\$2.46	\$2.83	\$3.25	\$3.74
Minimum Bi-Monthly Water Volume Charge (6,000 gallons)	\$31.80	\$40.50	\$48.90	\$58.50	\$58.50
Monthly Capital Improvements Fee		\$6.50	\$6.50	\$6.50	\$6.50

14. Recommended water rates and charges are projected to be adequate to meet revenue requirements and provide a healthy surplus as follows:

**Adequacy of Revenue under the Proposed Rates and Charges to Support the Water Fund
Option 1 (No Capital Improvements Fee)**

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Water Revenue	\$1,005,252	\$1,239,633	\$3,379,778	\$1,779,840	\$1,842,468
Water Revenue Requirements	\$3,330,928	\$1,308,585	\$3,877,849	\$1,644,218	\$1,645,370
Water Surplus (Deficit)	(\$2,325,676)	(\$68,952)	(\$498,071)	\$135,622	\$197,098
Water FY Beginning Cash Balance		\$1,044,998	\$976,046	\$477,975	\$613,597
Water FY Ending Cash Balance	\$1,044,998	\$976,046	\$477,975	\$613,597	\$810,695

**Adequacy of Revenue under the Proposed Rates and Charges to Support the Water Fund
Option 2 (\$6.50 Capital Improvements Fee)**

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Water Revenue	\$1,005,252	\$1,172,202	\$3,324,254	\$1,853,320	\$1,893,477
Water Revenue Requirements	\$3,330,928	\$1,308,585	\$3,877,849	\$1,644,218	\$1,645,370
Water Surplus (Deficit)	(\$2,325,676)	(\$136,383)	(\$553,595)	\$209,102	\$248,107
Water FY Beginning Cash Balance		\$1,044,998	\$908,615	\$355,020	\$564,122
Water FY Ending Cash Balance	\$1,044,998	\$908,615	\$355,020	\$564,122	\$812,229

15. To cover the projected sewer revenue requirements, two schedules of rate options were considered. Option 1 assumed all the sewer revenue requirements will be met from the sewer

commodity charges and miscellaneous revenues. Option 2 assumed the revenue requirements will be met from a combination of sewer commodity charges and miscellaneous revenues, and a monthly \$6.50 capital improvements fee. The sewer capital improvements fee will remain in place throughout the rate study period of FY 2012; the necessity of this fee thereafter will be re-examined with the next water and sewer rate study. The proposed sewer rates and charges under Option 1 and Option 2 are summarized as follows:

Proposed Sewer Rates and Charges – Option 1(No Capital Improvements Fee)

Sewer Charge (metered) per 1,000 gallons	\$0.75	\$1.35	\$2.00	\$2.80	\$3.45
Sewer Charge (unmetered) per bi-month	\$7.50	\$13.50	\$20.00	\$28.00	\$34.50
Minimum Bi-Monthly Sewer Volume Charge (6,000 gallons)	\$4.50	\$8.10	\$12.00	\$16.80	\$20.70

Proposed Sewer Rates and Charges – Option 2 (\$6.50 Capital Improvements Fee)

Sewer Charge (metered) per 1,000 gallons	\$0.75	\$1.20	\$1.75	\$1.85	\$2.00
Sewer Charge (unmetered) per bi-month	\$7.50	\$12.00	\$17.50	\$18.50	\$20.00
Minimum Bi-Monthly Sewer Volume Charge (6,000 gallons)	\$4.50	\$7.20	\$10.50	\$11.10	\$12.00
Monthly Capital Improvements Fee		\$6.50	\$6.50	\$6.50	\$6.50

- Recommended sewer rates and charges are projected to be adequate to meet revenue requirements and provide a healthy surplus as follows:

**Adequacy of Revenue under the Proposed Rates and Charges to Support the Sewer Fund
Option 1 (No Capital Improvements Fee)**

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Sewer Revenue	\$382,050	\$313,773	\$517,200	\$702,644	\$860,989
Sewer Revenue Requirements	\$362,960	\$620,038	\$775,612	\$601,960	\$621,132
Sewer Surplus (Deficit)	\$19,090	(\$306,265)	(\$258,412)	\$100,684	\$239,857
Sewer FY Beginning Cash Balance		\$627,177	\$320,913	\$62,500	\$163,184
Sewer FY Ending Cash Balance	\$627,177	\$320,913	\$62,500	\$163,184	\$403,041

**Adequacy of Revenue under the Proposed Rates and Charges to Support the Sewer Fund
Option 2 (\$6.50 Capital Improvements Fee)**

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Sewer Revenue	\$382,050	\$383,301	\$617,594	\$667,805	\$728,839
Sewer Revenue Requirements	\$362,960	\$620,038	\$775,612	\$601,960	\$621,132
Sewer Surplus (Deficit)	\$19,090	(\$236,737)	(\$158,018)	\$65,845	\$107,707
Sewer FY Beginning Cash Balance		\$627,177	\$390,440	\$232,422	\$298,267
Sewer FY Ending Cash Balance	\$627,177	\$390,440	\$232,422	\$298,267	\$405,974

17. The impact of the recommended rates and charges on average customers of the Water and Sewer Utility is as follows:

**Impact of Recommended Rates and Charges on a Typical Bill – Option 1
(No Capital Improvements Fee)**

	FY 2008 [1]	FY 2009	FY 2010	FY 2011	FY 2012
Minimum Bi-monthly Bill (6,000 gallons)	\$36.30	\$59.10	\$69.00	\$78.30	\$83.10
Increase to Avg. Bi-monthly Bill		\$22.80 62.8%	\$9.90 16.8%	\$9.30 13.5%	\$4.80 6.1%
Average Residential Bi-monthly Bill (14,000 gal/bi-monthly period)	\$84.70	\$137.90	\$161.00	\$182.70	\$193.90
Increase to Avg. Bi-monthly Bill		\$53.20 62.8%	\$23.10 16.8%	\$21.70 13.5%	\$11.20 6.1%
Sewer Only (Unmetered)	\$7.50	\$13.50	\$20.00	\$28.00	\$34.50
Increase to Bi-monthly Bill		\$6.00 80%	\$6.50 48.1%	\$8.00 40.0%	\$6.50 23.2%

[1] Budget

**Impact of Recommended Rates and Charges on a Typical Bill – Option 2
(\$6.50 Capital Improvements Fee)**

	FY 2008 [1]	FY 2009	FY 2010	FY 2011	FY 2012
Minimum Bi-monthly Bill (6,000 gallons)	\$36.30	\$73.70	\$85.40	\$95.60	\$96.50
Increase to Avg. Bi-monthly Bill		\$37.40 103.0%	\$11.70 15.9%	\$10.20 11.9%	\$0.90 0.9%
Average Residential Bi-monthly Bill (14,000 gal/bi-monthly period)	\$84.70	\$137.30	\$164.60	\$188.40	\$190.50
Increase to Avg. Bi-monthly Bill		\$52.60 62.1%	\$27.30 19.9%	\$23.80 14.5%	\$2.10 1.1%
Sewer Only (Unmetered)	\$7.50	\$25.00	\$30.50	\$31.50	\$33.00
Increase to Bi-monthly Bill		\$17.50 233.3%	\$5.50 22.0%	\$1.00 3.3%	\$1.50 4.8%

[1] Budget

Ms. Patricia L. Jones

August 5, 2008

AB&H/Donohue would like to acknowledge the assistance provided to us in completing this study by Ms. Patricia L. Jones, Village Administrator; Ms. Donna Mateja and Mr. Kent Oliven of the Finance Department; Ms. Rachael Kaplan, Public Works Director; and the Village staff. Their assistance in providing information, records and data was essential in arriving at recommendations for rates and service charges that will meet the anticipated needs of the water and sewer utilities. We sincerely thank each of them for their contribution to this project.

Sincerely,

By, _____
William G. Nyanue, P.E.

By, _____
James E. Hagley, P.E.

CHAPTER 1

INTRODUCTION

The Village of Palos Park is a residential community located approximately 23 miles southwest of Chicago, Illinois in Cook County. The Village is not a home rule municipality and operates under the commission form of government. The Village of Palos Park offers a wide range of services to its residents. The last census in Palos Park was in 2000 and the population count was 4,689. The census bureau estimates that the 2006 population of Palos Park was 4,752.

Initially, the water needs of all residents were served by individual groundwater wells. In the early 1980's, two condominium groups, with a total of 73 units occupied, located in the Northeast corner of the Village (“Common of Palos Park” and “Brookside of Palos”) sought a Lake Michigan water supply from the neighboring Village of Oak Lawn. On December 21, 1983, the Village of Palos Park contracted with the Village of Oak Lawn for the construction of a 10-inch transmission main to serve these two condominium complexes.

Currently, Palos Park provides 1,852 residences and 41 commercial entities in Palos Park with central Lake Michigan water and central sanitary sewer service. However, there are plans to annex several areas that would add residential and commercial entities to the Palos Park central water and sewer systems.

The Village’s water system consists of the 10-inch transmission main from Oak Lawn, main pumping station with 500,000 gallons of ground storage, a 300,000 gallon water tower, booster station, and transmission and distribution mains for conveying water to the customers. The Village does not maintain any deep wells. The main water pumping station is in need of additional pumping capacity to meet current and future water demands. System water storage is also inadequate to meet current and future needs and additional water storage is needed to meet the Village’s contractual obligations with the Village of Oak Lawn and Chicago.

The Village's sewer system consists of a collection system, lift stations, and force mains for conveying sewage from the customer's property to the Metropolitan Water Reclamation District of Greater Chicago's sewer interceptors. Sewage treatment is provided by the Metropolitan Water Reclamation District of Greater Chicago.

The Village provides water and sewer services to approximately 1,893 customers within the Village's corporate limits and does not provide utility services outside the corporate limits.

The Village has enacted a series of water rate increases over the past several years but requires incorporation of the Village of Oak Lawn and City of Chicago water rate increases to Palos Park. The Village of Palos Park buys its water from the Village of Oak Lawn, who purchase their water from the City of Chicago. Because of aging infrastructure, the City of Chicago is looking at significant rate increases over the next several years, and, in turn, passing the rate increases on to Oak Lawn and Palos Park. The rates proposed as part of this study do not include future rate increases from the Village of Oak Lawn and the City of Chicago.

The water and sanitary utilities are accounted for and reported as enterprise funds of the Village. Each fund is financed and operated in a manner similar to private business enterprises. The intent of the Village is to finance water and sanitary sewer services to the general public primarily through user charges on a continuing basis.

The basic financial principle in the successful operation of a water and sewer system is that sufficient funds be generated, through the sale of water and charges for sewer service, for the systems to be self-supporting and self-perpetuating. To accomplish this, revenue generated by the water and sewer rates of municipally owned systems should cover:

- A. Operation and maintenance expenses
- B. Routine capital expenses
- C. Principal and interest on outstanding debt

- D. Bond coverage requirements, including bond reserves
- E. System improvements and replacements

The general concepts are that revenue should be adequate to pay for the costs of service, and that customers' rates should be representative of the service received. These costs include all administrative and billing activities, as well as those associated with providing and storing water and treating or conveying sewage. In developing the rates for the Village of Palos Park, the primary goal was to recover the above mentioned costs, while equitably allocating the expenses among the users of the system.

It is required that the water and sewer systems are shown to have sufficient revenue available to maintain a sound financial condition. This is particularly important in the event that it is necessary to secure additional capital through the sale of bonds. Additional funds, such as a surplus cash balance, should also be available to off-set unexpected revenue shortfalls.

CHAPTER 2

CURRENT RATES AND CHARGES

The Village bills residents and commercial customers on a bi-monthly basis. The minimum water volume charge per bi-monthly period is 6,000 gallons, or 6 units, regardless of the total amount used. For water demand which exceeds 6,000 gallons per bi-monthly period, customers are billed a volumetric rate for each thousand gallons, or 1 unit, of water metered above the 6,000 gallon minimum. Charges for each unit of service (1,000 gallons) remain constant regardless of the total quantity of water metered. The average residential demand is 14,000 gallons per bi-monthly period. The Village bills residents for sewer based on their water meter reading. The rate structure is similar to the water rate structure. The sewer volume charge is subject to a 6,000 gallon, bi-monthly minimum. Sewer bills are determined with a volumetric rate for 1,000 gallons, or 1 unit, when the 6,000 gallon demand is exceeded.

The current water rate has been in effect since January 1, 2008 and the sewer rate has not been adjusted for many years. The current schedule of water rates and charges is as follows:

Current Water Rates and Charges

	Amount
Water Volume Charge (per 1,000 gallons)	\$5.30
Minimum Bi-Monthly Water Volume Charge (6,000 gallon)	\$31.80

The charge for an unmetered sewer is currently based on a sewage contribution of 10,000 gallons per month. The current schedule of sewer rates and charges is as follows:

Current Sewer Rates and Charges

	Amount
Sewer Volume Charge (per 1,000 gallons)	\$0.75
Minimum Bi-Monthly Sewer Volume Charge (6,000 gallons)	\$4.50
Bi-Monthly Sewer Line Charge (Unmetered)	\$7.50

CHAPTER 3

REVENUE REQUIREMENTS

Revenue requirements need to take into consideration all financial obligations of the Water and Sewer Funds. Revenue requirements generally consist of the following elements:

- A. Operation and maintenance expenses
- B. Routine capital expenses
- C. Principal and interest on outstanding debt
- D. Bond coverage requirements, including bond reserves
- E. System improvements and replacements

Number of Accounts, Billed Water Consumption, and Billed Sewage Flow

To project revenue requirements and revenues it was necessary to first project the number of accounts, billed water consumption, and billed sewage flow for the study period. The number of accounts and billed flows since Fiscal Year 2003 (FY 2003) are shown in Table 1 in the Appendix. The Village's fiscal year runs from May 1st to April 30th. Currently the Village is in FY 2009.

During the billed water and sewer flow analysis, it was discovered that flows from two large commercial sewer customers were inflating the average sewer usage per commercial customer. The two customers, Palos Hospital and Sandburg High School, were not included in the averaging. This allowed determination of a more reasonable average commercial usage of 208 units (1 unit = 1,000 gallons) annually. The adjustment is shown in Table 2 in the Appendix.

Number of Accounts

The increases in water and sewer accounts were estimated by the Village to be 6, 8, 10, and 12 accounts in 2009, 2010, 2011, and 2012, respectively.

The estimate of future water and sewer accounts and flows per year are shown in Tables 3 and 4 respectively in the Appendix. The summarized number of accounts, billed units, and purchased units are shown in Table 5 in the Appendix.

The projected number of water and sewer accounts is shown below.

Projected Number of Accounts

	FY 2008[1]	FY 2009	FY 2010	FY 2011	FY 2012
Water	1,893	1,899	1,907	1,917	1,929
Sewer	1,893	1,899	1,907	1,917	1,929

[1] Budget

Billed Water Consumption

Based on historical billed water consumptions, total growth in billed water consumption for residential accounts was assumed at 78,600 gallons per year per account. Projected billed water consumptions are summarized as follows (See Table 5 in Appendix):

Projected Billed Water Consumptions in 1,000 Gallons

FY 2008[1]	FY 2009	FY 2010	FY 2011	FY 2012
150,230	150,689	151,301	152,066	152,985

[1] Budget

Billed Sewage Flows

Based on historical billed sewage flows, growth in billed sewage flow for residential accounts was assumed at 72,000 gallons per year per account. Projected billed sewage flows are summarized as follows (See Table 5 in Appendix):

Projected Billed Sewage Flows in 1,000 Gallons

FY 2008[1]	FY 2009	FY 2010	FY 2011	FY 2012
192,374	192,794	193,354	194,055	194,895

[1] Budget

Water Purchase

Billed water consumption to water purchase varied from 77% to 84% between FY 2003 and FY 2008. Average billed water to water purchased was 82% for the study period. Projected water purchase is projected billed water consumption divided by 0.82. The amounts of water purchased and water billed over the past five years are detailed in Table 6. Water purchased is projected to increase as follows (See Table 7 in the Appendix):

Projected Water Purchase in 1,000 Gallons

FY 2008[1]	FY 2009	FY 2010	FY 2011	FY 2012
183,085	183,645	184,391	185,324	186,443

[1] Budget

Revenue Requirements

Revenue requirements of Palos Park’s Water Fund and Sewer Fund include the following categories:

- Salaries
- Benefits
- Debt Service
- Contractual
- Commodities
- Capital Expenditures (Water meters only for Water Fund. The remainder of the Capital

Expenditures are listed in Table 9 in the Appendix)

- Transfer Out

The revenue requirements for each category of the Water Fund are detailed in Table 7 in the Appendix. Table 7 shows actual expenses between FY 2003 and FY 2007, budget figures for 2008, and projected expenses between FY 2009 and FY 2012. Water revenue requirements are projected as follows:

Projected Revenue Requirements of the Water Fund [1]

FY 2008[2]	FY 2009	FY 2010	FY 2011	FY 2012
\$1,277,928	\$1,308,585	\$1,405,974	\$1,430,468	\$1,429,095

[1] Not including CIP

[2] Budget

Water Fund revenue requirements through FY 2012 are projected based on the following assumptions:

- An additional full time position is added in FY 2009 with a 5% increase in annual full time salaries thereafter and a 3% increase in salaries part time and overtime.
- Annual 6% increase in the cost of health and dental insurance.
- Social security and Medicare 7.65% of total salaries.
- Oak Lawn water rate of \$1.753/1000 gallons beginning January 1, 2008 with an annual 15% increase after 2008.
- Water purchase is determined by multiplying the Oak Lawn rate and projected water purchase. The amount of water purchased was determined by dividing the amount of water billed by Palos Park by 0.82 as determined in Table 6.
- Only water meter expenses are included under Capital Expenditure in Table 7. The remaining Capital Expenditures are included in Table 9 – Capital Improvements Program.
- Principal and interest payments in accordance with Table 10 – Existing and Proposed Bond Payment Schedules – in the Appendix.

- Transfer to General Fund assumed at \$55,000 in FY 2009, \$56,650 in 2010, \$58,350 in FY 2011, and \$60,100 in FY 2010 (to account for administrative time and supplies).
- Annual 3% increase on all other expenses.

Revenue requirements for each category of the Sewer Fund are detailed in Table 8 in the Appendix. Table 8 shows actual expenses between FY 2003 and FY 2007, budget figures for FY 2008 and projected expenses between FY 2009 and FY 2012. Sewer Fund revenue requirements through FY 2012 are projected based on budgets provided by the Village. Sewer revenue requirements are projected as follows:

Projected Revenue Requirements of the Sewer Fund [1]

FY 2008[2]	FY 2009	FY 2010	FY 2011	FY 2012
\$362,960	\$483,038	\$533,612	\$551,960	\$571,132

[1] Not including CIP

[2] Budget

Capital Improvements Program

As presented in Table 9, the capital improvements program was provided by the Village. Projects include necessary repairs and replacements of aging equipment as well as expansions of system capacity due to increasing demand from growth and development. Major projected water capital improvement projects are \$2,250,000 for additional water storage, \$102,500 for a new chlorinator, and \$240,000 for utility improvements. Major sewer capital improvement project is \$479,000 for the purchase of sewer televising and cleaning equipment. Major capital projects are assumed to be funded by issuing \$1,750,000 in general obligation bonds in FY 2010, and from revenues of the Water and Sewer Funds, as presented in Table 9. Water and sewer capital improvements programs are projected as follows:

Projected Capital Improvements Program

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Water CIP	\$2,053,000	\$0.00	\$2,432,500	\$80,000	\$80,000
Sewer CIP	\$0	\$137,000	\$242,000	\$50,000	\$50,000

Debt Service

Two alternative, general obligation bond issues of \$450,000 in FY 2004 and FY 2005 were included in calculating debt service in Table 10. In addition, a planned bond issue of \$1,750,000 in FY 2010 was included. The FY 2010 bond issue was assumed to be issued for 20 years at 4.5%. General obligation bonds are assumed to be sold late in the year of issue and a half a year of debt service payment is assumed for the year of issue followed by full year debt service payments. Also included in the proposed debt calculations is the 25% bond coverage collection which is mandated by the State of Illinois. The water and sewer debt service schedule is as follows (See Tables 7 and 8):

Debt Service Schedule

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Water Debt Service	\$124,421	\$107,828	\$156,787	\$238,525	\$241,043
Sewer Debt Service	\$47,135	\$46,299	\$48,408	\$47,450	\$46,439

CHAPTER 4

REVENUE

Water and sewer rates and the items listed below are expected to make up the revenues of the Water and Sewer Funds in future years.

- Rental Income
- Utility Income
- Miscellaneous Reimbursements
- Miscellaneous Income
- Interest Income
- Permits
- Bond Issues
- Money from Developers

Revenue projections are based upon the trends of actual revenue in recent years and demand for water and sewer services. Revenues from the sale of water and sewer services are based on metered water use throughout the Village. Connection fee revenue is based on projections of new developments in the Village each year through FY 2012. Collection of revenue from other charges to customers, such as rental income, late payment penalty, etc. was estimated by the Village for the purposes of this study, but is conservatively expected to remain near constant over the next five years.

Using the projected number of accounts, the demand for water and sewer services, and the current schedule of rates and charges, revenues can be forecasted. Because annual water and sewer sales will be subject to fluctuations in water demand due to the temperature, amount of precipitation, and the economic conditions of each year, the projection of new accounts and demand for services is conservative. A conservative forecast is more likely to result in adequate funds to support the water and sewer systems, while an overly optimistic projection may result in insufficient revenues to support the water and sewer systems. Revenue projections were made using the current rate and fee schedule and the following assumption:

- We have projected revenue for tap-in fees (estimated at \$14,000 per tap-in to the water line and \$14,000 for tap-in to the sewer line) based on the Village’s projections of new accounts.

Detailed projections of water and sewer revenues under the current rates and charges for the Water and Sewer Funds can be found in Tables 11 and 12, respectively in the Appendix. Revenues under the current rates and charges are projected as follows:

Projected Revenue of the Water and Sewer Fund under Current Rates and Charges

	FY 2008[1]	FY 2009	FY 2010	FY 2011	FY 2012
Water Revenue	\$1,005,252	\$958,347	\$2,744,313	\$1,027,111	\$1,062,246
Sewer Revenue	\$382,050	\$246,295	\$275,507	\$304,832	\$334,771

[1] Budget

As presented in Table 13 in the Appendix, a comparison of the projections of revenue and revenue requirements for the Water Fund indicates that the rates and charges are not adequate to cover the costs of service for water in each year of the study period. This is because of the large Capital Expenditures and rate increases from the Village of Oak Lawn predicted over the next five years. Adequacy of revenue under the current rates and charges to support the Water Fund is projected as follows:

Adequacy of Revenue under the Current Rates and Charges to Support the Water Fund

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Water Revenue	\$1,005,252	\$958,347	\$2,744,313	\$1,027,111	\$1,062,246
Water Revenue Requirements	\$3,330,928	\$1,308,585	\$3,877,849	\$1,644,218	\$1,645,370
Water Surplus (Deficit)	(\$2,325,676)	(\$350,238)	(\$1,133,536)	(\$617,107)	(\$583,124)
Water FY Beginning Cash Balance		\$1,044,998	\$694,760	(\$438,777)	(\$1,055,883)
Water FY Ending Cash Balance	\$1,044,998	\$694,760	(\$438,777)	(\$1,055,883)	(\$1,639,007)

Table 14 in the Appendix shows comparison of Revenues and Revenue Requirements under the current rates and charges for the Sewer Fund. Similar to the Water Fund, the sewer rates are not adequate to cover the expenditures over the next four years. Adequacy of revenue under the current rates and charges to support the Sewer Fund is projected as follows:

Adequacy of Revenue under the Current Rates and Charges to Support the Sewer Fund

	FY 2008[1]	FY 2009	FY 2010	FY 2011	FY 2012
Sewer Revenue	\$382,050	\$246,295	\$275,507	\$304,832	\$334,771
Sewer Revenue Requirements	\$362,960	\$620,038	\$775,612	\$601,960	\$621,132
Sewer Surplus (Deficit)	\$19,090	(\$373,743)	(\$500,105)	(\$297,128)	(\$286,361)
Sewer FY Beginning Cash Balance		\$627,177	\$253,434	(\$246,671)	(\$543,799)
Sewer FY Ending Cash Balance	\$627,177	\$253,434	(\$246,671)	(\$543,799)	(\$830,160)

[1] Budget

CHAPTER 5

DESIGN OF RATES AND CHARGES

Because annual water and sewer sales are subject to fluctuations in water demand due to the temperature, amount of precipitation, and the economic conditions of each year, a rate study should be conservative in its forecast. Rates developed from a conservative forecast are more likely to result in adequate funds to support the utility, while an overly optimistic projection may result in a budget deficit. Furthermore, surplus revenue that results from a conservative projection can be used to defer future rate increases, where deficits could have a negative impact on the operation and improvement of the systems.

Once a utility's revenue requirements have been determined, rates and charges that will adequately and equitably secure the necessary revenue should be implemented. The revenue to be generated from the water rates should at a minimum equal the revenue requirements of the Water Fund, less other income; and the revenue to be generated from the sewer rates should at a minimum equal the revenue requirements of the Sewer Fund, less other income.

Annual water debt service has been designed to be recovered from the water commodity rate. New rates and charges are designed to recover the cost of all water and sewer expenses. Factors considered when developing the rates and charges include simplicity, ease of implementation, customer acceptance, legality, resource conservation, and revenue stability.

The cash basis methodology was used to determine the net revenue requirements of the rates and charges. The intent of the cash basis methodology is that the revenue of the utility will be sufficient to cover all cash needs as they come due during the period in which the proposed rates are in effect. The revenue derived from sources other than the rate is first deducted from the total revenue requirements. Income from other sources includes items such as rental income, late payment penalty, interest income, etc. A detailed list of revenue from other sources is provided in Tables 15A, 15B, 16A and 16B in the Appendix.

The funding of capital improvements is an important consideration in the design of rates. These improvements can be financed either with cash or by issuing general obligation bonds. A combination of funding sources will be used by the Village for the capital improvement projects scheduled through FY 2012. Routine repair and replacement projects will be funded by rates. A general obligation bond will be issued to finance the construction of the Water Reservoir in FY 2010.

Design of Water and Sewer Rates

Rates were developed assuming that bond proceeds of \$1,750,000 would be available for capital projects in FY 2010.

Rates proposed are designed to prevent the Water and Sewer Funds from operating under a budget deficit in any of the years covered by the study period and provide a healthy cash balance for rate stability and emergencies.

Water and sewer rates were calculated by dividing the balance of water and sewer system revenue requirements by the projected water demand and sewage flow each year. Step increases in water and sewer rates are proposed.

Two options were considered for the proposed rates. Option 1 assumed all the water and sewer revenue requirements will be met from the water and sewer commodity charges and miscellaneous revenues. Option 2 assumed the revenue requirements will be met from a combination of water and sewer commodity charges and miscellaneous revenues, and a monthly \$6.50 capital improvements fee for each the water and sewer services. The water fund capital improvements fee will be discontinued after the bond issue has been repaid; the sewer fund capital improvements fee will be re-examined with the next water and sewer rate study. The proposed water and sewer rates and charges under Option 1 and Option 2 are summarized as follows:

Proposed Water Rates and Charges – Option 1 (No Capital Improvements Fee)

	FY 2008 Budget	FY 2009 Proposed	FY 2010 Proposed	FY 2011 Proposed	FY 2012 Proposed
Total Water Volume Charge (per 1,000 gallons)	\$5.30	\$8.50	\$9.50	\$10.25	\$10.40
Amount of Water Volume Charge Passed from Oak Lawn and Chicago	\$1.89	\$2.46	\$2.83	\$3.25	\$3.74
Minimum Bi-Monthly Water Volume Charge (6,000 gallons)	\$31.80	\$51.00	\$57.00	\$61.50	\$62.40

Proposed Water Rates and Charges – Option 2 (\$6.50 Capital Improvements Fee)

	FY 2008 Budget	FY 2009 Proposed	FY 2010 Proposed	FY 2011 Proposed	FY 2012 Proposed
Total Water Volume Charge (per 1,000 gallons)	\$5.30	\$6.75	\$8.15	\$9.75	\$9.75
Amount of Water Volume Charge Passed from Oak Lawn and Chicago	\$1.89	\$2.46	\$2.83	\$3.25	\$3.74
Minimum Bi-Monthly Water Volume Charge (6,000 gallons)	\$31.80	\$40.50	\$48.90	\$58.50	\$58.50
Monthly Capital Improvements Fee		\$6.50	\$6.50	\$6.50	\$6.50

Table 15A and Table 15B in the Appendix detail water revenue projections under the proposed water rates and charges. Table 17A and Table 17B in the Appendix provide supporting information on the ability of the proposed water rates and charges to sustain the water system.

Adequacies of revenue under the proposed rates and charges to support the Water Fund under Option 1 and Option 2 are projected as follows:

**Adequacy of Revenue under the Proposed Rates and Charges to Support the Water Fund
Option 1 (No Capital Improvements Fee)**

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Water Revenue	\$1,005,252	\$1,239,633	\$3,379,778	\$1,779,840	\$1,842,468
Water Revenue Requirements	\$3,330,928	\$1,308,585	\$3,877,849	\$1,644,218	\$1,645,370
Water Surplus (Deficit)	(\$2,325,676)	(\$68,952)	(\$498,071)	\$135,622	\$197,098
Water FY Beginning Cash Balance		\$1,044,998	\$976,046	\$477,975	\$613,597
Water FY Ending Cash Balance	\$1,044,998	\$976,046	\$477,975	\$613,597	\$810,695

**Adequacy of Revenue under the Proposed Rates and Charges to Support the Water Fund
Option 2 (\$6.50 Capital Improvements Fee)**

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Water Revenue	\$1,005,252	\$1,172,202	\$3,324,254	\$1,853,320	\$1,893,477
Water Revenue Requirements	\$3,330,928	\$1,308,585	\$3,877,849	\$1,644,218	\$1,645,370
Water Surplus (Deficit)	(\$2,325,676)	(\$136,383)	(\$553,595)	\$209,102	\$248,107
Water FY Beginning Cash Balance		\$1,044,998	\$908,615	\$355,020	\$564,122
Water FY Ending Cash Balance	\$1,044,998	\$908,615	\$355,020	\$564,122	\$812,229

The proposed sewer rates and charges under Option 1 and Option 2 are summarized as follows:

Proposed Sewer Rates and Charges – Option 1(No Capital Improvements Fee)

Sewer Charge (metered) per 1,000 gallons	\$0.75	\$1.35	\$2.00	\$2.80	\$3.45
Sewer Charge (unmetered) per bi-month	\$7.50	\$13.50	\$20.00	\$28.00	\$34.50
Minimum Bi-Monthly Sewer Volume Charge (6,000 gallons)	\$4.50	\$8.10	\$12.00	\$16.80	\$20.70

Proposed Sewer Rates and Charges – Option 2 (\$6.50 Capital Improvements Fee)

Sewer Charge (metered) per 1,000 gallons	\$0.75	\$1.20	\$1.75	\$1.85	\$2.00
Sewer Charge (unmetered) per bi-month	\$7.50	\$12.00	\$17.50	\$18.50	\$20.00
Minimum Bi-Monthly Sewer Volume Charge (6,000 gallons)	\$4.50	\$7.20	\$10.50	\$11.10	\$12.00
Monthly Capital Improvements Fee		\$6.50	\$6.50	\$6.50	\$6.50

Table 16A and Table 16B in the Appendix detail sewer revenue projections under the proposed sewer rates and charges. Table 18A and Table 18 in the Appendix provide supporting information on the ability of the proposed sewer rates and charges to sustain the sewer system.

Adequacies of revenue under the proposed rates and charges to support the Sewer Fund under Option 1 and Option 2 are projected as follows:

**Adequacy of Revenue under the Proposed Rates and Charges to Support the Sewer Fund
Option 1 (No Capital Improvements Fee)**

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Sewer Revenue	\$382,050	\$313,773	\$517,200	\$702,644	\$860,989
Sewer Revenue Requirements	\$362,960	\$620,038	\$775,612	\$601,960	\$621,132
Sewer Surplus (Deficit)	\$19,090	(\$306,265)	(\$258,412)	\$100,684	\$239,857
Sewer FY Beginning Cash Balance		\$627,177	\$320,913	\$62,500	\$163,184
Sewer FY Ending Cash Balance	\$627,177	\$320,913	\$62,500	\$163,184	\$403,041

**Adequacy of Revenue under the Proposed Rates and Charges to Support the Sewer Fund
Option 2 (\$6.50 Capital Improvements Fee)**

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Sewer Revenue	\$382,050	\$383,301	\$617,594	\$667,805	\$728,839
Sewer Revenue Requirements	\$362,960	\$620,038	\$775,612	\$601,960	\$621,132
Sewer Surplus (Deficit)	\$19,090	(\$236,737)	(\$158,018)	\$65,845	\$107,707
Sewer FY Beginning Cash Balance		\$627,177	\$390,440	\$232,422	\$298,267
Sewer FY Ending Cash Balance	\$627,177	\$390,440	\$232,422	\$298,267	\$405,974

CHAPTER 6

IMPACT OF PROPOSED RATES AND CHARGES

The change in the minimum bi-monthly water and sewer bill (under 6,000 gallons) under Option 1 is an increase of \$22.80 or 62.8% in FY 2009. Future increase to the minimum bi-monthly bill would be 16.8%, or \$9.90 in FY 2010. The minimum bi-monthly water and sewer bills through FY 2012 are tabulated in Table 19A.

The change in the minimum bi-monthly water and sewer bill (under 6,000 gallons) under Option 2 is an increase of \$37.40 or 103.0% in FY 2009. Future increase to the minimum bi-monthly bill would be 15.9%, or \$11.70 in FY 2010. The minimum bi-monthly water and sewer bills through FY 2012 are tabulated in Table 19B.

The change in the average residential customer's bi-monthly bill (14,000 gallons) under Option 1 is estimated to be an increase of \$53.20 or 62.8% in FY 2009. Future increase to the average bi-monthly bill would be 16.8%, or \$23.10 in FY 2010. The average residential customer's bi-monthly bills through FY 2012 are tabulated in Table 19A.

The change in the average residential customer's bi-monthly bill (14,000 gallons) under Option 2 is estimated to be an increase of \$52.60 or 62.1% in FY 2009. Future increase to the average bi-monthly bill would be 19.9%, or \$27.30 in FY 2010. The average residential customer's bi-monthly bills through FY 2012 are tabulated in Table 19B.

The change in the customer's unmetered bi-monthly bill for sewer under Option 1 is estimated to be \$6.00 or 80.0% in FY 2009. The bill will subsequently increase by \$6.50 or 48.1% in FY 2010. The customer's unmetered bi-monthly bills through FY 2012 are tabulated in Table 19A.

The change in the customer's unmetered bi-monthly bill for sewer under Option 2 is estimated to be \$17.50 or 233.3% in FY 2009. The bill will subsequently increase by \$5.50 or 22.0% in FY 2010.

The customer's unmetered bi-monthly bills through FY 2012 are tabulated in Table 19B.

The impact of the proposed increases in the water and sewer commodity rates on typical residential and commercial bills is demonstrated in Table 19A and Table 19B in the Appendix.

APPENDIX

Table 1
Number of Accounts and Usage

Billing Date	Water						Sewer					
	Commercial		Multi-Residential		Residential		Commercial		Multi-Residential		Residential	
	Number of Customers	Usage (Units) (1)	Number of Customers	Usage (Units)	Number of Customers	Usage (Units)	Number of Customers	Usage (Units)	Number of Customers	Usage (Units)	Number of Customers	Usage (Units)
<u>Fiscal Year 2003</u>												
May-02	11.0	341.0	39.0	423.0	936.0	9,084.0	11.0	377.0	39.0	423.0	936.0	8,613.0
Jun-02	24.0	390.0	135.0	793.0	697.0	8,155.0	24.0	8,814.0	135.0	784.0	697.0	7,697.0
Jul-02	11.0	437.0	39.0	462.0	984.0	13,556.0	11.0	401.0	39.0	462.0	984.0	11,736.0
Aug-02	24.0	571.0	135.0	1,833.0	695.0	11,214.0	24.0	10,648.0	135.0	826.0	695.0	10,691.0
Sep-02	14.0	1,100.0	39.0	626.0	937.0	17,943.0	14.0	715.0	39.0	626.0	937.0	14,232.0
Oct-02	23.0	671.0	135.0	1,511.0	697.0	11,516.0	23.0	9,910.0	135.0	831.0	697.0	10,855.0
Nov-02	14.0	927.0	39.0	537.0	942.0	13,928.0	14.0	748.0	39.0	537.0	942.0	11,707.0
Dec-02	23.0	442.0	135.0	944.0	697.0	7,805.0	23.0	7,752.0	135.0	790.0	697.0	7,351.0
Jan-03	14.0	969.0	39.0	447.0	943.0	10,495.0	14.0	924.0	39.0	447.0	943.0	10,030.0
Feb-03	23.0	371.0	135.0	882.0	698.0	8,092.0	23.0	7,524.0	135.0	882.0	698.0	7,640.0
Mar-03	14.0	1,409.0	39.0	447.0	946.0	9,969.0	14.0	1,379.0	39.0	447.0	946.0	9,520.0
Apr-03	23.0	371.0	135.0	717.0	698.0	7,385.0	23.0	15,292.0	135.0	717.0	698.0	6,971.0
Total Annual for FY 2003	218.0	7,999.0	1,044.0	9,622.0	9,870.0	129,142.0	218.0	64,484.0	1,044.0	7,772.0	9,870.0	117,043.0
Avg. Number of Monthly Customers	36.3		174.0		1,645.0		36.3		174.0		1,645.0	
Annual Annual Usage per Customer (Units)		220.2		55.3		78.5		1,774.8		44.7		71.2
Total Avg. No. of Customers	1,855.3						1,855.3					
Total Usage (Units)	146,763.0						189,299.0					
Annual Annual Usage per Customer (Units)	79.1						102.0					
<u>Fiscal Year 2004</u>												
May-03	14.0	1,096.0	39.0	424.0	945.0	9,593.0	14.0	1,069.0	39.0	424.0	945.0	9,165.0
Jun-03	23.0	439.0	135.0	946.0	697.0	8,485.0	23.0	9,346.0	135.0	771.0	697.0	7,997.0
Jul-03	14.0	1,106.0	39.0	478.0	945.0	14,191.0	14.0	1,060.0	39.0	478.0	945.0	12,856.0
Aug-03	23.0	627.0	135.0	1,465.0	697.0	10,299.0	23.0	9,918.0	135.0	797.0	697.0	9,542.0
Sep-03	14.0	1,201.0	39.0	456.0	944.0	15,453.0	14.0	1,119.0	39.0	456.0	944.0	13,063.0
Oct-03	24.0	551.0	135.0	1,625.0	696.0	9,503.0	24.0	9,629.0	135.0	798.0	696.0	8,897.0
Nov-03	14.0	1,154.0	39.0	451.0	944.0	12,409.0	14.0	1,080.0	39.0	451.0	944.0	10,752.0
Dec-03	24.0	479.0	135.0	751.0	696.0	7,702.0	24.0	9,528.0	135.0	725.0	696.0	7,259.0
Jan-04	14.0	889.0	39.0	452.0	944.0	10,962.0	14.0	862.0	39.0	452.0	944.0	10,386.0
Feb-04	24.0	429.0	135.0	749.0	698.0	8,227.0	24.0	9,771.0	135.0	749.0	698.0	7,786.0
Mar-04	14.0	1,253.0	39.0	402.0	944.0	10,870.0	14.0	1,221.0	39.0	402.0	944.0	10,368.0
Apr-04	25.0	441.0	135.0	671.0	697.0	7,819.0	25.0	10,317.0	135.0	671.0	697.0	7,398.0
Total Annual for FY 2004	227.0	9,665.0	1,044.0	8,870.0	9,847.0	125,513.0	227.0	64,920.0	1,044.0	7,174.0	9,847.0	115,469.0
Avg. Number of Monthly Customers	37.8		174.0		1,641.2		37.8		174.0		1,641.2	
Annual Annual Usage per Customer (Units)		255.5		51.0		76.5		1,715.9		41.2		70.4
Total Avg. No. of Customers	1,853.0						1,853.0					
Total Usage (Units)	144,048.0						187,563.0					
Annual Annual Usage per Customer (Units)	77.7						101.2					

Table 1
Number of Accounts and Usage

Billing Date Fiscal Year 2005	Water						Sewer					
	Commercial		Multi-Residential		Residential		Commercial		Multi-Residential		Residential	
	Number of Customers	Usage (Units) (1)	Number of Customers	Usage (Units)	Number of Customers	Usage (Units)	Number of Customers	Usage (Units)	Number of Customers	Usage (Units)	Number of Customers	Usage (Units)
May-04	14.0	892.0	39.0	391.0	946.0	10,414.0	14.0	860.0	39.0	391.0	946.0	9,738.0
Jun-04	25.0	488.0	135.0	837.0	697.0	8,458.0	25.0	9,679.0	135.0	736.0	697.0	8,028.0
Jul-04	14.0	964.0	39.0	536.0	949.0	13,093.0	14.0	885.0	39.0	536.0	949.0	11,276.0
Aug-04	25.0	620.0	135.0	1,257.0	695.0	9,692.0	25.0	10,440.0	135.0	722.0	695.0	9,243.0
Sep-04	14.0	1,002.0	39.0	494.0	950.0	16,002.0	14.0	932.0	39.0	494.0	950.0	13,506.0
Oct-04	25.0	680.0	135.0	1,391.0	696.0	9,739.0	25.0	10,890.0	135.0	742.0	696.0	9,302.0
Nov-04	14.0	944.0	39.0	475.0	953.0	13,525.0	14.0	869.0	39.0	475.0	953.0	11,459.0
Dec-04	25.0	611.0	135.0	920.0	696.0	8,317.0	25.0	10,222.0	135.0	712.0	696.0	7,915.0
Jan-05	14.0	812.0	40.0	408.0	953.0	10,570.0	14.0	779.0	40.0	408.0	953.0	10,038.0
Feb-05												
Mar-05	14.0	1,230.0	39.0	426.0	954.0	10,202.0	14.0	1,194.0	39.0	426.0	954.0	9,709.0
Apr-05	25.0	514.0	135.0	720.0	703.0	7,396.0	25.0	9,732.0	135.0	720.0	703.0	6,943.0
Total Annual for FY 2005	209.0	8,757.0	910.0	7,855.0	9,192.0	117,408.0	209.0	56,482.0	910.0	6,362.0	9,192.0	107,157.0
Avg. Number of Monthly Customers	34.8		151.7		1,532.0		34.8		151.7		1,532.0	
Annual Annual Usage per Customer (Units)		251.4		51.8		76.6		1,621.5		41.9		69.9
Total Avg. No. of Customers	1,718.5						1,718.5					
Total Usage (Units)	134,020.0						170,001.0					
Annual Annual Usage per Customer (Units)	78.0						98.9					
Fiscal Year 2006												
May-05	14.0	1,220.0	39.0	384.0	955.0	10,382.0	14.0	1,187.0	39.0	384.0	955.0	9,756.0
Jun-05	25.0	528.0	136.0	811.0	708.0	8,479.0	25.0	9,824.0	136.0	749.0	708.0	8,062.0
Jul-05	14.0	1,214.0	39.0	609.0	961.0	18,151.0	14.0	1,149.0	39.0	609.0	961.0	15,804.0
Aug-05	25.0	778.0	135.0	1,564.0	711.0	13,272.0	25.0	10,689.0	135.0	760.0	711.0	12,697.0
Sep-05	14.0	1,212.0	39.0	714.0	961.0	19,801.0	14.0	1,108.0	39.0	714.0	961.0	17,152.0
Oct-05	25.0	740.0	135.0	1,754.0	707.0	12,862.0	25.0	10,762.0	135.0	809.0	707.0	12,302.0
Nov-05	14.0	1,039.0	39.0	505.0	965.0	17,294.0	14.0	953.0	39.0	505.0	965.0	14,556.0
Dec-05	24.0	445.0	135.0	937.0	708.0	8,320.0	24.0	10,062.0	135.0	772.0	708.0	7,958.0
Jan-06	14.0	964.0	39.0	442.0	966.0	11,626.0	14.0	924.0	39.0	442.0	966.0	10,999.0
Feb-06	26.0	548.0	135.0	788.0	709.0	8,408.0	26.0	10,018.0	135.0	788.0	709.0	8,088.0
Mar-06	14.0	910.0	39.0	383.0	966.0	9,495.0	14.0	910.0	39.0	383.0	966.0	9,010.0
Apr-06	26.0	440.0	135.0	722.0	707.0	7,056.0	26.0	10,106.0	135.0	722.0	707.0	6,729.0
Total Annual for FY 2006	235.0	10,038.0	1,045.0	9,613.0	10,024.0	145,146.0	235.0	67,692.0	1,045.0	7,637.0	10,024.0	133,113.0
Avg. Number of Monthly Customers	39.2		174.2		1,670.7		39.2		174.2		1,670.7	
Annual Annual Usage per Customer (Units)		256.3		55.2		86.9		1,728.3		43.8		79.7
Total Avg. No. of Customers	1,884.0						1,884.0					
Total Usage (Units)	164,797.0						208,442.0					
Annual Annual Usage per Customer (Units)	87.5						110.6					

Table 1
Number of Accounts and Usage

Billing Date	Water						Sewer					
	Commercial		Multi-Residential		Residential		Commercial		Multi-Residential		Residential	
	Number of Customers	Usage (Units) (1)	Number of Customers	Usage (Units)	Number of Customers	Usage (Units)	Number of Customers	Usage (Units)	Number of Customers	Usage (Units)	Number of Customers	Usage (Units)
Fiscal Year 2007												
May-06	14.0	999.0	39.0	393.0	967.0	10,284.0	14.0	999.0	39.0	393.0	967.0	9,762.0
Jun-06	26.0	529.0	135.0	911.0	711.0	8,197.0	26.0	10,178.0	135.0	763.0	711.0	7,842.0
Jul-06	15.0	1,227.0	40.0	467.0	970.0	14,831.0	15.0	1,108.0	40.0	467.0	970.0	13,181.0
Aug-06	26.0	1,015.0	137.0	1,809.0	705.0	10,508.0	26.0	10,895.0	137.0	753.0	705.0	10,023.0
Sep-06	15.0	1,157.0	40.0	448.0	972.0	18,911.0	15.0	1,130.0	40.0	448.0	972.0	16,156.0
Oct-06	26.0	957.0	135.0	1,322.0	704.0	9,294.0	26.0	11,056.0	135.0	751.0	704.0	8,924.0
Nov-06	15.0	644.0	39.0	365.0	976.0	10,034.0	15.0	623.0	39.0	365.0	976.0	8,815.0
Dec-06	26.0	486.0	135.0	726.0	702.0	7,262.0	26.0	8,891.0	135.0	715.0	702.0	6,884.0
Jan-07	15.0	863.0	39.0	399.0	978.0	10,620.0	15.0	843.0	39.0	399.0	978.0	10,063.0
Feb-07	26.0	452.0	135.0	713.0	699.0	7,537.0	26.0	8,547.0	135.0	713.0	699.0	7,083.0
Mar-07	15.0	1,147.0	39.0	404.0	982.0	10,539.0	15.0	1,128.0	39.0	404.0	982.0	10,015.0
Apr-07	26.0	420.0	135.0	635.0	698.0	6,892.0	26.0	4,929.0	135.0	635.0	698.0	6,556.0
Total Annual for FY 2007	245.0	9,896.0	1,048.0	8,592.0	10,064.0	124,909.0	245.0	60,327.0	1,048.0	6,806.0	10,064.0	115,304.0
Avg. Number of Monthly Customers	40.8		174.7		1,677.3		40.8		174.7		1,677.3	
Annual Annual Usage per Customer (Units)		242.4		49.2		74.5		1,477.4		39.0		68.7
Total Avg. No. of Customers	1,892.8						1,892.8					
Total Usage (Units)	143,397.0						182,437.0					
Annual Annual Usage per Customer (Units)	75.8						96.4					
Summary FY 2003 to FY 2007 (2)												
Average Residential Usage	76.5	Units Water from FY2003 to FY2007										
Average Residential Usage	70.0	Units Sewer from FY2003 to FY2007										
Average Comm Usage	242.3	Units Water from FY2003 to FY2007										
Average Comm Usage	1,647.4	Units Sewer from FY2003 to FY2007										

Notes

(1) 1 Unit = 1,000 gallons

(2) FY 2006 was excluded from average calculations because of its unusually high usage.

Customers billed bi-monthly

Table 2
Commercial Sewer Usage Adjustment

Commercial Sewer Usage Adjustment to Exclude two large sewer customers, Palos Hospital and Sandburg

Average 2007 Usage	Bimonthly Usage (Units)	Annual Usage (Units)
Palos Hospital	6,924	41,544
Sandburg	2,098	12,588

Fiscal Year	Unadjusted			Adjusted		
	Number of Annual Customers	Annual Usage (Units)(1)	Average Usage per Customer (Units/Year)	Number of Annual Customers	Annual Usage (Units)	Average Usage per Customer (Units/Year)
2003	36.3	64,484.0	1,774.8	34.3	10,352.0	301.5
2004	37.8	64,920.0	1,715.9	35.8	10,788.0	301.1
2005	34.8	56,482.0	1,621.5	32.8	2,350.0	71.6
2006	39.2	67,692.0	1,728.3	37.2	13,560.0	364.8
2007	40.8	60,327.0	1,477.4	38.8	6,195.0	159.5
Average FY 2003-FY 2007 (2)			1,647.4			208.4

Average Adjusted Commercial Sewer Use per Customer 208.4 Units Annually

Notes

- (1) 1 Unit = 1,000 gallons
- (2) FY 2006 was excluded from average calculations because of its unusually high usage.

Table 3
Future Water Accounts
FY 2008 through FY 2012

	2009	2010	2011	2012
Tap In Fee	\$ 14,000	\$ 14,000	\$ 14,000	\$ 14,000
Additional Accounts per Year [1]	6	8	10	12
Additional Flow per Year (Units)[2]	459.1	612.2	765.2	918.3
Total Annual Tap In Revenue	\$ 84,000	\$ 112,000	\$ 140,000	\$ 168,000

Notes:

[1] Information provided by Village

[2] 1 Unit= 1,000 gallons

Table 4
Future Sewer Accounts
FY 2008 through FY 2012

	2009	2010	2011	2012
Tap In Fee	\$ 14,000	\$ 14,000	\$ 14,000	\$ 14,000
Additional Accounts per Year [1]	6	8	10	12
Additional Flow per Year (Units) [2]	420.3	560.4	700.5	840.6
Total Annual Tap In Revenue	\$ 84,000	\$ 112,000	\$ 140,000	\$ 168,000

Notes:

[1] Information provided by Village

[2] 1 Unit= 1,000 gallons

Table 5
Future Water and Sewer Account Summary
FY 2008 through FY 2012

Fiscal Year	Water			Sewer	
	Number of Accounts	Units Billed	Units Purchased from Oak Lawn	Number of Accounts	Units Billed
2004	1,853	144,048		1,853	187,563
2005	1,719	134,020		1,719	170,001
2006	1,884	164,797		1,884	208,442
2007	1,893	143,397		1,893	182,437
2008	1,893	150,230	183,085	1,893	192,374
2009	1,899	150,689	183,645	1,899	192,794
2010	1,907	151,301	184,391	1,907	193,354
2011	1,917	152,066	185,324	1,917	194,055
2012	1,929	152,985	186,443	1,929	194,895

Notes:

1 Unit = 1,000 gallons

The 2008 number is the 2007 number of accounts (split between commercial and residential) multiplied by the average appropriate usage for FY2003 through FY2007

The 2009 projected number is the 2008 number + the projected average added flow from Tables 3 or 4

The 2010 projected number is the 2009 number + the projected average added flow from Tables 3 or 4

The 2011 projected number is the 2010 number + the projected average added flow from Tables 3 or 4

The 2012 projected number is the 2011 number + the projected average added flow from Tables 3 or 4

Average Ratio of Water Used to Water Purchased = **82%**

Table 6
Analysis of Water Purchased vs. Water Billed

	<u>FY</u> <u>2003</u>	<u>FY</u> <u>2004</u>	<u>FY</u> <u>2005</u>	<u>FY</u> <u>2006</u>	<u>FY</u> <u>2007</u>
May	13,278	14,218	13,334	16,881	16,569
June	15,640	18,180	17,782	21,168	18,504
July	22,874	17,033	19,692	25,202	19,584
August	19,959	15,741	16,606	22,392	18,128
September	18,519	16,094	18,718	20,719	13,269
October	14,978	13,557	12,797	15,591	13,085
November	10,907	10,388	12,996	12,140	11,632
December	14,447	14,164	12,877	13,536	11,791
January	13,185	12,067	13,637	14,195	13,554
February	11,721	12,858	10,932	11,310	11,125
March	12,537	13,545	12,271	12,164	11,262
April	12,770	13,103	11,851	11,962	12,106
Total Water Purchased (Units)	180,815	170,948	173,493	197,260	170,609
Total Water Billed (Units)	146,763	144,048	134,020	164,797	143,397
Percent Water Unbilled	18.8%	15.7%	22.8%	16.5%	15.9%
Ratio of Water Billed to Water Purchased	81.2%	84.3%	77.2%	83.5%	84.1%
Average 2003 through 2007	82.1%				

Note:

1. Volume in 1,000 gallons

Table 7
Water Revenue Requirements

<u>Account Number</u>	<u>Account Description</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>Budget FY 2008</u>	<u>Proposed FY 2009</u>	<u>Proposed FY 2010</u>	<u>Proposed FY 2011</u>	<u>Proposed FY 2012</u>
Water Purchase (1,000 Gallons)		180,815	170,948	173,493	197,260	170,609	183,085	183,645	184,391	185,324	186,443
Oak Lawn Water Purchase Cost (\$/1,000 Gallons)											
Composite for Fiscal Year		1.436	1.480	1.509	1.545	1.553	1.753	2.016	2.318	2.666	3.066
Salaries											
52-24-40-4100	Salaries Full time	92,778	93,228	108,611	117,025	93,116	147,377	113,604	119,284	125,248	131,511
52-24-40-4150	Salaries Part time	11,537	9,335	39,947	34,450	31,833	36,760	7,280	7,644	8,026	8,428
52-24-40-4200	Salaries Over time	4,774	4,966	9,625	13,063	9,911	10,000	12,000	12,600	13,230	13,892
Total Salaries		109,089	107,529	158,183	164,538	134,860	194,137	132,884	139,528	146,504	153,831
Benefit											
52-24-50-5310	Health-Dental Insurance	9,796	13,024	19,812	34,639	39,225	28,000	37,567	39,821	42,210	44,743
52-24-50-5320	Life Insurance	661	678	800	596	609	600	954	1,011	1,072	1,136
52-24-50-5330	IMRF	9,158	9,000	11,496	12,873	11,420	19,414	13,288	13,953	14,650	15,383
52-24-50-5340	Employee Assistance Program	46	46	45	45	31	45	72	76	80	85
52-24-50-5350	Social Security & Medicare	8,310	8,465	12,940	12,547	10,504	14,851	10,166	10,674	11,208	11,768
52-24-50-5360	Unemployment Insurance	141	-	-	-	-	300	477	506	536	568
52-24-50-5370	Workmen's comp	7,846	-	-	-	-	-	-	-	-	-
52-24-50-5380	Training & Seminars	-	-	-	-	-	-	-	-	-	-
Total Benefits		35,958	31,213	45,093	60,700	61,789	63,210	62,524	66,041	69,756	73,683
Debt Service											
52-24-58-5800	Principal Payment	325,000	325,000	-	10,000	22,000	24,400	24,400	24,400	79,400	86,400
52-24-58-5801	Interest Payment	40,300	19,963	-	6,383	13,565	13,125	12,440	51,090	89,690	86,400
52-24-58-5802	Fiscal Agent Fees	1,100	1,209	-	3,350	-	-	-	10,000	-	-
52-24-58-5810	Contractual Agreement	13,920	13,920	13,920	16,423	7,200	16,167	14,372	16,418	16,418	17,070
52-24-58-5820	SA 96-1A/Prin Payment	-	53,743	10,560	10,560	10,560	10,560	10,560	10,560	10,560	10,560
52-24-58-5821	SA 96-1A/Int Payment	-	43,254	6,814	7,116	6,585	6,093	5,596	4,593	4,034	3,494
52-24-58-5822	SA 96-1B/Prin Payment	-	137,036	27,150	27,150	27,150	27,150	27,150	27,150	27,150	27,150
52-24-58-5823	SA 96-1B/Int Payment	-	96,977	15,978	16,735	15,521	14,428	13,310	12,576	11,273	9,969
52-24-58-5840	PW VEHICLE LEASE - PRINCIPAL	-	-	-	-	11,123	11,123	-	-	-	-
52-24-58-5841	PW VEHICLE LEASE - INTEREST	-	-	-	-	1,375	1,375	-	-	-	-
Total Debt Service		380,320	691,102	74,422	97,717	115,079	124,421	107,828	156,787	238,525	241,043

Table 7
Water Revenue Requirements

<u>Account Number</u>	<u>Account Description</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>Budget FY 2008</u>	<u>Proposed FY 2009</u>	<u>Proposed FY 2010</u>	<u>Proposed FY 2011</u>	<u>Proposed FY 2012</u>
Contractual											
52-24-60-6000	IRMA Contributions	-	9,234	9,292	7,781	6,935	10,000	10,000	10,300	10,609	10,927
52-24-60-6010	Fannie Mae - Bank Admin Fees	-	-	-	-	120	120	-	-	-	-
52-24-60-6300	Liability & Bond Insurance	13,004	-	-	-	-	-	-	-	-	-
52-24-60-6400	Electric	19,419	17,157	10,105	11,269	9,029	12,500	41,300	42,539	43,815	45,130
52-24-60-6405	Electric-Pumping Station	-	-	-	-	-	-	-	-	-	-
52-24-60-6406	Electric-Water Tower	-	-	-	-	-	-	-	-	-	-
52-24-60-6410	Ni-Gas	3,538	1,890	2,996	2,983	1,953	4,000	4,000	4,120	4,244	4,371
52-24-60-6540	Legal Fees-Miscellaneous	1,142	2,373	17,017	1,472	63	1,500	2,000	2,060	2,122	2,185
52-24-60-6550	Fiscal Agent/Consulting Fees	-	-	-	-	-	-	-	-	-	-
52-24-60-6590	Publishing	-	-	137	339	346	500	500	515	530	546
52-24-60-6600	Plan review & Inspection	-	-	-	-	154	26,000	6,000	6,180	6,365	6,556
52-24-60-6605	Engineer Review & Inspection	9,076	30,563	46,066	17,854	56,764	227,000	81,000	70,000	72,100	74,263
52-24-60-6620	Lab Inspection Fees	559	562	441	560	533	2,000	2,000	2,060	2,122	2,185
52-24-60-6630	Inspection Fees	-	-	240	-	-	-	-	-	-	-
52-24-60-6700	Vehicle Maintenance & Supplies	1,323	852	724	1,157	1,129	1,000	1,500	1,545	1,591	1,639
52-24-60-6705	Office Equipment Maintenance	805	863	829	796	968	1,000	2,200	2,266	2,334	2,404
52-24-60-6708	Operating Equipment Maint	1,877	66	1,582	132	322	2,000	2,000	2,060	2,122	2,185
52-24-60-6710	Building Maint-Contracts	-	50	1,607	72	1,701	1,500	9,000	9,270	9,548	9,835
52-24-60-6711	Building Maint-Supplies	3,208	175	3,357	4,376	1,542	3,000	3,000	3,090	3,183	3,278
52-24-60-6712	Water Tower Maint-Supplies	4,865	482	1,005	6,066	168	133,000	136,230	136,230	136,230	28,000
52-24-60-6720	Pump Maintenance & Supplies	2,341	1,438	458	540	1,965	2,000	20,000	60,000	2,652	2,732
52-24-60-6750	Water Line Maint & Supplies	60,210	16,484	22,767	45,317	26,336	35,000	60,000	44,000	48,400	53,240
52-24-60-6752	Water Meter Maint & Supplies	527	110	1,427	21,507	21,794	3,000	30,000	30,900	31,827	32,782
52-24-60-6755	Hydrant Maintenance Supplies	6,767	4,106	5,014	6,021	3,760	8,000	30,000	30,900	31,827	32,782
52-24-60-6780	Public Grounds Maint-Supplies	-	6	86	2,525	2,355	2,000	500	515	530	546
52-24-60-6810	Professional Development	837	405	516	435	-	1,000	8,000	6,000	6,500	7,000
52-24-60-6830	Equipment Rental	-	-	-	-	295	500	500	515	530	546
52-24-60-6990	Misc Contractual Services	2,787	5,388	2,327	2,673	1,378	3,000	41,000	42,230	43,497	44,802
52-24-60-6991	Misc Meim/Water Tap-In Fees	20,300	-	-	-	-	1,000	-	-	-	-
52-24-60-7000	Water Proj 90-1/R.O.I Fees	-	-	-	-	-	-	-	-	-	-
Total Contractual		152,585	92,204	127,993	133,875	139,608	480,620	490,730	507,295	462,679	367,935
Commodities											
52-24-70-7010	Office Supplies	511	354	43	585	171	500	500	515	530	546
52-24-70-7011	Computer Maint-Supplies	-	-	-	-	-	-	-	-	-	-
52-24-70-7015	Computer Maint-Supplies	-	-	-	-	-	-	-	-	-	-
52-24-70-7020	Printing	809	916	1,653	1,068	1,411	2,000	2,000	2,060	2,122	2,185
52-24-70-7035	Publications	-	-	-	-	-	1,000	1,000	1,030	1,061	1,093
52-24-70-7040	Postage	2,603	2,725	2,657	2,952	2,813	3,000	3,500	3,605	3,713	3,825
52-24-70-7051	Water Purchases	254,043	235,290	242,102	287,356	246,444	283,240	370,219	427,481	494,090	571,635
52-24-70-7060	Travel	-	-	-	-	-	500	500	515	530	546
52-24-70-7080	Vehicle Fluids	1,412	100	-	-	-	500	5,000	5,150	5,305	5,464
52-24-70-7200	Phone Expense	6,610	6,000	6,466	9,004	9,417	9,000	11,500	11,845	12,200	12,566
52-24-70-7210	Mobile Telecommunications	3,278	2,710	2,451	2,143	2,274	2,500	2,500	2,575	2,652	2,732

Table 7
Water Revenue Requirements

<u>Account Number</u>	<u>Account Description</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>Budget FY 2008</u>	<u>Proposed FY 2009</u>	<u>Proposed FY 2010</u>	<u>Proposed FY 2011</u>	<u>Proposed FY 2012</u>
52-24-70-7220	Pagers	-	-	-	-	-	-	-	-	-	-
52-24-70-7300	Uniforms	-	-	449	301	46	400	1,200	1,236	1,273	1,311
52-24-70-7340	Photo Supplies-Maintenance	-	-	-	-	-	100	100	103	106	109
52-24-70-7400	Refund	2,482	349	75	30	-	100	100	103	106	109
52-24-70-7500	SM Office Equipment	-	-	-	-	-	-	500	515	530	546
52-24-70-7510	Operating Equipment	1,382	187	1,742	1,282	552	5,000	15,500	15,965	16,444	16,937
52-24-70-7520	Operating Services	-	-	-	-	-	100	500	515	530	546
52-24-70-7760	Janitorial Supplies	-	-	-	158	5	200	500	515	530	546
52-24-70-7920	Medical Fees & Supplies	-	-	-	-	-	200	500	515	530	546
52-24-70-7990	Miscellaneous Commodities	-	-	112	-	34	200	500	515	530	546
Total commodities		273,130	248,631	257,750	304,879	263,168	308,540	416,119	474,758	542,785	621,791
Capital Expenditures											
52-24-80-8010	Computer	936	1,389	-	-	2,150	-	-	-	-	-
52-24-80-8015	Water Meters	12,937	10,900	25,441	8,330	42,947	57,000	35,000	36,050	37,132	38,245
52-24-80-8020	Office Furniture	-	-	-	-	-	-	500	-	-	-
52-24-80-8040	Vehicles	-	-	-	12,498	-	-	-	-	-	-
52-24-80-8110	Building Improvements	-	-	-	(141,460)	-	-	-	-	-	-
52-24-80-8140	Utility Improvements	-	-	90,992	286,750	118,149	-	-	-	-	-
Total Expenditures		13,873	12,289	116,433	166,118	163,246	57,000	35,500	36,050	37,132	38,245
Transfer Out											
52-24-90-9010	Transfer To General Fund	50,000	50,000	-	50,000	50,000	50,000	55,000	56,650	58,350	60,100
52-24-90-9051	Transfer To Sewer Fund	-	-	-	-	-	-	8,000	8,240	8,487	8,742
52-24-90-9070	Transfer To Assessment Fund	5,000	-	-	-	-	-	-	-	-	-
Total Transfers Out		55,000	50,000	-	50,000	50,000	50,000	63,000	64,890	66,837	68,842
Total Water Revenue Requirements		1,019,955	1,232,968	779,874	977,827	927,751	1,277,928	1,308,585	1,445,349	1,564,218	1,565,370

Notes:

Budget through 2012 provided by the Village - most items assume 3% increase per year

Health and Dental Insurance 6% increase per year.

Oak Lawn water rate assumes an increase of \$0.20 for FY08 and a 15% increase per year thereafter.

Water Purchase= Oak Lawn rate times projected water purchase (1,000 gallons).

Water Purchase assumed water billed divide by 0.82 (average of billed/purchased from FY03-FY07).

Transfer to General Fund \$50,000 per year.

Capital Projects are included in CIP Table, not Expenditures

Principal and interest from Debt Service Table.

Table 8
Sewer Revenue Requirements

Account Number	Account Description	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	Budget FY 2008	Proposed FY 2009	Proposed FY 2010	Proposed FY 2011	Proposed FY 2012
51-24-60-6708	Operating Equipment Maint	121	1	195	94	120	500	2,000	2,060	2,122	2,185
51-24-60-6720	Pump Maintenance-Supplies	5,761	15,122	5,478	29,313	14,705	20,000	35,000	36,050	37,132	38,245
51-24-60-6740	Sanitary Sewer Maint-Sup	11,228	16,695	5,002	15,900	5,307	20,000	20,000	27,300	28,665	30,098
51-24-60-6810	Professional Development			808	591	414	1,000	8,000	6,000	6,500	7,000
51-24-60-6990	Miscellaneous Contractual	-	-	-	-	-	-	6,000	6,180	6,365	6,556
	Total Contractual	36,129	67,567	63,128	91,680	44,457	90,500	106,400	113,022	117,279	121,675
Commodities											
51-24-70-7010	Office Supplies	-	-	-	-	-	-	500	515	530	546
51-24-70-7011	Computer Supplies	-	-	-	-	-	3,000	20,000	20,600	21,218	21,855
51-24-70-7020	Printing	-	-	-	369	897	2,000	2,000	2,060	2,122	2,185
51-24-70-7040	Postage	4	-	52	-	-	-	100	103	106	109
51-24-70-7080	Vehicle Fluids	-	-	-	-	-	-	5,000	5,150	5,305	5,464
51-24-70-7200	Phone Expense	2,748	2,714	4,446	4,858	6,966	5,500	8,000	8,240	8,487	8,742
51-24-70-7210	Mobile Telecommunications	92	97	93	89	12	110	1,700	1,751	1,804	1,858
51-24-70-7400	Refunds	1,282	3,100	-	-	-	-	-	-	-	-
51-24-70-7510	Operating Equipment	243	72	754	-	249	48,900	-	-	-	-
51-24-70-7520	Operating Service	-	-	20,000	-	-	-	15,000	15,450	15,914	16,391
51-24-70-7990	Misc Commodities	-	-	-	-	-	-	2,000	2,060	2,122	2,185
	Total Commodities	4,369	5,983	25,345	5,316	8,124	59,510	54,300	55,929	57,607	59,334
Capital Expenditures											
51-24-80-7710	Depreciation Expense	-	-	374,234	380,754	-	-	-	-	-	-
51-24-80-8010	Vehicles	-	-	-	-	-	-	12,500	-	-	-
51-24-80-8011	Equipment (Scada System, Etc)	-	-	-	-	-	-	5,000	5,150	5,305	5,464
51-24-80-8140	Utility Improvements	-	-	13,993	72,824	115,599	25,000	10,000	50,000	50,000	50,000
	Total Capital Expenditures	-	-	388,227	453,578	115,599	25,000	27,500	55,150	55,305	55,464
Transfer Out											
51-24-90-9010	Transfer To General Fund	90,000	20,000	-	20,000	20,000	20,000	25,000	25,750	26,523	27,318
51-24-90-9052	Transfer To Water Fund	5,000	-	-	-	-	-	-	-	-	-
	Total Transfers Out	95,000	20,000	-	20,000	20,000	20,000	25,000	25,750	26,523	27,318
Total Sewer Revenue Requirements		254,209	205,707	562,936	689,829	327,107	362,960	483,038	533,612	551,960	571,132

Notes:

Budget through 2012 provided by the Village - most items assume 3% increase per year

Health and Dental Insurance 6% increase per year.

Transfer to General Fund \$20,000 per year.

Capital Projects are included in CIP Table, not Expenditures.

Principal and interest from Debt Service Table.

Table 9
Capital Improvements Program

<u>Fiscal Year Ending April 30:</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>
Water CIP					
Water Reservoir	\$ -	\$ -	\$ 2,250,000	\$ -	\$ -
Additional Chlorinator	\$ -	\$ -	\$ 102,500	\$ -	\$ -
Utility Improvements	\$ 2,053,000	\$ -	\$ 80,000	\$ 80,000	\$ 80,000
Total Water CIP	\$ 2,053,000	\$ -	\$ 2,432,500	\$ 80,000	\$ 80,000
Water CIP Funding Sources					
Bonds	\$ -	\$ -	\$ 1,750,000	\$ -	\$ -
Total Water Funding Sources	\$ -	\$ -	\$ 1,750,000	\$ -	\$ -
Sewer CIP					
Operating Equipment [1]	\$ -	\$ 137,000	\$ 242,000	\$ 50,000	\$ 50,000
Total Sewer CIP	\$ -	\$ 137,000	\$ 242,000	\$ 50,000	\$ 50,000
Sewer CIP Funding Sources					
	\$ -	\$ -	\$ -	\$ -	\$ -
Total Sewer Funding Sources	\$ -	\$ -	\$ -	\$ -	\$ -
Deficit - Water	2,053,000	-	682,500	80,000	80,000
Deficit - Sewer	-	137,000	242,000	50,000	50,000

[1] Sewer televising and cleaning equipment

Table 10
Existing and Proposed Bond Payment Schedules

Fiscal Year Ending April 30:	Total Debt Service - Existing				Water Debt Service - Existing				Sewer Debt Service - Existing			
	2004 Principle	2004 Interest	2005 Principle	2005 Interest	2004 Principle	2004 Interest	2005 Principle	2005 Interest	2004 Principle	2004 Interest	2005 Principle	2005 Interest
2006	\$ 25,000	\$ 15,958	\$ -	\$ -	\$ 10,000	\$ 6,383	\$ -	\$ -	\$ 15,000	\$ 9,575	\$ -	\$ -
2007	\$ 25,000	\$ 14,395	\$ 25,000	\$ 16,264	\$ 10,000	\$ 5,758	\$ 12,000	\$ 7,807	\$ 15,000	\$ 8,637	\$ 13,000	\$ 8,457
2008	\$ 25,000	\$ 13,895	\$ 30,000	\$ 15,765	\$ 10,000	\$ 5,558	\$ 14,400	\$ 7,567	\$ 15,000	\$ 8,337	\$ 15,600	\$ 8,198
2009	\$ 25,000	\$ 13,333	\$ 30,000	\$ 14,805	\$ 10,000	\$ 5,333	\$ 14,400	\$ 7,106	\$ 15,000	\$ 8,000	\$ 15,600	\$ 7,699
2010	\$ 25,000	\$ 12,708	\$ 30,000	\$ 13,815	\$ 10,000	\$ 5,083	\$ 14,400	\$ 6,631	\$ 15,000	\$ 7,625	\$ 15,600	\$ 7,184
2011	\$ 25,000	\$ 11,995	\$ 30,000	\$ 12,795	\$ 10,000	\$ 4,798	\$ 14,400	\$ 6,142	\$ 15,000	\$ 7,197	\$ 15,600	\$ 6,653
2012	\$ 30,000	\$ 11,220	\$ 30,000	\$ 11,745	\$ 12,000	\$ 4,488	\$ 14,400	\$ 5,638	\$ 18,000	\$ 6,732	\$ 15,600	\$ 6,107
2013	\$ 30,000	\$ 10,245	\$ 30,000	\$ 10,665	\$ 12,000	\$ 4,098	\$ 14,400	\$ 5,119	\$ 18,000	\$ 6,147	\$ 15,600	\$ 5,546
2014	\$ 30,000	\$ 9,225	\$ 35,000	\$ 9,555	\$ 12,000	\$ 3,690	\$ 16,800	\$ 4,586	\$ 18,000	\$ 5,535	\$ 18,200	\$ 4,969
2015	\$ 30,000	\$ 8,160	\$ 35,000	\$ 8,243	\$ 12,000	\$ 3,264	\$ 16,800	\$ 3,956	\$ 18,000	\$ 4,896	\$ 18,200	\$ 4,286
2016	\$ 35,000	\$ 7,065	\$ 35,000	\$ 6,913	\$ 14,000	\$ 2,826	\$ 16,800	\$ 3,318	\$ 21,000	\$ 4,239	\$ 18,200	\$ 3,595
2017	\$ 35,000	\$ 5,753	\$ 35,000	\$ 5,565	\$ 14,000	\$ 2,301	\$ 16,800	\$ 2,671	\$ 21,000	\$ 3,452	\$ 18,200	\$ 2,894
2018	\$ 35,000	\$ 4,405	\$ 35,000	\$ 4,200	\$ 14,000	\$ 1,762	\$ 16,800	\$ 2,016	\$ 21,000	\$ 2,643	\$ 18,200	\$ 2,184
2019	\$ 35,000	\$ 3,040	\$ 35,000	\$ 2,818	\$ 14,000	\$ 1,216	\$ 16,800	\$ 1,352	\$ 21,000	\$ 1,824	\$ 18,200	\$ 1,465
2020	\$ 40,000	\$ 1,640	\$ 35,000	\$ 1,418	\$ 16,000	\$ 656	\$ 16,800	\$ 680	\$ 24,000	\$ 984	\$ 18,200	\$ 737

New Water Bond Debt Service for Water Reservoir - Starting in 2010

Fiscal Year Ending April 30:	Principle	Interest
2009	\$ -	\$ -
2010	\$ -	\$ 39,375
2011	\$ 55,000	\$ 78,750
2012	\$ 60,000	\$ 76,275
2013	\$ 60,000	\$ 73,575
2014	\$ 65,000	\$ 70,875
2015	\$ 65,000	\$ 67,950
2016	\$ 70,000	\$ 65,025
2017	\$ 70,000	\$ 61,875
2018	\$ 75,000	\$ 58,725
2019	\$ 80,000	\$ 55,350
2020	\$ 85,000	\$ 51,750

Table 11
Water Revenues Under the Current Rates and Charges

<u>Account Number</u>	<u>Account Description</u>	<u>Budget FY 2008</u>	<u>Projection FY 2009</u>	<u>Projection FY 2010</u>	<u>Projection FY 2011</u>	<u>Projection FY 2012</u>
Water Usage (1,000 Gallons)		150,230	150,689	151,301	152,066	152,985
Water Infrastructure Bond Indebtedness Charge (per month)						
Water Commodity Rate (\$/1,000 Gallons)		\$ 5.30	\$ 5.30	\$ 5.30	\$ 5.30	\$ 5.30
Number of Customers		1,893	1,899	1,907	1,917	1,929
Rental Income						
52-00-16-1602	US Cellular Rental@Water Tower	17,280	17,280	17,280	17,280	17,280
52-00-16-1603	AT&T Rental@Water Tower	<u>15,053</u>	<u>11,465</u>	<u>15,555</u>	<u>15,555</u>	<u>16,860</u>
Total Rental Income		32,333	28,745	32,835	32,835	34,140
Utility Income						
52-00-17-1760	Water Sale Receipts	796,219	798,652	801,897	805,952	810,819
52-00-17-1770	Bond Collection Fees	-	-	-	-	-
52-00-17-1780	Water Sales - Portable Hydrants	200	-	-	-	-
52-00-17-1790	Construction Water Sales	-	2,000	2,060	2,122	2,185
52-00-17-1799	Late Payment Penalty	<u>1,500</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>
Total Utility Income		797,919	820,652	823,957	828,074	833,004
Misc. Reimbursements						
52-00-18-1815	Util Ext Reimbursement	-	-	-	-	-
52-00-18-1819	Misc Reimbursements	-	<u>500</u>	<u>515</u>	<u>530</u>	<u>546</u>
Total Misc. Reimbursements		-	500	515	530	546
Misc. Income						
52-00-19-1959	Miscellaneous Income	1,000	-	-	-	-
52-00-19-1960	Turn On-Turn Off Fee	<u>100</u>	<u>100</u>	<u>103</u>	<u>106</u>	<u>109</u>
Total Misc. Income		1,100	100	103	106	109
Interest Income						

Table 11
Water Revenues Under the Current Rates and Charges

<u>Account Number</u>	<u>Account Description</u>	<u>Budget FY 2008</u>	<u>Projection FY 2009</u>	<u>Projection FY 2010</u>	<u>Projection FY 2011</u>	<u>Projection FY 2012</u>
52-00-20-2000	Checking Account Interest	-	-	-	-	-
52-00-20-2001	IPTIP Interest	30,000	1,600	1,630	1,660	1,700
52-00-20-2004	Morgan Stanley - Fannie Mae Int	1,300	-	-	-	-
52-00-20-2005	Illinois Fund/Prime - Interest	-	12,000	12,200	12,500	13,000
52-00-20-2114	Inc/Loss-Dean Witter Invest	-	-	-	-	-
52-00-20-2115	Inc/Loss-Fannie Mae Bonds	-	-	-	-	-
	Total Interest Income	31,300	13,600	13,830	14,160	14,700
Transfers In						
52-00-21-2105	Transfer From General Fund	-	-	-	-	-
52-00-21-2142	Transfer from Fund 42	-	-	-	-	-
52-00-21-2151	Transfer From Sewer Fund	-	-	-	-	-
52-00-21-2171	Transfer From Fund 71/90-1	-	-	-	-	-
	Total Transfers In	-	-	-	-	-
Permits						
52-00-30-3040	Water Permits	2,250	1,125	1,159	1,194	1,229
52-00-30-3045	Irrigation System Permits	500	750	773	796	820
52-00-30-3050	Water Meter Purchases	10,950	7,875	8,111	8,355	8,605
52-00-30-3055	Portable Hydrant Sales	1,000	1,000	1,030	1,061	1,093
52-00-30-3060	Water Tap In Fee	\$ 127,900	84,000	112,000	140,000	168,000
	Total Permits	142,600	94,750	123,073	151,406	179,747
Subtotal Water Revenues		1,005,252	958,347	994,313	1,027,111	1,062,246
Bond Proceeds		-	-	1,750,000	-	-
Total Water Revenues		1,005,252	958,347	2,744,313	1,027,111	1,062,246

Table 12
Sewer Revenues Under the Current Rates and Charges

<u>Account Number</u>	<u>Account Description</u>	<u>Budget FY 2008</u>	<u>Projection FY 2009</u>	<u>Projection FY 2010</u>	<u>Projection FY 2011</u>	<u>Projection FY 2012</u>
Sewer Usage (1,000 Gallons)		192,374	192,794	193,354	194,055	194,895
Sewer Commodity Rate (\$/1,000 Gallons)		\$ 0.75	\$ 0.75	\$ 0.75	\$ 0.75	\$ 0.75
Utility Income						
51-00-17-1730	Sewer Receipts	160,000	144,595	145,016	145,541	146,172
51-00-17-1799	Late Payment Penalty	<u>200</u>	<u>200</u>	<u>206</u>	<u>212</u>	<u>219</u>
	Total Utility Income	160,200	144,795	145,222	145,753	146,391
Miscellaneous Reimbursements						
51-00-18-1829	Miscellaneous Reimbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total Miscellaneous Reimbursements	-	-	-	-	-
Miscellaneous Income						
51-00-19-1959	Miscellaneous Income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total Miscellaneous Income	-	-	-	-	-
Interest Income						
51-00-20-2000	Checking Account Interest	-	-	-	-	-
51-00-20-2001	IPTIP Interest	30,000	8,000	8,500	9,000	10,000
51-00-20-2004	Dean Witter L/T Int Inc	-	-	-	-	-
51-00-20-2005	Dean Witter - S/T Int Inc	-	-	-	-	-
51-00-20-2114	Inc/Loss-Dean Witter Invest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total Interest Income	30,000	8,000	8,500	9,000	10,000
Transfers In						
51-00-21-2101	Transfer From General Fund	-	-	-	-	-
	Transfer from 13B. [2]	-	-	-	-	-
51-00-21-2110	Transfer From Assess. Fund	-	-	-	-	-
51-00-21-2152	Transfer From Water Fund	<u>-</u>	<u>8,000</u>	<u>8,240</u>	<u>8,487</u>	<u>8,742</u>
	Total Transfers In	-	8,000	8,240	8,487	8,742

Table 12
Sewer Revenues Under the Current Rates and Charges

<u>Account Number</u>	<u>Account Description</u>	<u>Budget FY 2008</u>	<u>Projection FY 2009</u>	<u>Projection FY 2010</u>	<u>Projection FY 2011</u>	<u>Projection FY 2012</u>
Permits						
51-00-30-3000	Sewer Permit	3,000	1,500	1,545	1,591	1,639
51-00-30-3060	Sewer Tap In Fee	<u>188,850</u>	<u>84,000</u>	<u>112,000</u>	<u>140,000</u>	<u>168,000</u>
	Total Permits	<u>191,850</u>	<u>85,500</u>	<u>113,545</u>	<u>141,591</u>	<u>169,639</u>
Total Sewer Revenues		382,050	246,295	275,507	304,832	334,771

Table 13
Adequacy of Water Revenues Under the Current Rates and Charges

	<u>Budget</u> <u>FY 2008</u>	<u>Projection</u> <u>FY 2009</u>	<u>Projection</u> <u>FY 2010</u>	<u>Projection</u> <u>FY 2011</u>	<u>Projection</u> <u>FY 2012</u>
Water Usage (1,000 Gallons)	150,230	150,689	151,301	152,066	152,985
Water Commodity Rate (\$/1,000 Gallons)	\$ 5.30	\$ 5.30	\$ 5.30	\$ 5.30	\$ 5.30
Number of Customers	1,893	1,899	1,907	1,917	1,929
Water Revenues					
Rental Income	32,333	28,745	32,835	32,835	34,140
Utility Income					
Water Sale Receipts	796,219	798,652	801,897	805,952	810,819
Water Sales - Portable Hydrants	200	-	-	-	-
Construction Water Sales	-	2,000	2,060	2,122	2,185
Late Payment Penalty	1,500	20,000	20,000	20,000	20,000
Misc. Reimbursements	-	500	515	530	546
Misc. Income	1,100	100	103	106	109
Interest Income	31,300	13,600	13,830	14,160	14,700
Permits	142,600	94,750	123,073	151,406	179,747
Subtotal	1,005,252	958,347	994,313	1,027,111	1,062,246
Bond Proceeds (Proposed for 2010)	-	-	1,750,000	-	-
Total Water Revenues	1,005,252	958,347	2,744,313	1,027,111	1,062,246
Water Revenue Requirements					
Salaries	194,137	132,884	139,528	146,504	153,831
Benefits	63,210	62,524	66,041	69,756	73,683
Existing Debt Service (Prior to 2008)	124,421	107,828	117,412	104,775	104,768
Contractual	480,620	490,730	507,295	462,679	367,935
Commodities	308,540	416,119	474,758	542,785	621,791
Capital Expenditures - Water Meters	57,000	35,500	36,050	37,132	38,245
Transfer Out	50,000	63,000	64,890	66,837	68,842
Subtotal	1,277,928	1,308,585	1,405,974	1,430,468	1,429,095
CIP	2,053,000	-	2,432,500	80,000	80,000
Bond Debt Service (Proposed for 2010)	-	-	39,375	133,750	136,275
Total Water Revenue Requirements	3,330,928	1,308,585	3,877,849	1,644,218	1,645,370
Surplus (Deficit)	(2,325,676)	(350,238)	(1,133,536)	(617,107)	(583,124)
Beginning Year Cash Balance		1,044,998	694,760	(438,777)	(1,055,883)
Year End Cash Balance	1,044,998	694,760	(438,777)	(1,055,883)	(1,639,007)

Table 14
Adequacy of Sewer Revenues Under the Current Rates and Charges

	<u>Budget</u> <u>FY 2008</u>	<u>Projection</u> <u>FY 2009</u>	<u>Projection</u> <u>FY 2010</u>	<u>Projection</u> <u>FY 2011</u>	<u>Projection</u> <u>FY 2012</u>
Sewer Usage (1,000 Gallons)	192,374	192,794	193,354	194,055	194,895
Sewer Commodity Rate (\$/1,000 Gallons)	\$ 0.75	\$ 0.75	\$ 0.75	\$ 0.75	\$ 0.75
Sewer Revenues					
Utility Income	160,200	144,795	145,222	145,753	146,390
Interest Income	30,000	8,000	8,500	9,000	10,000
Transfers In	-	8,000	8,240	8,487	8,742
Permits	191,850	85,500	113,545	141,591	169,639
Total Sewer Revenues	382,050	246,295	275,507	304,832	334,771
Sewer Revenue Requirements					
Salaries	78,087	135,884	142,678	149,812	157,303
Benefits	42,728	87,655	92,675	97,984	103,599
Debt Service	47,135	46,299	48,408	47,450	46,439
Contractual	90,500	106,400	113,022	117,279	121,675
Commodities	59,510	54,300	55,929	57,607	59,334
Capital Expenditures	25,000	27,500	55,150	55,305	55,464
Transfer Out	20,000	25,000	25,750	26,523	27,318
Subtotal	362,960	483,038	533,612	551,960	571,132
CIP	-	137,000	242,000	50,000	50,000
Total Sewer Revenue Requirements	362,960	620,038	775,612	601,960	621,132
Surplus (Deficit)	19,090	(373,743)	(500,105)	(297,128)	(286,361)
Beginning Year Cash Balance		627,177	253,434	(246,671)	(543,799)
Year End Cash Balance	627,177	253,434	(246,671)	(543,799)	(830,160)

Table 15A - Option 1
Water Revenues Under the Proposed Rates and Charges - No Capital Improvements Fee

<u>Account Number</u>	<u>Account Description</u>	<u>Budget FY 2008</u>	<u>Projection FY 2009 [1]</u>	<u>Projection FY 2010</u>	<u>Projection FY 2011</u>	<u>Projection FY 2012</u>
Water Usage (1,000 Gallons)		150,230	150,689	151,301	152,066	152,985
Water Commodity Rate (\$/1,000 Gallons)		\$ 5.30	\$ 8.50	\$ 9.50	\$ 10.25	\$ 10.40
Number of Customers		1,893	1,899	1,907	1,917	1,929
Capital Improvement Fee			0.00	0.00	0.00	0.00
Rental Income						
52-00-16-1602	Primeco Rental Income	17,280	17,280	17,280	17,280	17,280
52-00-16-1603	AT&T Rental Income	15,053	11,465	15,555	15,555	16,860
Total Rental Income		32,333	28,745	32,835	32,835	34,140
Utility Income						
52-00-17-1760	Water Sale Receipts	796,219	1,079,938	1,437,362	1,558,681	1,591,041
	Capital Improvement Fee Revenue	-	-	-	-	-
52-00-17-1770	Bond Collection Fees	-	-	-	-	-
52-00-17-1780	Water Sales - Portable Hydrants	200	-	-	-	-
52-00-17-1790	Construction Water Sales	-	2,000	2,060	2,122	2,185
52-00-17-1799	Late Payment Penalty	1,500	20,000	20,000	20,000	20,000
Total Utility Income		797,919	1,101,938	1,459,422	1,580,803	1,613,226
Misc. Reimbursements						
52-00-18-1819	Misc Reimbursements	-	500	515	530	546
Total Misc. Reimbursements		-	500	515	530	546
Misc. Income						
52-00-19-1959	Miscellaneous Income	1,000	-	-	-	-
52-00-19-1960	Turn On-Turn Off Fee	100	100	103	106	109
Total Misc. Income		1,100	100	103	106	109
Interest Income						
52-00-20-2000	Checking Account Interest	-	-	-	-	-
52-00-20-2001	IPTIP Interest	30,000	1,600	1,630	1,660	1,700
52-00-20-2004	Morgan Stanley - Fannie Mae	1,300	-	-	-	-
52-00-20-2005	Illinois Fund/Prime - Interest	-	12,000	12,200	12,500	13,000
52-00-20-2114	Inc/Loss-Dean Witter Invest	-	-	-	-	-
52-00-20-2115	Inc/Loss-Fannie Mae Bonds	-	-	-	-	-
Total Interest Income		31,300	13,600	13,830	14,160	14,700
Transfers In						
52-00-21-2105	Transfer From General Fund	-	-	-	-	-
	Transfer from 13B.	-	-	-	-	-
52-00-21-2151	Transfer From Sewer Fund	-	-	-	-	-
Total Transfers In		-	-	-	-	-
Permits						
52-00-30-3040	Water Permits	2,250	1,125	1,159	1,194	1,229
52-00-30-3045	Irrigation System Permits	500	750	773	796	820
52-00-30-3050	Water Meter Purchases	10,950	7,875	8,111	8,355	8,605
52-00-30-3055	Portable Hydrant Sales	1,000	1,000	1,030	1,061	1,093
52-00-30-3060	Water Tap In Fee	127,900	84,000	112,000	140,000	168,000
Total Permits		142,600	94,750	123,073	151,406	179,747
Subtotal Water Revenues		1,005,252	1,239,633	1,629,778	1,779,840	1,842,468
Bond Proceeds(Proposed 2010 Bond)		-	-	1,750,000	-	-
Total Water Revenues		1,005,252	1,239,633	3,379,778	1,779,840	1,842,468

[1] Revenues based on water commodity rate of \$5.30 for first 5 months and \$8.50 for last 7 months

Table 15B - Option 2

Water Revenues Under the Proposed Rates and Charges - \$6.50 Capital Improvements Fee

<u>Account Number</u>	<u>Account Description</u>	<u>Budget FY 2008</u>	<u>Projection FY 2009 [1]</u>	<u>Projection FY 2010</u>	<u>Projection FY 2011</u>	<u>Projection FY 2012</u>
Water Usage (1,000 Gallons)		150,230	150,689	151,301	152,066	152,985
Water Commodity Rate (\$/1,000 Gallons)		\$ 5.30	\$ 6.75	\$ 8.15	\$ 9.75	\$ 9.75
Number of Customers		1,893	1,899	1,907	1,917	1,929
Capital Improvement Fee			6.50	6.50	6.50	6.50
Rental Income						
52-00-16-1602	Primeco Rental Income	17,280	17,280	17,280	17,280	17,280
52-00-16-1603	AT&T Rental Income	15,053	11,465	15,555	15,555	16,860
Total Rental Income		32,333	28,745	32,835	32,835	34,140
Utility Income						
52-00-17-1760	Water Sale Receipts	796,219	926,110	1,233,105	1,482,648	1,491,601
	Capital Improvement Fee Revenue	-	86,397	148,733	149,513	150,449
52-00-17-1770	Bond Collection Fees	-	-	-	-	-
52-00-17-1780	Water Sales - Portable Hydrants	200	-	-	-	-
52-00-17-1790	Construction Water Sales	-	2,000	2,060	2,122	2,185
52-00-17-1799	Late Payment Penalty	1,500	20,000	20,000	20,000	20,000
Total Utility Income		797,919	1,034,507	1,403,898	1,654,283	1,664,235
Misc. Reimbursements						
52-00-18-1819	Misc Reimbursements	-	500	515	530	546
Total Misc. Reimbursements		-	500	515	530	546
Misc. Income						
52-00-19-1959	Miscellaneous Income	1,000	-	-	-	-
52-00-19-1960	Turn On-Turn Off Fee	100	100	103	106	109
Total Misc. Income		1,100	100	103	106	109
Interest Income						
52-00-20-2000	Checking Account Interest	-	-	-	-	-
52-00-20-2001	IPTIP Interest	30,000	1,600	1,630	1,660	1,700
52-00-20-2004	Morgan Stanley - Fannie Mae	1,300	-	-	-	-
52-00-20-2005	Illinois Fund/Prime - Interest	-	12,000	12,200	12,500	13,000
52-00-20-2114	Inc/Loss-Dean Witter Invest	-	-	-	-	-
52-00-20-2115	Inc/Loss-Fannie Mae Bonds	-	-	-	-	-
Total Interest Income		31,300	13,600	13,830	14,160	14,700
Transfers In						
52-00-21-2105	Transfer From General Fund	-	-	-	-	-
	Transfer from 13B.	-	-	-	-	-
52-00-21-2151	Transfer From Sewer Fund	-	-	-	-	-
Total Transfers In		-	-	-	-	-
Permits						
52-00-30-3040	Water Permits	2,250	1,125	1,159	1,194	1,229
52-00-30-3045	Irrigation System Permits	500	750	773	796	820
52-00-30-3050	Water Meter Purchases	10,950	7,875	8,111	8,355	8,605
52-00-30-3055	Portable Hydrant Sales	1,000	1,000	1,030	1,061	1,093
52-00-30-3060	Water Tap In Fee	127,900	84,000	112,000	140,000	168,000
Total Permits		142,600	94,750	123,073	151,406	179,747
Subtotal Water Revenues		1,005,252	1,172,202	1,574,254	1,853,320	1,893,477
Bond Proceeds(Proposed 2010 Bond)		-	-	1,750,000	-	-
Total Water Revenues		1,005,252	1,172,202	3,324,254	1,853,320	1,893,477

[1] Revenues based on water commodity rate of \$5.30 for first 5 months and \$6.75 for last 7 months,

Table 16A - Option 1
Sewer Revenues Under the Proposed Rates and Charges - No Capital Improvements Fee

<u>Account Number</u>	<u>Account Description</u>	<u>Budget FY 2008</u>	<u>Projection FY 2009 [1]</u>	<u>Projection FY 2010</u>	<u>Projection FY 2011</u>	<u>Projection FY 2012</u>
Sewer Usage (1,000 Gallons)						
		192,374	192,794	193,354	194,055	194,895
	Sewer Commodity Rate (\$/1,000 Gallons)	\$ 0.75	\$ 1.35	\$ 2.00	\$ 2.80	\$ 3.45
	Number of Customers	1,893	1,899	1,907	1,917	1,929
	Capital Improvement Fee	\$ -	\$ -	\$ -	\$ -	\$ -
Utility Income						
51-00-17-1730	Sewer Receipts	160,000	212,073	386,709	543,353	672,389
	Capital Improvement Fee Revenue	-	-	-	-	-
51-00-17-1799	Late Payment Penalty	<u>200</u>	<u>200</u>	<u>206</u>	<u>212</u>	<u>219</u>
	Total Utility Income	160,200	212,273	386,915	543,566	672,608
Miscellaneous Reimbursements						
51-00-18-1829	Miscellaneous Reimbursements	-	-	-	-	-
	Total Miscellaneous Reimbursements	-	-	-	-	-
Miscellaneous Income						
51-00-19-1959	Miscellaneous Income	-	-	-	-	-
	Total Miscellaneous Income	-	-	-	-	-
Interest Income						
51-00-20-2000	Checking Account Interest	-	-	-	-	-
51-00-20-2001	IPTIP Interest	30,000	8,000	8,500	9,000	10,000
51-00-20-2004	Dean Witter L/T Int Inc	-	-	-	-	-
51-00-20-2005	Dean Witter - S/T Int Inc	-	-	-	-	-
51-00-20-2114	Inc/Loss-Dean Witter Invest	-	-	-	-	-
	Total Interest Income	30,000	8,000	8,500	9,000	10,000
Transfers In						
51-00-21-2101	Transfer From General Fund	-	-	-	-	-
51-00-21-2110	Transfer From Assess. Fund	-	-	-	-	-
51-00-21-2152	Transfer From Water Fund	-	<u>8,000</u>	<u>8,240</u>	<u>8,487</u>	<u>8,742</u>
	Total Transfers In	-	8,000	8,240	8,487	8,742
Permits						
51-00-30-3000	Sewer Permit	3,000	1,500	1,545	1,591	1,639
51-00-30-3060	Sewer Tap In Fee	<u>188,850</u>	<u>84,000</u>	<u>112,000</u>	<u>140,000</u>	<u>168,000</u>
	Total Permits	191,850	85,500	113,545	141,591	169,639
Total Sewer Revenues		382,050	313,773	517,200	702,644	860,989

[1] Revenues based on sewer commodity rate of \$0.75 for first 5 months and \$1.35 for last 7 months

Table 16B - Option 2
Sewer Revenues Under the Proposed Rates and Charges - \$6.50 Capital Capital Improvements Fee

<u>Account Number</u>	<u>Account Description</u>	<u>Budget FY 2008</u>	<u>Projection FY 2009 [1]</u>	<u>Projection FY 2010</u>	<u>Projection FY 2011</u>	<u>Projection FY 2012</u>
Sewer Usage (1,000 Gallons)		192,374	192,794	193,354	194,055	194,895
Sewer Commodity Rate (\$/1,000 Gallons)		\$ 0.75	\$ 1.20	\$ 1.75	\$ 1.85	\$ 2.00
Number of Customers		1,893	1,899	1,907	1,917	1,929
Capital Improvement Fee			\$ 6.50	\$ 6.50	\$ 6.50	\$ 6.50
Utility Income						
51-00-17-1730	Sewer Receipts	160,000	195,204	338,370	359,001	389,791
	Capital Improvement Fee Revenue	-	86,397	148,733	149,513	150,449
51-00-17-1799	Late Payment Penalty	<u>200</u>	<u>200</u>	<u>206</u>	<u>212</u>	<u>219</u>
	Total Utility Income	160,200	281,801	487,309	508,727	540,458
Miscellaneous Reimbursements						
51-00-18-1829	Miscellaneous Reimbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total Miscellanouse Reimbursements	-	-	-	-	-
Miscellaneous Income						
51-00-19-1959	Miscellaneous Income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total Miscellaneous Income	-	-	-	-	-
Interest Income						
51-00-20-2000	Checking Account Interest	-	-	-	-	-
51-00-20-2001	IPTIP Interest	30,000	8,000	8,500	9,000	10,000
51-00-20-2004	Dean Witter L/T Int Inc	-	-	-	-	-
51-00-20-2005	Dean Witter - S/T Int Inc	-	-	-	-	-
51-00-20-2114	Inc/Loss-Dean Witter Invest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total Interest Income	30,000	8,000	8,500	9,000	10,000
Transfers In						
51-00-21-2101	Transfer From General Fund	-	-	-	-	-
51-00-21-2110	Transfer From Assess. Fund	-	-	-	-	-
51-00-21-2152	Transfer From Water Fund	<u>-</u>	<u>8,000</u>	<u>8,240</u>	<u>8,487</u>	<u>8,742</u>
	Total Transfers In	-	8,000	8,240	8,487	8,742
Permits						
51-00-30-3000	Sewer Permit	3,000	1,500	1,545	1,591	1,639
51-00-30-3060	Sewer Tap In Fee	<u>188,850</u>	<u>84,000</u>	<u>112,000</u>	<u>140,000</u>	<u>168,000</u>
	Total Permits	191,850	85,500	113,545	141,591	169,639
Total Sewer Revenues		382,050	383,301	617,594	667,805	728,839

[1] Revenues based on sewer commodity rate of \$0.75 for first 5 months and \$1.20 for last 7 months

Table 17A - Option 1

Adequacy of Water Revenues Under the Proposed Rates and Charges - No Capital Improvements Fee

	<u>Budget FY 2008</u>	<u>Projection FY 2009[1]</u>	<u>Projection FY 2010</u>	<u>Projection FY 2011</u>	<u>Projection FY 2012</u>
Water Usage (1,000 Gallons)	150,230	150,689	151,301	152,066	152,985
Water Commodity Rate (\$/1,000 Gallons)	5.30	8.50	9.50	10.25	10.40
Capital Improvements Fee per Month		-	-	-	-
Number of Customers	1,893	1,899	1,907	1,917	1,929
Water Revenues					
Rental Income	32,333	28,745	32,835	32,835	34,140
Utility Income					
Water Sale Receipts	796,219	1,079,938	1,437,362	1,558,681	1,591,041
Water Sales - Portable Hydrants	200	-	-	-	-
Construction Water Sales	-	2,000	2,060	2,122	2,185
Late Payment Penalty	1,500	20,000	20,000	20,000	20,000
Misc. Reimbursements	-	500	515	530	546
Misc. Income	1,100	100	103	106	109
Interest Income	31,300	13,600	13,830	14,160	14,700
Permits	142,600	94,750	123,073	151,406	179,747
Subtotal	1,005,252	1,239,633	1,629,778	1,779,840	1,842,468
Proposed 2010 Bond	-	-	1,750,000	-	-
Total Water Revenues	1,005,252	1,239,633	3,379,778	1,779,840	1,842,468
Water Revenue Requirements					
Salaries	194,137	132,884	139,528	146,504	153,831
Benefits	63,210	62,524	66,041	69,756	73,683
Existing Debt Service (Prior to 2008)	124,421	107,828	117,412	104,775	104,768
Contractual	480,620	490,730	507,295	462,679	367,935
Commodities	308,540	416,119	474,758	542,785	621,791
Capital Expenditures	57,000	35,500	36,050	37,132	38,245
Transfer Out	50,000	63,000	64,890	66,837	68,842
Subtotal	1,277,928	1,308,585	1,405,974	1,430,468	1,429,095
CIP	2,053,000	-	2,432,500	80,000	80,000
Bond Debt Service (Proposed for 2010)	-	-	39,375	133,750	136,275
Total Water Revenue Requirements	3,330,928	1,308,585	3,877,849	1,644,218	1,645,370
Surplus (Deficit)	(2,325,676)	(68,952)	(498,071)	135,622	197,098
Beginning Year Cash Balance		1,044,998	976,046	477,975	613,597
Year End Cash Balance	1,044,998	976,046	477,975	613,597	810,695

[1] Revenues based on water commodity rate of \$5.30 for first 5 months and \$8.50 for last 7 months,

Table 17B - Option 2

Adequacy of Water Revenues Under the Proposed Rates and Charges - \$6.50 Capital Improvements Fee

	<u>Budget FY 2008</u>	<u>Projection FY 2009[1]</u>	<u>Projection FY 2010</u>	<u>Projection FY 2011</u>	<u>Projection FY 2012</u>
Water Usage (1,000 Gallons)	150,230	150,689	151,301	152,066	152,985
Water Commodity Rate (\$/1,000 Gallons)	5.30	6.75	8.15	9.75	9.75
Capital Improvements Fee per Month		6.50	6.50	6.50	6.50
Number of Customers	1,893	1,899	1,907	1,917	1,929
Water Revenues					
Rental Income	32,333	28,745	32,835	32,835	34,140
Utility Income					
Water Sale Receipts	796,219	926,110	1,233,105	1,482,648	1,491,601
Capital Improvements Fee	-	86,397	148,733	149,513	150,449
Water Sales - Portable Hydrants	200	-	-	-	-
Construction Water Sales	-	2,000	2,060	2,122	2,185
Late Payment Penalty	1,500	20,000	20,000	20,000	20,000
Misc. Reimbursements	-	500	515	530	546
Misc. Income	1,100	100	103	106	109
Interest Income	31,300	13,600	13,830	14,160	14,700
Permits	142,600	94,750	123,073	151,406	179,747
Subtotal	1,005,252	1,172,202	1,574,254	1,853,320	1,893,477
Proposed 2010 Bond	-	-	1,750,000	-	-
Total Water Revenues	1,005,252	1,172,202	3,324,254	1,853,320	1,893,477
Water Revenue Requirements					
Salaries	194,137	132,884	139,528	146,504	153,831
Benefits	63,210	62,524	66,041	69,756	73,683
Existing Debt Service (Prior to 2008)	124,421	107,828	117,412	104,775	104,768
Contractual	480,620	490,730	507,295	462,679	367,935
Commodities	308,540	416,119	474,758	542,785	621,791
Capital Expenditures	57,000	35,500	36,050	37,132	38,245
Transfer Out	50,000	63,000	64,890	66,837	68,842
Subtotal	1,277,928	1,308,585	1,405,974	1,430,468	1,429,095
CIP	2,053,000	-	2,432,500	80,000	80,000
Bond Debt Service (Proposed for 2010)	-	-	39,375	133,750	136,275
Total Water Revenue Requirements	3,330,928	1,308,585	3,877,849	1,644,218	1,645,370
Surplus (Deficit)	(2,325,676)	(136,383)	(553,595)	209,102	248,107
Beginning Year Cash Balance		1,044,998	908,615	355,020	564,122
Year End Cash Balance	1,044,998	908,615	355,020	564,122	812,229

[1] Revenues based on water commodity rate of \$5.30 for first 5 months and \$6.75 for last 7 months,

Table 18A - Option 1

Adequacy of Sewer Revenues Under the Proposed Rates and Charges - No Capital Improvements Fee

	<u>Budget FY 2008</u>	<u>Projection FY 2009[1]</u>	<u>Projection FY 2010</u>	<u>Projection FY 2011</u>	<u>Projection FY 2012</u>
Sewer Usage (1,000 Gallons)	192,374	192,794	193,354	194,055	194,895
Sewer Commodity Rate (\$/1,000 Gallons)	\$ 0.75	\$ 1.35	\$ 2.00	\$ 2.80	\$ 3.45
Capital Improvement Fee per Month					
Number of Customers	1,893	1,899	1,907	1,917	1,929
Sewer Revenues					
Utility Income					
Sewer Receipts	160,000	212,073	386,709	543,353	672,389
Late Payment Penalty	200	200	206	212	219
Misc. Reimbursements	-	-	-	-	-
Misc. Income	-	-	-	-	-
Interest Income	30,000	8,000	8,500	9,000	10,000
Transfers In	-	8,000	8,240	8,487	8,742
Permits	191,850	85,500	113,545	141,591	169,639
Total Sewer Revenues	382,050	313,773	517,200	702,644	860,989
Sewer Revenue Requirements					
Salaries	78,087	135,884	142,678	149,812	157,303
Benefit	42,728	87,655	92,675	97,984	103,599
Debt Service (Prior to 2008)	47,135	46,299	48,408	47,450	46,439
Contractual	90,500	106,400	113,022	117,279	121,675
Commodities	59,510	54,300	55,929	57,607	59,334
Capital Expenditures	25,000	27,500	55,150	55,305	55,464
Transfers Out	20,000	25,000	25,750	26,523	27,318
Subtotal	362,960	483,038	533,612	551,960	571,132
CIP	-	137,000	242,000	50,000	50,000
Total Sewer Revenue Requirements	362,960	620,038	775,612	601,960	621,132
Surplus (Deficit)	19,090	(306,265)	(258,412)	100,684	239,857
Beginning Year Cash Balance		627,177	320,913	62,500	163,184
Year End Cash Balance	627,177	320,913	62,500	163,184	403,041

[1] Revenues based on sewer commodity rate of \$0.75 for first 5 months and \$1.35 for last 7 months

Table 18B - Option 2

Adequacy of Sewer Revenues Under the Proposed Rates and Charges - \$6.50 Capital Improvements Fee

	<u>Budget FY 2008</u>	<u>Projection FY 2009[1]</u>	<u>Projection FY 2010</u>	<u>Projection FY 2011</u>	<u>Projection FY 2012</u>
Sewer Usage (1,000 Gallons)	192,374	192,794	193,354	194,055	194,895
Sewer Commodity Rate (\$/1,000 Gallons)	\$ 0.75	\$ 1.20	\$ 1.75	\$ 1.85	\$ 2.00
Capital Improvement Fee per Month	\$ -	\$ 6.50	\$ 6.50	\$ 6.50	\$ 6.50
Number of Customers	1,893	1,899	1,907	1,917	1,929
Sewer Revenues					
Utility Income					
Sewer Receipts	160,000	195,204	338,370	359,001	389,791
Capital Improvements Fee	-	86,397	148,733	149,513	150,449
Late Payment Penalty	200	200	206	212	219
Misc. Reimbursements	-	-	-	-	-
Misc. Income	-	-	-	-	-
Interest Income	30,000	8,000	8,500	9,000	10,000
Transfers In	-	8,000	8,240	8,487	8,742
Permits	191,850	85,500	113,545	141,591	169,639
Total Sewer Revenues	382,050	383,301	617,594	667,805	728,839
Sewer Revenue Requirements					
Salaries	78,087	135,884	142,678	149,812	157,303
Benefit	42,728	87,655	92,675	97,984	103,599
Debt Service (Prior to 2008)	47,135	46,299	48,408	47,450	46,439
Contractual	90,500	106,400	113,022	117,279	121,675
Commodities	59,510	54,300	55,929	57,607	59,334
Capital Expenditures	25,000	27,500	55,150	55,305	55,464
Transfers Out	20,000	25,000	25,750	26,523	27,318
Subtotal	362,960	483,038	533,612	551,960	571,132
CIP	-	137,000	242,000	50,000	50,000
Total Sewer Revenue Requirements	362,960	620,038	775,612	601,960	621,132
Surplus (Deficit)	19,090	(236,737)	(158,018)	65,845	107,707
Beginning Year Cash Balance		627,177	390,440	232,422	298,267
Year End Cash Balance	627,177	390,440	232,422	298,267	405,974

[1] Revenues based on sewer commodity rate of \$0.75 for first 5 months and \$1.20 for last 7 months

Table 19A - Option 1

Impact of Proposed Rates and Charges on Residential Bills - No Capital Improvements Fee

	Billed Usage (gallons)	FY 2009 Current(1)	FY 2009 Proposed	FY 2010 Proposed	FY 2011 Proposed	FY 2012 Proposed
Water Rate (per 1000 gal)		\$ 5.30	\$ 8.50	\$ 9.50	\$ 10.25	\$ 10.40
Sewer Rate (per 1000 gal)		\$ 0.75	\$ 1.35	\$ 2.00	\$ 2.80	\$ 3.45
Total Water and Sewer Rate (per 1000 Gal)		\$ 6.05	\$ 9.85	\$ 11.50	\$ 13.05	\$ 13.85
Minimum Bi-Monthly Water Bill (6,000 gallons)		\$ 31.80	\$ 51.00	\$ 57.00	\$ 61.50	\$ 62.40
Minimum Bi-Monthly Sewer Bill (6,000 gallons)		\$ 4.50	\$ 8.10	\$ 12.00	\$ 16.80	\$ 20.70
Bi-Monthly Capital Improvements Fee - Water		\$ -	\$ -	\$ -	\$ -	\$ -
Bi-Monthly Capital Improvements Fee - Sewer		\$ -	\$ -	\$ -	\$ -	\$ -
Sewer Charge (unmetered) Bi-monthly Bill		\$ 7.50	\$ 13.50	\$ 20.00	\$ 28.00	\$ 34.50
Water and Sewer Bi-Monthly Bills						
	0	\$ 36.30	\$ 59.10	\$ 69.00	\$ 78.30	\$ 83.10
Minimum Bi-monthly Bill	6,000	\$ 36.30	\$ 59.10	\$ 69.00	\$ 78.30	\$ 83.10
	8,000	\$ 48.40	\$ 78.80	\$ 92.00	\$ 104.40	\$ 110.80
	12,000	\$ 72.60	\$ 118.20	\$ 138.00	\$ 156.60	\$ 166.20
Average Residential Bi-monthly Bill	14,000	\$ 84.70	\$ 137.90	\$ 161.00	\$ 182.70	\$ 193.90
	16,000	\$ 96.80	\$ 157.60	\$ 184.00	\$ 208.80	\$ 221.60
	20,000	\$ 121.00	\$ 197.00	\$ 230.00	\$ 261.00	\$ 277.00
	24,000	\$ 145.20	\$ 236.40	\$ 276.00	\$ 313.20	\$ 332.40
	28,000	\$ 169.40	\$ 275.80	\$ 322.00	\$ 365.40	\$ 387.80
	32,000	\$ 193.60	\$ 315.20	\$ 368.00	\$ 417.60	\$ 443.20
	36,000	\$ 217.80	\$ 354.60	\$ 414.00	\$ 469.80	\$ 498.60
	40,000	\$ 242.00	\$ 394.00	\$ 460.00	\$ 522.00	\$ 554.00
	44,000	\$ 266.20	\$ 433.40	\$ 506.00	\$ 574.20	\$ 609.40
	48,000	\$ 290.40	\$ 472.80	\$ 552.00	\$ 626.40	\$ 664.80
Increase to Minimum Bi-monthly Bill (\$)			\$ 22.80	\$ 9.90	\$ 9.30	\$ 4.80
Increase to Minimum Bi-monthly Bill (%)			62.8%	16.8%	13.5%	6.1%
Increase to Average Residential Bi-monthly Bill (\$)			\$ 53.20	\$ 23.10	\$ 21.70	\$ 11.20
Increase to Average Residential Bi-monthly Bill (%)			62.8%	16.8%	13.5%	6.1%
Increase to Sewer Charge (Unmetered) Bi-monthly Bill (\$)			\$ 6.00	\$ 6.50	\$ 8.00	\$ 6.50
Increase to Sewer Charge (Unmetered) Bi-monthly Bill (%)			80.0%	48.1%	40.0%	23.2%

Notes:

(1) Rate as of January 1, 2008

Table 19B - Option 2

Impact of Proposed Rates and Charges on Residential Bills - \$6.50 Capital Improvements Fee

	Billed Usage (gallons)	FY 2009 Current(1)	FY 2009 Proposed	FY 2010 Proposed	FY 2011 Proposed	FY 2012 Proposed
Water Rate (per 1000 gal)		\$ 5.30	\$ 6.75	\$ 8.15	\$ 9.75	\$ 9.75
Sewer Rate (per 1000 gal)		\$ 0.75	\$ 1.20	\$ 1.75	\$ 1.85	\$ 2.00
Total Water and Sewer Rate (per 1000 Gal)		\$ 6.05	\$ 7.95	\$ 9.90	\$ 11.60	\$ 11.75
Minimum Bi-Monthly Water Bill (6,000 gallons)		\$ 31.80	\$ 40.50	\$ 48.90	\$ 58.50	\$ 58.50
Minimum Bi-Monthly Sewer Bill (6,000 gallons)		\$ 4.50	\$ 7.20	\$ 10.50	\$ 11.10	\$ 12.00
Bi-Monthly Capital Improvements Fee - Water		\$ -	\$ 13.00	\$ 13.00	\$ 13.00	\$ 13.00
Bi-Monthly Capital Improvements Fee - Sewer		\$ -	\$ 13.00	\$ 13.00	\$ 13.00	\$ 13.00
Sewer Charge (unmetered) Bi-monthly Bill		\$ 7.50	\$ 25.00	\$ 30.50	\$ 31.50	\$ 33.00
Water and Sewer Bi-Monthly Bills						
	0	\$ 36.30	\$ 73.70	\$ 85.40	\$ 95.60	\$ 96.50
Minimum Bi-monthly Bill	6,000	\$ 36.30	\$ 73.70	\$ 85.40	\$ 95.60	\$ 96.50
	8,000	\$ 48.40	\$ 89.60	\$ 105.20	\$ 118.80	\$ 120.00
	12,000	\$ 72.60	\$ 121.40	\$ 144.80	\$ 165.20	\$ 167.00
Average Residential Bi-monthly Bill	14,000	\$ 84.70	\$ 137.30	\$ 164.60	\$ 188.40	\$ 190.50
	16,000	\$ 96.80	\$ 153.20	\$ 184.40	\$ 211.60	\$ 214.00
	20,000	\$ 121.00	\$ 185.00	\$ 224.00	\$ 258.00	\$ 261.00
	24,000	\$ 145.20	\$ 216.80	\$ 263.60	\$ 304.40	\$ 308.00
	28,000	\$ 169.40	\$ 248.60	\$ 303.20	\$ 350.80	\$ 355.00
	32,000	\$ 193.60	\$ 280.40	\$ 342.80	\$ 397.20	\$ 402.00
	36,000	\$ 217.80	\$ 312.20	\$ 382.40	\$ 443.60	\$ 449.00
	40,000	\$ 242.00	\$ 344.00	\$ 422.00	\$ 490.00	\$ 496.00
	44,000	\$ 266.20	\$ 375.80	\$ 461.60	\$ 536.40	\$ 543.00
	48,000	\$ 290.40	\$ 407.60	\$ 501.20	\$ 582.80	\$ 590.00
Increase to Minimum Bi-monthly Bill (\$)			\$ 37.40	\$ 11.70	\$ 10.20	\$ 0.90
Increase to Minimum Bi-monthly Bill (%)			103.0%	15.9%	11.9%	0.9%
Increase to Average Residential Bi-monthly Bill (\$)			\$ 52.60	\$ 27.30	\$ 23.80	\$ 2.10
Increase to Average Residential Bi-monthly Bill (%)			62.1%	19.9%	14.5%	1.1%
Increase to Sewer Charge (Unmetered) Bi-monthly Bill (\$)			\$ 17.50	\$ 5.50	\$ 1.00	\$ 1.50
Increase to Sewer Charge (Unmetered) Bi-monthly Bill (%)			233.3%	22.0%	3.3%	4.8%

Notes:

(1) Rate as of January 1, 2008