

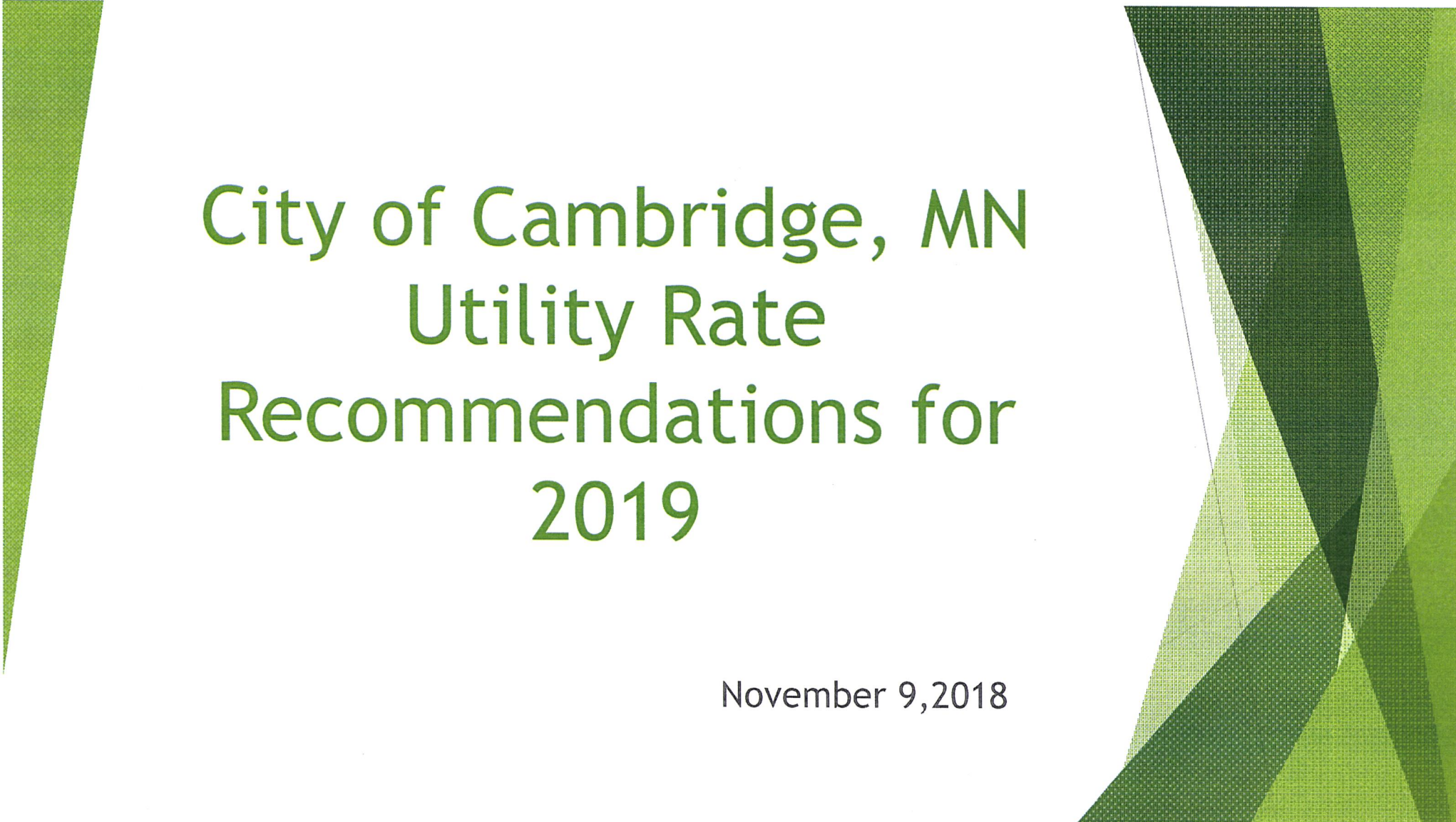
Meeting Announcement and Agenda
Cambridge City Council
City Hall Council Chambers
Special City Council Meeting-Financial Matters
Friday November 9, 2018 – 3:30 pm

1. Utility Fund Budgets for 2019
 - a. Water Fund (p. 4)
 - b. Storm Sewer Fund (p. 10)
 - c. Street Light Fund (p. 13)
 - d. Sewer Fund (p. 15)

2. Northbound Liquor Budget for 2019 (p. 22)

**Please contact Caroline Moe, Director of Finance, if you have any questions before the meeting.

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City of Cambridge, MN Utility Rate Recommendations for 2019

November 9, 2018

Information on 2019 Water Rates—No change for 3 years

Components of Water Rate	Proposed 2019	Adopted 2018	Adopted 2017
Monthly Base Rate (primarily covers debt service)	\$13.31	\$13.31	\$13.31
Monthly Flow Rate 0-6,000 gallons	\$4.24 per thousand gallons	\$4.24 per thousand gallons	\$4.24 per thousand gallons
Monthly Flow Rate 6,000-20,000 gallons	\$4.82 per thousand gallons	\$4.82 per thousand gallons	\$4.82 per thousand gallons
Monthly Flow Rate Over 20,000 gallons	\$5.39 per thousand gallons	\$5.39 per thousand gallons	\$5.39 per thousand gallons

Information on 2019 Water Rates

2019 Water Fund	
Operating Costs	\$878,794 (up \$30K)
Debt Service	\$1,027,590 (down \$40K)
Proposed Capital pd from Fund	\$105,000
Base Unit Change from prior year	Up 95
Flow Change from prior year	Up 7.5%
Other Notes	Setting rates in anticipation of new water tower debt starting in 2021. Growth is helping us keep rates stable.
Recommendation	Leave base & flow same as 2018 & 2017

CITY OF CAMBRIDGE
Water Utility Fund Budget Report - Fund #601
Proposed 2019 Budget Request

	Proposed Budget <u>2019</u>	Adopted Budget <u>2018</u>	2018 Actual as of <u>9/30/2018</u>	Actual <u>12/31/2017</u>
REVENUES				
Charges for Services:				
Metered Water Sales	1,813,237	1,703,148	1,450,960.09	1,750,987.77
Sales of Meters and Supplies	9,500	10,000	28,573.14	38,630.25
Penalties & Other Revenue	50,500	55,000	48,202	66,941
Other Financing Sources:				
Interest Earnings	-	-	-	-
Other Financing Sources	10,000	492,500	-	14,054.67
Transfers In from Other Funds	100,000	100,000	100,000	100,000
TOTAL REVENUES	1,983,237.00	2,360,648.00	1,627,734.94	1,970,613.75
EXPENSES				
Personal Services	426,794	410,507	308,076.92	378,294.53
Supplies	112,300	123,500	66,157.66	107,799.73
Other Services and Charges	314,700	315,200	187,236.14	258,031.94
Other Financing Uses:				
Depreciation	760,000	745,000	-	755,830.79
Other Financing Uses	1,200	800	5,152.11	1,101.91
Debt Service:				
Principal	888,184	946,114	-	-
Interest	158,931	184,884	-	159,407
Capital Outlay	65,000	65,000	-	-
Transfers to Other Funds	25,000	12,500	13,500.00	12,500
TOTAL EXPENSES	2,752,109	2,803,505	580,122.83	1,672,966.29
	(768,872)	(442,857)	1,047,612.11	297,647.46

CITY OF CAMBRIDGE
Water Utility Fund Budget Report - Fund #601
Proposed 2019 Budget Request

		Proposed Budget <u>2019</u>	Adopted Budget <u>2018</u>	2018 Actual as of <u>9/30/2018</u>	Actual <u>12/31/2017</u>
601-37110	Metered Water Sales	1,813,237	1,703,148	1,450,960.09	1,750,987.77
601-37120	Sales of Meters and Supplies	9,500	10,000	28,573.14	38,630.25
601-37160	Penalties/Reading Charges/etc.	30,000	30,000	25,559.06	34,371.76
601-37165	Certification Penalty	500		900.00	675.00
601-37170	Other Revenue	20,000	25,000	21,742.65	31,894.30
	TOTAL CHARGES FOR SERVICES	1,873,237	1,768,148	1,527,734.94	1,856,559.08
<i>Personal Services</i>					
501-49400-101	Salaries - Full-time	251,126	240,888	195,497.36	246,955.03
501-49400-102	Overtime - Full-time	15,000	15,000	8,166.68	10,895.32
501-49400-104	Salaries - Temporary/Seasonal	6,300	5,946	3,832.40	2,791.63
501-49400-110	Hours Worked Holiday	2,000	2,000	1,531.20	241.28
501-49400-115	Call-in Pay	2,000	2,000	1,339.84	1,160.27
501-49400-116	On-Call Pay	10,000	10,000	7,898.10	11,119.22
501-49400-121	PERA - Employer Share	22,514	21,225	16,082.29	20,264.64
501-49400-122	FICA/Medicare - Employer Share	24,419	23,502	16,306.51	20,300.48
501-49400-131	Medical/Dental/Life Employer Share	62,770	61,061	49,137.27	56,011.90
501-49400-132	Longevity	13,765	13,099	-	-
501-49400-133	Deductible Contribution	4,600	4,600	3,172.06	2,541.24
501-49400-154	HRA/Flex Fees	300	300	217.00	268.60
501-49400-151	Workers' Compensation Insurance	12,000	10,886	4,896.21	5,744.92
	Total Personal Services	426,794	410,507	308,076.92	378,294.53
<i>Supplies</i>					
501-49400-200	Water Lab Supplies	3,500	4,000	560.11	884.66
501-49400-201	Office Supplies	1,000	1,000	1,102.80	515.69
501-49400-204	Stationary, Forms and Envelopes	1,000	1,000	1,036.05	1,054.81
501-49400-210	Operating Supplies	12,000	12,000	6,864.00	10,982.59
501-49400-212	Gasoline/Fuel/Lubricants/Additives	7,000	8,000	4,007.71	4,295.51
501-49400-213	Operating Supplies - Plant Equipment	500	500	130.50	174.00
501-49400-216	Water Treatment Chemicals	50,000	55,000	28,356.63	51,577.12
501-49400-217	Testing	800	500	1,252.00	-
501-49400-221	Maintenance and Repair Supplies - Vehicles	5,000	5,000	2,867.47	2,915.36
501-49400-227	Utility System Maintenance Supplies	500	500	-	-
501-49400-240	Small Tools and Minor Equipment	6,000	6,000	4,520.43	2,681.52
501-49400-270	Meters and Repairs	25,000	30,000	15,459.96	32,718.47
	Total Supplies	112,300	123,500	66,157.66	107,799.73
<i>Other Services and Charges</i>					
501-49400-304	Professional Services	3,000	5,000	2,463.17	10,611.08
501-49400-306	GIS Project Contract	10,000	8,000	9,861.28	5,615.83
501-49400-310	Gopher State One Call	1,000	1,000	849.26	1,082.07
501-49400-313	IT Management & Back-up	1,500		2,032.29	2,563.91
501-49400-321	Telephone	9,000	9,000	4,571.88	6,570.72
501-49400-322	Postage	4,500	4,500	2,133.61	4,236.55
501-49400-331	Travel/Meals/Lodging	2,000	1,000	2,132.83	1,280.76
501-49400-334	Mileage Reimbursement	300	300	397.37	161.00
501-49400-340	Advertising	500	500	228.25	1,380.90

CITY OF CAMBRIDGE
Water Utility Fund Budget Report - Fund #601
Proposed 2019 Budget Request

	Proposed Budget <u>2019</u>	Adopted Budget <u>2018</u>	2018 Actual as of <u>9/30/2018</u>	Actual <u>12/31/2017</u>	
501-49400-351	Legal Notices/Publications	500	500	169.88	-
501-49400-360	Insurance and Bonds	17,000	19,000	15,855.73	14,941.78
501-49400-381	Electric Utilities	95,000	95,000	64,344.08	86,035.67
501-49400-382	Water/Wastewater Utilities	1,400	1,400	833.27	1,205.87
501-49400-383	Gas Utilities-Water Plant	5,000	4,000	4,870.23	4,788.84
501-49400-384	Refuse Hauling	2,000	2,000	1,046.88	1,274.00
501-49400-404	Repairs and Maintenance - Vehicles	3,000	3,000	211.90	-
501-49400-406	Repairs and Maintenance - Pumphouse and Wells	25,000	28,000	6,480.79	23,135.19
501-49400-407	Repairs and Maintenance - Hydrants	10,000	10,000	10,813.65	5,263.36
501-49400-408	Repairs and Maintenance - Water System	10,000	10,000	5,418.99	6,388.94
501-49400-409	Maintenance Contracts - Office Equipment	500	500	-	428.99
501-49400-410	Well Protection Plan	15,000	15,000	-	9,728.38
501-49400-415	Automatic Meter Read Project	75,000	75,000	40,582.58	48,925.43
501-49400-430	Miscellaneous	500	500	-	-
501-49400-432	Credit Card Fees	8,000	8,000	3,901.05	5,324.90
501-49400-433	Dues and Subscriptions	1,000	1,000	808.65	752.20
501-49400-440	Meetings and Schools	3,000	2,000	730.00	1,162.50
501-49400-441	DNR Department of Health Fees	5,000	5,000	2,878.82	2,850.43
501-49400-489	Contractual Services	6,000	6,000	3,619.70	12,322.64
	Total Other Services and Charges	314,700	315,200	187,236.14	258,031.94
	TOTAL OPERATING EXPENSES	853,794	849,207	561,470.72	744,126.20
	Operating margin	1,019,443	918,941	966,264.22	1,112,432.88
	Depreciation -				
501-49400-420	Depreciation	760,000	745,000	-	755,830.79
	Other -				
601-36102	Special Assessments			-	492.75
601-36104	Special Assessment Int/Pen			-	-
601-36210	Interest Earnings	10,000	20,000	-	13,561.92
501-49400-617	Bond Discount	-		3,919.53	-
60149400621	Bond Discount & Issue Costs	-		(7,521.64)	-
501-49400-620	Fiscal Fees on Debt	(1,200)	(800)	(1,550.00)	(1,101.91)
501-49400-615	Interest Expense--2001 PFA	(15,502)	(20,977)	-	(26,233.43)
501-49400-619	Interest Expense--2005 Water Treatment (refi 2014)	(78,400)	(90,963)	-	(79,094.00)
501-49400-631	Interest Expense--2011 Street Debt			-	(2,385.88)
501-49400-632	Interest Expense--2012 Street Debt	(3,779)	(4,690)	-	(4,364.00)
501-49400-627	Interest Expense--2007 Street Debt (refi 2014)	-	(150)	-	889.91
501-49400-634	Interest Expense--2014 Bond	(15,908)	(18,497)	-	(16,047.50)
501-49400-635	Interest Expense--2015Bond	(17,973)	(19,659)	-	(17,072.38)
501-49400-636	Interest Expense--2016 Bond	(17,464)	(18,923)	-	(15,100.11)
501-49400-638	Interest Expense--2018 Bond	(9,905)	(11,025)	-	-
501-49400-616	Interest Expense--2003Bond			-	-
	TOTAL OTHER FINANCING SOURCES (USES)	(150,131)	(165,684)	(5,152.11)	(146,454.63)
		109,312	8,257	961,112.11	210,147.46

CITY OF CAMBRIDGE
Water Utility Fund Budget Report - Fund #601
Proposed 2019 Budget Request

		Proposed Budget <u>2019</u>	Adopted Budget <u>2018</u>	2018 Actual as of <u>9/30/2018</u>	Actual <u>12/31/2017</u>
<i>OPERATING TRANSFERS</i>					
601-39102	Gain/Loss on disposal of f/a			-	
601-39203	Transfers from water treatment fund/water area	100,000	100,000	100,000.00	100,000.00
601-39700	Capital Contributions			-	-
501-49400-720	Transfers To General Fund	<u>(25,000)</u>	<u>(12,500)</u>	(13,500.00)	(12,500.00)
<i>NET INCOME [LOSS] PRIOR TO BALANCE SHEET ACTIVITY</i>		<u>184,312</u>	<u>95,757</u>	1,047,612.11	297,647.46
<i>BUDGETED BALANCE SHEET ACTIVITY</i>					
601-22540	Bond Proceeds	-	472,500		
601-16xxx	Pump Replacements				
	Variable Frequency Drive Replacement	(15,000)	(15,000)		
	Well Screen	(50,000)	(50,000)		
	Principal on 2018 Bond	-	-		
	Principal on 2012 Bond	(45,570)	(45,570)		
	Principal on 2001 PFA Debt	(139,000)	(133,000)		
	Principal on 2014 Bond	(86,695)	(141,409)		
	Principal on 2015 Bond	(84,305)	(84,305)		
	Principal on 2016 Bond	(73,114)	(70,830)		
	Principal on Water Treatment Plant	(420,000)	(405,000)		
	Other minor capital	(14,500)	(6,000)		
	Backup Generator	-	(60,000)		
	Truck Replacement	<u>(25,000)</u>	<u>-</u>		
<i>TOTAL OTHER BUDGETED BALANCE SHEET ACTIVITY</i>		<u>(953,184)</u>	<u>(538,614)</u>	-	-
<i>SSJ AFTER BUDGETED BALANCE SHEET ACTIVITY</i>		<u>(768,872)</u>	<u>(442,857)</u>	1,047,612.11	297,647.46

Information on 2019 Storm Water Rates

	2019 Storm Fund
Operating Costs	\$27,600
Debt Service	\$230,255
Capital pd from Fund	0
Base Unit Change	Up 181
Monthly rate	\$4.58 per unit
Other Notes	Uncertainty in the future as to cost of storm pond maintenance.
Recommendation	Leave rate the same. We have had no change in storm water rates since the beginning of 2013

CITY OF CAMBRIDGE
Storm Water Utility Fund Budget Report - Fund #603
Proposed 2019 Budget Request

	<u>Proposed Budget 2019</u>	<u>Adopted Budget 2018</u>	<u>Actual as of 9/30/2018</u>	<u>Actual 12/31/2017</u>
BUDGET SUMMARY -				
REVENUES				
Charges for Services:				
Storm Water Charges	345,000	330,000	259,625.80	334,312.37
Penalties etc.	5,500	6,000	4,647.20	5,929.81
Other Financing Sources:				
Interest Earnings	-	-	-	875.56
Other Financing Sources	-	509,000	20,597	-
TOTAL REVENUES	<u>350,500</u>	<u>845,000</u>	<u>284,870</u>	<u>341,117.74</u>
EXPENSES				
Personal Services	-	-	-	-
Supplies	-	-	-	-
Other Services and Charges	27,600	35,250	10,688	19,974.25
Other Financing Uses:				
Depreciation	400,000	390,000	-	389,887.88
Special Assessments	-	-	-	-
Other Financing Uses	-	-	15,086	-
Debt Service:				
Principal	174,821	212,544	-	-
Interest	40,500	43,864	-	27,223
Transfers to Other Funds	-	-	-	-
TOTAL EXPENSES	<u>642,921</u>	<u>681,658</u>	<u>25,774</u>	<u>437,085.17</u>
NET INCOME (LOSS)	<u>(292,421)</u>	<u>163,342</u>	<u>259,096</u>	<u>(95,967.43)</u>

CITY OF CAMBRIDGE
Storm Water Utility Fund Budget Report - Fund #603
Proposed 2019 Budget Request

	Proposed Budget <u>2019</u>	Adopted Budget <u>2018</u>	Actual as of <u>9/30/2018</u>	Actual <u>12/31/2017</u>
REVENUES (CHARGES FOR SERVICES)				
603-37310 Storm Water Charges	345,000	330,000	259,625.80	334,312.37
603-37360 Penalties	5,500	6,000	4,647.20	5,929.81
TOTAL CHARGES FOR SERVICES	350,500	336,000	264,273.00	340,242.18
OPERATING EXPENSES				
<i>Personal Services</i>				
603-49500-101 Salaries - Full-time	-	-	-	-
603-49500-102 Overtime - Full-time	-	-	-	-
603-49500-104 Salaries - Temporary/Seasonal	-	-	-	-
603-49500-121 PERA - Employer Share	-	-	-	-
603-49500-122 FICA/Medicare - Employer Share	-	-	-	-
603-49500-131 Medical/Dental/Life Employer Share	-	-	-	-
603-49500-151 Workers' Compensation Insurance	-	-	-	-
Total Personal Services	-	-	-	-
<i>Supplies</i>				
603-49500-201 Office Supplies	-	-	-	-
603-49500-204 Stationary, Forms and Envelopes	-	-	-	-
603-49500-210 Operating Supplies	-	-	-	-
603-49500-212 Gasoline/Fuel/Lubricants/Additives	-	-	-	-
Total Supplies	-	-	-	-
<i>Other Services and Charges</i>				
603-49500-304 Professional Services	8,500	3,000	620.00	8,585.00
603-49500-352 Public Notice	100	250	11.25	6.26
603-49500-403 Repairs and Maintenance - Storm Sewer	15,000	28,000	6,747.17	6,102.11
603-49500-430 Miscellaneous	1,000	1,000	2,059.11	5,280.88
603-49500-440 Schools & Meetings	3,000	3,000	1,250.00	-
Total Other Services and Charges	27,600	35,250	10,687.53	19,974.25
TOTAL OPERATING EXPENSES	27,600	35,250	10,687.53	19,974.25
NET INCOME (LOSS) FROM OPERATIONS	322,900	300,750	253,585.47	320,267.93
OTHER FINANCING SOURCES (USES)				
<i>Depreciation -</i>				
603-49500-420 Depreciation	400,000	390,000	-	389,887.88
<i>Other -</i>				
603-36101 Special Assessments	-	-	-	-
603-36210 Interest Earnings	-	-	-	875.56
603-39311 Bond Premium	-	-	20,596.58	-
603-39700 Transfer IN	-	-	-	-
603-39700 Capital Contributions (i.e. Developers)	-	-	-	-
603-49500-617 Bond Discount	-	-	(5,168.23)	-
603-49500-621 Bond Issue Costs	-	-	(9,917.92)	-
603-49500-634 Interest Expense on 2014 Street Project	(8,088)	(9,404)	-	(7,978.22)
603-49500-635 Interest Expense on 2015 Street Project	(9,116)	(9,971)	-	(7,644.94)
603-49500-638 Interest Expense on 2009 Street Project	-	(11,876)	-	-
603-49500-627 Interest Expense on 2007 Street Project (refi 2014)	-	(110)	-	650.89
603-49500-611 Interest Expense Revenue Bonds of 2010/2004	(120)	(1,542)	-	(2,766.18)
603-49500-636 Interest Expense Revenue Bonds of 2016	(10,115)	(10,961)	-	(9,137.49)
603-49500-638 Interest Expense Revenue Bonds of 2018	(13,061)	-	-	-
603-49500-631 Interest Expense Revenue Bonds of 2011/2008	-	-	-	(347.10)
TOTAL OTHER FINANCING SOURCES (USES)	(40,500)	(43,864)	5,510.43	(26,347.48)
NET INCOME BEFORE OPERATING TRANSFERS	(117,600)	(133,114)	259,095.90	(95,967.43)
OPERATING TRANSFERS				
603-49500-720 Transfers To Other Funds	-	-	-	-
NET INCOME (LOSS) BEFORE BALANCE SHEET ACTIVITY	(117,600)	(133,114)	259,095.90	(95,967.43)
BALANCE SHEET ACTIVITY				
603-22555 Bond Proceeds	-	509,000	-	-
603-23130 Principal Paid on Debt Service:	-	-	-	-
Stormwater Revenue Bonds of 2007	-	(43,713)	-	-
Stormwater Revenue Bonds of 2010/2004A&2008	(45,638)	(43,564)	-	-
Stormwater Revenue Bonds of 2014	(44,074)	(41,482)	-	-
Stormwater Revenue Bonds of 2015	(42,759)	(42,759)	-	-
Stormwater Revenue Bonds of 2016	(42,350)	(41,026)	-	-
Stormwater Revenue Bonds of 2018	-	-	-	-
TOTAL BALANCE SHEET ACTIVITY	(174,821)	296,456	-	-
NET INCOME (LOSS) AFTER BALANCE SHEET ACTIVITY	(292,421)	163,342	259,095.90	(95,967.43)

Information on 2019 Street Light Rates

2019 Street Light Utility Fund	
Operating Costs	\$200,000
Debt Service	\$0
Capital pd from Fund	\$0
	Some pole replacement funded by general fund due to young age of fund.
Base Unit Change	Estimated initially at 3,900, actual units are 3,752 currently. Actual units were less than initially planned due to corrections related to proximity of a property to a street light.
Monthly rate	\$4.27
Other Notes	New fund in 2018.
Recommendation	Leave rate the same.

CITY OF CAMBRIDGE
 Street Light Utility Fund Budget Report - Fund #604
 Adopted 2018 Budget

	Proposed Budget <u>2019</u>	Adopted Budget <u>2018</u>	Actual as of <u>9/30/2018</u>
BUDGET SUMMARY -			
REVENUES			
Charges for Services:			
Street Light Charges	200,000	200,000	155653.91
Penalties etc.	-	-	
Other Financing Sources:			
Interest Earnings	-	-	
Other Financing Sources	-	-	
 TOTAL REVENUES	 200,000	 200,000	 155653.91
EXPENSES			
Personal Services	-	-	
Operating Expenses	200,000	200,000	137441.86
 TOTAL EXPENSES	 200,000	 200,000	 137441.86
 NET INCOME [LOSS]	 -	 -	 18212.05
REVENUES [CHARGES FOR SERVICES]			
604-37410 Street Light Charges	200,000	200,000	141379.79
604-37360 Penalties	-	-	2610.18
604-37470 Other Revenue			11663.94
TOTAL CHARGES FOR SERVICES	200,000	200,000	155653.91
OPERATING EXPENSES			
Operating expenses			
604-49550-238 Repairs and Maintenance - Supplies			10253.87
604-49550-381 Electric Utilities	180,000	180,000	112831.92
604-49550-402 Repairs and Maintenance - Street Lig	20,000	20,000	14356.07
Total Other Services and Charges	200,000	200,000	137441.86
 TOTAL OPERATING EXPENSES	 200,000	 200,000	 137441.86
 NET INCOME [LOSS] FROM OPERATIONS	 -	 -	 18212.05
 NET INCOME [LOSS]	 -	 -	 18212.05

Information on 2019 Sewer Rates

Components of Sewer Rate	Proposed 2019	Adopted 2018	Adopted 2017
Monthly Base Rate (primarily covers debt service)	\$22.00	\$19.00	\$22.74
Monthly Flow Rate 0-6,000 gallons	\$4.00 per thousand gallons	\$3.67 per thousand gallons	\$3.67 per thousand gallons
Monthly Flow Rate 6,000-20,000 gallons	\$4.50 per thousand gallons	\$4.03 per thousand gallons	\$4.03 per thousand gallons
Monthly Flow Rate Over 20,000 gallons	\$5.00 per thousand gallons	\$4.60 per thousand gallons	\$4.60 per thousand gallons

**New JR Rettenmeier agreement had significant reduction base units per month. Reduced from 940 to 450—impact similar to losing 490 “homes” in Cambridge paying base rates. Flow is also down in 2018 but they are hoping in 2019 that their production will increase which will mean increases in sewer flow.

Information on 2019 Sewer Rates

	2019 Sewer Fund
Operating Costs	\$1,394,790
Debt Service	\$868,074
Capital pd from Fund	\$103,000
Base Unit Change	JR Rettenmeier down 490, some offsetting other growth.
Flow Change	JR Rettenmeier down 5%, some small offsetting growth
Other Notes	Uncertainty of JR Rettenmeier needs to be monitored. They represent approximately 20% of our sewer revenues.
Recommendation	Increase sewer base and flow rates. Watch JR Rettenmeier issues closely.

CITY OF CAMBRIDGE
Wastewater Utility Fund Budget Report - Fund #602
Proposed 2019 Budget Request

	Proposed Budget <u>2019</u>	Adopted Budget <u>2018</u>	Actual as of <u>9/30/2018</u>	Actual <u>12/31/2016</u>
<i>BUDGET SUMMARY -</i>				
<i>REVENUES</i>				
Charges for Services:				
Sewer charges	2,120,108	-	1,494,353.85	2,216,630.14
Connection Charges	50,000	-	122,125.45	136,380.00
Other Charges for Services	35,000	-	22,569.59	36,620.82
Other Financing Sources:				
Bond Proceeds	-	804,700		
Interest Earnings	20,000	30,000	398.19	33,827.11
Other Financing Sources	-	-	10.00	985.23
TOTAL REVENUES	2,225,108	834,700	1,639,457.08	2,424,443.30
<i>EXPENSES</i>				
Personal Services	734,590	702,927	530,404	613,265.17
Supplies	173,500	175,000	112,970	122,932.41
Other Services and Charges	411,700	386,050	327,951	321,236.53
Other Financing Uses:				
Depreciation	1,600,000	1,250,000	-	1,180,924.47
Other Financing Uses			-	2,133.80
Debt Service:				
Principal	743,133	753,615	-	-
Interest	107,213	131,063	-	113,760.10
Capital Outlay	103,000	108,900	-	-
Transfers to Other Funds net transfers in	75,000	37,500	38,850	38,500
TOTAL EXPENSES	3,948,136	3,545,055	1,010,174.71	2,392,752.48
NET INCOME [LOSS]	(1,723,028)	(2,710,355)	629,282.37	31,690.82

CITY OF CAMBRIDGE
Wastewater Utility Fund Budget Report - Fund #602
Proposed 2019 Budget Request

	Proposed Budget <u>2019</u>	Adopted Budget <u>2018</u>	Actual as of <u>9/30/2018</u>	Actual <u>12/31/2016</u>
602-37210	Sewer Charges	2,120,108	1,494,353.85	2,216,630.14
602-37250	Connection Fees	50,000	122,125.45	136,380.00
602-37260	Penalties/etc.	35,000	22,569.59	36,620.82
602-37270	Other Charges for Services		-	-
	TOTAL CHARGES FOR SERVICES	2,205,108	-	1,639,048.89
				2,389,630.96

Personal Services

602-49450-101	Salaries - Full-time	434,744	411,107	322,000.66	389,190.37
602-49450-102	Overtime - Full-time	19,000	21,000	16,231.44	19,040.19
602-49450-104	Salaries - Temporary/Seasonal	13,440	12,684	5,163.12	3,669.96
602-49450-110	Hours Worked Holiday	4,500	2,000	2,471.94	1,969.63
602-49450-115	Call-in Pay	3,000	5,000	2,284.23	2,894.78
602-49450-116	On-Call Pay	21,000	21,000	16,655.01	19,061.50
602-49450-121	PERA - Employer Share	37,267	36,500	26,964.47	30,869.50
602-49450-122	FICA/Medicare - Employer Share	40,494	39,000	27,162.14	32,229.80
602-49450-131	Medical/Dental/Life Employer Share	114,110	111,006	88,354.50	85,745.43
602-49450-132	Longevity	14,642	13,693	-	-
602-49450-133	Deductible Contribution	8,000	8,000	4,800.97	7,405.34
602-49450-151	Workers' Compensation Insurance	23,893	21,437	17,924.01	20,742.27
602-49450-154	HRA/Flex Fees	500	500	391.30	446.40
	Total Personal Services	734,590	702,927	530,403.79	613,265.17

Supplies

602-49450-200	Laboratory Supplies & Replacement	18,000	18,000	10,562.85	21,328.73
602-49450-201	Office Supplies	1,000	2,000	1,827.03	2,036.61
602-49450-204	Stationary, Forms and Envelopes	1,500	1,500	1,036.05	1,038.09
602-49450-210	Miscellaneous Operating Supplies	8,000	8,000	5,925.11	7,234.07
602-49450-212	Gasoline/Fuel/Lubricants/Additives	8,000	8,000	4,824.06	5,253.03
602-49450-213	Operating Supplies - Plant Equipment	500	1,000	130.50	174.00
602-49450-214	Operating Supplies - Vehicles			-	-
602-49450-216	Wastewater Treatment Chemicals	110,000	110,000	73,586.05	60,734.82
602-49450-217	Testing	11,000	11,000	5,463.00	7,413.50
602-49450-221	Maintenance and Repair Supplies - Vehicles	8,500	8,500	4,092.30	10,816.84
602-49450-240	Small Tools and Minor Equipment	7,000	7,000	5,523.41	6,902.72
	Total Supplies	173,500	175,000	112,970.36	122,932.41

Other Services and Charges

602-49450-304	Professional Services	5,000	5,000	2,946.62	3,921.63
602-49450-306	GIS Project Consulting	10,000	8,000	8,878.80	5,379.33
602-49450-310	Gopher State One Call	1,000	1,000	849.24	1,136.24
602-49450-313	IT Mgmt & Backup	4,000	4,000	2,032.29	-
602-49450-321	Telephone	5,000	5,000	1,885.85	2,685.19
602-49450-322	Postage	5,000	5,000	2,112.50	5,246.83
602-49450-331	Travel/Meals/Lodging	2,000	1,000	2,728.78	220.64
602-49450-334	Mileage Reimbursement	300	250	120.51	-
602-49450-340	Advertising	400	400	-	401.70
602-49450-360	Insurance and Bonds	38,000	34,000	36,511.40	29,144.67
602-49450-381	Electric Utilities	125,000	120,000	87,736.68	99,967.08

CITY OF CAMBRIDGE
Wastewater Utility Fund Budget Report - Fund #602
Proposed 2019 Budget Request

		Proposed Budget <u>2019</u>	Adopted Budget <u>2018</u>	Actual as of <u>9/30/2018</u>	Actual <u>12/31/2016</u>
602-49450-382	Water/Wastewater	1,800	2,000	957.92	1,369.19
602-49450-383	Gas Utilities	23,000	25,000	18,635.22	20,501.97
602-49450-384	Refuse Hauling	1,800	2,500	1,047.24	-
602-49450-385	Power Lift Stations	17,000	17,000	11,601.99	16,101.90
602-49450-402	Repairs and Maintenance - Sanitary Sewer	8,000	5,000	-	2,301.81
602-49450-404	Repairs and Maintenance - Vehicles/Equipment	5,000	5,000	2,093.00	3,395.00
602-49450-406	Repairs and Maintenance - Plant	35,000	35,000	24,255.18	29,951.21
602-49450-407	Repairs and Maintenance - Lift Stations	7,000	7,000	6,618.90	6,536.30
602-49450-408	Repairs and Maintenance - Other Equipment	-	3,000	1,449.91	1,690.25
602-49450-409	Maintenance Contracts - Office Equipment	1,400	1,400	65.08	1,249.48
602-49450-416	Force Main Relocation Project	-	-	25,778.18	-
602-49450-418	Kenwood Lift Station	-	-	18,450.09	-
602-49450-430	Miscellaneous	2,000	2,000	46.00	-
602-49450-431	Facility Study	-	-	-	-
602-49450-433	Dues and Subscriptions	1,000	1,000	3,708.41	690.20
602-49450-440	Meetings and Schools	3,000	2,500	2,045.00	1,362.49
602-49450-441	MPCA Fees	10,000	9,000	7,925.00	7,392.68
602-49450-489	Contractual Services	100,000	85,000	57,470.77	80,590.74
Total Other Services and Charges		<u>411,700</u>	<u>386,050</u>	<u>327,950.56</u>	<u>321,236.53</u>
TOTAL OPERATING EXPENSES		<u>1,319,790</u>	<u>1,263,977</u>	<u>971,324.71</u>	<u>1,057,434.11</u>
Operating margin		885,318	(1,263,977)	667,724.18	1,332,196.85
Depreciation -					
602-49450-420	Depreciation	<u>1,600,000</u>	<u>1,250,000</u>	-	1,180,924.47
Other -					
602-36102	Special Assessments	-	-	10.00	985.23
602-36210	Interest Earnings	20,000	30,000	398.19	33,827.11
602-39700	Capital Contributions (i.e. Developer's)	-	-	-	-
602-39311	Bond Premium	-	-	-	-
602-39102	Gain/Loss on Disposal	-	-	-	-
602-49450-617	Bond Discount	-	-	(1,387.44)	(4,032.58)
602-49450-620	Fiscal Agent Fees	(1,600)	(800)	(1,550.00)	(695.03)
602-49450-621	Bond Issue Costs	-	-	(2,662.53)	(8,924.72)
602-49450-636	Interest Expense--2016 Revenue Bonds	(10,638)	(11,527)	-	(7,650.30)
602-49450-635	Interest Expense--2015 Revenue Bonds	(8,088)	(8,846)	-	(9,972.64)
602-49450-634	Interest Expense--2014 Revenue Bonds	(7,200)	(8,370)	-	(2,133.80)
602-49450-627	Interest Expense--2007 Revenue Bonds (refi 2014)	-	(136)	-	(3,291.35)
602-49450-623	Interest Expense--2005 Xylite Bonds	-	-	-	(463.08)
602-49450-610	Interest Expense--2013 WWTF Rehab Bonds	(85,560)	(91,391)	-	(102,085.13)
602-49450-631	Interest Expense--2011/2001 Revenue Bonds	-	-	-	(3,003.44)
602-49450-638	Interest Expense--2018 Revenue Bonds	(3,510)	(18,776)	-	-
602-49450-611	2010 Ref (2004) Wastewater Revenue Bonds	-	-	-	-
602-49450-632	2012 WW Bonds	(2,855)	(3,544)	-	(4,917.10)
602-49450-619	2003 Wastewater Revenue Bonds	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)		<u>(99,451)</u>	<u>(113,390)</u>	<u>(5,191.78)</u>	<u>(112,356.83)</u>
Income / Loss before Transfer		<u>(814,133)</u>	<u>(2,627,367)</u>	<u>662,532.40</u>	<u>38,916</u>
502-49450-720	Transfer to General Fund for services	(75,000)	(37,500)	(38,850.00)	(38,500.00)
Total Transfers From (To) Other Funds		<u>(75,000.00)</u>	<u>(37,500.00)</u>	<u>(38,850.00)</u>	<u>(38,500.00)</u>
INCOME [EXPENSE] BEFORE BALANCE SHEET ACTIVITY		<u>(889,133)</u>	<u>(2,664,867)</u>	<u>623,682.40</u>	<u>415.55</u>

CITY OF CAMBRIDGE
Wastewater Utility Fund Budget Report - Fund #602
Proposed 2019 Budget Request

	Proposed Budget <u>2019</u>	Adopted Budget <u>2018</u>	Actual as of <u>9/30/2018</u>	Actual <u>12/31/2016</u>
<i>BALANCE SHEET ACTIVITY</i>				
Bond Proceeds		804,700		
Capital Outlay:				
College Lift Station Rehab	(30,000)			
Variable Frequency Drive Replacement	(15,000)			
Influent Grinder Blades		(40,000)		
Heated Make Up Air Unit Replacement	(35,000)			
Portable Back-up Generator		(60,000)		
Lab Equipment	(9,500)	(8,900)		
Rehab Lift Station Controls	(5,000)			
Waste Activated Sludge Valve Replacement	(8,500)			
Principal Paid on Debt Service:				
2013 PFA Bonds	(587,000)	(581,000)		
2007 Wastewater Revenue Bonds		(54,321)		
2005 Xylite Bonds				
2016 Wastewater Revenue Bonds	(44,537)	(43,146)		
2012 Wastewater Revenue Bonds	(34,430)	(34,430)		
2014 Wastewater Revenue Bonds	(39,231)	(36,923)		
2015 Wastewater Revenue Bonds	(37,935)	(3,795)		
2018 Wastewater Revenue Bonds	0	0		
TOTAL OTHER BUDGETED BALANCE SHEET ACTIVITY	(846,133)	(57,815)	-	-
Net Income (Loss) After Balance Sheet Activity	(1,735,266)	(2,722,682)	623,682.40	415.55

Sample Impact of Rate Changes on a family using 7000 gallons per month

	2019 Recommended Rates	2018 Adopted Rates
Water Base Rate	\$13.31	\$13.31
Water Flow Rate	\$30.26	\$30.26
Sewer Base Rate	\$22.00	\$19.00
Sewer Flow Rate	\$28.50	\$26.05
Storm Sewer	\$4.58	\$4.58
Street Lighting	\$4.27	\$4.27
Total (5.6% increase)	\$102.92	\$97.47

Note—Again, increase relates to issues with JR Rettenmeier agreement & flow. During the meeting will review comparisons to other peer cities. Of the ten cities we compare our rates to, six of them have 2018 rates higher than what we are proposing for 2019.



Northbound Liquor 2019

November 9, 2018

Northbound Liquor 2019

- ▶ Sales continue to be very strong for Northbound Liquor.
- ▶ Personnel costs will be increasing in 2019 as we need to raise our wage rates in order to attract and retain part-time clerks. Liquor Store Manager has been adjusting to make sure we only have staff when needed to help mitigate this impact.
- ▶ Planned transfer to general fund is \$400,000, consistent with past couple of years. If additional funds are available, City Council will be able to determine where funds should be spent.

CITY OF CAMBRIDGE
Liquor Fund Budget Report - Fund #610
Proposed 2019 Budget Request

	Proposed Budget <u>2019</u>	Adopted Budget <u>2018</u>	Actual as of <u>9/30/2018</u>	Actual <u>12/31/2017</u>
BUDGET SUMMARY -				
REVENUES				
Sales	5,563,493	5,502,657	4,183,900.23	5,530,215.74
Cost of Goods Sold	(4,220,000)	(4,201,503)	(3,150,778.67)	(4,177,825.95)
Gross Profit	1,343,493	1,301,154	1,033,121.56	1,352,389.79
Other Financing Sources:				
Interest Earnings	500	1,500	-	2,624.95
Lottery Proceeds	3,000	3,000	5,436.57	5,491.46
Other Financing Sources	240	240	323.50	999.96
TOTAL REVENUES	1,347,233	1,305,894	1,038,881.63	1,361,506.16
EXPENSES				
Personal Services	589,009	562,894	417,394.21	527,484.52
Supplies	52,015	50,500	25,415.01	45,198.46
Other Services and Charges	246,209	235,500	181,912.77	231,874.18
Other Financing Uses:				
Depreciation	60,000	57,000	-	59,866.25
Debt Service:				
Interest	0	0	-	-
Transfers to Other Funds	400,000	400,000	400,000	469,000
TOTAL EXPENSES	1,347,233	1,305,894	1,024,721.99	1,333,423.41
NET INCOME (LOSS)	0	0	14,159.64	28,082.75

CITY OF CAMBRIDGE
Liquor Fund Budget Report - Fund #610
Proposed 2019 Budget Request

		Proposed Budget <u>2019</u>	Adopted Budget <u>2018</u>	Actual as of <u>9/30/2018</u>	Actual <u>12/31/2017</u>
SALES					
610-37811	Sales - Liquor	1,860,000	1,826,383	1,375,002.51	1,842,377.09
610-37812	Sales - Beer	2,510,000	2,452,187	1,974,715.29	2,508,467.32
610-37813	Sales - Wine	908,000	929,175	600,360.70	891,914.54
610-37815	Sales - Non-Taxable	154,193	155,818	129,338.77	154,686.05
610-37816	Sales - Taxable	132,500	140,294	105,510.81	133,862.81
610-37840	Cash Over [Short]	(1,200)	(1,200)	(1,027.85)	(1,092.07)
TOTAL SALES		<u>5,563,493</u>	<u>5,502,657</u>	<u>4,183,900.23</u>	<u>5,530,215.74</u>
COST OF GOODS SOLD					
610-49750-251	Purchases - Liquor and Wine	1,370,000	1,369,728	1,006,301.27	1,354,137.00
610-49750-252	Purchases - Beer	1,940,000	1,910,548	1,506,599.51	1,932,569.28
610-49750-253	Purchases-Wine	630,000	645,795	414,669.52	620,298.40
610-49750-259	Purchases - Miscellaneous	235,000	235,328	194,088.62	229,226.25
610-49750-260	Freight and Dray	39,000	35,904	25,728.75	36,323.62
610-49750-262	Breakage & Shrinkage	0	1,200	-	-
610-49750-263	Inv Price Adj	-	-	-	-
610-37830	Discounts, Deposits and Retu	6,000	3,000	3,391.00	5,271.40
TOTAL COST OF GOODS SOLD		<u>4,220,000</u>	<u>4,201,503</u>	<u>3,150,778.67</u>	<u>4,177,825.95</u>
GROSS PROFIT		<u>1,343,493</u>	<u>1,301,154</u>	<u>1,033,121.56</u>	<u>1,352,389.79</u>
OPERATING EXPENSES					
<i>Personal Services</i>					
610-49750-101	Salaries - Full-Time	234,652	221,708	180,451.09	237,224.91
610-49750-103	Salaries - Part-Time	150,000	146,718	110,276.73	139,771.00
610-49750-102	Overtime - Full-time	7,513	7,569	2,820.16	4,331.24
610-49750-106	Overtime - Part-time	11,200	9,000	678.25	1,241.54
610-49750-110	Hours Worked Holiday	10,000	10,000	8,271.85	9,929.19
610-49750-121	PERA - Employer Share	31,077	29,690	22,687.43	27,967.35
610-49750-122	FICA/Medicare - Employer S	31,700	30,284	22,590.09	27,872.66
610-49750-131	Medical/Dental/Life Employe	68,460	66,594	53,704.92	60,033.98
610-49750-132	Longevity Pay	10,994	9,981	-	-
610-49750-133	Deductible Contribution	4,800	4,800	3,167.79	3,320.65
610-49750-153	Unemployment Compensatio	250	250	-	-
610-49750-154	HRA/Flex Fees	300	300	237.10	288.80
610-49750-151	Workers' Compensation	28,063	26,000	12,508.80	15,503.20
Total Personal Services		<u>589,009</u>	<u>562,894</u>	<u>417,394.21</u>	<u>527,484.52</u>
<i>Supplies</i>					
610-49750-201	Office Supplies	3,605	3,500	1,118.84	1,801.85
610-49750-210	Operating Supplies	22,660	22,000	10,312.73	13,430.36
610-49750-220	Maintenance and Repairs Sup	24,720	24,000	12,661.41	29,966.25
610-49750-240	Small Tools and Minor Equip	1,030	1,000	1,322.03	-
Total Supplies		<u>52,015</u>	<u>50,500</u>	<u>25,415.01</u>	<u>45,198.46</u>

CITY OF CAMBRIDGE
Liquor Fund Budget Report - Fund #610
Proposed 2019 Budget Request

		Proposed Budget <u>2019</u>	Adopted Budget <u>2018</u>	Actual as of <u>9/30/2018</u>	Actual <u>12/31/2017</u>
<i>Other Services and Charges</i>					
610-49750-304	Professional Services	1,500	1,500	723.09	1,766.42
610-49750-313	IT Services	3,000	3,000	1,806.48	2,483.91
610-49750-321	Telephone	10,000	8,000	6,211.40	9,606.08
610-49750-331	Travel and Meetings	200	200	-	151.70
610-49750-334	Mileage Reimbursement	200	150	271.96	187.26
610-49750-340	Advertising	40,000	40,000	30,362.64	42,605.92
610-49750-341	Wine Tasting	2,700	3,000	1,637.18	3,713.77
610-49750-360	Insurance and Bonds	15,000	15,000	13,460.21	13,246.47
610-49750-381	Electric Utilities	26,000	28,000	18,026.69	23,451.93
610-49750-382	Water/Wastewater	800	800	512.58	711.87
610-49750-383	Gas Utilities	1,600	2,000	1,301.63	1,103.55
610-49750-384	Refuse Hauling	2,000	2,500	1,047.15	1,385.00
610-49750-405	Janitorial Duties	7,809	7,000	4,614.14	6,556.25
610-49750-413	Rental-Office Equip			-	-
610-49750-430	Credit Card Fees	127,000	116,500	94,184.23	117,847.37
610-49750-433	Dues and Subscriptions	4,200	3,500	4,122.00	4,162.00
610-49750-440	Meetings and Schools	750	900	879.43	680.00
610-49750-489	Contract Maint	3,200	3,200	2,751.96	2,014.68
610-49750-453	Taxes and Licenses	250	250	-	200.00
Total Other Services and Charges		246,209	235,500	181,912.77	231,874.18
TOTAL OPERATING EXPENSES		887,233	848,894	624,721.99	804,557.16
NET INCOME [LOSS] FROM OPERATIONS		456,260	452,260	408,399.57	547,832.63
<i>OTHER FINANCING SOURCES (USES)</i>					
Depreciation -					
610-49750-420	Depreciation	60,000	57,000	-	59,866.25
Lottery Sales/Payouts -					
610-36220	Lottery Sales	83,000	83,000	75,299.48	92,733.18
610-49750-461	Lottery Sweep	(50,000)	(50,000)	(37,142.85)	(49,036.64)
610-49750-475	Lottery Paid Out	(30,000)	(30,000)	(32,720.06)	(38,205.08)
Net Lottery Proceeds		3,000	3,000	5,436.57	5,491.46
Other -					
610-37820	Machine Commissions			-	-
610-36200	Miscellaneous	240	240	323.50	999.96
610-36210	Interest Earnings	500	1,500	-	2,624.95
610-49750-612	Interest Expense - Lease			-	-
Total Other		740	1,740	323.50	3,624.91
TOTAL OTHER FINANCING SOURCES (US		3,740	4,740	5,760.07	9,116
NET INCOME [LOSS] BEFORE OPER TRANSFERS		400,000	400,000	414,159.64	497,082.75
OPERATING TRANSFERS					
610-49750-721	Transfer to Parks			-	(34,000.00)
49750-720	Transfer to Sr Center				
610-49750-720	Transfer to General Fund	(400,000)	(400,000)	(400,000.00)	(435,000.00)
Total Transfers Out		(400,000)	(400,000)	(400,000)	(469,000)
NET INCOME [LOSS]		0	0	14,159.64	28,082.75



Cambridge City Council Meeting
Public Attendance
November 9, 2018

Name (please print)

Address

Name (please print)	Address
Nobody signed in for this meeting.	