

WESTFIELD MUNICIPAL WATER UTILITY

CALCULATION OF PAYMENT IN LIEU OF TAXES

UTILITY PLANT IN SERVICE AT 12/31/04	\$16,007,012	
NET UTILITY PLANT IN SERVICE AT 12/31/06		\$22,444,275
RIVER RD		3,500,000
CORP. CAMPUS 50%		<u>1,500,000</u>
		\$27,444,275
TIMES CORPORATE TAX RATE	0.4175	0.33
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PAYMENT IN LIEU OF TAXES	<u>\$66,829</u>	<u>\$90,566</u>

WESTFIELD MUNICIPAL WATER UTILITY

PROJECTED CASH FLOWS

	<u>2013</u> <u>BUDGETED</u>	<u>2012</u> <u>BUDGETED</u>
CASH OPERATING REVENUES EXCLUDING WHOLESALE CONTRACT SALES TO CITIZEN ENERGY	\$5,278,500	\$4,215,900
CASH OPERATING EXPENSES	<u>(3,052,000)</u>	<u>(3,016,874)</u>
NET OPERATING REVENUE	<u>2,726,500</u>	<u>1,799,026</u>
NON-OPERATING REVENUES:		
INTEREST INCOME	9,500	9,500
AVAILABILITY FEES (200 EDU's)	360,000	315,000
CONNECTION FEES (200 EDU's)	100,000	87,500
OTHER NON-OPERATING NET	225,000	195,400
CITY SERVICES LEASE	37,867	37,867
DEBT SERVICE:		
EXISTING:		
1998 BONDS [Water Tower]	(197,150)	(193,590)
2002 BONDS [HWU Acquisition]	(745,785)	(744,658)
2009 BONDS [Land Purchase]	0	(1,061,183)
ESC PAYMENTS [Energy Projects]	(113,087)	(113,087)
AVAILABLE FOR CAPITAL EXPENDITURES AND RESERVES	2,402,845	331,775
PROJECTED CAPITAL BUDGET	<u>(718,690)</u>	<u>(1,377,000)</u>
NET INCREASE/(DECREASE) IN CASH	1,684,155	(1,045,225)
BEGINNING CASH BALANCE	<u>2,532,453</u>	<u>1,487,228</u>
ENDING CASH BALANCE	<u><u>\$4,216,608</u></u>	<u><u>\$2,532,453</u></u>

SEE ACCOUNTANT'S REPORT.

WESTFIELD MUNICIPAL WATER UTILITY

PROJECTED STATEMENT OF REVENUES AND EXPENSES  
FOR THE TWELVE MONTHS ENDED DECEMBER 31

	<u>BUDGET</u> 2013	<u>BUDGET</u> 2012
OPERATING REVENUES:		
METERED SALES	\$4,595,500	\$3,700,000
CONTRACT SALES	500,000	600,000
FIRE PROTECTION	175,000	134,700
FIRE SURCHARGES	400,000	318,000
PENALTIES	18,000	16,700
INSPECTION/PLANNING FEES	40,000	16,300
OTHER	<u>50,000</u>	<u>30,200</u>
 TOTAL OPERATING REVENUES	 <u>5,778,500</u>	 <u>4,815,900</u>
OPERATING EXPENSES (DOME):		
SOURCE OF SUPPLY	420,000	452,513
TREATMENT	347,500	315,979
DISTRIBUTION	561,000	518,217
CUSTOMER ACCOUNTS	326,000	235,744
ADMINISTRATIVE AND GENERAL	<u>1,397,500</u>	<u>1,494,421</u>
 SUBTOTAL	 <u>3,052,000</u>	 <u>3,016,874</u>
 DEPRECIATION	 <u>1,255,000</u>	 <u>1,236,000</u>
 TOTAL OPERATING EXPENSES	 <u>4,307,000</u>	 <u>4,252,874</u>
 NET OPERATING REVENUES	 <u>1,471,500</u>	 <u>563,026</u>
NONOPERATING REVENUES (EXPENSES):		
INTEREST INCOME	9,500	9,500
TAP FEES	100,000	87,500
AVAILABILITY FEES	360,000	315,000
CITY SERVICES LEASE	37,867	37,867
OTHER NON-OPERATING	225,000	195,400
AMORTIZATION	(13,540)	(13,540)
INTEREST ON ENERGY SAVINGS CONTRACT	(16,308)	(20,728)
INTEREST ON REVENUE BONDS (1998)	(46,862)	(53,322)
INTEREST ON REVENUE BONDS (2002)	(319,935)	(338,872)
INTEREST ON REVENUE BONDS (2009)	<u>0</u>	<u>(44,258)</u>
 TOTAL NON-OPERATING REVENUES (EXPENSES)	 <u>335,722</u>	 <u>174,547</u>
 NET INCOME	 <u>\$1,807,222</u>	 <u>\$737,573</u>

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WESTFIELD MUNICIPAL WATER UTILITY

PROJECTED DETAIL OF OPERATION AND MAINTENANCE EXPENSES  
FOR THE TWELVE MONTHS ENDED DECEMBER 31

	<u>BUDGET</u> 2013	<u>BUDGET</u> 2012
SOURCE OF SUPPLY		
PURCHASED POWER	\$420,000	\$452,513
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TOTAL	420,000	452,513
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TREATMENT		
LABOR	196,000	166,979
CHEMICALS	34,600	34,600
MATERIALS AND SUPPLIES	23,700	23,700
REPAIRS	52,700	52,700
CONTRACTUAL SERVICES	22,500	22,500
LAB TESTING	8,000	8,000
PERMITS	10,000	7,500
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TOTAL	347,500	315,979
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DISTRIBUTION		
LABOR	365,000	346,617
MATERIALS AND SUPPLIES	100,000	87,100
CONTRACTUAL SERVICES	36,000	44,700
REPAIRS	60,000	39,800
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TOTAL	561,000	518,217
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WESTFIELD MUNICIPAL WATER UTILITY

PROJECTED DETAIL OF OPERATION AND MAINTENANCE EXPENSES  
 FOR THE TWELVE MONTHS ENDED DECEMBER 31  
 (CONTINUED)

	<u>BUDGET 2013</u>	<u>BUDGET 2012</u>
CUSTOMER ACCOUNTS		
METER READING AND ACCOUNTING	<u>\$326,000</u>	<u>\$235,744</u>
TOTAL	<u>326,000</u>	<u>235,744</u>
ADMINISTRATIVE AND GENERAL		
SALARIES	425,000	606,037
INSPECTION/PLANNING SALARIES	126,000	124,284
OFFICE SUPPLIES	6,000	15,000
BILLING SUPPLIES	14,000	3,200
UTILITIES	24,000	24,500
TELEPHONE	20,600	20,600
INSURANCE	220,000	165,000
CONTRACTUAL - ENGINEERING	50,000	15,800
CONTRACTUAL - GIS	0	2,000
CONTRACTUAL - ADMINISTRATIVE	100,000	94,300
TRANSPORTATION	36,500	26,600
AUDIT	8,000	8,000
EMPLOYEE BENEFITS	245,000	272,300
REPAIRS	2,800	2,800
UNIFORMS	10,000	12,400
TRAINING/EDUCATION	5,000	9,500
UTILITY RECEIPTS TAX	64,300	51,800
OTHER	40,300	40,300
TOTAL	<u>1,397,500</u>	<u>1,494,421</u>
DEPRECIATION EXPENSE	<u>1,255,000</u>	<u>1,236,000</u>
TOTAL OPERATING EXPENSES	<u><u>\$4,307,000</u></u>	<u><u>\$4,252,874</u></u>

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WESTFIELD WATER UTILITY

PROJECTED CAPITAL BUDGET - 2013

PROJECTS:

US 31 Relocates and Improvements	\$386,190	
Wheeler Road Line Extension	100,000	
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Sub-Total		<u>486,190</u>

MISCELLANEOUS:

Land Purchase for Additional Well	67,500	
Developer Upsizing Agreement	100,000	
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Sub-Total		<u>167,500</u>

EQUIPMENT AND VEHICLES:

2 Vehicles	65,000	
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Sub-Total		<u>65,000</u>
Total		<u><u>\$718,690</u></u>

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WESTFIELD WATER UTILITY

PROJECTED CASH BALANCES

	<u>BEGINNING BALANCE AS OF 8/30/12</u>	<u>PROJECTED BALANCE AS OF 12/31/12</u>
OPERATING FUNDS:		
OPERATING	\$330,322	\$502,309
REVENUE	429,064	768,892
CAPITAL PROJECT FUNDS:		
DEPRECIATION	230,791	270,791
TAP FEE	368,077	0
AVAILABILITY FEE	828,780	410,857
DEBT SERVICE FUNDS:		
BOND AND INTEREST	78,578	375,634
DEBT SERVICE RESERVE	203,970	203,970
TOTALS	<u>\$2,469,582</u>	<u>\$2,532,453</u>
AVAILABLE FOR OPERATIONS / PROJECTS	<u>\$2,130,491</u>	<u>\$1,952,849</u>

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