

## CITY MANAGERS BUDGET MESSAGE

June 02, 2014

Honorable Mayor &  
Members of the Norway City Council  
City of Norway  
Norway, MI 49870

### **Dear Mr. Mayor & Members of the City Council:**

It is with great pleasure that I submit to you the City's proposed multi-year Operating and Capital Improvements Budget for fiscal years 2014 - 2015 through 2018 - 2019.

The format for this year's multi-year revenue and expenditure plan has been presented to reflect staffs continued objective to present prior and future year revenues and expenditures in a clear and user friendly manner consistent with sound budgetary and financial management standards. Revenue, expense and equity projections are presented for each of the City's 13 funds. Each fund or account contains notes and tables, which illustrate significant activities.

Staff and members of the City Council conducted five (5) budget workshops to prepare the Operating and Capital Improvements Budget for the fiscal year beginning July 1, 2014. The 2014 – 2015 budget documents reflect the City Council's collective desire to establish a progressive framework for predicting and allocating scarce resources. The multi-year format will allow city officials to:

- Adequately plan for the maintenance of community services
- Easily convey to the informed reader, planned operating and capital expenditures and
- Communicate the City's financial structure and organization

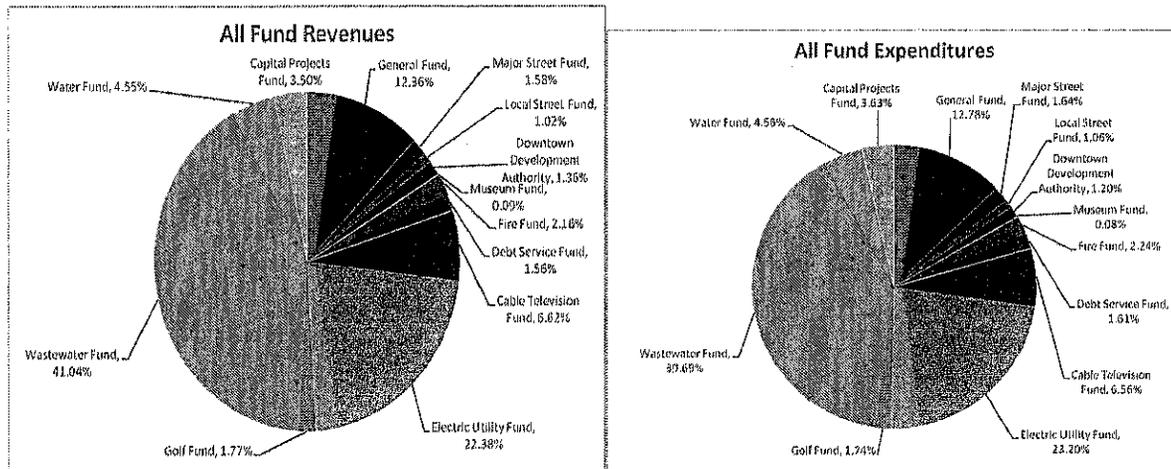
Revenue, expense and equity projections are presented for each of the City's thirteen (13) funds for a five (5) year period through June 30, 2019. Of significant note is the emphasis upon programmed multi-year capital infrastructure investment as well as various notes and charts, which attempt to illustrate significant fund activities.

The City of Norway has 13 funds as follows:

- General Fund
- Major Street Fund
- Local Street Fund
- Downtown Development Authority
- Museum Fund
- Fire Fund

- Debt Service Fund
- Cable Television Fund
- Electric Utility Fund
- Golf Fund
- Wastewater Fund
- Water Fund
- Capital Fund

Of the 13 funds, the Electric Utility Fund is the largest fund by revenue (\$4,561,700– 34.81%) and expense (\$4,558,034 – 35.28%). The second largest fund is the General Fund with revenues of (\$2,459,917– 18.77%) and expenses of (\$2,458,789 – 19.03%). The next largest fund is the Cable Television fund at 10.28% revenues and 10.20% expenses. All other funds are under 10% of overall fund percentage in the following order: Water Fund, Wastewater Fund, Fire Fund, Debt Service Fund, Golf Fund, Downtown Development Authority, Capital Projects Fund, Major Street Fund, Local Street Fund, and Museum Fund.



The overall All-Fund City revenues are projected for Fiscal Year ending June 30, 2014 to be \$22,477,830. The proposed Fiscal Year operating and capital improvements budget for 2014-15 is projected at \$21,676,626. The actual revenues for year ending 2013-14 have been projected at \$868,354 less than the adopted FY 2013-14 budget or -6.63%.

## ALL FUND SUMMARY EXPENDITURES

The following expenditures are experienced across all funds and distributed accordingly to each fund depending on the appropriate distribution calculation, proportion, or direct charge:

### Group Health Insurance

Funding for employee and retiree group health and life insurance is shown cumulatively within each department and fund expending full time salaries. This past year, the city renegotiated its labor contracts following the state of Michigan's new public health care law PA 152 of 2011 which established a "hard cap" amount that the city would pay towards premiums. The hard cap amount established by law is set per family, 2-person, or single coverage. Any cost above the hard cap amount is paid by the employee. The hard cap values per year for 2014 are \$15,975 (family), \$11,715 (2-person), and \$5,857 (single). Each year the cap amount is increased by the cost of living adjustment approved by the state legislature.

Monthly City health insurance premiums generally include coverage for hospitalization/surgical/maintenance, prescription drugs, dental, and vision. The City also provides both short term disability (STD) and long term disability (LTD) in lieu of large

collection or banking of sick leave. The collective bargaining agreements have been revised to eliminate any banking of either sick leave or vacation which had negatively affected retirement expenses and obligations.

The city contributes to retiree health insurance per the collective bargaining agreements that the employee retired under. The current collective bargaining agreements all stipulate a capped reimbursement amount of \$500 per month for Family and 2 person and \$250 for single.

The City has also negotiated a payment in lieu of health insurance coverage of \$250/\$350/\$450, or 60% of premium (police contract only).

Group Life Insurance

The city provides group life insurance for its employees through its collective bargaining agreements and employment agreements. Each unit is shown separately in the following chart.

LIFE INSURANCE PREMIUMS		
Employee Group	Term Coverage	Individual Monthly Premiums
Administrative (Non-Union)	\$100,000	\$ 43.10
IBEW – Supervisory	\$ 75,000	\$ 32.33
IBEW – Electrical	\$ 40,000	\$ 17.24
AFSCME - DPW, W.W, Clerical	\$ 40,000	\$ 17.24
WPPA – Police	\$ 40,000	\$ 17.24

Group Short Term Disability (STD) & Long Term Disability (LTD)

In 2006 the city implemented through contract negotiations group STD and LTD to eliminate the need for large accumulations of sick leave. Sick leave was historically collected and treated like an STD program. The potential long term unfunded liabilities associated with a percentage of unused employee sick leave banks applied at retirement created increased pension obligations. The STD/LTD program eliminated the need for large sick leave banks.

- STD = \$0.240 per \$10 of coverage
- LTD = \$1.010 per \$100 per coverage

STD and LTD rates are established on charge per coverage rate. Coverage for STD is 66-2/3<sup>rd</sup> of base wage or \$700 maximum per week. Coverage for LTD is 66-2/3<sup>rd</sup> or \$5,000 maximum per month.

## Municipal Employees Retirement System

The Municipal Employees Retirement System (MERS) is a statewide multiple employer defined benefit retirement plan for public employees. It was created under Public Act 135 of 1945.

Pursuant to Public Act 220 of 1996, MERS now operates as an independent public non-profit corporation known as the Municipal Employees Retirement System of Michigan. MERS affords participants with various benefit programs which are conveyed to the employees benefit either through collective bargaining agreements or municipal action. Retirement benefits through MERS are generally a product of the following;

- Credited Service: Vesting = 8 years
- Final Average Compensation
- Specified Benefit Program

Employer calculations are based on actuarial assumptions and calculated annually as a percentage of gross payroll. The following table depicts actuarial employer contribution percentages by employee division for the F.Y. 20113-14 and F.Y. 2014-15;

<b>EMPLOYER CONTRIBUTION PERCENTAGES</b>		
MERS Employer Division	2013-2014	2014-2015
AFSCME 1176	24.13%	26.77%
Police – WPPA	25.47%	22.03%
IBEW - Elec.	33.48%	\$14,199/month
IBEW - Sup.	67.97%	83.99%

### Liability/Property/Workers Comp. Insurance:

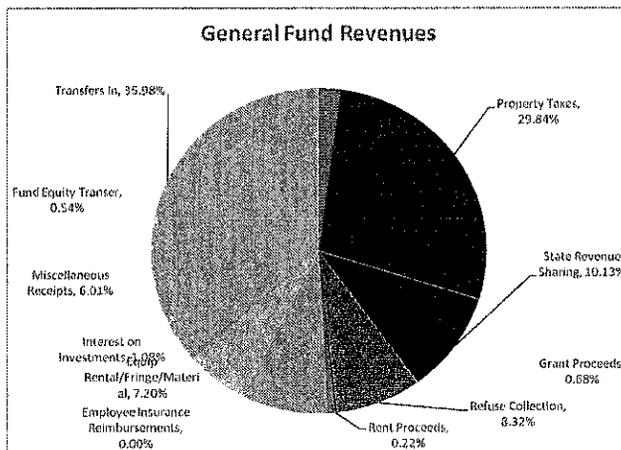
1. General liability, property and workers compensation premiums are allocated within all funds. Costs will be charged to each fund based on their actual property, liability, and workers compensation costs. This will give us a much more accurate cost per department and fund, and will be used for future budgets.
2. Municipal liability and property premiums are projected at \$142,247. Workers compensation premiums for F.Y. 2014-15 are projected to total \$44,827. The annual dividend for the current fiscal year will be received one month following our renewal payment and will be for \$21,128. The dividend will be applied when received. The following table provides a historical perspective on premiums less the annual dividend credits which the city receives annually;

Coverage Period	Workers Comp. Premium	Gen. Liab/ Prop. Premium	Total
2014-2015	\$44,827	\$121,119	\$165,946
2013-2014	\$44,636	\$125,312	\$169,948
2012-2013	\$42,010	\$116,751	\$158,761
2011-2012	\$34,356	\$114,488	\$148,844
2010-2011	\$29,046	\$138,865	\$167,911
2009-2010	\$50,515	\$140,346	\$190,861
2008-2009	\$45,896	\$145,312	\$191,208
2007-2008	\$32,697	\$137,488	\$170,185

### GENERAL FUND REVENUES

Fiscal year 2012-2013 revenues were sufficient to support operational expenses during the fiscal year. For F.Y. 2012-2013, the estimated actual revenue receipts are estimated to be \$298,702 above F.Y. 2012-2013 adopted budget or 12.05% higher than the adopted budget. Fiscal year 2013-2014 revenues are projected to be \$318,318 below F.Y. 2012-2013 estimated revenues, an decrease of 12.94%. Also, fiscal year 2012-2013 projected revenues exceed projected expenses by \$524.

The General Fund is comprised of 11 different revenue categories. Contributions from all enterprise funds make up 35.56% of the general fund revenues. Property taxes make up 33.36% while state shared revenues comprise 10.99%. All other revenue categories are less than 10%.



#### General Fund Revenues

Transfers In	35.98%
Property Taxes	29.84%
State Shared Revenues	10.13%
Refuse Collection	8.32%
Equipment Rental/Fringe/Material	7.20%
Miscellaneous Receipts	6.01%
Interest on Investments	1.08%
Grant Proceeds	0.68%
Fund Equity Transfer	0.54%
Rent Proceeds	0.22%
Employee Ins. Reimbursement	0.00%

Transfers from Enterprise (Utility) Funds

Transfers from enterprise (utility) funds make comprise 35.98% of the General Fund revenues and are the single largest percentage of GF revenues. Transfers are payments for costs associated with expenditures generated by General Fund resources. The percentage of transfers for each enterprise fund is based proportionally on the amount of revenues of each fund applied against total revenues. Simply speaking the allocated percentage is the proportional size of the fund based on the proportion of revenue applied against the total revenue.

Property Tax Receipts (Real & Personal)

Property taxes account for 29.84% of revenues for the general fund. Property tax revenues have decreased slightly as follows:

The City of Norway is permitted by Charter to levy up to \$20.00 per \$1,000 of SEV or 20 mills. Since the Headlee amendment was approved by the voters in November of 1978 and Proposal A in 1994, actions by the legislature, court decisions, and, of course, the Headlee amendment itself, have restricted the ability to raise local revenues or to be reimbursed for services mandated by the state.

1. Under the restrictions of the Headlee amendment and Proposal A, the City of Norway's maximum levy is 19.972 mills. For the City of Norway, each additional one-mill increase is equivalent to \$58,243.
2. F.Y. 2013-14 estimated actual revenues exceed budget due to higher taxable value calculations. The taxable value for 2014 decreased by 0.13 percent. Actual DDA capture totaled \$163,588 for F.Y. 2013-14, while estimated capture for 2014-2015 is estimated at \$156,507. Total DDA capture in actual taxable value for F.Y. 2013-2014 was valued at \$10,032,310 while captured taxable value for F.Y. 2014-15 is estimated at \$9,546,498 or a decrease of 4.8%.
3. F.Y. 2014-2015 taxable value projections are estimated to decrease 0.13% over the prior year. Values for the current year and the past seventeen (18) years are shown.

<u>YEAR</u>	<u>Taxable Value</u>	<u>% Increase</u>	<u>YEAR</u>	<u>Taxable Value</u>	<u>% Increase</u>
2014	58,242,960	(0.13)	2004	46,485,451	5.6
2013	58,316,100	1.04	2003	44,035,707	2.7
2012	57,714,375	1.32	2002	42,868,993	3.3
2011	56,962,641	1.05	2001	41,488,634	3.3
2010	56,372,111	(1.39)	2000	40,176,814	2.2
2009	57,165,129	5.3	1999	39,296,489	6.7
2008	54,265,648	3.0	1998	36,828,443	2.0
2007	52,687,312	4.7	1997	36,112,995	4.6
2006	50,313,540	5.5	1996	34,520,662	7.1
2005	47,683,771	2.6			

Based on 16.3942 mills and including approximately \$12,000 from fee-in-lieu of taxes connected with Bluffs Edge Apartments, and approximately \$27,300 from the 1% administration fee which was added in 2006-07, the gross receipts for F.Y. 2014-15 are projected to total \$949,269; net collections are projected at \$801,362 based upon the following;

- DDA property tax capture of \$156,507.
- P.A. 425 agreement obligation totaling \$3,650 connected with Oak Crest Assisted Living and the medical offices constructed on US 8.

Out year projections reflect revenue increases of 3%.

### State Shared Revenue Sharing

The Michigan Revenue Sharing program distributes sales tax to local units of government as unrestricted revenue. Income tax distributions ended as of 12/31/96 and in lieu thereof a statutory sales tax component was added reflecting a community's relative tax effort. Single business tax distributions were eliminated as of 6/30/96.

Revenue sharing is funded from two sources: revenue earmarked by the State Constitution and revenue dedicated by statute. The constitutional share is fifteen (15) percent of the first four (4) percent of the state sales tax and is distributed only to cities, villages, and townships on a per capita basis. Statutory revenue sharing began with the passage of the income tax in 1967, when a share of revenues from the tax was dedicated to local governments. Because the Single Business Tax, enacted in 1976, included the elimination of the property tax on inventory, a portion of the SBT was earmarked to units of local government. In 1996, the legislature changed the funding source from a portion of the SBT and the income tax to an additional 21.3 percent of the four percent rate of the sales tax. At the time the legislature made the change, revenue sharing had undergone a series of cuts. The 21.3 percent of the four percent rate of the sales tax reflected the reduced appropriations, rather than the statutorily earmarked amounts of the income and SBT. In 2008, the state legislature replaced the SBT (state business tax) with another tax called an MBT. To date they have not agreed on a tax restructuring plan which accounts for the loss in revenue from the elimination of the SBT. They have, to date, agreed to hold revenue sharing distributions "frozen" for municipalities rather than decreasing their constitutional and statutory requirements. It is estimated that the statutory component of the revenue sharing calculation will continue to be reviewed throughout the year and may be subject to reductions caused by negative revenue receipts.

Revenue sharing funds (sales tax) are distributed to municipalities six (6) times annually. Constitutional sales tax (municipal pool equivalent to 15% of the 4% gross state sales tax collection) is distributed on a per capita basis. Statutory sales tax (municipal pool equivalent to 21.3% of the 4% gross state sales tax collection) is distributed according to four separate formulae intended to measure relative tax effort

According to State Treasury officials F.Y. 2012-13 estimated actual revenue will total \$261,955 or 1% above budget projections. In 2012, newly elected Governor Rick Snyder and the Republican House and Senate created and passed a new program to distribute the statutory component of revenue sharing titled the Economic Vitality Incentive Program (EVIP). Communities are able to qualify for 67.8% of their 2010-11 statutory revenue sharing payment by meeting the following criteria:

1. Communities must develop and publish a citizens guide and dashboard which must include unfunded liabilities.
2. Communities must produce a plan with one or more proposals to increase existing levels of cooperation, collaboration, and consolidation within their jurisdiction or with other jurisdictions. The plan must list previous efforts of cooperation, collaboration, and consolidation and with any cost savings and estimates of any potential savings of future efforts.
3. Communities must certify they intend to implement the following employee compensation criteria for any new, modified, or existing contract or employment agreements for employees under contract or employment contract:
  - a. New hires eligible for retirement plans will be placed on retirement plans that cap annual employer contributions:
    - i. 10% of base salary if they are eligible for social security
    - ii. 16.2% of base salary if they are not eligible for social security
  - b. For defined benefit plans:
    - i. A maximum 1.5% multiplier if employee is eligible for social security. If there is no retiree health care, a maximum of 2.25% multiplier.
    - ii. A maximum 2.25% multiplier if employee is not eligible for social security. If there is no retiree health care, a maximum 3.0% multiplier.
  - c. Also for defined benefit plans the final average compensation shall be computed using at a minimum 3 years compensation and can't include more than 240 hours of paid leave. It also cannot include over time.
  - d. Health care premium costs for new hires shall include a minimum employee share of 20%, or the employer's share shall be cost competitive with the new state preferred provider organization health plan on a per-employee basis.

The City's F.Y. 2014-15 distributions are projected at \$281,399 which are above the F.Y. 2013-14 estimated actual levels and is the third year that an increase has been projected since 2001. Out-year projections reflect payments equal to previous annual allocations. Conversely, pursuant to state regulations, state revenue sharing payments to individual municipalities cannot increase more than eight (8) percent during any one fiscal cycle. The following chart indicates the levels of revenue sharing reductions since FY 2001-02. The total loss over the last 14 years on a percentage basis is equal to 25% or a loss of 1.76% each year. In FY 2001-02, revenue sharing comprised 26% of the total General Fund revenues. In FY 14-15, revenue sharing will equal 10.13% of the overall General Fund revenues. As of this report, the state senate has approved an increase to total revenue sharing of 15% with the elimination of the EVIP program. The senate however did include a number of townships and other small municipalities in the new 15% increase. The state house approved a budget with a much smaller increase, no new

municipalities , and a continuation of EVIP but with some structural changes to reporting. The budget goes to conference committee where hopefully the full increase will be approved. If approved this will be an additional increase above the current projection.

<u>FISCAL YEAR</u>	<u>Revenue Sharing Amount</u>	<u>% Inc./Decrease</u>
14-15	\$281,399	2.70
13-14	\$270,445	3.24
12-13	\$261,955	2.41
11-12	\$255,800	(0.90)
10-11	\$258,125	(0.75)
09-10	\$260,082	(14.58)
08-09	\$298,005	(3.92)
07-08	\$309,698	(0.60)
06-07	\$311,568	(2.51)
05-06	\$319,584	(0.74)
04-05	\$321,981	(1.47)
03-04	\$326,788	(10.01)
02-03	\$363,118	(2.74)
01-02	\$373,353	

#### General Fund Equity

The City's fund equity balance had decreased to a level of 11% in 2009 due to fund equity transfers caused by shortfalls in operating revenues over operating expenditures and the purchase of state owned property near the golf course as a one-time expenditure in 2007. Following the land purchase, Council approved having all land sale receipts deposited into the general fund to repay this debt and coupled with operating revenues over expenses the past two years, the fund has started to recover. The fund equity balance is currently 19.34% of FY 13-14 estimated actual operating expenditures which is approximately 5.66% below typical targeted 25% fund equity balance. This is an increase from FY 12-13 year end. FY 13-14 actual expenses are estimated to be \$78,643 above estimated revenues on June 30, 2014 which will increase fund balance slightly.

The budget for FY 14-15 proposes revenues over expenses at \$7,071 however since our proposed expenses are up, fund equity percentage of expense will decrease slightly to 16.48%. Structural changes have been estimated in out years which increase fund equity over the next four years to 18.18%, 23.70%, 27.28%, and 28.14% respectively.

#### Refuse Collection Fees

For Fiscal Year 2014-2015, the garbage rates are proposed to remain at \$13.00 and \$19.50 for residential and commercial garbage customers respectively. This past year the Dickinson Solid Waste Management Authority increased tipping fees from \$65 to \$71 per ton.

As current trends in revenue sources continue, Council must consider addressing the millage rate or other sources of revenue in upcoming budget discussions.

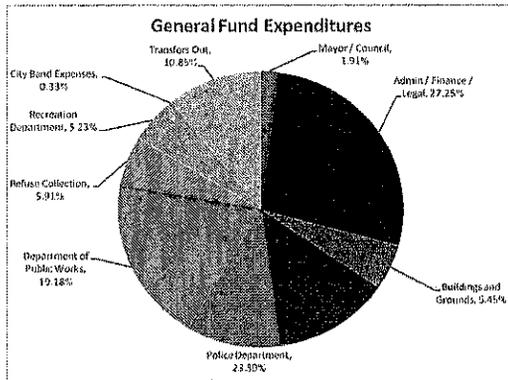
## **GENERAL FUND EXPENDITURES**

Annually during budget preparation, staff will try to establish operating expenditures sufficient to allow for providing necessary surplus revenue to offset marginal equipment replacement contributions. With the annual increases in personnel expenditures and the continual erosion of state supported revenues, it has been increasingly difficult to fund these necessary offsets. The City must prioritize restricted funds with a priority towards an equitable fund balance of available cash or more commonly known as a "rainy day fund". Revenues will also be evaluated and proposed to adequately account for increased expenses in operating costs. The increases proposed by staff will need to be evaluated on an annual basis by the elected leaders in order to account for annual increases in operating expenditures.

The general fund budget contains several ongoing and new funding initiatives including;

- Equipment Replacement Requirements
- Evaluation of refuse collection practices and adequate funding
- Labor Negotiations addressing increasing personnel expenditures
- Continued pursuit of departmental and operational re-organizational strategies.
- Personnel Policies and other document control initiatives.
- Staff and city council strategic planning retreats.
- Expanded public safety and Public Works training
- Public communication enhancements
- Continued enhancement of City mapping technologies.

The City's general fund is made up of mostly operational type funds such as administration, police, and public works. Parks and recreation is also accounted for in the general fund. The overall expenditures projected for the general fund in 2014-15 is \$2,770,241 or an increase of 12.66% from the 13-14 budget. Projected revenues exceed expenses in this budget by \$7,071. Estimated actual general fund expenditures for year ending June 30, 2014 are \$2,401,658 or \$57,334 (2.39%) under budget. Areas where we incurred expenses over budget include contributions to the street funds. The overages caused by the street funds centers on additional costs associated with snow removal and reduced revenues from state funds for road improvements and maintenance. The only fund that can contribute towards street overages is the general fund so these two funds work simultaneously within the overall budget of the city. The breakdown of the general fund expenses are as follows:



### General Fund Expenditures

Mayor/Council	1.91%
Admin/Financial/Legal	27.25%
Buildings & Grounds	5.45%
Police Department	23.89%
Department of Public Works	19.18%
Refuse Collection	5.91%
Recreation Department	5.23%
City Band	0.33%
Transfers out	10.85%

The fiscal year 2014-15 budget has some capital expenditures programmed for the city hall HVAC system and addresses additional maintenance expenditures for current buildings and equipment as well as personnel.

### **MAJOR AND LOCAL STREET FUND**

Article IX, Section 9, of the Michigan Constitution of 1963, as amended, states that “All specific taxes.....imposed directly or indirectly on fuels sold or used to propel motor vehicles upon highways...or on registered motor vehicles...shall, after payment of necessary collection expenses, be used exclusively for transportation purposes...”. Diversion of road-user fees to purposes other than road construction or public transportation is unconstitutional.

Public Act 51 of 1951 (PA 51) creates a “user-pay fund” into which specific transportation taxes are deposited, and prescribes how these revenues are distributed and used. Act 51 establishes jurisdictional road networks, sets priorities for the use of transportation revenues, and allows bonded indebtedness for transportation improvements and guarantees repayment of debt. PA 51 creates the Michigan Transportation Fund (MTF). Revenues collected through highway user fees, state motor-fuels taxes, vehicle registration taxes, and other miscellaneous automobile related taxes are deposited into the MTF. Two percent (2%) of all state gasoline tax revenue goes into a Recreation Improvement Fund which is used for improvements of marinas, trails, and other facilities for motorized recreation. The 2% allocation was developed based on an estimate that this equals the motor fuel tax payments by users of boats, snowmobiles, and off-road vehicles and is credited to a fund benefitting recreational vehicle owners. Transfers are also made from the MTF to pay for transportation-related functions of other departments of state government. The majority of the transfer is appropriated to the Department of State to pay for administering the license plate system. Other transfers from the MTF include the State Police, Treasury (for collecting the fuel tax), and other departments of the state for functions on behalf of the Michigan Department of Transportation such as the Michigan Department of Environmental Quality (wetland permits for highway projects), Civil Service, Information Technology, and Management and Budget.

The PA 51 formula divides the MTF between MDOT, county road commissions, cities and villages, and the Comprehensive Transportation Fund (CTF). The formula is not a simple four way split however. After debt service and before a three-way division is made of funds between

state highways, county roads, and municipal streets, several appropriations are made directly to programs or particular jurisdictions as follows:

- Rail Grade Crossing Account for a share of installation of railroad crossing signals
- Local Bridge Fund for bridge repair and replacement
- An amount equal to 3 cents tax on gasoline is divided between the State Trunkline Fund (STF), counties, and cities and villages at a rate of 39.1%, 39.1%, and 21.8 % respectively
- State Trunkline Fund (1/2 cent tax)
- STF debt service
- Local Program Fund
- Transportation Economic Development Fund (TEDF)
- Comprehensive Transportation Fund (CTF) for transit programs (public transportation)

After these distributions, the remainder of the MTF is divided between road systems under three levels of government. The State Trunkline Fund receives 39.1 percent. The county road commissions receive 39.1 percent to be divided amongst the state county road commissions. The cities and villages receive 21.8 percent to be divided amongst the local agencies.

The cities major and local street systems established by Act 51 are designated by a municipality's governing body, subject to the approval of the State Transportation Commission. City Major Streets are chosen according to their importance to the municipality. All other streets are City Local Streets. These street systems include no county roads or state trunkline highways.

The "internal" funding formula for city and village street funds first divide the available cities/villages funds at 75% for major streets and 25% for local streets. Then the internal formula apportions these two amounts to municipalities at 60% on the basis of population and 40% on the basis of major and local mileages. Major street mileage is weighted more heavily in larger cities where major streets are likely to be wider and more expensive. Monies received and designated as Major Street Funds must be used on major streets and Local Street Funds on local streets. The city can also transfer up to 50% of annual Major Street Fund revenue to the Local Street Fund provided the City Council passes a resolution to allow as such.

In 2014, the City continues its efforts towards trying to find additional funding to address street improvements necessary throughout the community. Prior to 2012, projects were completed in targeted areas to address storm water separation. The City completed projects in 2006 and 2007 on 9<sup>th</sup> Avenue, Saginaw Street, Brown Street, and Norway Street. The City also completed work on Iron Street and Mine Street in 2008. This work was completed using a 50% grant from the MEDC with the remaining 50% balance coming from the voter approved road millage. In 2009, the City completed street projects on Summit Road by the old water tank. This project was supported through the water fund to improve a deficient water main in the area. Additional street funds were utilized from the bond issue. In 2010, the City was again approved for an MEDC grant to perform storm water separation on Norway Street between US 2 and 4<sup>th</sup> Avenue. This project was awarded as an 80% grant. The remaining local share was taken from water funds and the remaining street bond issue. In 2011, projects were completed 9<sup>th</sup> Avenue from US 2 to Stephenson Street, Case Street, Walnut Street from US 2 to Railroad Avenue, Brown Street

between 10<sup>th</sup> and 11<sup>th</sup> Avenue, and 11<sup>th</sup> Avenue from Norway Street to the Argon Mine shaft. These projects were all grant funded projects with the local share paid for through the Norway Downtown Development Authority. Railroad Avenue is schedule for a 2014 construction date. The project will receive outside funding through the MDOT/Rural Task Force (federal aid routes) at 100% construction grants. The local match will come from 50% DDA funding and 50% water funds.

For future projects, the City will review crush and shape projects utilizing ACT 51 money in Major and Local Street Funds as well as actively pursuing additional grant opportunities with the MEDC and MDOT. With the rising fuel costs associated with asphalt and construction, the current estimates for a typical 30' wide by 140' long block to be reconditioned using a basic "crush and shape" approach are \$28,000. A majority of the streets under consideration are local streets. The Local Street Fund balance is currently \$1,296. Under state statute, 50% of the Major Street Fund revenues can be contributed towards local streets. The Major Street Fund balance is currently \$1,114. In order for the projects and maintenance activities to continue on local or major streets, the City must move monies from the General Fund to the Major and Local street funds.

The fund must take into account maintenance and street personnel activities before monies become available for capital improvements. Following the street and utility master planning initiative, staff will once again try to develop a plan to repair additional streets. A major street maintenance program is in the planning stages for this fiscal year. For FY 2014-15 the city plans to micro-seal Section Street from US 2 to Pine Drive. The city also plans to chip seal on Kimberly Road from Stephenson Street to the west boundary limits. The electric fund will provide a transfer to allow for these maintenance activities. Both legislative bodies at the State of Michigan have proposed additional funding. The amount of money received through the current formula does not adequately cover the general maintenance needed for our roads. The City of Norway on average expends 107% of the road funding. This means that the General Fund must account for the additional 7% just for maintenance activities and that there is no additional funding available for street improvement projects.

## **DOWNTOWN DEVELOPMENT AUTHORITY**

Fiscal year 2014-15 property tax revenue is estimated at \$244,720 which is an increase of 0.77% over fiscal year 2013-14 estimated actual receipts. Total DDA capture above the base SEV is projected at \$9,546,498. With the completion of Streetscape in 2005, significant activities include façade improvement programs within the downtown center and the implementation of the recent downtown marketing plan. The DDA will also concentrate on assistance with economic development projects and other small projects within the district. The DDA will also contribute to maintenance activities along the downtown corridor and other areas within their district.

For Fiscal Year 2013-14, one minor main street project was completed through the DDA's commitment to pay local match funding on grants. This project was targeted through the Michigan Economic Development Corporations Downtown Infrastructure Grant program. Most

of the infrastructure work on the Main Street had already been completed so this project dealt mainly with parking lots and alley's. In 2014 the DDA plans to contribute towards the Railroad Avenue reconstruction project. The projects are located within the DDA as required by statute. The DDA has also agreed to fund projects within the new Norway Myr Recreational Area.

As part of the economic development initiatives for the community, the DDA has started efforts towards implementing programs to aid with economic gardening for small entrepreneurs, look for opportunities to initiate incubator projects, and to develop a comprehensive marketing plan which will utilize all forms of medium including updating web pages and advertising.

## **GOLF FUND**

Approximately 27,525 golf rounds were played at Oak Crest Golf Course in 2013 which was a 10% increase from the previous year. Through May of 2014 golf rounds are up over the same time the previous year due to a better spring or earlier start than last year. Member rounds accounted for approximately 19,396 rounds or 70% of all rounds on average. Membership fees account for approximately 59% of available revenue. Membership rounds have decreased from a high of 85% caused mainly from members dropping memberships and opting towards green fees. It is estimated that this was caused by the increases in membership fees over the last ten years.

A reorganization of personnel in 2006 and starting in 2012 have accounted for additional opportunities to provide funding for needed equipment replacement and capital improvements. The City and Golf Commission are also working together to provide for seamless operations between the club house and grounds with more emphasis placed on commission involvement in the future. This year's budget was extremely challenging to balance with attention given to a structural change allowing the fund to see positive receipts for the 5-year period. 50% of the Golf Superintendent's wage and benefits were budgeted within parks and recreation to account for additional workloads in this area. The budget proposal also accounts for \$20,000 to be transferred to the golf commission which is down from \$40,000 in previous fiscal year budgets. This was applied due to positive receipts shown by the commission and an increased responsibility for applying their receipts to club house labor. This change allows for a positive 5-year budget analysis and recovery of the cash balance in the fund.

The Golf Fund continues to struggle with lost memberships primarily due to decreases in golfing activity nationwide. A new golf pro was hired by the Golf Commission for 2008 to help in reinvigorating interest in golf play at the course and to improve marketing efforts for the course. New initiatives will be forthcoming as we continue our efforts to reorganize and reinvigorate golf play at Oak Crest. Additional attention will also be given to young golfers especially with the coordinated efforts with the Norway Vulcan School system programs. We are encouraged by the potential that remains at Oak Crest but much work is needed.

## **C.A.T.V. FUND**

In 2009, the City initiated a complete upgrade to the system by installing new infrastructure lines and equipment to improve reliability and speeds. The plant was increased from a 450 Mghz

plant to an 870 Mghz system. A 24 count fiber line was also installed around the city to allow for improved accessibility for capacity and speeds. The City improved services to the internet system as well as providing a new and improved television offering increasing analog channels from 54 to 74 and implementing offerings in digital and HD services. New offering packages were rolled out in the spring of 2010 and the sign up rates have been encouraging. Along with the improved services in the internet and television services, a new telephone voice over internet protocol (VOIP) was presented. Again, the install rates for the new service has been encouraging and by providing a true triple play opportunity for our customers will provide for long term investments and revenue returns for the fund. There are some significant expenditures programmed within the budget for the few fiscal years mainly dealing with a new bucket truck and some head end equipment. Rate increases have been programmed for the 2014-15 fiscal year.

## **ELECTRIC FUND**

During Fiscal Year 2004-2005, Council approved the cost of service study and the electric system master plan presented by SEH. The multi - year expenditure plan provides for continuing operational and capital obligations including;

- System improvements and expansion
- Hydroelectric plant improvements
- Hydroelectric plant automation
- Federal Energy Regulatory Commission relicensing
- Telemetric meter reading
- Street light improvements

In December of 2005, the hydro operations experienced a serious setback with the loss of the Westinghouse unit. The plant capacity dropped from 5.3 MW to 3.1 MW. The loss of potential generation coupled with a historic low water year increased purchased power requirements with WE Energies by 70%. The Westinghouse turbine rebuild was completed in 2009 however due to several FERC mandates, the completion of the GE Turbine rebuild was delayed. The GE turbines were subsequently completed in the fall/winter of 2012 and ready for spring 2013 run-off. With the new turbines, the plant increased its generation to 5.8 MW. Increasing pressures from the regulatory agencies and new regulations from the state of Michigan will continue to challenge the power sales and purchase power costs in the system. The new turbines will aid in reducing some of these costs especially in out years.

The City also completed the construction of a new primary substation which will allow the utility to accept transmission level power directly from the grid. This will eliminate a \$2,000 per month charge from WE Energies to step down our system power. In 2011, the utility completed the loop construction and conversion which now enables the city to fully utilize the new substation which will ultimately complete the project.

Following the completion of these two main project priorities, an update was scheduled for the electric master plan in 2012. From the original system master planning, system priorities were

identified as necessary improvements for not only the quality of service for our customers but to decrease system losses. All system projects were evaluated on priority based on first starting in the main loop of the system and then working out to its outer branches. The main loop has been completed and converted to its higher voltage and we now can concentrate outward. The arterial branches on the electrical system have voltage losses which create performance issues for the city's customers as well as system loss issues for the utility. Out year system improvements are identified as follows:

	<u>Cost \$</u>	<u>Schedule</u>
• US8, Piers Gorge, Oak Crest Drive.....	\$150,000	2014-15
• Forest Drive, Fairview Drive, WPA Road.....	\$90,000	2014-15
• Hydro Substation.....	\$30,000	2014-15
• South Brown Substation.....	\$10,000	2014-15
• Vulcan Reconductor .....	\$360,000	2014-18
• Kimberly Road.....	\$150,000	2017-18
• Norway Hill, Pearney Lane.....	\$720,000	2018-22
• Forest Drive, Viking Lane, Pine Drive.....	\$300,000	2021-23
• Summit Road, Valley View Drive.....	\$150,000	2022-23
• Belgium Town Road.....	\$300,000	2023-25
• West US 8.....	\$180,000	2024-26
• Downtown Norway.....	\$600,000	2026-29

Due to budgetary constraints, the projects have been extended into out years and will be reevaluated on an annual basis. Now that the hydro, substation, and loop conversion projects are complete, we will try and schedule one major project per year.

In 2010 the City Council approved a new Power Cost Adjustment Clause (PCAC) which enabled the fund to stabilize its revenue projects and provide a potential benefit to the utility customers by providing rebated rates in high water years. Due to the PCAC, Norway electric customers have experienced the lowest electric rates in the Upper Peninsula and with the utility not purchasing the higher purchased power rates from the grid, the fund has recovered from the past two draught years. The additional revenues will allow the utility to proceed with system upgrades which will improve reliability and recover line losses of 10%. In 2011, the City moved from purchasing power from WE Energies and start purchasing from WPPI. This will save the utility an estimated \$400,000 per year. Due to actual and additional projected increases in the wholesale power costs for the City of Norway in 2014-2015, a 2% rate increase has been programmed for the 2014-15 fiscal year.

## **WATER AND SEWER FUNDS**

During the Fiscal Year 2006-2007, increased attention was given to maintenance activities to improve the system. With the increased costs especially with respect to sewer, additional rate adjustments were necessary at that time to maintain the fund. The rates do not account, however, for system improvement projects. The sewer and water master plan documents were completed

in 2005 to address both current and future planning for the system. Any future projects will need to be programmed with rate adjustments to account for debt repayment obligations.

In 2006, the City of Norway contracted with Mead & Hunt to provide engineering services to develop and submit an application to the USDA Rural Development for both a water and sewer infrastructure improvement project. In 2012, the City was finally able to complete the application process and submitted two sewer applications and one water application. The sewer applications were developed in two phases with phase one pertaining to the wastewater treatment plant and phase two dealing with the collection system. The phase two application for the collection system was also paired with the water application so that the roadwork necessary for both water distribution and sewer collection could be contracted at the same time. In early 2013, the city was notified by the USDA-RD office that the phase one sewer application was approved and ready to move forward. This past spring, the second sewer application was also approved to move forward with funding from the USDA-RD office.

The first phase of the sewer project or Wastewater Treatment Plant Project is budgeted at \$5.5 Million and includes a major upgrade to the plant including a new headworks, blowers, clarifier upgrades, piping, blowers, and major electrical work. There are also upgrades to the building and to the sludge handling process. The project is scheduled for 2015 construction.

Phase two of the sewer project is the Wastewater Collection Project and is budgeted at \$2.805 Million with \$1.651 Million in loan and \$1.154 Million in grant. The Water Distribution Project is budgeted at \$2.807 Million and is a loan only project. The collection and distribution project scope was selected based on need and where both water and sewer infrastructure existed in the same street. The streets that will be reconstructed include the following:

- Second Avenue from Section Street to US 8
- Norway Street from 4<sup>th</sup> Avenue to 2<sup>nd</sup> Avenue
- Main Street from 4<sup>th</sup> Avenue to 2<sup>nd</sup> Avenue
- Iron Street from US 2 to 2<sup>nd</sup> Avenue including the 100 block
- Mine Street from US 2 to 2<sup>nd</sup> Avenue including the 100 block
- Section Street from US 2 to Railroad Avenue
- Maple Street from US 2 to Railroad Avenue
- Railroad Avenue from Walnut Street to US 2
- Elm Street from US 2 to 5<sup>th</sup> Avenue including the dead end block
- 7<sup>th</sup> Avenue from US 2 to City Limits in Third Ward
- 8<sup>th</sup> Avenue from 7<sup>th</sup> Avenue to Lake Street

In the water project there is also some work at the well site. This project is schedule for the 2015 and 2016 construction seasons. Due to the delay on the project from RD and from an increase in estimated costs, there is a \$7 per month average increase in sewer programmed in sewer and a \$2 per month average increase in water programmed for the 2014-15 fiscal year. Through USDA-RD rules, the rates must be increased to cover all project costs at the time of bidding the project. There may be an additional increase for both funds in the upcoming fiscal year.

## CAPITAL PROJECTS FUND

All property sales receipts have been shifted from the capital fund to the general fund due to the property purchase on land acquired near the golf course for \$167,000 which was paid by the General Fund. All capital projects have been suspended until this debt has been repaid. Once this has been repaid, capital projects will once again be programmed into the budget. The current activity in the capital projects fund involve projects that are funded by other funds. The capital improvements fund is being treated as a sweep account fund.

## PERSONNEL

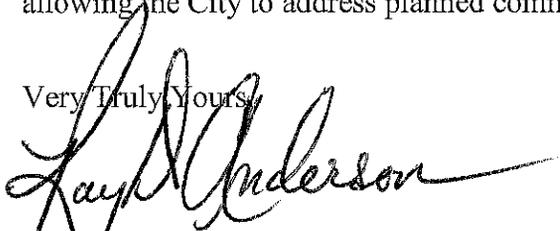
Salary expenditures for fiscal year 2014 - 2015 are projected at \$2,076,746 or 2.48% above last year's total of \$2,026,553. Salary expenditures reflect personnel expansion and cross training initiatives consistent with reorganization strategies as well as cost of living adjustments pursuant to negotiated collective bargaining agreements.

Cumulatively, personnel service expenditures for F.Y. 2014 - 2015 across all funds total \$3,689,978 a decrease of 2.51% above fiscal year 2013 - 2014 estimated actual expenditures. Personnel service expenditures in addition to salaries account for employee benefits including insurance, pension, FICA and training. Staff continues discussions in collective bargaining to address rapid increases in healthcare, pension, and unfunded liabilities. The slow growth of increase in personnel services are directly related to positive adjustments reflected in interest based bargaining with employees with respects to healthcare and pension benefits.

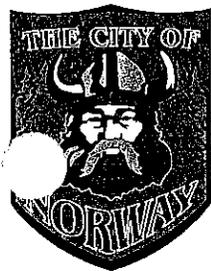
I would like to take this opportunity to thank the entire staff for their hard work and patience during this challenging and exhaustive budgetary period. It is through their coordinated efforts that this material is presented for your scrutiny.

I am extremely proud of this financial plan prepared for the City of Norway. It allocates available resources to traditional services expected by our residents while simultaneously allowing the City to address planned community and capital projects.

Very Truly, Yours,



Ray D. Anderson  
City Manager



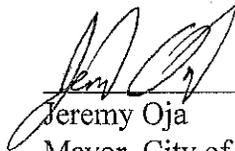
# City of Norway

P.O. Box 99 • 915 Main Street • Norway, Michigan 49870-0099 • Phone 906-563-9961 • Fax 906-563-7502

## RESOLUTION 2014-20

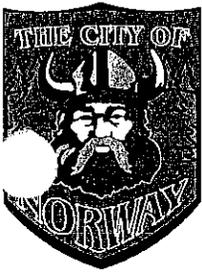
BE IT RESOLVED that the Mayor and City Council of the City of Norway adopt the 2014-2015 Operating and Capital Improvements Budget as set forth in the budget documents as attached hereto and made a part hereof.

Entered this 16<sup>th</sup> day of June, 2014

  
\_\_\_\_\_  
Jeremy Oja  
Mayor, City of Norway

ATTEST:

  
\_\_\_\_\_  
Trisha Plante  
City Clerk



# City of Norway

P.O. Box 99 • 915 Main Street • Norway, Michigan 49870-0099 • Phone 906-563-9961 • Fax 906-563-7502

## RESOLUTION 2014-19

### GENERAL APPROPRIATIONS ACT

#### RESOLUTION FOR ADOPTION BY THE CITY COUNCIL OF THE CITY OF NORWAY, MICHIGAN

RESOLVED, that this resolution shall be the general appropriations act of the City of Norway for the fiscal year 2014-2015; an act to make appropriations; to provide for the expenditure of the appropriations; and to provide for the disposition of all income received by the City of Norway.

BE IT FURTHER RESOLVED, that the City Council of the City of Norway does hereby set forth a total of 16.3942 mills to be levied under the general property tax act and that the purpose for which that millage is as follows, and

BE IT FURTHER RESOLVED, that the total revenues and unappropriated fund balance estimated to be available for appropriations in the General Fund of the City of Norway for fiscal year 2014-2015 is as follows:

#### REVENUES:

General Property Taxes	\$ 828,662
Revenue from State	285,900
Service Charges	242,600
Grant Proceeds	19,000
Rent Proceeds	6,000
Interest on Investments	30,000
Miscellaneous	6,000
Bond Issue Proceeds	140,000
Property Sale	5,000
Equipment Rentals	200,000
Transfers In	999,150
	<hr/>
Total Revenues	\$2,762,312
Fund Balance, July 1, 2014	0
	<hr/>
Total Available to Appropriate	\$2,762,312

BE IT FURTHER RESOLVED, that \$2,762,312 of the total available to appropriate in the General Fund is hereby appropriated in the amount and for the purposes set forth below:

The City of Norway is an Equal Opportunity provider and employer. If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form (PDF), found online at [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html), or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Ave., S.W., Washington, DC 20250-9410, by fax (202) 690-7442 or email at [program.intake@usda.gov](mailto:program.intake@usda.gov)

EXPENDITURES (Appropriations):

Mayor/Council/Elections	\$ 57,710
Administrative/Financial/Legal Operations	754,543
Buildings & Grounds	135,968
Police Department	660,499
Public Works Department	531,452
Refuse Collection	160,852
Recreation Department	145,144
City Band Expenditures	9,250
Transfer's Out	<u>301,433</u>
Total Expenditures	\$ 2,756,851
Projected Fund Balance, June 30, 2015	\$ 5,461
Total Appropriated	<u>\$ 2,762,312</u>

BE IT FURTHER RESOLVED, That the total revenues and unappropriated fund balance estimated to be available for appropriations in the Major Streets Fund of the City of Norway for fiscal year 2014-2015 is as follows:

REVENUES:

Intergovernmental - from State	\$ 200,000
Property Tax Revenues (extra voted)	9,650
Trunkline Maintenance	6,350
Metro Act Funds	4,500
Transfer's In	134,902
Interest on Investments	<u>0</u>
Total Revenues	\$ 355,402
Fund Balance, July 1, 2014	<u>0</u>
Total Available to Appropriate	<u>\$ 355,402</u>

BE IT FURTHER RESOLVED, that \$355,402 of the total available to appropriate in the Major Street Fund is hereby appropriated in the amounts and for the purpose set forth below:

EXPENDITURES (Appropriations):

Routine Maintenance	\$ 136,945
Traffic Service	12,325
Winter Operations	99,782
Highway Maintenance	6,350
Administrative	0
Capital Outlay	100,000
Transfer Out To Capital Projects Fund	<u>0</u>
Total Expenditures	\$ 355,402
Projected Fund Balance, June 30, 2015	<u>0</u>
Total Appropriated	<u>\$ 355,402</u>

BE IT FURTHER RESOLVED, that the total revenues and unappropriated fund balance estimated to be available for appropriations in the Local Street Fund of the City of Norway for the fiscal year 2014-2015 is as follows:

REVENUES:

Property Tax Revenues (extra voted)	\$ 112,241
Intergovernmental - from State	84,500
Metro Act Funds	9,000
Interest on Investments	0
Transfer's In	<u>24,362</u>
Total Revenue	\$ 230,103
Fund Balance, July 1, 2014	<u>\$ 0</u>
Total Available to Appropriate	\$ 230,103

BE IT FURTHER RESOLVED, that \$230,103 of the total available to appropriate in the Local Street Fund is hereby appropriated in the amounts and for the purposes set forth below:

EXPENDITURES (Appropriations):

Routine Maintenance	\$ 80,171
Traffic Service	5,027
Winter Operations	51,965
Administrative	0
Capital Outlay	0
Transfer Out to Debt Service Fund	<u>92,940</u>
Total Expenditures	\$ 230,103
Projected Fund Balance, June 30, 2015	<u>\$ 0</u>
Total Appropriated	\$ 230,103

BE IT FURTHER RESOLVED, that no Council member or employee of the City shall expend any funds or obligate the expenditure of any funds except pursuant to appropriations made by the Council. Changes in the amount appropriated by the Council shall require approval by the Council.

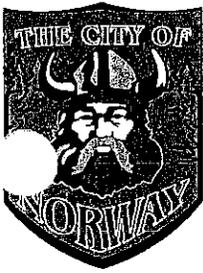
BE IT FURTHER RESOLVED, that the City Manager is hereby charged with general supervision of the execution of the budget adopted by the Council and shall hold the department heads responsible for performance of their responsibilities within the amounts appropriated by the City Council and in keeping with the budgetary policy statement hitherto adopted by the Council.

BE IT FURTHER RESOLVED, that for purposes of meeting emergency needs of the City, transfers of appropriations may be upon the written authorization of the City Manager. When the City Manager makes a transfer of appropriations as permitted by this resolution, such transfer shall be presented to the City Council at its next regularly scheduled meeting in the form of an appropriations act amendment, which amendment shall be adopted by the City Council at such meeting.

Adopted: June 16, 2014

  
Trisha Plante, City Clerk

  
Jeremy Oja, Mayor



# City of Norway

P.O. Box 99 • 915 Main Street • Norway, Michigan 49870-0099 • Phone 906-563-9961 • Fax 906-563-7502

## RESOLUTION 2014-18 (Rev.1)

### CITY OF NORWAY PAY RATES FOR NON-UNION EMPLOYEES FOR FISCAL YEAR 2014-15

BE IT RESOLVED, that the City Council of the City of Norway hereby adopts the following non-union pay rate structure.

- City Manager (employment agreement w/25% reduction in car allowance) \$85,268 per year
- Utilities Superintendent (employment agreement) \$77,157 per year
- Chief of Police (employment agreement) \$64,246 per year  
(per Supervisor's contract dated 3/27/13 – above three positions will receive a lump sum payment of \$1,250 on 7/1/2014 and \$1,250 on 1/1/2015)
- City Attorney (professional services consulting agreement) \$36,000 per year
- City Assessor (employment agreement) \$25,560 per year
- Museum Director \$ 6,300 per year
- Fire Chief \$ 6,500 per year
- Assistant Fire Chief \$ 5,000 per year
- POC (Paid on Call) Volunteer Fire \$ 9.00 per hour
- Seasonal/Summer Employment (first year) \$ 8.00 per hour
- Seasonal/Summer Employment (second year) \$ 8.25 per hour
- Seasonal/Summer Employment (third year) \$ 8.50 per hour
- Seasonal/Summer Employment (fourth year plus) \$ 8.75 per hour
- Seasonal/Summer Employment (Senior – Ice Rink Attendant) \$ 8.75 per hour
- Seasonal/Summer Employment (Senior) \$10.00 per hour
- Golf Seasonal (grounds position 1) \$600.00 per week
- Golf Seasonal (grounds position 2) \$11.00 per hour
- Golf Seasonal (grounds position 3) \$10.50 per hour
- Golf Seasonal (grounds position 4) \$ 9.00 per hour
- Golf Seasonal (grounds position 5) \$ 8.75 per hour
- Golf Seasonal (grounds position 6) \$ 8.50 per hour

ENTERED this 16<sup>th</sup> day of June, 2014.

  
Jeremy Oja, Mayor

  
Trisha Plante, City Clerk

I hereby certify that the foregoing is a true and correct copy of a resolution made and adopted at the regular meeting of the City of Norway on Monday, June 16, 2014.

  
Trisha Plante, City Clerk

RESOLUTION 2014 - 14

**GENERAL UTILITY AND SERVICE RATE RESOLUTION**  
**FOR FISCAL YEAR 2014-15**

BE IT RESOLVED, that the City Council of the City of Norway hereby adopts the following administrative fee and utility rate structure.

**ELECTRIC UTILITY RATES - CITY**

RESIDENTIAL (RL)

Customer Charge \$12.00/Month  
Energy Charge \$0.1296/kWh  
PCAC \*

WATER HEATING (WH)

Customer Charge \$0.00  
Energy Charge \$0.1296/kWh  
PCAC \*

COMMERCIAL (CL)

Customer Charge \$35.00/Month  
Energy Charge \$0.1296/kWh  
PCAC \*

COMMERCIAL (CL) over 40 kWh Demand

Customer Charge \$80.85/Month  
Distribution Demand \$1.25  
Demand Charge \$10.00  
Energy Charge \$0.0923/kWh  
PCAC \*

PUBLIC UTILITY (PU)

Customer Charge \$35.00/Month  
Energy Charge \$0.1296/kWh  
PCAC \*

INDUSTRIAL (IL)

Customer Charge \$80.85/Month  
Distribution Demand Charge \$1.25  
Demand Charge \$10.00  
Energy Charge \$0.0923/kWh  
PCAC \*

SECURITY LIGHT (SL)

Monthly charge \$15.00  
PCAC \*

ENERGY OPTIMIZATION PLAN SURCHARGE

Residential Customers \$.00248/kWh  
Commercial Customers \$10.66/Month

**\* PCAC**  
*(Power Cost Adjustment Clause) was implemented to recover the fluctuating cost of purchase power.*

*PCAC is directly tied to hydro generation in increasing or decreasing cost of purchase power that the system needs to offset generation.*

*This rate will either be positive or negative to the base rate, depending on some key factors:  
Hydro Generation  
&  
Wholesale Cost of Purchasing Power from the Transmission Grid.*

*The PCAC will be adjusted monthly and shall reduce no more than 1.0 cents per kwh below current base rate or 2.0 cents per kwh above current base rate.*

Multiple units served by one meter will pay the applicable meter charge multiplied by the number of units, plus the corresponding rate per KWH. Any Customer over 40kw will be a demand rate. All demand customers will have 15 minute interval data – WPPI meters.

**ELECTRIC UTILITY RATES – TOWNSHIP**

RESIDENTIAL (RL)

Customer Charge	\$14.00/Month
Energy Charge	\$0.1496/kWh
PCAC	*

WATER HEATING (WN)

Customer Charge	\$0.000
Energy Charge	\$0.1496/kWh
PCAC	*

COMMERCIAL (CN)

Customer Charge	\$40.00/Month
Energy Charge	\$0.1496/kWh
PCAC	*

COMMERCIAL (CL) over 40 kWh Demand

Customer Charge	\$130.85/Month
Distribution Demand	\$1.25
Demand Charge	\$10.00
Energy Charge	\$0.0941/kWh
PCAC	*

PUBLIC UTILITY (PN)

Customer Charge	\$40.00/Month
Energy Charge	\$0.1496/kWh
PCAC	*

INDUSTRIAL (IL)

Customer Charge	\$130.85/Month
Distribution Demand Charge	\$1.25
Demand Charge	\$10.00
Energy Charge	\$0.0941/kWh
PCAC	*

SECURITY LIGHT (SN)

Monthly Charge	\$18.00
PCAC	*

ENERGY OPTIMIZATION PLAN SURCHARGE

Residential Customers	\$.00248/kWh
Commercial Customers	\$10.66/Month

**\* PCAC**  
*(Power Cost Adjustment Clause) was implemented to recover the fluctuating cost of purchase power.*

*PCAC is directly tied to hydro generation in increasing or decreasing cost of purchase power that the system needs to offset generation.*

*This rate will either be positive or negative to the base rate, depending on some key factors:  
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*The PCAC will be adjusted monthly and shall reduce no more than 1.0 cents per kwh below current base rate or 2.0 cents per kwh above current base rate.*

Multiple units served by one meter will pay the applicable meter charge multiplied by the number of units, plus the corresponding rate per KWH. Any Customer over 40kw will be a demand rate. All demand customers will have 15 minute interval data – WPPI meters.

**SEWER RATES – CITY**

**Readiness-To-Serve Charge (Monthly):**

**METER SIZE & SERVICE RATIO**

¾" meter (1.0) – Residential	\$20.00
1" meter (1.4)	\$28.00
1 ½" meter (1.8)	\$36.00
2" meter (2.9)	\$58.00
3" meter (11.0)	\$220.00
4" meter (14.0)	\$280.00
6" meter (21.0)	\$420.00
8" meter (29.0)	\$580.00

SEWER USAGE RATE: \$7.75 / 1,000 gallons

**SEWER RATES – TOWNSHIP**

**Readiness-To-Serve Charge (Monthly):**

**METER SIZE & SERVICE RATIO**

¾" meter (1.0) – Residential	\$25.00
1" meter (1.4)	\$35.00
1 ½" meter (1.8)	\$45.00
2" meter (2.9)	\$72.50
3" meter (11.0)	\$275.00
4" meter (14.0)	\$350.00
6" meter (21.0)	\$525.00
8" meter (29.0)	\$725.00

SEWER USAGE RATE: \$7.75/ 1,000 gallons

**SUMMER SEWER PROGRAM:** Credit is effective June 1, 2014 thru August 31, 2014. This credit is based upon average consumption for the months of September thru May. Water charges will remain as charged on City Utility Bills. To receive the sewer credit, an application must be submitted and filed with the City Hall Utility Billing Clerk.

**WATER RATES - CITY**

**Readiness-To-Serve Charge (Monthly):**

**METER SIZE & SERVICE RATIO**

¾" meter (1.0) – Residential	\$15.00
1" meter (1.4)	\$21.00
1 ½" meter (1.8)	\$27.00
2" meter (2.9)	\$43.50
3" meter (11.0)	\$165.00
4" meter (14.0)	\$210.00
6" meter (21.0)	\$315.00
8" meter (29.0)	\$435.00

WATER USAGE RATE: \$4.25 / 1,000 gallons

**WATER RATES - TOWNSHIP**

**Readiness-To-Serve Charge (Monthly):**

**METER SIZE & SERVICE RATIO**

¾" meter (1.0) – Residential	\$18.75
1" meter (1.4)	\$26.25
1 ½" meter (1.8)	\$33.75
2" meter (2.9)	\$54.38
3" meter (11.0)	\$206.25
4" meter (14.0)	\$262.50
6" meter (21.0)	\$393.75
8" meter (29.0)	\$543.75

WATER USAGE RATE: \$4.25/ 1,000 gallons

**UTILITY RECONNECTION FEES**

Electric Reconnect	\$20.00
Electric Nonpayment Reconnect	\$50.00
Water Reconnect	\$20.00
Water Nonpayment Reconnect	\$50.00
CATV / Internet Reconnect/Change	\$20.00
CATV/ Internet Nonpayment Reconnect	\$50.00
Change of Service	\$20.00

**GARBAGE – City only service**

Residential (100 gallons)	\$13.00
Commercial (150 gallons)	\$19.50

### CATV VIDEO MONTHLY FEES

Basic Television (Channels 2-20)	\$15 (City) \$17 (Twp)
Extended Basic Television (Channels 2-74)	\$51 (City) \$55 (Twp)
Hotels (Channels 2-74)	\$14.00 per Room
Digital Package (100-175)	\$20
HBO Package (180-184)	\$20
Cinemax Package (190-193)	\$10
Starz/Encore Package (220-234)	\$15
Music Package (500-545)	Free with Digital Tier
HD Package (594-619)	(Free with HD/DVR Box Rental Must carry Digital Package)
Standard Digital Box	\$5
HD/DVR Box	\$20
Off-Air Digital (640-646)	Free with Digital Tuner

### HIGH SPEED CABLE INTERNET MONTHLY FEES - RESIDENTIAL

(For internet service only, must pay \$5 monthly fee)

Silver (5 meg down / 512 K up)	\$39.00(City) \$41.00 (Twp)
Gold (10 meg down / 768 K up)	\$49.00(City) \$51.00 (Twp)
Platinum (15 meg down / 1 meg up)	\$59.00(City) \$61.00 (Twp)

### HIGH SPEED CABLE INTERNET MONTHLY FEES - COMMERCIAL

Silver Commercial (5 meg down / 512 K up)	\$39 (City) \$41 (Twp)
Gold Commercial (10 meg down / 768 K up)	\$49 (City) \$51 (Twp)
Platinum Commercial (15 meg down/1 meg up)	\$59 (City) \$61 (Twp)
Large Commercial (15 meg down/6 meg up)	\$350 (City) \$360 (Twp)

### TELEPHONE (VOIP) MONTHLY FEES

(For telephone service only, must pay \$5 monthly fee)

Unlimited Local/ L.D	\$35 (City) \$39 (Twp)
Commercial	Individualized quote required.

### BUNDLED PACKAGES MONTHLY FEES

(Must carry a minimum Basic TV with any bundled packages)

Extended TV / Silver High Speed Internet	\$85 (City) \$91 (Twp)
* Silver High Speed Internet / Telephone	\$69 (City) \$75 (Twp)
Extended TV / Telephone	\$81 (City) \$89 (Twp)
TV / Silver Internet / Telephone (Triple Play)	\$115 (City) \$125 (Twp)
Add Gold High Speed Internet Package	\$10 Additional
Add Platinum High Speed Internet Package	\$20 Additional

\* For telephone/internet service only, must pay \$5 monthly fee.

## ADMINISTRATIVE FEES

<b>Accident Reports</b> .....	\$5.00	
<b>Annual Audit</b> (free on web page).....	\$20.00	
<b>Assessment Records</b>		
Homeowner.....	\$5.00 per record	
Non-Homeowner.....	\$5.00 per record	
<b>Building Permits</b> (Building, Electrical, Mechanical, Plumbing) – D.C. Code Commission		
<b>Burning Permits</b> .....	FREE	
<b>Civil Fines</b> (actual fine and court cost established by Dickinson County Court)		
Minimum.....	\$100.00	
Maximum.....	\$500.00	
<b>Credit Card Convenience Fee</b> (Per Transaction).....	1.5%	
<b>Dog Licenses</b> (Fee determined by Dickinson County)		
<b>Emergency Response Service Cost Recovery Fee</b> .....	\$500.00	
<b>Faxing Service</b> .....	\$1.00 per page	
<b>Finger Printing</b> .....	\$5.00	
<b>Fire Works Vendor/Sale Permit</b> .....	\$250.00	
<b>Gun Registration</b> .....	\$5.00	
<b>Meter Penalty (Non Accessible/Non Automated)</b> .....	One Additional Meter Charge	
<b>Parking Tickets</b> (Code of Ordinances Section 34-56)		
<b>Payment in Lieu of Parking</b> (per space).....	\$500.00	
<b>Property Transaction Fee</b> .....	\$100.00	
<b>Photocopies</b>		
Single Sided (per page).....	\$0.25	
Double Sided (per page).....	\$0.50	
<b>Planning &amp; Zoning Documents</b> (all documents on City Web Page).....		Free download
Zoning Code.....	\$10.00	
Zoning Map.....	\$5.00	
Comprehensive Plan.....	\$10.00	
Blueprints Downtown Study.....	\$6.00	
City Charter (Bound Pamphlet).....	\$5.00	
Property Maintenance Code.....	\$5.00	
Code of Ordinances (per photocopy charge).....	\$0.25	
<b>Planning &amp; Zoning Permits &amp; Services</b>		
Zoning Compliance Permit.....	\$20.00	
Sign Permit.....	\$20.00	
Fence Permit.....	\$20.00	
Conditional Use / Non-Conforming Use.....	\$150.00	
Variance / Appeal.....	\$150.00	
Amendment to Text / Map.....	\$250.00	
Site Plan Review (Commercial/Industrial).....	\$50.00	
Planned Unit Development.....	\$300.00	
Land Division Application.....	\$25.00	
Soil Erosion Sedimentary Control (SESC) Permit (Dickinson County Construction Code)		
Fine for not getting permit.....	3X Permit Fee	

**Property Tax Fees**

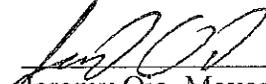
'14 City Property Tax Levy (mills/\$1,000 of Taxable Value).....	16.3942
'14 Total Property Tax Levy (mills/\$1,000 of Taxable Value) (PRE, Homestead).....	40.2820
(Non-PRE, Non-Homestead).....	58.2430
Administration Fee.....	1%
<b>Property Tax Assessment Roll</b> .....	\$50.00
<b>Property Tax Roll</b> .....	\$50.00
<b>Rental Code Registration</b> .....	N.C.
<b>Rental Code Violation</b> .....	\$50.00
<b>Special Events Permit</b> .....	\$20.00
<b>Sewer Tap Fee</b> .....	\$500.00
<b>Water Tap Fee</b> .....	\$500.00
<b>Sewer Tap Fee (Norway Township)</b> .....	\$600.00
<b>Water Tap Fee (Norway Township)</b> .....	\$600.00
<b>Vendor/Peddler Permit</b> .....	\$20.00
<b>Vacating Right of Way Request</b> .....	\$500.00
<b>Vehicle Permit</b> .....	\$20.00
<b>Vehicle Parking Violations (Sec.34-56 of Norway's Codified Ordinances)</b>	

**Schedule of fines.** The offenses covered by this division and the fines therefore are set forth as follows. The following schedule shall apply for violations of the Uniform Traffic Code and the Michigan vehicle code:

- (1) Parking too far from the curb or edge of roadway: \$5.00, or \$10.00 after 48 hours.
- (2) Angle parking violations: \$5.00, or \$10.00 after 48 hours.
- (3) Prohibited parking (signs unnecessary):
  - a. On sidewalk: \$10.00, or \$25.00 after 48 hours.
  - b. In front of drive: \$10.00, or \$25.00 after 48 hours.
  - c. Within intersection: \$10.00, or \$25.00 after 48 hours.
  - d. Within 15 feet of hydrant: \$10.00, or \$25.00 after 48 hours.
  - e. On crosswalk: \$10.00, or \$25.00 after 48 hours.
  - f. Within 20 feet of crosswalk or 15 feet of corner lot lines: \$10.00, or \$25.00 after 48 hours.
  - g. Within 30 feet of side street, traffic sign or signal: \$10.00, or \$25.00 after 48 hours.
  - h. Parking on curb within 30 feet of point opposite safety zone: \$10.00, or \$25.00 after 48 hours.
  - i. Within 50 feet of railroad crossing: \$10.00, or \$25.00 after 48 hours.
  - j. Within 20 feet of fire station entrance: \$10.00, or \$25.00 after 48 hours.
  - k. Parking by or opposite excavation which obstructs traffic: \$10.00, or \$25.00 after 48 hours.
  - l. Double parking: \$10.00, or \$25.00 after 48 hours.
  - m. On bridge or viaduct or within tunnel: \$10.00, or \$25.00 after 48 hours.
  - n. Within 200 feet of accident where police are in attendance: \$10.00, or \$25.00 after 48 hours.
  - o. In a place or in a manner that blocks the use of an alley: \$10.00, or \$25.00 after 48 hours.
  - p. Blocking emergency exit: \$10.00, or \$25.00 after 48 hours.
  - q. Blocking fire escape or designated fire lanes: \$10.00, or \$25.00 after 48 hours.
  - r. Parking in a handicap/disabled parking space: \$100.00, or \$25.00, when proof is shown, for failure to display handicap decal.
- (4) In prohibited zone (sign required):
  - a. Where sign prohibits parking: \$10.00, or \$25.00 after 48 hours.
  - b. Within 75 feet of fire station entrance on side of street opposite entrance where sign is posted: \$10.00, or \$25.00 after 48 hours.
  - c. Left turn parking. \$25.00, or \$50.00 after 48 hours.

- (5) Parking for prohibited purpose:
  - a. Display of vehicle for sale: \$10.00, or \$25.00 after 48 hours.
  - b. Working or repairing vehicle: \$10.00, or \$25.00 after 48 hours.
  - c. Displaying advertising: \$10.00, or \$25.00 after 48 hours.
  - d. Selling merchandise: \$10.00, or \$25.00 after 48 hours.
  - e. Storage for more than 48 continuous hours: \$10.00, or \$25.00 after 48 hours.
- (6) Wrong side boulevard roadway: \$10.00, or \$25.00 after 48 hours.
- (7) Loading zone violation: \$10.00, or \$25.00 after 48 hours.
- (8) Bus or taxi, parking at other than designated stop: \$2.00, or \$5.00 after 48 hours.
- (9) Bus, taxicab stand violation: \$10.00, or \$25.00 after 48 hours.
- (10) Failure to set brakes: \$10.00, or \$25.00 after 48 hours.
- (11) Parked on grade, wheels not turned to curb: \$10.00, or \$25.00 after 48 hours.
- (12) Failure to remove ignition key or failure to turn off motor: \$10.00, or \$25.00 after 48 hours.
- (13) Violation of winter parking ban, November 1 until April 1: \$25.00, or \$50.00 after 48 hours.
- (14) Parking non-motorized vehicles for more than 24 hours on street: \$10.00, or \$25.00 after 48 hours.
- (15) All other violations cited will be \$10.00, or \$25.00 after 48 hours.

ENTERED this 2<sup>nd</sup> day of June, 2014.

  
Jeremy Oja, Mayor

  
Trisha Plante, City Clerk

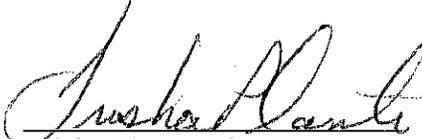
Motion by: Hayes

Supported by: Meneghini

Ayes: Oja, Meneghini, Hayes, Gotstein, and Bal

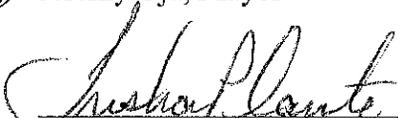
Nays:

Absent:

  
Trisha Plante, City Clerk  
City of Norway

I hereby certify that the foregoing is a true and correct copy of a resolution made and adopted at the regular meeting of the City of Norway on Monday, June 2, 2014.

  
Jeremy Oja, Mayor

  
Trisha Plante, City Clerk

JULY 1, 2011 THRU JUNE 30, 2019

CITY OF NORWAY  
ALL FUNDS SUMMARY

REVENUES		2011-2012	2012-2013	2013-2014	ADOPTED	ADOPTED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED
ACCT NUMBER	FUND NAME	ACTUAL	ACTUAL	EST ACTUAL	2013-2014 BUDGET	2014-2015 BUDGET	2015-2016 BUDGET	2016-2017 BUDGET	2017-2018 BUDGET	2018-2019 BUDGET	2018-2019 BUDGET	2018-2019 BUDGET
101	GENERAL FUND	2,461,106	2,721,969	2,480,301	2,459,917	2,762,312	2,709,483	2,674,809	2,741,429	2,843,487	2,843,487	2,843,487
202	MAJOR STREET FUND	752,574	256,444	266,946	281,370	355,402	255,402	255,402	255,402	255,402	255,402	255,402
203	LOCAL STREET FUND	396,678	230,732	261,361	220,377	230,103	211,093	208,048	206,011	206,198	206,198	206,198
204	DOWNTOWN DEVELOPMENT FUND	249,571	312,377	324,816	377,318	306,520	253,862	261,423	289,212	277,235	277,235	277,235
206	MUSEUM FUND	29,311	16,004	24,897	37,725	20,625	20,625	20,625	20,625	20,625	20,625	20,625
208	FIRE DEPARTMENT FUND	202,848	196,102	232,133	497,969	485,654	210,610	223,448	210,999	226,659	226,659	226,659
485	DEBT SERVICE FUND	443,560	443,783	414,413	413,650	349,949	238,722	236,642	235,160	235,734	235,734	235,734
502	CABLE TELEVISION FUND	1,235,505	1,238,372	1,375,900	1,347,722	1,488,470	1,514,957	1,542,239	1,570,339	1,599,282	1,599,282	1,599,282
582	ELECTRIC UTILITY FUND	4,250,478	4,273,416	4,288,071	4,561,700	5,046,568	4,628,399	4,711,877	4,797,025	4,883,876	4,883,876	4,883,876
584	GOLF FUND	461,436	369,552	378,600	366,500	397,000	397,000	397,000	397,000	397,000	397,000	397,000
590	WASTEWATER FUND	727,114	710,871	863,817	714,346	9,225,500	957,500	1,057,500	1,077,500	1,122,500	1,122,500	1,122,500
591	WATER FUND	929,554	758,715	994,000	972,108	987,980	1,007,490	1,007,490	1,038,240	1,038,240	1,038,240	1,038,240
484	CAPITAL PROJECTS FUND	131,232	459,002	372,340	825,047	786,808	35,512	35,512	113,021	113,021	113,021	113,021
GRAND TOTAL REVENUES		12,270,967	11,987,340	12,237,595	13,105,949	22,452,830	12,440,654	12,632,016	12,931,964	13,219,258	13,219,258	13,219,258

EXPENDITURES		2011-2012	2012-2013	2013-2014	ADOPTED	ADOPTED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED
ACCT NUMBER	FUND NAME	ACTUAL	ACTUAL	EST ACTUAL	2013-2014 BUDGET	2014-2015 BUDGET	2015-2016 BUDGET	2016-2017 BUDGET	2017-2018 BUDGET	2018-2019 BUDGET	2018-2019 BUDGET	2018-2019 BUDGET
101	GENERAL FUND	2,359,943	2,801,751	2,401,658	2,458,982	2,756,851	2,563,090	2,534,940	2,622,728	2,771,802	2,771,802	2,771,802
202	MAJOR STREET FUND	796,688	278,002	266,946	281,370	385,402	255,402	255,402	255,402	255,402	255,402	255,402
203	LOCAL STREET FUND	426,617	286,226	261,338	220,377	230,103	212,093	209,048	205,983	202,783	202,783	202,783
204	DOWNTOWN DEVELOPMENT FUND	340,695	268,228	258,518	315,806	259,732	208,109	211,284	224,187	231,412	231,412	231,412
206	MUSEUM FUND	72,264	22,588	18,955	37,695	17,695	17,695	17,695	17,695	17,695	17,695	17,695
208	FIRE DEPARTMENT FUND	194,432	186,349	232,133	497,969	485,654	210,610	223,448	210,999	226,659	226,659	226,659
485	DEBT SERVICE FUND	443,560	443,783	414,413	413,650	349,949	238,722	236,642	235,160	235,734	235,734	235,734
502	CABLE TELEVISION FUND	1,316,484	1,274,378	1,288,743	1,318,017	1,422,497	1,340,349	1,504,381	1,430,443	1,479,653	1,479,653	1,479,653
582	ELECTRIC UTILITY FUND	4,430,636	4,013,461	4,197,120	4,558,034	5,045,299	4,585,748	4,636,996	4,754,164	4,726,342	4,726,342	4,726,342
584	GOLF FUND	429,624	390,545	378,574	383,486	388,358	362,668	365,855	374,345	361,037	361,037	361,037
590	WASTEWATER FUND	591,187	627,110	948,153	509,855	8,600,802	835,009	937,334	956,270	980,215	980,215	980,215
591	WATER FUND	779,546	773,760	990,714	968,837	989,306	799,127	959,351	922,483	865,109	865,109	865,109
484	CAPITAL PROJECTS FUND	148,218	459,091	370,464	825,047	786,808	35,512	35,512	113,021	113,021	113,021	113,021
GRAND TOTAL EXPENDITURES		12,329,842	11,775,270	11,967,729	12,789,335	21,688,455	11,664,134	12,127,898	12,322,830	12,466,866	12,466,866	12,466,866

REVENUE OVER/(UNDER) EXPENDITURES (58,875) 212,070 269,865 316,615 764,375 776,520 504,118 609,133 732,392

JULY 1, 2011 THRU JUNE 30, 2019

CITY OF NORWAY  
ALL FUNDS SUMMARY

REVENUES

ACCT NUMBER	FUND NAME	2011-2012 ACTUAL	2012-2013 ACTUAL	2013-2014 EST ACTUAL	ADOPTED 2013-2014 BUDGET	ADOPTED 2014-2015 BUDGET	PROPOSED 2015-2016 BUDGET	PROPOSED 2016-2017 BUDGET	PROPOSED 2017-2018 BUDGET	PROPOSED 2018-2019 BUDGET
101	GENERAL FUND	2,461,106	2,721,969	2,480,301	2,459,917	2,762,312	2,709,483	2,674,809	2,741,429	2,843,487
202	MAJOR STREET FUND	752,574	256,444	266,946	281,370	355,402	255,402	255,402	255,402	255,402
203	LOCAL STREET FUND	396,678	230,732	261,361	220,377	230,103	211,093	208,048	206,011	206,198
204	DOWNTOWN DEVELOPMENT FUND	249,571	312,377	324,816	377,318	306,520	253,862	261,423	269,212	277,235
206	MUSEUM FUND	29,311	16,004	24,897	37,725	20,625	20,625	20,625	20,625	20,625
208	FIRE DEPARTMENT FUND	202,848	196,102	232,133	497,969	485,654	210,610	223,448	210,999	226,659
495	DEBT SERVICE FUND	443,560	443,783	414,413	413,850	349,949	238,722	236,642	235,160	235,734
502	CABLE TELEVISION FUND	1,235,505	1,238,372	1,375,900	1,347,722	1,488,470	1,514,957	1,542,239	1,570,339	1,599,282
582	ELECTRIC UTILITY FUND	4,250,478	4,273,416	4,288,071	4,561,700	5,046,558	4,628,399	4,711,877	4,797,025	4,883,876
584	GOLF FUND	461,436	369,552	378,600	396,500	397,000	397,000	397,000	397,000	397,000
590	WASTEWATER FUND	727,114	710,871	883,817	714,346	9,225,500	957,500	1,057,500	1,077,500	1,122,500
591	WATER FUND	929,554	756,715	934,000	972,108	997,930	1,007,490	1,007,490	1,038,240	1,038,240
494	CAPITAL PROJECTS FUND	131,232	459,002	372,340	825,047	786,808	35,512	35,512	113,021	113,021
	GRAND TOTAL REVENUES	12,270,967	11,987,340	12,237,595	13,105,949	22,452,830	12,440,654	12,632,016	12,931,964	13,219,258

**EXPENDITURES**

ACCT NUMBER	FUND NAME	2011-2012 ACTUAL	2012-2013 ACTUAL	2013-2014 EST ACTUAL	ADOPTED 2013-2014		ADOPTED 2014-2015		PROPOSED 2015-2016		PROPOSED 2016-2017		PROPOSED 2017-2018		PROPOSED 2018-2019	
					BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
101	GENERAL FUND	2,359,943	2,801,751	2,401,658	2,458,992	2,756,851	2,563,090	2,534,940	2,622,728	2,771,802						
101	Mayor/Council/Elections	48,873	91,454	57,810	66,525	57,710	56,838	57,602	59,605	59,248						
	- Personnel Services	16,612	22,156	19,250	23,225	22,250	22,250	22,250	22,250	22,250						
	- Operating Expenditures	32,261	69,298	38,560	43,300	35,460	34,588	35,352	37,355	36,998						
201	Admin/Financial/Legal Operations	734,346	727,277	709,683	688,502	754,543	761,786	790,341	820,671	852,932						
	- Personnel Services	685,665	659,378	636,137	615,852	668,668	678,437	704,943	733,147	763,200						
	- Operating Expenditures	67,680	66,897	73,546	71,650	84,875	82,350	84,398	86,524	88,731						
	- Capital	1,002	1,002	0	1,000	1,000	1,000	1,000	1,000	1,000						
265	Buildings and Grounds	68,294	75,168	78,136	127,223	135,968	60,030	60,165	60,307	60,456						
	- Personnel Services	0	210	0	1,077	1,077	1,077	1,077	1,077	1,077						
	- Operating Expenditures	48,973	55,637	58,815	56,825	58,700	58,954	59,089	59,231	59,380						
	- Capital	19,321	19,321	19,321	69,321	76,191	0	0	0	0						
301	Police Department	588,986	695,315	597,748	569,753	660,499	623,219	685,246	673,806	738,886						
	- Personnel Services	533,678	609,484	533,483	497,618	548,789	551,034	573,143	596,539	621,808						
	- Operating Expenditures	55,308	54,470	60,845	66,865	71,410	71,184	72,102	73,066	74,678						
	- Capital	0	34,361	3,420	5,270	40,300	1,000	40,000	4,200	42,400						
441	Department of Public Works	376,547	646,968	354,125	367,038	531,452	373,477	383,310	393,652	404,716						
	- Personnel Services	203,181	240,540	208,623	200,270	232,280	216,044	225,101	234,629	244,839						
	- Operating Expenditures	134,941	126,542	128,860	149,550	150,915	151,653	152,428	153,242	154,097						
	- Capital	38,424	279,886	16,642	17,218	148,257	5,780	5,780	5,780	5,780						
528	Refuse Collection	202,292	195,993	157,574	161,768	160,852	290,535	161,835	163,174	164,553						
	- Personnel Services	95,653	88,216	45,879	42,538	43,947	43,453	44,566	45,709	46,883						
	- Operating Expenditures	106,639	107,777	111,695	119,230	116,905	117,083	117,269	117,465	117,670						
	- Capital	0	0	0	0	0	130,000	0	0	0						
751	Recreation Department	118,972	128,969	131,944	121,761	145,144	148,342	153,277	158,584	164,327						
	- Personnel Services	91,893	96,902	102,029	92,996	111,329	114,434	119,272	124,478	130,114						
	- Operating Expenditures	27,079	32,067	29,915	28,765	33,815	33,908	34,005	34,107	34,214						
	- Capital	0	0	0	0	0	0	0	0	0						
	<b>Total Personnel</b>	<b>1,606,681</b>	<b>1,713,886</b>	<b>1,545,401</b>	<b>1,473,576</b>	<b>1,628,340</b>	<b>1,626,729</b>	<b>1,690,353</b>	<b>1,757,829</b>	<b>1,830,170</b>						
	<b>Total Operating</b>	<b>472,880</b>	<b>512,688</b>	<b>502,236</b>	<b>536,185</b>	<b>552,080</b>	<b>549,719</b>	<b>554,644</b>	<b>560,990</b>	<b>565,768</b>						
	<b>Total Capital</b>	<b>58,747</b>	<b>334,570</b>	<b>39,383</b>	<b>92,809</b>	<b>265,748</b>	<b>137,780</b>	<b>46,780</b>	<b>10,980</b>	<b>49,180</b>						

202	MAJOR STREET FUND	798,688	278,002	266,946	281,370	355,402	255,402	255,402	255,402	255,402
203	LOCAL STREET FUND	426,617	236,226	261,338	220,377	230,103	212,093	209,048	205,933	202,783
204	DOWNTOWN DEVELOPMENT FUND	340,695	268,228	258,518	315,806	259,732	208,109	211,294	224,187	231,412
206	MUSEUM FUND	72,264	22,588	18,955	37,695	17,695	17,695	17,695	17,695	17,695
208	FIRE FUND	194,432	186,349	232,133	497,969	485,654	210,610	223,448	210,999	226,659
	- Personnel Services	59,223	36,902	60,302	58,204	45,231	32,313	43,478	32,713	52,090
	- Operating Expenditures	69,005	77,254	88,366	93,300	93,950	95,425	95,014	86,317	98,235
	- Capital	0	6,557	16,000	279,000	279,000	17,000	20,000	17,000	9,000
	- Debt Service	66,204	65,636	67,465	67,465	67,473	65,872	64,957	64,970	67,334
495	DEBT SERVICE FUND	443,560	443,783	414,413	413,850	349,949	238,722	236,642	235,160	235,734
502	CABLE TELEVISION FUND	1,316,434	1,274,378	1,288,743	1,318,017	1,422,497	1,340,349	1,504,381	1,430,443	1,479,653
	- Personnel Services	264,588	244,188	239,371	249,723	197,765	197,663	202,593	207,598	212,735
	- Operating Expenditures	887,130	880,481	898,353	892,275	960,060	991,280	1,023,311	1,056,945	1,093,223
	- Capital	25,535	3,504	20,000	45,000	130,000	10,000	130,000	10,000	10,000
582	ELECTRIC UTILITY FUND	4,430,636	4,013,461	4,197,120	4,568,034	5,045,299	4,585,748	4,636,996	4,754,164	4,726,342
	- Personnel Services	840,671	780,547	815,394	882,057	895,614	922,341	965,123	1,011,041	1,060,625
	- Operating Expenditures	2,576,975	2,319,772	2,194,993	2,487,343	2,539,395	2,668,334	2,670,151	2,663,419	2,721,632
	- Capital	589,820	383,572	451,036	437,000	925,000	485,000	465,000	525,000	350,000
584	GOLF FUND	429,624	390,545	378,574	383,486	388,358	362,668	365,855	374,345	361,037
	- Personnel Services	156,807	153,387	149,817	154,592	165,693	169,063	174,268	179,902	185,779
	- Operating Expenditures	169,155	146,666	134,253	129,950	130,841	133,535	131,516	134,372	132,258
	- Capital	32,713	26,413	23,460	27,901	27,570	25,070	25,070	25,070	8,000
590	WASTEWATER FUND	714,570	751,795	1,079,056	640,658	8,799,213	943,783	1,051,547	1,076,194	1,106,135
	- Personnel Services	363,562	362,286	331,123	315,594	331,872	338,889	354,630	371,433	389,452
	- Operating Expenditures	227,836	253,988	466,630	192,611	221,176	496,120	582,704	584,838	590,763
	- Capital	0	10,976	150,500	1,650	8,047,754	0	0	0	0
591	WATER FUND	779,546	773,760	930,714	968,837	989,306	799,127	959,351	922,483	885,109
	- Personnel Services	257,866	246,969	255,452	239,114	251,441	253,008	262,511	272,617	283,261
	- Operating Expenditures	500,297	505,201	552,509	503,465	553,068	549,133	693,326	639,500	584,286
	- Capital	10,275	18,013	100,000	124,000	4,500	4,500	4,500	4,500	4,500
494	CAPITAL PROJECTS FUND	148,218	459,091	370,464	825,047	786,808	35,512	35,512	113,021	113,021
GRAND TOTAL EXPENDITURES		12,453,225	11,899,955	12,098,632	12,920,138	21,886,867	11,772,908	12,242,110	12,442,754	12,612,786
REVENUE OVER/(UNDER) EXPENDITURES		(182,258)	87,385	138,962	185,812	565,964	667,746	389,905	489,210	606,473

JULY 1, 2011 THRU JUNE 30, 2019

CITY OF NORWAY  
ALL FUNDS PERSONNEL SUMMARY

ACCT NUMBER	FUND NAME	2011-2012 ACTUAL	2012-2013 ACTUAL	2013-2014 EST ACTUAL	ADOPTED BUDGET 2013-2014	ADOPTED BUDGET 2014-2015	PROPOSED BUDGET 2015-2016	PROPOSED BUDGET 2016-2017	PROPOSED BUDGET 2017-2018	PROPOSED BUDGET 2018-2019
101	GENERAL FUND	2,359,943	2,801,751	2,401,658	2,458,992	2,756,851	2,563,090	2,534,940	2,622,728	2,771,802
101	Mayor/Council/Elections	48,873	91,454	57,810	66,525	57,710	56,838	57,602	59,605	59,248
	- Salary Expenses	8,523	11,977	10,500	12,000	12,000	12,000	12,000	12,000	12,000
	- Personnel Services	16,612	22,156	19,250	23,225	22,250	22,250	22,250	22,250	22,250
201	Admini/Financial/Legal Operations	734,346	727,277	709,683	688,502	754,543	761,786	790,341	820,671	852,932
	- Salary Expenses	346,087	353,467	360,513	343,059	379,991	374,106	382,424	390,949	399,688
	- Personnel Services	665,665	659,378	636,137	615,852	688,668	678,437	704,943	733,147	763,200
265	Buildings and Grounds	68,294	75,168	78,136	127,223	135,968	60,030	60,165	60,307	60,456
	- Salary Expenses	0	195	0	1,000	1,000	1,000	1,000	1,000	1,000
	- Personnel Services	0	210	0	1,077	1,077	1,077	1,077	1,077	1,077
301	Police Department	588,986	695,315	597,748	569,753	660,499	623,219	685,246	673,806	738,886
	- Salary Expenses	307,803	310,098	315,231	303,995	321,495	311,834	319,518	327,393	335,700
	- Personnel Services	533,678	606,484	533,483	497,618	548,789	551,034	573,143	596,539	621,808
441	Department of Public Works	378,547	646,968	354,125	367,038	531,452	373,477	383,310	393,652	404,716
	- Salary Expenses	76,583	90,281	96,814	89,637	112,674	91,934	94,149	96,419	98,746
	- Personnel Services	203,181	240,540	208,623	200,270	232,280	216,044	225,101	234,629	244,839
528	Refuse Collection	202,292	195,993	157,574	161,768	160,852	290,535	161,835	163,174	164,553
	- Salary Expenses	55,268	56,397	41,157	37,500	38,966	38,438	39,398	40,383	41,393
	- Personnel Services	95,653	86,216	45,879	42,538	43,947	43,453	44,566	45,709	46,863
751	Recreation Department	118,972	128,969	131,944	121,761	145,144	148,342	153,277	158,584	164,327
	- Salary Expenses	55,418	53,840	61,002	53,895	61,139	60,617	61,362	62,126	62,909
	- Personnel Services	91,893	96,902	102,029	92,996	111,329	114,434	119,272	124,478	130,114
	<b>Total Salary Expenses</b>	<b>849,681</b>	<b>876,255</b>	<b>886,217</b>	<b>841,086</b>	<b>927,266</b>	<b>889,929</b>	<b>909,851</b>	<b>930,271</b>	<b>951,436</b>
	<b>Total Personnel</b>	<b>1,606,681</b>	<b>1,713,886</b>	<b>1,545,401</b>	<b>1,473,576</b>	<b>1,628,340</b>	<b>1,626,729</b>	<b>1,690,353</b>	<b>1,757,829</b>	<b>1,830,170</b>



	Adopted FY 14-15	% of Fund FY 14-15	Estimated Actual FY 13-14	Adopted FY 13-14	\$ Difference Act/Adopted FY 13-14	% Difference Act/Adopted FY 13-14	\$ Difference Adopted/Act. FY 14-15/13-14	% Difference Adopted/Act. FY 14-15/13-14
<b>All Fund Revenues</b>								
General Fund	\$2,762,312	12.30%	\$2,480,301	\$2,459,917	\$20,384	0.83%	\$282,011	11.37%
Major Street Fund	\$355,402	1.58%	\$266,946	\$281,370	(\$14,424)	-5.13%	\$88,456	33.14%
Local Street Fund	\$230,103	1.02%	\$261,361	\$220,377	\$40,984	18.60%	(\$31,258)	-11.96%
Downtown Development Authority	\$306,520	1.37%	\$324,816	\$377,318	(\$52,502)	-13.91%	(\$18,296)	-5.63%
Museum Fund	\$20,625	0.09%	\$24,897	\$37,725	(\$12,828)	-34.00%	(\$4,272)	-17.16%
Fire Fund	\$485,654	2.16%	\$232,133	\$497,969	(\$265,837)	-53.38%	\$253,521	109.21%
Debt Service Fund	\$349,949	1.56%	\$414,413	\$413,850	\$563	0.14%	(\$64,464)	-15.56%
Cable Television Fund	\$1,488,470	6.63%	\$1,375,900	\$1,347,722	\$28,178	2.09%	\$112,570	8.18%
Electric Utility Fund	\$5,046,558	22.48%	\$4,288,071	\$4,561,700	(\$273,629)	-6.00%	\$758,487	17.69%
Golf Fund	\$397,000	1.77%	\$378,600	\$396,500	(\$17,900)	-4.51%	\$18,400	4.86%
Wastewater Fund	\$9,225,500	41.09%	\$883,817	\$714,346	\$169,471	23.72%	\$8,341,683	943.82%
Water Fund	\$997,930	4.44%	\$934,000	\$972,108	(\$38,108)	-3.92%	\$63,930	6.84%
Capital Projects Fund	\$786,808	3.50%	\$372,340	\$825,047	(\$452,707)	-54.87%	\$414,468	111.31%
<b>Total</b>	<b>\$22,452,830</b>	<b>100.00%</b>	<b>\$12,237,595</b>	<b>\$13,105,949</b>	<b>(\$868,355)</b>	<b>-6.63%</b>	<b>\$10,215,236</b>	<b>83.47%</b>

	Adopted FY 14-15	% of Fund FY 14-15	Estimated Actual FY 13-14	Adopted FY 13-14	\$ Difference Act/Adopted FY 13-14	% Difference Act/Adopted FY 13-14	\$ Difference Adopted/Act. FY 14-15/13-14	% Difference Adopted/Act. FY 14-15/13-14
<b>All Fund Expenditures</b>								
General Fund	\$2,756,851	12.71%	\$2,401,658	\$2,458,992	(\$57,334)	-2.33%	\$355,192	14.79%
Major Street Fund	\$355,402	1.64%	\$266,946	\$281,370	(\$14,424)	-5.13%	\$88,456	33.14%
Local Street Fund	\$230,103	1.06%	\$261,338	\$220,377	\$40,961	18.59%	(\$31,235)	-11.95%
Downtown Development Authority	\$259,732	1.20%	\$258,518	\$315,806	(\$57,288)	-18.14%	\$1,214	0.47%
Museum Fund	\$17,695	0.08%	\$18,955	\$37,695	(\$18,740)	-49.71%	(\$1,260)	-6.65%
Fire Fund	\$485,654	2.24%	\$232,133	\$497,969	(\$265,837)	-53.38%	\$253,521	109.21%
Debt Service Fund	\$349,949	1.61%	\$414,413	\$413,850	\$563	0.14%	(\$64,464)	-15.56%
Cable Television Fund	\$1,422,497	6.56%	\$1,288,743	\$1,318,017	(\$29,274)	-2.22%	\$133,754	10.38%
Electric Utility Fund	\$5,045,299	23.26%	\$4,197,120	\$4,558,034	(\$360,914)	-7.92%	\$848,179	20.21%
Golf Fund	\$388,358	1.79%	\$378,574	\$383,486	(\$4,912)	-1.28%	\$9,785	2.58%
Wastewater Fund	\$8,600,802	39.66%	\$948,153	\$509,855	\$438,298	85.97%	\$7,652,648	807.11%
Water Fund	\$989,306	4.56%	\$930,714	\$968,837	(\$38,123)	-3.93%	\$58,592	6.30%
Capital Projects Fund	\$786,808	3.63%	\$370,464	\$825,047	(\$454,583)	-55.10%	\$416,344	112.38%
<b>Total</b>	<b>\$21,688,455</b>	<b>100.00%</b>	<b>\$11,967,729</b>	<b>\$12,789,335</b>	<b>(\$821,605)</b>	<b>-6.42%</b>	<b>\$9,720,726</b>	<b>81.22%</b>

General Fund Revenues	Adopted FY 14-15	% of Fund FY 14-15	Estimated Actual FY 13-14	Adopted FY 13-14	\$ Difference Act/Adopted FY 13-14	% Difference Act/Adopted FY 13-14	\$ Difference Adopted/Act. FY 14-15/13-14	% Difference Adopted/Act. FY 14-15/13-14
Property Taxes	\$828,662	30.00%	\$823,170	\$820,672	\$2,498	0.30%	\$5,492	0.67%
State Revenue Sharing	\$281,400	10.19%	\$274,000	\$270,445	\$3,555	1.31%	\$7,400	2.70%
Refuse Collection	\$231,100	8.37%	\$231,100	\$231,100	\$0	0.00%	\$0	0.00%
Rent Proceeds	\$6,000	0.22%	\$6,000	\$6,000	\$0	0.00%	\$0	0.00%
Grant Proceeds	\$19,000	0.69%	\$4,000	\$0	\$4,000	#DIV/0!	\$15,000	375.00%
Employee Insurance Reimbursements	\$0	0.00%	\$0	\$0	\$0	0.00%	\$0	0.00%
Equip Rental/Fringe/Material	\$200,000	7.24%	\$200,000	\$180,000	\$20,000	0.00%	\$0	0.00%
Interest on Investments	\$30,000	1.09%	\$35,000	\$30,000	\$5,000	16.67%	(\$5,000)	-14.29%
Miscellaneous Receipts	\$167,000	6.05%	\$32,331	\$27,000	\$5,331	19.74%	\$134,669	416.53%
Fund Equity Transfer	\$0	0.00%	\$0	\$20,000	(\$20,000)	-100.00%	\$0	#DIV/0!
Transfers In	\$999,150	36.17%	\$874,700	\$874,700	\$0	0.00%	\$124,450	14.23%
<b>Total</b>	<b>\$2,762,312</b>	<b>100.00%</b>	<b>\$2,480,301</b>	<b>\$2,459,917</b>	<b>\$20,384</b>	<b>0.83%</b>	<b>\$282,011</b>	<b>11.37%</b>

General Fund Expenditures	Adopted FY 14-15	% of Fund FY 14-15	Estimated Actual FY 13-14	Adopted FY 13-14	\$ Difference Act/Adopted FY 13-14	% Difference Act/Adopted FY 13-14	\$ Difference Adopted/Act. FY 14-15/13-14	% Difference Adopted/Act. FY 14-15/13-14
Mayor / Council	\$57,710	2.09%	\$57,810	\$66,525	(\$8,715)	-13.10%	(\$100)	-0.17%
Admin / Finance / Legal	\$754,543	27.37%	\$709,683	\$688,502	\$21,181	3.08%	\$44,860	6.32%
Buildings and Grounds	\$135,968	4.93%	\$78,136	\$127,223	(\$49,087)	-38.58%	\$57,832	74.01%
Police Department	\$660,499	23.96%	\$597,748	\$569,753	\$27,995	4.91%	\$62,751	10.50%
Department of Public Works	\$531,452	19.28%	\$354,125	\$367,038	(\$12,913)	-3.52%	\$177,327	50.07%
Refuse Collection	\$160,852	5.83%	\$157,574	\$161,768	(\$4,194)	-2.59%	\$3,278	2.08%
Recreation Department	\$145,144	5.26%	\$131,944	\$121,761	\$10,183	8.36%	\$13,200	10.00%
City Band Expenses	\$9,250	0.34%	\$8,151	\$9,250	(\$1,099)	-11.88%	\$1,099	13.48%
Transfers Out	\$301,433	10.93%	\$306,487	\$347,172	(\$40,685)	-11.72%	(\$5,054)	-1.65%
<b>Total</b>	<b>\$2,756,851</b>	<b>100.00%</b>	<b>\$2,401,658</b>	<b>\$2,458,992</b>	<b>(\$57,334)</b>	<b>-2.33%</b>	<b>\$355,192</b>	<b>14.79%</b>

Revenue Over/(Under) Expenditure \$5,461 \$78,643 \$925

	Proposed FY 14-15	% of Fund FY 14-15	Estimated Actual FY 13-14	Adopted FY 13-14	\$ Difference Act/Adopted FY 13-14	% Difference Act/Adopted FY 13-14	\$ Difference Proposed/Act. FY 14-15/13-14	% Difference Proposed/Act. FY 14-15/13-14
<b>Mayor / Council</b>								
Personnel Services	\$22,250	38.55%	\$19,250	\$23,225	(\$3,975)	-17.12%	\$3,000	15.58%
Operating Expenditures	\$35,460	61.45%	\$38,560	\$43,300	(\$4,740)	-10.95%	(\$3,100)	-8.04%
Total	\$57,710		\$57,810	\$66,525	(\$8,715)	-13.10%	(\$100)	-0.17%
<b>Administration / Financial</b>								
Personnel Services	\$668,668	88.62%	\$636,137	\$615,852	\$20,285	3.29%	\$32,531	5.11%
Operating Expenditures	\$84,875	11.25%	\$73,546	\$71,650	\$1,896	2.65%	\$11,329	15.40%
Capital / Equipment	\$1,000	0.13%	\$0	\$1,000	(\$1,000)	-100.00%	\$1,000	0.00%
Total	\$754,543		\$709,683	\$688,502	\$21,181	3.08%	\$44,860	6.32%
<b>Buildings and Grounds</b>								
Personnel Services	\$1,077	0.79%	\$0	\$1,077	(\$1,077)	-100.00%	\$1,077	#DIV/0!
Operating Expenditures	\$58,700	43.17%	\$58,815	\$56,825	\$1,990	3.50%	(\$115)	-0.20%
Capital / Equipment	\$76,191	56.04%	\$19,321	\$69,321	(\$50,000)	-72.13%	\$56,870	294.34%
Total	\$135,968		\$78,136	\$127,223	(\$49,087)	-38.58%	\$57,832	74.01%
<b>Police Department</b>								
Personnel Services	\$548,789	83.09%	\$533,483	\$497,618	\$35,865	7.21%	\$15,306	2.87%
Operating Expenditures	\$71,410	10.81%	\$60,845	\$66,865	(\$6,020)	-9.00%	\$10,565	17.36%
Capital / Equipment	\$40,300	6.10%	\$3,420	\$5,270	(\$1,850)	-35.10%	\$36,880	1078.36%
Total	\$660,499		\$597,748	\$569,753	\$27,995	4.91%	\$62,751	10.50%
<b>Department of Public Works</b>								
Personnel Services	\$232,280	43.71%	\$208,623	\$200,270	\$8,353	4.17%	\$23,657	11.34%
Operating Expenditures	\$150,915	28.40%	\$128,860	\$149,550	(\$20,690)	-13.83%	\$22,055	17.12%
Capital / Equipment	\$148,257	27.90%	\$16,642	\$17,218	(\$576)	-3.35%	\$131,615	790.86%
Total	\$531,452		\$354,125	\$367,038	(\$12,913)	-3.52%	\$177,327	50.07%
<b>Refuse Collection</b>								
Personnel Services	\$43,947	27.32%	\$45,879	\$42,538	\$3,341	7.85%	(\$1,932)	-4.21%
Operating Expenditures	\$116,905	72.68%	\$111,695	\$119,230	(\$7,535)	-6.32%	\$5,210	4.66%
Capital / Equipment	\$0	0.00%	\$0	\$0	\$0	0.00%	\$0	0.00%
Total	\$160,852		\$157,574	\$161,768	(\$4,194)	-2.59%	\$3,278	2.08%
<b>Recreation Department</b>								
Personnel Services	\$111,329	76.70%	\$102,029	\$92,996	\$9,033	9.71%	\$9,300	9.12%
Operating Expenditures	\$33,815	23.30%	\$29,915	\$28,765	\$1,150	4.00%	\$3,900	13.04%
Capital / Equipment	\$0	0.00%	\$0	\$0	\$0	#DIV/0!	\$0	#DIV/0!
Total	\$145,144		\$131,944	\$121,761	\$10,183	8.36%	\$13,200	10.00%

	Proposed FY 14-15	% of Fund FY 14-15	Estimated Actual FY 13-14	Adopted FY 13-14	\$ Difference Act/Adopted FY 13-14	% Difference Act/Adopted FY 13-14	\$ Difference Proposed/Act. FY 14-15/13-14	% Difference Proposed/Act. FY 14-15/13-14
<b>Golf Department</b>								
Revenues	\$397,000		\$378,600	\$396,500	(\$17,900)	-4.51%	\$18,400	4.86%
Personnel Services	\$165,693	42.66%	\$149,817	\$154,592	(\$4,775)	-3.09%	\$15,876	10.60%
Operating Expenditures	\$130,841	33.69%	\$134,253	\$129,950	\$4,303	3.31%	(\$3,412)	-2.54%
Capital / Equipment	\$27,570	7.10%	\$23,460	\$27,901	(\$4,441)	-15.92%	\$4,110	17.52%
Transfer Out	\$64,254	16.55%	\$71,043	\$71,043	\$0	0.00%	(\$6,789)	-9.56%
Expenses Total	\$388,358		\$378,574	\$383,486	(\$4,912)	-15.69%	\$9,785	16.02%

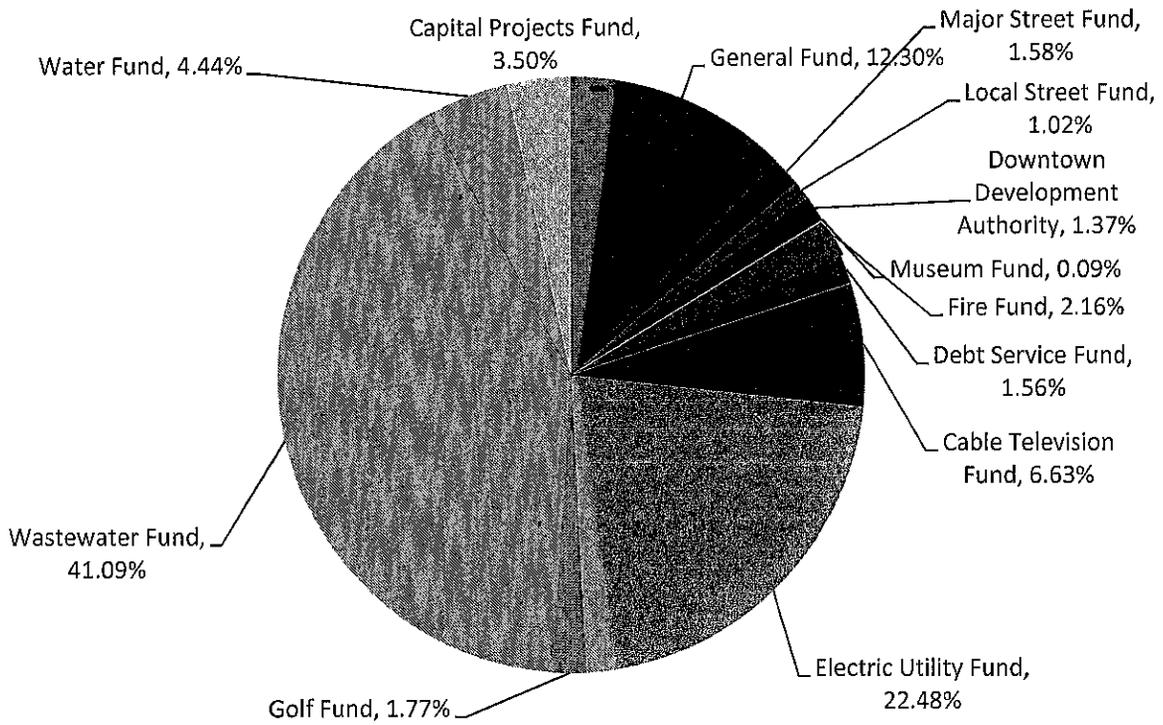
	Proposed FY 14-15	% of Fund FY 14-15	Estimated Actual FY 13-14	Adopted FY 13-14	\$ Difference Act/Adopted FY 13-14	% Difference Act/Adopted FY 13-14	\$ Difference Proposed/Act. FY 14-15/13-14	% Difference Proposed/Act. FY 14-15/13-14
<b>CATV Department</b>								
Revenues	\$1,488,470		\$1,375,900	\$1,347,722	\$28,178	2.09%	\$112,570	8.18%
Personnel Services	\$197,765	13.90%	\$239,371	\$249,723	(\$10,352)	-4.15%	(\$41,606)	-17.38%
Operating Expenditures	\$960,060	67.49%	\$898,353	\$892,275	\$6,078	0.68%	\$61,707	6.87%
Capital / Equipment	\$130,000	9.14%	\$20,000	\$45,000	(\$25,000)	-55.56%	\$110,000	550.00%
Transfer Out	\$134,673	9.47%	\$131,019	\$131,019	\$0	0.00%	\$3,654	2.79%
Total	\$1,422,497		\$1,288,743	\$1,318,017	(\$29,274)	-2.22%	\$133,754	10.38%

	Proposed FY 14-15	% of Fund FY 14-15	Estimated Actual FY 13-14	Adopted FY 13-14	\$ Difference Act/Adopted FY 13-14	% Difference Act/Adopted FY 13-14	\$ Difference Proposed/Act. FY 14-15/13-14	% Difference Proposed/Act. FY 14-15/13-14
<b>Electric Department</b>								
Revenues	\$5,046,558		\$4,288,071	\$4,561,700	(\$273,629)	-6.00%	\$758,487	17.69%
Personnel Services	\$895,614	20.54%	\$815,394	\$882,057	(\$66,663)	-7.56%	\$80,220	9.84%
Operating Expenditures	\$2,539,395	58.24%	\$2,194,993	\$2,487,343	(\$292,350)	-11.75%	\$344,403	15.69%
Capital / Equipment	\$925,000	21.22%	\$451,036	\$437,000	\$14,036	3.21%	\$473,964	105.08%
Transfer Out	\$708,210	16.24%	\$758,618	\$774,554	(\$15,936)	-2.06%	(\$50,408)	-6.64%
Total	\$4,360,009		\$4,220,040	\$4,580,954	(\$360,914)	-7.88%	\$139,969	3.32%

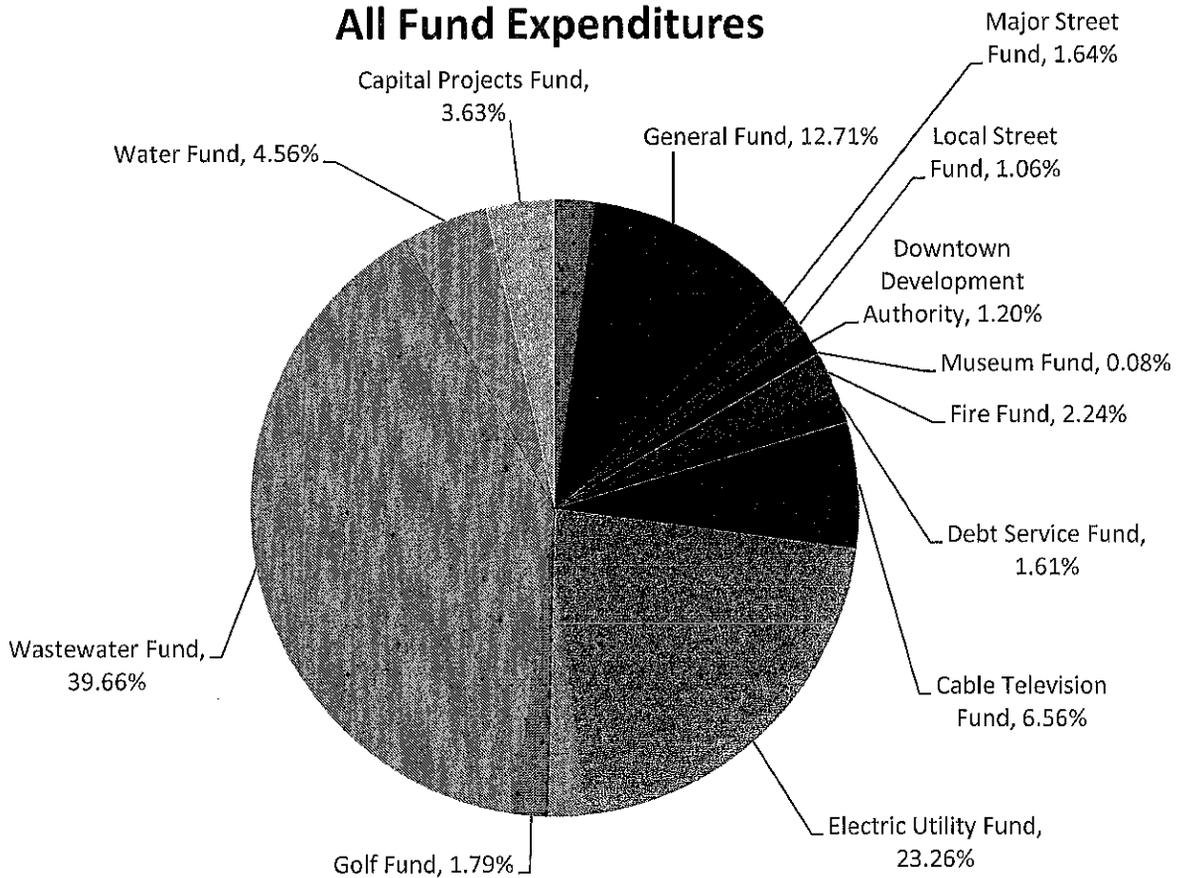
	Proposed FY 14-15	% of Fund FY 14-15	Estimated Actual FY 13-14	Adopted FY 13-14	\$ Difference Act/Adopted FY 13-14	% Difference Act/Adopted FY 13-14	\$ Difference Proposed/Act. FY 14-15/13-14	% Difference Proposed/Act. FY 14-15/13-14
<b>Water Department</b>								
Revenues	\$997,930		\$934,000	\$972,108	(\$38,108)	-3.92%	\$63,930	6.84%
Personnel Services	\$251,441	25.42%	\$255,452	\$239,114	\$16,338	6.83%	(\$4,011)	-1.57%
Operating Expenditures	\$412,726	41.72%	\$412,167	\$363,123	\$49,044	13.51%	\$559	0.14%
Capital / Equipment	\$4,500	0.45%	\$100,000	\$124,000	(\$24,000)	-19.35%	(\$95,500)	-95.50%
Transfer Out	\$320,639	32.41%	\$163,095	\$242,600	(\$79,505)	-32.77%	\$157,544	96.60%
Total	\$989,306		\$930,714	\$968,837	(\$38,123)	-3.93%	\$58,592	6.30%

	Proposed FY 14-15	% of Fund FY 14-15	Estimated Actual FY 13-14	Adopted FY 13-14	\$ Difference Act/Adopted FY 13-14	% Difference Act/Adopted FY 13-14	\$ Difference Proposed/Act. FY 14-15/13-14	% Difference Proposed/Act. FY 14-15/13-14
<b>Wastewater Department</b>								
Revenues	\$9,225,500		\$883,817	\$714,346	\$169,471	23.72%	\$8,341,683	943.82%
Personnel Services	\$331,872	3.86%	\$331,123	\$315,594	\$15,529	4.92%	\$748	0.23%
Operating Expenditures	\$221,176	2.57%	\$466,630	\$192,611	\$274,019	142.27%	(\$245,454)	-52.60%
Capital / Equipment	\$8,047,754	93.57%	\$150,500	\$1,650	\$148,850	9021.21%	\$7,897,254	5247.34%
Transfer Out	\$0	0.00%	\$0	\$0	\$0	100.00%	\$0	#DIV/0!
Total	\$8,600,802		\$948,253	\$509,855	\$438,398	85.98%	\$7,652,548	807.02%

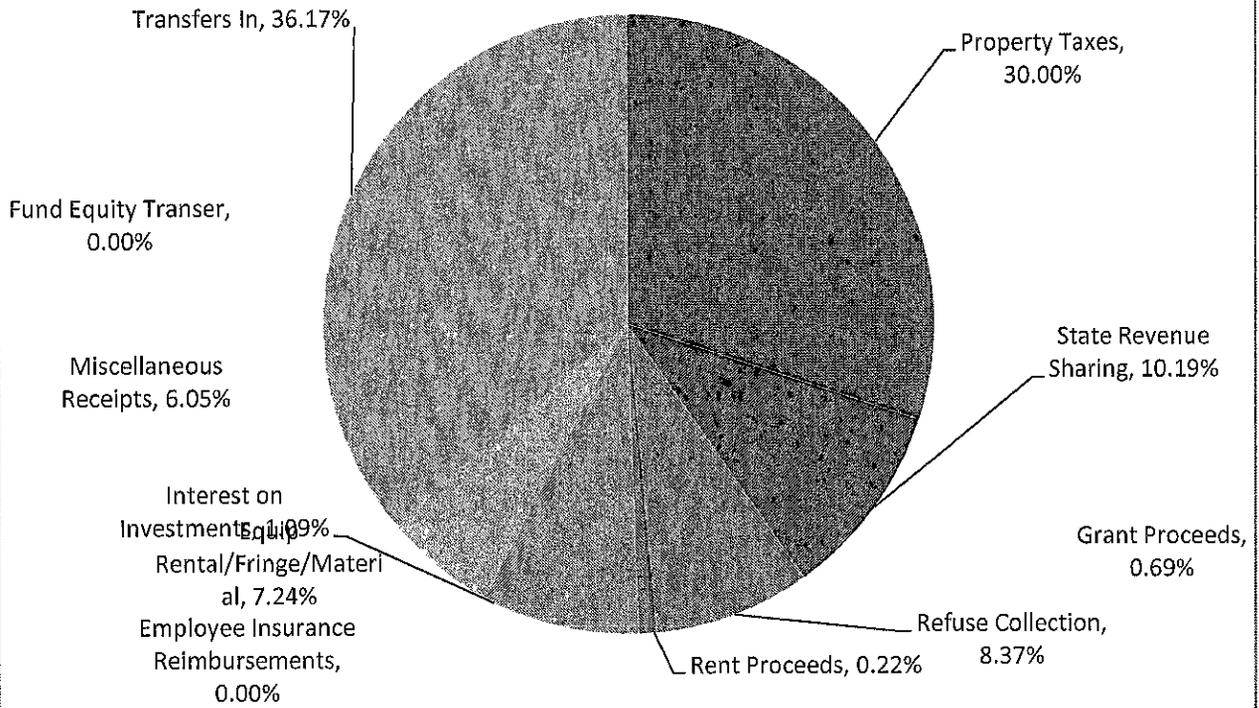
## All Fund Revenues



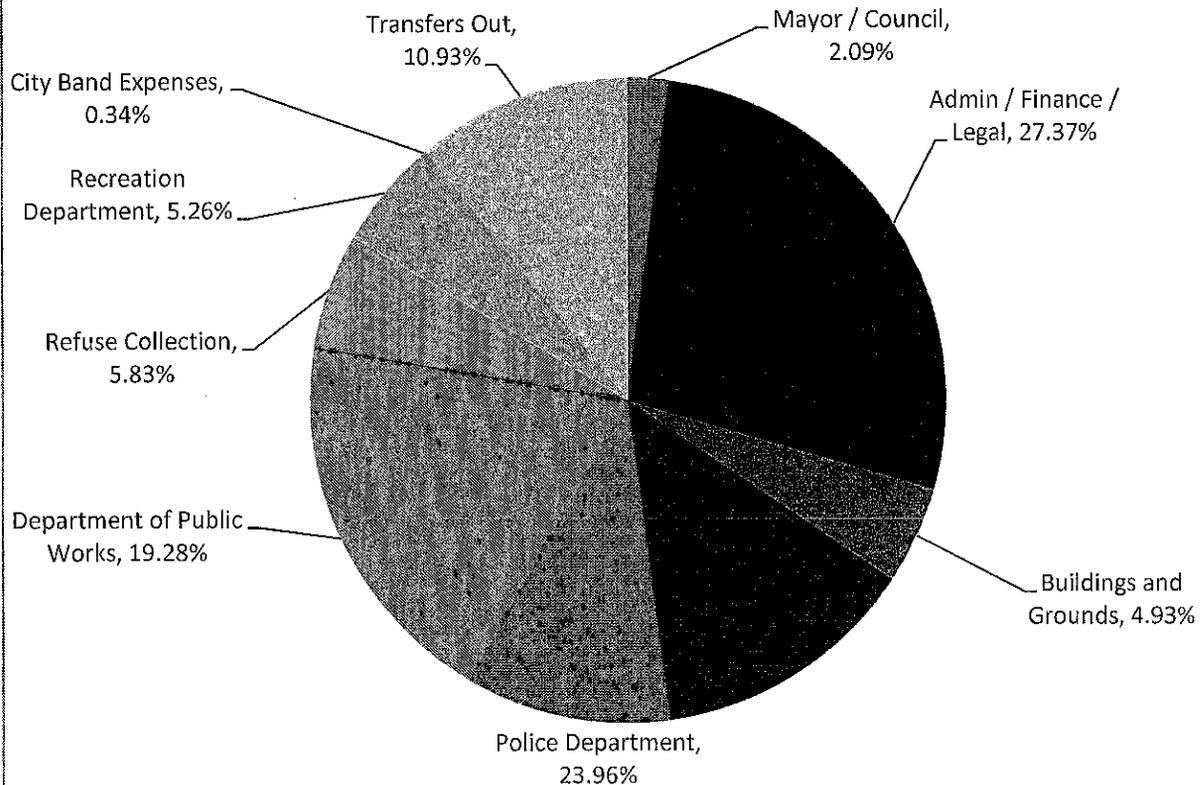
## All Fund Expenditures



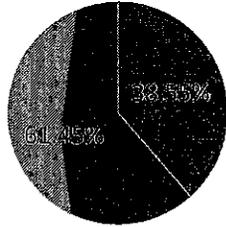
## General Fund Revenues



## General Fund Expenditures

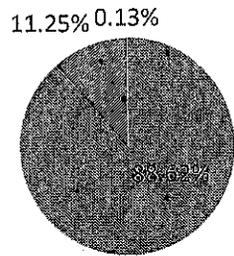


## Mayor/Council



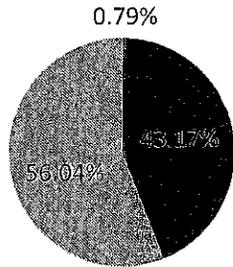
- Personnel Services
- Operating Expenditures

## Administration/Financial



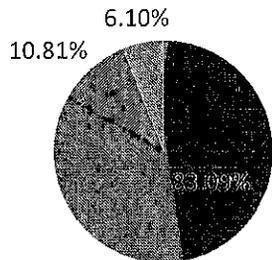
- Personnel Services
- Operating Expenditures
- Capital / Equipment

## Buildings & Grounds



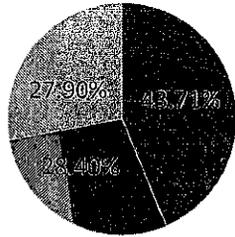
- Personnel Services
- Operating Expenditures
- Capital / Equipment

## Police Department



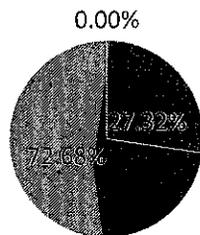
- Personnel Services
- Operating Expenditures
- Capital / Equipment

## Public Works



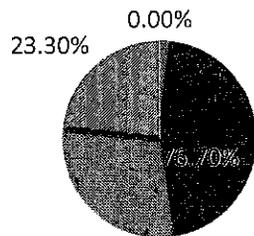
- Personnel Services
- Operating Expenditures
- Capital / Equipment

## Refuse Collection



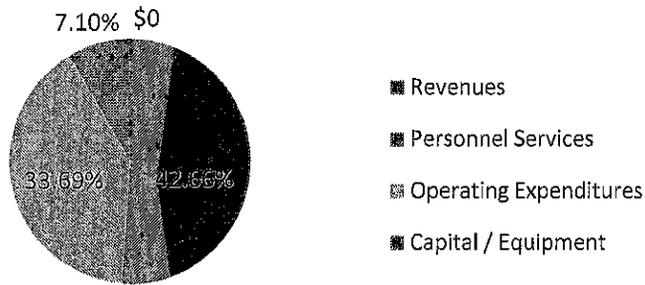
- Personnel Services
- Operating Expenditures
- Capital / Equipment

## Recreation Department

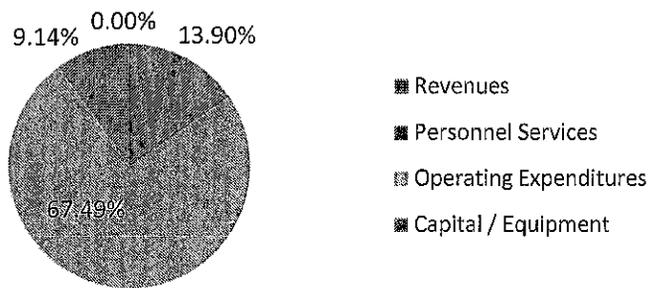


- Personnel Services
- Operating Expenditures
- Capital / Equipment

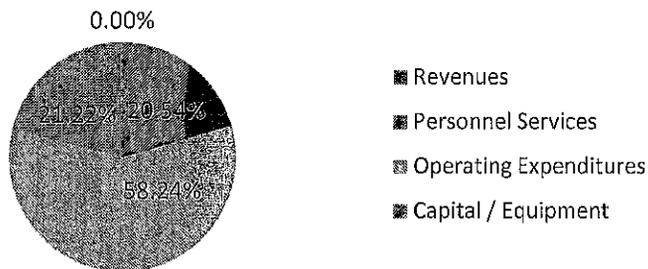
## Golf Department



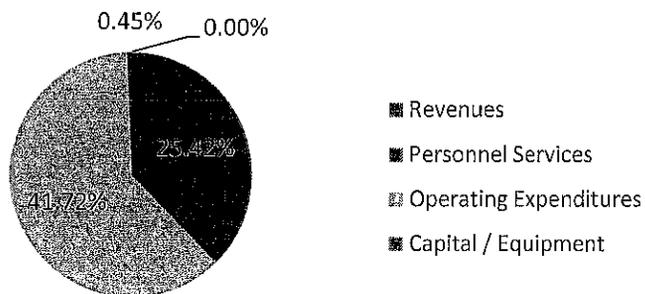
## CATV Department



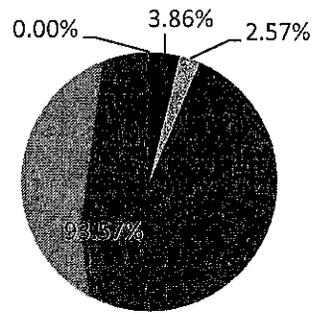
## Electric Department



## Water Department



## Wastewater Department



- Revenues
- Personnel Services
- Operating Expenditures
- Capital / Equipment

**GENERAL FUND: REVENUE  
BUDGET NOTES**

**Retiree Insurance Reimbursement – All Funds**

Revenue streams based upon collective bargaining agreement language applicable at the employees retirement date. Current contract language caps monthly contributions from the City for retiree insurance. The retirees contribute the difference between the city's contribution and the premium and pay the annual increases. The general fund revenue assumptions account for 0 retirees. Starting with the FY 2013-14 the amounts received from retirees were applied as a negative expense to offset the healthcare premium expenditures.

**Property Taxes**

Property taxes account for 30% of revenues for the general fund. Property tax revenues have decreased slightly as follows:

The City of Norway is permitted by Charter to levy up to \$20.00 per \$1,000 of SEV or 20 mills. Since the Headlee amendment was approved by the voters in November of 1978 and Proposal A in 1994, actions by the legislature, court decisions, and, of course, the Headlee amendment itself, have restricted the ability to raise local revenues or to be reimbursed for services mandated by the state.

1. Under the restrictions of the Headlee amendment and Proposal A, the City of Norway's maximum levy is 19.972 mills. For the City of Norway, each additional one-mill increase is equivalent to \$58,243.
2. F.Y. 2013-14 estimated actual revenues are estimated to be equal to the budget calculations. The taxable value for 2014 decreased by 0.13 percent. Actual DDA capture totaled \$163,588 for F.Y. 2013-14, while estimated capture for 2014-2015 is estimated at \$156,507. Total DDA capture in actual taxable value for F.Y. 2013-2014 was valued at \$10,032,310 while captured taxable value for F.Y. 2014-15 is estimated at \$9,546,498 or a decrease of 4.8%.
3. F.Y. 2014-2015 taxable value projections are estimated to decrease 0.13% over the prior year. Values for the current year and the past seventeen (18) years are shown.

<u>YEAR</u>	<u>Taxable Value</u>	<u>% Increase</u>	<u>YEAR</u>	<u>Taxable Value</u>	<u>% Increase</u>
2014	58,242,960	(0.13)	2004	46,485,451	5.6
2013	58,316,100	1.04	2003	44,035,707	2.7
2012	57,714,375	1.32	2002	42,868,993	3.3
2011	56,962,641	1.05	2001	41,488,634	3.3
2010	56,372,111	(1.39)	2000	40,176,814	2.2
2009	57,165,129	5.3	1999	39,296,489	6.7
2008	54,265,648	3.0	1998	36,828,443	2.0
2007	52,687,312	4.7	1997	36,112,995	4.6
2006	50,313,540	5.5	1996	34,520,662	7.1
2005	47,683,771	2.6			

Based on 16.3942 mills and including approximately \$12,000 from fee-in-lieu of taxes connected with Bluffs Edge Apartments, and approximately \$27,300 from the 1%

administration fee which was added in 2006-07, the gross receipts for F.Y. 2014-15 are projected to total \$949,269; net collections are projected at \$801,362 based upon the following;

- DDA property tax capture of \$156,507.
- P.A. 425 agreement obligation totaling \$3,650 connected with Oak Crest Assisted Living and the medical offices constructed on US 8.

Out year projections reflect revenue increases of 3%.

### **Police Training – P.A. 302 Funds**

Represents state funding for approved law enforcement training. Amount is calculated based on number of equivalent full time officers. The City submits for reimbursement for state approved training programs up to the established amount. For F.Y. 2014-15, the amount allowed for reimbursement to the City of Norway equals \$1,000.

### **Grant Proceeds**

For F.Y. 2013-14 the city received \$4,000 for the Music in the Park music series. This amount is also programmed for FY 14-15 along with an additional \$15,000 from the US Department of Agriculture's Rural Development program for the purchase of a new squad car in the Police Department. A \$15,000 allocation has been programmed for FY 2016-17 and FY 2018-19 to coincide with the systematic replacements of our police squads.

### **State Revenue Sharing**

The Michigan Revenue Sharing program distributes sales tax to local units of government as unrestricted revenue. Income tax distributions ended as of 12/31/96 and in lieu thereof a statutory sales tax component was added reflecting a community's relative tax effort. Single business tax distributions were eliminated as of 6/30/96.

Revenue sharing is funded from two sources: revenue earmarked by the State Constitution and revenue dedicated by statute. The constitutional share is fifteen (15) percent of the first four (4) percent of the state sales tax and is distributed only to cities, villages, and townships on a per capita basis. Statutory revenue sharing began with the passage of the income tax in 1967, when a share of revenues from the tax was dedicated to local governments. Because the Single Business Tax, enacted in 1976, included the elimination of the property tax on inventory, a portion of the SBT was earmarked to units of local government. In 1996, the legislature changed the funding source from a portion of the SBT and the income tax to an additional 21.3 percent of the four percent rate of the sales tax. At the time the legislature made the change, revenue sharing had undergone a series of cuts. The 21.3 percent of the four percent rate of the sales tax reflected the reduced appropriations, rather than the statutorily earmarked amounts of the income and SBT. In 2008, the state legislature replaced the SBT (state business tax) with another tax called an MBT. To date they have not agreed on a tax restructuring plan which accounts for the loss in revenue from the elimination of the SBT. They have, to date, agreed to hold revenue sharing distributions "frozen" for municipalities rather than decreasing their constitutional and statutory requirements. It is estimated that the statutory component of the revenue sharing calculation will continue to be reviewed throughout the year and may be subject to reductions caused by negative revenue receipts.

Revenue sharing funds (sales tax) are distributed to municipalities six (6) times annually. Constitutional sales tax (municipal pool equivalent to 15% of the 4% gross state sales tax collection) is distributed on a per capita basis. Statutory sales tax (municipal pool equivalent to 21.3% of the 4% gross state sales tax collection) is distributed according to four separate formulae intended to measure relative tax effort

According to State Treasury officials F.Y. 2013-14 estimated actual revenue will total \$261,955 or 0.07% above budget projections. In 2011, newly elected Governor Rick Snyder and the Republican House and Senate created and passed a new program to distribute the statutory component of revenue sharing titled the Economic Vitality Incentive Program (EVIP). Communities are able to qualify for 67.8% of their 2010-11 statutory revenue sharing payment by meeting the following criteria:

1. Communities must develop and publish a citizens guide and dashboard which must include unfunded liabilities.
2. Communities must produce a plan with one or more proposals to increase existing levels of cooperation, collaboration, and consolidation within their jurisdiction or with other jurisdictions. The plan must list previous efforts of cooperation, collaboration, and consolidation and with any cost savings and estimates of any potential savings of future efforts.
3. Communities must certify they intend to implement the following employee compensation criteria for any new, modified, or existing contract or employment agreements for employees under contract or employment contract:
  - a. New hires eligible for retirement plans will be placed on retirement plans that cap annual employer contributions:
    - i. 10% of base salary if they are eligible for social security
    - ii. 16.2% of base salary if they are not eligible for social security
  - b. For defined benefit plans:
    - i. A maximum 1.5% multiplier if employee is eligible for social security. If there is no retiree health care, a maximum of 2.25% multiplier.
    - ii. A maximum 2.25% multiplier if employee is not eligible for social security. If there is no retiree health care, a maximum 3.0% multiplier.
  - c. Also for defined benefit plans the final average compensation shall be computed using at a minimum 3 years compensation and can't include more than 240 hours of paid leave. It also cannot include over time.
  - d. Health care premium costs for new hires shall include a minimum employee share of 20%, or the employer's share shall be cost competitive with the new state preferred provider organization health plan on a per-employee basis.

The City's F.Y. 2014-15 distributions are projected at \$281,399 which are above the F.Y. 2013-14 estimated actual levels. Out-year projections reflect payments equal to previous annual allocations. Conversely, pursuant to state regulations, state revenue sharing payments to individual municipalities cannot increase more than eight (8) percent during any one fiscal cycle. The following chart indicates the levels of revenue sharing reductions since FY 2001-02. The total loss over the last 14 years on a percentage basis is equal to 25% or a loss of 1.76% each year. In FY 2001-02, revenue sharing comprised 26% of the total General Fund revenues. In FY 13-14, revenue sharing will equal 10.13% of the overall General Fund revenues.

<u>FISCAL YEAR</u>	<u>Revenue Sharing Amount</u>	<u>% Inc./Decrease</u>
14-15	\$281,399	2.70
13-14	\$270,445	3.24
12-13	\$261,955	2.41
11-12	\$255,800	(0.90)
10-11	\$258,125	(0.75)
09-10	\$260,082	(14.58)
08-09	\$298,005	(3.92)
07-08	\$309,698	(0.60)
06-07	\$311,568	(2.51)
05-06	\$319,584	(0.74)
04-05	\$321,981	(1.47)
03-04	\$326,788	(10.01)
02-03	\$363,118	(2.74)
01-02	\$373,353	

As indicated in the above chart, revenue sharing receipts have started to increase from a low in 2011-12 (\$255,800) but have yet to reach the levels received in 2008-09 (\$298,005) or the high level received in 2001-02 (\$373,353) when the state started reducing the statutory component of revenue sharing. As indicated earlier, the state legislature has proposed additional increases in separate budget proposals (house and senate) along with changes to the EVIP requirements however nothing has been approved to date.

### **State Liquor License Fees**

City receives 55% of liquor license fees from the State. Fees are assessed to Norway establishments along with any special event fees. The City is estimated to received \$3,100 in FY 2013-14 which is slightly below the approved budget. A budget of \$3,500 has also been programmed for FY 2014-15 and the out years.

### **Fire Protection**

Starting in FY 10-11, the Fire Department budget was moved from the General Fund to a newly created separate fund. In FY 09-10, the city started accounting and tracking for the volunteer fire group through a separate volunteer fire fund. It was decided in FY10-11 that it would be more beneficial for audit and accounting practice to move the city operations to a separate fire fund which would include the volunteer fire organization. The City continues to financially support the operation through a single transfer from the General Fund.

In July 1, 2000 the City of Norway, Norway Township, and Waucedah Township entered into an inter governmental fire protection agreement. Under section 2 of the agreement, call volume data and budget information is utilized in calculating both townships' fair share contribution. The fair share contribution is based upon the City's prior year adopted Fire Department operating and capital expenditure plan multiplied by a percentage factor known as the average dispatch call volume for the preceding 5-year reporting period. The agreement further provides that monthly fair share contributions shall be adjusted annually each July 1 based upon the succeeding years adopted Fire Department operating and capital expenditure plan and most current call volume date for the five year period.

For the FY 2014-15, the fair share contributions from Norway Township and Waucedah Township will be \$59,099 and \$29,144 respectively. These calculations were based on the FYI 2013-14 adopted Fire Department operating budget of \$225,919 with a 5-year call average of 28.7% in Norway Township and 17.2% in Waucedah Township.

**Miscellaneous License, Permits and Fees**

This account reflects zoning fees and other license and permit revenues. For FY 06-07, Council approved the implementation of miscellaneous permit and license fees. Currently, the City raises approximately \$5,000 per year. Prior to this year, the City did not charge for miscellaneous permits such as zoning compliance permits. The estimated actual receipts for FY 2013-14 is \$6,100.

**Rent Proceeds**

In FY 2012-13 the City received \$6,000 per year from the North Alert Ambulance Authority per a rental agreement at the City’s fire hall. The amount was increased from the original agreement of \$3,000 which was established 2005. The original rental rate was initially established at an artificially low level to allow North Alert to become established and stabilize its budget. Since the authority has stabilized its operation the rent has been increased to \$500 per month or \$6,000 per year.

**Refuse Collection/Penalties**

The City’s refuse collection program reflects a fee for service operation to eliminate any subsidizing from general tax collection. In F.Y. 05-06, the City revised refuse collection to eliminate commercial dumpster service. Residents are allowed 100 gallons per week and commercial are allocated 150 gallons per week provided they do not use dumpsters. A \$1 increase in both residential and commercial rates will net approximately \$17,700 annually. The city also programs approximately \$17,500 annually towards the replacement of the garbage truck.

<b>Refuse Collection Revenue F.Y. 2014 – 2015</b>	<b># Customers (units)</b>	<b>Avg. Month Extension</b>	<b>Annual</b>
\$13.00/mo - Residential	1340	\$17,420	\$209,040
\$19.50/mo - Commercial/Industrial <b>NOTE: No Dumpster Collection</b>	90	\$1,755	\$21,060
Penalties			\$1,000
<b>TOTAL</b>			<b>\$231,100</b>

**Traffic Violation and Municipal Fines**

Income represents the municipal portion of traffic violations, local tickets, DUI prosecutions as well as ordinance violations. The city budgets \$9,000 annually for this category. The estimated actual for FY 2013-14 is \$9,500.

### **Civic Contributions**

Contributions anticipated from the Norway Business Association, WPPI and Bracket Fund. The city does not budget any monies into this category however for FY 2013-14 the city received \$1,700 from miscellaneous donations.

### **Sale of Property**

Beginning in F.Y. 1998 - 99, revenue was earmarked for capital purposes within the Capital Improvements Fund. In 2007 the City paid \$167,750 to the Michigan Department of Natural Resources for 80 acres of property located near the golf course. The property was purchased from general fund equity. The Council approved a motion to apply all property sale revenues to the general fund until this debt has been repaid. To date the balance of the debt is \$80,645.

CITY OF NORWAY  
GENERAL FUND  
JULY 1, 2011 THRU JUNE 30, 2019  
DETAILS OF REVENUES

Updated: 6/12/2014

ACCOUNT NUMBER	DEPARTMENT NAME	2011-2012		2012-2013		2013-2014		ADOPTED 2013-2014		ADOPTED 2014-2015		PROPOSED 2015-2016		PROPOSED 2016-2017		PROPOSED 2017-2018		PROPOSED 2018-2019	
		ACTUAL	ACTUAL	ACTUAL	EST ACTUAL	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
402	Employee Insurance Reimbursement	\$36,127	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
405	Property Tax Revenue	\$782,362	\$795,458	\$795,890	\$793,612	\$793,612	\$793,612	\$793,612	\$801,362	\$801,362	\$825,403	\$825,403	\$850,165	\$850,165	\$875,670	\$875,670	\$901,940	\$901,940	\$901,940
405-001	Property Tax Admin Fee	\$27,638	\$26,630	\$27,280	\$27,060	\$27,060	\$27,060	\$27,060	\$27,300	\$27,300	\$28,119	\$28,119	\$28,963	\$28,963	\$29,831	\$29,831	\$30,726	\$30,726	\$30,726
543	Police Training P.A. 302 Funds	\$947	\$910	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
569	Bond Issue Proceeds (Rural Development)	\$0	\$35,000	\$0	\$0	\$0	\$0	\$0	\$140,000	\$140,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
570	Grant Proceeds	\$0	\$50,950	\$4,000	\$0	\$0	\$0	\$0	\$4,000	\$4,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
570.004	Grant Proceeds - Police Dept.	\$0	\$16,500	\$0	\$0	\$0	\$0	\$0	\$15,000	\$15,000	\$0	\$0	\$16,000	\$16,000	\$0	\$0	\$0	\$0	\$0
576	State Revenue Sharing	\$256,590	\$264,555	\$274,000	\$270,445	\$270,445	\$270,445	\$270,445	\$281,400	\$281,400	\$281,400	\$281,400	\$281,400	\$281,400	\$281,400	\$281,400	\$281,400	\$281,400	\$281,400
578	State Liquor License Fees	\$2,902	\$3,160	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500
633	Miscellaneous/Licenses/Permits/Fees	\$6,037	\$7,419	\$5,200	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
633.002	Credit Card Convenience Fees	\$2,593	\$2,933	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
634	Miscellaneous Revenues (Recreation)	\$5,000	\$175	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
637	Rent Proceeds	\$6,495	\$8,525	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
640	Refuse Collection/Penalties	\$230,654	\$228,973	\$231,100	\$231,100	\$231,100	\$231,100	\$231,100	\$231,100	\$231,100	\$238,033	\$238,033	\$245,174	\$245,174	\$252,529	\$252,529	\$260,105	\$260,105	\$260,105
646	Timber Sales	\$23,326	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
650	Sale of Materials/Supplies	\$58	\$339	\$131	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
656	Traffic Violations/Municipal Fines	\$9,106	\$9,461	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000
665	Interest on Investments	\$33,726	\$35,549	\$35,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
673	Sale of Property	\$0	\$0	\$9,300	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
677	Civic Contributions	\$0	\$7,675	\$1,700	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
678	Equipment Rentals/Fringe/Materials	\$225,744	\$220,041	\$200,000	\$180,000	\$180,000	\$180,000	\$180,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
680	Transfers In (Gen. Util/ACT 51)	\$811,802	\$947,718	\$874,700	\$874,700	\$874,700	\$874,700	\$874,700	\$999,150	\$999,150	\$943,528	\$943,528	\$990,108	\$990,108	\$1,038,999	\$1,038,999	\$1,090,316	\$1,090,316	\$1,090,316
685	From Fund Equity Reserves	\$0	\$0	\$0	\$20,000	\$20,000	\$20,000	\$20,000	\$0	\$0	\$130,000	\$130,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
GRAND TOTAL REVENUES		\$2,461,106	\$2,721,969	\$2,480,301	\$2,459,917	\$2,459,917	\$2,459,917	\$2,459,917	\$2,762,312	\$2,762,312	\$2,709,483	\$2,709,483	\$2,674,809	\$2,674,809	\$2,741,429	\$2,741,429	\$2,843,487	\$2,843,487	\$2,843,487
GRAND TOTAL EXPENDITURES		\$2,359,943	\$2,801,751	\$2,401,658	\$2,458,992	\$2,458,992	\$2,458,992	\$2,458,992	\$2,756,851	\$2,756,851	\$2,563,090	\$2,563,090	\$2,534,940	\$2,534,940	\$2,622,728	\$2,622,728	\$2,771,802	\$2,771,802	\$2,771,802
REVENUE OVER/(UNDER) EXPENDITURES		\$101,163	(\$79,782)	\$78,643	\$925	\$925	\$925	\$925	\$5,461	\$5,461	\$146,393	\$146,393	\$139,870	\$139,870	\$118,701	\$118,701	\$71,685	\$71,685	\$71,685

**CITY OF NORWAY  
GENERAL FUND  
JULY 1, 2011 THRU JUNE 30, 2019  
DETAILS OF EXPENDITURES**

Updated: 06/12/14

DEPT. NUMBER	DEPARTMENT NAME	2011-2012 ACTUAL	2012-2013 ACTUAL	2013-2014 EST ACTUAL	ADOPTED 2013-2014 BUDGET	ADOPTED 2014-2015 BUDGET	PROPOSED 2015-2016 BUDGET	PROPOSED 2016-2017 BUDGET	PROPOSED 2017-2018 BUDGET	PROPOSED 2018-2019 BUDGET
101	Mayor/Council/Elections	\$48,873	\$91,454	\$57,810	\$66,525	\$57,710	\$56,838	\$57,602	\$59,605	\$59,248
201	Admin/Financial/Legal Operations	\$734,346	\$727,277	\$709,683	\$688,502	\$754,543	\$761,786	\$790,341	\$820,671	\$852,932
265	Buildings and Grounds	\$68,294	\$75,168	\$78,136	\$127,223	\$135,968	\$60,030	\$60,165	\$60,307	\$60,456
301	Police Department	\$588,986	\$695,315	\$597,748	\$569,753	\$660,499	\$623,219	\$665,246	\$673,806	\$738,886
336	Fire Department	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
441	Dept. of Public Works	\$376,547	\$646,968	\$354,125	\$367,038	\$531,452	\$373,477	\$383,310	\$393,652	\$404,716
528	Refuse Collection	\$202,292	\$195,993	\$157,574	\$161,768	\$160,835	\$290,535	\$161,835	\$163,174	\$164,553
751	Recreation Department	\$118,972	\$128,969	\$131,944	\$121,761	\$145,144	\$148,342	\$153,277	\$158,584	\$164,327
752	City Band Expenses	\$9,119	\$9,024	\$8,151	\$9,250	\$9,250	\$9,250	\$9,250	\$9,250	\$9,250
980	Transfers Out	\$212,516	\$231,583	\$306,487	\$347,172	\$301,433	\$239,612	\$233,913	\$283,679	\$317,434
	TOTAL GENERAL FUND EXPENSES:	\$2,359,943	\$2,801,751	\$2,401,658	\$2,458,992	\$2,756,851	\$2,563,090	\$2,534,940	\$2,622,728	\$2,771,802
	TOTAL GENERAL FUND REVENUES:	\$2,461,106	\$2,721,969	\$2,480,301	\$2,459,917	\$2,762,312	\$2,709,483	\$2,674,809	\$2,741,429	\$2,843,487
	GENERAL FUND REVENUE OVER/UNDER EXPENDITURES:	\$101,163	(\$79,782)	\$78,643	\$925	\$5,461	\$146,393	\$139,870	\$118,701	\$71,685

Fund Balance	YEAR ENDED JUNE 30									
Prior Years and Future Years	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2018-2019
Beginning Balance:	\$454,758	\$364,393	\$465,556	\$385,774	\$464,417	\$469,877	\$486,270	\$626,140	\$744,841	\$744,841
Revenues:	\$2,290,267	\$2,461,106	\$2,721,969	\$2,439,917	\$2,762,312	\$2,579,483	\$2,674,809	\$2,674,809	\$2,741,429	\$2,843,487
Expenditures:	(\$2,380,632)	(\$2,359,943)	(\$2,801,751)	(\$2,458,992)	(\$2,756,851)	(\$2,563,090)	(\$2,534,940)	(\$2,534,940)	(\$2,622,728)	(\$2,771,802)
Prior Period Adjustment:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ending Balance:	\$364,393	\$465,556	\$385,774	\$366,699	\$469,877	\$486,270	\$626,140	\$744,841	\$816,526	\$816,526

**CASH BALANCE ANALYSIS**

Beginning Cash Balance:	\$551,644.24	\$551,644.24	\$670,345.50
Revenues:	\$2,741,429	\$2,741,429	\$2,843,487
Expenditures:	(\$2,622,728)	(\$2,622,728)	(\$2,771,802)
Ending Cash Balance:	\$670,345.50	\$670,345.50	\$742,030.29
Investments	(\$555,000.00)	(\$555,000.00)	(\$570,000.00)
Garbage Truck Reserved	\$ (75,000.00)	\$ (75,000.00)	#####
Available Cash:	\$40,345.50	\$40,345.50	\$72,030.29

**GENERAL FUND: MAYOR/COUNCIL/ELECTIONS  
BUDGET NOTES**

**All Salaries**

Accounts for salaries and monthly expenses paid to City of Norway elected officials as well as election workers. Effective July 1, 2000 annual stipends for the positions of Mayor and Council Members increased to \$2,500 and \$1,500 respectively. No changes are proposed for F.Y. 2014-15 in Council compensation. The City also manages elections 4 times per year under state statute. Compensation for election officials are paid through this account. FY election expenses are estimated at \$3,500 for election years with presidential and midterm elections and \$1,500 for off year elections. For FY 2014-15 the estimated cost for election employees is \$3,500.

**Training/Membership/Travel/Education**

This account is for the cost of dues and memberships in various trade, regional, or state organizations. This account also budgets for the costs for training and travel associated with conferences and training activities.

<b>ACTIVITY</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
MML Annual Dues	\$ 2,125	\$ 2,125	\$ 2,125	\$ 2,125	\$ 2,125
Dickinson Area Partnership	4,000	4,000	4,000	4,000	4,000
UPTRA	300	300	300	300	300
CUPPAD	570	570	570	570	570
NMPSA	520	520	520	520	520
Miscellaneous Training	85	85	85	85	85
MML Conferences	2,000	2,000	2,000	2,000	2,000
<b>Total</b>	<b>\$9,600</b>	<b>\$9,600</b>	<b>\$9,600</b>	<b>\$9,600</b>	<b>\$9,600</b>

- MML Annual Dues – Michigan Municipal League
- Dickinson Area Partnership – Dues for county wide economic development alliance along with membership in the Dickinson County Chamber of Commerce and the local Tourism association (TADCA).
- Upper Peninsula Travel and Recreation Association (UPTRA) – Recreation and Tourism association assisting members with marketing UP communities.
- Central Upper Peninsula Planning and Development Regional Commission (CUPPAD) – The regional planning agencies were established by state statute to assist small communities and townships handle professional planning and administrative support that cannot be budgeted in house.
- Northern Michigan Public Service Academy (NMPSA) – NMPSA is a training cooperative of public employers stationed in Marquette Michigan with multiple training opportunities for public employees.

## Professional Services

This account budgets for expenditures involving contractual support for various administrative activities.

<b>ACTIVITY</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
Web Page Maintenance	\$0	\$3,600	\$3,600	\$3,600	\$3,600
Surveying/Appraisals	2,000	2,000	2,000	2,000	2,000
OPEB	0	1,200	0	0	1,200
Legal Expense	1,000	1,000	1,000	1,000	1,000
Engineering/GIS	2,000	2,000	2,000	2,000	2,000
Code Supplements	2,000	2,000	2,000	2,000	2,000
Annual Code Updates	700	700	700	700	700
<b>Total</b>	<b>\$ 7,700</b>	<b>\$ 12,500</b>	<b>\$11,300</b>	<b>\$11,300</b>	<b>\$12,500</b>

- Web Page Maintenance – To maintain city web page support and modifications.
- Surveying/Appraisals – Requirements for various city owned properties.
- OPEB – Periodic expense associated with calculating the city’s obligation with retiree health care obligations.
- Legal Expense – To assist with specialty legal support such as labor law, bond attorneys, etc.
- Engineering/GIS – Engineering support for general activities requiring specialty support.
- Code Supplements – Codification expenses incurred twice per year to codify new or revised ordinances.
- Annual Code Updates – Annual expense for maintaining the electronic version of the city’s code of ordinances.

## Employee Activities

<b>ACTIVITY</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
Employee Appreciation Dinner	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Miscellaneous Awards	500	500	500	500	500
<b>TOTAL</b>	<b>\$ 1,500</b>				

**Public Relations/Contributions**

Various contributions to local groups, advertising, and for the annual expense of web page hosting and domain.

<b>ACTIVITY</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
Web Page Hosting	\$ 240	\$ 240	\$ 240	\$ 240	\$ 240
4 <sup>th</sup> of July Contribution	350	350	350	350	350
Knights Boosters	200	200	200	200	200
NVAS Graduation Party	150	150	150	150	150
Miscellaneous Ads, etc.	385	385	385	385	385
Web Page Domain	125	125	125	125	125
NVAS Annual Ad	50	50	50	50	50
<b>TOTAL</b>	<b>\$1,500</b>	<b>\$1,500</b>	<b>\$1,500</b>	<b>\$1,500</b>	<b>\$1,500</b>

**CITY OF NORWAY**  
**GENERAL FUND - MAYOR/COUNCIL/ELECTIONS (101)**

Updated: 6/12/2014

ACCOUNT NUMBER	DEPARTMENT NAME	2011-2012	2012-2013	2013-2014	ADOPTED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED
		ACTUAL	ACTUAL	EST ACTUAL	2013-2014 BUDGET	2014-2015 BUDGET	2015-2016 BUDGET	2016-2017 BUDGET	2017-2018 BUDGET	2018-2019 BUDGET
<b>PERSONNEL SERVICES</b>										
703	Salaries - Part Time	\$8,523	\$11,977	\$10,500	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000
715	Employer - FICA	\$710	\$650	\$650	\$650	\$650	\$650	\$650	\$650	\$650
720	Training/Membership/Travel/Education	\$7,379	\$9,528	\$8,100	\$10,575	\$9,600	\$9,600	\$9,600	\$9,600	\$9,600
	<b>SUBTOTAL - PERSONNEL SERVICES</b>	\$16,612	\$22,156	\$19,250	\$23,225	\$22,250	\$22,250	\$22,250	\$22,250	\$22,250
<b>OPERATION &amp; CONTRACTUAL SERVICES</b>										
740	Supplies (Operating & Office)	\$534	\$3,674	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
745	Printing/Postage/Stationary/Publications	\$811	\$2,555	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
753	Banners & Decorations	\$969	\$0	\$0	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
819	Professional Services	\$12,226	\$41,836	\$16,500	\$20,300	\$12,900	\$11,300	\$11,300	\$12,500	\$11,300
820	Employee Activities	\$1,442	\$1,294	\$1,280	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
821	Boards and Commissions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
822	Public Relations/Contributions	\$1,591	\$1,444	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
861	Maintenance-Equip/Buildings	\$202	\$202	\$210	\$0	\$0	\$0	\$0	\$0	\$0
914	Insurance - Liability/Property/Workers Comp	\$14,486	\$18,293	\$15,070	\$15,000	\$14,560	\$15,288	\$16,052	\$16,855	\$17,698
	<b>SUBTOTAL - OPER. &amp; CONT. SERV.</b>	\$32,261	\$69,298	\$38,560	\$43,300	\$35,460	\$34,588	\$35,352	\$37,355	\$36,998
<b>TOTAL - MAYOR/COUNCIL/ELECTIONS</b>		\$48,873	\$91,454	\$57,810	\$66,525	\$57,710	\$56,838	\$57,602	\$59,605	\$59,248

**GENERAL FUND: ADMINISTRATIVE AND FINANCIAL OPERATIONS  
BUDGET NOTES**

**Full Time Salaries**

Fiscal year 2014-15 expenditures allocate funding for four (4) full-time employees. Budgeted expenditures include the City Manager, Treasurer, Clerk, and Accounting Clerk. For FY 2013-14, the estimated actual expense of \$258,852 is \$2,085 above the FY 2013-14 budget. The FY 2014-15 budget of \$262,190 is 1.29% higher than the FY 2013-14 estimated actual budget.

**Part Time Salaries**

Fiscal year 2014-15 budgeted expenditures allocate funding for three (3) permanent part-time employees and one (1) contract employee. Budgeted expenditures include the City's part-time Utility Clerk, Data Entry Clerk, Assessor and City Attorney contract. Board of Review stipends are also programmed within this expenditure category. For FY 2013-14, the estimated actual expense of \$97,361 is \$12,361 above the FY 2013-14 budget. The FY 2014-15 budget of \$115,648 is 18.78% higher than the FY 2013-14 estimated actual budget. The large increase is mainly due to the office reorganization during this fiscal year to replace one (1) full time employee and summer part time employees with two (2) permanent part time employees.

**Salaries Overtime**

Some overtime expenses have been programmed to handle periodic times throughout the year where it is necessary to have office support on weekends prior to elections and time over the regularly scheduled hours.

**Employee Separation**

Accounts for a portion of the City's obligation to compensate employees at the time of retirement for accumulated vacation and sick leave, as detailed in each of the collective bargaining agreements.

In lieu of a cash payment, eligible employees may elect to exhaust accumulated leave and draw a regular salary leading up to their retirement or separation date. Previous and current contract negotiations have addressed the liability associated with this payout and have eliminated this obligation in the future.

**City Manager Benefits**

Contractual benefits include a \$17,500 contribution to the ICMA - Retirement Corporation paid bi-weekly in lieu of a defined retirement benefit contribution in the MERS program plus a \$150 per month car allowance.

**Employer - FICA**

Represents the City's Social Security and Medicare contributions valued at 7.65% of total salaries.

### Group Insurance (Health ,Life, STD, & LTD)

There are currently four (4) full time employees and two (2) part time employees accounted for within the General Fund Administrative budget with respects to group health, life, and disability insurances. The estimated actual for FY 2013-14 is \$85,500 which is equivalent to the FY 13-14 budget. The proposed budget for FY 2014-15 is \$79,000 or a decrease of 8.23% from the FY 2013-14 estimated actual.

### Municipal Employees Retirement System

Of the four (4) full time employees in the General Fund Administration budget, three (3) are in the MERS defined benefit pension program. The City Manager is not in the defined benefit MERS program. The FY 13-14 estimated actual is \$112,500 which is 2,500 more than the FY 13-14 budget. All full time new hires will be under a defined contribution system. The proposed budget for FY 14-15 is \$130,000. The estimated increase is due to an increase in the percentage applied to the remaining three (3) employees.

### Training/Membership/Travel/Education

This account is for the cost of dues and memberships in various trade, regional, or state organizations. This account also budgets for the costs for training and travel associated with conferences and training activities.

<b>ACTIVITY</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
MLGMA Conference.	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Clerk / Treasurer's Conference	0	0	0	0	0
Misc. Office Training	565	565	565	565	565
Memberships / Certifications (Manager, Clerk, Treasurer, Assessor)	1,635	1,635	1,635	1,635	1,635
<b>Total</b>	<b>\$3,200</b>	<b>\$3,200</b>	<b>\$3,200</b>	<b>\$3,200</b>	<b>\$3,200</b>

### Audit Fees

Full audit expense is shown within the General Fund. Transfers from various Enterprise Funds offset the General Funds obligation.

The City has engaged Mr. Scott Kenney to perform audit services through Fiscal Year 2015-16. The City has budgeted \$19,700 for FY 2014-15, \$20,300 for FY 2015-16, \$20,800 for FY 2016-17, \$21,300 for FY 2017-18 and \$21,800 for FY 2018-19. The City will solicit proposals for the out years once Mr. Kenney's contract has expired.

### Professional Services

This account budgets for expenditures involving contractual support for various administrative activities.

ACTIVITY	2014-15	2015-16	2016-17	2017-18	2018-19
Engineering Support	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Charge Card Fees	4,000	4,000	4,000	4,000	4,000
Copier Maintenance	2,800	2,800	2,800	2,800	2,800
Miscellaneous	200	200	200	200	200
<b>TOTAL</b>	<b>\$8,000</b>	<b>\$8,000</b>	<b>\$8,000</b>	<b>\$8,000</b>	<b>\$8,000</b>

### Maintenance - Equipment & Buildings

Funds annual maintenance of various office machines, including computer equipment, copier, fax, etc.

### Computer Expense

This account is intended to fund the annual support and acquisition of computer software programs and hardware. Miscellaneous software support for out year projections increase 5%. Miscellaneous hardware includes one computer purchase each year in FY 2014-15 through FY 2017-18.

ACTIVITY	2014-15	2015-16	2016-17	2017-18	2018-19
Misc Software Support	\$14,470	\$15,194	\$15,953	\$16,751	\$17,588
Computer Network Support	8,000	8,000	8,000	8,000	8,000
Misc. Software Purchases & Upgrades	4,900	300	300	300	300
Misc Hardware (Accessories/Computers)	3,000	3,000	3,000	3,000	3,000
<b>TOTAL</b>	<b>\$30,370</b>	<b>\$26,494</b>	<b>\$27,253</b>	<b>\$28,051</b>	<b>\$28,888</b>

### Liability/Property/Workers Comp. Insurance:

The estimated actual expense for FY 13-14 is \$15,477 which is \$23 less than the FY 13-14 budget. The proposed budget for FY 2014-15 equals \$15,500. The proposed out year budgets are estimated at 5% increase per year.

**Capital - New Equipment**

<b>ACTIVITY</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
Fax, Copiers, Printers	0	0	0	0	0
Audio / Video	0	0	0	0	0
Misc. Furnishings	1,000	1,000	1,000	1,000	1,000
<b>TOTAL</b>	<b>\$1,000</b>	<b>\$1,000</b>	<b>\$1,000</b>	<b>\$1,000</b>	<b>\$1,000</b>

Even though the City Hall is in need of purchasing additional furnishings for the conference rooms, budgetary shortfalls have not allowed programming funding for this purchase. If donations or contributions are received then purchases will be made at that point. A programmed amount of \$1,000 is allocated to account for annual purchases in this area.

**CITY OF NORWAY  
GENERAL FUND - ADMINISTRATIVE/FINANCIAL/LEGAL OPERATIONS (201)**

Updated: 6/12/2014

ACCOUNT NUMBER	DEPARTMENT NAME	2011-2012	2012-2013	2013-2014	ADOPTED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED
		ACTUAL	ACTUAL	EST ACTUAL	BUDGET						
<b>PERSONNEL SERVICES</b>											
702	Salaries - Full Time	\$287,095	\$294,831	\$258,852	\$256,767	\$262,190	\$254,395	\$260,754	\$267,273	\$273,955	\$273,955
703	Salaries - Part Time	\$57,149	\$57,485	\$97,361	\$85,000	\$115,648	\$117,504	\$119,407	\$121,357	\$123,366	\$123,366
704	Salaries - Overtime	\$1,843	\$1,152	\$4,300	\$1,292	\$2,154	\$2,208	\$2,263	\$2,319	\$2,377	\$2,377
705	Employee Separation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
706	Sick Leave/Vacation Buyback	\$14,409	\$13,304	\$14,757	\$16,000	\$16,000	\$16,400	\$16,810	\$17,230	\$17,661	\$17,661
707	Longevity Pay	\$3,335	\$3,435	\$3,885	\$2,600	\$2,700	\$2,750	\$2,850	\$2,900	\$2,900	\$2,900
710	City Manager Benefits	\$19,804	\$19,069	\$19,300	\$19,300	\$19,300	\$19,300	\$19,300	\$19,300	\$19,300	\$19,300
712	VEBA/HRA/HSA Contribution	\$19,648	\$1,352	\$1,750	\$1,750	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
715	Employer - FICA	\$26,947	\$28,746	\$30,482	\$29,143	\$31,976	\$31,561	\$32,236	\$32,924	\$33,626	\$33,626
716	Group Insurance (Health/Life/LTD/STD/Self-Ins)	\$134,283	\$102,385	\$85,500	\$85,500	\$79,000	\$81,370	\$83,811	\$86,325	\$88,915	\$88,915
717	Self Insured Retention (Health)	\$3,094	\$9,393	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
718	Employer - MERS	\$88,531	\$108,793	\$112,500	\$110,000	\$130,000	\$143,000	\$157,300	\$173,030	\$190,333	\$190,333
719	Unemployment Compensation	\$4,571	\$4,075	\$4,500	\$4,500	\$5,000	\$5,250	\$5,513	\$5,788	\$6,078	\$6,078
720	Training/Membership/Travel/Education	\$4,956	\$2,612	\$3,200	\$4,000	\$3,200	\$3,200	\$3,200	\$3,200	\$3,200	\$3,200
	<b>SUBTOTAL - PERSONNEL SERVICES</b>	\$665,665	\$659,378	\$636,137	\$615,852	\$668,668	\$678,437	\$704,943	\$733,147	\$763,200	\$763,200
<b>OPERATION &amp; CONTRACTUAL SERVICES</b>											
740	Supplies (Operating & Office)	\$5,701	\$4,761	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
745	Printing/Postage/Stationary/Publications	\$3,051	\$2,300	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
807	Audit Fees	\$19,700	\$19,000	\$19,200	\$19,200	\$19,700	\$20,300	\$20,800	\$21,300	\$21,800	\$21,800
819	Professional Services	\$9,564	\$10,699	\$8,000	\$12,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000
861	Maintenance - Equipment/Buildings	\$0	\$432	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
903	Computer Expense	\$5,393	\$5,469	\$18,000	\$12,210	\$30,370	\$26,494	\$27,253	\$28,051	\$28,888	\$28,888
914	Insurance - Liability/Property/Worker's Comp.	\$19,583	\$21,073	\$15,500	\$15,500	\$15,025	\$15,776	\$16,565	\$17,393	\$18,263	\$18,263
920	Telephone	\$4,033	\$2,563	\$2,640	\$2,640	\$1,680	\$1,680	\$1,680	\$1,680	\$1,680	\$1,680
942	Rental/Lease	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600
966.001	Over & Short	\$55	\$0	\$106	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>SUBTOTAL - OPER. &amp; CONT. SERV.</b>	\$67,680	\$66,897	\$73,546	\$71,650	\$84,875	\$82,350	\$84,398	\$86,524	\$88,731	\$88,731
<b>CAPITAL - VEHICLES &amp; EQUIPMENT</b>											
971	New Equipment	\$1,002	\$1,002	\$0	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
	<b>SUBTOTAL - CAPITAL - VEH. &amp; EQUIP.</b>	\$1,002	\$1,002	\$0	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
<b>TOTAL - ADMINISTRATIVE/FINANCIAL/LEGAL OPERATIONS</b>											
		\$734,346	\$727,277	\$709,683	\$688,502	\$754,543	\$761,786	\$790,341	\$820,671	\$852,932	\$852,932



**GENERAL FUND: BUILDING AND GROUNDS  
BUDGET NOTES**

**General**

Building and Grounds expenditures are generally connected with City property holdings including undeveloped real estate, the City Hall Building, and the band shell.

**All Salaries**

Salaries expenditures were budgeted in F.Y. 2014-2015 for staff work associated with assistance to city hall maintenance.

**Professional Services**

This account provides funding for cleaning personnel at City Hall (Sparkle), cleaning floor mats (Aramark), and inspection and maintenance of the elevator (Otis) plus other miscellaneous costs for the building.

<b>ACTIVITY</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
Otis Elevator – Annual permit	\$2,750	\$2,750	\$2,750	\$2,750	\$2,750
Sparkle – Facility Cleaning	7,000	7,000	7,000	7,000	7,000
Aramark - Rugs	1,500	1,500	1,500	1,500	1,500
<b>TOTAL</b>	<b>\$11,250</b>	<b>\$11,250</b>	<b>\$11,250</b>	<b>\$11,250</b>	<b>\$11,250</b>

**Maintenance-Equipment/Buildings**

This account provides funding for maintenance of equipment such as the HVAC system and other miscellaneous costs.

<b>ACTIVITY</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
HVAC Maintenance	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
HVAC Repairs	2,500	2,500	2,500	2,500	2,500
Simplex Grinnel	1,500	1,500	1,500	1,500	1,500
Miscellaneous	1,000	1,000	1,000	1,000	1,000
<b>TOTAL</b>	<b>\$6,500</b>	<b>\$6,500</b>	<b>\$6,500</b>	<b>\$6,500</b>	<b>\$6,500</b>

**Capital Improvements**

For FY 2014-15, \$75,000 has been budgeted to upgrade the HVAC control system.

**CITY OF NORWAY**  
**GENERAL FUND - BUILDING AND GROUNDS (265)**

Updated: 6/12/2014

ACCOUNT NUMBER	DEPARTMENT NAME	2011-2012	2012-2013	2013-2014	ADOPTED	ADOPTED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED
		ACTUAL	ACTUAL	EST ACTUAL	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
<b>PERSONNEL SERVICES</b>											
702	Salaries - Full Time	\$0	\$195	\$0	\$500	\$500	\$500	\$500	\$500	\$500	\$500
703	Salaries - Part Time	\$0	\$0	\$0	\$500	\$500	\$500	\$500	\$500	\$500	\$500
715	Employer - FICA	\$0	\$15	\$0	\$77	\$77	\$77	\$77	\$77	\$77	\$77
	<b>SUBTOTAL - PERSONNEL SERVICES</b>	\$0	\$210	\$0	\$1,077	\$1,077	\$1,077	\$1,077	\$1,077	\$1,077	\$1,077
<b>OPERATION &amp; CONTRACTUAL SERVICES</b>											
740	Supplies (Operating & Office)	\$873	\$2,293	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
745	Printing/Postage/Stationary/Publications	\$24	\$12	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
819	Professional Services	\$12,261	\$14,089	\$11,250	\$11,250	\$11,250	\$11,250	\$11,250	\$11,250	\$11,250	\$11,250
881	Maintenance - Equipment/Buildings	\$928	\$5,062	\$6,500	\$6,500	\$6,500	\$6,500	\$6,500	\$6,500	\$6,500	\$6,500
914	Insurance - Liability & Property	\$2,192	\$2,630	\$2,575	\$2,450	\$2,704	\$2,839	\$2,981	\$2,981	\$2,981	\$3,130
921	Utilities	\$26,066	\$27,220	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
922	Heating Fuel/Gas	\$6,629	\$4,332	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000
923	Common Area Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>SUBTOTAL - OPER. &amp; CONT. SERV.</b>	\$48,973	\$55,637	\$58,815	\$58,700	\$58,954	\$59,089	\$59,231	\$59,231	\$59,380	\$59,380
<b>CAPITAL</b>											
973	Improvements	\$0	\$0	\$0	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000
991-002	Trans to Debt Service - E2P2 Project	\$19,321	\$19,321	\$19,321	\$16,191	\$0	\$0	\$0	\$0	\$0	\$0
	<b>SUBTOTAL - CAPITAL</b>	\$19,321	\$19,321	\$19,321	\$76,191	\$0	\$0	\$0	\$0	\$0	\$0
	<b>TOTAL - BUILDINGS AND GROUNDS</b>	\$68,294	\$75,168	\$78,136	\$135,968	\$60,030	\$60,165	\$60,307	\$60,307	\$60,456	\$60,456

**GENERAL FUND: POLICE DEPARTMENT  
BUDGET NOTES**

**All Salaries**

Due to budgetary demands placed on the general fund, departmental reorganization was undertaken through the collective bargaining agreement ratified in 2007. The reorganization includes the Police Chief position being removed from the Supervisor's bargaining unit and the addition of increased use of part time road patrol. With 1 command position, 3 full time officer positions, and 3 part time positions, the City can adequately maintain 24-7 coverage, double coverage during peak times, and more economically accommodate vacations, court time and other overtime situations. Overtime decreased by 34% between F.Y. 2006-07 and F.Y. 2007-08. Overtime further decreased by an additional 43% between F.Y. 2007-08 and F.Y. 2008-09. Overtime has increased slightly each year from FY 08-09 through FY 2013-14. FY 2013-14 budgeted personnel categories have been increasing slightly over the past two years on cost of living levels but still remain dramatically less than pre 2007 levels. Overall personnel services decreased by 16% between F.Y. 2006-07 and F.Y. 2007-08. Between F.Y. 2007-08 and F.Y. 2008-09, the personnel services costs have increased by 5%. The personnel services expenses for FY 2013 and out years is decreased by 10 percent reflecting the retirement of one command position, the promotion of a patrol officer to the command position, and the hiring of one additional part time patrol officer.

**Training/Memberships/Travel/Education**

**Training**

The department must establish the minimum educational requirements for an officer of this department. Such training should consist of successful completion of the basic police academy for Michigan's Commission on Law Enforcement standards, with further training consisting of radar certification and forensic child interviewing. Additionally, all patrol officers should acquire training in basic first aid as well as cardiopulmonary resuscitation. Officers will be required to achieve qualifications of duty and off duty carried weapons, as well as the use and nomenclature of the department weapons such as shotgun, teargas, and defensive weapons training with further supplemental training in shoot/don't shoot weapon simulator.

The department must establish advanced training standards for officers of this department. Such training would address further generalized, specialized, as well as technical training. An officer would receive training on crime scene examination, legal updates, pressure point tactics, defensive driving and high-speed pursuit, use of force, and adult interview and interrogation techniques.

With the department wanting to have officers trained in crime prevention, crime scene technician, defensive tactics, hostage negotiation and deployment, crime investigation, field training officer program, and the like, and will add professionalism to the department while providing needed services to the community.

This category may see an increase in future years as more part time patrol officers are used to adapt to the new economic environment.

## Memberships

### 1. Critical Incident Response Team (C.I.R.T.)

The Norway Police Department in cooperation with the area law enforcement agencies has committed an officer to be an operational part of the CIRT team whose services would be to be deployed in situations of hostage and/or barricaded incidents that might occur at a school setting, business, or a residential home. The CIRT Officer is a tactical team member deployed county-wide as the entry personnel summoned to handle armed individuals. Their use, as an assault team, is to replace the first responders who initially established a containment area and developed intelligence. Our participation is dependent upon constant and ongoing training, weapon qualifications, and physical fitness standards, as well as acquiring the needed resources and field uniforms.

### 2. K.I.N.D. Drug Enforcement Team

K.I.N.D. is the acronym for area law enforcement agencies of Kingsford, Iron Mountain, Norway, and Dickinson County, of which Officers from each department, two (2) from Norway, comprise a "team of Officers" responsible for all drug enforcement activities in the County. Each department has assigned a coordinator for the exchange of information and to assure our personnel's participation. As with most drug activity, it can easily overwhelm the resources of an individual police agency. This cooperative effort provides a needed manpower to address the community concerns of such criminal activity by the development of drug information, and the executions of search warrants and arrests. The City of Norway has a drug concern of Marijuana as reported within our school system, our residential areas, and as apparent from the arrests made, as well as the presence of heroin and methamphetamine labs. Our involvement in K.I.N.D. requires additional Officer training in drug recognition, informants, search warrant development, and tactical arrest procedures.

### 3. The Norway Police Department maintains membership in various professional organizations such as the International Association of Chief of Police, the Michigan Association of Chiefs of Police, and the Public Safety Institute of Northern Michigan University. These memberships afford our Department a member discount in training classes and seminars, as well as providing periodicals and training materials.

## Supplies – Operating and Office

With the needs of the Department growing, we have acquired computer equipment, both used and new. This equipment is needed for Clerical, the Patrol Supervisor, and Patrol Officers. A copier, along with a fax machine was acquired of which, the Department only shared such equipment, now must provide for its operational and maintenance agreements. As the Department's calls-for-service have increased, so to have the duplication needs of both copying and photographic requests. Our evidence handling has also increased our mailing postage, as well as our need to travel to Marquette more often for polygraph examination, and evidence retrieval.

As the Department becomes more involved in issues involving schools, domestic advocates, law enforcement consortiums and memberships of drug enforcements and incident response, the operational and professional costs are increasing.

Under the Crime Prevention Program, the Police Department, through participation of public presentations, give away an assortment of police stickers, badges, washable tattoos, pens, and

pencils. We are also looking to acquire additional materials to support our Safety Seat Technician for presentations and car seat examination and installation, as well as acquiring public information videos for use on the City's cable channel.

### **Uniform/Cleaning Expense**

As it is the Department's responsibility to provide the uniforms and leather equipment for the Officers, we need to replace worn and damaged shirts, pants, and leather goods, as well as replace an Officer's personal equipment damaged in the course of his employ. Through bi-annual inspections, replacements of worn shirts and flare-burned pants occur, as well as, providing a minimum amount of uniform attire. This clothing allowance also encompasses the duty-weapon, handcuffs, work shoes, and safety eyewear, along with rain gear, badges and shields, name tags, and collar insignias.

### **Gas and Oil**

With the varying gas prices and scheduled oil change and maintenance, and an improvement in our fleet, we will see a proportional increase in fuel consumption, even though our anticipated operational cost-per-mile will remain less. As we increase Officer's schooling, we will also increase our attendance to polygraph hearings, evidence submissions, and court presentations, an Officer's mileage reimbursements will be accounted for under this item.

### **Professional Services**

The Police Department, in its efforts to establish and maintain an eligibility list for Police Officer hiring, needs to create a hiring standard which would consist of a written exam, and an oral interview. With furtherance of a selection process, to have drug testing, polygraph and psychological examination, as well as conducting a criminal history and personal background checks. With the possibility of personnel changes, the Department needs to have available a recruitment eligibility list that would be updated every few years.

### **Maintenance – Equipment / Vehicles**

With the improvement in the Department fleet, the maintenance of the fleet should decrease. This expenditure also takes into account the normal building operations of the Police Department's portion of consumable material, ongoing supplies of ammunitions, batteries, and duplication cartridges.

### **Computers**

The Department's computer needs have increased, with additional data entries being made, as well as the need for supplementary storage of record backup. With the digital storage of photographic media files and the need to acquire a scanner for missing person posters and internet posting, the Department needs to acquire a "writer" or "re-writer" for daily protection of data files. With the demands for greater memory application, the Department's slower units need to be replaced as well as acquiring needed programs. The department has also included in-car cameras and has also started adding computerized assistance within the squads.

## Telephones

The Police Department currently has one emergency line dedicated to the department. This past year the non-emergency lines were included within the City Hall call listing and call tree. The department also has one general cell phone and one dedicated cell phone for the command position.

## Rental Lease

The Police Department's operations are dependent upon the various rental and lease agreements. One such agreement is for the east tower antenna which is necessary as a "repeater" for transmissions of the police frequency. With our participation in CIRT and KIND, we have pagers assigned to these Officers on special assignment who are subject to call-ins and deployment. To ascertain the identity of individuals calling the Police Department, the Department has installed "Caller-ID".

## Capital - New Equipment

ACTIVITY	2014-15	2015-16	2016-17	2017-18	2018-19
Body Camera	1,000	0	0	0	0
Tasers (1)	0	1000	0	1000	0
Body Armor	0	0	0	3,200	2,400
New Squad Equipment	0	0	0	0	0
<b>Total</b>	<b>5270</b>	<b>1000</b>	<b>1000</b>	<b>1000</b>	<b>1000</b>

- Body Camera

Audio/video equipment is now standard issue for each patrol officer to protect residents and the officers.

- Tasers

The purchase of one new taser has been programmed for every other year.

- Body Armor

Officers of the Norway Police Department have been provided with bullet-resistant vests, of which are capable of stopping most common caliber of ammunitions. With the application of a titanium chest plate, the stopping resistance of the vest has been increased, but only in the covered area. As most local residents have weapons for hunting, the firepower available is well beyond the stopping capacity of most vests worn. To add additional protection for first-responders, we are seeking to acquire additional body armor that would be stored in each squad for immediate use by Officers dispatched to hostage, barricaded situations or man-with-a-gun call. Body Armor has a useful life of 5 years and is required to be removed from service at that time. Due to the age and distribution of our current equipment, we have scheduled a reoccurring expense for 2 sets each year.

- New Squad Equipment -

With the addition of a new squad car, we need to acquire various pieces of equipment to outfit the patrol vehicle. When utilizing the USDA Rural Development grant program for the purchase of the squad at 40% grant, the equipment has been programmed into the cost of the vehicle under Account 970.

**CITY OF NORWAY  
GENERAL FUND - POLICE DEPARTMENT (301)**

Updated: 6/12/2014

ACCOUNT NUMBER	DEPARTMENT NAME	2011-2012 ACTUAL	2012-2013 ACTUAL	2013-2014 EST. ACTUAL	ADOPTED BUDGET 2013-2014	ADOPTED BUDGET 2014-2015	PROPOSED BUDGET 2015-2016	PROPOSED BUDGET 2016-2017	PROPOSED BUDGET 2017-2018	PROPOSED BUDGET 2018-2019
<b>PERSONNEL SERVICES</b>										
702	Salaries - Full Time	\$197,863	\$196,570	\$188,913	\$174,335	\$193,315	\$180,502	\$184,902	\$189,412	\$194,258
703	Salaries - Part Time	\$75,223	\$82,087	\$89,642	\$91,984	\$91,385	\$93,669	\$96,011	\$98,411	\$100,872
704	Salaries - Overtime	\$34,717	\$31,442	\$37,676	\$37,676	\$36,796	\$37,663	\$38,604	\$39,570	\$40,570
705	Employee Separation	\$0	\$35,582	\$0	\$0	\$0	\$0	\$0	\$0	\$0
706	Sick Leave/Vacation Buyback	\$13,235	\$4,246	\$9,936	\$2,500	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
707	Longevity Pay	\$2,775	\$2,825	\$2,475	\$2,300	\$2,350	\$2,350	\$2,450	\$2,450	\$2,550
712	VEBA/HRA/HSA Contribution	\$9,034	\$1,280	\$2,000	\$2,300	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
715	Employer - FICA	\$25,557	\$28,491	\$25,141	\$23,623	\$25,539	\$24,800	\$25,396	\$25,998	\$26,641
716	Group Insurance (Health/Life/LTD/STD/Self-Ins)	\$89,577	\$104,350	\$73,500	\$73,500	\$78,500	\$80,855	\$83,281	\$85,779	\$88,352
717	Self Insured Retention	\$1,976	\$1,072	\$0	\$0	\$0	\$0	\$0	\$0	\$0
718	Employer - MERS	\$76,929	\$110,580	\$95,400	\$80,600	\$100,000	\$110,000	\$121,000	\$133,100	\$146,410
719	Unemployment Compensation	\$5,514	\$6,151	\$5,800	\$5,800	\$5,800	\$6,090	\$6,395	\$6,714	\$7,050
720	Training/Membership/Travel/Education	\$333	\$922	\$2,000	\$2,000	\$2,105	\$2,105	\$2,105	\$2,105	\$2,105
721	Police Training - P.A. 302 Funds	\$945	\$886	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
	<b>SUBTOTAL - PERSONNEL SERVICES</b>	<b>\$533,678</b>	<b>\$606,484</b>	<b>\$533,483</b>	<b>\$497,618</b>	<b>\$548,789</b>	<b>\$551,034</b>	<b>\$573,143</b>	<b>\$596,539</b>	<b>\$621,808</b>
<b>OPERATION &amp; CONTRACTUAL SERVICES</b>										
740	Supplies (Operating & Office)	\$2,626	\$3,747	\$3,000	\$3,000	\$3,250	\$3,250	\$3,250	\$3,250	\$3,250
745	Printing/Postage/Stationary/Publications	\$788	\$272	\$500	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
750	Uniform/Cleaning Expense	\$2,185	\$2,225	\$2,750	\$2,750	\$4,865	\$4,265	\$4,265	\$4,265	\$4,865
751	Gas & Oil	\$16,673	\$17,891	\$18,000	\$20,500	\$20,500	\$20,500	\$20,500	\$20,500	\$20,500
809	EDP Transport	\$0	\$0	\$0	\$0	\$2,500	\$5,000	\$5,000	\$5,000	\$5,000
819	Professional Services	\$3,818	\$4,451	\$4,500	\$6,320	\$6,320	\$6,320	\$6,320	\$6,320	\$6,320
861	Maintenance - Equipment/Buildings	\$6,692	\$2,529	\$5,500	\$7,000	\$7,000	\$4,500	\$4,500	\$4,500	\$4,500
903	Computer Expense	\$1,812	\$2,718	\$3,500	\$4,000	\$4,000	\$3,500	\$3,500	\$3,500	\$3,500
914	Insurance - Liability/Property/Worker's Comp.	\$13,021	\$15,283	\$18,725	\$17,325	\$17,485	\$18,359	\$19,277	\$20,241	\$21,253
920	Telephone	\$6,211	\$3,520	\$2,400	\$3,000	\$2,520	\$2,520	\$2,520	\$2,520	\$2,520
921	Utilities - CATV/Internet	\$384	\$684	\$700	\$700	\$700	\$700	\$700	\$700	\$700
942	Rent/Lease	\$1,100	\$1,150	\$1,270	\$1,270	\$1,270	\$1,270	\$1,270	\$1,270	\$1,270
	<b>SUBTOTAL - OPER. &amp; CONT. SERV.</b>	<b>\$55,308</b>	<b>\$54,470</b>	<b>\$60,845</b>	<b>\$66,865</b>	<b>\$71,410</b>	<b>\$71,184</b>	<b>\$72,102</b>	<b>\$73,066</b>	<b>\$74,678</b>
<b>CAPITAL - VEHICLES &amp; EQUIPMENT</b>										
970	New Vehicles	\$0	\$34,361	\$0	\$0	\$39,300	\$0	\$40,000	\$0	\$40,000
971	New Equipment	\$0	\$0	\$3,420	\$5,270	\$1,000	\$1,000	\$0	\$4,200	\$2,400
	<b>SUBTOTAL - CAPITAL - VEHI. &amp; EQUIP.</b>	<b>\$0</b>	<b>\$34,361</b>	<b>\$3,420</b>	<b>\$5,270</b>	<b>\$40,300</b>	<b>\$1,000</b>	<b>\$40,000</b>	<b>\$4,200</b>	<b>\$42,400</b>
<b>TOTAL - POLICE DEPARTMENT</b>										
		<b>\$588,986</b>	<b>\$695,315</b>	<b>\$597,748</b>	<b>\$569,753</b>	<b>\$660,499</b>	<b>\$623,219</b>	<b>\$685,246</b>	<b>\$673,806</b>	<b>\$738,886</b>



**GENERAL FUND: PUBLIC WORKS  
BUDGET NOTES**

**All Salaries**

Full time salary expenditures maintain a compliment of three (3) DPW employees. Part time summer staffing hours are planned at 350 hours covering two (2) employees. Overtime salaries are budgeted at 7.5% of full time salaries consistent with public works industry average. Personnel service expenditures represent 44% of total departmental expenditures. Also starting in FY 04-05, salaries were budgeted in Major and Local Street funds to more adequately account for proper cost accounting.

**Training/Membership/Travel/Education**

Allocates funding for APWA and other professional association memberships as well as attendance at professional conferences, seminars and workshops.

**Street Signage**

Funds intended to acquire new street signs, traffic control signs, and intersection signs. Starting with the 2003-2004 Fiscal Budget, expenses were moved to the Major and Local Street Funds to more adequately account for proper cost accounting. A small budget of \$500 remains in this fund to account for general signage not associated with street signs.

**Street Repair and Patching**

Funds cold patch and hot patch acquisition. Starting with the 2003-2004 Fiscal Budget, expenses were moved to the Major and Local Street Funds to more adequately account for proper cost accounting.

**Sand and Salt**

Funds primarily used in winter maintenance activities. Starting with the 2003-2004 Fiscal Budget expenses were moved to the Major and Local Street Funds to more adequately account for proper cost accounting.

**Computer Expense**

Intended to reflect future upgrades - i.e. work station to accommodate mapping and utility atlas initiative, inventory programs, and internet access.

**Utilities**

Expenditures account for city utilities such as water, sewer, electric, street and alley lighting.

## Professional Services

DESCRIPTION	2014-15	2015-16	2016-17	2017-18	2018-19
Engineering Services	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
DCHS	500	500	500	500	500
Aramark	500	500	500	500	500
General (Miscellaneous)	300	300	300	300	300
MEUW Safety	4,400	4,400	4,400	4,400	4,400
<b>TOTAL</b>	<b>\$ 6,700</b>				

- Engineering Services – Engineering support for operations and GIS (graphical information System).
- DCHS – Random drug testing charges as mandated by the State of Michigan under the Commercial Drivers License (CDL) program.
- Aramark – Uniform and rug cleaning services
- MEUW Safety – Starting in 2011 the City of Norway in cooperation with other WPPI communities have collaborated to share the cost of a safety professional through the MEUW organization. This individual is designated as the City's safety director and is on site one week per month. Each department is charged an amount based on the number of employees in the fund.

## Maintenance - Equipment

Accounts for routine equipment maintenance and older fleet maintenance. Most maintenance performed in house.

## New Vehicles/Equipment

For FY 2014-15, \$140,000 has been programmed for the purchase of a new single axle plow truck to replace the current sander/salter plow truck.

CITY OF NORWAY  
GENERAL FUND - DEPARTMENT OF PUBLIC WORKS (441)

Updated: 6/12/2014

ACCOUNT NUMBER	DEPARTMENT NAME	2011-2012 ACTUAL	2012-2013 ACTUAL	2013-2014 EST ACTUAL	2013-2014 BUDGET	2014-2015 BUDGET	2015-2016 BUDGET	2016-2017 BUDGET	2017-2018 BUDGET	2018-2019 BUDGET
<b>PERSONNEL SERVICES</b>										
702	Salaries - Full Time	\$73,688	\$86,723	\$91,900	\$85,000	\$91,900	\$87,125	\$89,303	\$91,536	\$93,824
703	Salaries - Part Time	\$2,284	\$2,941	\$3,490	\$3,213	\$19,350	\$3,350	\$3,350	\$3,350	\$3,350
704	Salaries - Overtime	\$611	\$617	\$1,424	\$1,424	\$1,424	\$1,458	\$1,496	\$1,533	\$1,572
705	Employee Separation (1% of full-time)	\$0	\$36,178	\$0	\$0	\$0	\$0	\$0	\$0	\$0
706	Sick Leave/Vacation Buyback	\$1,905	\$1,825	\$904	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
707	Longevity Pay	\$1,600	\$2,300	\$1,700	\$1,600	\$1,750	\$1,750	\$1,850	\$1,850	\$1,900
712	VEBA/HRA/HSA Contribution	\$11,350	\$1,296	\$1,550	\$1,550	\$1,550	\$1,550	\$1,550	\$1,550	\$1,550
715	Employer - FICA	\$6,196	\$9,967	\$7,605	\$7,133	\$8,906	\$7,320	\$7,497	\$7,671	\$7,852
716	Group Insurance (Health/Life/LTD/STD/Self-Ins)	\$71,052	\$54,384	\$57,000	\$57,000	\$60,000	\$61,800	\$63,654	\$65,564	\$67,531
717	Self Insured Retention	\$2,180	\$5,066	\$0	\$0	\$0	\$0	\$0	\$0	\$0
718	Employer - MERS	\$29,163	\$36,000	\$40,000	\$36,850	\$41,400	\$45,540	\$50,094	\$55,103	\$60,614
719	Unemployment Compensation	\$2,877	\$2,893	\$3,000	\$3,500	\$3,000	\$3,150	\$3,308	\$3,473	\$3,647
720	Training/Membership/Travel/Education	\$276	\$350	\$100	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
	<b>SUBTOTAL - PERSONNEL SERVICES</b>	\$203,181	\$240,540	\$208,623	\$200,270	\$232,280	\$216,044	\$225,101	\$234,929	\$244,839
<b>OPERATION &amp; CONTRACTUAL SERVICES</b>										
740	Supplies (Operating & Office)	\$5,791	\$6,288	\$3,200	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
745	Printing/Postage/Stationery/Publications	\$135	\$372	\$500	\$200	\$400	\$400	\$400	\$400	\$400
747	Street Signage	\$561	\$0	\$500	\$500	\$500	\$500	\$500	\$500	\$500
750	Uniform/Cleaning/Safety Glasses	\$765	\$875	\$1,000	\$1,710	\$1,710	\$1,710	\$1,710	\$1,710	\$1,710
751	Gas & Oil	\$27,642	\$29,451	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
819	Professional Services	\$1,779	\$7,374	\$4,500	\$6,500	\$6,700	\$6,700	\$6,700	\$6,700	\$6,700
861	Maintenance - EQUIPMENT	\$42,237	\$38,651	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
861-001	Maintenance - BUILDINGS	\$2,738	\$1,626	\$1,500	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
903	Computer Expense	\$47	\$22	\$500	\$500	\$500	\$500	\$500	\$500	\$500
914	Insurance-Liab/Property/Work Comp	\$7,602	\$6,640	\$14,600	\$13,600	\$14,765	\$15,503	\$16,278	\$17,092	\$17,947
920	Telephone	\$966	\$391	\$360	\$840	\$840	\$840	\$840	\$840	\$840
921	Utilities - Street Lighting	\$38,491	\$31,186	\$28,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000
922	Heating Fuel/Gas	\$4,910	\$3,537	\$4,200	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
942	Rental/Lease	\$277	\$127	\$0	\$500	\$500	\$500	\$500	\$500	\$500
956	Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>SUBTOTAL - OPER. &amp; CONT. SERV.</b>	\$134,941	\$126,542	\$128,860	\$149,550	\$150,915	\$151,653	\$152,428	\$153,242	\$154,097
<b>CAPITAL - VEHICLES &amp; EQUIPMENT</b>										
970	New Vehicles	\$0	\$142,680	\$0	\$0	\$140,000	\$0	\$0	\$0	\$0
971	Capital Improvement/New Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
981	Transfer to Electric Fund (WPP1 Loan)	\$2,408	\$5,780	\$5,780	\$5,780	\$5,780	\$5,780	\$5,780	\$5,780	\$5,780
991-001	Transfer to Debt Service - Dump Truck Loan	\$33,060	\$33,060	\$7,906	\$8,482	\$0	\$0	\$0	\$0	\$0
991-002	Transfer to Debt Service - E2P2 Project	\$2,956	\$2,956	\$2,956	\$2,956	\$2,477	\$0	\$0	\$0	\$0
991-003	Transfer to Debt Service - Streetsweeper Loan	\$0	\$95,410	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>SUBTOTAL - CAPITAL - VEHICLES &amp; EQUIP.</b>	\$38,424	\$279,886	\$16,642	\$17,218	\$148,257	\$5,780	\$5,780	\$5,780	\$5,780
<b>TOTAL - DEPARTMENT OF PUBLIC WORKS</b>										
		\$376,547	\$646,968	\$354,125	\$367,038	\$531,452	\$373,477	\$383,310	\$393,652	\$404,716



**GENERAL FUND: REFUSE  
BUDGET NOTES**

**All Salaries**

Prior to FY 2013-14, the city budgeted for one full time employee and one seasonal employee. In the past, salaries have been budgeted under Public Works. Cost accounting allocations to the refuse department will help to better evaluate the costs associated with refuse pickup. Since refuse collection is a 3 day per week operation, the budget of one employee adequately covered the actual costs incurred at year end. Starting with FY 2013-14, the city negotiated for two part time employees. This allowed the full time DPW employees to perform their regular duties in lieu of taking refuse collection duties. The negotiation also accomplished a substantial savings in payroll costs in this department.

For Fiscal Year 2005-06, the City reorganized its refuse collection by eliminating dumpster collection. This change was initiated following a year long evaluation of our overall service and costs. The driving factors in making this decision are as follows:

- Costs associated with dumpster collection accounted for 66% of the operating costs.
- Revenues collected for dumpster collection accounted for 33% of revenues collected.
- Eliminating dumpster collection changed the specifications required for a new garbage truck. A smaller truck could be purchased to cover residential and small commercial accounts.
- Efficiencies improved in refuse collection

**Landfill Tipping Fees**

For the calendar year 2014, tipping fees have increased to \$71.00 per ton. The estimated tipping fees are shown in the attached chart:

	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
Ave tons / year	1100	1100	1100	1100	1100
Tipping Fee per Ton	\$71.00	\$71.00	\$71.00	\$71.00	\$71.00
Total (\$)	\$78,100	\$78,100	\$78,100	\$78,100	\$78,100

**Professional Services**

The City has contracted with GAD to collect non-commercial dumpsters within the City. Also in FY 06-07, a new recycling service was offered with a drop center located at the Public Works Facility. The acceptable recycling container will collect #1 and #2 plastic and tin cans. In 2009 GAD discontinued glass pickup. GAD is contracted to collect recycling waste 2 times per month. This budget has been estimated at \$25,000 per year.

**New Vehicles**

In FY 05-06, the City replaced the garbage truck for a cost of \$85,695. Industry average for replacement of refuse vehicles is at 5 years. Starting in July of 2009, \$17,500 was set aside each year for equipment replacement. For FY 2014-15 a new truck has been programmed at a cost of \$150,000.





## GENERAL FUND: RECREATION BUDGET NOTES

### All Salaries

Starting in Fiscal Year 04-05 salaries have been programmed into recreation for proper fund accounting. With the increased attention and expectation from the residents for quality parks, more attention has been directed towards the summer parks program. Parks and Recreation is an important quality of life asset for any community. Six (6) summer help employees and two (2) ice rink attendants have been programmed for FY 14-15 with a total of 2,750 hours. Personnel services account for 77% of the parks and recreation operating budget.

### Capital Improvements

Prior to 2007, all parks and recreation capital improvement and capital maintenance projects were handled through the Capital Fund. Revenues from city owned property sales helped finance capital improvements by placing those revenues in the capital fund. In 2007, the city purchased 80 acres from the Michigan Department of Natural Resources by using available funds in General Fund Equity. Following this purchase, Council approved a resolution to have all future revenues from property sales placed in the General Fund until the sale amount was repaid. To date there is \$80,000 to be repaid to the General Fund for this purchase. This left little to no revenues available for parks improvements. Grants and private contributions are to be utilized for future improvements. In 2012 the City Council agreed that any monies raised through timber activities would be used to pay for park maintenance activities.

The Parks and Recreation Committee has been working on preparing master plans for the following city parks:

- Marion Park
- Strawberry Lake
- Hanbury Lake
- Norway Myr

The Parks and Recreation Committee has also been working with the Michigan Department of Natural Resources on an Urban Forestry Program. The city was awarded an initial urban forestry grant in 2007 to hire a consulting forester to survey the boulevard trees. The plan was also set up to develop and implement a plan to replace dead and dying boulevard trees. The plan also established a nursery for future tree planting.

Other Maintenance Type projects include:

- Miscellaneous improvements to benches and tables
- Staining and sealing pavilions
- Repaving and sealing asphalt trails

The focus for the next few years will be concentrated on maintenance activities to our existing facilities rather than new capital improvements. For FY 2014-15, the city received a grant from the MDNR to construct two (2) new tennis courts at Marion Park.

**CITY OF NORWAY  
GENERAL FUND - RECREATION DEPARTMENT (751)**

Updated: 6/12/2014

ACCOUNT NUMBER	DEPARTMENT NAME	2011-2012 ACTUAL	2012-2013 ACTUAL	2013-2014 EST ACTUAL	ADOPTED BUDGET 2013-2014	ADOPTED BUDGET 2014-2015	PROPOSED BUDGET 2015-2016	PROPOSED BUDGET 2016-2017	PROPOSED BUDGET 2017-2018	PROPOSED BUDGET 2018-2019
<b>PERSONNEL SERVICES</b>										
702	Salaries - Full Time	\$34,399	\$34,275	\$35,339	\$35,339	\$35,339	\$34,817	\$35,562	\$36,326	\$37,109
703	Salaries - Part Time	\$21,019	\$19,474	\$25,663	\$18,556	\$25,800	\$25,800	\$25,800	\$25,800	\$25,800
704	Salaries - Overtime	\$0	\$90	\$0	\$0	\$0	\$0	\$0	\$0	\$0
706	Sick Leave/Vacation Buyback	\$1,629	\$1,147	\$559	\$1,119	\$1,119	\$1,147	\$1,175	\$1,205	\$1,235
707	Longevity Pay	\$300	\$300	\$300	\$300	\$300	\$300	\$325	\$325	\$325
712	HRA/HSA Contribution	\$1,784	\$106	\$135	\$150	\$135	\$135	\$135	\$135	\$135
715	Employer - FICA	\$4,506	\$4,289	\$4,732	\$4,232	\$4,786	\$4,748	\$4,809	\$4,870	\$4,932
716	Group Insurance (Health/Life/STD/LTD/Seif-Ins)	\$9,744	\$9,227	\$11,000	\$9,300	\$9,600	\$9,888	\$10,185	\$10,490	\$10,805
717	Self Insured Retention (Health)	\$0	\$5,099	\$0	\$0	\$0	\$0	\$0	\$0	\$0
718	Employer - MERS	\$17,128	\$21,302	\$22,800	\$22,500	\$32,750	\$36,025	\$39,628	\$43,590	\$47,949
719	Unemployment Compensation	\$1,369	\$1,584	\$1,500	\$1,500	\$1,500	\$1,575	\$1,654	\$1,736	\$1,823
720	Training/Membership/Travel/Education	\$14	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>SUBTOTAL - PERSONNEL SERVICES</b>	\$91,893	\$96,902	\$102,029	\$92,996	\$111,329	\$114,434	\$119,272	\$124,478	\$130,114
<b>OPERATION &amp; CONTRACTURAL SERVICES</b>										
740	Supplies (Operating & Office)	\$3,987	\$3,657	\$3,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000
745	Printing/Postage/Stationary/Publications	\$77	\$120	\$100	\$100	\$100	\$100	\$100	\$100	\$100
750	Uniform/Cleaning Expense	\$305	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125
751	Gas & Oil	\$0	\$585	\$0	\$0	\$0	\$0	\$0	\$0	\$0
819	Professional Services	\$3,914	\$2,924	\$4,000	\$1,500	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500
861	Maintenance - Equipment/Buildings	\$2,686	\$6,900	\$2,500	\$2,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
903	Computer Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
914	Insurance - Liability/Property/Worker's Comp	\$973	\$1,538	\$1,450	\$1,800	\$1,850	\$1,943	\$2,040	\$2,142	\$2,249
920	Telephone	\$240	\$240	\$240	\$240	\$240	\$240	\$240	\$240	\$240
921	Utilities	\$14,741	\$15,977	\$18,500	\$18,500	\$18,500	\$18,500	\$18,500	\$18,500	\$18,500
922	Heating Fuel/Gas	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
942	Rental/Lease	\$155	\$0	\$0	\$500	\$500	\$500	\$500	\$500	\$500
	<b>SUBTOTAL - OPER. &amp; CONT. SERV.</b>	\$27,079	\$32,067	\$29,915	\$28,765	\$33,815	\$33,908	\$34,005	\$34,107	\$34,214
<b>CAPITAL - VEHICLES &amp; EQUIPMENT</b>										
970	New Vehicles	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
971	New Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>SUBTOTAL - CAPITAL - VEHI. &amp; EQUIP.</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL - RECREATION DEPARTMENT</b>		\$118,972	\$128,969	\$131,944	\$121,761	\$145,144	\$148,342	\$153,277	\$156,584	\$164,327





**TRANSFERS FUND  
BUDGET NOTES**

The City of Norway appropriates transfers to and from various funds throughout the year to account for revenue or expenditure activity between the funds.

- Transfers In - Monies transferred into the identified fund
- Transfers Out – Monies transferred out of the identified fund

The main transfer activity involves the utility funds transferring monies into the General Fund. The transfers account for payments to the General Fund support activities which benefit all funds. The following parameters are used to calculate transfer totals:

- A percentage is applied to each utility based on the proportional amount of their overall revenue compared to each other (total).
- The percentage for each fund is applied against the identified expenses.
- The Golf Fund has not been programmed into the transfer due to the increased level of support from the Golf Commission in taking activities which were historically performed by staff in the City Hall. Also, the golf fund does not utilize the same level of benefit as directly from the General Fund as the other utilities.

The following General Fund expenditure activities are included in the transfer calculation:

• Administration/Council Salaries	\$330,431
• Administration/Council Fringe	\$298,926
• Audit Expense	\$19,700
• Attorney/Assessor	\$61,560
• City Hall Debt Service	\$80,755
• General Fund Utilities	\$108,500
• New Software/Annual Support	\$30,370
• One Full Time Police Officer	\$90,000
• Council/GF- Professional Services	<u>\$15,700</u>
	Total \$1,035,942

The following percentages as applied to each utility:

• Electric Fund	49.0%
• Sewer Fund	10.0%
• Water Fund	12.0%
• Cable Fund	13.0%
• Golf Fund	0.0%

**CITY OF NORWAY  
GENERAL FUND - TRANSFERS IN/OUT (940)**

Updated: 06/12/14

ACCOUNT NUMBER	DEPARTMENT NAME	2011-2012	2012-2013	2013-2014	ADOPTED		PROPOSED		PROPOSED		PROPOSED	
		ACTUAL	ACTUAL	EST ACTUAL	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
<b>TRANSFERS IN</b>												
	From Capital Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	From DDA	\$26,500	\$27,295	\$28,115	\$28,115	\$28,958	\$29,827	\$30,722	\$31,643	\$32,592	\$33,592	\$34,592
681	From Wastewater Fund	\$91,848	\$93,989	\$100,784	\$100,784	\$103,594	\$108,774	\$114,213	\$119,923	\$125,919	\$131,919	\$137,919
687	From Cable TV Fund	\$133,180	\$146,205	\$131,019	\$131,019	\$134,673	\$141,406	\$148,476	\$155,900	\$163,695	\$171,695	\$179,695
688	From Golf Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
689	From Water Fund	\$101,033	\$104,432	\$120,941	\$120,941	\$124,313	\$130,529	\$137,055	\$143,908	\$151,103	\$158,303	\$165,503
691	From Electric Fund	\$459,241	\$480,387	\$493,841	\$493,841	\$507,612	\$532,992	\$559,642	\$587,624	\$617,005	\$647,005	\$677,005
691.001	From Electric Fund - E/O Program	\$0	\$35,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
691.001	From Electric Fund - City Hail Control System	\$0	\$0	\$0	\$0	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0
693	From Major Street Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
694	From Local Street Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
695	From Fund Equity	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	From Various Funds (Sidewalk Machine)	\$0	\$60,410	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>SUBTOTAL - TRANSFERS IN</b>	\$811,802	\$947,718	\$874,700	\$874,700	\$999,150	\$943,528	\$990,108	\$1,038,999	\$1,090,316	\$1,141,832	\$1,193,352
<b>TRANSFERS OUT</b>												
982.001	To City/Volunteer Fire Dept. Fund	\$98,593	\$71,922	\$137,808	\$137,808	\$124,302	\$100,385	\$104,001	\$84,774	\$125,074	\$166,574	\$208,074
983	To Water Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
984	To Golf Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
986	To Major Street	\$0	\$35,000	\$9,102	\$60,035	\$34,902	\$28,912	\$22,743	\$16,389	\$9,844	\$0	\$0
988	To Wastewater Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
990	To Local Streets	\$0	\$18,000	\$33,850	\$8,602	\$24,362	\$5,308	\$2,162	\$0	\$0	\$0	\$0
991.001	To Debt Service - Annual Debt Serv (City Hail)	\$83,815	\$81,215	\$83,615	\$83,615	\$80,755	\$82,895	\$82,895	\$82,895	\$82,895	\$82,895	\$82,895
992	To Museum Fund (contribution + utilities)	\$6,986	\$7,549	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000
999	To Capital Projects (Anderson Land Contract)	\$0	\$17,898	\$15,112	\$15,112	\$15,112	\$15,112	\$15,112	\$15,112	\$15,112	\$15,112	\$15,112
999	To Capital Projects (Safe Routes To Schools)	\$0	\$0	\$20,000	\$35,000	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0
999.001	To OPEB Trust Fund	\$23,123	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>SUBTOTAL - TRANSFERS OUT</b>	\$212,516	\$231,583	\$306,487	\$347,172	\$301,433	\$239,612	\$233,913	\$283,679	\$317,434	\$372,882	\$427,882
	<b>TOTAL - TRANSFERS IN/OUT</b>	\$599,286	\$716,135	\$568,213	\$527,528	\$697,717	\$703,916	\$756,195	\$755,320	\$772,882	\$772,882	\$772,882

**FUND TRANSFER WORKSHEET**

Fiscal Year 2014-2015

Activity	Electric		Sewer		Water		Cable		Golf	
	%	\$	%	\$	%	\$	%	\$	%	\$
Admin/Council Salaries \$330,431	49	\$161,911	10	\$33,043	12	\$39,652	13	\$42,956	0	\$0
Admin/Council Fringe/Training \$298,926	49	\$146,474	10	\$29,893	12	\$35,871	13	\$38,860	0	\$0
Audit Expense \$19,700	49	\$9,653	10	\$1,970	12	\$2,364	13	\$2,561	0	\$0
Attorney/Assessor \$61,560	49	\$30,164	10	\$6,156	12	\$7,387	13	\$8,003	0	\$0
City Hall Debt Service \$80,755	49	\$39,570	10	\$8,076	12	\$9,691	13	\$10,498	---	---
General Fund Utilities (including Museums) \$108,500	49	\$53,165	10	\$10,850	12	\$13,020	13	\$14,105	0	\$0
New software/annual support \$30,370	49	\$14,881	10	\$3,037	12	\$3,644	13	\$3,948	---	---
Council - Professional Services \$12,900	49	\$6,321	10	\$1,290	12	\$1,548	13	\$1,677	0	\$0
GF - Professional Services \$8,000	49	\$3,920	10	\$800	12	\$960	13	\$1,040	0	\$0
One Full-Time Officer \$90,000	49	\$44,100	10	\$9,000	12	\$10,800	13	\$11,700	0	\$0
2014-2015 Totals		\$510,160		\$104,114		\$124,937		\$135,349		\$0
2015-2016 Totals		\$535,668		\$109,320		\$131,184		\$142,116		\$0
2016-2017 Totals		\$562,451		\$114,786		\$137,743		\$149,222		\$0
2017-2018 Totals		\$590,574		\$120,525		\$144,630		\$156,683		\$0
2018-2019 Totals		\$620,103		\$126,552		\$151,862		\$164,517		\$0

## MAJOR STREET FUND BUDGET NOTES

Revenue and expenditures related to eligible maintenance and construction activities upon streets within the public right-of-way designated as "Major" streets under Michigan Public Act 51 are accounted for in the Major Street Fund.

Major streets are those city streets of the greatest general importance to the municipality. This classification of streets was originally selected by the City Council and approved by the State Highway Commission under the provisions of Act 51, P.A. 1951. The factors by which a municipality selects its major streets are as follows:

- Streets that provide extensions to state trunk lines or county primary roads in facilitating through traffic.
- Streets that provide an integral network to service the traffic demands created by industrial, commercial, educational, or other traffic generating centers.
- Streets that provide for the circulation of traffic in and around the central business district.
- Streets that are designed as truck routes.
- Streets that collect traffic from an area served by extensive network of local streets.

The City currently has 11.63 miles of Major Streets in the street system. The major streets are:

- |                         |                           |
|-------------------------|---------------------------|
| • Main Street           | • Curry Road              |
| • Section Street        | • Kimberly Road           |
| • Stephenson Street     | • Railroad Avenue         |
| • Huron Street          | • 4 <sup>th</sup> Avenue  |
| • Pearney Lane          | • 11 <sup>th</sup> Avenue |
| • Scenic Drive          | • 13 <sup>th</sup> Avenue |
| • Forest Drive          | • 13 <sup>th</sup> Avenue |
| • Lower Pine Creek Road | • 16 <sup>th</sup> Avenue |

For the fiscal year ending June 30, 2014, the estimated expenses exceed the estimated revenues by \$9,102. For FY 2014-15, revenues are budgeted at \$134,902 under expenditures. The shortfall is being compensated through a \$100,000 transfer from the Electric Fund and a \$34,902 transfer from the General Fund. The Electric Fund transfer is to cover some aggressive street improvement maintenance projects and the General Fund transfer is to cover basic maintenance activities. The City Council will continue to monitor the street funds and look for solutions to bring monies into the city to help with paving and patching streets.

### **Revenues**

The estimated revenue for the fiscal year ending June 30, 2014 is \$257,844 which is \$36,509 more than the approved FY 2013-14 budget. The FY 2013-14 adopted budget programmed a \$60,035 General Fund transfer to cover expenses. The estimated actual fiscal year-end figures show an improvement from budget by \$23,526. The city received more money than the adopted budget for snow removal payments and trunkline maintenance reimbursements from the State of Michigan. For FY 2014-15, an amount of \$220,500 was budgeted from normal revenue with an additional \$134,902 in transfers from the General Fund and the Electric Fund. The primary revenue sources for the Major Street Fund without other fund transfers are as follows:

- Act 51 Formula Payments
- Snow Removal Formula Payment
- Trunkline Maintenance Reimbursement – Paid by MDOT for maintenance activities on US 2 and US 8
- Metro Funds – Metropolitan Extension Telecommunications Right-of-Way Oversight Act (METRO Act) – PA 48 of 2002 – fees collected from telecommunications providers and distributed to municipalities for use in public right-of-way.

### **Expenditures**

There are five (5) main categories of expenditures in the Major Street Fund as follows:

- Routine Maintenance
- Traffic Service
- Winter Operations
- Highway Maintenance
- Administration

The street funds also account for sidewalk replacement and capital outlays.

The estimated expenditures for the fiscal year ending June 30, 2014 are \$266,946 which is \$14,424 less than the adopted FY 13-14 budget. The adopted FY 2014-15 budget is \$355,402. Expenditures budgeted for the upcoming fiscal year include typical maintenance activities along with street patching and sign replacements. \$100,000 has been programmed for a chip sealing project on Kimberly Road and a micro-surfacing project for Section Street. These two projects represent an aggressive maintenance program to address proper street maintenance for roads that are yet to be considered failed. More of these types of activities will be programmed in future years to help protect decent roads within the city.

In 2014, one project is scheduled for seven blocks of Railroad Avenue from Iron Street to Walnut Street. The project is being funded through the Federal Aid Program, the DDA, and the Water Fund. The city also has an application in to the USDA Rural Development office in Gladstone to perform a major water and sewer infrastructure. This project has been approved and the project should be constructed in either 2015, or 2016. The main areas of emphasis will be as follows:

- 2<sup>nd</sup> Avenue – US 8 to Section Street
- Norway Street – 2<sup>nd</sup> Avenue to 4<sup>th</sup> Avenue
- Main Street – 2<sup>nd</sup> Avenue to 4<sup>th</sup> Avenue
- Mine Street – US 2 to 2<sup>nd</sup> Avenue
- Iron Street – US 2 to 2<sup>nd</sup> Avenue
- Section Street – US 2 to Railroad Avenue
- Maple Street – US 2 to Railroad Avenue
- Railroad Avenue – Walnut Street to US 2
- 7<sup>th</sup> Avenue – US 2 to City Limits
- 8<sup>th</sup> Avenue – 7<sup>th</sup> Avenue to Lake Street

For other street and road projects in future years, the city will program roughly \$250,000 per year to perform crush and shape projects on roadways that do not have utilities.

**CITY OF NORWAY**  
**MAJOR STREET FUND**  
**JULY 1, 2010 THRU JUNE 30, 2018**  
**DETAILS OF REVENUES**

Updated: 5/29/2014

ACCOUNT NUMBER	DEPARTMENT NAME	2011-2012	2012-2013	2013-2014	ADOPTED		PROPOSED		PROPOSED		PROPOSED	
		ACTUAL	ACTUAL	EST ACTUAL	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
405.003	Property Tax Revenue - Voted Rd Millage	\$0	\$9,534	\$9,628	\$9,485	\$9,650	\$9,940	\$10,238	\$10,545	\$10,862		
410	Act 51 Revenue	\$195,835	\$197,553	\$190,000	\$190,000	\$190,000	\$195,700	\$201,571	\$207,618	\$213,847		
411	Snow Removal Payment	\$1,870	\$0	\$46,706	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000		
420	Trunkline Maintenance Reimbursement	\$6,454	\$9,755	\$7,000	\$6,350	\$6,350	\$6,350	\$6,350	\$6,350	\$6,350		
490	Metro Funds	\$4,508	\$4,597	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500		
539	State Grant (DNR)	\$472	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
571	Transportation Grant - Fed	\$489,297	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
609	Resident Contribution (Sidewalks/Trees)	\$700	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
665	Interest on Investments	\$71	\$4	\$10	\$1,000	\$0	\$0	\$0	\$0	\$0		
	<b>GRAND TOTAL REVENUES:</b>	<b>\$699,206</b>	<b>\$221,444</b>	<b>\$257,844</b>	<b>\$221,335</b>	<b>\$220,500</b>	<b>\$226,490</b>	<b>\$232,659</b>	<b>\$239,013</b>	<b>\$245,558</b>		
680	Transfers In	\$53,367	\$0	\$0	\$0	\$100,000	\$0	\$0	\$0	\$0		
686	Transfer From General Fund	\$0	\$35,000	\$9,102	\$60,035	\$34,902	\$28,912	\$22,743	\$16,389	\$9,844		
	<b>GRAND TOTAL EXPENDITURES:</b>	<b>\$796,688</b>	<b>\$278,002</b>	<b>\$266,946</b>	<b>\$281,370</b>	<b>\$355,402</b>	<b>\$255,402</b>	<b>\$255,402</b>	<b>\$255,402</b>	<b>\$255,402</b>		
	<b>REV. OVER/(UNDER) EXPENDITURES:</b>	<b>(\$44,115)</b>	<b>(\$21,558)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$0)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>		

CITY OF NORWAY  
 MAJOR STREET FUND  
 JULY 1, 2011 THRU JUNE 30, 2019  
 DETAILS OF EXPENDITURES

Updated: 5/29/2014

ACCOUNT NUMBER	DEPARTMENT NAME	2011-2012 ACTUAL	2012-2013 ACTUAL	2013-2014 EST. ACTUAL	ADOPTED 2013-2014 BUDGET	ADOPTED 2014-2015 BUDGET	PROPOSED 2015-2016 BUDGET	PROPOSED 2016-2017 BUDGET	PROPOSED 2017-2018 BUDGET	PROPOSED 2018-2019 BUDGET
<b>ROUTINE MAINTENANCE:</b>										
702	Salaries - Full Time	\$53,428	\$49,850	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000
715	Social Security	\$4,071	\$3,769	\$3,445	\$3,445	\$3,445	\$3,445	\$3,445	\$3,445	\$3,445
724	Fringe Benefits	\$44,496	\$39,812	\$32,000	\$32,000	\$32,000	\$32,000	\$32,000	\$32,000	\$32,000
744	Materials	\$6,886	\$10,136	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
819	Professional Services	\$338	\$2,830	\$500	\$500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
943	Equipment Rental	\$53,922	\$47,543	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
	<b>TOTAL ROUTINE MAINTENANCE:</b>	\$183,151	\$154,041	\$136,945	\$136,945	\$136,945	\$136,945	\$136,945	\$136,945	\$136,945
<b>TRAFFIC SERVICE:</b>										
702	Salaries - Full Time	\$3,083	\$1,486	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
715	Social Security	\$233	\$113	\$700	\$700	\$700	\$700	\$700	\$700	\$700
724	Fringe Benefits	\$1,761	\$837	\$2,125	\$2,125	\$2,125	\$2,125	\$2,125	\$2,125	\$2,125
819	Professional Services	\$0	\$4,500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
943	Equipment Rental	\$1,331	\$930	\$1,000	\$1,000	\$500	\$500	\$500	\$500	\$500
	<b>TOTAL TRAFFIC SERVICE:</b>	\$6,408	\$8,800	\$8,875	\$12,325	\$12,325	\$12,325	\$12,325	\$12,325	\$12,325
<b>WINTER OPERATIONS - SNOW/ICE CONTROL:</b>										
702	Salaries - Full Time	\$14,783	\$20,967	\$22,500	\$16,500	\$18,500	\$18,500	\$18,500	\$18,500	\$18,500
715	Social Security	\$1,121	\$1,545	\$1,666	\$1,150	\$1,415	\$1,415	\$1,415	\$1,415	\$1,415
724	Fringe Benefits	\$12,785	\$17,007	\$18,540	\$15,200	\$15,200	\$15,200	\$15,200	\$15,200	\$15,200
744	Materials	\$24,137	\$30,168	\$29,667	\$29,667	\$29,667	\$29,667	\$29,667	\$29,667	\$29,667
943	Equipment Rental	\$26,184	\$38,479	\$42,503	\$23,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000
	<b>TOTAL WINTER OPERATIONS:</b>	\$79,011	\$107,866	\$114,876	\$81,567	\$99,782	\$99,782	\$99,782	\$99,782	\$99,782
<b>HIGHWAY MAINTENANCE:</b>										
702	Salaries - Full Time	\$1,226	\$1,976	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
715	Social Security	\$93	\$148	\$150	\$150	\$150	\$150	\$150	\$150	\$150
724	Fringe Benefits	\$1,055	\$1,239	\$1,700	\$1,700	\$1,700	\$1,700	\$1,700	\$1,700	\$1,700
744	Materials	\$640	\$0	\$0	\$500	\$500	\$500	\$500	\$500	\$500
819	Professional Services	\$0	\$314	\$200	\$0	\$0	\$0	\$0	\$0	\$0
881	Maintenance - Equip & Buildings	\$0	\$200	\$200	\$0	\$0	\$0	\$0	\$0	\$0
921	Utilities	\$159	\$188	\$0	\$0	\$0	\$0	\$0	\$0	\$0
943	Equipment Rental	\$3,440	\$3,550	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
	<b>TOTAL HIGHWAY MAINTENANCE:</b>	\$6,613	\$7,195	\$8,250	\$6,350	\$6,350	\$6,350	\$6,350	\$6,350	\$6,350
<b>ADMINISTRATIVE:</b>										
720	Training/Membership/Travel/Education	\$23	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
807	Audit	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
818	Professional Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
830	Record Keeping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>TOTAL ADMINISTRATIVE:</b>	\$23	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TREES &amp; SHRUBS:</b>										
	Materials	\$1,230	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>SIDEWALKS:</b>										
	Sidewalk Replacement Costs	\$538,636	\$0	\$0	\$100,000	\$0	\$0	\$0	\$0	\$0
<b>CAPITAL OUTLAY:</b>										
	Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TRANSFERS OUT:</b>										
982	To General Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
983	To Water Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
988	To Wastewater Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
990	To Local Street Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
999	To Capital Projects Fund	\$0	\$0	\$0	\$45,183	\$0	\$0	\$0	\$0	\$0
	<b>TOTAL MAJOR STREET EXPENSES</b>	\$796,688	\$278,002	\$286,946	\$281,370	\$355,402	\$255,402	\$255,402	\$255,402	\$255,402
	<b>TOTAL MAJOR STREET REVENUES</b>	\$752,574	\$256,444	\$266,946	\$281,370	\$355,402	\$255,402	\$255,402	\$255,402	\$255,402
	<b>MAJOR ST. REV. OVER/(UNDER) EXPENDITURES</b>	(\$44,115)	(\$21,558)	\$0	\$0	\$0	(\$0)	\$0	\$0	\$0

Fund Balance	YEAR ENDED JUNE 30, 2010	YEAR ENDED JUNE 30, 2011	YEAR ENDED JUNE 30, 2012	YEAR ENDED JUNE 30, 2013	YEAR ENDED JUNE 30, 2014	YEAR ENDED JUNE 30, 2015	YEAR ENDED JUNE 30, 2016	YEAR ENDED JUNE 30, 2017	YEAR ENDED JUNE 30, 2018	YEAR ENDED JUNE 30, 2019
Beginning Balance:	\$123,749	\$66,739	\$22,824	\$1,066	\$1,066	\$1,066	\$1,067	\$1,067	\$1,067	\$1,067
Revenues:	\$780,997	\$752,574	\$256,444	\$266,946	\$281,370	\$355,402	\$255,402	\$255,402	\$255,402	\$255,402
Expenditures:	(\$636,007)	(\$796,688)	(\$278,002)	(\$266,946)	(\$281,370)	(\$355,402)	(\$255,402)	(\$255,402)	(\$255,402)	(\$255,402)
Prior Period Adjustments:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ending Balance:	\$86,739	\$22,824	\$1,066	\$1,066	\$1,066	\$1,067	\$1,067	\$1,067	\$1,067	\$1,068

## **LOCAL STREET FUND BUDGET NOTES**

Revenue and expenditures related to eligible maintenance and construction activities upon streets within the public right-of-way designated as "Local" streets under Michigan Public Act 51 are accounted for in the Local Street Fund. Local streets are all remaining streets not designated as major. There are 25.22 miles of local streets within the City of Norway.

### **Revenues**

The estimated revenue for the fiscal year ending June 30, 2014 is \$227,511 which is \$15,736 more than the approved FY 2013-14 budget. The FY 2013-14 adopted budget programmed an \$8,602 General Fund transfer to cover expenses. The estimated actual fiscal year-end figures show an additional amount of \$25,248 needed to balance the budget. The city received more money than the adopted budget for snow removal payments from the State of Michigan. For FY 2014-15, an amount of \$205,741 was budgeted from normal revenue with an additional \$24,362 in transfers from the General Fund. The primary revenue sources for the Local Street Fund are as follows:

- Act 51 Formula Payments
- Snow Removal Formula Payment
- Metro Funds – Metropolitan Extension Telecommunications Right-of-Way Oversight Act (METRO Act) – PA 48 of 2002 – fees collected from telecommunications providers and distributed to municipalities for use in public right-of-way.

### **Expenses**

Local Street Fund operating expenditures for the fiscal year ending June 30, 2014 is projected at \$230,103 which is \$9,726 more than the FY 2013-14 adopted budget. There are four (4) categories of expenditures in the Local Street Fund as follows:

- Routine Maintenance
- Traffic Service
- Winter Operations
- Highway Maintenance
- Administration

The street funds also account for sidewalk replacement and capital outlays. Starting with the FY 2013-14 budget, \$280,000 has been transferred from the Electric Fund to try and address simple crush and shape pavement projects on our local streets. This transfer is not guaranteed for out year budgets however will be evaluated on an annual basis. This amount currently estimates 10 blocks of street work. Budget appropriations account for maintenance activities with the proposed FY 14-15 budget at \$230,103 which is \$24,362 more than the proposed budgeted revenues.

**CITY OF NORWAY  
LOCAL STREET FUND  
JULY 1, 2011 THRU JUNE 30, 2019  
DETAILS OF REVENUES**

Updated: 6/12/14

ACCOUNT NUMBER	DEPARTMENT NAME	2011-2012	2012-2013	2013-2014	ADOPTED	ADOPTED	PROPOSED	PROPOSED	PROPOSED	PROPOSED
		ACTUAL	ACTUAL	EST ACTUAL	2013-2014 BUDGET	2014-2015 BUDGET	2015-2016 BUDGET	2016-2017 BUDGET	2017-2018 BUDGET	2018-2019 BUDGET
405	Property Tax Revenue - Street Impr Bonds	\$99,499	\$98,029	\$95,464	\$98,305	\$92,940	\$99,930	\$86,885	\$83,770	\$80,620
405.003	Property Tax Revenue - Voted Rd Millage	\$0	\$19,069	\$19,255	\$18,970	\$19,301	\$19,880	\$20,476	\$21,091	\$21,723
410	Act 51 Revenue	\$86,871	\$86,316	\$82,500	\$82,500	\$82,500	\$84,975	\$87,524	\$90,150	\$92,854
411	Snow Removal Payment	\$0	\$0	\$21,192	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
490	Metro Funds	\$9,015	\$9,195	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000
570	Grant Proceeds	\$145,891	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
609	Resident Contribution - Sidewalk Replacement	\$2,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
665	Interest on Investments	\$169	\$124	\$100	\$1,000	\$0	\$0	\$0	\$0	\$0
	<b>GRAND TOTAL REVENUES:</b>	<b>\$343,945</b>	<b>\$212,732</b>	<b>\$227,511</b>	<b>\$211,775</b>	<b>\$205,741</b>	<b>\$205,785</b>	<b>\$205,886</b>	<b>\$206,011</b>	<b>\$206,198</b>
680	Transfers In	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
680	Transfer From Fund Equity	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
686	Transfer From General Fund	\$0	\$18,000	\$33,850	\$6,602	\$24,362	\$5,308	\$2,162	\$0	\$0
697	Transfer From Capital Projects Fund	\$52,733	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>GRAND TOTAL EXPENDITURES:</b>	<b>\$426,617</b>	<b>\$236,226</b>	<b>\$261,338</b>	<b>\$220,377</b>	<b>\$230,103</b>	<b>\$212,093</b>	<b>\$209,048</b>	<b>\$205,933</b>	<b>\$202,763</b>
	<b>REVENUE OVER/(UNDER) EXPENDITURES:</b>	<b>(\$29,939)</b>	<b>(\$5,494)</b>	<b>\$23</b>	<b>\$0</b>	<b>(\$0)</b>	<b>(\$1,000)</b>	<b>(\$1,000)</b>	<b>\$78</b>	<b>\$3,415</b>

CITY OF NORWAY  
 LOCAL STREET FUND  
 JULY 1, 2011 THRU JUNE 30, 2019  
 DETAILS OF EXPENDITURES

Updated: 6/12/14

ACCOUNT NUMBER	DEPARTMENT NAME	2011-2012 ACTUAL	2012-2013 ACTUAL	2013-2014 EST ACTUAL	ADOPTED 2013-2014 BUDGET	ADOPTED 2014-2015 BUDGET	PROPOSED 2015-2016 BUDGET	PROPOSED 2016-2017 BUDGET	PROPOSED 2017-2018 BUDGET	PROPOSED 2018-2019 BUDGET
<b>ROUTINE MAINTENANCE:</b>										
702	Salaries - Full Time	\$24,616	\$17,688	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
715	Social Security	\$1,875	\$1,336	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150
724	Fringe Benefits	\$20,470	\$14,135	\$12,750	\$12,750	\$12,750	\$12,750	\$12,750	\$12,750	\$12,750
744	Materials	\$15,124	\$25,000	\$17,600	\$25,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
819	Professional Services	\$30,846	\$3,169	\$0	\$0	\$1,271	\$1,271	\$1,271	\$1,271	\$1,271
943	Equipment Rental	\$36,543	\$25,021	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
	<b>TOTAL ROUTINE MAINTENANCE:</b>	<b>\$129,474</b>	<b>\$72,543</b>	<b>\$80,171</b>	<b>\$71,500</b>	<b>\$80,171</b>	<b>\$65,171</b>	<b>\$65,171</b>	<b>\$65,171</b>	<b>\$65,171</b>
<b>TRAFFIC SERVICE:</b>										
702	Salaries - Full Time	\$518	\$119	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
715	Social Security	\$47	\$9	\$77	\$77	\$77	\$77	\$77	\$77	\$77
724	Fringe Benefits	\$510	\$102	\$850	\$850	\$850	\$850	\$850	\$850	\$850
744	Materials	\$182	\$530	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
819	Professional Services	\$0	\$4,560	\$0	\$0	\$0	\$0	\$0	\$0	\$0
943	Equipment Rental	\$165	\$653	\$100	\$100	\$100	\$100	\$100	\$100	\$100
	<b>TOTAL TRAFFIC SERVICE:</b>	<b>\$1,524</b>	<b>\$5,872</b>	<b>\$5,077</b>	<b>\$5,027</b>	<b>\$5,027</b>	<b>\$5,027</b>	<b>\$5,027</b>	<b>\$5,027</b>	<b>\$5,027</b>
<b>WINTER MAINTENANCE:</b>										
702	Salaries - Full Time	\$7,525	\$11,411	\$16,900	\$7,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
715	Social Security	\$573	\$655	\$1,250	\$535	\$765	\$765	\$765	\$765	\$765
724	Fringe Benefits	\$6,507	\$8,500	\$13,825	\$6,200	\$8,200	\$8,200	\$8,200	\$8,200	\$8,200
744	Materials	\$12,089	\$15,107	\$15,000	\$20,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
943	Equipment Rental	\$15,819	\$22,643	\$33,100	\$15,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000
	<b>TOTAL WINTER OPERATIONS:</b>	<b>\$42,483</b>	<b>\$59,406</b>	<b>\$80,175</b>	<b>\$48,485</b>	<b>\$51,965</b>	<b>\$51,965</b>	<b>\$51,965</b>	<b>\$51,965</b>	<b>\$51,965</b>
<b>ADMINISTRATIVE:</b>										
720	Training/Membership/Travel/Education	\$45	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
807	Audit	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
819	Professional Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
830	Record Keeping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>TOTAL ADMINISTRATIVE:</b>	<b>\$45</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TREES &amp; SHRUBS:</b>										
	Materials	\$5,535	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Sidewalk Replacement Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Construction	\$146,335	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>CAPITAL OUTLAY:</b>										
	To General Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
962	To Water Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
963	To Debt Service Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
991.001	To Debt Service Fund	\$101,210	\$99,305	\$95,815	\$95,365	\$92,940	\$93,930	\$93,770	\$93,770	\$93,920
998	To Capital Projects Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>TOTAL LOCAL STREET EXPENSES:</b>	<b>\$426,617</b>	<b>\$236,226</b>	<b>\$261,338</b>	<b>\$220,377</b>	<b>\$230,103</b>	<b>\$212,093</b>	<b>\$209,048</b>	<b>\$205,933</b>	<b>\$202,783</b>
	<b>TOTAL LOCAL STREET REVENUES:</b>	<b>\$396,678</b>	<b>\$230,732</b>	<b>\$261,361</b>	<b>\$220,377</b>	<b>\$230,103</b>	<b>\$211,093</b>	<b>\$208,048</b>	<b>\$206,011</b>	<b>\$206,198</b>
<b>LOCAL ST. REVENUE OVER/(UNDER) EXPENDITURES:</b>										
	Fund Balance									
	Prior Years									
	and Future Years									
	2010-2011	\$36,223	\$6,767	\$1,273	\$1,273	\$1,296	\$1,296	\$296	\$296	(\$627)
	2011-2012	\$288,573	\$396,678	\$230,732	\$230,377	\$230,103	\$211,093	\$208,048	\$206,011	\$206,198
	2012-2013	(\$256,080)	(\$426,617)	(\$261,338)	(\$230,377)	(\$230,103)	(\$212,093)	(\$206,048)	(\$205,933)	(\$202,783)
	2013-2014	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	2014-2015	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	2015-2016	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	2016-2017	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	2017-2018	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	2018-2019	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>Beginning Balance:</b>	<b>\$36,223</b>	<b>\$6,767</b>	<b>\$1,273</b>	<b>\$1,273</b>	<b>\$1,296</b>	<b>\$1,296</b>	<b>\$296</b>	<b>\$296</b>	<b>(\$627)</b>
	<b>Revenues:</b>	<b>\$288,573</b>	<b>\$396,678</b>	<b>\$230,732</b>	<b>\$230,377</b>	<b>\$230,103</b>	<b>\$211,093</b>	<b>\$208,048</b>	<b>\$206,011</b>	<b>\$206,198</b>
	<b>Expenditures:</b>	<b>(\$256,080)</b>	<b>(\$426,617)</b>	<b>(\$261,338)</b>	<b>(\$230,377)</b>	<b>(\$230,103)</b>	<b>(\$212,093)</b>	<b>(\$206,048)</b>	<b>(\$205,933)</b>	<b>(\$202,783)</b>
	<b>Prior Period Adjustment:</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	<b>Ending Balance:</b>	<b>\$36,706</b>	<b>\$6,767</b>	<b>\$1,273</b>	<b>\$1,296</b>	<b>\$1,296</b>	<b>\$296</b>	<b>(\$705)</b>	<b>(\$627)</b>	<b>\$2,788</b>

**DOWNTOWN DEVELOPMENT AUTHORITY FUND  
BUDGET NOTES**

**Revenues**

For F.Y. 2014-15 staff projects taxable value at \$ 58,242,960 or 0.13% below the 2013 value of \$58,316,100. Upon creation of the DDA District, the SEV within the territory was established and frozen at \$ 8,352,908. Total DDA capture above the base SEV is projected at \$9,546,498. F.Y. 2014-15 property tax revenue is estimated at \$244,720 or 0.77% less than F.Y. 2013-14 estimated actual receipts. Out year projections reflect a modest 3% adjustment. The following table illustrates assumptions followed in calculating F.Y. 2014-15 property tax receipts.

<b>PROPERTY TAX RECEIPTS PROJECTION</b>	
School Operating – NOT CAPTURED	-00-
County (9.2403 mills)	88,213
State Education - NOT CAPTURED	-00-
School Debt – NOT CAPTURED	-00-
School Bond – NOT CAPTURED	-00-
Intermediate School District - NOT CAPTURED	-00-
City of Norway (16.3942)	156,507
<b>TOTAL</b>	<b>\$244,720</b>

Proposal A Implications: Proposal A only allowed capture of school operating, state education and ISD revenue to pay off DDA bonded debt which was issued prior to December 31, 1994. Since the retirement of the debt (Norway Spring Subdivision) in F.Y. 2005-06, the capture of school tax increment revenue has been prohibited.

**Expenditures**

Fixed expenditures comprise the vast majority of annual DDA obligations. The F.Y. 2014-15 proposed expenditure plan allocates funds necessary to meet existing debt payment structures for the Downtown Streetscape improvements.

In Fiscal Year 2014-15, 1 major street and utility project has been programmed through the Federal Aid program. The project is scheduled for complete utility and street reconstruction on Railroad Avenue from Iron Street to Walnut Street. The DDA will contribute the local share for the first four blocks from Iron Street to Section Street which covers the sewer replacement portion of the project. The DDA has also agreed to fund projects within the new Norway Myr Recreational Area.

## Transfer Out - District Capital Improvements

<b>ACTIVITY</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
Water Fund	\$0	\$0	\$0	\$0	\$0
Wastewater Fund	0	0	0	0	0
General Fund	28,958	29,827	30,722	31,643	32,592
Capital Projects Fund	60,000	0	0	0	0
<b>Total</b>	<b>88,958</b>	<b>29,827</b>	<b>30,722</b>	<b>31,643</b>	<b>32,592</b>

### Note:

Capital transfers intended to offset planned or anticipated improvements within the District; full funding for any utility extension, street reconstruction or other improvements will likely be in combination with programmed utility revenue. The transfer to the General Fund is to offset expenditures from personnel such as the Manager, Treasurer, and Clerical support.

### Future Projects

With the Streetscape Project completed in 2005, the DDA will concentrate on the priority list established by the Downtown Blueprints Study that was completed in 2004. The study identified key areas for the downtown to concentrate on in upcoming years to promote and revitalize Norway's City Center. The major priorities include:

- Façade Program and incentives (in progress)
- Building Design Standards
- Downtown Events utilizing the Band Shell
- Signage Improvements
- Business recruitment and retention
- Alley Improvements
- Upper story apartment program
- Improved marketing

The DDA district also includes the properties along US 2 and the industrial park area. The DDA has programmed activities along the highway to include sidewalk and other non-motorized transportation routes to help pedestrian and bike traffic along the highway. Economic development projects are also programmed in the industrial park area.

As part of the economic development initiatives for the community, the DDA has started efforts towards implementing programs to aid with economic gardening for small entrepreneurs, look for opportunities to initiate incubator projects, and to develop a comprehensive marketing plan which will utilize all forms of medium including updating web pages and advertising.

CITY OF NORWAY  
DOWNTOWN DEVELOPMENT AUTHORITY FUND  
JULY 1, 2011 THRU JUNE 30, 2019  
DETAILS OF REVENUES

Updated: 5/29/14

ACCOUNT NUMBER	DEPARTMENT NAME	2011-2012		2012-2013		2013-2014		ADOPTED 2013-2014		ADOPTED 2014-2015		PROPOSED 2015-2016		PROPOSED 2016-2017		PROPOSED 2017-2018		PROPOSED 2018-2019			
		ACTUAL	EST ACTUAL	ACTUAL	EST ACTUAL	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	
405	Property Taxes	\$240,521	\$238,924	\$259,300	\$246,625	\$244,720	\$252,062	\$259,623	\$267,412	\$275,435											
430	Facade Program - Business Share	\$5,650	\$5,998	\$3,651	\$3,150	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
430.001	Facade Program - Business Interest	\$734	\$366	\$55	\$55	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
569	Bond Issue Proceeds - Downtown Streetscape	\$0	\$65,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
570	Grant Proceeds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
631.003	Proceeds - Fall Festival	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
633	Miscellaneous Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
655	Penalties	\$966	\$836	\$810	\$800	\$800	\$800	\$800	\$800	\$800	\$800	\$800	\$800	\$800	\$800	\$800	\$800	\$800	\$800	\$800	
665	Interest on Investments	\$1,680	\$1,233	\$1,000	\$2,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	
675	Donations/Contributions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	GRAND TOTAL REVENUES:	\$249,571	\$312,377	\$264,816	\$252,630	\$246,520	\$253,862	\$261,423	\$269,212	\$277,235											
680	Transfers In	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
685	Transfer In (from Fund Equity)	\$0	\$0	\$90,000	\$124,688	\$60,000	\$124,688	\$60,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	GRAND TOTAL EXPENDITURES	\$340,695	\$268,228	\$258,518	\$315,806	\$259,732	\$315,806	\$259,732	\$224,187	\$231,412											
	REVENUE OVER/(UNDER) EXPENDITURES	(\$91,124)	\$44,149	\$66,298	\$61,513	\$46,788	\$45,752	\$50,129	\$45,025	\$45,822											
	Fund Balance																				
	Prior Years																				
	and Future Years																				
	Beginning Balance:	\$335,586	\$198,741	\$242,891	\$242,891	\$309,189	\$242,891	\$309,189	\$309,189	\$309,189	\$309,189	\$309,189	\$309,189	\$309,189	\$309,189	\$309,189	\$309,189	\$309,189	\$309,189	\$309,189	
	Revenues:	\$239,026	\$312,377	\$324,816	\$377,318	\$306,520	\$253,862	\$261,423	\$269,212	\$277,235											
	Expenditures:	(\$284,747)	(\$268,228)	(\$258,518)	(\$315,806)	(\$259,732)	(\$315,806)	(\$259,732)	(\$224,187)	(\$231,412)											
	Prior Period Adjustment:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Ending Balance:	\$289,865	\$242,891	\$309,189	\$304,403	\$355,977	\$401,729	\$451,859	\$496,884	\$542,706											

CASH BALANCE ANALYSIS

Beginning Cash Balance:	\$288,704
Revenues:	\$244,555
Expenditures:	(\$268,228)
Ending Cash Balance:	\$265,031

CITY OF NORWAY  
DOWNTOWN DEVELOPMENT AUTHORITY FUND - (204-488)

Updated: 05/29/14

ACCOUNT NUMBER	DEPARTMENT NAME	2011-2012 ACTUAL	2012-2013 ACTUAL	2013-2014 EST ACTUAL	ADOPTED 2013-2014 BUDGET	ADOPTED 2014-2015 BUDGET	PROPOSED 2015-2016 BUDGET	PROPOSED 2016-2017 BUDGET	PROPOSED 2017-2018 BUDGET	PROPOSED 2018-2019 BUDGET
OPERATION & CONTRACTUAL SERVICES										
703	Salaries - Part Time	\$7,200	\$5,200	\$2,700	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800
720	Training/Membership/Travel/Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
725	Property Acquisition	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
738	Bandshell Renovations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
740	Supplies (Office & Operating)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
745	Print/Postage/Stationery/Public	\$0	\$73	\$0	\$0	\$0	\$0	\$0	\$0	\$0
753	Banners & Decorations	\$149	\$5,037	\$2,500	\$600	\$600	\$600	\$600	\$600	\$600
800	Legal Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
807	Audit Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
816.001	Fall Festival Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
819	Professional Services	\$2,500	\$1,625	\$4,500	\$3,400	\$3,400	\$3,400	\$3,400	\$3,400	\$3,400
824	Facade Project Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
950	Reimbursement to Taxing Units (for 1998)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Reimbursement to Taxing Units (for 1996)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Reimbursement to Taxing Units (for 1997)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Reimbursement to Taxing Units (for 1998)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Reimbursement to Local Schools (Debt)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
957	Bond Payment - Principle (Norway Spring)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
974	DDA Planning/Community Projects	\$30,568	\$2,536	\$12,500	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
975	Bond Issue Costs (Discounts)	\$1,149	\$40,182	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150
993	Bond Issue - Administrative Fee	\$500	\$250	\$500	\$500	\$500	\$500	\$500	\$500	\$500
994	Interest Expense	\$74,845	\$61,186	\$41,553	\$41,553	\$39,324	\$36,833	\$34,123	\$31,094	\$27,370
995	Bond Payment - Principle (Streetscape)	\$45,000	\$35,000	\$105,000	\$105,000	\$115,000	\$125,000	\$130,000	\$145,000	\$155,000
996	Bond Payment - Principle (Streetscape) - Phase II	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
998	New Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
971		\$191,911	\$151,089	\$170,403	\$163,003	\$170,774	\$178,263	\$180,573	\$192,544	\$198,820
	SUBTOTAL - OPERATION & CONTRACT SERV.									
980	Transfers Out	\$148,784	\$117,139	\$68,115	\$152,803	\$68,958	\$29,827	\$30,722	\$31,843	\$32,592
	TOTAL - DDA FUND	\$340,695	\$268,228	\$258,518	\$315,806	\$259,732	\$208,109	\$211,294	\$224,187	\$231,412

CITY OF NORWAY  
DOWNTOWN DEVELOPMENT AUTHORITY FUND - TRANSFERS IN/OUT (940)

Updated: 05/29/14

ACCOUNT NUMBER	DEPARTMENT NAME	2011-2012 ACTUAL	2012-2013 ACTUAL	2013-2014 EST ACTUAL	ADOPTED 2013-2014 BUDGET	ADOPTED 2014-2015 BUDGET	PROPOSED 2015-2016 BUDGET	PROPOSED 2016-2017 BUDGET	PROPOSED 2017-2018 BUDGET	PROPOSED 2018-2019 BUDGET
686	From Gen. Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	SUBTOTAL - TRANSFERS IN:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
986	To Major Street Fund	\$51	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
988	To Wastewater Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
982	To General Fund	\$26,500	\$57,295	\$28,115	\$28,115	\$28,958	\$29,827	\$30,722	\$31,643	\$32,592
999	To Capital Projects Fund	\$122,233	\$59,844	\$60,000	\$124,688	\$60,000	\$0	\$0	\$0	\$0
	SUBTOTAL - TRANSFERS OUT:	\$148,784	\$117,139	\$88,115	\$152,803	\$88,958	\$29,827	\$30,722	\$31,643	\$32,592
	TOTAL - TRANSFERS IN/OUT	(\$148,784)	(\$117,139)	(\$88,115)	(\$152,803)	(\$88,958)	(\$29,827)	(\$30,722)	(\$31,643)	(\$32,592)

TRANSFERS IN

TRANSFERS OUT

## **MUSEUM FUND BUDGET NOTES**

In the early to mid 1990's, the City of Norway received a grant from the Curtis J. Brackett Fund to purchase the building and artifacts from the long-time resident historian Jake Menghini. Initially the management of the museum activities was handled through the Parks and Recreation Committee. It was quickly realized that this was not manageable and a separate committee was formed calling themselves the Jake Menghini Museum Committee. Subsequently, the financial management of their activities was transferred to a separate Museum Fund. At present the Jake Menghini Museum Committee is responsible for the day-to-day operations of the museum through the dedicated assistance of many volunteers both sitting on the board and in the Museum Partners Organization.

The general operating budget for the museum is modest with FY 14-15 revenues proposed at \$20,625 and operating expenditures proposed in FY 14-15 at \$17,695. Revenues are generated mainly from donations with the city's General Fund contributing \$7,000 which makes up the balance of revenues not collected from donations. The museum has a part-time director with a salary of \$6,300 per year with the remainder of the costs in general operations.

The museum does collect non-operating donations which are specifically targeted for projects such as the restoration of the old O'dill pop factory. The museum also recently built a new museum building on the pop factory grounds and is in the process of trying to secure funds for moving the old Jake Menghini building from its current location on Chestnut Street to a new location on the museum complex.

CITY OF NORWAY  
MUSEUM FUND  
JULY 1, 2011 THRU JUNE 30, 2019  
DETAILS OF REVENUES

Updated: 5/29/2014

ACCOUNT NUMBER	DEPARTMENT NAME	2011-2012	2012-2013	2013-2014	ADOPTED	ADOPTED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED
		ACTUAL	ACTUAL	EST ACTUAL	2013-2014 BUDGET	2014-2015 BUDGET	2015-2016 BUDGET	2016-2017 BUDGET	2017-2018 BUDGET	2018-2019 BUDGET		
450	Memberships	\$3,387	\$1,141	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
570	Grant Proceeds	\$1,000	\$2,250	\$2,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
612	Sale of Videos	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
613	Sale of Books	\$1,869	\$436	\$140	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100
615	Sale of Logs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
630	Proceeds/Grants - Mural Project	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
631	Proceeds (Benefits/Fundraisers)	\$0	\$1,228	\$8,700	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
633	Miscellaneous Revenues	\$229	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
635	Museum Partners Revenues	\$1,569	\$0	\$7	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
665	Interest on Investments	\$133	\$90	\$50	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25
671	Transfer from City of Norway General Fund	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
675	Transfer From General Fund - Utilities	\$4,996	\$5,549	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
675	Donations/Contributions/Admissions/Memberships	\$14,039	\$3,310	\$5,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
680	Transfers In	\$0	\$0	\$0	\$17,100	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	GRAND TOTAL REVENUES:	\$29,311	\$16,004	\$24,897	\$37,725	\$20,625	\$20,625	\$20,625	\$20,625	\$20,625	\$20,625	\$20,625
	GRAND TOTAL EXPENDITURES:	\$72,264	\$22,588	\$18,955	\$37,695	\$17,695	\$17,695	\$17,695	\$17,695	\$17,695	\$17,695	\$17,695
	REVENUE OVER/(UNDER) EXPENDITURES:	(\$42,953)	(\$6,583)	\$5,942	\$30	\$2,930	\$2,930	\$2,930	\$2,930	\$2,930	\$2,930	\$2,930
	Fund Balance											
	Prior Years											
	and Future Years											
	Beginning Balance:	\$23,140	\$49,908	\$43,324	\$43,324	\$49,266	\$52,196	\$55,126	\$58,066	\$60,986	\$63,916	\$66,846
	Revenues:	\$122,043	\$16,004	\$24,897	\$20,625	\$20,625	\$20,625	\$20,625	\$20,625	\$20,625	\$20,625	\$20,625
	Expenditures:	(\$52,323)	(\$22,588)	(\$18,955)	(\$37,695)	(\$17,695)	(\$17,695)	(\$17,695)	(\$17,695)	(\$17,695)	(\$17,695)	(\$17,695)
	Ending Balance:	\$92,860	\$43,324	\$49,266	\$26,254	\$52,196	\$55,126	\$58,066	\$60,986	\$63,916	\$66,846	\$69,721

CITY OF NORWAY  
MUSEUM FUND

Updated: 5/29/2014

ACCOUNT NUMBER	DEPARTMENT NAME	2011-2012 ACTUAL	2012-2013 ACTUAL	2013-2014 EST ACTUAL	ADOPTED 2013-2014 BUDGET	ADOPTED 2014-2015 BUDGET	PROPOSED 2015-2016 BUDGET	PROPOSED 2016-2017 BUDGET	PROPOSED 2017-2018 BUDGET	PROPOSED 2018-2019 BUDGET
703	Salaries - Part Time	\$6,300	\$6,300	\$4,725	\$6,300	\$6,300	\$6,300	\$6,300	\$6,300	\$6,300
715	Employer - FICA	\$482	\$482	\$365	\$495	\$495	\$495	\$495	\$495	\$495
719	Unemployment Compensation	\$377	\$446	\$350	\$400	\$400	\$400	\$400	\$400	\$400
720	Training/Membership/Travel/Education	\$99	\$27	\$50	\$300	\$300	\$300	\$300	\$300	\$300
740	Supplies (Operating & Office)	\$2,434	\$2,116	\$1,500	\$600	\$600	\$600	\$600	\$600	\$600
745	Printing/Postage/Stationary/Publications	\$1,650	\$388	\$700	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
760	Fireworks Donation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
815	Norway Art Mural Project	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
816	Benefit/Fundraiser Expenses	\$0	\$0	\$100	\$0	\$0	\$0	\$0	\$0	\$0
817	Contractual Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
819	Professional Services	\$0	\$620	\$365	\$0	\$0	\$0	\$0	\$0	\$0
820	Volunteer Activities	\$88	\$74	\$0	\$0	\$0	\$0	\$0	\$0	\$0
861	Maintenance - Equipment/Buildings	\$285	\$4,264	\$1,000	\$400	\$400	\$400	\$400	\$400	\$400
875	Museum Partner's Expense	\$1,130	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
903	Computer Expense	\$28	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
904	Video Expense	\$0	\$378	\$500	\$500	\$500	\$500	\$500	\$500	\$500
905	Copier Expense	\$511	\$475	\$600	\$500	\$500	\$500	\$500	\$500	\$500
914	Insurance-Liability/Property	\$585	\$694	\$700	\$700	\$700	\$700	\$700	\$700	\$700
920	Telephone Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
921	Utilities	\$4,986	\$5,549	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
922	Heating Fuel	\$694	\$775	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
942	Rental/Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
956	Miscellaneous Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
970	Capital Improvements	\$52,415	\$0	\$2,000	\$20,000	\$0	\$0	\$0	\$0	\$0
971	New Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL - MUSEUM FUND EXPENDITURES:		\$72,264	\$22,588	\$18,955	\$37,695	\$17,695	\$17,695	\$17,695	\$17,695	\$17,695

EXPENDITURES

## **FIRE DEPARTMENT FUND BUDGET NOTES**

In 1994, the City moved from a full time fire department to a paid on call volunteer fire department. Prior to 2010, the Fire Department was budgeted and accounted for within the General Fund. In 2010, at the request of the city's auditor, a new fund was created to account for the activities of both the fire department operations as well as the financial activities of the volunteer fireman organization.

### **Revenues**

Revenues for the Fire Department are generated through fire protection agreements with Norway Township and Waucesha Township. The City of Norway's portion of the revenue is handled through a transfer from the General Fund. Revenues for fiscal year ending June 30, 2014 are projected at \$215,703 which is \$260,216 less than the adopted FY 2013-14 budget. The difference includes \$238,500 which was programmed from a FEMA grant for a vehicle purchase which was not received. The proposed FY 2014-15 revenue budget is \$463,604. Each year the Fire Department budgets a grant of \$238,500 from FEMA for a fire truck. If the grant is not approved this amount is not received. The associated expenditure amount is also then not expensed.

### **Fire Protection Agreements**

Fire protection agreements with Norway and Waucesha Township expired June 30, 1998. Revised agreements reflect Township fair share contributions based upon average call volume as a percentage of budgeted fire protection operating and capital expenditures. New agreements with Norway and Waucesha Townships took effect on July 1, 1999 and July 1, 2000 respectively.

Norway Townships F.Y. 2014-15 contribution will total \$59,099; Waucesha Township will contribute \$29,144 under revised agreement provisions. Also under the agreement, the townships will be asked to contribute, per the formula, a portion of the debt payments as outlined in the annual approved budgets. Due to the formula, the townships contribution is based on the previous fiscal years approved budget. Any new debt incurred in the current fiscal year will not be applied to the formula until the preceding year.

### **Property Tax – Fire Truck Millage**

In 2006 the voters of the City of Norway, Norway Township, and Waucesha Township approved a millage allowing the City of Norway to purchase a new fire truck through a voter approved bond. The millage is calculated each year for repayment of principle and interest on the bond debt. The bond is scheduled to be repaid in 2021.

### **Grant Proceeds**

Each year grants are projected with applications to FEMA and the MDNR for various pieces of equipment. For FY 2014-15, \$238,500 has been programmed.

## Expenses

### All Salaries

Paid on call salaries projected at \$2,000 per month. Paid on call hourly firefighter rate has been maintained at \$9.00. City currently maintains a compliment of 31 P.O.C. personnel. Budgeted allocation includes \$6,500 for P.O.C. Chief and \$5,000 for P.O.C. Assistant Chief.

### Longevity

Funding intended to fulfill P.O.C. firefighter longevity obligation in accordance with the following table;

Years of Service	Fire Fighter 1	Fire Fighter 2
20 Years	\$6,000	\$8,000
25 Years	\$2,000	\$4,000
30 Years	\$2,000	\$4,000

	2014-15	2015-16	2016-17	2017-18	2018-19
<b>Total</b>	<b>12,000</b>	<b>0</b>	<b>10,000</b>	<b>0</b>	<b>18,000</b>

### Training, Membership, Travel, Education

ACTIVITY	2014-15	2015-16	2016-17	2017-18	2018-19
NFPA	\$200	\$200	\$200	\$200	\$200
Volunteer Agreement	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Training	\$1,200	\$1,200	\$1,400	\$1,400	\$1,400
Fireman's Tournament	\$500	\$500	\$600	\$600	\$600
UPFA	\$100	\$100	\$200	\$200	\$200
MSPA	\$100	\$100	\$100	\$100	\$100
Certifications (FF1/FF2)	800	800	800	800	800
Fire Program Software	0	0	0	0	0
<b>Total</b>	<b>\$5,400</b>	<b>\$5,400</b>	<b>\$5,800</b>	<b>\$5,800</b>	<b>\$5,800</b>

### Fireworks

City contribution toward fireworks expense equals \$4,000. Actual fireworks expense totals \$12,500. P.O.C. firefighters conduct fund raising to cover display costs.

### Professional Services

Allocates funds for P.O.C. physicals and other services as needed.

### Hydrant Rental

Accounts for \$100/month rental charges pursuant to water system improvement bond covenants. F.Y. 2014-15 transfer to the Water Fund based upon a total of 250 hydrants.

### Capital - New Equipment

<b>DESCRIPTION</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
DNR Grant (Turnout Equip)	2,000	2,000	2,000	2,000	2,000
Pager/Radio	2,000	2,000	2,000	2,000	2,000
Truck Radio/Siren	1,000	1,000	1,000	1,000	1,000
Extrication Tools	12,000	0	3,000	0	0
SCBA Bottles	8,000	8,000	8,000	8,000	0
<b>TOTAL</b>	<b>25,000</b>	<b>13,000</b>	<b>16,000</b>	<b>13,000</b>	<b>5,000</b>

The purchase of RIT has been programmed provided we are successful in obtaining a FEMA grant. If successful we would receive 95% of the cost for the equipment through FEMA. The revenue for this purchase is shown in the Fire Department Fund Revenue line item for Fire Grant. If we are not successful then this will be programmed again for next fiscal year.

The DNR equipment purchases accounts for a \$2,000 grant from the DNR. The total cost to the City will be \$1,000.

Note: If the grants are not secured then the equipment will not be purchased.



CITY OF NORWAY  
FIRE DEPARTMENT FUND - CITY (336)

Updated: 5/29/14

ACCOUNT NUMBER	DEPARTMENT NAME	2011-2012 ACTUAL	2012-2013 ACTUAL	2013-2014 EST ACTUAL	ADOPTED BUDGET 2013-2014	ADOPTED BUDGET 2014-2015	PROPOSED BUDGET 2015-2016	PROPOSED BUDGET 2016-2017	PROPOSED BUDGET 2017-2018	PROPOSED BUDGET 2018-2019
<b>PERSONNEL SERVICES (CITY FIRE DEPARTMENT)</b>										
702	Salaries - Full Time	\$3,212	\$1,561	\$2,000	\$0	\$0	\$0	\$0	\$0	\$0
703	Salaries - Part Time	\$22,699	\$23,074	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
704	Salaries - Overtime	\$0	\$69	\$0	\$0	\$0	\$0	\$0	\$0	\$0
705	Employee Separation (1% of full-time)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
706	Sick Leave/Vacation Buyback	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
707	Longevity Pay	\$24,000	\$8,000	\$24,000	\$24,000	\$12,000	\$0	\$10,000	\$0	\$18,000
715	Employer - FICA	\$4,068	\$2,661	\$3,902	\$3,749	\$2,831	\$1,913	\$2,678	\$1,913	\$3,290
716	Group Insurance (Health & Life)	\$46	\$0	\$0	\$55	\$0	\$0	\$0	\$0	\$0
719	Unemployment Compensation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
720	Training/Membership/Travel/Education	\$5,199	\$1,536	\$5,400	\$5,400	\$5,400	\$5,400	\$5,800	\$5,800	\$5,800
	<b>SUBTOTAL - PERSONNEL SERVICES</b>	<b>\$59,223</b>	<b>\$36,902</b>	<b>\$60,302</b>	<b>\$58,204</b>	<b>\$45,231</b>	<b>\$32,313</b>	<b>\$43,478</b>	<b>\$32,713</b>	<b>\$52,090</b>
<b>OPERATION &amp; CONTRACTUAL SERVICES (CITY FIRE DEPT)</b>										
740	Supplies (Operating & Office)	\$9,928	\$2,816	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$5,000
740.002	Personal Protection Equipment	\$0	\$0	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
745	Printing/Postage/Stationary	\$5	\$58	\$125	\$400	\$400	\$400	\$400	\$400	\$500
750	Uniforms/Cleaning Expense	\$0	\$2,422	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
751	Gas & Oil	\$1,008	\$877	\$1,500	\$1,500	\$1,500	\$1,500	\$2,000	\$2,000	\$2,500
760	Fireworks	\$0	\$0	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$6,000	\$6,000
819	Professional Services	\$2,151	\$3,218	\$5,000	\$6,400	\$6,400	\$6,400	\$6,400	\$6,400	\$6,400
825	Hydrant Rentals	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
861	Maintenance - Equipment/Buildings	\$6,796	\$10,525	\$5,500	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000
903	Computer Expense	\$867	\$622	\$200	\$800	\$800	\$2,000	\$800	\$800	\$800
914	Insurance - Liability/Property/Workers Comp.	\$3,776	\$4,640	\$5,461	\$4,850	\$5,500	\$5,775	\$6,064	\$6,367	\$6,685
920	Telephone	\$1,641	\$983	\$800	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
921	Utilities	\$7,184	\$7,111	\$7,300	\$7,300	\$7,300	\$7,300	\$7,300	\$7,300	\$7,300
922	Heating Fuel/Gas	\$3,771	\$3,167	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500
942	Rentail/Lease	\$200	\$800	\$1,050	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
	<b>SUBTOTAL - OPER. &amp; CONT. SERV.</b>	<b>\$62,328</b>	<b>\$62,237</b>	<b>\$71,936</b>	<b>\$75,250</b>	<b>\$75,900</b>	<b>\$77,375</b>	<b>\$76,964</b>	<b>\$78,267</b>	<b>\$80,185</b>
<b>CAPITAL - VEHICLES &amp; EQUIPMENT (CITY FIRE DEPT)</b>										
970	New Vehicles	\$0	\$0	\$0	\$250,000	\$250,000	\$0	\$0	\$0	\$0
971	New Equipment	\$0	\$0	\$16,000	\$25,000	\$25,000	\$13,000	\$16,000	\$13,000	\$5,000
	<b>SUBTOTAL - CAPITAL - VEHI. &amp; EQUIP.</b>	<b>\$0</b>	<b>\$0</b>	<b>\$16,000</b>	<b>\$275,000</b>	<b>\$275,000</b>	<b>\$13,000</b>	<b>\$16,000</b>	<b>\$13,000</b>	<b>\$5,000</b>
<b>TRANSFER'S OUT (CITY FIRE DEPT)</b>										
991-001	Transfer to Debt Service (New Fire Hall)	\$45,391	\$45,370	\$45,301	\$45,301	\$46,161	\$45,950	\$45,691	\$46,361	\$46,936
991-001	Transfer to Debt Service (New Fire Truck)	\$19,883	\$19,336	\$21,234	\$21,234	\$20,578	\$19,922	\$19,266	\$18,609	\$20,398
991-002	Transfer to Debt Service - E2P2 Project	\$930	\$930	\$930	\$930	\$794	\$0	\$0	\$0	\$0
	<b>TOTAL - FIRE DEPARTMENT</b>	<b>\$187,755</b>	<b>\$164,776</b>	<b>\$215,703</b>	<b>\$475,919</b>	<b>\$463,604</b>	<b>\$188,560</b>	<b>\$201,398</b>	<b>\$188,949</b>	<b>\$204,609</b>



CITY OF NORWAY  
2014 - 2015 Multi-Year Operating & Capital Improvement Budget

Updated: 5/29/14

FIRE DEPARTMENT - SALARY SPREADSHEET

**PART-TIME**

Date of Hire	Job Title	Name	13-14 Est. Salary	13-14 Budgeted Salary	Date of Raise	14-15 Budgeted Salary	15-16 Budgeted Salary	16-17 Budgeted Salary	17-18 Budgeted Salary	18-19 Budgeted Salary
	A) POC Firefighters: 30 Paid On-Call Personnel a) \$9,000/hr - fire call (POC rate) b) Monthly meetings/Training Average number of hours annually - 1,500		\$13,500	\$13,500	7/1/2013	\$13,500	\$13,500	\$13,500	\$13,500	\$13,500
	B) POC Fire Chief - \$6,500 annually		\$6,500	\$6,500	7/1/2013	\$6,500	\$6,500	\$6,500	\$6,500	\$6,500
	C) POC Asst. Fire Chief - \$5,000 annually		\$5,000	\$5,000	7/1/2013	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
	<b>Sub-Total : Part-Time</b>		\$25,000	\$25,000		\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
	<b>MISCELLANEOUS</b>									
	Longevity		\$24,000	\$24,000		\$12,000	\$0	\$10,000	\$0	\$18,000
	Certification Training - Firefighter Training Certs. (FF1 & FF2) budgeted at \$400/certification		\$2,000	\$2,000	7/1/2013	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
	<b>Sub-Total : Misc.</b>		\$28,000	\$26,000		\$14,000	\$2,000	\$12,000	\$2,000	\$20,000
	<b>CUMMULATIVE TOTALS</b>		\$51,000	\$51,000		\$39,000	\$27,000	\$37,000	\$27,000	\$45,000

**DEBT SERVICE FUND  
BUDGET NOTES**

The Debt Service Fund is a pass through fund which collects city operating bond issues in one location. The fund is primarily made up of transfers from city operating funds for the various bond issue debts incurred by the city. Charts also show information such as principle and interest payments as well as current principle debt and year issue paid off.



**FISCAL YEAR 2014 - 2015**

<u>SCHEDULE OF ALL CURRENT YEAR DEBT SERVICE PAYMENTS - BY DATE</u>			<u>YEAR OF FINAL PAYMENT</u>	<u>(AS OF 7/1/2014) PRINCIPAL BALANCE BEFORE CURRENT YEAR'S PAYMENT</u>
8/1/2014	\$1,919	UTILITIES AUTHORITY (WASTEWATER FUND) - INTEREST ONLY	2018	\$76,750
9/1/2014	\$36,625	BUILDING AUTHORITY - CLUBHOUSE (PD BY GOLF COMMISSION) PRINCIPAL & INTEREST	2014	\$35,838
10/1/2014	\$17,953	NEW FIRE TRUCK - PRINCIPAL & INTEREST	2021	\$135,000
10/26/2014	\$50,869	2009 CATV UPGRADE PROJECT BONDS - PRINCIPAL & INTEREST	2028	\$1,145,000
10/29/2014	\$44,954	1987 WATER BONDS - PRINCIPAL & INTEREST	2018	\$200,000
11/1/2014	\$117,877	1997 WATER PROJECT BONDS - PRINCIPAL & INTEREST	2037	\$2,439,000
11/21/2014	\$216,119	2007 ELECTRIC BONDS - PRINCIPAL & INTEREST	2034	\$6,205,000
12/1/2014	\$11,095	2006 G/O BONDS - STREET IMPROVEMENTS - INTEREST ONLY	2021	\$490,000
12/1/2014	\$35,877	BUILDING AUTHORITY - FIRE HALL - PRINCIPAL & INTEREST	2027	\$458,000
12/1/2014	\$12,740	BUILDING AUTHORITY - CITY HALL - INTEREST ONLY	2021	\$490,000
12/1/2014	\$135,251	2012 DDA STREETScape BONDS - PRINCIPAL & INTEREST	2023	\$1,450,000
12/1/2014	\$9,150	2002 ELECTRIC BONDS - INTEREST ONLY	2017	\$360,000
12/15/2014	\$72,127	2008 ELECTRIC BONDS (CREB) - PRINCIPAL & INTEREST	2023	\$600,000
2/1/2015	\$20,339	UTILITIES AUTHORITY (WASTEWATER FUND) - PRINCIPAL & INTEREST	2018	\$76,750
3/1/2015	\$0	BUILDING AUTHORITY - CLUBHOUSE (PD BY GOLF COMMISSION) PRINCIPAL & INTEREST	2014	\$0
4/1/2015	\$2,625	NEW FIRE TRUCK - INTEREST ONLY	2021	\$135,000
4/26/2015	\$30,444	2009 CATV UPGRADE PROJECT BONDS - INTEREST ONLY	2028	\$1,145,000
4/30/2015	\$3,874	1987 WATER BONDS - INTEREST ONLY	2018	\$200,000
5/1/2015	\$53,461	1997 WATER PROJECT BONDS - INTEREST ONLY	2037	\$2,439,000
5/22/2015	\$154,394	2007 ELECTRIC BONDS - INTEREST ONLY	2034	\$6,205,000
6/1/2015	\$81,095	2006 G/O BONDS - STREET IMPROVEMENTS - PRINCIPAL & INTEREST	2021	\$490,000
6/1/2015	\$10,284	BUILDING AUTHORITY - FIRE HALL - INTEREST ONLY	2027	\$458,000
6/1/2015	\$67,740	BUILDING AUTHORITY - CITY HALL - PRINCIPAL & INTEREST	2021	\$490,000
6/1/2015	\$19,073	2012 DDA STREETScape BONDS - INTEREST ONLY	2023	\$1,450,000
6/1/2015	\$129,150	2002 ELECTRIC BONDS - PRINCIPAL & INTEREST	2017	\$360,000
6/15/2015	\$4,853	2008 ELECTRIC BONDS (CREB) - INTEREST ONLY	2023	\$600,000
	\$1,339,886			\$14,048,750

CITY OF NORWAY  
NORWAY UTILITY AUTHORITY FUND

(301)

Updated: 3/31/14

ACCOUNT DESCRIPTION	2011-2012	2012-2013	2013-2014	ADOPTED	ADOPTED	PROPOSED	PROPOSED	PROPOSED	PROPOSED
	ACTUAL	ACTUAL	EST ACTUAL	2013-2014 BUDGET	2014-2015 BUDGET	2015-2016 BUDGET	2016-2017 BUDGET	2017-2018 BUDGET	2018-2019 BUDGET
REVENUES:									
881 From Wastewater Fund	\$21,490	\$20,723	\$19,955	\$19,955	\$86,576	\$0	\$0	\$0	\$0
682 From Norway Township	\$13,510	\$13,028	\$12,545	\$12,545	\$54,424	\$0	\$0	\$0	\$0
TOTAL REVENUES:	\$35,000	\$33,750	\$32,500	\$32,500	\$141,000	\$0	\$0	\$0	\$0
EXPENDITURES:									
915 Insurance - Fidelity Bond - Utilities Authority	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
976 Bond Payment - Principle - Utilities Authority	\$25,000	\$25,000	\$25,000	\$25,000	\$125,000	\$0	\$0	\$0	\$0
978 Interest Expense - Utilities Authority	\$10,000	\$8,750	\$7,500	\$7,500	\$16,000	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES:	\$35,000	\$33,750	\$32,500	\$32,500	\$141,000	\$0	\$0	\$0	\$0

FUND BALANCE/FUND EQUITY ANALYSIS

Fund Balance Prior Years and Future Years	YEAR ENDED								
	JUNE 30 2010-2011	JUNE 30 2011-2012	JUNE 30 2012-2013	JUNE 30 2013-2014	JUNE 30 2014-2015	JUNE 30 2015-2016	JUNE 30 2016-2017	JUNE 30 2017-2018	JUNE 30 2018-2019
Beginning Balance:	0	0	0	0	0	0	0	0	0
Revenues:	36,250	35,000	33,750	32,500	141,000	0	0	0	0
Expenditures:	(36,250)	(35,000)	(33,750)	(32,500)	(141,000)	0	0	0	0
Ending Balance:	0	0	0	0	0	0	0	0	0
LONG TERM DEBT BALANCE	\$	175,000	\$150,000	\$125,000	\$0	\$0	\$0	\$0	\$0

## GOLF FUND BUDGET NOTES

### REVENUE

#### 1. Membership Fees

21,352 golf rounds were played at Oak Crest Golf Course in 2013. Member rounds accounted for 14,676 or 69% of all rounds. Membership fees account for approximately 59 percent of available revenues. The course has a playing membership of over 550 golfers.

- A) The 2014 golf membership rates were approved by Council on August 19, 2013 as recommended by the Golf Commission. The date for approving the rates more adequately reflect the golfing year spring/summer/fall as opposed to the City's fiscal year which starts on July 1. Approving the rates in the early fall (Aug/Sept) allows for staff to promote specials for new members with late season golf packages and to allow membership purchases for Christmas and holiday gifts.

Budget estimates for F.Y. 2014-15 reflect the following:

- Keep the overall rate the same in 2014 as 2013 provided members sign up for their memberships before October 31, 2014.
- Added a 10% discount for any City of Norway resident or Norway business owner.

- B) Annual green fees represent approximately 30% of golf fund revenue. Open play accounted for roughly 6,676 rounds or 31%. For F.Y. 2013-2014 estimated actual green fee revenue is projected at \$115,000 which is lower than the initial budget estimates. For F.Y. 2014-2015 revenue based on nine-hole and eighteen hole-play is conservatively projected at \$120,000.

- C) Staff anticipates that various economic and operational efficiencies will be achieved under a new golf operations management structure. Expenditures within personnel services; supplies and materials; operating and contractual services as well as capital have been established and are proposed at levels, which are necessary to maintain golf operations. Enhancements to playing conditions through various tee, green or other capital initiatives can only be accomplished with supporting revenue streams. Additional revenues above current levels are also necessary to support equipment replacement objectives, as well as other general municipal operations, which benefit course operations.

- D) For the past five (5) seasons memberships have decreased to bring fees below estimated operating levels. Staff and the Council have supported recommendations from the Golf Commission in an effort to work in partnership. However, these increases have not been sufficient to raise operations from substandard levels to optimum levels. Cuts in personnel, operating and contractual services as well as equipment replacement deferrals must be re-instated. To accomplish future operational objectives and provide for modest capital improvements, staff is proposing the following membership rate structure, which coupled with growing green fee revenue should be sufficient to proceed beyond marginal course operations;

- E) The Building Authority Bond Issue that was taken out in 1994 to build the new club house expires in the spring of 2015. The annual payment for the bond issue was \$72,000

with the Golf Commission paying \$62,000 and the City paying \$10,000 as a repayment for the Golf Commission previously paying for a the new sprinkler system. As part of the bond payment agreement, the city agreed to a dues sharing agreement with the Golf Commission on membership dues. Starting in FY 2014-15, the dues sharing agreement will no longer be in effect. During the FY 2015-16 budget year, the debt payments for previous projects will be retired in the amount of \$14,254. The retirement of debt will add \$29,254 to the city's revenue stream.

## **EXPENDITURES**

### **General**

Even though rate increases have been programmed into the operating budget for the past four years, the fund continues to struggle with set aside allocations for capital improvements and equipment replacement transfers. With the cooperation of the Golf Commission, an aggressive rate recovery plan should continue in order to develop and maintain a proper fund balance to account for these needed funds.

### **All Salaries 2014- 2015**

Total personnel services expenditures were below budget by \$4,775. Programmed full time salaries reflect compensation for 50% of the Greens Superintendent and the part time grounds crew which are based upon 7,700 hours. Overall personnel services expenditures are programmed at \$165,593 or \$11,101 above F.Y. 2013 - 2014 estimated actual. Personnel service expenditures comprise 42.66% of total operating expenditures.

### **Grounds Care**

Allocation accounts for purchase of chemical's (herbicides, insecticides, fluocicides) generally during the months of July and September; Fertilizer products and horticultural supplies are purchased periodically throughout the season generally during the months of May, June, August, and October.

Annual F.Y. expenditures generally represent 33% of operational expenditures.

### **Sand and Soil**

Expenditures reflect aggressive green and tee top dressing initiative.

### **Purchased Power**

Funds purchase of electricity necessary to power the Menominee River pump station. Expenditures vary historically depending upon spring precipitation.

### **Professional Services**

Accounts for expenses with sending mower reels offsite for work that cannot be handled in house, rentals for portable toilets, and credit card charge fees.

### **Maintenance - Equipment/Buildings**

Increased expenditures reflect enhanced maintenance on aging equipment.

### **Equipment Replacement**

In 2008, the City purchased five new pieces of equipment to replace old and costly units. The purchase was made on a five year lease to own contract with a lease cost of \$26,413 per year. We have also programmed 2 new golf carts for the pro shop for the next two fiscal years at \$8,000 per year. The golf carts are part of the City's offering with green's fees. The original lease agreement is completed in July of 2013. A new lease agreement will be started at that point to address four different pieces of equipment. The total annual lease value will be \$17,700. Two new carts will also be purchased at \$4,000 apiece for a total FY 2013-14 capital budget of \$27,901.

### **Capital - Grounds**

No capital improvements have been scheduled in this fiscal year due to the fund health. If revenues pick up in out years, capital can again be programmed. Some capital work has been experienced with volunteer efforts by the membership.

**CITY OF NORWAY**  
**GOLF FUND**  
**JULY 1, 2011 THRU JUNE 30, 2019**  
**DETAILS OF REVENUES**

Updated: 6/12/2014

ACCOUNT NUMBER	DEPARTMENT NAME	2011-2012 ACTUAL	2012-2013 ACTUAL	2013-2014 EST ACTUAL	ADOPTED 2013-2014 BUDGET	ADOPTED 2014-2015 BUDGET	PROPOSED 2015-2016 BUDGET	PROPOSED 2016-2017 BUDGET	PROPOSED 2017-2018 BUDGET	PROPOSED 2018-2019 BUDGET
402	Retirees Insurance Reimbursement	\$12,213	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
539	Grant Proceeds	\$766	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
633	Miscellaneous Revenues	\$32,638	\$2,097	\$100	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
633.002	Credit Card Convenience Fees	\$0	\$0	\$250	\$0	\$500	\$500	\$500	\$500	\$500
646	Timber Sales	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
650	Sale Material/Supplies/Equipment	\$137	\$169	\$250	\$0	\$0	\$0	\$0	\$0	\$0
651	Membership Fees	\$246,500	\$224,122	\$210,000	\$235,000	\$235,000	\$235,000	\$235,000	\$235,000	\$235,000
652	Green Fees	\$126,349	\$109,211	\$115,000	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000
665	Interest on Investments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
669	Cart Rental	\$42,123	\$33,953	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
680	Transfers In	\$710	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
685	Transfers In (From Fund Equity)	\$0	\$0	\$13,000	\$0	\$0	\$0	\$0	\$0	\$0
	<b>GRAND TOTAL REVENUES</b>	\$461,436	\$369,552	\$378,600	\$396,500	\$397,000	\$397,000	\$397,000	\$397,000	\$397,000
980	Transfers Out	(\$70,950)	(\$64,076)	(\$71,043)	(\$71,043)	(\$64,254)	(\$35,000)	(\$35,000)	(\$35,000)	(\$35,000)

GRAND TOTAL REVENUES

GRAND TOTAL EXPENDITURES

REVENUE OVER/(UNDER) EXPENDITURES

Fund Balance	Year Ended									
Prior Years	June 30									
and Future Years	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2018-2019
Beginning Balance:	\$65,060	\$114,961	\$148,069	\$129,548	\$123,035	\$129,247	\$158,649	\$184,865	\$202,591	\$202,591
Revenues:	\$398,712	\$461,436	\$369,552	\$378,600	\$397,000	\$397,000	\$397,000	\$397,000	\$397,000	\$397,000
Expenditures:	(\$328,004)	(\$396,911)	(\$364,132)	(\$365,113)	(\$360,788)	(\$337,598)	(\$340,784)	(\$349,274)	(\$353,037)	(\$353,037)
Depreciation Expense:	(\$20,807)	(\$31,417)	(\$23,940)	(\$30,000)	(\$30,000)	(\$30,000)	(\$30,000)	(\$30,000)	(\$30,000)	(\$30,000)
Reclassify Donated Capital:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reclassify Contributed Capital:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Current year effect on fund balance:	(\$2,389)	\$33,108	(\$18,521)	(\$6,513)	\$6,212	\$29,402	\$26,216	\$17,726	\$13,963	\$13,963
<b>ENDING BALANCE:</b>	\$114,961	\$148,069	\$129,548	\$123,035	\$129,247	\$158,649	\$184,865	\$202,591	\$216,553	\$216,553

**CASH BALANCE ANALYSIS**

Beginning Cash Balance:	(\$116,620)
Revenues:	\$365,600
Expenditures:	(\$378,574)
Ending Cash Balance:	(\$116,620)
Capital Improvement Cash:	(\$103,606)
Equipment Replacement Cash:	(\$129,594)

CITY OF NORWAY  
GOLF FUND - (584-542)

Updated: 6/12/14

ACCOUNT NUMBER	DEPARTMENT NAME	2011-2012 ACTUAL	2012-2013 ACTUAL	2013-2014 EST ACTUAL	ADOPTED 2013-2014 BUDGET	ADOPTED 2014-2015 BUDGET	PROPOSED 2015-2016 BUDGET	PROPOSED 2016-2017 BUDGET	PROPOSED 2017-2018 BUDGET	PROPOSED 2018-2019 BUDGET
<b>PERSONNEL SERVICES</b>										
702	Salaries - Full Time	\$30,971	\$29,717	\$30,779	\$30,339	\$30,339	\$29,917	\$30,562	\$31,326	\$32,109
703	Salaries - Part Time	\$59,992	\$62,946	\$63,175	\$70,375	\$70,850	\$70,850	\$70,850	\$70,850	\$70,850
704	Salaries - Over Time	\$66	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
705	Employee Separation (1% of full-time)	\$1,629	\$1,147	\$559	\$1,152	\$1,119	\$1,147	\$1,175	\$1,205	\$1,235
707	Sick Leave/Vacation Buyback	\$300	\$300	\$300	\$300	\$300	\$300	\$325	\$325	\$325
712	HRA/HSA Contribution	\$3,059	\$1,428	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
715	Employer - FICA	\$7,146	\$7,254	\$7,253	\$7,816	\$7,850	\$7,812	\$7,873	\$7,934	\$7,996
716	Group Insurance (Health/Life/LTD/STD/Self-Ins)	\$32,204	\$19,299	\$17,600	\$15,250	\$15,600	\$16,068	\$16,550	\$17,047	\$17,558
717	Self Insured Retention (Health)	\$0	\$5,083	\$0	\$0	\$0	\$0	\$0	\$0	\$0
718	Employer - MERS	\$17,128	\$21,302	\$23,400	\$22,575	\$32,750	\$36,025	\$39,628	\$43,590	\$47,949
719	Unemployment Compensation	\$3,385	\$3,625	\$4,000	\$4,000	\$4,000	\$4,200	\$4,410	\$4,631	\$4,862
720	Training/Membership/Travel/Education	\$926	\$1,255	\$1,250	\$1,285	\$1,385	\$1,345	\$1,395	\$1,495	\$1,395
	<b>SUBTOTAL - PERSONNEL SERVICES</b>	\$156,807	\$153,387	\$149,817	\$154,592	\$165,693	\$169,063	\$174,268	\$179,902	\$185,779
<b>OPERATING EXPENSES</b>										
740	Supplies (Operating & Office)	\$9,272	\$5,747	\$2,000	\$3,875	\$2,075	\$3,875	\$2,200	\$4,035	\$2,235
745	Printing/Postage/Stationary/Publications	\$1,017	\$1,968	\$1,950	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
742	Grounds Care	\$43,396	\$45,021	\$45,000	\$43,200	\$46,000	\$46,000	\$46,000	\$46,000	\$46,000
743	Sand & Soil	\$2,767	\$1,459	\$2,000	\$2,050	\$3,075	\$2,050	\$3,075	\$2,050	\$3,075
750	Uniform/Cleaning Expense	\$305	\$125	\$275	\$275	\$125	\$275	\$125	\$275	\$125
751	Gas & Oil	\$15,799	\$13,733	\$16,000	\$16,000	\$17,000	\$17,000	\$17,000	\$17,000	\$17,000
802	Purchased Power - Wisconsin Electric	\$11,480	\$12,760	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
819	Professional Services	\$5,598	\$7,052	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,100	\$5,100
861	Maintenance - Equipment/Buildings	\$50,424	\$30,294	\$25,000	\$18,500	\$18,500	\$18,500	\$18,500	\$18,500	\$18,500
903	Computer Expense	\$3,131	\$3,996	\$3,500	\$4,200	\$2,696	\$4,196	\$2,696	\$4,196	\$2,696
914	Insurance - Liability/Property/Worker's Comp.	\$3,717	\$3,934	\$5,913	\$5,350	\$5,370	\$5,639	\$5,920	\$6,216	\$6,527
920	Telephone	\$2,508	\$1,729	\$1,000	\$1,500	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
921	Utilities	\$15,508	\$15,574	\$14,200	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
922	Heating Fuel (Michigan)	\$1,911	\$1,000	\$1,200	\$1,800	\$1,800	\$1,800	\$1,800	\$1,800	\$1,800
942	Rental/Lease	\$110	\$1,401	\$1,215	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
956	Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
995	Interest Expense	\$2,211	\$872	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Loss - Disposal of Fixed Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>SUBTOTAL - OPERATING EXPENSES</b>	\$169,155	\$146,666	\$134,253	\$129,950	\$130,841	\$133,535	\$131,516	\$134,372	\$132,258
<b>CAPITAL - VEHICLES &amp; EQUIPMENT</b>										
970	New Vehicles/Equipment	\$32,713	\$26,413	\$23,460	\$27,901	\$27,570	\$25,070	\$25,070	\$25,070	\$8,000
971	Capital - Grounds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>SUBTOTAL - CAPITAL - VEHICLES &amp; EQUIP.</b>	\$32,713	\$26,413	\$23,460	\$27,901	\$27,570	\$25,070	\$25,070	\$25,070	\$8,000
	<b>TOTAL - GOLF FUND</b>	\$358,674	\$326,466	\$307,531	\$312,443	\$324,104	\$327,668	\$330,855	\$339,345	\$326,037

CITY OF NORWAY  
2014-2015 Multi-Year Operating & Capital Improvement Budget

Updated: 6/12/14  
GOLF FUND - SALARY SPREADSHEET  
FULL-TIME

Date of Hire	Job Title	Name	Date of Raise	Bi-weekly Salary 7/1/13	# of Pay Periods	Annk. Date	Bi-weekly Salary 7/1/14	# of Pay Periods	Annk. Date	Bi-weekly Salary - Admin.	# of Pay Periods	14-15 Budgeted Salary	15-16 Budgeted Salary	16-17 Budgeted Salary	17-18 Budgeted Salary	18-19 Budgeted Salary
3/12/2001	Superintendent	K. Stromquist	7/1/2013	\$2,238	26		\$2,238	26				\$29,089	\$29,817	\$30,562	\$31,326	\$32,109
		Sub-Total : Full-Time		\$440			\$29,089					\$29,089	\$29,817	\$30,562	\$31,326	\$32,109
		Sub-Total : Full-Time		\$29,529			\$29,529					\$29,529	\$30,264	\$31,012	\$31,766	\$32,525
	Grounds	Seasonal-Golf	7/1/2013	\$11.00	(k-1)		\$11.00	(k-1)				\$0	\$0	\$0	\$0	\$0
			7/1/2013	\$10.50	(k-1)		\$10.50	(k-1)				\$14,700	\$14,700	\$14,700	\$14,700	\$14,700
			7/1/2013	\$10.00	(k-1)		\$10.00	(k-1)				\$12,000	\$12,000	\$12,000	\$12,000	\$12,000
			7/1/2013	\$9.50	weekly salary		\$9,000.00	weekly salary				\$0	\$0	\$0	\$0	\$0
			7/1/2013	\$9.00	(k-3)		\$9,000	(k-3)				\$27,900	\$27,900	\$27,900	\$27,900	\$27,900
			7/1/2013	\$8.50	(k-1)		\$8,250	(k-2)				\$8,250	\$8,250	\$8,250	\$8,250	\$8,250
			7/1/2013	\$8.25	(k-1)		\$8,000	(k-2)				\$8,000	\$8,000	\$8,000	\$8,000	\$8,000
		Sub-Total : Part-Time		\$83,176			\$70,376					\$70,350	\$70,850	\$71,350	\$71,850	\$72,350
		Sub-Total : Overtime	7/1/2013	\$0			\$0					\$0	\$0	\$0	\$0	\$0
		Sub-Total : Overtime		\$0			\$0					\$0	\$0	\$0	\$0	\$0
	Miscellaneous	Lumpsum Pay (1 employee)	12/1/2013	\$300			\$300					\$300	\$300	\$325	\$325	\$325
		Sick Leave Buy Back	12/31/2013	\$559			\$1,119					\$1,119	\$1,147	\$1,175	\$1,205	\$1,235
		Lump Sum Payment		\$1,250			\$1,250					\$1,250	\$0	\$0	\$0	\$0
		Sub-Total : Misc.		\$2,109			\$2,702					\$2,669	\$1,447	\$1,500	\$1,550	\$1,600
		CUMULATIVE TOTALS		\$94,814			\$102,165					\$102,808	\$102,113	\$103,213	\$103,706	\$104,519

Updated: 5/29/14

CITY OF NORWAY  
GOLF FUND - TRANSFERS IN/OUT (940)

ACCOUNT NUMBER	DEPARTMENT NAME	2011-2012 ACTUAL	2012-2013 ACTUAL	2013-2014 EST ACTUAL	ADOPTED BUDGET 2013-2014	ADOPTED BUDGET 2014-2015	PROPOSED BUDGET 2015-2016	PROPOSED BUDGET 2016-2017	PROPOSED BUDGET 2017-2018	PROPOSED BUDGET 2018-2019
	TRANSFERS IN									
	From Golf Commission	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	SUBTOTAL - TRANSFERS IN	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	TRANSFERS OUT									
981	To Electric Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
982	To General Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
985	To Golf Commission (dues/maint fees)	\$23,425	\$21,965	\$30,000	\$30,000	\$30,000	\$15,000	\$15,000	\$15,000	\$15,000
985	To Golf Commission (labor)	\$20,482	\$21,070	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
991.001	To Debt Service Fund	\$10,000	\$10,000	\$10,000	\$10,000	\$5,000	\$0	\$0	\$0	\$0
991-002	To Debt Service Fund - E2P2 Project	\$11,043	\$11,043	\$11,043	\$11,043	\$9,254	\$0	\$0	\$0	\$0
999	To OPEB Trust Fund	\$6,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	SUBTOTAL - TRANSFERS OUT	\$70,950	\$64,078	\$71,043	\$71,043	\$64,254	\$35,000	\$35,000	\$35,000	\$35,000
	TOTAL - TRANSFERS IN/OUT	(\$70,950)	(\$64,078)	(\$71,043)	(\$71,043)	(\$64,254)	(\$35,000)	(\$35,000)	(\$35,000)	(\$35,000)

## **CATV FUND BUDGET NOTES**

### **REVENUES**

#### **Retirees Insurance Reimbursement**

Prior to FY 12-13, this account reflected employee contributions towards retiree health or life insurance. Starting in FY 13-14, contributions from retirees for insurance are applied as a positive entry into the insurance expense account.

#### **Connection Charges (TV)**

This account reflects connection charges for new hookups (\$35), reconnects (\$20), change of service (\$20), and non-payment reconnects (\$50). The proposed budget for FY 14-15 is \$8,500.

#### **Service Charges (TV)**

This account reflects monthly charges for customers with analog basic and analog extended basic television. In 2013 the city contracted for an independent review of the rate structure relative to both the operating fund expenditures along with industry standards. The study revealed that the current rate structure was structurally adequate however the rate for video (cable) was not adequate to support the video portion of the fund. The recommendation was to raise the video rate by \$10 per video subscriber. The study also recommended increasing the bandwidth offerings on the internet side of the cable packages. Following this recommendation, the City Council approved an increase in the lifeline subscriber rate by \$2 per sub and the extended basic by \$7 per sub. They also added a new internet high speed tier. The current monthly charges for City of Norway Cable customers residing within the City limits of Norway are \$15 and \$51 for lifeline and extended basic respectively. For Norway Township customers the charges are \$17 and \$55 for lifeline and extended basic respectively. As of June 30, 2014 the city has 1378 customers. Of those, 75% are in the city and 25% are located in the township. Overall customer counts have declined since their 2003 high of 1650. The decline is predominantly in the basic coverage. Some factors have been people switching to dish and recently the rise in video over internet. The customer count numbers have stabilized over the last two years with the expansion of our analog offering to 75 channels however there is still negative pressure from a declining video customer base with more people willing to watch their video entertainment through the internet rather than subscribing to cable.

#### **Service Charges (Digital/High Definition/Movie Package's)**

Starting in 2010, the City of Norway Cable System offers digital and high definition television channels. The digital basic package is priced at \$20 per month, the high definition package is free with the rental of an HD/DVR box rental. Various digital and HD movie packages are now also available \$20 per month for HBO, Showtime/TMC, and Starz/Encore individually. There are currently 240 customers taking various packages and \$22,380 has been budgeted for FY 2014-15.

#### **Digital/HD-DVR Box Fees**

In order to receive the digital or high definition television packages, customers must rent either a standard digital box for \$5 per month or an HD-DVR box at \$20 per month.

### **Service Charges (Internet)**

The City of Norway Cable System currently offers high speed internet. Starting in FY 2014-15, the city has added a new 30 meg package. This was in response to the recent study which identified a need for more bandwidth offerings to our customers. There are multiple internet options available. The options are based on download and upload speeds. It was agreed that the speed packages should more adequately reflect the general industry and consequently the packages were increased from 3, 6, and 10 meg down to 5, 10, and 15 meg download speeds. With the increase in download speed the monthly rates were increased by \$7 per month per package. For City customers the prices are \$39 per month for 5 meg down 512 k up, \$49 per month for 10 meg down and 768 k up, \$59 per month for 15 meg down and 1 meg up and \$79 per month for 30 meg down and 5 megs up. For Township customers the prices are \$41 per month for 5 meg down 512 k up, \$51 per month for 10 meg down and 768 k up, \$61 per month for 15 meg down and 1 meg up and \$81 per month for \$30 meg down and 5 meg up. As of June 30, 2014, there are currently 961 internet customers. This number has been steadily increasing since the service was offered in 2001 even with competition from AT&T's DSL program. As of the fiscal year ending June 30, 2014 there was \$440,000 projected. For FY 2014-15 an increase has been budgeted at \$533,490.

### **Service Charges (VOIP)**

The City of Norway Cable System offers Voice-Over-Internet Protocol (VOIP) telephone services. The telephone system operates over the high speed cable system as opposed to tradition phone lines. The pricing for unlimited local and long distance telephone Voip service is \$35 for City customers and \$39 for Township customers. The city currently has 367 phone customers. The projected revenue generated by June 30, 2013 is projected at \$153,000. The FY 2013-14 budget is proposed at \$164,644.

### **Community Channel Advertising**

The City of Norway offers advertising on their community Channel (Channel 7) for businesses and personal events. Other services are provided to non profits and general community advertising for free.

### **EXPENSES**

#### **Salaries (Full Time)**

Estimated actual personnel services for F.Y. 2013-14 are \$10,352 below budget. For F.Y. 2014-2015 personnel services are budgeted at \$179,765 which is a 17.39% decrease over the estimated actual in FY 2013-14. Personnel Services are 15% of the operating budget.

#### **Trunk and Distribution**

This budget line item accounts for material purchased for routine improvements and maintenance improvements to the system. The budget is currently at \$15,000.

#### **Subscriber Fees**

Subscriber fees are the costs paid for each station on the television system. Each station charges

an amount per subscriber per month. Costs are charged based on penetration which is the subscriber amount divided by the total subscribers on the system. An example would be 100% penetration for channels on the basic system (all television customers receive basic since you cannot get extended basic without getting basic. The subscriber fees go up as the penetration number decreases. The penetration is at 87% for channels in our extended basic package. This means that 87% of our customers take the extended basic package. For FY 2013-14 the projected amount spent is \$550,000. The proposed budget for FY 2014-15 is \$611,305 or a projected increase of 11%. We estimate 5% increases on the out years.

**Professional Services**

It is necessary to pay contracted services for mandatory FCC testing and engineering fees to maintain the system. The FY 2014-15 budget is \$13,600. This account has seen recent increases due to complexities in the off air and other contracts brought on by new federal legislation.

**Maintenance – Equipment and Buildings**

The Cable Department has one bucket truck and a head end building which require periodic maintenance throughout the year. For F.Y. 2014-15 we estimate \$5,000 for maintenance costs. Approximately 80 percent of those costs are in the equipment (truck) maintenance.

**Internet Expense**

In order to provide internet services for our customers we have a number of expenses as shown in the following chart:

DESCRIPTION	2014-15	2015-16	2016-17	2017-18	2018-19
Bandwidth	\$90,000	\$90,000	\$90,000	\$90,000	\$90,000
CMTS Support	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000
Totals	\$135,000	\$135,000	\$135,000	\$135,000	\$135,000

- Bandwidth – The charges incurred for leasing bandwidth space outside of our system. This allows the city to extend beyond our system boundaries. With increased use from additional customers or individual customer use the bandwidth needs will increase and additional space will be required. Lack of space causes potential slow-downs and interruptions in the service.
- CMTS Support – The city currently leases this equipment. We are looking to purchase our own equipment in the near future.

**Telephone System Operational Expenses**

Expenses for the city to provide voice over internet protocol (Voip) services to our customers.

**New Equipment**

A new bucket truck has not been programmed for out year projections at this time however this will be evaluated on an annual basis. The estimated cost for a new bucket truck is \$120,000.

The city is also looking to purchase a new CMTS for the internet. This has not been specifically programmed and will be based on available funds in fund balance. \$130,000 has been programmed for the FY 2016-17 year to purchase this equipment.

### **Capital Projects**

There are no major capital improvements planned in the system for a number of years. There is some planning for handling our contracted services, bandwidth, and other operational costs.

**CABLE TELEVISION FUND  
JULY 1, 2011 THRU JUNE 30, 2019  
DETAILS OF REVENUES**

Updated: 5/29/2014

ACCOUNT NUMBER	DEPARTMENT NAME	2011-2012	2012-2013	2013-2014	ADOPTED	ADOPTED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED
		ACTUAL	ACTUAL	EST ACTUAL	2013-2014 BUDGET	2014-2015 BUDGET	2015-2016 BUDGET	2016-2017 BUDGET	2017-2018 BUDGET	2018-2019 BUDGET	
402	Retirees Insurance Reimbursement	\$13,782	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
589	Bond Issue Proceeds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
626	Connection Charges (TV/HBO)	\$7,924	\$6,812	\$8,000	\$8,500	\$8,500	\$8,500	\$8,500	\$8,500	\$8,500	\$8,500
633	Miscellaneous Revenues	\$3,888	\$3,427	\$3,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
642	Service Charges - CATV	\$683,811	\$760,000	\$757,548	\$778,932	\$826,369	\$851,160	\$876,695	\$851,160	\$876,695	\$876,695
643	Service Charges - Digital/HDTV/Movie Pkgs	\$22,057	\$22,915	\$22,500	\$22,380	\$22,380	\$22,380	\$22,380	\$22,380	\$22,380	\$22,380
644	Service Charges - Phone Service	\$148,444	\$153,948	\$160,000	\$164,864	\$168,768	\$173,831	\$179,046	\$184,417	\$189,950	\$189,950
645	Bundle Packages Discounts	(\$61,816)	(\$63,054)	(\$64,500)	(\$62,580)	(\$64,800)	(\$66,744)	(\$68,746)	(\$70,809)	(\$72,933)	(\$72,933)
646	Timber Sales	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
649	Digital/HDTV-DVR Box Fees	\$14,156	\$17,284	\$17,800	\$18,600	\$17,700	\$17,700	\$17,700	\$17,700	\$17,700	\$17,700
650	Sale Material/Supplies/Equipment	\$3,845	\$5,290	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
655	Penalties	\$14,000	\$15,520	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
659	Internet Access - Monthly Charge	\$380,557	\$408,500	\$440,000	\$411,630	\$533,480	\$533,490	\$533,490	\$533,490	\$533,490	\$533,490
660	Internet Access - Connection Charges	\$340	\$210	\$500	\$0	\$0	\$0	\$0	\$0	\$0	\$0
661	Community Channel Advertising	\$2,920	\$3,210	\$5,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
665	Interest on Investments	\$1,497	\$806	\$800	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
674	Developer Contributions	\$500	\$0	\$500	\$0	\$0	\$0	\$0	\$0	\$0	\$0
680	Transfers In	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
685	From Fund Equity	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>GRAND TOTAL REVENUES</b>		\$1,235,505	\$1,238,372	\$1,375,900	\$1,347,722	\$1,488,470	\$1,514,957	\$1,542,239	\$1,570,339	\$1,598,262	\$1,598,262
980	Transfers Out	(\$139,180)	(\$146,205)	(\$131,019)	(\$131,019)	(\$134,673)	(\$141,406)	(\$148,476)	(\$155,900)	(\$163,665)	(\$163,665)
<b>GRAND TOTAL EXPENDITURES</b>		\$1,177,254	\$1,128,173	\$1,157,724	\$1,186,988	\$1,287,824	\$1,198,943	\$1,355,905	\$1,274,543	\$1,315,958	\$1,315,958
<b>REVENUE OVER/(UNDER) EXPENDITURES</b>		(\$80,929)	(\$36,006)	\$87,157	\$29,705	\$65,973	\$174,608	\$37,857	\$139,896	\$119,628	\$119,628
	<b>Fund Balance</b>										
	Prior Years	YEAR ENDED JUNE 30 2011-2012	YEAR ENDED JUNE 30 2012-2013	YEAR ENDED JUNE 30 2013-2014	YEAR ENDED JUNE 30 2013-2014	YEAR ENDED JUNE 30 2014-2015	YEAR ENDED JUNE 30 2015-2016	YEAR ENDED JUNE 30 2016-2017	YEAR ENDED JUNE 30 2017-2018	YEAR ENDED JUNE 30 2018-2019	YEAR ENDED JUNE 30 2018-2019
	and Future Years										
	Beginning Balance:	\$285,338	\$75,572	(\$17,958)	(\$17,958)	\$23,199	\$176,672	\$318,779	\$444,137	\$551,533	\$551,533
	Revenues:	\$1,194,335	\$1,238,372	\$1,375,900	\$1,347,722	\$1,488,470	\$1,514,957	\$1,542,239	\$1,570,339	\$1,598,262	\$1,598,262
	Expenditures:	(\$1,139,266)	(\$1,258,874)	(\$1,288,743)	(\$1,283,017)	(\$1,272,497)	(\$1,310,349)	(\$1,354,381)	(\$1,400,443)	(\$1,449,653)	(\$1,449,653)
	Depreciation Expense:	(\$149,866)	(\$76,028)	(\$76,000)	(\$62,500)	(\$62,500)	(\$62,500)	(\$62,500)	(\$62,500)	(\$62,500)	(\$62,500)
	Current year affect on fund balance:	(\$94,797)	(\$93,630)	\$41,157	\$22,205	\$153,473	\$142,108	\$125,357	\$107,386	\$87,128	\$87,128
	Ending Balance:	\$180,541	(\$17,958)	\$23,199	\$4,247	\$176,672	\$318,779	\$444,137	\$551,533	\$638,661	\$638,661
<b>CASH BALANCE ANALYSIS</b>											
	Beginning Cash Balance:										
	Revenues:										
	Expenditures:										
	Ending Cash Balance:										
	Bond Reserve										
	Bond Redemption Acct										
	Capital Improvement Cash										
	Available Cash	\$ (84,803.43)	\$ 2,353.38	\$ (55,098.43)	\$ 68,326.40	\$ 242,934.03	\$ 280,791.52	\$ 420,687.17	\$ 540,315.51	\$ 540,315.51	\$ 540,315.51

CITY OF NORWAY  
CABLE TELEVISION FUND - (502-540)

Updated: 5/29/14

ACCOUNT NUMBER	DEPARTMENT NAME	2011-2012 ACTUAL	2012-2013 ACTUAL	2013-2014 EST ACTUAL	ADOPTED 2013-2014 BUDGET	ADOPTED 2014-2015 BUDGET	PROPOSED 2015-2016 BUDGET	PROPOSED 2016-2017 BUDGET	PROPOSED 2017-2018 BUDGET	PROPOSED 2018-2019 BUDGET
<b>PERSONNEL SERVICES</b>										
702	Salaries - Full Time	\$132,833	\$130,814	\$135,421	\$134,472	\$135,421	\$133,858	\$136,978	\$140,174	\$143,450
703	Salaries - Part Time	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
704	Salaries - Overtime	\$3,432	\$6,575	\$7,302	\$7,302	\$7,302	\$7,484	\$7,671	\$7,863	\$8,060
705	Employee Separation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
706	Sick Leave/Vacation Buyback	\$2,272	\$1,204	\$1,685	\$2,340	\$2,340	\$2,399	\$2,459	\$2,520	\$2,583
707	Longevity Pay	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,200	\$1,250	\$1,250	\$1,250
712	VEBA/HRA/HSA Contribution	\$7,694	\$507	\$700	\$650	\$700	\$700	\$700	\$700	\$700
715	Employer - FICA	\$10,412	\$10,829	\$11,131	\$11,109	\$11,181	\$11,088	\$11,349	\$11,613	\$11,884
716	Group Insurance (Health/Life/LTD/STD/Self-Ins)	\$62,305	\$45,932	\$42,850	\$42,850	\$38,100	\$39,243	\$40,420	\$41,633	\$42,882
717	Self Insured Retention (Health)	\$3,136	\$1,100	\$0	\$0	\$0	\$0	\$0	\$0	\$0
718	Employer - MERS	\$39,761	\$44,674	\$37,615	\$48,400	\$0	\$0	\$0	\$0	\$0
719	Unemployment Compensation	\$1,463	\$1,226	\$1,420	\$1,300	\$1,420	\$1,491	\$1,566	\$1,644	\$1,726
720	Training/Membership/Travel/Education	\$179	\$227	\$147	\$200	\$200	\$200	\$200	\$200	\$200
	<b>SUBTOTAL - PERSONNEL SERVICES</b>	<b>\$264,588</b>	<b>\$244,188</b>	<b>\$239,371</b>	<b>\$249,723</b>	<b>\$197,765</b>	<b>\$197,663</b>	<b>\$202,593</b>	<b>\$207,598</b>	<b>\$212,735</b>
<b>OPERATING EXPENSES</b>										
740	Supplies (Operating & Office)	\$2,165	\$2,315	\$2,500	\$2,500	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
745	Printing/Postage/Stationary/Publications	\$2,205	\$2,315	\$2,600	\$2,200	\$2,200	\$2,200	\$2,200	\$2,200	\$2,200
750	Uniform/Cleaning Expense/Safety Glasses	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250
751	Gas & Oil	\$3,598	\$3,511	\$3,650	\$5,000	\$4,580	\$4,580	\$4,580	\$4,580	\$4,580
752	Trunkline Distribution	\$22,664	\$22,700	\$35,000	\$15,000	\$15,000	\$16,000	\$16,000	\$16,000	\$16,000
805	Subscriber Fees	\$502,643	\$529,967	\$550,000	\$560,000	\$611,305	\$641,870	\$673,964	\$707,662	\$743,045
819	Professional Services	\$8,584	\$8,228	\$10,000	\$13,200	\$13,600	\$13,600	\$13,600	\$13,600	\$13,600
861	Maintenance-Equipment/Buildings	\$4,559	\$3,098	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
903	Computer Expense	\$47	\$22	\$800	\$800	\$800	\$800	\$800	\$800	\$800
914	Insurance - Liability/Property/Worker's Comp.	\$2,316	\$2,613	\$2,905	\$2,875	\$3,000	\$3,150	\$3,308	\$3,473	\$3,647
920	Telephone	\$960	\$1,103	\$960	\$960	\$960	\$960	\$960	\$960	\$960
921	Utilities	\$28,005	\$30,844	\$34,000	\$34,000	\$34,000	\$34,680	\$35,373	\$36,080	\$36,801
942	Rent/Lease	\$3,093	\$743	\$750	\$750	\$750	\$750	\$750	\$750	\$750
966	Internet Operations	\$127,284	\$111,154	\$110,000	\$128,000	\$135,000	\$135,000	\$135,000	\$135,000	\$135,000
966.001	Telephone System Operations	\$99,747	\$83,119	\$68,000	\$49,302	\$49,302	\$49,302	\$49,302	\$49,302	\$49,302
995	Interest Expense	\$64,011	\$63,498	\$61,938	\$61,938	\$61,313	\$60,438	\$59,525	\$58,588	\$58,588
	Bond Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
974	Bond Payment (Principle)	\$15,000	\$15,000	\$10,000	\$10,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
	Loss - Disposal of Fixes Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>SUBTOTAL - OPERATING EXPENSES</b>	<b>\$887,130</b>	<b>\$880,481</b>	<b>\$898,353</b>	<b>\$892,275</b>	<b>\$960,060</b>	<b>\$991,280</b>	<b>\$1,023,311</b>	<b>\$1,056,945</b>	<b>\$1,093,223</b>
<b>CAPITAL - VEHICLES &amp; EQUIPMENT</b>										
970	New Vehicles/Equipment	\$0	\$0	\$0	\$0	\$120,000	\$0	\$0	\$0	\$0
971	Capital - System	\$19,480	\$0	\$20,000	\$45,000	\$10,000	\$10,000	\$130,000	\$10,000	\$10,000
971-003	System Rebuild/Upgrade - 2009	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
971-004	Pitone System/Network Upgrade	\$6,055	\$3,504	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>SUBTOTAL - CAPITAL - VEHICLES &amp; EQUIP.</b>	<b>\$25,535</b>	<b>\$3,504</b>	<b>\$20,000</b>	<b>\$45,000</b>	<b>\$130,000</b>	<b>\$10,000</b>	<b>\$130,000</b>	<b>\$10,000</b>	<b>\$10,000</b>
<b>TOTAL - CABLE TELEVISION FUND</b>										
		<b>\$1,177,254</b>	<b>\$1,128,173</b>	<b>\$1,157,724</b>	<b>\$1,186,998</b>	<b>\$1,287,824</b>	<b>\$1,198,943</b>	<b>\$1,355,905</b>	<b>\$1,274,543</b>	<b>\$1,315,958</b>



**CITY OF NORWAY  
CABLE TELEVISION FUND - TRANSFERS IN/OUT (940)**

Updated: 5/29/2014

ACCOUNT NUMBER	DEPARTMENT NAME	2011-2012 ACTUAL	2012-2013 ACTUAL	2013-2014 EST ACTUAL	ADOPTED 2013-2014 BUDGET	ADOPTED 2014-2015 BUDGET	PROPOSED 2015-2016 BUDGET	PROPOSED 2016-2017 BUDGET	PROPOSED 2017-2018 BUDGET	PROPOSED 2018-2019 BUDGET
<b>Transfers In</b>										
691	From Electric Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	From Equip. Replacement Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Subtotal - Transfers In:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Transfers Out</b>										
981	To Electric Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
982	To General Fund	\$133,180	\$146,205	\$131,019	\$131,019	\$134,673	\$141,406	\$148,476	\$155,900	\$163,695
983	To Water Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
999	To OPEB Trust Fund	\$6,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Subtotal - Transfers Out:	\$139,180	\$146,205	\$131,019	\$131,019	\$134,673	\$141,406	\$148,476	\$155,900	\$163,695
	<b>Total (Transfers IN/OUT):</b>	(\$139,180)	(\$146,205)	(\$131,019)	(\$131,019)	(\$134,673)	(\$141,406)	(\$148,476)	(\$155,900)	(\$163,695)

## **ELECTRIC FUND BUDGET NOTES**

### **REVENUES**

#### **Retirees Insurance Reimbursement**

Prior to FY 12-13, this account reflected employee contributions towards retiree health or life insurance. Starting in FY 13-14, contributions from retirees for insurance are applied as a positive entry into the insurance expense account.

#### **Miscellaneous Revenues**

This account receives receipts from discounts on sales tax, reconnection fees, and miscellaneous insurance reimbursements received during the year. There is typically \$5,000 budgeted in this account on an annual basis. For FY 2013-14 we have projected receipts of \$8,000.

#### **Regulation Credits**

In 2008, the City negotiated a reregulation credit from WE Energies as part of the Wilderness Shores agreement. Reregulation is the compensation for the city "reregulating" the river from the peaking flows that WE Energies produces upstream. The credit was previously handled through the old schedule W rate that was negotiated in 1994. With the City joining WPPI and with WE Energies discontinuing this schedule W rate structure, the new reregulation credit was established. This credit is estimated at \$200,000 per year.

#### **Utility Installation Costs**

Accounts for revenue received from private customers for line installations. City expense is invoiced at cost without a surcharge. Fifty percent of the cost estimate is paid by the customer prior to initiating work with the balance due upon completion. \$25,000 has been programmed in this account each year.

#### **Pole Rental Revenues**

The city has negotiated an agreement with AT&T to pay \$8,360 per year for the use of city poles for their telephone lines. These are called "contacts" and AT&T pays per contact.

#### **Energy Optimization Revenues**

Under PA 295 of 2008, the city is required to collect an Energy Optimization (EO) fee which is kept in a separate account and is to be used for the Energy Optimization Program (EOP). In 2011, we decided to allow the State of Michigan run our EOP collectively with all other electric utilities in the state. The monies collected in this fund are now sent directly to the State of Michigan for implementation. Approximately \$74,000 has been collected per year in this account.

## **Electric Sales**

F.Y. 2013-14 estimated actual revenues are estimated to meet budget estimates. Estimated actual sales are projected at \$4,010,000.

Staff projects electric sales to generate \$4,092,067 million during F.Y. 2014 - 2015 based upon average usage approaching 31 million KWH applied to the following rate structure;

Residential - Norway .01296/kw hr plus \$ 12.00/mo. meter charge

Residential - Township .1496/kw hr plus \$ 14.00/mo. meter charge

Commercial - Norway .1296/kw hr plus \$35.00/mo. meter charge

Commercial - Township .1496/kw hr plus \$40.00/mo. meter charge

Commercial (CLDM) over 40 kw - Norway 1.25 demand charge with \$0.0923/kw hr plus \$80.85/mo. meter charge

Commercial (CLDM) over 40 kw - Township 1.25 demand charge with \$0.0941/kw hr plus \$130.85/mo. meter charge

Industrial - Norway 1.25 demand charge with \$0.0923/kw hr plus \$80.85/mo. meter charge

Industrial - Township 1.25 demand charge with \$0.0941/kw hr plus \$135.85/mo. meter charge

## **Power Cost Adjustment Clause (PCAC)**

In 2010, the City Council approved a Power Cost Adjustment Clause (PCAC) which is calculated on a monthly basis to account for the amount of water in the river and the positive or negative effects of river flow on the city's power generation. The base calculation is for the city to generate 1 MW of power. This amount of generation is the historical minimum amount of generation that is generated at any given time under most water conditions. Generation amounts above 1 MW will be calculated and create a "discounted" rate for our customers. The PCAC is an economic safety feature so that the fund does not create a negative balance during draught or lean years. These years cause the purchased power budget to increase and the cost of purchased power off of the grid is vastly greater than our own power. For the fiscal year ending on June 30, 2013, a projection of \$480,000 has been rebated back to our customers.

## **Timber Sales**

Reflects select cut on City property along the Menominee River in Wisconsin. Staff will investigate modifications to the existing forest management plan which would allow limited cutting to remove dead or dying trees.

## **Surplus Power Sales**

Sales generated from the sale of excess electricity in the wholesale electric market. An Agreement with WPPI establishes the pricing for the extra electricity sales.

- a) F.Y.2013 -14 estimated actual sales are projected above budget due to the increased power generation caused by high water conditions = \$45,000.
- b) Sales range capability: 900 - 3000 kwh monthly  
4.5 cents kwh on-peak (8:00 a.m. - 8:00 p.m.)  
1.9 cents kwh off-peak
- c) F.Y. 2014 – 2015 revenue projections = \$45,000

## **Demand Charges**

Combines line item descriptions previously titled demand charges and demand charges capital. Demand charges are applied to industrial & commercial customers based upon a rate of \$10.00/kwh & 1.25 distribution demand. The potential for enhanced demand charge revenue exists with continued industrial and commercial development. All customers with a demand at 40kw or above will be charged demand.

Demand charges are generally applied to the following industrial accounts with the addition of commercial demand this group will increase.

- Multicolor Print Group
- Load Master
- United Kiser

We currently budget \$300,000 per year for demand customer receipts.

## **Developer Contributions**

Beginning in F.Y. 1998 - 99, developer contributions were programmed as system revenue. Conservative estimates for out year contributions to this account have not been programmed.

## **EXPENDITURES**

### **Personnel Services**

Personnel services accounts for all full time salaries, part time wages, overtime, and all costs associated with personnel such as FICA, workman's comp, insurances, and training. New cross training initiatives were implemented in FY 05-06 with the retirement of two (3) hydro operators. All personnel are now trained to handle both line work and hydro work. This accounts for lower overtime, increased productivity, and the elimination of one pager and extra call out. The FY 2014-15 budget for personnel services is proposed at \$895,614 which is 9.84% higher than FY 2013-14 estimated actual expense of \$815,394.

### **Training, Membership, Travel and Education**

A)	Hydro User Group Wausau, WI	250
B)	APPA	500
C)	MMEA Membership	5,100
D)	Miscellaneous Conferences	2,000
E)	Training/Workshop	1,000
F)	MEUW Safety Training	<u>3,000</u>
	TOTAL	\$11,850

### **Transmission and Distribution Expense**

This account provides funding for the purchase of various inventory items including poles, small transformers, arms, pad mounts, wire switches, and other system accessories. For the fiscal year

ending on June 30, 2014 the projection is \$104,800. The FY 2014-15 budget is \$104,800.

### **Toll Charges - Michigamme Reservoir**

The City has an agreement with Wisconsin Electric through the Wilderness Shores Agreement which stipulates payment to support maintenance of Way Dam at Michigamme Reservoir. Way Dam controls spring floodwater and flows. Projections based upon average quarterly payment of \$5,875 or \$23,500 annually.

### **Purchased Power**

The City generates roughly 60 percent on average the power load for the Norway service area. In 2007 the City of Norway joined the Wisconsin Public Power Incorporated as a member and has agreed to purchase excess power through this cooperative.

F.Y. 2013-14 expenditures are projected slightly below budget due to increased water flows during the same time period. Increased water flows correlate directly towards less power purchased through the wholesale purchased power agreement. The increased cost of purchased power over the grid has substantially increased the amounts that we have paid over the past 5 years. The following table depicts power purchased in dollars by fiscal year:

<u>Fiscal Year</u>	<u>Power Purchased (\$)</u>
14-15	1,250,000 – Proposed/Budget
13-14	1,100,000 – Estimated Actual
12-13	1,215,527
11-12	1,229,308
10-11	573,700
09-10	1,594,385
08-09	1,350,000
07-08	1,157,388
06-07	770,497
05-06	500,000
04-05	383,213
03-04	404,761
02-03	292,924
01-02	318,893
00-01	311,203
99-00	272,310
98-99	338,700
97-98	260,488
96-97	179,557

### **Street Lighting**

Proposed funding continues enhancement initiative community wide. F.Y. 2014-2015 budget allocations have been placed at \$6,728 to accommodate miscellaneous requests that surface throughout the year.

## **Meter Expense**

The F.Y. 2005-06 budget and five year plan outlines an aggressive replacement program to include radio read capabilities. In 2005, an opportunity was taken to purchase all remaining meters at ½ of their new purchase price. The entire system is now completed for a true radio read capability. The new technology is to move away from the radio read and have an automated meter read (AMI). An AMI is a system where the meter signal is sent via either Ethernet or wireless to the city hall. Since the city owns and operates its own cable system it makes sense to use the Ethernet. The budget reflects a complete meter replacement to AMI meters in a 3 year period. A budget of \$100,000 per year has been appropriated. The out year budget accounts for \$5,000 in miscellaneous meter replacements and maintenance starting in FYI 2017-18.

## **Professional Services**

Various activities are contracted to contractors through this account as follows:

- FERC Compliance – There are a number of annual requirements and projects that must be met under the current FERC license as identified within the project plans.
- Plant Monitoring – An agreement was negotiated with WE Energies following the automation of the hydro plant for alarm monitoring during unmanned periods. The WE Energies dispatch contacts Norway operators when various operational alarms are activated.
- Brushing – Due to the level of brushing requirements on the existing system, outside contracts are utilized for this activity. Recently, the city's Electric Department has been handling brushing activities with our own crews. No funds have been allocated for this activity in the budget at the present time.
- Engineering – Miscellaneous engineering activities are contracted which are above the scope of staff capabilities mainly for project development and implementation. There has also been an increased awareness and implementation to upgrade the city's GIS and mapping to add efficiencies and document controls.
- Pest Control – Periodic control is necessary for the hydro plant with various pest removal.
- Oil Testing – Required at the hydro plant and for miscellaneous transformers.
- Erosion Control – As part of the FERC license, the City is required each year to mitigate identified erosion areas on the river upstream of the hydro facility. The project plan has been laid out as per the agreement. The city has recently been successful in having a number of the initial sites removed from remediation and put under a monitoring plan. This has dramatically decreased the amount of expense to be budgeted.
- Evasive Plants – As part of the FERC license, the City is required to mitigate Eurasian Milfoil on the river at designated locations every 3<sup>rd</sup> year. In between the mitigation activities the city is required to monitor and report on the mitigation activities through additional study.
- Part 12 Plan – A requirement under the FERC license
- License Compliance Engineering Assistance – Contracted help for annual compliance with the hydro 20 year FERC license.
- SKF Bearing – Assistance with annual inspection for bearing work on the hydroelectric generators.
- MEUW/OSHA – Payment to the MEUW for the cooperative effort to contract for a safety director and safety program.
- Itron Support – Program support for the electric meter reading computer program.

- KPE Engineering – Specialized electrical engineering support for system engineering.

DESCRIPTION	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
FERC/OSHA Compliance	\$15,000	\$30,000	\$30,000	\$30,000	\$30,000
Plant Monitoring	\$12,000	\$12,500	\$12,500	\$12,500	\$12,500
Brushing	\$0	\$0	\$0	\$0	\$0
Engineering	\$20,000	\$20,000	\$8,000	\$8,000	\$8,000
Pest Control	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
Oil Testing	\$600	\$600	\$600	\$600	\$600
Erosion Control	\$500	\$500	\$500	\$500	\$500
Invasive Plants	\$5,000	\$20,000	\$5,000	\$5,000	\$20,000
FERC Part 12	\$0	\$0	\$0	\$0	\$0
FERC License Compliance Engineering	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000
SKF Bearing	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
MEUW/OSHA	\$11,500	\$11,500	\$11,500	\$11,500	\$11,500
Itron Support	\$3,761	\$3,761	\$3,761	\$3,761	\$3,761
KPE Engineering	\$20,000	\$10,000	\$10,000	\$10,000	\$10,000
Totals	\$192,511	\$184,011	\$170,511	\$170,511	\$185,511

### **Insurance**

General liability, property and workers compensation premiums allocated proportionately within the General Fund and Utility Funds based upon actual accounting.

### **Disposal Expense**

System contains approximately 600 transformers. Account established to fund disposal of approximately 20 used transformers annually. Presence of PCB's and other contaminants requires special handling. Disposal cost listed at \$350/unit. Approximately 30% of the current inventory of 125 transformers contains contaminants. The city budgets \$2,100 each year for transformer disposal.

## Rental/Lease

Funds are programmed to offset U.S.G.S. stream gauge rental, which is \$25,000 annually. This rental is required under the FERC hydro operating license agreement.

## Capital Improvements

In February of 2004, Council approved an electrical system master-planning document, which outlines a 5 to 10 year capital improvement plan for both the hydro plant and the distribution system. The projects are prioritized with budget costs and the budget process provides details to the time frame for the projects. Outside of the master plan, the City will need to evaluate separately the possibilities for providing peak power generation which will give the Norway customers 100 percent supplied power. Due to the loss of the Westinghouse Unit in December of 2005, plans were redrawn to accommodate for the reconstruction of the power house. In 2012, the final segment of the hydroelectric powerhouse project was completed with the reconstruction of the GE Unit. In 2010 the city completed the construction of the new substation near the DNR offices located on US 2 and its loop conversion. This allowed the city to completely remove itself from the old WE Energies substation and purchase transmission grade power to avoid retransmission costs. The remaining segments of the master plan address problem areas in the distribution system. The following charts detail projects as identified over the past 6 months of planning efforts. Capital improvement accounts also allow for the purchase and replacement of equipment for the department.

## Capital – Equipment

ACTIVITY	2014-15	2015-16	2016-17	2017-18	2018-19
Versilift Bucket Truck	0	0	0	170,000	0
Double Material Handler	0	220,000	0	0	0
Digger Truck	0	0	200,000	0	0
Double Bucket 2000	210,000	0	0	0	0
Work Trucks/Miscellaneous	20,000	0	40,000	0	55,000
<b>TOTAL</b>	<b>230,000</b>	<b>220,000</b>	<b>240,000</b>	<b>170,000</b>	<b>55,000</b>

- The FY 2011-12 budget was approved with \$150,000 which was not spent. This money will be placed in an equipment replacement account for additional purchases in FY 2014-15. The FY 13-14 budget has programmed one large bucket truck as well as \$20,000 in miscellaneous smaller equipment such as a portable weld machine.
- The equipment replacement schedule for large work trucks such as digger trucks and bucket trucks is established at 10 years. There are very complicated and expensive maintenance and certification requirements related to boom equipment especially regarding man-lift equipment. It is more cost effective to keep a good replacement schedule to avoid any undue costs and to maximize potential trade in values.
- Various size work trucks are constantly under evaluations (ie. ½ ton, ¾ ton, and mid-size). Work truck is used as a generic term.

**Capital – System**

<b>ACTIVITY</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
Hydro Substation	30,000	0	0	0	0
Forest Drive, Fair View Drive, WPA Road	90,000	0	0	0	0
South Brown Substation	10,000	0	0	0	0
US8, Piers Gorge, Oak Crest Drive	150,000	0	0	0	0
Vulcan Reconductor	0	120,000	120,000	120,000	0
Kimberly Road	0	0	0	150,000	0
Norway Hill, Pearnly Lane	0	0	0	0	180,000
<b>TOTAL</b>	<b>280,000</b>	<b>110,000</b>	<b>110,000</b>	<b>240,000</b>	<b>180,000</b>

**Capital – Hydro**

<b>ACTIVITY</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
FERC/General & Safety/Maint.	30,000	30,000	30,000	30,000	30,000
Concrete Repair	30,000	80,000	80,000	80,000	80,000
General Plant Safety and Maintenance	5,000	5,000	5,000	5,000	5,000
Automated Tainter Gait Heaters	350,000	0	0	0	0
Walk Way up to Substation	0	40,000	40,000	0	0
<b>TOTAL</b>	<b>415,000</b>	<b>155,000</b>	<b>115,000</b>	<b>115,000</b>	<b>115,000</b>

CITY OF NORWAY  
ELECTRIC FUND  
JULY 1, 2011 THRU JUNE 30, 2019  
DETAILS OF REVENUES

Updated: 6/12/2014

ACCOUNT NUMBER	DEPARTMENT NAME	2011-2012	2012-2013	2013-2014	ADOPTED	ADOPTED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED
		ACTUAL	ACTUAL	EST. ACTUAL	2013-2014 BUDGET	2014-2015 BUDGET	2015-2016 BUDGET	2016-2017 BUDGET	2017-2018 BUDGET	2018-2019 BUDGET	
402	Retirees Insurance Reimbursement	\$21,617	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
569	Bond Proceeds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
570	Grant Proceeds	\$15,384	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
633	Miscellaneous Revenues	\$142,133	\$6,722	\$6,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
633.001	Regulation Credits	\$238,055	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
636	Utility Installation Costs	\$22,933	\$39,111	\$32,930	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
638	Pole Rental Revenues	\$8,360	\$8,360	\$8,360	\$8,360	\$8,360	\$8,360	\$8,360	\$8,360	\$8,360	\$8,360
639	Energy Optimization Revenues	\$42,145	\$71,228	\$73,500	\$73,500	\$73,500	\$73,500	\$73,500	\$73,500	\$73,500	\$73,500
641	Electric Sales	\$3,301,327	\$3,492,247	\$4,010,000	\$4,117,388	\$4,092,067	\$4,173,908	\$4,257,387	\$4,342,534	\$4,429,385	\$4,516,230
641.001	Power Cost Adjustment (PCAC)	\$0	\$0	(\$482,500)	(\$275,826)	(\$254,449)	(\$254,449)	(\$254,449)	(\$254,449)	(\$254,449)	(\$254,449)
646	Timber Sales	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
647	Surplus Power Sales	\$9,410	\$49,560	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000
647.001	Sale of Renewable Energy Credits	\$9,420	\$3,094	\$35,230	\$0	\$0	\$0	\$0	\$0	\$0	\$0
648	Demand Charges	\$343,665	\$310,792	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000
650	Sale of Material/Supplies/Equipment	\$52,447	\$11,173	\$13,811	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
655	Penalties	\$34,769	\$37,945	\$31,000	\$33,000	\$33,000	\$33,000	\$33,000	\$33,000	\$33,000	\$33,000
665	Interest on Investments	\$10,738	\$6,841	\$7,500	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
673	Sale of Property	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
680	Transfers In	\$2,408	\$5,780	\$5,780	\$5,780	\$8,080	\$8,080	\$8,080	\$8,080	\$8,080	\$8,080
685	From Fund Equity	\$0	\$0	\$0	\$45,000	\$500,000	\$0	\$0	\$0	\$0	\$0
<b>GRAND TOTAL REVENUES</b>		<b>\$4,250,478</b>	<b>\$4,273,416</b>	<b>\$4,288,071</b>	<b>\$4,561,700</b>	<b>\$5,046,558</b>	<b>\$4,628,399</b>	<b>\$4,711,877</b>	<b>\$4,797,025</b>	<b>\$4,883,876</b>	<b>\$4,969,752</b>
980	Transfers Out	(\$476,090)	(\$531,305)	(\$759,618)	(\$774,654)	(\$708,210)	(\$632,992)	(\$659,642)	(\$687,624)	(\$716,005)	(\$744,833)
<b>GRAND TOTAL EXPENDITURES</b>		<b>(\$476,090)</b>	<b>(\$531,305)</b>	<b>(\$759,618)</b>	<b>(\$774,654)</b>	<b>(\$708,210)</b>	<b>(\$632,992)</b>	<b>(\$659,642)</b>	<b>(\$687,624)</b>	<b>(\$716,005)</b>	<b>(\$744,833)</b>

REVENUE OVER(UNDER) EXPENDITURES	2011-2012	2012-2013	2013-2014	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
	\$3,954,546	\$3,482,156	\$3,438,502	\$3,783,480	\$4,337,089	\$4,052,755	\$4,077,354	\$4,166,540	\$4,109,337
	(\$180,157)	\$259,956	\$90,961	\$3,688	\$1,259	\$42,662	\$74,881	\$42,881	\$157,533

Fund Balance Prior Years and Future Years	2010-2011		2011-2012		2012-2013		2013-2014		2014-2015		2015-2016		2016-2017		2017-2018		2018-2019		
	JUNE 30																		
Beginning Balance:	\$6,693,721	\$7,001,692	\$7,137,604	\$7,454,827	\$7,454,827	\$7,646,341	\$7,646,341	\$7,646,341	\$7,646,341	\$7,646,341	\$7,646,341	\$7,646,341	\$7,646,341	\$7,646,341	\$7,646,341	\$7,646,341	\$7,646,341	\$7,646,341	\$7,646,341
Revenues:	\$4,131,117	\$4,250,478	\$4,273,416	\$4,288,071	\$4,288,071	\$4,288,071	\$4,288,071	\$4,288,071	\$4,288,071	\$4,288,071	\$4,288,071	\$4,288,071	\$4,288,071	\$4,288,071	\$4,288,071	\$4,288,071	\$4,288,071	\$4,288,071	\$4,288,071
Expenditures:	(\$3,172,836)	(\$3,564,660)	(\$3,389,177)	(\$3,528,557)	(\$3,528,557)	(\$3,528,557)	(\$3,528,557)	(\$3,528,557)	(\$3,528,557)	(\$3,528,557)	(\$3,528,557)	(\$3,528,557)	(\$3,528,557)	(\$3,528,557)	(\$3,528,557)	(\$3,528,557)	(\$3,528,557)	(\$3,528,557)	(\$3,528,557)
Depreciation Expense:	(\$550,310)	(\$549,907)	(\$567,016)	(\$570,000)	(\$570,000)	(\$570,000)	(\$570,000)	(\$570,000)	(\$570,000)	(\$570,000)	(\$570,000)	(\$570,000)	(\$570,000)	(\$570,000)	(\$570,000)	(\$570,000)	(\$570,000)	(\$570,000)	(\$570,000)
Current year affect on fund balance:	\$407,971	\$133,912	\$317,223	\$191,514	\$191,514	\$66,786	\$66,786	\$66,786	\$66,786	\$66,786	\$66,786	\$66,786	\$66,786	\$66,786	\$66,786	\$66,786	\$66,786	\$66,786	\$66,786
Ending Balance:	\$7,001,692	\$7,137,604	\$7,454,827	\$7,646,341	\$7,646,341	\$7,646,341	\$7,646,341	\$7,646,341	\$7,646,341	\$7,646,341	\$7,646,341	\$7,646,341	\$7,646,341	\$7,646,341	\$7,646,341	\$7,646,341	\$7,646,341	\$7,646,341	\$7,646,341

Beginning Cash Balance:	2010-2011		2011-2012		2012-2013		2013-2014		2014-2015		2015-2016		2016-2017		2017-2018		2018-2019		
	JUNE 30																		
Beginning Cash Balance:	\$2,263,930	\$2,263,930	\$2,263,930	\$2,263,930	\$2,263,930	\$2,263,930	\$2,263,930	\$2,263,930	\$2,263,930	\$2,263,930	\$2,263,930	\$2,263,930	\$2,263,930	\$2,263,930	\$2,263,930	\$2,263,930	\$2,263,930	\$2,263,930	\$2,263,930
Revenues:	\$4,288,071	\$4,288,071	\$4,288,071	\$4,288,071	\$4,288,071	\$4,288,071	\$4,288,071	\$4,288,071	\$4,288,071	\$4,288,071	\$4,288,071	\$4,288,071	\$4,288,071	\$4,288,071	\$4,288,071	\$4,288,071	\$4,288,071	\$4,288,071	\$4,288,071
Expenditures:	(\$4,197,120)	(\$4,197,120)	(\$4,197,120)	(\$4,197,120)	(\$4,197,120)	(\$4,197,120)	(\$4,197,120)	(\$4,197,120)	(\$4,197,120)	(\$4,197,120)	(\$4,197,120)	(\$4,197,120)	(\$4,197,120)	(\$4,197,120)	(\$4,197,120)	(\$4,197,120)	(\$4,197,120)	(\$4,197,120)	(\$4,197,120)
Ending Cash Balance:	\$2,263,930	\$2,263,930	\$2,263,930	\$2,263,930	\$2,263,930	\$2,263,930	\$2,263,930	\$2,263,930	\$2,263,930	\$2,263,930	\$2,263,930	\$2,263,930	\$2,263,930	\$2,263,930	\$2,263,930	\$2,263,930	\$2,263,930	\$2,263,930	\$2,263,930

Bond Reserve Account	2010-2011		2011-2012		2012-2013		2013-2014		2014-2015		2015-2016		2016-2017		2017-2018		2018-2019		
	JUNE 30																		
Bond Reserve Account	\$701,267	\$701,267	\$701,267	\$701,267	\$701,267	\$701,267	\$701,267	\$701,267	\$701,267	\$701,267	\$701,267	\$701,267	\$701,267	\$701,267	\$701,267	\$701,267	\$701,267	\$701,267	\$701,267
Bond Redemption Account	\$100,755	\$100,755	\$100,755	\$100,755	\$100,755	\$100,755	\$100,755	\$100,755	\$100,755	\$100,755	\$100,755	\$100,755	\$100,755	\$100,755	\$100,755	\$100,755	\$100,755	\$100,755	\$100,755
Energy Optimization Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Construction Acct	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Available Cash Balance	\$1,370,957	\$1,370,957	\$1,370,957	\$1,370,957	\$1,370,957	\$1,370,957	\$1,370,957	\$1,370,957	\$1,370,957	\$1,370,957	\$1,370,957	\$1,370,957	\$1,370,957	\$1,370,957	\$1,370,957	\$1,370,957	\$1,370,957	\$1,370,957	\$1,370,957

**CASH BALANCE ANALYSIS**

CITY OF NORWAY  
ELECTRIC FUND - (582-538)

Updated: 6/12/2014

ACCOUNT NUMBER	DEPARTMENT NAME	2011-2012 ACTUAL	2012-2013 ACTUAL	2013-2014 EST. ACTUAL	ADOPTED 2013-2014 BUDGET	ADOPTED 2014-2015 BUDGET	PROPOSED 2015-2016 BUDGET	PROPOSED 2016-2017 BUDGET	PROPOSED 2017-2018 BUDGET	PROPOSED 2018-2019 BUDGET
<b>PERSONNEL SERVICES</b>										
702	Salaries - Full Time	\$395,653	\$332,852	\$386,303	\$412,377	\$415,844	\$412,843	\$422,745	\$432,871	\$443,251
703	Salaries - Part Time	\$17,411	\$24,684	\$27,579	\$30,402	\$30,402	\$30,853	\$31,517	\$32,096	\$32,686
704	Salaries - Overtime	\$28,229	\$29,041	\$40,087	\$40,087	\$39,687	\$41,090	\$42,120	\$43,153	\$44,253
705	Employee Separation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
706	Sick Leave/Vacation Buyback	\$13,715	\$12,872	\$6,948	\$10,057	\$8,876	\$9,087	\$9,325	\$9,558	\$9,797
707	Longevity Pay	\$4,000	\$4,486	\$2,600	\$3,600	\$2,000	\$2,000	\$2,000	\$2,050	\$2,450
712	VEBA/HRA/HSR Contribution	\$28,516	\$12,166	\$11,000	\$13,700	\$7,250	\$7,250	\$7,250	\$7,250	\$7,250
715	Employer - FICA	\$35,886	\$34,880	\$36,239	\$37,984	\$38,006	\$37,943	\$38,840	\$39,761	\$40,732
716	Group Insurance (Health, Life/STD/LTD/Self-Ins)	\$145,186	\$101,636	\$124,500	\$124,500	\$91,000	\$93,730	\$95,542	\$99,438	\$102,421
717	Self Insured Retention (Health)	\$1,711	\$20,754	\$0	\$0	\$0	\$0	\$0	\$0	\$0
718	Employer - MERS	\$153,033	\$167,066	\$156,000	\$183,000	\$245,000	\$288,500	\$296,450	\$326,095	\$358,705
719	Unemployment Compensation	\$5,388	\$4,391	\$5,700	\$4,500	\$5,700	\$5,985	\$6,284	\$6,598	\$6,928
720	Training/Membership/Travel/Education	\$11,911	\$8,336	\$8,237	\$11,850	\$11,850	\$11,950	\$12,050	\$12,150	\$12,150
	<b>SUBTOTAL - PERSONNEL SERVICES</b>	\$840,871	\$780,547	\$815,394	\$882,057	\$895,614	\$892,341	\$895,123	\$1,011,041	\$1,060,625
<b>OPERATING EXPENSES</b>										
725	Property Acquisition	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
740	Supplies (Operating & Office)	\$12,261	\$12,666	\$18,500	\$14,128	\$14,128	\$14,128	\$14,128	\$14,128	\$14,128
745	Printing/Postage/Stationery/Publications	\$2,847	\$4,213	\$3,500	\$3,530	\$3,530	\$3,630	\$3,730	\$3,830	\$3,930
750	Uniforms/Cleaning Expense/Safety Glasses	\$2,817	\$1,846	\$2,183	\$2,525	\$2,525	\$2,525	\$2,525	\$2,525	\$2,525
751	Gas & Oil	\$12,945	\$10,134	\$12,158	\$16,398	\$12,320	\$14,168	\$16,293	\$18,737	\$21,548
752	Transmission/Distribution Expense	\$67,605	\$9,314	\$104,800	\$104,800	\$104,800	\$111,300	\$111,300	\$111,300	\$111,300
752-002	Customer Relays, Materials	\$6,578	\$1,904	\$3,530	\$0	\$0	\$0	\$0	\$0	\$0
752-003	Line Education Reimbursements	\$0	\$3,897	\$0	\$0	\$0	\$0	\$0	\$0	\$0
753	Banners & Decorations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
801	Toll Charges	\$29,890	\$26,882	\$23,500	\$23,500	\$23,500	\$23,500	\$23,500	\$23,500	\$23,500
802	Purchased Power	\$1,228,308	\$1,285,896	\$1,100,000	\$1,383,668	\$1,250,000	\$1,387,604	\$1,400,155	\$1,407,543	\$1,523,801
803	Street Lighting	\$83,420	\$370	\$3,080	\$3,560	\$6,728	\$6,728	\$6,728	\$6,728	\$6,728
804	Water Expense	\$22,524	\$1,706	\$2,000	\$0	\$0	\$0	\$0	\$0	\$0
810	Energy Optimization Expenditures (Rebates)	\$36,280	\$72,010	\$73,630	\$72,960	\$72,960	\$72,960	\$72,960	\$72,960	\$72,960
811	Efficiency United Contribution	\$89,334	\$163,075	\$91,546	\$118,361	\$192,511	\$184,011	\$170,511	\$170,511	\$165,511
819	Professional Services	\$770	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
822	Public Relations/Contributions	\$162,660	\$41,361	\$35,000	\$19,000	\$20,600	\$20,600	\$20,600	\$20,600	\$20,600
851	Maintenance - Equipment/Buildings	\$732	\$1,648	\$3,000	\$3,200	\$3,200	\$3,200	\$3,200	\$3,200	\$3,200
803	Computer Expense	\$46,315	\$94,397	\$63,500	\$63,150	\$69,500	\$62,475	\$65,999	\$68,879	\$72,323
814	Insurance - Liability/Property/Workers Comp.	\$3,478	\$2,994	\$3,555	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600
920	Telephone	\$3,037	\$3,800	\$3,640	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000
921	Utilities	\$3,846	\$2,837	\$4,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
922	Heating Fuel (Michigan)	\$0	\$0	\$1,500	\$2,000	\$13,000	\$2,100	\$2,100	\$2,100	\$2,100
925	Disposal Expense	\$32,515	\$6,205	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
942	Rent/Lease	\$3,388	\$2,286	\$2,954	\$3,800	\$3,800	\$3,800	\$3,800	\$3,800	\$3,800
955	Property Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
956	Miscellaneous	\$255,000	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000
974	Bond Payment - Principal	\$5,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
974-001	2007 Bond Payment - Principal	\$66,667	\$98,667	\$66,667	\$66,667	\$66,667	\$66,667	\$66,667	\$66,667	\$66,667
974-002	2008 CREB Bonds - Principal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
974-003	Loan Payment (WFP) - Principal (St Lights)	\$2,408	\$5,780	\$5,780	\$5,780	\$5,780	\$5,780	\$5,780	\$5,780	\$5,780
974-008	Loan Payment (WFP) - Principal (UB software)	\$0	\$0	\$0	\$0	\$4,600	\$4,600	\$4,600	\$4,600	\$4,600
993	Bond Issue Costs (Discounts)	\$22,920	\$1,736	\$22,920	\$22,920	\$22,920	\$22,920	\$22,920	\$22,920	\$22,920
995	Interest Expense	\$38,469	\$29,460	\$24,180	\$18,300	\$18,300	\$12,300	\$6,180	\$0	\$0
995-001	2007 Bond Payment - Interest	\$317,342	\$313,779	\$313,488	\$313,488	\$310,513	\$307,038	\$303,588	\$296,638	\$296,638
995-002	2008 CREB Bonds - Interest	\$13,953	\$12,688	\$11,527	\$11,527	\$10,313	\$9,100	\$7,887	\$6,673	\$5,473
	Loss on Disposal of Fixed Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>SUBTOTAL - OPERATING EXPENSES</b>	\$2,576,975	\$2,319,772	\$2,164,993	\$2,487,343	\$2,539,395	\$2,668,334	\$2,670,151	\$2,653,419	\$2,721,632
<b>CAPITAL - VEHICLES &amp; EQUIPMENT</b>										
970	New Vehicles/Equipment	\$35,078	\$0	\$56,000	\$27,000	\$230,000	\$226,000	\$240,000	\$170,000	\$55,000
971	Capital Improvements - System	\$393,201	\$0	\$290,625	\$300,000	\$260,000	\$110,000	\$110,000	\$240,000	\$180,000
971-005	Capital Improvements - Building Renovations	\$5,526	\$411	\$0	\$0	\$0	\$0	\$0	\$0	\$0
972	Capital Improvements - Hydro Plant	\$17,654	\$24,626	\$110,000	\$110,000	\$445,000	\$155,000	\$115,000	\$115,000	\$115,000
972-021	Westinghouse Repair/Hydro Rebuild	\$13,584	\$359,535	\$0	\$0	\$0	\$0	\$0	\$0	\$0
972-022	New Substation Project	\$12,804	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>SUBTOTAL - CAPITAL - VEHICLES &amp; EQUIP.</b>	\$559,820	\$398,572	\$451,036	\$437,000	\$625,000	\$485,000	\$485,000	\$525,000	\$390,000
	<b>TOTAL - ELECTRIC FUND</b>	\$3,977,486	\$3,461,891	\$3,461,422	\$3,806,400	\$4,380,000	\$4,075,675	\$4,100,274	\$4,189,460	\$4,132,257

CITY OF NORWAY  
2014-2015 Multi-Year Operating & Capital Improvement Budget

Updated: 5/22/2014

ELECTRICAL DEPARTMENT - SALARY SPREADSHEET

FULL-TIME

Date of Hire	Job Title	Name	Date of Rate	Bi-weekly Salary 7/1/13	# of Pay Periods	Anniv. Date	Bi-weekly Salary - Anniv.	# of Pay Periods	Date of Rate	Bi-weekly Salary 7/1/14	# of Pay Periods	Anniv. Date	Bi-weekly Salary - Anniv.	# of Pay Periods	13-14 Actual Salary	13-14 Budgeted Salary	Date of Rate	Bi-weekly Salary 7/1/14	# of Pay Periods	Anniv. Date	Bi-weekly Salary - Anniv.	# of Pay Periods	14-15 Budgeted Salary	15-16 Budgeted Salary	16-17 Budgeted Salary	17-18 Budgeted Salary	18-19 Budgeted Salary
8/21/87	Linemn	T. Blev	7/1/2013	\$2,487	26			26	7/1/2014	\$2,497	26			26	\$61,917	\$61,917	7/1/2014	\$2,497	26			26	\$68,203	\$68,203	\$68,203	\$68,203	\$71,656
8/21/88	Linemn	C. Blev	7/1/2013	\$2,274	26			26	7/1/2014	\$2,274	26			26	\$59,114	\$59,114	7/1/2014	\$2,274	26			26	\$63,962	\$63,962	\$63,962	\$63,962	\$65,263
8/24/2013	Linemn	B. Doan	7/1/2013	\$2,363	26			26	7/1/2014	\$2,363	26			26	\$61,443	\$61,443	7/1/2014	\$2,363	26			26	\$64,553	\$64,553	\$64,553	\$64,553	\$67,852
7/6/2013	Linemn	S. Healy	7/1/2013	\$2,293	26			26	7/1/2014	\$2,293	26			26	\$61,443	\$61,443	7/1/2014	\$2,293	26			26	\$64,553	\$64,553	\$64,553	\$64,553	\$67,852
1/6/2014	Apprentice Lineman	S. Pellegrini	7/1/2013	\$2,127	12.5			12.5	7/1/2014	\$2,245	26			26	\$61,443	\$61,443	7/1/2014	\$2,245	26			26	\$63,365	\$63,365	\$63,365	\$63,365	\$67,852
11/04/02	Supt.	J. Piccart	7/1/2013	\$2,988	26			26	7/1/2014	\$2,988	26			26	\$77,157	\$77,157	7/1/2014	\$2,988	26			26	\$83,086	\$83,086	\$83,086	\$83,086	\$85,157
6/24/2013	Linemn	S. Casper	7/1/2013	\$2,383	8			8	7/1/2014	\$2,388	26			26	\$77,157	\$77,157	7/1/2014	\$2,388	26			26	\$83,086	\$83,086	\$83,086	\$83,086	\$85,157
		Sub-Total : Full-Time								\$364,843					\$364,843								\$392,438	\$392,438	\$405,065	\$415,191	\$425,571

PART-TIME

	Secretary	Utility Secretary	7/1/2013	\$14,12	690			690	7/1/2014	\$14,12	1560			1560	\$22,027	\$22,027	7/1/2014	\$14,12	1560			1560	\$22,027	\$22,027	\$22,142	\$23,721	\$24,314
		Utility Secretary	7/1/2013	\$14,12	592.76			592.76	7/1/2014	\$14,12	0			0	\$0	\$0	7/1/2014	\$14,12	0			0	\$0	\$0	\$0	\$0	\$0
		Utility Secretary	7/1/2013	\$14,12	48.5			48.5	7/1/2014	\$14,12	500			500	\$4,250	\$4,250	7/1/2014	\$14,12	500			500	\$4,250	\$4,250	\$4,250	\$4,250	\$4,250
		Surmount Help	7/1/2013	\$8,000	600			600	7/1/2014	\$8,265	500			500	\$4,125	\$4,125	7/1/2014	\$8,265	500			500	\$4,125	\$4,125	\$4,125	\$4,125	\$4,125
		Sub-Total : Part-Time								\$30,402					\$30,402								\$30,402	\$30,402	\$31,517	\$32,096	\$32,589

OVERTIME

	13% of full-time salaries			\$40,087						\$40,087					\$40,087								\$40,087	\$40,087	\$42,120	\$43,173	\$44,253
				\$40,087						\$40,087					\$40,087								\$40,087	\$40,087	\$42,120	\$43,173	\$44,253
		Sub-Total : Overtime								\$40,087					\$40,087								\$40,087	\$40,087	\$42,120	\$43,173	\$44,253

MISCELLANEOUS

	Longevity Pay (6 employees)		12/1/2013	\$0.00	0			0	12/1/2014	\$28.54	(7 employees)				\$2,000	\$2,000	12/1/2014	\$28.54	200			200	\$2,000	\$2,000	\$2,000	\$2,450	\$2,450
	Sick Leave/Vacation Buyback		12/31/2013	\$380/week					12/31/2014	\$340/week					\$9,325	\$9,325	12/31/2014	\$340/week				\$9,325	\$9,325	\$9,325	\$9,325	\$9,797	
	Paper Pay			\$7,100						\$7,100	6 employees				\$17,680	\$17,680		\$7,100				\$17,680	\$17,680	\$17,680	\$17,680	\$17,680	
	Lump sum pay			\$41,228						\$40,517					\$40,517							\$40,517	\$40,517	\$40,517	\$40,517	\$40,517	
		Sub-Total : Misc.								\$496,523					\$496,523								\$496,523	\$496,523	\$507,707	\$519,749	\$522,440

CUMULATIVE TOTALS

										\$364,843					\$364,843								\$392,438	\$392,438	\$405,065	\$415,191	\$425,571
										\$30,402					\$30,402								\$30,402	\$30,402	\$31,517	\$32,096	\$32,589
										\$40,087					\$40,087								\$40,087	\$40,087	\$42,120	\$43,173	\$44,253
										\$2,000					\$2,000								\$2,000	\$2,000	\$2,000	\$2,450	\$2,450
										\$9,325					\$9,325								\$9,325	\$9,325	\$9,325	\$9,797	\$9,797
										\$17,680					\$17,680								\$17,680	\$17,680	\$17,680	\$17,680	\$17,680
										\$40,517					\$40,517								\$40,517	\$40,517	\$40,517	\$40,517	\$40,517
										\$496,523					\$496,523								\$496,523	\$496,523	\$507,707	\$519,749	\$522,440

**CITY OF NORWAY**  
**ELECTRIC FUND - TRANSFERS IN/OUT (940)**

Updated: 5/29/14

ACCOUNT NUMBER	DEPARTMENT NAME	2011-2012	2012-2013	2013-2014	ADOPTED	ADOPTED	ADOPTED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED
		ACTUAL	ACTUAL	EST ACTUAL	2013-2014 BUDGET	2014-2015 BUDGET	2015-2016 BUDGET	2016-2017 BUDGET	2017-2018 BUDGET	2018-2019 BUDGET		
<b>TRANSFERS IN</b>												
681	From Wastewater Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
686	From General Fund (WPPPI Loan - St Lights)	\$2,408	\$5,780	\$5,780	\$5,780	\$5,780	\$5,780	\$5,780	\$5,780	\$5,780	\$5,780	\$5,780
687	From Cable Television Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
688	From Golf Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
689	From Water Fund (WPPPI loan - UB software)	\$0	\$0	\$0	\$0	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300
	From Equipment Replacement Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>SUBTOTAL - TRANSFERS IN</b>	<b>\$2,408</b>	<b>\$5,780</b>	<b>\$5,780</b>	<b>\$5,780</b>	<b>\$8,080</b>						
<b>TRANSFERS OUT</b>												
982	To General Fund	\$459,241	\$530,592	\$493,841	\$493,841	\$507,612	\$532,992	\$559,642	\$587,624	\$617,005	\$617,005	\$617,005
982	To General Fund (City Hall Control System)	\$0	\$0	\$0	\$0	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0
982	To Major Street Fund	\$0	\$0	\$0	\$0	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0
999	To Capital Fund (Street Paving Projects)	\$0	\$0	\$264,064	\$280,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
999	To OPEB Trust Fund	\$16,136	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
991-002	To Debt Service - E2P2 Project	\$713	\$713	\$713	\$713	\$598	\$0	\$0	\$0	\$0	\$0	\$0
	<b>SUBTOTAL - TRANSFERS OUT</b>	<b>\$476,090</b>	<b>\$531,305</b>	<b>\$758,618</b>	<b>\$774,554</b>	<b>\$708,210</b>	<b>\$532,992</b>	<b>\$559,642</b>	<b>\$587,624</b>	<b>\$617,005</b>	<b>\$617,005</b>	<b>\$617,005</b>
	<b>TOTAL - TRANSFERS IN/OUT</b>	<b>(\$473,681)</b>	<b>(\$525,525)</b>	<b>(\$752,838)</b>	<b>(\$768,774)</b>	<b>(\$700,130)</b>	<b>(\$524,912)</b>	<b>(\$551,562)</b>	<b>(\$579,544)</b>	<b>(\$608,925)</b>	<b>(\$608,925)</b>	<b>(\$608,925)</b>

**WATER FUND  
BUDGET NOTES**

**REVENUE**

**Retirees Insurance Reimbursement**

Prior to FY 12-13, this account reflected employee contributions towards retiree health or life insurance. Starting in FY 13-14, contributions from retirees for insurance are applied as a positive entry into the insurance expense account.

**Water Sales**

Annually, water sales comprise 90% of operating revenue available to offset programmed expenditures. The adjustment does not cover any capital improvements to the system, which will have to be addressed through rate increases. The following table illustrates by customer typical usage patterns and projected revenue generation:

Meter Size and Service Ratio	Number of accounts City	RTS (MO). City	Number of Accounts Township	RTS (MO) Township	Total (annual)
¾" Meter (1.0)	1321	\$15.00	318	\$18.75	\$309,336
1" Meter (1.4)	12	\$21.00	0	\$26.25	\$3,024
1 ½ " Meter (1.8)	8	\$27.00	2	\$33.75	\$3,408
2" Meter (2.9)	11	\$43.50	4	\$54.38	\$8,352
3" Meter (11.0)	1	\$165.00	0	\$206.25	\$1,980
4" Meter (14.0)	1	\$210.00	0	\$262.50	\$2,520
<b>TOTAL</b>	-	-	-	-	<b>\$328,608</b>

Average number of Residential Equal Units (REU's) = 1,826

Water Usage Rate per \$1,000 Gallons = \$4.25

Gallons used per year per 1,000 gallons = 123,000

Commodity Charge Total = 123,000 x 4.25 = \$522,750

Total Water Sales equals RTS + Commodity = \$328,608 + \$522,750 = \$851,358

Out year projections reflect a 4% annualized adjustment. Water sales account for on average between 80 and 90 percent of fund revenue.

- For the period January 2012 thru December 2012 City wells produced 161 million gallons of water; for the same period City staff billed 119 million gallons of water for an annual water loss in 2012 of 26%. Industry average is 10%.

## Water Tap Fees

At \$500.00 per tap, only modest revenue is generated. Revenue assumptions are based upon 3 to 5 taps annually. Staff understands that Township water tap fees are paid at the Township offices with no remittance to the City. Staff will be discussing this practice with Township officers in hopes that funds collected would be released. The projected revenue for the fiscal year ending on June 30, 2014 is \$1,500. The proposed budget for FY 2014-15 is \$2,000.

## Penalties

Penalties are based on 10% charged for late fees. The projected revenue for the fiscal year ending June 30, 2014 is \$7,000. The projected budget for FY 2014-15 is \$8,000.

## Hydrant Rentals

This revenue account is for reimbursements from the Fire Department and Norway Township for Hydrants. There is an annual payment of \$33,000 total for this account.

## EXPENDITURES

### All Salaries and Personnel Services

Personnel services account for full time salaries, part time wages, FICA, workman's comp, and other insurances including training. Personnel services comprise 25% of fund operating expenses. The projected expense for the fiscal year ending on June 30, 2014 is \$255,452 which is \$16,338 or 6.8% more than the approved budget. The projected budget for FY 2014-15 is \$251,441.

### Training/Membership/Travel/Education

Account reflects expenses for miscellaneous permits (MDEQ), training, trade association dues, and conferences which keep operator certifications current. The projected expense for the fiscal year ending June 30, 2014 is \$2,500 which is \$1,000 below the approved budget for FY 2013-14. The proposed budget for FY 2014-15 is \$3,500.

ACTIVITY	2014-15	2015-16	2016-17	2017-18	2018-19
AWWA	500	500	500	500	500
MI - AWWA	150	150	150	150	150
Miscellaneous Training	750	750	750	750	750
Misc. Conferences	575	575	575	575	575
MRWA	425	425	425	425	425
Permits (MDEQ)	1,100	1,100	1,100	1,100	1,100
<b>Total</b>	<b>3,500</b>	<b>3,500</b>	<b>3,500</b>	<b>3,500</b>	<b>3,500</b>

## Chemical Supplies

Accounts for the purchase of fluoride (\$5,400) plus annual chlorine expense as needed. The projected expense for the fiscal year ending June 30, 2014 is \$5,000. The projected budget for FY 14-15 is \$6,000.

## Meter Expense

Substantial funds have been programmed to implement the replacement of meters to a new automated meter reading system (AMI). \$50,000 per year for the next 3 years have been programmed. An additional \$5,000 per systematic replacement of approximately 300 meters annually. Meter replacements are based upon a replacement cost of \$150/unit. New units will have radio read capability. Faulty meters result in lost revenue for the City. The City has also programmed monies to start replacing large 1" or larger meters and to install meters at the parks and recreation facilities which have been previously unmetred.

## Professional Services

The projected expense for the fiscal year ending June 30, 2014 is \$40,000. The increased costs were mainly due to the 350 frozen water services experienced due to the extremely cold winter. The proposed budget for FY 2014-15 is \$10,750. Other activities of note include outside water testing and the continued mapping/GIS initiatives.

	2014-15	2015-16	2016-17	2017-18	2018-19
HP Tank Inspection	0	0	2,500	0	0
LP Tank Inspection	0	0	3,000	0	0
Leak Detection	0	0	0	0	0
GIS/Mapping	2,000	2,000	2,000	2,000	2,000
MEUW/OSHA	4,400	4,400	4,400	4,400	4,400
Aramark	550	550	550	550	550
3 <sup>rd</sup> Party Pump Maint.	300	300	300	300	300
Routine Samples	1,020	1,020	1,020	1,020	1,020
Copper Lead Testing	800	0	0	0	0
Frozen Pipes	1,500	1,500	1,500	1,500	1,500
<b>TOTAL</b>	<b>10,570</b>	<b>9,770</b>	<b>15,270</b>	<b>9,770</b>	<b>9,770</b>

## **Maintenance - Equipment and Water Transmission/Distribution**

This account is for routine maintenance activities on buildings, well site, and tanks. The projected expense for the fiscal year ending June 30, 2014 is \$6,000 which is 2,800 more than budget. The projected budget for FY 2014-15 is \$3,200.

<b>ACTIVITIES</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
Paint Buildings	400	0	0	0	0
Fluoride Electric	2,800	0	0	0	0
Equipment Maintenance	0	0	0	0	0
Well Maintenance	0	2,800	2,800	2,800	2,800
<b>Totals</b>	<b>3,200</b>	<b>2,800</b>	<b>2,800</b>	<b>2,800</b>	<b>2,800</b>

## **Capital Improvements – System and Plant**

The City of Norway has contracted with Mead & Hunt to develop a project plan for an upcoming USDA Rural Development project. The project is not scheduled to start in the field until 2015. The projected expense for the fiscal year ending June 30, 2014 is \$100,000. The proposed budget for FY 2014-15 is \$4,500.

## **Proposed Project**

**THE FOLLOWING IS AN EXCERPT FROM THE 2011 MEAD & HUNT PROJECT ENGINEERS REPORT (PER) SUBMITTED TO THE USDA – RD.** The City of Norway The City has proposed a project to RD which is still under review. It is anticipated that a decision will not be available until after their new fiscal year starts on October 1<sup>st</sup>. The following information is from the original report submitted to RD for their approval.

## **Project Design**

The project includes construction of a new well at the existing wellfield, upgrades to the SCADA control system, and replacement of approximately 16,200 feet of watermain. Watermain will be a minimum of 8". Some additional analysis of the aquifer will have to be completed in order to determine the best approach for adding capacity at the wellfeild.

## **Project Cost Estimate**

The total estimated cost for the project, including construction, engineering, administrative, land, easements, legal, and other costs are itemized in this section of the report. The unit costs used for watermain are based on an analysis of recent prices and include all restoration costs, including appropriate curb and gutter, pavement, sidewalks, lawns, lawns, etc. Included in the cost is \$2,800,000 for refinancing the existing debt. It is understood that this cost is 100% loan dollars.

Following is a detailed breakdown of all costs:

## **A. Construction Cost**

### Watermain and Appurtenances

1. 16,200 feet of 8 inch @ \$115.00	\$1,863,000	
2. New Well	\$150,000	
3. SCADA Upgrades	\$50,000	
4. Fluoride Building Upgrades	\$60,000	
<b>Total Construction Cost</b>		<b>\$2,123,000</b>

## **B. Equipment**

1. Pick-up Truck with plow	\$30,000	
<b>Total Equipment cost</b>		<b>\$30,000</b>

## **C. Construction Contingency** **\$212,000**

## **D. Engineering Cost**

1. Preliminary Engineering report	\$25,000	
2. Enviromental Report	\$5,000	
3. Basic services	\$170,000	
4. Resident Inspection	\$134,000	
a. Surveys(land & easements)	\$10,000	
b. O&M Manual	\$7,000	
c. As-Builts	\$12,000	
<b>Total Additional Services</b>		<b>\$29,000</b>

## **E. Land and Easements** **\$2,000**

## **F. Legal and Administrative**

1. Local attorney	\$10,000	
2. Bond council	\$50,000	
3. Administration, publishing, permits, etc.	\$10,000	
<b>Total Legal and Administrative</b>		<b>\$70,000</b>

## **G. Refinancing of Existing Debt** **\$2,800,000**

**Total Project Cost** **\$5,600,000**

## Project Financing

### **Operation and Maintenance Cost**

The annual operation and maintenance cost for the Norway Water system for the 2009-2010 fiscal year is approximately \$599,000, including depreciation, but not including debt payments.

## Project Funding

The estimated total project cost is \$5,600,000. \$2,800,000 of this cost is refinancing of existing debt. The median household income for the city of Norway is \$31,059. The median household income for the Norway township is \$40,000. Residential users are 1,139 and 284, respectively. Calculating a blended rate results in a median household income of \$32,843. This is below the poverty level of the funding guidelines.

The current guidelines for grant consideration indicate that the average residential user would have to pay about \$34.21 per month. A residential user using the average 3,200 per month would pay \$26.20 per month. Preliminary calculations indicate that the rate increase necessary to pay for the proposed project will not be high enough to put the City in a position to receive consideration for grant funds on this project.

The refinancing of the \$2,800,000 existing debt will save the City and Township about \$110,000 per year. This will fund a project cost of about \$2,764,000, depending on the exact interest rate applicable. The estimated project cost, other than the refinancing, is \$2,800,000. This leaves about \$36,000, plus an additional amount for reserve and depreciation accounts to be funded by a rate adjustment.

Following is schedule of all water system components assumed to have less than a 20 year service life. The schedule includes the item, assumed service life, replacement cost and yearly set aside cost. All equipment at the wellfeild is included in one item, and includes well pumps, meters generator, etc. that have an expected life of less than 20 years.

### **Water System Depreciation Schedule**

<b>Item</b>	<b>Service Life</b>	<b>Replacement Cost</b>	<b>Yearly Amount Required</b>
Well field Equipment	20 years	\$160,000	\$8,000
Booster Pump station	20 years	\$40,000	\$2,000
Pickup with Plow	15 years	\$35,000	\$2,333
Water Meters	20 years	\$120,000	\$6,000
	<b>Total Yearly Amount</b>		<b>\$18,333</b>

The total required yearly cost is \$18,333. This equates to \$18,333 divided by (3,537 EDU's X 12) = \$0.43 per EDU per month.

## Proposed Rates

The current rate for the average residential user is \$26.20 per month. The estimated rate increase to fund the proposed project, after taking into account the savings from the refinancing, is about \$0.25 per EDU per month. The reserve fund, based on a loan of \$2,800,000, would add \$0.26 per EDU per month and the depreciation fund would be \$0.43 per EDU month. The total proposed rate increase is then about \$1.00 per EDU per month. (The reserve fund on the current debt is in place within the rates, so the only additional reserve requirement is on the "new" project loan.)

CITY OF NORWAY  
WATER FUND  
JULY 1, 2011 THRU JUNE 30, 2019  
DETAILS OF REVENUES

Updated: 6/12/2014

ACCOUNT NUMBER	DEPARTMENT NAME	2011-2012	2012-2013	2013-2014	ADOPTED	ADOPTED	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED
		ACTUAL	ACTUAL	EST. ACTUAL	2013-2014 BUDGET	2014-2015 BUDGET	2015-2016 BUDGET	2016-2017 BUDGET	2017-2018 BUDGET	2018-2019 BUDGET	
402	Retirees Insurance Reimbursement	\$797	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
461	Water Sales	\$749,422	\$714,227	\$690,000	\$739,108	\$651,430	\$660,960	\$960,990	\$991,740	\$991,740	\$991,740
474	Tap Fees	\$500	\$1,000	\$1,500	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
570	Grant Proceeds	\$69,206	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
633	Miscellaneous Revenues	\$20,676	\$1,099	\$1,000	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
655	Penalties	\$7,855	\$7,584	\$7,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000
665	Interest on Investments	\$2,793	\$1,766	\$1,500	\$3,500	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
670	Hydrant Rentals	\$41,000	\$33,000	\$33,000	\$33,000	\$33,000	\$33,000	\$33,000	\$33,000	\$33,000	\$33,000
636	Utility / Installation Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
677	Civic Contributions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
679	Plan Review/Consulting Reimbursement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
684	Transfers In	\$17,304	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
685	From DDA	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
686	From Equity	\$0	\$0	\$0	\$165,000	\$100,000	\$0	\$0	\$0	\$0	\$0
687	From CATV Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>GRAND TOTAL REVENUES</b>		\$929,554	\$756,715	\$694,000	\$972,108	\$997,930	\$1,007,490	\$1,007,490	\$1,038,240	\$1,038,240	\$1,038,240
980	Transfers Out	(\$147,249)	(\$161,781)	(\$163,065)	(\$242,600)	(\$320,639)	(\$132,829)	(\$139,355)	(\$146,208)	(\$153,403)	(\$153,403)
<b>GRAND TOTAL EXPENDITURES</b>		\$632,298	\$611,969	\$767,619	\$726,237	\$668,667	\$666,299	\$619,995	\$778,275	\$731,706	\$731,706
<b>REVENUE OVER/(UNDER) EXPENDITURES</b>		\$150,008	(\$15,045)	\$3,286	\$5,271	\$3,624	\$206,363	\$46,139	\$115,757	\$153,131	\$153,131
FUND BALANCE PRIOR YEARS AND FUTURE YEARS											
Beginning Balance:		\$1,631,070	\$1,750,507	\$1,692,260	\$1,692,260	\$1,560,204	\$1,540,966	\$1,728,506	\$1,759,804	\$1,865,719	\$1,865,719
Revenues:		\$767,228	\$756,715	\$734,000	\$607,108	\$697,930	\$1,007,490	\$1,007,490	\$1,038,240	\$1,038,240	\$1,038,240
Expenditures:		(\$765,934)	(\$816,961)	(\$866,096)	(\$890,179)	(\$1,017,148)	(\$819,969)	(\$976,193)	(\$932,325)	(\$945,951)	(\$945,951)
Depreciation Expense:		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reclassify Contributed Capital:		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Current year affect on fund balance:		(\$5,333)	(\$58,247)	(\$132,056)	(\$73,071)	(\$19,218)	\$187,521	\$31,297	\$105,915	\$92,269	\$92,269
Ending Balance:		\$1,631,364	\$1,692,260	\$1,560,204	\$1,619,189	\$1,540,986	\$1,728,506	\$1,759,804	\$1,865,719	\$1,958,008	\$1,958,008
<b>CASH BALANCE ANALYSIS</b>											
Beginning Cash Balance:		\$568,422	\$568,422	\$568,422	\$568,422	\$371,706	\$280,332	\$488,695	\$536,634	\$652,591	\$652,591
Revenues:		\$907,108	\$907,108	\$907,108	\$907,108	\$907,108	\$1,007,490	\$1,007,490	\$1,038,240	\$1,038,240	\$1,038,240
Expenditures:		(\$868,837)	(\$868,837)	(\$868,837)	(\$868,837)	(\$868,837)	(\$798,127)	(\$859,351)	(\$822,463)	(\$885,109)	(\$885,109)
Ending Cash Balance:		\$371,706	\$371,706	\$371,706	\$371,706	\$371,706	\$488,695	\$536,634	\$652,591	\$805,722	\$805,722
Bond Reserve Account		\$173,000	\$173,000	\$173,000	\$173,000	\$173,000	\$173,000	\$173,000	\$173,000	\$173,000	\$173,000
Bond P & I Redemption Acct		\$90,809	\$90,809	\$90,809	\$90,809	\$90,809	\$90,809	\$90,809	\$90,809	\$90,809	\$90,809
Replacement/Improvement Account		\$108,328	\$108,328	\$108,328	\$108,328	\$108,328	\$108,328	\$108,328	\$108,328	\$108,328	\$108,328
Available Cash Balance		\$90,360	\$90,360	\$90,360	\$90,360	(\$996)	\$207,367	\$255,506	\$371,263	\$524,394	\$524,394

CITY OF NORWAY  
WATER FUND - (691-566)

Updated: 6/12/2014

ACCOUNT NUMBER	DEPARTMENT NAME	2011-2012 ACTUAL	2012-2013 ACTUAL	2013-2014 EST ACTUAL	ADOPTED 2013-2014 BUDGET	ADOPTED 2014-2015 BUDGET	PROPOSED 2015-2016 BUDGET	PROPOSED 2016-2017 BUDGET	PROPOSED 2017-2018 BUDGET	PROPOSED 2018-2019 BUDGET
<b>PERSONNEL SERVICES</b>										
702	Salaries - Full Time	\$121,322	\$115,792	\$112,950	\$106,050	\$112,950	\$108,702	\$111,419	\$114,205	\$117,060
703	Salaries - Part Time	\$220	\$12	\$1,600	\$11,600	\$11,600	\$11,900	\$12,209	\$12,527	\$12,865
704	Salaries - Overtime	\$4,841	\$6,223	\$15,000	\$5,303	\$5,303	\$5,435	\$5,571	\$5,710	\$5,853
705	Employee Separation (1% of full-time)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
706	Sick Leave/Vacation Buyback	\$3,665	\$3,790	\$3,790	\$3,664	\$3,896	\$3,993	\$4,093	\$4,196	\$4,300
707	Longevity Pay	\$1,900	\$2,050	\$2,100	\$2,100	\$2,100	\$2,100	\$2,100	\$2,100	\$2,150
712	VEBA/HRA/HSA Contribution	\$11,350	\$1,296	\$1,450	\$1,550	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
715	Employer - FICA	\$9,913	\$9,717	\$10,361	\$9,847	\$10,392	\$10,108	\$10,358	\$10,617	\$10,880
716	Group Insurance (Health/Life/STD/LTD/Self-ins)	\$64,931	\$60,747	\$60,000	\$60,000	\$62,000	\$63,860	\$65,776	\$67,749	\$69,782
717	Self Insured Retention (Health)	\$6,186	\$7,858	\$0	\$0	\$0	\$0	\$0	\$0	\$0
718	Employer - MERS	\$30,297	\$36,117	\$43,500	\$33,500	\$36,000	\$39,600	\$43,660	\$47,916	\$52,708
719	Unemployment Compensation	\$2,195	\$1,838	\$2,200	\$2,000	\$2,200	\$2,310	\$2,426	\$2,547	\$2,674
720	Training/Membership/Travel/Education	\$1,047	\$1,528	\$2,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500
	<b>SUBTOTAL - PERSONNEL SERVICES</b>	\$257,866	\$246,969	\$255,452	\$239,114	\$251,441	\$253,008	\$262,511	\$272,517	\$283,261
<b>OPERATING EXPENSES</b>										
740	Supplies (Operating & Office)	\$2,907	\$2,245	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
745	Printing/Postage/Stationery/Publications	\$2,586	\$2,398	\$2,750	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
749	Chemical Supplies	\$886	\$370	\$5,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
750	Uniform/Cleaning Expense	\$765	\$891	\$1,000	\$991	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
751	Gas & Oil	\$5,619	\$5,460	\$7,000	\$9,820	\$9,820	\$9,820	\$9,820	\$9,820	\$9,820
752	Water Transmission & Distribution	\$40,581	\$7,310	\$40,000	\$15,000	\$15,000	\$10,000	\$10,000	\$10,000	\$10,000
804	Meter Expense	\$2,881	\$4,444	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
819	Professional Services	\$7,957	\$17,251	\$40,000	\$10,170	\$10,570	\$9,770	\$15,270	\$9,770	\$9,770
861	Maintenance - Equipment/Buildings	\$2,852	\$6,526	\$6,000	\$3,200	\$3,200	\$2,800	\$2,800	\$2,800	\$2,800
903	Computer Expense	\$47	\$980	\$500	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
914	Insurance - Liability/Property/Worker's Comp.	\$5,805	\$3,621	\$9,089	\$8,705	\$9,250	\$9,713	\$10,198	\$10,708	\$11,243
920	Telephone	\$6,722	\$11,308	\$1,600	\$0	\$720	\$720	\$720	\$720	\$720
921	Utilities	\$53,669	\$55,207	\$66,000	\$66,000	\$66,000	\$66,000	\$66,000	\$66,000	\$66,000
922	Heating Fuel/Gas	\$4,860	\$3,487	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500
942	Rent/Lease	\$0	\$135	\$4,000	\$500	\$500	\$500	\$500	\$500	\$500
968	Depreciation	\$135,798	\$157,673	\$140,000	\$140,000	\$140,000	\$140,000	\$140,000	\$140,000	\$140,000
	Bond Reserve Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$11,200	\$11,200	\$11,200
	Repair/Replacement/Improvement Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$18,333	\$18,333	\$18,333
974	Bond Payment - Principle	\$95,000	\$97,000	\$105,000	\$105,000	\$108,000	\$115,000	\$119,000	\$126,000	\$133,000
983	Bond Issue Costs	\$342	\$342	\$342	\$342	\$342	\$342	\$342	\$342	\$342
995	Interest Expense	\$131,009	\$126,354	\$122,228	\$122,228	\$117,166	\$111,968	\$106,467	\$100,681	\$96,008
	New RD Bond - Principal	\$0	\$0	\$0	\$0	\$0	\$0	\$42,000	\$43,000	\$44,000
	New RD Bond - Interest	\$0	\$0	\$0	\$0	\$0	\$0	\$70,176	\$69,126	\$68,050
	Loss on Disposal of Fixed Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>SUBTOTAL - OPERATING EXPENSES</b>	\$500,297	\$505,201	\$552,509	\$503,465	\$553,068	\$549,133	\$683,326	\$639,500	\$684,286
<b>CAPITAL - VEHICLES &amp; EQUIPMENT</b>										
967	Capital - Mains	\$0	\$0	\$0	\$5,000	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500
970	New Vehicles/Equipment	\$0	\$18,013	\$0	\$119,000	\$0	\$0	\$0	\$0	\$0
971	Capital - Plant	\$10,275	\$0	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0
	<b>SUBTOTAL - CAPITAL - VEHICLES &amp; EQUIP.</b>	\$10,275	\$18,013	\$100,000	\$124,000	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500
<b>TOTAL - WATER FUND</b>		\$768,438	\$770,183	\$907,961	\$866,579	\$809,009	\$808,641	\$960,337	\$916,617	\$872,048

CITY OF NORWAY  
2014-2015 Multi-Year Operating & Capital Improvement Budget

Updated: 5/22/14  
WATER DEPARTMENT - SALARY SPREADSHEET  
FULL-TIME

Date of Hire	Job Title	Name	Date of Raise	Bi-weekly Salary 7/1/13	# of Pay Periods	Anniv. Date	Bi-weekly Salary - Anniv.	# of Pay Periods	14-15 Budgeted Salary	15-16 Budgeted Salary	16-17 Budgeted Salary	17-18 Budgeted Salary	18-19 Budgeted Salary
3/21/87	Supervisor	D. Bell	7/1/2013	\$1,248	26	7/1/2014	\$1,549	26	\$50,648	\$51,914	\$53,212	\$54,542	\$55,906
12/19/89	Foreman	R. Pedregoni	7/1/2013	\$1,642	26	7/1/2014	\$1,642	26	\$47,902	\$49,100	\$50,327	\$51,585	\$52,875
10/22/01	Light Equipment	M. Park	7/1/2013	\$1,807	0	7/1/2014	\$1,807	0	\$7,500	\$7,688	\$7,880	\$8,077	\$8,279
		Sub-Total: Full-Time		\$108,050					\$108,050	\$108,702	\$111,418	\$114,325	\$117,080
	PART-TIME						HOURS						
		Summer Help	7/1/2013	\$9.00	200	7/1/2014	\$9.00	200	\$1,800	\$1,800	\$1,800	\$1,800	\$1,800
			7/1/2013	\$10.00	0	7/1/2014	\$10.00	0	\$0	\$0	\$0	\$0	\$0
		Sub-Total: Part-Time		\$1,000					\$1,800	\$1,800	\$1,800	\$1,800	\$1,800
	OVERTIME												
		Budgeted 4% of full-time salaries Applicable to eligible employees	7/1/2013	\$5,303		7/1/2014	\$5,303		\$5,303	\$5,485	\$5,571	\$5,710	\$5,853
		Sub-Total: Overtime		\$5,303					\$5,303	\$5,485	\$5,571	\$5,710	\$5,853
	MISCELLANEOUS												
		Longevity Pay	12/1/2013	\$2,100		12/1/2014	\$2,100		\$2,100	\$2,100	\$2,100	\$2,100	\$2,100
		Sick Leave Buy Back	12/31/2013	\$3,884		12/31/2014	\$3,884		\$3,884	\$3,884	\$3,884	\$3,884	\$3,884
		Lump Sum Payout		\$6,900			\$6,900		\$6,900	\$6,900	\$6,900	\$6,900	\$6,900
		Sub-Total: Miscellaneous		\$12,770			\$12,770		\$12,886	\$12,886	\$12,886	\$12,886	\$12,886
	CUMULATIVE TOTALS			\$195,441			\$195,441		\$195,949	\$197,190	\$198,989	\$200,788	\$202,218

CITY OF NORWAY  
WATER FUND - TRANSFERS IN/OUT (940)

Updated: 5/29/2014

ACCOUNT NUMBER	DEPARTMENT NAME	2011-2012 ACTUAL	2012-2013 ACTUAL	2013-2014 EST ACTUAL	ADOPTED 2013-2014 BUDGET	ADOPTED 2014-2015 BUDGET	PROPOSED 2015-2016 BUDGET	PROPOSED 2016-2017 BUDGET	PROPOSED 2017-2018 BUDGET	PROPOSED 2018-2019 BUDGET
<b>Transfers In</b>										
686	From General Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
690	From Water Project Construction Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
691	From Electric Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
693	From Major Street Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
694	From Local Street Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>SUBTOTAL - TRANSFERS IN</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Transfers Out</b>										
988	To Wastewater Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
982	To General Fund	\$101,033	\$119,637	\$120,941	\$120,941	\$124,313	\$130,529	\$137,055	\$143,908	\$151,103
981	To Electric Fund (WPPI loan-UB software)	\$0	\$0	\$0	\$0	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300
997	To CATV/Internet Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
999	To Capital Projects Fund	\$0	\$0	\$0	\$79,505	\$158,701	\$0	\$0	\$0	\$0
999	To OPEB Trust Fund	\$4,061	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
991-002	To Debt Service - E2P2 Project	\$42,154	\$42,154	\$42,154	\$42,154	\$35,325	\$0	\$0	\$0	\$0
	<b>SUBTOTAL - TRANSFERS OUT</b>	\$147,249	\$161,791	\$163,095	\$242,600	\$320,639	\$132,829	\$139,355	\$146,208	\$153,403
	<b>Total (Transfers IN/OUT):</b>	(\$147,249)	(\$161,791)	(\$163,095)	(\$242,600)	(\$320,639)	(\$132,829)	(\$139,355)	(\$146,208)	(\$153,403)

**WASTEWATER FUND  
BUDGET NOTES**

**REVENUES**

**Retirees Insurance Reimbursement**

Prior to FY 12-13, this account reflected employee contributions towards retiree health or life insurance. Starting in FY 13-14, contributions from retirees for insurance are applied as a positive entry into the insurance expense account.

**Sewer Sales**

Annually, sewer sales comprise 98% of operating revenue available to offset programmed expenditures. A 25% rate increase has been programmed for FY 2014-15 to account for a major wastewater treatment plant project. An increase of \$1 per 1,000 gallons was placed on the commodity rate and an increase of \$5 per month was added to the fixed (meter) charge. The township rates were increased based on the same percentages.

Meter Size and Service Ratio	Number of accounts City	RTS (MO). City	Number of Accounts Township	RTS (MO) Township	Total (Annual)
¾" Meter (1.0)	1257	\$20.00	243	\$25.00	\$374,580
1" Meter (1.4)	11	\$28.00	0	\$35.00	\$3,696
1 ½ " Meter (1.8)	7	\$36.00	1	\$45.00	\$3,564
2" Meter (2.9)	8	\$58	2	\$72.50	\$7,308
3" Meter (11.0)	1	\$220.00	0	\$275.00	\$2,640
4" Meter (14.0)	1	\$280.00	0	\$350.00	\$3,360
Unmetered (1.0)	7	\$20.00	1	\$25.00	\$1,980
<b>TOTAL</b>	-	-	-	-	<b>\$397,128</b>

Average number of Residential Equal Units (REU's) = 1,650

Sewer Usage Rate per \$1,000 Gallons = \$7.75

Gallons per year treated per 1,000 gallons = 60,000

Commodity Charge Total = 60,000 x 7.75 = \$465,000

Total Wastewater Sales equals RTS + Commodity = \$396,000 + \$465,000 = \$861,000

**Sewer Tap Fees**

At \$500.00 per tap, only modest revenue is generated. Revenue assumptions are based upon 5 taps annually. Staff understands that Township sewer tap fees are paid at the Township offices with no remittance to the City. Staff will be discussing this practice with Township officers in

hopes that funds collected would be released.

## **EXPENDITURES**

### **Salaries and Personnel Services**

Salary expenditures are depicted in spreadsheet form as part of staff's submittal. F.Y. 2014 – 2015 F.T. salaries account for adjustments pursuant to negotiated contractual provisions as well as funding for City's cross training initiative. Summer seasonal employment has once again been included as part of proposed salary expenditures. The projected expense for personnel services in the fiscal year end June 30, 2014 is \$331,123 which is 4.9% more than the adopted budget of \$315,594. The proposed FY 2014-15 budget is \$331,872 or 0.23% more than the estimated actual. Cumulatively personnel service expenditures account for 49% of fund operating expenditures.

### **Training/Membership/Travel/Education**

Account reflects expenses for miscellaneous permits (NPDES & Bio-solids), training, and conferences which keep operator certifications current. The projected expense for the fiscal year ending June 30, 2014 is \$3,500 which is \$570 below the FY 2013-14 budget. FY 2014-15 proposed budget is \$4,070.

<b>ACTIVITY</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
Permits & Licenses	3,070	3,070	3,070	3,070	3,070
Miscellaneous Training	400	600	600	600	600
Conferences	600	600	600	600	600
<b>Total</b>	<b>4,070</b>	<b>4,070</b>	<b>4,070</b>	<b>4,070</b>	<b>4,070</b>

### **Operating and Office Supplies**

Various supplies are purchased through this account as outlined in the chart below. The projected expense for the fiscal year ending June 30, 2014 is \$20,000 which is \$3,690 higher than the FY 2013-14 budget. The proposed fiscal year 2014-15 budget is \$17,325. Please find the following notes regarding supplies:

- Personnel Protective Equipment (PPE) – Dust masks, respirators & canisters, rain coats, lift harness, etc.
- Small Tools – Saws, drills, batteries, chargers, wrenches
- Saw Dust – Used for mixing with liquid sludge to bring the solid content from 2% solids to 20% solids making “sludge”. This is handled through the sludge press.
- Annual increases have been projected at 5% per year

<b>ACTIVITY</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
Office Supplies	800	840	882	926	972
Laboratory Supplies	4,000	4,200	4,410	4,631	4,862
Consumables	2,000	2,100	2,205	2,315	2,431
Safety – Medical Kit	700	735	772	810	851
PPE	1,500	1,575	1,654	1,736	1,823
Small Tools	1,500	1,575	1,654	1,736	1,823
Saw Dust	6,000	6,300	6,615	6,946	7,293
5% increase in out year	0	0	0	0	0
<b>Total</b>	<b>16,500</b>	<b>17,325</b>	<b>18,191</b>	<b>19,101</b>	<b>20,056</b>

### **Chemical Supplies**

The following chemicals are used in the sewer plant in the activated sludge process:

<b>ITEM</b>	<b>COST/UNIT</b>	<b>CONSUMPTION</b>	<b>COST</b>
Chlorine – CL2	\$0.65 / lb	4,974 lbs	\$ 3,233
Sodium Bisulphite	\$0.25 / lb	18,526 lbs	\$ 4,631
Sodium Hypochloride	\$3.59 / gal.	46 gal.	\$ 165
Ferric Chloride	\$0.12 / lb	42,367 lbs	\$ 5,182
K136L	\$2.05 / lb.	603 lbs	\$ 1,235
Polymer (D-mcencw4)	\$1.99 / lb.	604 lbs	\$ 1,202
Grease Enzymes	\$10.00 / gal.	10 gal.	\$ 100
Root Killer	\$5.44 / lb	22 lbs	\$ 120
B.A.E.	-	-	\$ 3,000
Misc. Lab Chemicals	-	-	\$ 1,839
<b>TOTAL</b>			<b>\$20,707</b>

The projected expense for fiscal year ending June 30, 2014 is \$21,000. The proposed budget for FY 2014-15 is \$21,000.

### **Transmission/Distribution**

This accounts for materials used for maintenance and repairs within the collection system. Typical purchases are manholes, piping, and miscellaneous appurtenances. The projected

expense for the fiscal year ending June 30, 2014 is \$2,500 which is \$4,300 under the approved budget for FY 2013-14. The projected budget for FY 2014-15 is \$3,000.

### Professional Services

The projected expense for the fiscal year ending June 30, 2014 is \$30,000 which is \$9,439 more than the approved budget for FY 2012-13. The proposed budget for FY 2013-14 is \$21,561 with 5% increases added to each year in the 5 year budget.

DESCRIPTION	2014-15	2015-16	2016-17	2017-18	2018-19
Electrical	1,050	1,082	1,114	1,147	1,182
Engineering	50,000	51,500	53,045	54,636	56,275
Grit Removal	1,103	1,136	1,170	1,205	1,241
Sample Analysis	2,100	2,163	2,228	2,295	2,364
Scale Certification	291	300	309	318	328
Bio-Solids Analysis	582	599	617	636	655
Compost Analysis	1000	1030	1061	1093	1126
Soil Analysis	110	113	117	120	124
Flow Meter Calibration	800	824	849	874	900
MEUW/OSHA	4,400	4,400	4,400	4,400	4,400
<b>Total</b>	<b>61,436</b>	<b>63,147</b>	<b>64,909</b>	<b>66,725</b>	<b>68,595</b>

### Maintenance - Equipment/Building

Funds allocated annually to maintain and repair; collection system pumping, lift station, treatment plant equipment, general plant equipment. Due to the magnitude and scope of the capital upgrades identified within the Wastewater Master Plan and with the integration in the comprehensive street improvement initiative, limited capital activity has been programmed for fiscal year 2014 –15. The capital improvement to both system and plant will be covered through bond debt repayment. The delay in large capital projects does increase the need for maintenance activities that might otherwise be handled under capital. The projected expenditure for the fiscal year ending on June 30, 2014 is \$12,100 which is 3,900 less than the approved budget for FY 2013-14. The proposed fiscal year 2014-15 budget is \$21,500.

### Utility Expenses

The wastewater treatment plant has an extremely high budget for typical operating utilities such as water and electric. The activated sludge process requires chemical feed which calls for large volumes of water on a monthly basis. We are currently working to use a “grey water” system which is water reclamation of the process water to reuse in the process. This will save approximately \$20,000 per year. Another area of inefficiency involves the electric usage of the old blower system. The plant currently uses \$40,000 of electricity annually. Under the new

capital project initiative, we expect to save half of this amount in electric cost. The projected expense for fiscal year ending June 30, 2014 is \$80,000 which is equal to the approved budget for FY 2013-14. The proposed budget for FY 2014-15 is \$60,000. Utility expenses account for water, electric, internet, and basic CATV expense.

### **Capital Improvements – System and Plant**

The City of Norway recently contracted for a wastewater system master plan. This plan incorporates system functions and conditions and recommends capital improvements based on problem areas as-well-as future community expansions. The master plan project listing will provide overall costs and schedule. This will allow Council to completely evaluate rate structure in line with debt retirement. The condition of the fund currently allowed for one capital expenditure without a debt component. For FY 2013-14 the estimated actual capital expenditures were \$150,500 which accounts for improvements to the sewer portion of the Railroad Avenue reconstruction. The project is actually being funded by a transfer from the Downtown Development Authority. For FY 2014-15, the approved budget includes \$5.2 million for upgrades to the wastewater plant and \$2.8 million for sewer collection improvements. These projects are being funded through USDA-RD funding. The project is funded with \$7.2 million of low interest loan (2,5% over 40 years) and \$1.154 million in grant. Only \$13,000 had been spent this fiscal year in capital improvements.

### **Proposed Project**

**THE FOLLOWING IS AN EXCERPT FROM THE 2011 MEAD & HUNT PROJECT ENGINEERS REPORT (PER) SUBMITTED TO THE USDA – RD.** The City of Norway was notified in the spring of 2013 that they were approved to move forward with the wastewater treatment plant (WWTP) portion of the project. It is anticipated that contract, loan, and engineering documents will be completed by June of 2014 with construction starting in 2014 and working into 2015. The following information is from the original report submitted to RD for their approval.

### **Project Design**

The proposed wastewater system improvements are separated into two separate projects. Project No. 1 includes all the improvements to the wastewater treatment plant, lift stations, SCADA and equipment. Project No. 2 includes all of the sanitary sewers and appurtenances. Most of the sanitary sewers will be the same size as the ones being replaced since sewer main capacity is not an issue.

### **Project Cost Estimate**

The total estimated cost for the proposed project, including construction, engineering, administrative, land, easements, legal and other costs are itemized in this section of the report. The costs are broken down separately for Project No. 1 and Project No. 2. The unit costs used for sanitary sewer are based on an analysis of recent prices and include all restoration costs, including appropriate curb and gutter pavement, sidewalks, lawns, etc.

Following is a detailed breakdown of all costs:

**1. Project No 1 – Includes all work at treatment plant, lift stations, SCADA, equipment and financing.**

<b>A. Construction Cost</b>		
1. Treatment Plant improvements	\$3,800,000	
2. Lift Station Upgrades (includes generators)	<u>\$400,000</u>	
<b>Total Construction Cost</b>		<b>\$4,200,000</b>
<b>B. Equipment</b>		
1. Front end Loader	\$80,000	
2. Pick-up Truck with Plow	<u>\$30,000</u>	
<b>Total Equipment cost</b>		<b>\$110,000</b>
<b>C. Construction and Equipment Contingency 10%</b>		<b>\$431,000</b>
<b>D. Engineering Cost</b>		
1. Preliminary Engineering Report	\$25,000	
2. Environmental Report	\$3,000	
3. Basic services	\$350,000	
4. Resident Inspection	\$240,000	
5. Additional Services		
a. Surveys (land and easements)	\$10,000	
b. O&M Manual	\$20,000	
c. As-Builts	<u>\$10,000</u>	
Total Additional Services		<u>\$40,000</u>
<b>Total Engineering Cost</b>		<b>\$658,000</b>
<b>E. Land and Easements</b>		<b>\$20,000</b>
<b>F. Legal and Administrative</b>		
1. Local Attorney	\$7,000	
2. Bond council	\$20,000	
3. Administration, publishing, permits, etc.	<u>\$10,000</u>	
<b>Total Legal and Administrative</b>		<b>\$37,000</b>
<b>Total Project cost</b>		<b>\$5,456,000</b>

**2. Project No. 2 - Includes sanitary sewers and appurtenances**

<b>A. Construction Cost</b>		
1. 18,800 feet of 8-inch sanitary sewer at \$115.00		
<b>Total Construction Cost</b>		<b>\$2,162,000</b>
<b>B. Construction Contingency 10%</b>		<b>\$216,000</b>

### C. Engineering Cost

1. Preliminary Engineering Report	\$20,000
2. Environmental Report	\$4,000
3. Basic Services	\$155,000
4. Resident Inspection	\$180,000
5. Additional Services	
a. Surveys (land and easements)	\$10,000
b. As-Builts	<u>\$20,000</u>

Total Additional Services \$30,000

**Total Engineering cost \$389,000**

**D. Land and Easements \$5,000**

### E. Legal and Administrative

1. Local attorney	\$8,000
2. Bond council	\$15,000
3. Administration, publishing, permits, etc.	<u>\$10,000</u>

**Total Legal and Administrative \$33,000**

**Total Project Cost \$2,805,000**

### Project Financing

#### Operation and Maintenance Cost

The annual O&M budget for the Norway Wastewater System for 2011-2012 is about \$588,000, including depreciation but not including debt payments.

#### Project Funding

The estimated cost of Project No.1 is \$5,456,000. The estimated cost of Project No. 2 is \$2,805,000. The median household income for the City of Norway is \$31,059. The median household income for Norway Township is \$40,000. Residential users are 1,088 and 218 respectively. Calculating a blended rate results in a median household income of \$32,551. This is in the poverty level of the funding guidelines.

The current guidelines for grant consideration indicate that the average residential user would have to pay about \$33.91 per month. A residential user using the average 3,200 gallons per month would pay \$36.60.

The city raised sewer rates a number of years ago in order to erase a negative cash balance in the wastewater fund that had built up over a period of time. This is projected to become positive in the 2011-2012 budget year. It is estimated that about \$80,000 will then be available per year for debt service. In addition, the DDA has agreed to contribute \$40,000 toward a debt payment. This \$120,000 will finance an approximate \$3,000,000 loan at 2.5%. It is assumed that this will be used for Project No. 1, the treatment plant improvements. The remainder of the Project No. 1 cost, or \$2,456,000 is being requested to be grant. The funding application for Project No. 1 will be submitted first with the funding application for Project No.2 being submitted shortly

thereafter. Project No. 2 will be requesting a \$2,100,000 grant and a \$705,000 loan.

Maximum Daily Flow (MGD)	0.676	0.703
Maximum Hourly Flow (gpm)	1.042	1.084
Average BOD Load (#/day)	643	669
Maximum Monthly BOD Load (#/day)	747	777
Maximum Weekly BOD Load (#/day)	956	994
Maximum Daily BOD Load (#/day)	1678	1745
Average Ammonia Load (#/day)	71	74
Maximum Monthly Ammonia Load (#/day)	74	77
Maximum Weekly Ammonia Load (#/day)	109	113
Maximum Daily Ammonia Load (#/day)	148	154

The proposed upgrades at the existing Norway WWTP include the items listed below. These improvements were selected based on the knowledge that the existing plant is meeting discharge limits, but that many of the mechanical and electrical systems are at the end of their design life.

- Provide a flow equalization tank in existing CSO facility or at WWTP
- New headworks building with fine screening and grit removal of influent flow.
- Influent pump station to lift screened wastewater to activated sludge treatment tanks.
- Restoration of existing concrete treatment tanks to extended useful life cycle for another 20 years.
- Replace clarifier drive mechanisms, scum removal equipment, sludge collection equipment, effluent launder, and weirs.
- Replace existing blowers with new blowers and increase capacity to meet peak hourly demand with one blower out of operation. Blowers would be provide with variable frequency drives so speed of motors could be controlled to match oxygen demand in the activated sludge tanks.
- Replace existing aeration piping, valves, and diffusers, with fine bubble diffusers. Aeration system will include dissolved oxygen monitoring systems that will control variable frequency drives on blowers.
- Replace existing laboratory equipment that has reached the end of its service life.
- Install a non-potable water system to use plant effluent for all process water and sludge press operation.
- Building addition for electrical distribution system replacement.
- New SCADA system to improve monitoring and operation of WWTP and pump stations.
- Provide new front end loader and ¾ ton pickup truck with plow.
- In addition to work at the treatment facility, the following three items are proposed to be included concerning the lift stations:
  - Replace the controls at all the pump stations as the existing control systems have exceeded their 20 year design life.
  - Replace the pumps at pump station no. 4 to meet peak hourly flow with one pump out of service.
  - Replace auxiliary generators at all 4 major lift stations.

The design criteria for the sanitary sewers will follow the requirements of P.A. 451, National Resources and Environmental Protection Act, and the Recommended Standards for Wastewater Facilities, 2004 Edition, commonly referred to as “Ten States Standards”.



CITY OF NORWAY  
WASTEWATER FUND - (590-555)

Updated: 6/12/2014

ACCOUNT NUMBER	DEPARTMENT NAME	2011-2012 ACTUAL	2012-2013 ACTUAL	2013-2014 EST ACTUAL	ADOPTED BUDGET 2013-2014	ADOPTED BUDGET 2014-2015	PROPOSED BUDGET 2015-2016	PROPOSED BUDGET 2016-2017	PROPOSED BUDGET 2017-2018	PROPOSED BUDGET 2018-2019
<b>PERSONNEL SERVICES</b>										
702	Salaries - Full Time	\$170,746	\$131,713	\$161,965	\$154,865	\$161,965	\$158,736	\$162,705	\$166,772	\$170,942
703	Salaries - Part Time	\$17	\$36	\$2,350	\$0	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
704	Salaries - Overtime	\$12,483	\$12,844	\$6,500	\$9,488	\$6,642	\$6,808	\$6,979	\$7,153	\$7,332
705	Employee Separation	\$0	\$37,504	\$0	\$0	\$0	\$0	\$0	\$0	\$0
706	Sick Leave/Vacation Buyback	\$3,805	\$5,070	\$4,041	\$4,000	\$4,000	\$4,120	\$4,244	\$4,371	\$4,502
707	Longevity Pay	\$2,500	\$2,500	\$1,000	\$2,500	\$1,950	\$2,000	\$2,000	\$2,000	\$2,000
712	VEBA/HRA/HSA Contribution	\$14,365	\$930	\$1,000	\$1,400	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
715	Employer - FICA	\$14,286	\$17,298	\$13,588	\$13,070	\$13,545	\$13,320	\$13,650	\$13,984	\$14,327
716	Group Insurance (Health/Life/STD/LTD/Self-Ins)	\$73,686	\$64,691	\$55,000	\$60,000	\$47,500	\$48,925	\$50,393	\$51,905	\$53,462
717	Self Insured Retention (Health)	\$1,425	\$4,601	\$0	\$0	\$0	\$0	\$0	\$0	\$0
718	Employer - MIERS	\$64,945	\$79,625	\$78,500	\$63,700	\$66,500	\$95,150	\$104,665	\$115,132	\$126,645
719	Unemployment Compensation	\$2,926	\$2,451	\$2,200	\$2,500	\$2,200	\$2,310	\$2,426	\$2,547	\$2,674
720	Training/Membership/Travel/Education	\$2,359	\$3,922	\$3,500	\$4,070	\$4,070	\$4,070	\$4,070	\$4,070	\$4,070
	<b>SUBTOTAL - PERSONNEL SERVICES</b>	\$383,562	\$362,286	\$331,123	\$315,594	\$331,872	\$338,889	\$354,630	\$371,433	\$389,452
<b>OPERATING COSTS</b>										
725	Property Acquisition	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
740	Supplies (Operating & Office)	\$28,299	\$18,706	\$20,000	\$16,310	\$16,500	\$17,325	\$18,191	\$19,101	\$20,056
745	Printing/Postage/Stationary/Publications	\$3,026	\$3,268	\$3,200	\$2,650	\$2,650	\$2,783	\$2,922	\$3,068	\$3,221
749	Chemical Supplies	\$28,328	\$25,290	\$21,000	\$20,000	\$21,000	\$18,000	\$18,000	\$18,000	\$18,000
750	Uniform/Cleaning Expense/Safety Glasses	\$2,042	\$1,256	\$1,500	\$1,815	\$1,815	\$1,015	\$1,815	\$1,015	\$1,815
751	Gas & Oil	\$4,325	\$3,769	\$3,800	\$5,895	\$4,500	\$4,600	\$4,700	\$4,800	\$4,900
752	Wastewater Transmission & Distribution	\$8,069	\$6,759	\$2,500	\$6,800	\$3,000	\$3,000	\$3,100	\$3,100	\$3,200
819	Professional Services	\$28,747	\$72,760	\$300,000	\$21,551	\$61,436	\$63,147	\$64,909	\$66,725	\$68,595
826	Sewer Televising	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
861	Maintenance - Equipment/Buildings	\$24,571	\$23,074	\$12,100	\$16,200	\$21,500	\$21,500	\$21,500	\$21,500	\$21,500
903	Computer Expense	\$23	\$1,123	\$250	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
914	Insurance - Liability/Property/Worker's Comp.	\$10,438	\$11,652	\$14,530	\$13,900	\$13,500	\$14,175	\$14,884	\$15,628	\$16,409
920	Telephone	\$1,482	\$1,457	\$1,700	\$1,700	\$1,700	\$1,700	\$1,700	\$1,700	\$1,700
921	Utilities	\$55,250	\$82,041	\$80,000	\$80,000	\$60,000	\$50,000	\$50,000	\$50,000	\$50,000
922	Heating Fuel/Natural Gas	\$3,144	\$2,691	\$4,200	\$4,200	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
942	Rental/Lease	\$90	\$142	\$350	\$580	\$580	\$580	\$580	\$580	\$580
	Loan Payment (WPPI) - Principal	\$0	\$0	\$1,500	\$0	\$8,995	\$8,995	\$8,995	\$8,995	\$8,995
	RD Bond Payment - Principal (Phase 1)	\$0	\$0	\$0	\$0	\$82,000	\$82,000	\$84,000	\$86,000	\$89,000
	RD Bond Payment - Interest (Phase 1)	\$0	\$0	\$0	\$0	\$0	\$138,700	\$136,650	\$134,550	\$132,400
	Bond Reserve Funding (Phase 1)	\$0	\$0	\$0	\$0	\$0	\$22,100	\$22,100	\$22,100	\$22,100
	Repair/Replacement/Improvement Reserve (Phase 1)	\$0	\$0	\$0	\$0	\$0	\$42,500	\$42,500	\$42,500	\$42,500
	RD Bond Payment - Principal (Phase 2)	\$0	\$0	\$0	\$0	\$0	\$0	\$21,000	\$21,000	\$22,000
	RD Bond Payment - Interest (Phase 2)	\$0	\$0	\$0	\$0	\$0	\$0	\$53,658	\$52,976	\$52,292
	Bond Reserve Funding (Phase 2)	\$0	\$0	\$0	\$0	\$0	\$0	\$7,500	\$7,500	\$7,500
	<b>SUBTOTAL - OPERATION &amp; CONTRACT SERV.</b>	\$227,836	\$253,988	\$466,630	\$192,611	\$221,176	\$496,120	\$582,704	\$584,838	\$590,763
<b>CAPITAL - VEHICLES &amp; EQUIPMENT</b>										
967	Capital - Mairs	\$0	\$0	\$0	\$0	\$2,805,000	\$0	\$0	\$0	\$0
970	New Vehicles	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
971	Capital - Plant/New Equipment	\$0	\$10,976	\$150,500	\$1,650	\$5,242,754	\$0	\$0	\$0	\$0
	<b>SUBTOTAL - CAPITAL - VEHICLES &amp; EQUIP.</b>	\$0	\$10,976	\$150,500	\$1,650	\$8,047,754	\$0	\$0	\$0	\$0
<b>TOTAL - WASTEWATER FUND</b>		\$591,398	\$627,249	\$948,253	\$509,855	\$8,600,802	\$835,009	\$837,334	\$856,270	\$980,215

CITY OF NORWAY  
2014-2015 Multi-Year Operating & Capital Improvement Budget

Updated: 5/29/2014

WASTEWATER DEPARTMENT - SALARY SPREADSHEET

FULL-TIME

Date of Hire	Job Title	Name	Date of Raise	Bk-weekly Salary 7/1/13	# of Pay Periods	Anniversary Date	Bk-weekly Salary - Anniv.	# of Pay Periods	Anniv. Date	Bk-weekly Salary 7/1/14	# of Pay Periods	13-14 Actual Salary	13-14 Budgeted Salary	Date of Rates	Bk-weekly Salary 7/1/14	# of Pay Periods	Anniv. Date	Bk-weekly Salary - Anniv.	# of Pay Periods	14-15 Budgeted Salary	15-16 Budgeted Salary	16-17 Budgeted Salary	17-18 Budgeted Salary	18-19 Budgeted Salary	
5/10/2004	Supv.	R. Turkesel	7/1/2013	\$2,307	26	—	—	26	—	\$2,307	26	\$53,675	\$53,675	7/1/2014	\$2,307	26	—	—	26	\$53,675	\$54,474	\$53,675	\$53,675	\$53,675	\$53,675
6/1/2004	Operator	R. Blom	7/1/2013	\$1,150	26	—	—	26	—	\$1,150	26	\$4,602	\$4,602	7/1/2014	\$1,150	26	—	—	26	\$4,602	\$4,602	\$4,602	\$4,602	\$4,602	\$4,602
6/1/2004	Operator	R. Blom	7/1/2013	\$1,150	26	—	—	26	—	\$1,150	26	\$4,602	\$4,602	7/1/2014	\$1,150	26	—	—	26	\$4,602	\$4,602	\$4,602	\$4,602	\$4,602	\$4,602
10/16/00	WWTPFO	B. Johnson	7/1/2013	\$1,307	26	—	—	26	—	\$1,307	26	\$46,987	\$46,987	7/1/2014	\$1,307	26	—	—	26	\$46,987	\$46,152	\$46,987	\$46,987	\$46,987	\$46,987
		Sub-Total : Full-Time								\$154,865		\$154,864								\$154,865	\$156,736	\$156,736	\$156,736	\$156,736	

CITY OF NORWAY  
WASTEWATER FUND - TRANSFERS IN/OUT (940)

Updated: 5/29/14

ACCOUNT NUMBER	DEPARTMENT NAME	2011-2012 ACTUAL	2012-2013 ACTUAL	2013-2014 EST ACTUAL	ADOPTED BUDGET 2013-2014	ADOPTED BUDGET 2014-2015	PROPOSED BUDGET 2015-2016	PROPOSED BUDGET 2016-2017	PROPOSED BUDGET 2017-2018	PROPOSED BUDGET 2018-2019
<b>Transfers In</b>										
684	From DDA	\$0	\$0	\$0	\$0	\$0	\$40,000	\$40,000	\$40,000	\$40,000
689	From Water Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
693	From Major Street Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
694	From Local Street Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Subtotal - Transfers In	\$0	\$0	\$0	\$0	\$0	\$40,000	\$40,000	\$40,000	\$40,000
<b>Transfers Out</b>										
980-001	To CATV/Internet Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
982	To General Fund	\$91,848	\$93,989	\$100,784	\$100,784	\$103,594	\$108,774	\$114,213	\$119,923	\$125,919
991	To Norway Utilities Authority	\$21,490	\$20,723	\$20,185	\$20,185	\$86,576	\$0	\$0	\$0	\$0
991-002	To Debt Service - E2P2 Project	\$9,834	\$9,834	\$9,834	\$9,834	\$8,241	\$0	\$0	\$0	\$0
	Subtotal - Transfers Out	\$123,172	\$124,546	\$130,803	\$130,803	\$198,411	\$108,774	\$114,213	\$119,923	\$125,919
<b>Total (Transfers IN/OUT):</b>		<b>(\$123,172)</b>	<b>(\$124,546)</b>	<b>(\$130,803)</b>	<b>(\$130,803)</b>	<b>(\$198,411)</b>	<b>(\$68,774)</b>	<b>(\$74,213)</b>	<b>(\$79,923)</b>	<b>(\$85,919)</b>

## CAPITAL FUND

All property sales receipts have been shifted from the capital fund to the general fund due to the property purchase on land acquired near the golf course for \$167,000 which was paid by the General Fund. The funding of capital projects through the use of property sales have been until the general fund has been paid back. The capital fund is, however, funded through transfers from other funds or grant funding. The following projects have been scheduled in the capital fund for FY 2014-15:



All of the projects have corresponding revenues to offset the expenses through either other fund transfers or through grants.

CITY OF NORWAY  
CAPITAL PROJECTS FUND (494)

Updated: 5/29/2014

ACCT #	ACCOUNT DESCRIPTION	2011-2012 ACTUAL	2012-2013 ACTUAL	2013-2014 EST ACTUAL	ADOPTED 2013-2014 BUDGET	PROPOSED 2014-2015 BUDGET	PROPOSED 2015-2016 BUDGET	PROPOSED 2016-2017 BUDGET	PROPOSED 2017-2018 BUDGET	PROPOSED 2018-2019 BUDGET
<b>REVENUES:</b>										
405	Property Tax Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
410	Act 51 Revenue - Comprehensive St. Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
560	Grants/Donations - 3rd Ward Park	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
560	Grant Proceeds - Rental Rehab	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
569	Land Contract Proceeds	\$133,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
569.001	Bond Issue Proceeds - Rural Development	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
569.002	Bond Issue Proceeds - Facilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
569.003	Bond Issue Proceeds - Downtown Streetscape	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
569.004	Bond Issue Proceeds - Comp Street Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
570	Loan Proceeds - EZP2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
570.001	Grant Proceeds - Recreation (Tennis Courts)	\$0	\$0	\$0	\$500,558	\$460,856	\$0	\$0	\$0	\$0
570.002	Grant Proceeds - Streetscape	\$0	\$0	\$0	\$0	\$45,000	\$0	\$0	\$0	\$0
570.007	Grant Proceeds - Tree Planting	\$1,840	\$5,000	\$0	\$4,000	\$2,000	\$4,000	\$4,000	\$4,000	\$4,000
571	Federal Funds - Transportation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
609	Resident Contribution - Sidewalk Replacement	\$0	\$0	\$0	\$0	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
810	Resident Contribution - Tree Planting	\$860	\$5,770	\$550	\$6,000	\$3,000	\$6,000	\$6,000	\$6,000	\$6,000
611	Resident Contribution - Alleys	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
631.003	Township Contribution (MP/POWER)	\$0	\$0	\$0	\$0	\$6,000	\$4,500	\$4,500	\$4,500	\$4,500
646	Proceeds - Norway Area PACT	\$4,260	\$11,132	\$7,514	\$0	\$0	\$0	\$0	\$0	\$0
665	Timber Sales	\$1,000	\$100	\$0	\$0	\$0	\$0	\$0	\$0	\$0
672	Interest on Investments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
673	Sale of Property	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
674	Developer Contributions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
677	Civic Contributions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
677.001	Civic Contributions - Bandshell	\$1,049	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
677.004	Civic Contributions - Tennis Courts	\$122,233	\$0	\$0	\$0	\$15,000	\$0	\$0	\$0	\$0
684	From Downtown Development Authority	\$0	\$0	\$0	\$124,688	\$98,139	\$15,112	\$15,112	\$92,621	\$92,621
688	From General Fund (Anderson Land Contract)	\$0	\$17,898	\$15,112	\$15,112	\$15,112	\$15,112	\$15,112	\$0	\$0
688	From General Fund (Sate Routes To Schools)	\$0	\$0	\$20,000	\$35,000	\$15,000	\$0	\$0	\$0	\$0
693	From Major Street Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
694	From Local Street Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
689	From Water Fund	\$0	\$0	\$0	\$158,701	\$0	\$0	\$0	\$0	\$0
681	From Wastewater Fund	\$0	\$0	\$0	\$79,505	\$0	\$0	\$0	\$0	\$0
691	From Electric Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
685	From Utility Funds (Mapping/GIS/POWER)	\$0	\$0	\$5,100	\$15,000	\$5,000	\$2,900	\$2,900	\$2,900	\$2,900
	<b>TOTAL REVENUES</b>	\$131,222	\$459,002	\$372,340	\$825,047	\$786,808	\$35,512	\$35,512	\$113,021	\$113,021
	<b>TOTAL EXPENDITURES</b>	\$148,218	\$459,081	\$370,464	\$825,047	\$786,808	\$35,512	\$35,512	\$113,021	\$113,021
	<b>CAPITAL PROJECTS REVENUE OVER/(UNDER) EXPENDITURES</b>	(\$16,996)	(\$89)	\$1,876	\$0	\$0	\$0	\$0	\$0	\$0
<b>FUND BALANCE/FUND EQUITY ANALYSIS</b>										
	Fund Balances Prior Years and Future Years	YEAR ENDED JUNE 30 2010-2011	YEAR ENDED JUNE 30 2012-2013	YEAR ENDED JUNE 30 2013-2014	YEAR ENDED JUNE 30 2013-2014	YEAR ENDED JUNE 30 2014-2015	YEAR ENDED JUNE 30 2015-2016	YEAR ENDED JUNE 30 2016-2017	YEAR ENDED JUNE 30 2017-2018	YEAR ENDED JUNE 30 2018-2019
	Beginning Balance:	\$68,840	\$25,710	\$25,621	\$25,621	\$27,497	\$27,497	\$27,497	\$27,497	\$27,497
	Revenues:	\$119,907	\$459,002	\$372,340	\$825,047	\$786,808	\$35,512	\$35,512	\$113,021	\$113,021
	Expenditures:	(\$147,051)	(\$459,081)	(\$370,464)	(\$825,047)	(\$786,808)	(\$35,512)	(\$35,512)	(\$113,021)	(\$113,021)
	Prior Period Adjustment:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Ending Balance:	\$42,696	\$25,710	\$27,497	\$25,621	\$27,497	\$27,497	\$27,497	\$27,497	\$27,497
<b>CASH BALANCE ANALYSIS</b>										
	Beginning Cash Balance:			\$25,621	\$25,621	\$27,497	\$27,497	\$27,497	\$27,497	\$27,497
	Revenues:			\$372,340	\$825,047	\$786,808	\$35,512	\$35,512	\$113,021	\$113,021
	Expenditures:			(\$370,464)	(\$825,047)	(\$786,808)	(\$35,512)	(\$35,512)	(\$113,021)	(\$113,021)
	Ending Cash Balance:			\$27,497	\$25,621	\$27,497	\$27,497	\$27,497	\$27,497	\$27,497
	RESERVED - Tree Planting Program			\$3,002	\$3,002	\$3,002	\$3,002	\$3,002	\$3,002	\$3,002
	RESERVED - Norway Area PACT			\$6,514	\$6,514	\$6,514	\$6,514	\$6,514	\$6,514	\$6,514
	RESERVED - Tennis Courts			\$1,049	\$1,049	\$1,049	\$1,049	\$1,049	\$1,049	\$1,049
	Available Cash Balance:			\$16,933	\$15,057	\$16,933	\$16,933	\$16,933	\$16,933	\$16,933

ACCOUNT DESCRIPTION

EXPENDITURES: (494-861)

	2011-2012 ACTUAL	2012-2013 ACTUAL	2013-2014 EST. ACTUAL	ADOPTED 2013-2014 BUDGET	ADOPTED 2014-2015 BUDGET	PROPOSED 2015-2016 BUDGET	PROPOSED 2016-2017 BUDGET	PROPOSED 2017-2018 BUDGET	PROPOSED 2018-2019 BUDGET
725 Property Acquisition	\$0	\$151,368	\$15,112	\$15,112	\$15,112	\$15,112	\$15,112	\$92,621	\$92,621
727 Facilities Expansion - City Hall	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
729 Demolition	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
730 Electrical Department Facilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
731 Public Works Facilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
733 Sidewalk Construction - SR2S	\$0	\$0	\$20,000	\$35,000	\$15,000	\$0	\$0	\$0	\$0
734 Sidewalk Replacement	\$0	\$0	\$0	\$0	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
736 Tree Planting	\$4,788	\$11,046	\$10,000	\$10,000	\$5,000	\$10,000	\$10,000	\$10,000	\$10,000
737 Downtown Streetscape Project	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
738 Bandshell Renovation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
755 Wetland Reserve Program (WRP)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
764 Street Reconstruction/Resurfacing:	\$0	\$0	\$264,064	\$0	\$0	\$0	\$0	\$0	\$0
765 a) Storm Sewer Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
786 b) Sanitary Sewer Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
787 c) Rental Rehab Project	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
788 d) 8th Avenue/Case St (MEDC Grant)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
789 e) Norway St Utility/Road Project	\$624	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
790 f) 11th Ave/Brown St Storm Sewer Project	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
791 g) US 28th Ave/Walnut - NDOT Safety Project	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
792 h) Main Street Project (DIG Grant)	\$338	\$285,698	\$57	\$0	\$0	\$0	\$0	\$0	\$0
793 i) Railroad Avenue Road/Utilities	\$0	\$0	\$60,000	\$749,935	\$677,698	\$0	\$0	\$0	\$0
794 j) Mine Street - Road/Utilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
816 Expenditures - Norway Area PACT	\$2,824	\$5,092	\$0	\$0	\$0	\$0	\$0	\$0	\$0
819 Professional Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
862 Recreation - Trail Extension Project	\$570	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
863 Strawberry Lake Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
864 Sledding Hill Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
885 Skateboard Park	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
886 US & Marion Park Renovation: Complex	\$0	\$0	\$0	\$0	\$80,000	\$0	\$0	\$0	\$0
867 Third Ward Playground Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
868 City Public Signage Improvements	\$15,000	\$5,000	\$5,100	\$15,000	\$11,000	\$7,400	\$7,400	\$7,400	\$7,400
869 Common Area Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
870 Contribution to Museum Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transfer to Water Fund	\$17,304	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transfer to Major Street Fund	\$53,317	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transfer to Local Street Fund	\$52,733	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transfer to Golf Fund	\$710	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$146,218	\$459,091	\$370,464	\$825,047	\$788,608	\$35,512	\$35,512	\$113,021	\$113,021