WEST LAFAYETTE WASTEWATER UTILITY

2010 ANNUAL FINANCIAL MANAGEMENT REPORT

MARCH 3, 2011

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ACCOUNTANT'S COMPILATION REPORT

Honorable John Dennis, Mayor and
Members of the Board of Public Works and Safety
Mr. David S. Henderson, Utility Director
City of West Lafayette
City Hall
609 W. Navajo
West Lafayette, Indiana 47906

March 3, 2011

We have compiled the accompanying Statement of Net Assets of the West Lafayette Wastewater Utility as of December 31, 2010 and 2009, and the related Statement of Revenues, Expenses and Changes in Fund Net Assets and Statement of Cash Flows for the years then ended, and the accompanying supplementary information contained in pages 6-21, which is presented only for supplementary analysis purposes. We have not audited or reviewed the accompanying financial statements and supplementary schedules and, accordingly, do not express an opinion or provide any assurance about whether the financial statements and supplementary schedules are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements and supplementary schedules in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements and supplementary schedules.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements and supplementary schedules without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements and supplementary schedules.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the West Lafayette Wastewater Utility's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

This report is intended solely for the information and internal use of management of the West Lafayette Wastewater Utility and should not be used for any other purpose. This restriction is not intended to limit distribution of this report, which is a matter of public record.

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WEST LAFAYETTE WASTEWATER UTILITY

GENERAL COMMENTS

Historical Financial Statements – Pages 1 – 5

The accounts of the Wastewater Utility are maintained and the financial statements are presented on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when incurred. The accounting guide in use by the Utility is the Uniform System of Accounts for Wastewater (Sewage) Utilities, published by the National Association of Regulatory Utility Commissioners.

The primary activity of the Utility is the collection and treatment of sanitary wastewater. They are also responsible for storm water management and, beginning in 2009, sanitation solid waste handling services were transferred to the Utility.

Included on pages 1 through 5 are the compiled statement of net assets as of December 31, 2010 and December 31, 2009, and the compiled revenues, expenses and changes in fund net assets for the calendar years ended December 31, 2010 and 2009, and the compiled statements of cash flows for calendar year 2010 and 2009. The information presented in this report is based on the recorded books and records of the Utility.

Detail of Operation and Maintenance Expenses – Pages 6 - 7

Pages 6 and 7 include line item operating expense detail by function for 2010 and 2009. Total expenditures decreased $276,555 in 2010 compared to the prior year and were also under budget. The decrease in 2010 was primarily due to the $280,799 decline in land application costs resulting from the implementation of the new digestor. These schedules also include the 2010 Budgeted amounts for comparative purposes. Total expenditures were under the budget in 2010 by $104,598 or 2.4%. Two areas which contributed most were Sanitation which in total was $101,367 under budget and land application costs which were $73,782 under budget.

Comparison of Fund Balances With Recommended Reserves – Page 8

This schedule highlights the Utility's cash and investment positions as of December 31, 2010. In total, the Utility's cash balances increased approximately $62,000 (after adjustment for temporary loans to the City) during 2010. According to the terms of the outstanding bond ordinances, the Utility is required to maintain minimum balances in certain accounts in order to ensure that the Utility has adequate funds to pay the expected costs of operation and maintenance, repay outstanding debt, fund the debt service reserve, and provide an allowance for capital improvements. This analysis demonstrates that the Utility is maintaining all required

GENERAL COMMENTS (continued)

reserves and has accumulated cash balances to supplement the funding of future projects. See Projected Cash Flows and Bond Coverage page 20 for further discussion on reserves and use of fund balances.

Amortization Schedules and Combined Debt Services – Pages 9 – 14

Pages 9 through 13 present amortization schedules for the principal and interest due on the outstanding 1994, 1998, 2001, 2004, and 2006 Bonds. All of the outstanding revenue bonds were sold to the State Revolving Loan fund at below market subsidized rates of interest ranging from 2.9% to 3.64%. SRF Loan proceeds for the 2004 Bonds have not yet been fully drawn. The 2004 Bond has an additional capacity of $2.4 million which is expected to be drawn in 2011. Page 14 contains a combined debt service schedule. Maximum annual debt service totals $3,177,925 in 2013. Combined debt service requirements will be approximately $250,000 lower beginning in 2017 when the 1994 Bonds are retired.

Schedule of Gallons Treated and Billed – Page 15

Treated flows in 2010 totaled 2.72 billion gallons, an average of 7.46 MGD. This schedule also summarizes gallons and total dollars billed by month.

Billing Statistics by Meter Size – Page 16

This schedule shows 2010 monthly billing data by meter size including dollars billed, consumption per 1,000 gallons and customer counts.

Current Rates and Charges – Page 17

Page 17 summarizes the Utility's rates and charges for wastewater treatment and solid waste removal services. Wastewater user rates were last amended effective July 1, 2006.

GENERAL COMMENTS (continued)

Projected Operating Revenues and Expenses – Page 18

Budgeted revenues for 2011 include two revisions from the 2010 budget. User fees were decreased from $8.6 million to $8.5 million. This change in sales actually occurred in 2009 when sales to Purdue University dropped approximately $300,000 or 9% from an all time high in 2008. Billings to Purdue have remained relatively constant from 2009 to 2010 so we are now assuming that this is a permanent change. Over this past two years, sales increases in other user classes have offset some of the Purdue decrease. Charges for processing of fats, oil and grease waste ("FOG") were first implemented in 2010, however, initial volumes were not as high as assumed. The annual FOG revenue was reduced from $150,000 to $70,000 based upon actual experience to date. All other operating revenues were held constant for the 2011 budget and for projected revenues through 2015. No rate increases for wastewater or sanitation have been assumed in the projection. Expenditures have been trended using the 2011 Budget as the baseline with annual increases ranging from 2% to 5% depending on the type of expenditure. 2009 and 2010 Actual amounts are shown for comparative purposes.

Five Year Capital Plan – Page 19

Capital projects and related expenditures by functional category are summarized for 2011 through 2015. Specific projects and overall cost estimates have been provided by the Utility Director. Division IV of the Western Interceptor was bid in January 2011. The final bid tabulation totaled $2,559,844 which is $1,340,156 lower than the engineering estimates. Approximately $2.4 million of this project will be funded with the remaining 2004 SRF Bond proceeds. The difference along with Division V will be paid with funds on hand. Other projects in 2011 include replacement of the Soldier's Home lift station, North River Road Interceptor and updating the CSO (Combined Sewer Overflow) Long Term Control Plan.

Capital purchases for Sanitation and Pollution Prevention include lease purchased vehicles and equipment such as trash collection and recycling trucks and street sweepers. Also in 2011, three recycling equipment shelters will be constructed.

Estimates for the Purdue Research Park lift station ($2,640,000) and main extensions ($720,000) have been recently updated by the Utility's consulting engineers. Those projects are now expected to occur in 2012. An engineering study of the wastewater treatment plant capacity is currently in process to identify the most cost effective way to increase plant capacity which based on existing flows is at 90%. Once that study is completed, the $3 million preliminary cost estimate shown as a 2012 project can be further refined.

GENERAL COMMENTS (continued)

Total 2011 expenditures are offset by the remaining SRF Loan draws available from the 2004 Bonds. The 2004 Bonds have approximately $2.4 million remaining which will fund 93% of the Western Interceptor Division IV. Capital projects in 2011-2012 total $12.3 million of which $9.9 million would be paid with funds on hand if no additional bonds are issued during that time frame. Future projects under consideration in 2013-2015 include the Sheraton lift station ($710,000) and the Fairway Knolls lift station ($630,000).

Projected Cash Flows and Bond Coverage – Page 20

This schedule projects cash flows for 2011 through 2015 beginning with operating revenues and expenditures from page 18. Other pledged revenues include interest income, based upon a 1% return on projected cash balances, and tap fees. It should be noted that 1% exceeds current market investment returns, however, over the five year projection period we anticipate rates improving to at least this 1% projected level. From the resulting net revenues, which range from $5.15 to $4.73 million, we have deducted the current budgeted $528,200 payment to the City for PILT, debt service for all outstanding bonds (see page 14) and projected capital expenditures from page 19. Projected ending cash balances include all operating, improvement and restricted funds.

The improvement fund has been historically used to cover planned as well as unexpected expenditure requirements for the Utility. These funds are also relied upon to provide temporary cash flow loans to the City which avoids the cost of external borrowing. To continue to provide this margin of safety for the City, sound financial planning practices indicate that management should continue its practice of establishing guidelines for key fund balances. The key funds for the Wastewater Utility include the Operating Fund, Debt Service Reserve Fund, the Bond & Interest Funds and Improvement Fund. Bond ordinances define the necessary funds to be established, sources and uses of the funds and in some cases the required or suggested minimum balances. The Operating Fund, per ordinance, should have a balance of at least two months of operating and maintenance expenditures which in this case is approximately $800,000. The Debt Service Reserve Fund requires a balance equal to combined maximum annual debt service. For 2011, that requirement will be approximately $3.17 million on bonds currently outstanding. Bond & Interest accumulates funds for each semiannual debt payment. The required balance at the end of the year is approximately $1 million. Therefore by ordinance the Utility should have almost $5 million in funds on hand excluding improvement funds. Guidelines for improvement funds are not stipulated in the bond ordinances but are set by management based upon both historical experience and anticipated needs. Based upon these types of considerations and historical as well as projected cash flows, management wants to maintain a minimum level of improvement funds ranging from $3-$4 million. The cash flow model follows these general guidelines.

GENERAL COMMENTS (continued)

The Utility's current 2010 balance of improvement funds totals approximately $10.8 million. The cash flow schedule indicates that expenditures will exceed revenue sources by approximately $7.1 million in 2011-2012 if the planned capital projects are completed on budget during this timeframe using funds on hand. The Utility could obtain financing for certain projects in this period at a subsidized below market interest rate under 3.5%. These projections assume that the Utility will use improvement funds rather than issuing additional bonds over the next few years. To maintain the improvement funds at management's desired levels, it will be important to continue to update this plan as cost estimates are refined and new projects are identified to reassess whether they can be funded without bringing down the improvement fund balances below target levels. Bond coverage (ratio of pledged net revenues to annual debt service) for existing debt is projected to range from 164% to 149%. The declining bond coverage trend results from the gradual increase in operating expenditures without new revenue sources in this planning model's baseline assumptions. Minimum bond coverage requirements are generally 125%.

Comparison of Budgeted and Actual Revenue, Revenue Requirements and Bond Coverage – Page 21

Revenue requirements are those items which the Utility must provide for in its rates and include: cash operating and maintenance, debt service, capital improvements and payment in lieu of taxes. Any remaining revenues would be for reserves and contingencies. We have compared actual and projected revenues versus revenue requirements for 2010 and the 2011 budget as one measure of the sufficiency of the current rates. The Utility funded all of its revenue requirements including capital improvements with current revenues and had $571,092 in additional revenues. Based upon actual 2010 pledged revenues, operating expenditures and debt service, the Utility generated a 164% bond coverage ratio. The minimum requirement of the SRF program, which has provided the past financings, is 125%.

GENERAL COMMENTS (continued)

General Overview

While the schedules presented in this report do not represent a comprehensive analysis of current rates and charges, they do give indications of the overall financial performance of the Utility on a historical and projected basis. The Utility continues to maintain a strong financial position with substantial cash balances and reserves, and high bond coverage ratios. Net revenues from operations are stable in the near term and provide for the funding of all utility operations, debt obligations and routine capital needs within the existing rate structure.

The Utility has significant capital projects over the next few years as outlined in this report. The improvement fund balance of $10.8 million will be utilized to fund a portion of these capital projects. This approach will reinvest these funds back into wastewater infrastructure for the benefit of the ratepayers and minimize the need for additional debt.

Management's priorities continue to include financial planning, budgeting and reporting processes intended to insure that the Utility's strong financial position does not decline in the long term. At the same time, the management does not want to increase fees and charges to customers until it becomes a necessity.

WEST LAFAYETTE WASTEWATER UTILITY

HISTORICAL FINANCIAL INFORMATION

WEST LAFAYETTE WASTEWATER UTILITY

STATEMENT OF NET ASSETS

ASSETS	DECEMBER 31 2010	2009
CURRENT AND ACCRUED ASSETS:		
OPERATING FUND	$818,189	$853,225
ACCOUNTS RECEIVABLE - WASTEWATER	289,705	177,049
ACCOUNTS RECEIVABLE - SANITATION	35,494	36,273
ACCOUNTS RECEIVABLE - LIENS	31,852	11,698
OTHER ACCOUNTS RECEIVABLE	4,478	2,313,017
ACCRUED INTEREST RECEIVABLE	0	31,132
INVENTORY	116,497	124,117
TOTAL CURRENT AND ACCRUED ASSETS	1,296,215	3,546,511
NON-CURRENT ASSETS:		
RESTRICTED ASSETS:		
IMPROVEMENT FUND	10,806,958	8,160,177
BOND AND INTEREST FUND	965,409	935,535
DEBT SERVICE RESERVE FUND	3,132,249	3,035,383
CONSTRUCTION RETAINAGE FUND	10,004	386,499
TOTAL RESTRICTED ASSETS	14,914,620	12,517,594
CAPITAL ASSETS:		
LAND	604,120	604,120
PLANT	36,063,058	25,657,374
INTERCEPTOR SEWERS	24,661,001	23,907,911
LIFT STATIONS	7,107,650	7,107,650
VEHICLES AND OTHER EQUIPMENT	5,799,487	5,800,032
ACCUMULATED DEPRECIATION	(16,460,612)	(15,369,194)
CONSTRUCTION IN PROGRESS	11,732,788	22,403,110
NET CAPITAL ASSETS	69,507,492	70,111,003
OTHER ASSETS:		
NET PENSION ASSETS	71,603	70,295
TOTAL ASSETS	$85,789,930	$86,245,403

See Accountant's Report.

WEST LAFAYETTE WASTEWATER UTILITY

STATEMENT OF NET ASSETS
(CONTINUED)

	DECEMBER 31	
	2010	2009
LIABILITIES AND NET ASSETS		
CURRENT AND ACCRUED LIABILITIES:		
ACCOUNTS PAYABLE	$81,568	$151,453
ACCRUED WAGES PAYABLE	38,055	102,197
COMPENSATED ABSENCES	228,803	218,173
ACCRUED INTEREST PAYABLE	1,051	1,755
RETAINAGE PAYABLE	10,004	386,499
CAPITAL LEASE OBLIGATIONS	267,152	182,854
CURRENT PORTION OF LONG-TERM DEBT		
1994 BONDS	1,125,000	1,090,000
1998 BONDS	460,000	445,000
2001 BONDS	330,000	320,000
2004 BONDS	5,000	5,000
2006 BONDS	10,000	10,000
TOTAL CURRENT AND ACCRUED LIABILITIES	2,556,633	2,912,931
NON-CURRENT LIABILITIES:		
1994 BONDS	6,140,000	7,265,000
1998 BONDS	4,775,000	5,235,000
2001 BONDS	4,340,000	4,670,000
2004 BONDS	9,970,337	9,867,578
2006 BONDS	8,315,000	8,325,000
TOTAL NON-CURRENT LIABILITIES	33,540,337	35,362,578
TOTAL LIABILITIES	$36,096,970	$38,275,509
NET ASSETS		
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	$33,770,003	$32,695,571
RESTRICTED	14,976,219	12,201,390
UNRESTRICTED	946,738	3,072,933
TOTAL NET ASSETS	$49,692,960	$47,969,894

WEST LAFAYETTE WASTEWATER UTILITY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND NET ASSETS
FOR THE TWELVE MONTHS ENDED

	DECEMBER 31	
	2010	2009
OPERATING REVENUES:		
RESIDENTIAL AND COMMERCIAL SALES	$4,996,099	$5,099,867
PURDUE UNIVERITY SALES	3,325,220	3,328,975
PENALTIES	55,075	58,938
SANITATION TRASH FEES	531,030	525,002
RECYCLABLE SALES	53,641	51,773
RECYLCING GRANT	41,500	41,500
TOTERS AND BINS	7,180	6,553
FOG FEES	27,398	0
OTHER OPERATING REVENUE	24,108	9,058
TOTAL OPERATING REVENUES	9,061,251	9,121,666
OPERATING EXPENSES:		
ADMINISTRATIVE AND GENERAL	1,073,383	1,183,486
LABORATORY	148,192	137,386
COLLECTION SYSTEM	383,833	384,661
PLANT OPERATION	1,334,632	1,627,032
PLANT MAINTENANCE	97,321	66,241
BILLING EXPENSE	194,077	207,324
SANITATION SOLID WASTE REMOVAL	611,922	610,808
POLLUTION PREVENTION SYSTEM MAINTENANCE	305,807	235,992
UNDISTRIBUTED	111,384	84,176
SUB-TOTAL	4,260,551	4,537,106
DEPRECIATION	1,395,926	1,315,352
NET OPERATING INCOME	3,404,774	3,269,208
NON-OPERATING REVENUES (EXPENSES):		
INTEREST INCOME	115,549	142,615
TAP FEES	100,976	104,291
LOSS ON DISPOSAL OF ASSETS	(576,482)	(45,773)
PAYMENT IN LIEU OF TAXES	(505,500)	(428,400)
CAPITAL LEASE INTEREST	(6,757)	(5,848)
INTEREST ON 1994 BONDS	(234,300)	(266,550)
INTEREST ON 1998 BONDS	(158,267)	(171,028)
INTEREST ON 2001 BONDS	(140,070)	(149,205)
INTEREST ON 2004 BONDS	0	0
INTEREST ON 2006 BONDS	(294,048)	(77,152)
TOTAL NON-OPERATING REVENUES (EXPENSES)	(1,698,899)	(897,050)
NET INCOME BEFORE CONTRIBUTIONS	1,705,875	2,372,158
CONTRIBUTIONS	17,191	718,397
CHANGE IN NET ASSETS	1,723,066	3,090,555
NET ASSETS - BEGINNING	47,969,894	44,879,339
NET ASSETS - ENDING	$49,692,960	$47,969,894

See Accountant's Report.

WEST LAFAYETTE WASTEWATER UTILITY

STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED

	DECEMBER 31	
	2010	2009
CASH FLOW FROM OPERATING ACTIVITIES:		
CASH RECEIVED FROM CUSTOMERS	$11,244,071	$6,901,981
CASH PAID TO SUPPLIERS, EMPLOYERS AND OTHERS	(4,383,948)	(4,586,424)
NET CASH FROM OPERATING ACTIVITIES	6,860,123	2,315,557
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
PAYMENT IN LIEU OF TAXES	(505,500)	(428,400)
NET CASH FROM NONCAPITAL FINANCING ACTIVITIES	(505,500)	(428,400)
CASH FLOWS FROM CAPITAL AND FINANCING ACTIVITIES:		
ACQUISITION AND CONSTRUCTION OF CAPITAL ASSETS	(1,007,741)	(6,343,351)
CAPITAL LEASE FINANCING	204,032	255,440
CHANGE IN RETAINAGE PAYABLE	(376,495)	(29,295)
SRF PROCEEDS - 2004 AND 2006 REVENUE BONDS	107,759	3,239,071
PRINCIPAL PAID ON 1994 REVENUE BONDS	(1,090,000)	(1,060,000)
PRINCIPAL PAID ON 1998 REVENUE BONDS	(445,000)	(435,000)
PRINCIPAL PAID ON 2001 REVENUE BONDS	(320,000)	(310,000)
PRINCIPAL PAID ON 2004 REVENUE BONDS	(5,000)	(5,000)
PRINCIPAL PAID ON 2006 REVENUE BONDS	(10,000)	(10,000)
INTEREST PAID ON 1994 REVENUE BONDS	(234,300)	(266,550)
INTEREST PAID ON 1998 REVENUE BONDS	(158,267)	(171,028)
INTEREST PAID ON 2001 REVENUE BONDS	(140,070)	(149,205)
INTEREST PAID ON 2004 REVENUE BONDS	(361,157)	(317,894)
INTEREST PAID ON 2006 REVENUE BONDS	(294,048)	(285,808)
INTEREST PAID ON CAPITAL LEASES	(7,461)	(4,093)
PRINCIPAL PAID ON CAPITAL LEASES	(119,733)	(72,586)
TAP FEES COLLECTED	100,976	104,291
CONTRIBUTIONS	17,191	718,397
NET CASH FROM CAPITAL AND FINANCING ACTIVITIES	(4,139,314)	(5,142,611)
CASH FLOWS FROM INVESTING ACTIVITIES:		
INTEREST ON INVESTMENTS	146,681	161,072
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,361,990	(3,094,382)
CASH, BEGINNING OF YEAR	13,370,819	16,465,201
CASH, END OF YEAR	$15,732,809	$13,370,819

See Accountant's Report.

WEST LAFAYETTE WASTEWATER UTILITY

STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED
(CONTINUED)

	DECEMBER 31	
	2010	2009
RECONCILIATION OF NET OPERATING INCOME TO CASH PROVIDED FROM OPERATIONS:		
NET OPERATING REVENUES	$3,404,774	$3,269,208
ADJUSTMENTS TO RECONCILE NET OPERATING REVENUES TO NET CASH PROVIDED BY OPERATIONS :		
DEPRECIATION	1,395,926	1,315,352
(INCREASE) DECREASE IN:		
ACCOUNTS RECEIVABLE	(112,656)	150,771
ACCOUNTS RECEIVABLE - SANITATION	779	(36,273)
ACCOUNTS RECEIVABLE - LIENS	(20,154)	(11,698)
OTHER ACCOUNTS RECEIVABLE	2,308,539	(2,313,017)
INVENTORY	7,620	(9,468)
NET PENSION ASSETS	(1,308)	0
INCREASE (DECREASE) IN:		
ACCOUNTS PAYABLE	(69,885)	(15,279)
ACCRUED WAGES PAYABLE	(64,142)	6,657
COMPENSATED ABSENCES	10,630	(916)
DUE TO OTHER FUNDS	0	(39,780)
NET CASH PROVIDED FROM OPERATIONS	$6,860,123	$2,315,557

WEST LAFAYETTE WASTEWATER UTILITY

HISTORICAL SUPPLEMENTAL INFORMATION

WEST LAFAYETTE WASTEWATER UTILITY

DETAIL OF OPERATION AND MAINTENANCE EXPENSES
FOR THE TWELVE MONTHS ENDED

	DECEMBER 31		
	2010	2009	BUDGET 2010
ADMINISTRATION - GENERAL			
UTILITY ADMINISTRATION WAGES	$322,396	$334,834	$ 339,039
UTILITY ADMINISTRATION INSURANCE	43,100	56,885	47,100
UTILITY ADMINISTRATION BENEFITS	46,503	48,780	48,822
CITY ADMINISTRATION WAGES	309,487	317,580	313,750
CITY ADMINISTRATION INSURANCE	45,798	51,146	74,740
CITY ADMINISTRATION BENEFITS	44,596	47,778	45,865
SUPPLIES	5,763	7,700	10,000
PUBLIC RELATIONS	1,385	824	1,280
CONSULTING	155,939	233,657	150,000
LEGAL	16,240	11,947	16,000
PRINTING & ADVERTISING	1,178	1,751	6,000
EDUCATION & TRAVEL	2,346	751	2,500
SUBSCRIPTIONS & DUES	1,701	2,164	2,000
POSTAGE	0	0	1,000
TELEPHONE	6,566	8,189	10,000
SERVICE CONTRACTS	31,498	30,758	12,900
OFFICE EQUIP/REPAIR	4,570	14,591	8,000
LIENS & AUDITS	21,497	1,501	5,600
PERMIT & FEES	12,820	12,650	14,000
SUBTOTAL	1,073,383	1,183,486	1,108,596
LABORATORY			
WAGES	82,010	77,214	72,385
INSURANCE	3,514	8,346	5,091
EMPLOYEE BENEFITS	9,417	11,059	8,820
SUPPLIES	39,884	18,979	23,000
EQUIPMENT	4,385	4,041	2,000
SERVICE CONTRACTS	3,112	530	4,000
CONSULTING	3,492	13,227	7,000
MISCELLANEOUS	2,378	116	500
EQUIPMENT REPAIR	0	3,874	3,000
SUBTOTAL	148,192	137,386	125,796
COLLECTION SYSTEM			
WAGES	200,194	214,227	202,923
INSURANCE	43,306	49,722	46,771
EMPLOYEE BENEFITS	31,239	32,569	32,110
SUPPLIES & MATERIALS	24,380	32,439	50,000
MACHINERY & TOOLS	628	0	540
VEHICLE MAINTENANCE	16,589	9,159	10,000
CSO MONITORS	17,078	19,307	20,000
CONTRACTUAL	40,521	13,387	50,000
LIFT STATIONS	9,898	13,851	15,000
EQUIPMENT-LEASE	0	0	1,000
SUBTOTAL	383,833	384,661	428,344
PLANT MAINTENANCE			
SUPPLIES & MATERIALS	30,109	21,640	20,000
GASOLINE	17,362	18,995	22,000
LUBRICANTS	712	277	1,000
EQUIPMENT REPAIR (FIXED)	38,991	19,946	15,000
MACHINERY & TOOLS	10,147	5,383	4,000
SUBTOTAL	97,321	66,241	62,000

WEST LAFAYETTE WASTEWATER UTILITY

DETAIL OF OPERATION AND MAINTENANCE EXPENSES
FOR THE TWELVE MONTHS ENDED

	DECEMBER 31		
	2010	2009	BUDGET 2010
PLANT OPERATION			
WAGES	453,986	445,470	423,509
INSURANCE	80,215	83,848	79,475
EMPLOYEE BENEFITS	64,563	66,568	60,985
UTILITIES	397,386	380,788	350,000
SAFETY	3,708	10,149	5,500
UNIFORMS	16,454	17,119	14,600
SUPPLIES	6,030	12,805	11,000
CHEMICALS	54,579	71,573	65,000
POLYMER	0	3,320	4,000
TRAINING	19,600	20,473	28,000
SERVICE CONTRACTS	51,996	31,774	28,000
LANDFILL	9,783	15,740	20,000
LAND APPLICATION	176,218	457,017	250,000
EMERGENCY CONTRACTUAL	0	7,376	6,000
MACHINERY & TOOLS	114	3,012	1,000
SUBTOTAL	1,334,632	1,627,032	1,347,069
BILLING EXPENSE			
WAGES	80,931	92,078	86,919
INSURANCE	20,834	25,587	21,716
EMPLOYEE BENEFITS	11,361	14,099	12,516
SUPPLIES & POSTAGE	40,149	21,340	40,470
BILLING AND SERVICE CONTRACTS	24,458	37,003	24,150
BAD DEBT	667	1,526	4,000
TRAINING	0	198	1,500
OFFICE EQUIPMENT REPAIRS	636	1,894	500
LIEN FEES AND OTHER	15,041	13,599	20,000
SUBTOTAL	194,077	207,324	211,771
SANITATION SOLID WASTE REMOVAL			
WAGES	246,684	236,140	292,707
INSURANCE	50,203	48,880	49,586
EMPLOYEE BENEFITS	42,408	41,334	42,826
SUPPLIES	96,426	89,374	92,580
SERVICES	176,201	195,080	235,590
SUBTOTAL	611,922	610,808	713,289
POLLUTION PREVENTION SYSTEM MAINTENANCE			
WAGES	170,205	113,816	178,336
INSURANCE	38,311	31,020	33,092
EMPLOYEE BENEFITS	26,507	20,762	27,568
SUPPLIES	15,596	15,767	25,088
SERVICES	55,188	54,627	10,800
SUBTOTAL	305,807	235,992	274,884
UNDISTRIBUTED EXPENSE			
INSURANCE	86,318	62,777	69,000
INJURIES & DAMAGES	0	0	5,150
WORKERS' COMP INSURANCE	25,066	21,399	19,250
SUBTOTAL	111,384	84,176	93,400
TOTAL OPERATING EXPENSES	$4,260,551	$4,537,106	$4,365,149

WEST LAFAYETTE WASTEWATER UTILITY

COMPARISON OF ACCOUNT BALANCES WITH MINIMUM REQUIREMENTS
AT DECEMBER 31, 2010

	BALANCE AT 12/31/2010	MINIMUM RESERVE REQUIRED		AVAILABLE FOR TRANSFER
OPERATING FUND	$818,189	$710,092	(1)	$108,097
BOND & INTEREST FUND	965,409	965,409	(2)	0
DEBT SERVICE RESERVE FUND	3,132,249	3,132,249	(3)	0
IMPROVEMENT FUND	10,806,958	0	(4)	10,806,958
CONSTRUCTION RETAINAGE FUND	10,004	10,004	(5)	0
TOTALS	$15,732,809	$4,817,754		$10,915,055

(1) AN AMOUNT EQUAL TO TWO MONTHS OPERATING EXPENSES.

(2) AMOUNT EQUAL TO THE NEXT TWELVE MONTHS PRINCIPAL AND NEXT SIX MONTHS INTEREST. AT 12/31/10, THE 1/1/11 INTEREST PAYMENTS WERE MADE. THE REMAINING FUND BALANCE PROPERLY REFLECTS 50% OF THE 7/1/11 PRINCIPAL DUE.

(3) AN AMOUNT EQUAL TO THE MAXIMUM ANNUAL COMBINED DEBT SERVICE ON ALL OUTSTANDING BONDS BUILT UP OVER 60 MONTHS FROM DATE OF CLOSING ON EACH SRF LOAN. CURRENT REQUIREMENT CALCULATED AS FOLLOWS:

	TOTAL RESERVE REQUIREMENT	# MONTHS	12/31/2010 REQUIREMENT
1994 Bonds	$1,112,640	60	$1,112,640
1998 Bonds	508,636	60	508,636
2001 Bonds	381,477	60	381,477
2004 Bonds	699,374	60	699,374
2006 Bonds	476,845	54	430,122
TOTAL	$3,178,972		$3,132,249

(4) NO RESTRICTIONS ON TRANSFERS FROM THESE FUNDS WHICH ARE BOARD DESIGNATED FOR FUTURE PLANT EXPANSION AN IMPROVEMENTS, REPLACEMENTS AND EXTENSION OF THE SEWAGE WORKS.

(5) NOT AVAILABLE FOR TRANSFER; HELD IN ESCROW UNTIL COMPLETION AND ACCEPTANCE OF RELATED CONTRACTOR PROJECT.

WEST LAFAYETTE WASTEWATER UTILITY

AMORTIZATION SCHEDULE
$7,265,000 SEWAGE WORKS REVENUE BONDS OF 1994

PAYMENT DATE	PRINCIPAL BALANCE	PRINCIPAL	COUPON	INTEREST	PERIOD TOTAL	BOND YEAR TOTAL
7/1/2011	$7,265,000	$1,125,000	3.00%	$108,975.00	$1,233,975.00	$1,233,975.00
1/1/2012				92,100.00	92,100.00	
7/1/2012	6,140,000	1,155,000	3.00%	92,100.00	1,247,100.00	1,339,200.00
1/1/2013				74,775.00	74,775.00	
7/1/2013	4,985,000	1,190,000	3.00%	74,775.00	1,264,775.00	1,339,550.00
1/1/2014				56,925.00	56,925.00	
7/1/2014	3,795,000	1,230,000	3.00%	56,925.00	1,286,925.00	1,343,850.00
1/1/2015				38,475.00	38,475.00	
7/1/2015	2,565,000	1,265,000	3.00%	38,475.00	1,303,475.00	1,341,950.00
1/1/2016				19,500.00	19,500.00	
7/1/2016	1,300,000	1,300,000	3.00%	19,500.00	1,319,500.00	1,339,000.00
TOTALS		$7,265,000		$672,525.00	$7,937,525.00	$7,937,525.00

WEST LAFAYETTE WASTEWATER UTILITY

AMORTIZATION SCHEDULE
$5,235,000 SEWAGE WORKS REVENUE BONDS OF 1998

PAYMENT DATE	PRINCIPAL BALANCE	PRINCIPAL	COUPON	INTEREST	PERIOD TOTAL	BOND YEAR TOTAL
7/1/2011	$5,235,000	$460,000	2.90%	$75,907.50	$535,907.50	$535,907.50
1/1/2012				69,237.50	69,237.50	
7/1/2012	4,775,000	470,000	2.90%	69,237.50	539,237.50	608,475.00
1/1/2013				62,422.50	62,422.50	
7/1/2013	4,305,000	485,000	2.90%	62,422.50	547,422.50	609,845.00
1/1/2014				55,390.00	55,390.00	
7/1/2014	3,820,000	500,000	2.90%	55,390.00	555,390.00	610,780.00
1/1/2015				48,140.00	48,140.00	
7/1/2015	3,320,000	515,000	2.90%	48,140.00	563,140.00	611,280.00
1/1/2016				40,672.50	40,672.50	
7/1/2016	2,805,000	530,000	2.90%	40,672.50	570,672.50	611,345.00
1/1/2017				32,987.50	32,987.50	
7/1/2017	2,275,000	545,000	2.90%	32,987.50	577,987.50	610,975.00
1/1/2018				25,085.00	25,085.00	
7/1/2018	1,730,000	560,000	2.90%	25,085.00	585,085.00	610,170.00
1/1/2019				16,965.00	16,965.00	
7/1/2019	1,170,000	575,000	2.90%	16,965.00	591,965.00	608,930.00
01/01/20				8,627.50	8,627.50	
07/01/20	595,000	595,000	2.90%	8,627.50	603,627.50	612,255.00
TOTALS		$5,235,000		$794,962.50	$6,029,962.50	$6,029,962.50

WEST LAFAYETTE WASTEWATER UTILITY

AMORTIZATION SCHEDULE
$4,670,000 SEWAGE WORKS REVENUE BONDS OF 2001

PAYMENT DATE	PRINCIPAL BALANCE	PRINCIPAL	COUPON	INTEREST	PERIOD TOTAL	BOND YEAR TOTAL
7/1/2011	$4,670,000	$330,000	2.90%	$67,715.00	$397,715.00	$397,715.00
1/1/2012				62,930.00	62,930.00	
7/1/2012	4,340,000	340,000	2.90%	62,930.00	402,930.00	465,860.00
1/1/2013				58,000.00	58,000.00	
7/1/2013	4,000,000	350,000	2.90%	58,000.00	408,000.00	466,000.00
1/1/2014				52,925.00	52,925.00	
7/1/2014	3,650,000	360,000	2.90%	52,925.00	412,925.00	465,850.00
1/1/2015				47,705.00	47,705.00	
7/1/2015	3,290,000	370,000	2.90%	47,705.00	417,705.00	465,410.00
1/1/2016				42,340.00	42,340.00	
7/1/2016	2,920,000	380,000	2.90%	42,340.00	422,340.00	464,680.00
1/1/2017				36,830.00	36,830.00	
7/1/2017	2,540,000	395,000	2.90%	36,830.00	431,830.00	468,660.00
1/1/2018				31,102.50	31,102.50	
7/1/2018	2,145,000	405,000	2.90%	31,102.50	436,102.50	467,205.00
1/1/2019				25,230.00	25,230.00	
7/1/2019	1,740,000	415,000	2.90%	25,230.00	440,230.00	465,460.00
01/01/20				19,212.50	19,212.50	
07/01/20	1,325,000	430,000	2.90%	19,212.50	449,212.50	468,425.00
01/01/21				12,977.50	12,977.50	
07/01/21	895,000	440,000	2.90%	12,977.50	452,977.50	465,955.00
01/01/22				6,597.50	6,597.50	
07/01/22	455,000	455,000	2.90%	6,597.50	461,597.50	468,195.00
TOTALS		$4,670,000		$859,415.00	$5,529,415.00	$5,529,415.00

WEST LAFAYETTE WASTEWATER UTILITY

AMORTIZATION SCHEDULE
$12,360,000 SEWAGE WORKS REVENUE BONDS OF 2004, SERIES A

PAYMENT DATE	PRINCIPAL BALANCE	PRINCIPAL	COUPON	INTEREST	PERIOD TOTAL	BOND YEAR TOTAL
7/1/2011	$12,360,000	$5,000	3.64%	$224,952.00	$229,952.00	$229,952.00
1/1/2012				224,861.00	224,861.00	
7/1/2012	12,355,000	5,000	3.64%	224,861.00	229,861.00	454,722.00
1/1/2013				224,770.00	224,770.00	
7/1/2013	12,350,000	5,000	3.64%	224,770.00	229,770.00	454,540.00
1/1/2014				224,679.00	224,679.00	
7/1/2014	12,345,000	5,000	3.64%	224,679.00	229,679.00	454,358.00
1/1/2015				224,588.00	224,588.00	
7/1/2015	12,340,000	5,000	3.64%	224,588.00	229,588.00	454,176.00
1/1/2016				224,497.00	224,497.00	
7/1/2016	12,335,000	5,000	3.64%	224,497.00	229,497.00	453,994.00
1/1/2017				224,406.00	224,406.00	
7/1/2017	12,330,000	530,000	3.64%	224,406.00	754,406.00	978,812.00
1/1/2018				214,760.00	214,760.00	
7/1/2018	11,800,000	555,000	3.64%	214,760.00	769,760.00	984,520.00
1/1/2019				204,659.00	204,659.00	
7/1/2019	11,245,000	575,000	3.64%	204,659.00	779,659.00	984,318.00
01/01/20				194,194.00	194,194.00	
07/01/20	10,670,000	590,000	3.64%	194,194.00	784,194.00	978,388.00
01/01/21				183,456.00	183,456.00	
07/01/21	10,080,000	1,230,000	3.64%	183,456.00	1,413,456.00	1,596,912.00
01/01/22				161,070.00	161,070.00	
07/01/22	8,850,000	1,275,000	3.64%	161,070.00	1,436,070.00	1,597,140.00
01/01/23				137,865.00	137,865.00	
07/01/23	7,575,000	1,790,000	3.64%	137,865.00	1,927,865.00	2,065,730.00
01/01/24				105,287.00	105,287.00	
07/01/24	5,785,000	1,860,000	3.64%	105,287.00	1,965,287.00	2,070,574.00
01/01/25				71,435.00	71,435.00	
07/01/25	3,925,000	1,925,000	3.64%	71,435.00	1,996,435.00	2,067,870.00
01/01/26				36,400.00	36,400.00	
07/01/26	2,000,000	2,000,000	3.64%	36,400.00	2,036,400.00	2,072,800.00
TOTALS		$12,360,000		$5,538,806.00	$17,898,806.00	$17,898,806.00

Note: As of December 31, 2010, $9,988,053 had been drawn out of the total authorized of $12,380,000 for this SRF Loan.

WEST LAFAYETTE WASTEWATER UTILITY

AMORTIZATION SCHEDULE
$8,325,000 SEWAGE WORKS REVENUE BONDS OF 2006, SERIES B

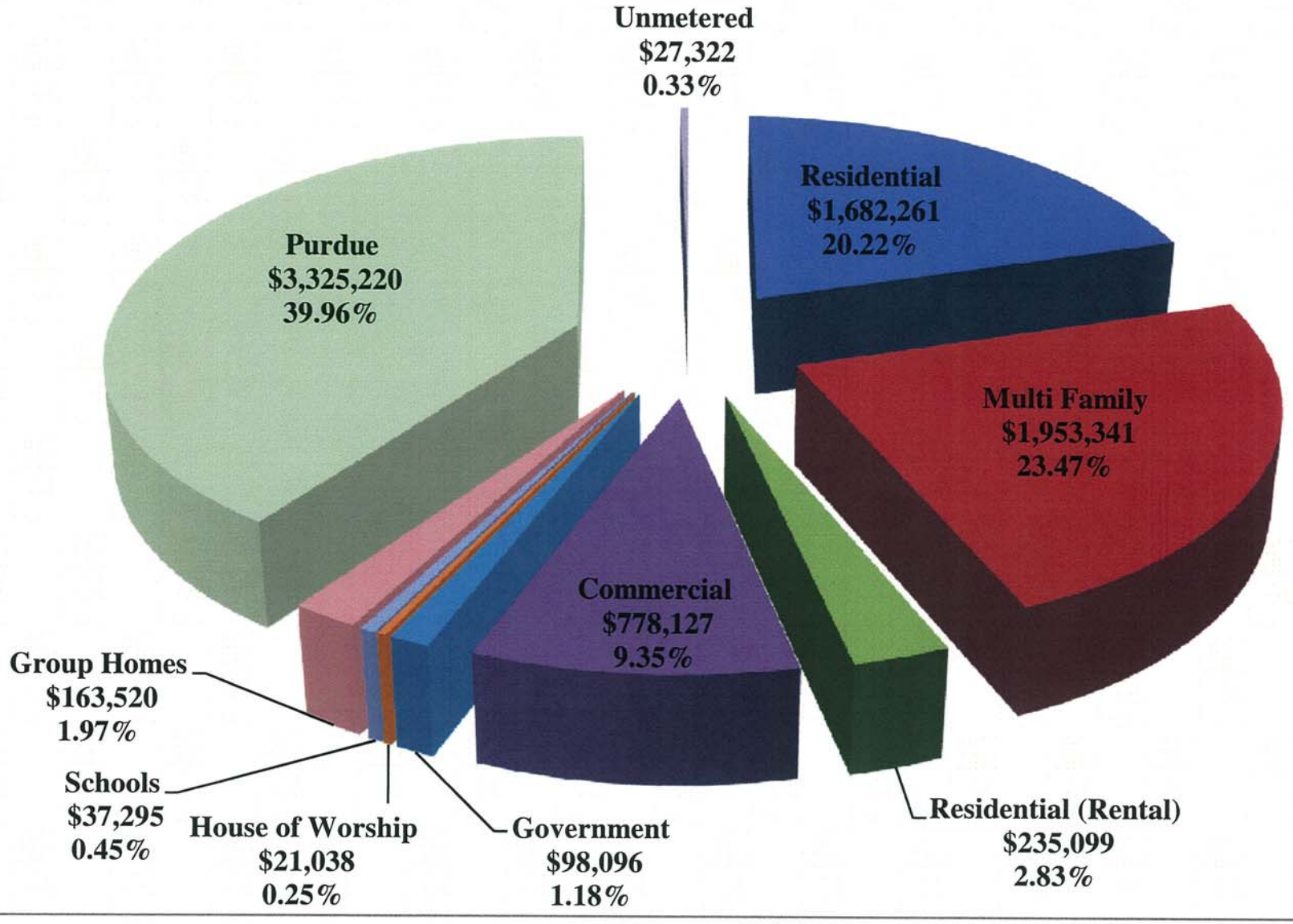
PAYMENT DATE	PRINCIPAL BALANCE	PRINCIPAL	COUPON	INTEREST	PERIOD TOTAL	BOND YEAR TOTAL
7/1/2011	$8,325,000	$10,000	3.53%	$146,936.25	$156,936.25	$156,936.25
1/1/2012				146,759.75	146,759.75	
7/1/2012	8,315,000	15,000	3.53%	146,759.75	161,759.75	308,519.50
1/1/2013				146,495.00	146,495.00	
7/1/2013	8,300,000	15,000	3.53%	146,495.00	161,495.00	307,990.00
1/1/2014				146,230.25	146,230.25	
7/1/2014	8,285,000	10,000	3.53%	146,230.25	156,230.25	302,460.50
1/1/2015				146,053.75	146,053.75	
7/1/2015	8,275,000	10,000	3.53%	146,053.75	156,053.75	302,107.50
1/1/2016				145,877.25	145,877.25	
7/1/2016	8,265,000	15,000	3.53%	145,877.25	160,877.25	306,754.50
1/1/2017				145,612.50	145,612.50	
7/1/2017	8,250,000	570,000	3.53%	145,612.50	715,612.50	861,225.00
1/1/2018				135,552.00	135,552.00	
7/1/2018	7,680,000	585,000	3.53%	135,552.00	720,552.00	856,104.00
1/1/2019				125,226.75	125,226.75	
7/1/2019	7,095,000	610,000	3.53%	125,226.75	735,226.75	860,453.50
01/01/20				114,460.25	114,460.25	
07/01/20	6,485,000	635,000	3.53%	114,460.25	749,460.25	863,920.50
01/01/21				103,252.50	103,252.50	
07/01/21	5,850,000	650,000	3.53%	103,252.50	753,252.50	856,505.00
01/01/22				91,780.00	91,780.00	
07/01/22	5,200,000	670,000	3.53%	91,780.00	761,780.00	853,560.00
01/01/23				79,954.50	79,954.50	
07/01/23	4,530,000	695,000	3.53%	79,954.50	774,954.50	854,909.00
01/01/24				67,687.75	67,687.75	
07/01/24	3,835,000	715,000	3.53%	67,687.75	782,687.75	850,375.50
01/01/25				55,068.00	55,068.00	
07/01/25	3,120,000	745,000	3.53%	55,068.00	800,068.00	855,136.00
01/01/26				41,918.75	41,918.75	
07/01/26	2,375,000	765,000	3.53%	41,918.75	806,918.75	848,837.50
01/01/27				28,416.50	28,416.50	
07/01/27	1,610,000	790,000	3.53%	28,416.50	818,416.50	846,833.00
01/01/28				14,473.00	14,473.00	
07/01/28	820,000	820,000	3.53%	14,473.00	834,473.00	848,946.00
TOTALS		$8,325,000		$3,616,573.25	$11,941,573.25	$11,941,573.25

WEST LAFAYETTE WASTEWATER UTILITY

COMBINED DEBT SERVICE SCHEDULE

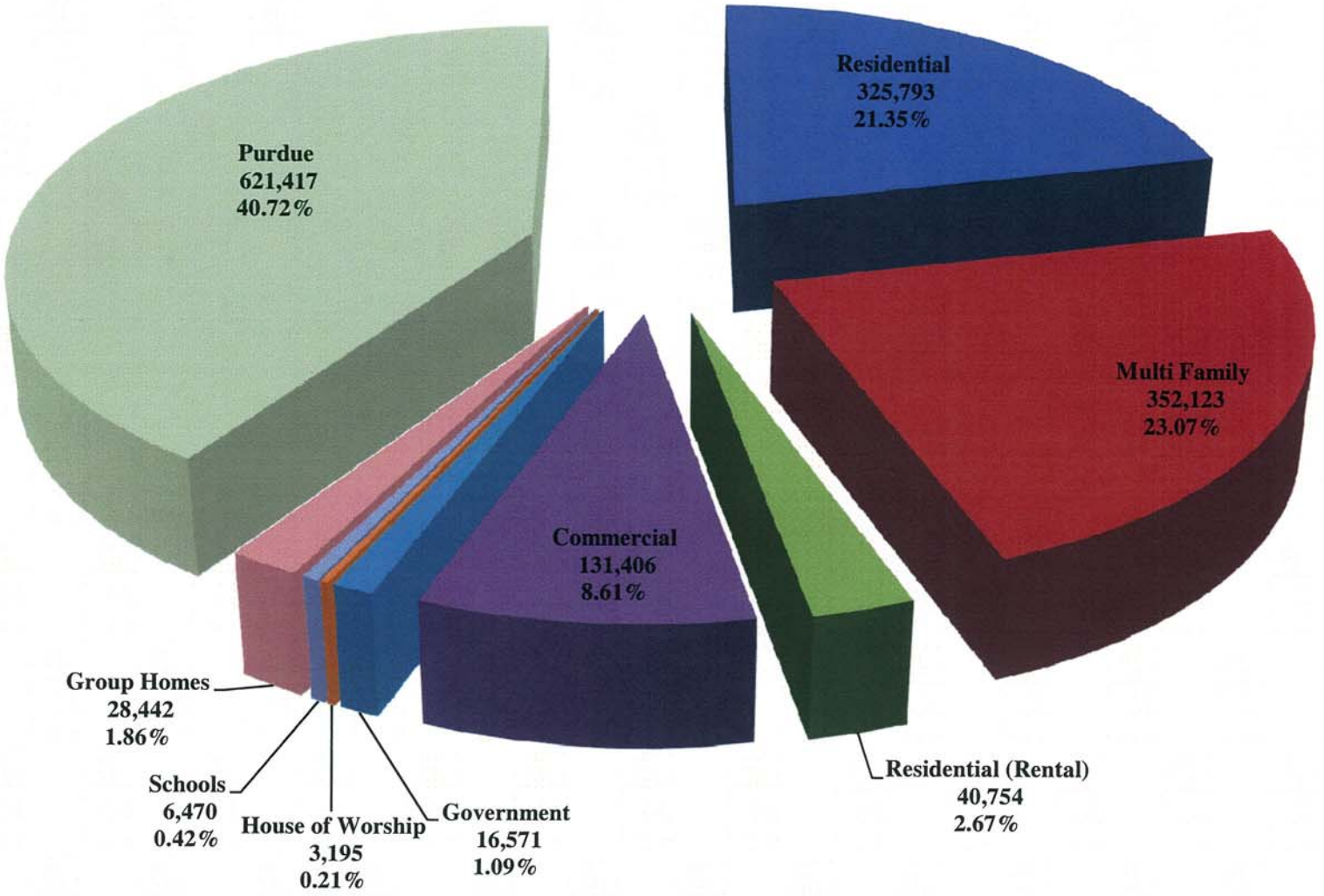
PAYMENT DATE	DEBT SERVICE					PERIOD TOTAL	BOND YEAR TOTAL
	1994 BONDS	1998 BONDS	2001 BONDS	2004A BONDS	2006B BONDS		
7/1/11	$ 1,233,975.00	$ 535,907.50	$ 397,715.00	$ 229,952.00	$ 156,936.25	$ 2,554,485.75	$ 2,554,485.75
1/1/12	92,100.00	69,237.50	62,930.00	224,861.00	146,759.75	595,888.25	
7/1/12	1,247,100.00	539,237.50	402,930.00	229,861.00	161,759.75	2,580,888.25	3,176,776.50
1/1/13	74,775.00	62,422.50	58,000.00	224,770.00	146,495.00	566,462.50	
7/1/13	1,264,775.00	547,422.50	408,000.00	229,770.00	161,495.00	2,611,462.50	3,177,925.00
1/1/14	56,925.00	55,390.00	52,925.00	224,679.00	146,230.25	536,149.25	
7/1/14	1,286,925.00	555,390.00	412,925.00	229,679.00	156,230.25	2,641,149.25	3,177,298.50
1/1/15	38,475.00	48,140.00	47,705.00	224,588.00	146,053.75	504,961.75	
7/1/15	1,303,475.00	563,140.00	417,705.00	229,588.00	156,053.75	2,669,961.75	3,174,923.50
1/1/16	19,500.00	40,672.50	42,340.00	224,497.00	145,877.25	472,886.75	
7/1/16	1,319,500.00	570,672.50	422,340.00	229,497.00	160,877.25	2,702,886.75	3,175,773.50
1/1/17		32,987.50	36,830.00	224,406.00	145,612.50	439,836.00	
7/1/17		577,987.50	431,830.00	754,406.00	715,612.50	2,479,836.00	2,919,672.00
1/1/18		25,085.00	31,102.50	214,760.00	135,552.00	406,499.50	
7/1/18		585,085.00	436,102.50	769,760.00	720,552.00	2,511,499.50	2,917,999.00
1/1/19		16,965.00	25,230.00	204,659.00	125,226.75	372,080.75	
7/1/19		591,965.00	440,230.00	779,659.00	735,226.75	2,547,080.75	2,919,161.50
1/1/20		8,627.50	19,212.50	194,194.00	114,460.25	336,494.25	
7/1/20		603,627.50	449,212.50	784,194.00	749,460.25	2,586,494.25	2,922,988.50
1/1/21			12,977.50	183,456.00	103,252.50	299,686.00	
7/1/21			452,977.50	1,413,456.00	753,252.50	2,619,686.00	2,919,372.00
1/1/22			6,597.50	161,070.00	91,780.00	259,447.50	
7/1/22			461,597.50	1,436,070.00	761,780.00	2,659,447.50	2,918,895.00
1/1/23				137,865.00	79,954.50	217,819.50	
7/1/23				1,927,865.00	774,954.50	2,702,819.50	2,920,639.00
1/1/24				105,287.00	67,687.75	172,974.75	
7/1/24				1,965,287.00	782,687.75	2,747,974.75	2,920,949.50
1/1/25				71,435.00	55,068.00	126,503.00	
7/1/25				1,996,435.00	800,068.00	2,796,503.00	2,923,006.00
1/1/26				36,400.00	41,918.75	78,318.75	
7/1/26				2,036,400.00	806,918.75	2,843,318.75	2,921,637.50
1/1/27					28,416.50	28,416.50	
7/1/27					818,416.50	818,416.50	846,833.00
1/1/28					14,473.00	14,473.00	
7/1/28					834,473.00	834,473.00	848,946.00
TOTALS	$ 7,937,525.00	$ 6,029,962.50	$ 5,529,415.00	$ 17,898,806.00	$ 11,941,573.25	$ 49,337,281.75	$ 49,337,281.75

West Lafayette Wastewater Utility
Revenues by Customer Type for 2010

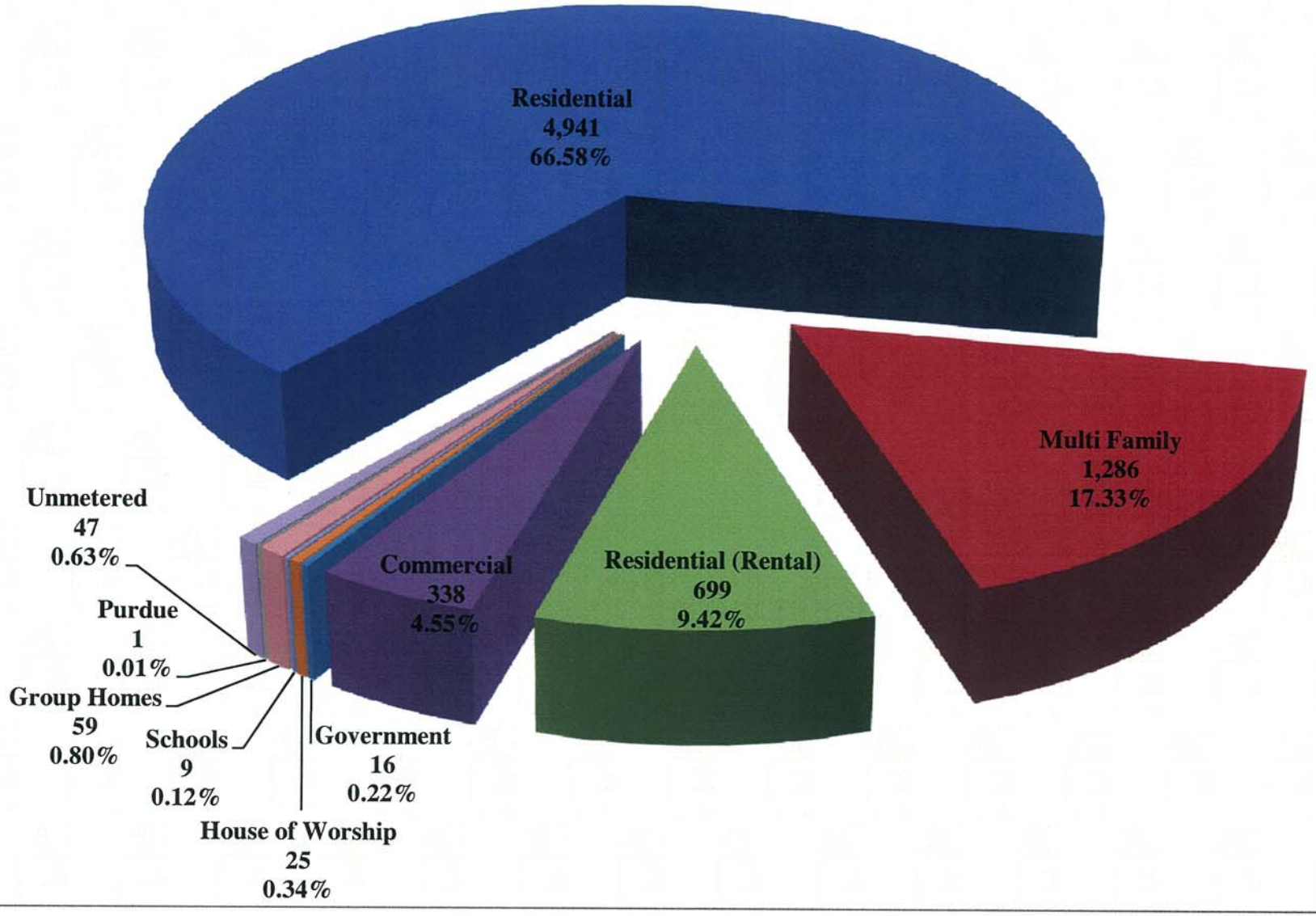


See Accountant's Report.

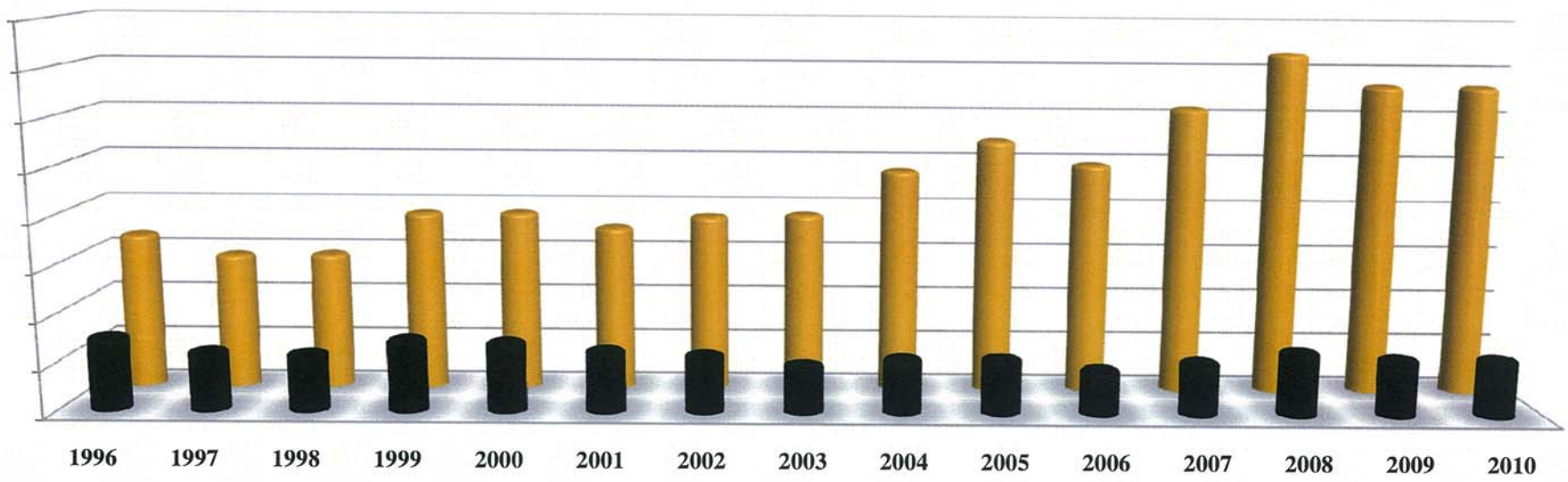
West Lafayette Wastewater Utility
Gallons Billed by Customer Type
for 2010



West Lafayette Wastewater Utility
Count by Sewer Customer Type for 2010



West Lafayette Wastewater Utility
Purdue University Billing History



	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
1,000 Gal.	777,386	637,824	619,030	770,152	748,201	665,793	625,955	524,486	591,435	599,758	488,915	576,157	686,255	620,155	621,417
Dollars	$1,662,208	$1,447,969	$1,459,387	$1,908,280	$1,914,896	$1,766,189	$1,887,059	$1,910,276	$2,394,273	$2,716,292	$2,474,222	$3,076,729	$3,664,651	$3,328,974	$3,325,220

WEST LAFAYETTE WASTEWATER UTILITY

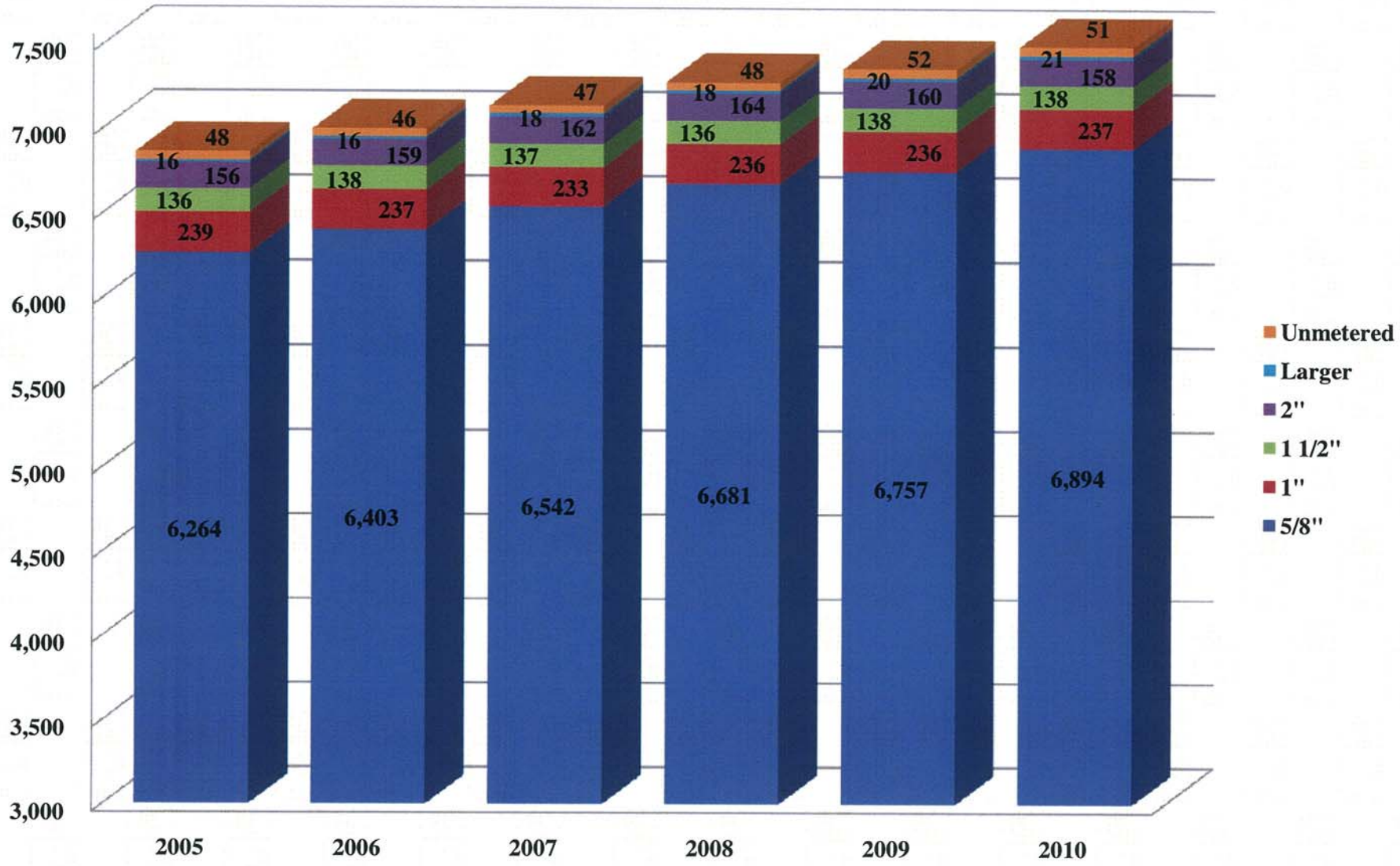
SCHEDULE OF GALLONS TREATED AND BILLED

FOR THE YEAR ENDED DECEMBER 31, 2010

MONTH	GALLONS TREATED	GALLONS BILLED			VARIANCE	TOTAL DOLLARS BILLED
		RESIDENTIAL/COMML.	PURDUE	TOTAL		
JANUARY 2010	252,460,000	71,946,000	48,671,320	120,617,320	131,842,680	$688,727
FEBRUARY	232,920,000	61,253,000	47,901,257	109,154,257	123,765,743	603,357
MARCH	284,590,000	84,187,000	52,581,417	136,768,417	147,821,583	784,521
APRIL	227,400,000	71,143,000	56,301,429	127,444,429	99,955,571	713,339
MAY	245,380,000	77,887,000	56,145,224	134,032,224	111,347,776	734,355
JUNE	263,050,000	74,816,000	39,148,209	113,964,209	149,085,791	591,767
JULY	211,200,000	72,184,000	45,181,065	117,365,065	93,834,935	613,172
AUGUST	209,500,000	72,814,000	46,874,039	119,688,039	89,811,961	637,895
SEPTEMBER	207,750,000	83,184,000	57,949,676	141,133,676	66,616,324	712,402
OCTOBER	187,860,000	84,515,000	62,069,881	146,584,881	41,275,119	778,375
NOVEMBER	195,940,000	78,525,000	53,214,835	131,739,835	64,200,165	741,513
DECEMBER	203,800,000	72,300,000	55,379,182	127,679,182	76,120,818	721,896
TOTALS	2,721,850,000	904,754,000	621,417,534	1,526,171,534	1,195,678,466	$8,321,319
PERCENT	100.00%	33.24%	22.83%	56.07%	43.93%	
AVERAGE DAILY GALLONS	7,457,123	2,478,778	1,702,514	4,181,292		

See Accountant's Report.

West Lafayette Wastewater Utility
History of Customer Billing Counts (Excludes Purdue)



WEST LAFAYETTE WASTEWATER UTILITY

BILLING STATISTICS BY METER SIZE

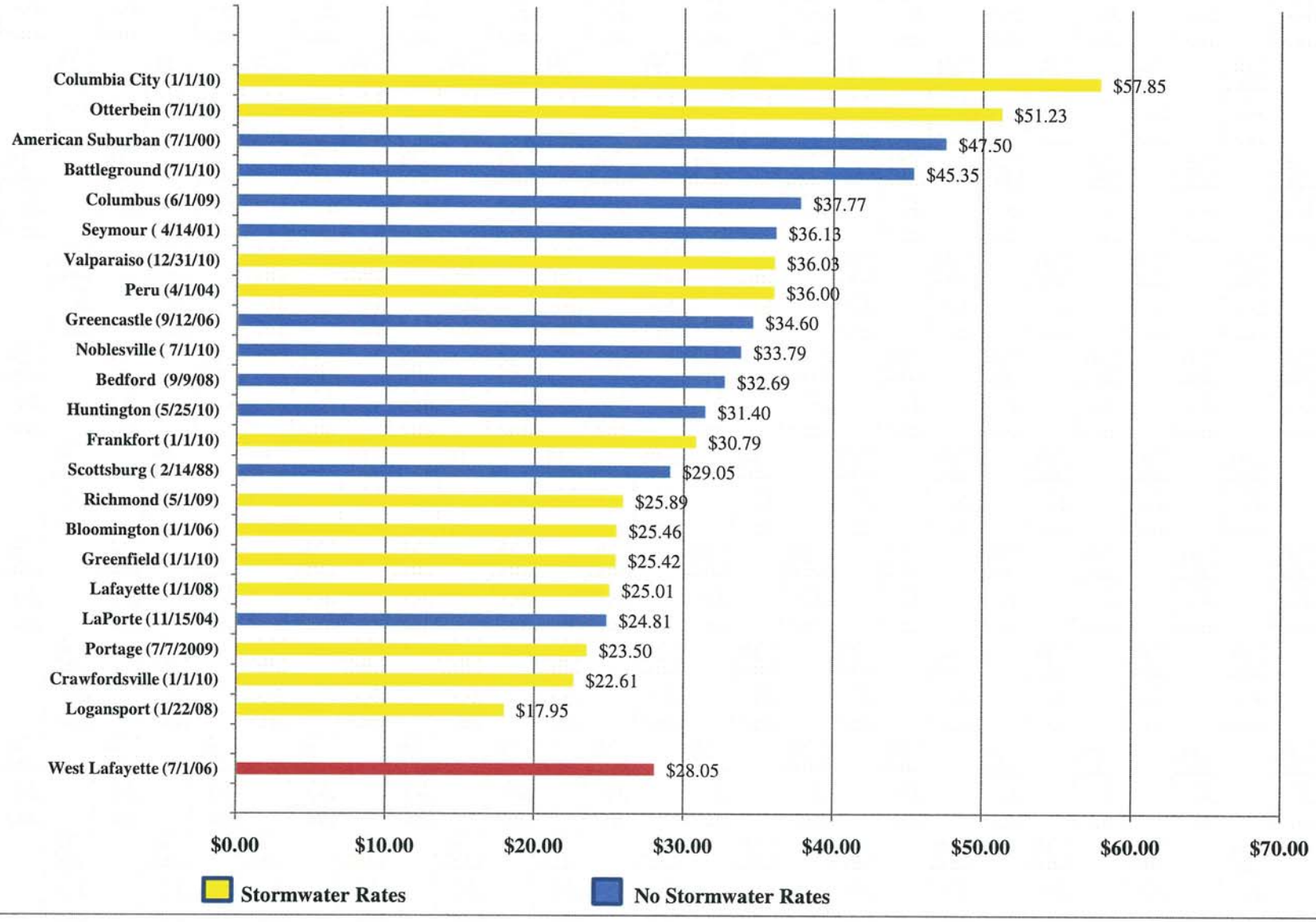
FOR THE YEAR ENDED DECEMBER 31, 2010

Dollar Amount	5/8 INCH	1 INCH	1 1/2 INCH	2 INCH	3-4 INCH	U.M.	PURDUE	TOTAL
January	$ 200,288	$ 35,541	$ 36,762	$ 75,741	$ 79,656	$ 2,265	$ 259,909	$ 690,162
February	183,834	36,437	37,060	74,473	35,870	2,265	256,958	626,897
March	250,894	44,241	48,644	109,653	46,821	4,419	281,260	785,932
April	193,809	41,536	42,221	82,338	55,836	112	301,120	716,972
May	218,352	42,911	46,232	92,374	56,437	3,521	300,296	760,123
June	209,068	30,187	32,594	66,024	64,100	4,464	209,808	616,245
July	184,165	28,987	29,963	66,367	62,299	2,310	242,113	616,204
August	186,359	30,479	33,789	72,195	63,600	2,355	250,749	639,526
September	178,779	37,020	41,357	86,372	60,796	2,282	309,893	716,499
October	186,892	43,102	51,225	90,938	53,502	157	331,895	757,711
November	226,571	42,170	46,412	87,752	56,341	2,266	285,490	747,002
December	211,514	38,659	42,092	83,914	49,278	2,265	295,729	723,451
Total	$ 2,430,525	$ 451,270	$ 488,351	$ 988,141	$ 684,536	$ 28,681	$ 3,325,220	$ 8,396,724

Gallons (1,000's) of Consumption	5/8 INCH	1 INCH	1 1/2 INCH	2 INCH	3-4 INCH	U.M.	PURDUE	TOTAL
January	32,129	6,159	6,399	13,199	14,060		48,671	120,617
February	29,254	6,291	6,501	12,954	6,253		47,901	109,154
March	40,767	7,642	8,509	19,156	8,113		52,581	136,768
April	32,129	7,248	7,411	14,443	9,912		56,302	127,445
May	36,086	7,479	8,141	16,214	9,967		56,145	134,032
June	37,923	5,187	5,733	14,667	11,306		39,148	113,964
July	39,895	4,993	5,128	11,191	10,977		45,181	117,365
August	38,234	5,293	5,880	12,196	11,211		46,874	119,688
September	43,458	6,606	7,304	15,149	10,667		57,950	141,134
October	42,318	7,642	9,052	16,028	9,475		62,070	146,585
November	37,640	7,362	8,181	15,404	9,938		53,215	131,740
December	34,884	6,693	7,385	14,661	8,677		55,379	127,679
Total	444,717	78,595	85,624	175,262	120,556	-	621,417	1,526,171

Bill Count	5/8 INCH	1 INCH	1 1/2 INCH	2 INCH	3-4 INCH	U.M.	PURDUE	TOTAL
January	6,740	236	138	160	20	51	5	7,350
February	6,287	234	115	135	18	51	5	6,845
March	8,747	290	154	186	25	99	5	9,506
April	6,069	236	140	155	18	3	5	6,626
May	6,871	237	140	160	20	79	5	7,512
June	7,590	236	137	164	23	100	5	8,255
July	6,990	238	138	160	21	53	5	7,605
August	7,346	240	138	160	21	56	5	7,966
September	6,474	238	138	161	22	238	5	7,276
October	6,554	239	138	154	19	138	5	7,247
November	6,887	238	138	158	21	106	5	7,553
December	6,894	237	138	158	21	51	5	7,504

West Lafayette Wastewater Rate Comparisons
Monthly Bill for 5,000 gallons



See Accountant's Report.

WEST LAFAYETTE WASTEWATER UTILITY

SCHEDULE OF CURRENT WASTEWATER RATES AND CHARGES

		CURRENT RATES (1)
FLOW RATE CHARGE		
PER 1,000 GALLONS		$5.61
MINIMUM TOTAL MONTHLY CHARGE		
5/8"	WATER METER (3,000 GAL)	$16.83
3/4"	WATER METER (4,000 GAL)	22.44
1"	WATER METER (7,000 GAL)	39.27
1 1/4"	WATER METER (12,000 GAL)	67.32
1 1/2"	WATER METER (15,000 GAL)	84.15
2"	WATER METER (24,000 GAL)	134.64
3"	WATER METER (45,000 GAL)	252.45
4"	WATER METER (75,000 GAL)	420.75
6"	WATER METER (150,000 GAL)	841.50
8"	WATER METER (240,000 GAL)	1,346.40
10"	WATER METER (345,000 GAL)	1,935.45
12"	WATER METER (645,000 GAL)	3,618.45
UNMETERED RESIDENTIAL		
PER MONTH (8,000 GAL)		$44.86
PURDUE UNIVERSITY		
	FLOW RATE CHARGE - PER 1,000 GALLONS	$5.34
	MONTHLY BILLING CHARGE	$4.25
TAP FEES		
5/8" - 3/4"	METER	$200.00
1"	METER	280.00
1 1/2"	METER	520.00
2"	METER	670.00
3"	METER	900.00
4"	METER	1,130.00
6"	METER	1,270.00
SOLID WASTE REMOVAL		
	MONTHLY RESIDENTIAL CHARGE	$9.00
	MONTHLY DUMPSTER CHARGE	$36.00

(1) THESE REPRESENT SEWER RATES AND CHARGES AS APPROVED ON MAY 3, 2004 AND EFFECTIVE JULY 1, 2006.

WEST LAFAYETTE WASTEWATER UTILITY

PROJECTED FINANCIAL INFORMATION

CITY OF WEST LAFAYETTE WASTEWATER UTILITY

PROJECTED OPERATING REVENUES AND EXPENSES
FOR THE TWELVE MONTHS ENDING DECEMBER 31

	ACTUAL 2009	ACTUAL 2010	BUDGET 2011	PROJECTED 2012	PROJECTED 2013	PROJECTED 2014	PROJECTED 2015	Notes
PROJECTED OPERATING REVENUES:								
WASTEWATER USER FEES	$ 8,428,842	$ 8,345,427	$ 8,500,000	$ 8,500,000	$ 8,500,000	$ 8,500,000	$ 8,500,000	(1)
PENALTIES	67,996	55,075	60,000	60,000	60,000	60,000	60,000	(1)
SANITATION TRASH FEES	525,002	531,030	520,000	520,000	520,000	520,000	520,000	(1)
RECYCLING GRANT	41,500	41,500	41,500	41,500	41,500	41,500	41,500	(1)
RECYCLABLE SALES	51,773	53,641	45,000	45,000	45,000	45,000	45,000	(1)
TOTERS AND BINS	6,553	7,180	4,000	4,000	4,000	4,000	4,000	(1)
FOG	-	27,398	70,000	70,000	70,000	70,000	70,000	(2)
TOTAL OPERATING REVENUES	9,121,666	9,061,251	9,240,500	9,240,500	9,240,500	9,240,500	9,240,500	
PROJECTED OPERATING EXPENSES:								
ADMINISTRATIVE AND GENERAL	1,183,486	1,073,383	1,086,125	1,107,910	1,130,295	1,153,305	1,176,957	(3)
LABORATORY	137,386	148,192	121,087	123,454	125,873	128,345	130,870	(3)
COLLECTION SYSTEM	384,661	383,833	421,098	432,297	443,835	455,721	467,967	(3)
PLANT OPERATION	1,627,032	1,334,632	1,329,096	1,346,768	1,363,170	1,379,980	1,397,205	(3)
PLANT MAINTENANCE	66,241	97,321	87,000	87,940	89,378	90,859	92,385	(3)
BILLING EXPENSE	207,324	194,077	219,460	224,196	229,067	234,077	239,233	(3)
SANITATION SOLID WASTE REMOVAL	610,808	611,922	690,020	701,359	713,028	725,038	737,403	(3)
POLLUTION PREVENTION SYSTEM MAINTENANCE	235,992	305,807	307,374	314,930	322,702	330,697	338,923	(3)
UNDISTRIBUTED	84,176	111,384	102,750	107,139	111,738	116,557	121,607	(3)
TOTAL OPERATING EXPENSES	4,537,106	4,260,551	4,364,010	4,445,993	4,529,086	4,614,579	4,702,550	
NET OPERATING REVENUES	$ 4,584,560	$ 4,800,700	$ 4,876,490	$ 4,794,507	$ 4,711,414	$ 4,625,921	$ 4,537,950	

NOTES:

(1) No growth or other adjustment from 2010 Budget with the exception of wastewater user fees. Slight decrease reflects actual experience over the past two years.

(2) Based upon year to date billings in first year which were less than initial expectations.

(3) Operating expenses were trended using 2011 budget as baseline. Annual increases assumed generally ranged from 2% to 5% depending on type of expenditure. For example all wage categories were increased 2% per year.

WEST LAFAYETTE WASTEWATER UTILITY

FIVE YEAR CAPITAL EXPENDITURE PLAN

	2011	2012	2013	2014	2015	Cumulative Totals
LIFT STATION						
North Service - PRP Lift Station		$ 2,640,000				$ 2,640,000
Soldiers Home Lift Station Improvements	$ 690,000					690,000
Sheraton Lift Station Replacement				$ 710,000		710,000
Fairway Knoll Lift Station Replacement					$ 630,000	630,000
COLLECTION SYSTEM						
PRP Main Extensions (approx 14,150 LF)		720,000				720,000
Western Interceptor Division IV	2,559,844					2,559,844
Western Interceptor Division V	1,450,000					1,450,000
North River Rd. Interceptor	326,500					326,500
CSO Long Term Control Plan Update	175,000					175,000
TREATMENT PLANT IMPROVEMENTS						
Capacity Expansion		3,000,000				3,000,000
EQUIPMENT	50,000	50,000	$ 50,000	50,000	$ 50,000	250,000
SANITATION	182,839	154,182	121,140	108,065	121,833	688,059
POLLUTION PREVENTION	149,727	149,692	189,692	117,039	80,000	686,150
SUB TOTALS	5,583,910	6,713,874	360,832	985,104	881,833	14,525,553
LESS: REMAINING SRF LOAN DRAWS 2004 BOND	(2,391,947)					(2,391,947)
NET TOTALS	$ 3,191,963	$ 6,713,874	$ 360,832	$ 985,104	$ 881,833	$ 12,133,606

See Accountant's Report.

WEST LAFAYETTE WASTEWATER UTILITY

PROJECTED CASH FLOWS AND BOND COVERAGE
FOR THE TWELVE MONTHS ENDED DECEMBER 31

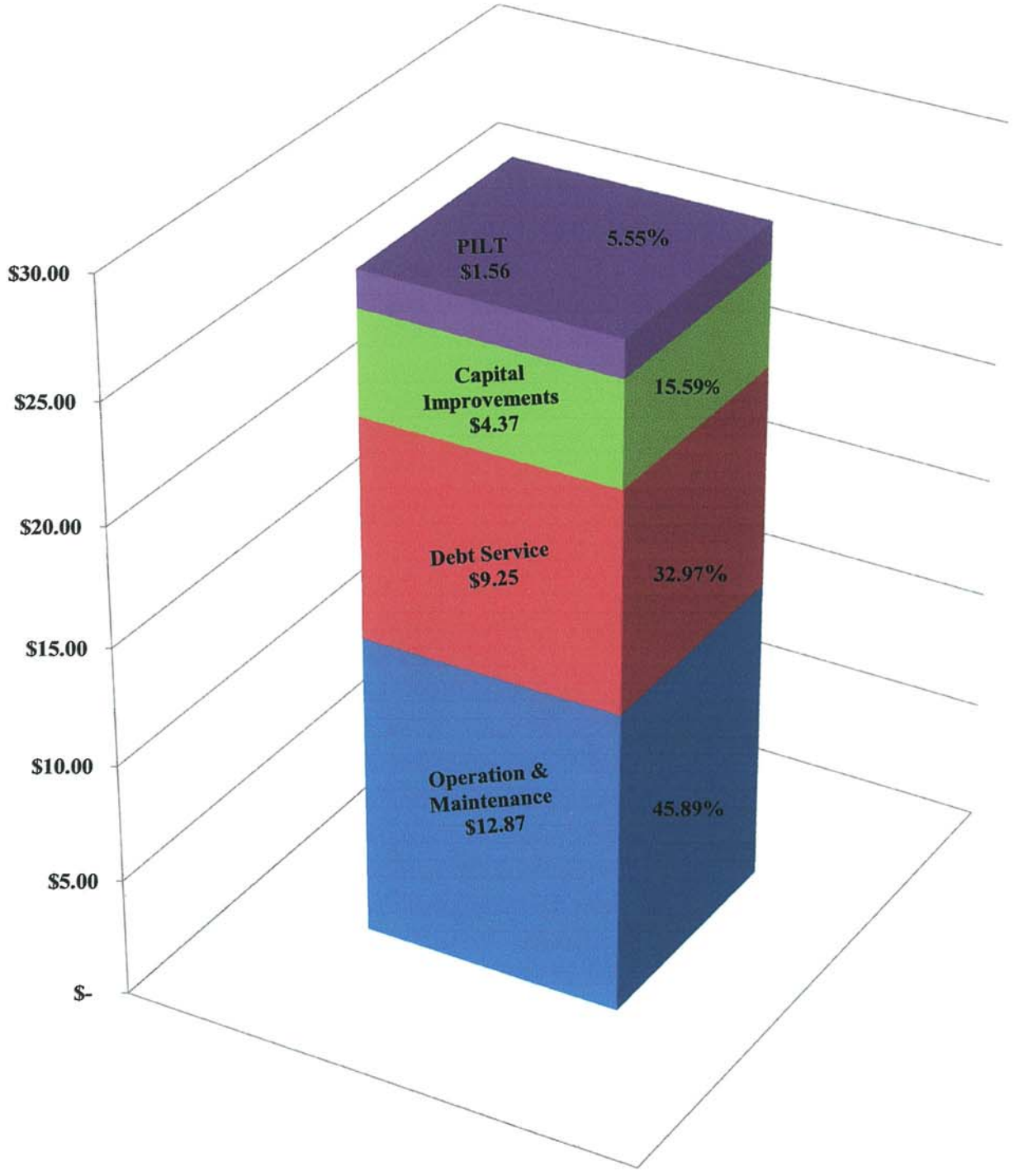
		2011	2012	2013	2014	2015
PROJECTED OPERATING REVENUES	(1)	$ 9,240,500	$ 9,240,500	$ 9,240,500	$ 9,240,500	$ 9,240,500
PROJECTED OPERATING EXPENDITURES	(1)	4,364,010	4,445,993	4,529,086	4,614,579	4,702,550
PROJECTED NET OPERATING REVENUES		4,876,490	4,794,507	4,711,414	4,625,921	4,537,950
PROJECTED NON OPERATING REVENUE						
INTEREST INCOME	(2)	155,000	130,000	70,000	75,000	75,000
TAP FEES	(3)	115,000	115,000	115,000	115,000	115,000
TOTAL PLEDGED NET REVENUES		5,146,490	5,039,507	4,896,414	4,815,921	4,727,950
PAYMENT IN LIEU OF TAXES	(3)	(528,200)	(528,200)	(528,200)	(528,200)	(528,200)
COMBINED ANNUAL DEBT SERVICE	(4)	(3,135,292)	(3,176,777)	(3,177,925)	(3,177,299)	(3,174,924)
CAPITAL EXPENDITURES, NET OF DEBT FINANCING	(5)	(3,191,963)	(6,713,874)	(360,832)	(985,104)	(881,833)
PROJECTED CASH INCREASE (DECREASE)		(1,708,965)	(5,379,344)	829,457	125,319	142,994
BEGINNING CASH BALANCE		15,732,809	14,023,845	8,644,501	9,473,958	9,599,277
ENDING CASH BALANCE		$ 14,023,845	$ 8,644,501	$ 9,473,958	$ 9,599,277	$ 9,742,270
PROJECTED BOND COVERAGE	(6)	164%	159%	154%	152%	149%

NOTES:

(1) See page 18, Projected Operating Revenues and Expenditures.
(2) Based upon projected cash balances and average rate of 1% using current market conditions.
(3) Per 2011 City Budget.
(4) Per Combined Debt Service Schedule. Interest cost in 2011 was adjusted to reflect the fact that the 2004 Bonds will not be fully drawn down until the end of 2011.
(5) See Five Year Capital Plan on page 19.
(6) Represents Total Pledged Net Revenues divided by Combined Annual Debt Service. Minimum standard generally 125%.

2015	Unrestricted	Restricted
Operating	$ 800,000	
Debt Reserve		$ 3,178,000
Bond & Int.		1,000,000
Improvement	4,764,270	
Total Cash	$ 5,564,270	$ 4,178,000

West Lafayette Wastewater Utility
Revenue Requirements from an Average Monthly Bill of $28.05 (5,000 Gallons)



WEST LAFAYETTE WASTEWATER UTILITY

COMPARISON OF BUDGETED AND ACTUAL REVENUES,
REVENUE REQUIREMENTS AND BOND COVERAGE

	2010 BUDGETED	2010 ACTUAL	2011 BUDGETED
PROJECTED REVENUES:			
WASTEWATER USER FEES	$ 8,600,000	$8,321,319	$ 8,500,000
PENALTIES	60,000	79,183	60,000
SANITATION TRASH FEES	520,000	531,030	520,000
RECYCLING REVENUES	90,500	102,321	90,500
FOG FEES	150,000	27,398	70,000
TAP AND CONNECTION FEES	115,000	100,976	115,000
INTEREST INCOME	130,000	115,549	155,000
TOTAL PROJECTED REVENUES	$ 9,665,500	$ 9,277,776	$ 9,510,500
PROJECTED REVENUE REQUIREMENTS:			
CASH OPERATING AND MAINTENANCE EXPENDITURES	$ 4,365,149	$ 4,260,551	$ 4,364,010
COMBINED DEBT SERVICE (B)	3,099,999	3,057,842	3,135,292
CAPITAL IMPROVEMENTS	1,375,291	882,791	1,482,998
PAYMENT IN LIEU OF TAXES	505,500	505,500	528,200
TOTAL REVENUE REQUIREMENTS	$ 9,345,939	$ 8,706,684	$ 9,510,500
NET AVAILABLE FOR RESERVES AND CONTINGENCIES	$ 319,561	$ 571,092	$ -
BOND COVERAGE CALCULATION:			
TOTAL PROJECTED REVENUES	$ 9,665,500	$ 9,277,776	$ 9,510,500
LESS: CASH O & M EXPENDITURES	4,365,149	4,260,551	4,364,010
NET REVENUES AVAILABLE FOR DEBT SERVICE (A)	$ 5,300,351	$ 5,017,225	$ 5,146,490
BOND COVERAGE (A / B)	171%	164%	164%

See Accountant's Report.