

EXHIBIT A

City of Laurie
Sewer System

Typical Year Forecast

INCOME

Account Number	Account Title	Typical Year Budget	Sales Tax
51-70-4060	Sales Tax		\$ 217,000
51-70-4410	Sewer Service Income	\$ 246,880	
51-70-4451	Installation Fee	\$ 2,000	
51-70-4452	Impact Fee	\$ 4,000	
51-70-4780	Interest Income	\$ 10,000	
51-70-4785	Supplies to Contractors	\$ -	
51-70-4790	Other Income	\$ 100	
A	Total	\$ 262,980	\$ 217,000

EXPENSES

Account Number	Account Title		
51-70-5110	Wages	\$ 68,500.00	
51-70-5112	Payroll Tax - 7.65%	\$ 5,300.00	
51-70-5113	Unemployment Insurance	\$ 500.00	
51-70-5114	Health Insurance	\$ 6,000.00	
51-70-5115	Vision/Dental Insurance	\$ 700.00	
51-70-5116	Pension Expense - 5.85%	\$ 4,000.00	
51-70-5120	Life Insurance	\$ 400.00	
51-70-5130	Uniforms	\$ 250.00	
51-70-5150	Contracted Services	\$ 20,000.00	(sludge removal)
51-70-5210	Supplies	\$ 2,000.00	
51-70-5212	Computer Expense	\$ 500.00	
51-70-5214	Postage	\$ 2,000.00	
51-70-5220	Tools/Equipment	\$ 3,000.00	
51-70-5228	Repairs & Maintenance	\$ 36,000.00	(includes UV bulbs)
51-70-5230	Fuel & Oil	\$ 1,000.00	
51-70-5312	Cell Phone	\$ 200.00	
51-70-5316	Utilities	\$ 50,750.00	
51-70-5318	Dues & Subscriptions	\$ 200.00	
51-70-5320	Advertising	\$ 200.00	
51-70-5321	Property Insurance	\$ 10,000.00	
51-70-5324	Workers Comp Insurance	\$ 800.00	
51-70-5326	Auto Insurance	\$ 800.00	
51-70-5328	Equipment Rental	\$ 1,000.00	
51-70-5330	Training	\$ 500.00	
51-70-5332	Election Costs	\$ 200.00	
51-70-5334	One Call	\$ 200.00	
51-70-5335	Lab Expense	\$ 2,700.00	
51-70-5336	Professional Fees	\$ 10,000.00	
51-70-5344	License & Permits	\$ 1,000.00	
51-70-5390	Other Expense	\$ 100.00	
51-70-5410	Mileage	\$ 200.00	
	Replacement Account	\$ -	\$ 31,000
B	Total O&M Expenses	\$ 229,000.00	\$ 31,000

51-70-5710	Bond Principal-UMB (SRF)	\$ -	\$ 37,000.00
51-70-5720	Bond Interest-UMB (SRF)	\$ -	\$ 11,200.00
51-70-5730	Administrative Fee (SRF)	\$ 5,100.00	\$ -
	Total from Sewer Revenue	\$ 5,100.00	\$ 48,200.00

Debt Service Reserve - RD \$ 12,780.00

C Net Income from Sewer Revenue \$ 16,100.00

Debt Service Ratio 1.25

51-70-5711	Bond P + I - USDA Series A	\$ -	\$ 124,844.00
51-70-5721	Bond P + I - USDA Series B	\$ -	\$ 2,826.00
	Total from Sales Tax	\$ -	\$ 127,670.00
	Net from Sales Tax Fund		\$ 10,130.00

EXHIBIT B

City of Laurie
Sewer System

Monthly Sewer Sales
Monthly Water Usage for Sewer Sales

Year	2006	2006	2007	2007	2008	2008
January	\$13,457	2,539,057	\$14,537	2,742,887	\$15,737	2,969,272
February	\$12,752	2,406,028	\$14,513	2,738,240	\$14,696	2,772,743
March	\$15,048	2,839,249	\$15,820	2,984,928	\$14,744	2,781,802
April	\$14,570	2,749,055	\$15,702	2,962,609	\$15,653	2,953,447
May	\$15,822	2,985,285	\$16,158	3,048,668	\$16,811	3,171,821
June	\$18,919	3,569,657	\$16,306	3,076,532	\$15,702	2,962,640
July	\$17,688	3,337,315	\$17,119	3,229,908	\$17,851	3,368,104
August	\$19,000	3,584,811	\$18,633	3,515,634	\$0	0
September	\$17,013	3,210,089	\$15,653	2,953,355	\$0	0
October	\$15,360	2,898,089	\$16,532	3,085,353	\$0	0
November	\$15,713	2,964,628	\$14,999	2,830,026	\$0	0
December	\$14,326	2,703,091	\$14,688	2,771,242	\$0	0
Total	\$191,674	35,788,360	\$192,667	35,941,389	\$113,202	20,981,837

Adjust for Gravois Sewer District sales and use 34,000,000 gallons per year for the new sewer rate determination.

EXHIBIT C

City of Laurie
Sewer System

Rural Development, USDA

Sewerage System Revenue Bonds (1/2% Sales Tax)

\$2,125,000 Series A (\$10,403.67 per month)

\$48,100 Series B (\$235.50 per month)

Year	Series A (P + I)	Series B (P + I)	Total per Year
3/1/2008	\$124,844.00	\$2,826.00	\$127,670.00
3/1/2009	\$124,844.00	\$2,826.00	\$127,670.00
3/1/2010	\$124,844.00	\$2,826.00	\$127,670.00
3/1/2011	\$124,844.00	\$2,826.00	\$127,670.00
3/1/2012	\$124,844.00	\$2,826.00	\$127,670.00
3/1/2013	\$124,844.00	\$2,826.00	\$127,670.00
3/1/2014	\$124,844.00	\$2,826.00	\$127,670.00
3/1/2015	\$124,844.00	\$2,826.00	\$127,670.00
3/1/2016	\$124,844.00	\$2,826.00	\$127,670.00
3/1/2017	\$124,844.00	\$2,826.00	\$127,670.00
3/1/2018	\$124,844.00	\$2,826.00	\$127,670.00
3/1/2019	\$124,844.00	\$2,826.00	\$127,670.00
3/1/2020	\$124,844.00	\$2,826.00	\$127,670.00
3/1/2021	\$124,844.00	\$2,826.00	\$127,670.00
3/1/2022	\$124,844.00	\$2,826.00	\$127,670.00
3/1/2023	\$124,844.00	\$2,826.00	\$127,670.00
3/1/2024	\$124,844.00	\$2,826.00	\$127,670.00
3/1/2025	\$124,844.00	\$2,826.00	\$127,670.00
3/1/2026	\$124,844.00	\$2,826.00	\$127,670.00
3/1/2027	\$124,844.00	\$2,826.00	\$127,670.00
3/1/2028	\$124,844.00	\$2,826.00	\$127,670.00
3/1/2029	\$124,844.00	\$2,826.00	\$127,670.00
3/1/2030	\$124,844.00	\$2,826.00	\$127,670.00
3/1/2031	\$124,844.00	\$2,826.00	\$127,670.00
3/1/2032	\$124,844.00	\$2,826.00	\$127,670.00
3/1/2033	\$124,844.00	\$2,826.00	\$127,670.00
3/1/2034	\$124,844.00	\$2,826.00	\$127,670.00
3/1/2035	\$124,844.00	\$2,826.00	\$127,670.00
3/1/2036	\$124,844.00	\$2,826.00	\$127,670.00
3/1/2037	\$124,844.00	\$2,826.00	\$127,670.00
3/1/2038	\$124,844.00	\$2,826.00	\$127,670.00
3/1/2039	\$124,844.00	\$2,826.00	\$127,670.00

Bond Ordinance requires 110% coverage of annual principal and interest.

Debt Service Reserve (DSR)

\$12,780 per year until \$127,780 is reached

Depreciation Reserve Account (DRA)

\$12,7980 per year after Debt Service Reserve is fully funded then pay this amount until bonds are retired.

Surplus Account

There is no required threshold for this account and all surplus revenues flow into this account.

No Sunset Provision on the sales tax levy.

Authorized by vote for the purpose of funding capital improvements, including the construction and equipping a sewerage system, which may include the retirement of debt under previously authorized bonded indebtedness.

EXHIBIT D

City of Laurie
Sewer System

Sewerage System Revenue Bonds

State Revolving Fund- Direct Loan Program Series 2003 (United Missouri Bank is paying agent)

Year	Principal	1/1 Interest	7/1 Interest	Admin. Fee*	Interest Rate	Admin. Fee	Balance	Total
1/1/2008	\$37,000.00	\$5,752.00	\$5,456.00	\$3,595.00	1.60%	0.50%	\$719,000.00	\$51,803.00
							\$682,000.00	
1/1/2009	\$38,000.00	\$5,456.00	\$5,152.00	\$3,410.00	1.60%	0.50%	\$682,000.00	\$52,018.00
							\$644,000.00	
1/1/2010	\$38,000.00	\$5,152.00	\$4,848.00	\$3,220.00	1.60%	0.50%	\$644,000.00	\$51,220.00
							\$606,000.00	
1/1/2011	\$39,000.00	\$4,848.00	\$4,536.00	\$3,030.00	1.60%	0.50%	\$606,000.00	\$51,414.00
							\$567,000.00	
1/1/2012	\$40,000.00	\$4,536.00	\$4,216.00	\$2,835.00	1.60%	0.50%	\$567,000.00	\$51,587.00
							\$527,000.00	
1/1/2013	\$40,000.00	\$4,216.00	\$3,896.00	\$2,635.00	1.60%	0.50%	\$527,000.00	\$50,747.00
							\$487,000.00	
1/1/2014	\$41,000.00	\$3,896.00	\$3,568.00	\$2,435.00	1.60%	0.50%	\$487,000.00	\$50,899.00
							\$446,000.00	
1/1/2015	\$42,000.00	\$3,568.00	\$3,232.00	\$2,230.00	1.60%	0.50%	\$446,000.00	\$51,030.00
							\$404,000.00	
1/1/2016	\$42,000.00	\$3,232.00	\$2,896.00	\$2,020.00	1.60%	0.50%	\$404,000.00	\$50,148.00
							\$362,000.00	
1/1/2017	\$43,000.00	\$2,896.00	\$2,552.00	\$1,810.00	1.60%	0.50%	\$362,000.00	\$50,258.00
							\$319,000.00	
1/1/2018	\$44,000.00	\$2,552.00	\$2,200.00	\$1,595.00	1.60%	0.50%	\$319,000.00	\$50,347.00
							\$275,000.00	
1/1/2019	\$44,000.00	\$2,200.00	\$1,848.00	\$1,375.00	1.60%	0.50%	\$275,000.00	\$49,423.00
							\$231,000.00	
1/1/2020	\$45,000.00	\$1,848.00	\$1,488.00	\$1,155.00	1.60%	0.50%	\$231,000.00	\$49,491.00
							\$186,000.00	
1/1/2021	\$46,000.00	\$1,488.00	\$1,120.00	\$930.00	1.60%	0.50%	\$186,000.00	\$49,538.00
							\$140,000.00	
1/1/2022	\$46,000.00	\$1,120.00	\$752.00	\$700.00	1.60%	0.50%	\$140,000.00	\$48,572.00
							\$94,000.00	
1/1/2023	\$47,000.00	\$752.00	\$376.00	\$470.00	1.60%	0.50%	\$94,000.00	\$48,598.00
							\$47,000.00	
1/1/2024	\$47,000.00	\$376.00	\$0.00	\$235.00	1.60%	0.50%	\$47,000.00	\$47,611.00
							\$0.00	

Bond Ordinance requires 110% coverage of annual principal and interest.

* Based on remaining outstanding principal each year

Debt Service Reserve was prefunded in the original bond issue in the amount of \$82,690 and remains fully funded. This is no Depreciation Reserve Account "amount" required for this bond issue. See Sewer Rate Schedule Ordinance (Ordinance No. 2002-11) and its requirement in Section 9. for a Replacement Account in the amount of \$31,000 per year.

There is no available bonding capacity for the sewer system. Any new bond issuance would require another bond election.

EXHIBIT E

City of Laurie
Sewer System

**Appendix A - Sewer Rate Analysis
Ordinance No. 2002-11**

Allocation of O&M Expenses and Debt Service - Based on a percentage of Total Annual O&M and Debt Service for SRF and Reserve Accounts for RD retired with customer sewer rates.

Allocation of Expenses

O&M	\$229,000	
Debt Service	\$5,100	(Administrative Fee only)
Required Reserves	<u>\$12,780</u>	
Total	<u>\$246,880</u>	

Description of Allocation	Percentage	Allocation
Flow	40%	\$98,752
Biological Oxidation Demand (BOD)	30%	\$74,064
Total Suspended Solids (TSS)	30%	<u>\$74,064</u>
Total		<u>\$246,880</u>

Allocation Based on Loadings

Description of Allocation	Amount	Allocation	Unit
Initial Hydraulic Loading Gallons/ Year	34,000,000	\$2.90	\$/Gallon
Initial BOD Loading (Lbs/Year)	70,890	\$1.04	\$/Lbs
Initial TSS Loading (Lbs/Year)	85,068	\$0.87	\$/Lbs

Initial BOD Loading (Lbs/Year) $8.34 \times 0.0932 \text{ mgd} \times 250 \text{ mg/l} \times 365 \text{ days} = 70,890 \text{ pounds per year}$
 Initial TSS Loading (Lbs/Year) $8.34 \times 0.0932 \text{ mgd} \times 300 \text{ mg/l} \times 365 \text{ days} = 85,068 \text{ pounds per year}$

Sewer Rate Determination

<u>\$246,880</u>	\$7.26	per 1,000 gallons
34,000,000		
% Increase	<u>\$7.26</u>	= 37%
	\$5.30	

Please note that by moving the principal and interest payments for the SRF Bonds and the funding of the Replacement Account shown in the Typical Year Budget (Total of \$79,200) to the Sales Tax Revenue the Sewer Rate is reduced by a minimum of \$2.30 per 1,000 gallons.