

THE CITY OF



City of Kalamazoo, Michigan

Water Fund

Department Plan

Based on FY 2016 Budgeted Expenditures

Run: 8/13/15



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Delta Road, Bay City MI 48706

**City of Kalamazoo - Water Fund
Departmental Study**

2016 BUDGET
8/13/2015

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Summary Schedule

| Department | 101-441-00 Public Works General | 101-630 Engineering | 101-635 City Maintenance | 101-640 City Fleet | 101-721 Planning and Community Dev | 202 Major Street Fund | 203 Local Street Fund | 209 Cemeteries | 226 Solid Waste | 590 Wastewater Admin |
|-----------------------------------|--|--------------------------------|-------------------------------------|-------------------------------|---|----------------------------------|----------------------------------|---------------------------|----------------------------|-------------------------------------|
| 1 Building Depreciation | \$126 | \$185 | \$0 | \$0 | \$385 | \$217 | \$146 | \$10 | \$170 | \$63 |
| 2 591-551 Administration | 18,877 | 19,677 | 12,238 | 42,814 | 4,877 | 72,774 | 43,640 | 5,980 | 42,725 | 130,337 |
| 3 591-552 Accounting | 8,054 | 9,867 | 7,230 | 30,289 | 1,520 | 16,199 | 8,305 | 1,722 | 6,030 | 75,159 |
| 4 591-563 Water Commercial Office | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 195,957 |
| 5 591-564 Water Building Services | 33,571 | 49,250 | 0 | 158,326 | 102,549 | 57,915 | 38,940 | 2,606 | 45,196 | 16,838 |
| 6 City Wide Indirect Costs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Current Allocations | \$60,628 | \$78,978 | \$19,468 | \$231,429 | \$109,332 | \$147,105 | \$91,032 | \$10,318 | \$94,120 | \$418,355 |

**City of Kalamazoo - Water Fund
Departmental Study**

2016 BUDGET
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Summary Schedule

| Department | 591 Water Fund Admin | Other | 2nd Allocation Orphans | Total |
|-----------------------------------|---------------------------------|--------------------|---------------------------------------|--------------------|
| 1 Building Depreciation | \$0 | \$0 | \$0 | \$1,302 |
| 2 591-551 Administration | 99,904 | 574,988 | 0 | 1,068,831 |
| 3 591-552 Accounting | 53,294 | 0 | 0 | 217,669 |
| 4 591-563 Water Commercial Office | 249,805 | 174,504 | 0 | 620,267 |
| 5 591-564 Water Building Services | 0 | 0 | 0 | 505,192 |
| 6 City Wide Indirect Costs | 0 | 1,469,138 | 0 | 1,469,138 |
| Total Current Allocations | \$403,004 | \$2,218,631 | \$0 | \$3,882,399 |

**City of Kalamazoo - Water Fund
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**Building Depreciation
Nature and Extent of Services**

The Water Fund (591) operates and maintains the Stockbridge Public Services Building. Under the federal guidelines contained in *2 CFR, Part 200*, the costs of facilities can be recovered based on identified depreciation expenses. The City maintains detailed depreciation schedules with all capitalized improvements included. Identified depreciation charges for the Stockbridge building are allocated to all occupants based on their assigned square footage.

The plan is designed to allocate other central service cost pools to the various rate study cost pools including this department. These costs are designated as first and second allocations and are added to the expenses of the department for further allocation to benefitting departments.

Any direct charges made within the City's accounting system are adjusted through direct billing credits.

**City of Kalamazoo - Water Fund
Departmental Study**

2016 BUDGET
8/13/2015

A. Department Costs

Dept:1 Building Depreciation

| Description | | Amount | General Admin | Depreciation |
|--------------------------------------|---|---------------------|------------------|---------------------|
| <hr/> | | | | |
| Personnel Costs | | | | |
| Salaries | S | 0 | 0 | 0 |
| <i>Salary % Split</i> | | | <i>.00%</i> | <i>.00%</i> |
| Benefits | S | 0 | 0 | 0 |
| Subtotal - Personnel Costs | | <hr/> 0 | <hr/> 0 | <hr/> 0 |
| | | | | |
| Services & Supplies Cost | | | | |
| Depreciation - Stockbridge HVAC | P | 1,302 | 0 | 1,302 |
| Subtotal - Services & Supplies | | <hr/> 1,302 | <hr/> 0 | <hr/> 1,302 |
| | | | | |
| Department Cost Total | | 1,302 | 0 | 1,302 |
| | | | | |
| Adjustments to Cost | | | | |
| Subtotal - Adjustments | | <hr/> 0 | <hr/> 0 | <hr/> 0 |
| | | | | |
| Total Costs After Adjustments | | 1,302 | 0 | 1,302 |
| | | | | |
| General Admin Distribution | | | 0 | 0 |
| | | | | |
| Grand Total | | <hr/> <hr/> \$1,302 | <hr/> <hr/> 0 | <hr/> <hr/> \$1,302 |

**City of Kalamazoo - Water Fund
Departmental Study**

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B. Incoming Costs - (Default Spread Custom%)

Dept:1 Building Depreciation

No Indirect Costs

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**City of Kalamazoo - Water Fund
Departmental Study**

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Depreciation Allocations

Dept:1 Building Depreciation

| Department | Units | Allocation Percent | First Allocation | Direct Billed | Department Allocation | Second Allocation | Total |
|---------------------------------------|------------------|--------------------|------------------|---------------|-----------------------|-------------------|----------------|
| 7 101-441-00 Public Works General | 3,075.61 | 9.68% | \$126 | \$0 | \$126 | \$0 | \$126 |
| 8 101-630 Engineering | 4,512.00 | 14.20% | 185 | 0 | 185 | 0 | 185 |
| 11 101-721 Planning and Community Dev | 9,395.00 | 29.56% | 385 | 0 | 385 | 0 | 385 |
| 12 202 Major Street Fund | 5,305.90 | 16.70% | 217 | 0 | 217 | 0 | 217 |
| 13 203 Local Street Fund | 3,567.51 | 11.23% | 146 | 0 | 146 | 0 | 146 |
| 14 209 Cemeteries | 238.79 | 0.75% | 10 | 0 | 10 | 0 | 10 |
| 15 226 Solid Waste | 4,140.61 | 13.03% | 170 | 0 | 170 | 0 | 170 |
| 16 590 Wastewater Admin | 1,542.58 | 4.85% | 63 | 0 | 63 | 0 | 63 |
| Subtotal | 31,778.00 | 100.00% | 1,302 | 0 | 1,302 | 0 | 1,302 |
| Direct Bills | | | | | 0 | | 0 |
| Total | | | | | \$1,302 | | \$1,302 |

Basis Units: Assigned Sq Footages
Source: Maintenance Records

City of Kalamazoo - Water Fund
Departmental Study

2016 BUDGET
8/13/2015

Allocation Summary

Dept:1 Building Depreciation

| Department | Depreciation | Total |
|---------------------------------------|----------------|----------------|
| 7 101-441-00 Public Works General | \$126 | \$126 |
| 8 101-630 Engineering | 185 | 185 |
| 11 101-721 Planning and Community Dev | 385 | 385 |
| 12 202 Major Street Fund | 217 | 217 |
| 13 203 Local Street Fund | 146 | 146 |
| 14 209 Cemeteries | 10 | 10 |
| 15 226 Solid Waste | 170 | 170 |
| 16 590 Wastewater Admin | 63 | 63 |
| Total | <u>\$1,302</u> | <u>\$1,302</u> |

**City of Kalamazoo - Water Fund
Departmental Study**

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**Administration 591-551
Nature and Extent of Services**

The Water Fund (591) operates an administrative division which oversees much of the public works activities funded from multiple sources. For plan purposes the costs of the operation have been identified and these costs are functionalized and allocated as described below:

- **Interfund Transfer** – The costs associated with the oversight of the various public works activities is allocated to all benefitting funds and programs based on the dollar values of the expenditures recorded. NOTE: Only the Administrative Costs for the Water (591) and Wastewater (590) Funds are included for allocation purposes.
- **Retiree Health Care** – The costs associated with the Water Fund's share of the retiree health care liability is identified and is allocated to the benefitting departments based on the wages for each division. The other funds and programs pay their own portion and therefore no further allocation for the retiree health care is included.

The plan is designed to allocate other central service cost pools to the various rate study cost pools including this department. These costs are designated as first and second allocations and are added to the expenses of the department for further allocation to benefitting departments.

Any direct charges made within the City's accounting system are adjusted through direct billing credits.

**City of Kalamazoo - Water Fund
Departmental Study**

2016 BUDGET
8/13/2015

A. Department Costs

Dept:2 591-551 Administration

| Description | | Amount | General Admin | Interfund Transfer | Retiree Health Care |
|---|----|------------------|------------------|-----------------------|------------------------|
| Personnel Costs | | | | | |
| Salaries | S1 | 263,948 | 0 | 263,948 | 0 |
| <i>Salary % Split</i> | | | <i>.00%</i> | <i>100.00%</i> | <i>.00%</i> |
| Benefits | P | 86,990 | 0 | 86,990 | 0 |
| Subtotal - Personnel Costs | | 350,937 | 0 | 350,937 | 0 |
| Services & Supplies Cost | | | | | |
| 728 Office Supplies | P | 721 | 0 | 721 | 0 |
| 729 Operating Expenses | P | 4,007 | 0 | 4,007 | 0 |
| 805 Travel | P | 18,165 | 0 | 18,165 | 0 |
| 810 Fees | P | 75 | 0 | 75 | 0 |
| 815 Utilities | P | 2,780 | 0 | 2,780 | 0 |
| 840 Bonds, Fees, Depreciation | D | 3,005,034 | 0 | 0 | 0 |
| 845 Outside Contractual Services | D | 72,555 | 0 | 0 | 0 |
| 850 Charges for Services | D | 1,061,024 | 0 | 0 | 0 |
| 860 Memberships and Dues | D | 3,191 | 0 | 0 | 0 |
| 870 Post Employment Retirement Ben | D | 177,422 | 0 | 0 | 0 |
| 872 OPEB Contribution | P | 275,450 | 0 | 0 | 275,450 |
| 880 Property Taxes | D | 2,132 | 0 | 0 | 0 |
| 991 Principal Payments | D | 1,675,000 | 0 | 0 | 0 |
| 992 Bond Principal | D | (1,675,000) | 0 | 0 | 0 |
| 995 Interest / Amortization | D | 775,370 | 0 | 0 | 0 |
| 998 Interest on Deposits | D | 26,897 | 0 | 0 | 0 |
| OPEB Debt Service | P | 429,130 | 0 | 0 | 429,130 |
| Subtotal - Services & Supplies | | 5,853,953 | 0 | 25,748 | 704,580 |
| Department Cost Total | | 6,204,891 | 0 | 376,686 | 704,580 |
| Adjustments to Cost | | | | | |
| 840 Bonds, Fees, Depreciation | D | (3,005,034) | 0 | 0 | 0 |

**City of Kalamazoo - Water Fund
Departmental Study**

2016 BUDGET
8/13/2015

A. Department Costs

Dept:2 591-551 Administration

| Description | Amount | General Admin | Interfund Transfer | Retiree Health Care |
|--------------------------------------|--------------------|---------------|--------------------|---------------------|
| 845 Outside Contractual Services D | (72,555) | 0 | 0 | 0 |
| 850 Charges for Services D | (1,061,024) | 0 | 0 | 0 |
| 860 Memberships and Dues D | (3,191) | 0 | 0 | 0 |
| 870 Post Employment Retirement Ben D | (177,422) | 0 | 0 | 0 |
| 880 Property Taxes D | (2,132) | 0 | 0 | 0 |
| 991 Principal Payments D | (1,675,000) | 0 | 0 | 0 |
| 992 Bond Principal D | 1,675,000 | 0 | 0 | 0 |
| 995 Interest / Amortization D | (775,370) | 0 | 0 | 0 |
| 998 Interest on Deposits D | (26,897) | 0 | 0 | 0 |
| Subtotal - Adjustments | (5,123,625) | 0 | 0 | 0 |
| Total Costs After Adjustments | 1,081,266 | 0 | 376,686 | 704,580 |
| General Admin Distribution | | 0 | 0 | 0 |
| Grand Total | \$1,081,266 | | \$376,686 | \$704,580 |

**City of Kalamazoo - Water Fund
Departmental Study**

2016 BUDGET
8/13/2015

B. Incoming Costs - (Default Spread Custom%)

Dept:2 591-551 Administration

| Department | First Incoming | Second Incoming | Interfund Transfer | Retiree Health Care |
|-------------------------------------|---------------------------|----------------------------|-------------------------------|--------------------------------|
| 2 Retiree Health Care | \$0 | \$76,201 | \$76,201 | \$0 |
| Subtotal - 591-551 Administration | 0 | 76,201 | 76,201 | 0 |
| 6 City Wide Cost Allocation | 0 | 40,956 | 40,956 | 0 |
| Subtotal - City Wide Indirect Costs | 0 | 40,956 | 40,956 | 0 |
| Total Incoming | 0 | 117,157 | 117,157 | 0 |
| C. Total Allocated | | \$1,198,423 | \$493,843 | \$704,580 |
| | | | 41.21% | 58.79% |

**City of Kalamazoo - Water Fund
Departmental Study**

2016 BUDGET
8/13/2015

Interfund Transfer Allocations

Dept:2 591-551 Administration

| Department | Units | Allocation Percent | First Allocation | Direct Billed | Department Allocation | Second Allocation | Total |
|---------------------------------------|----------------------|--------------------|------------------|---------------|-----------------------|-------------------|------------------|
| 7 101-441-00 Public Works General | 1,091,317.42 | 3.82% | \$14,398 | \$0 | \$14,398 | \$4,478 | \$18,877 |
| 8 101-630 Engineering | 1,137,563.72 | 3.98% | 15,009 | 0 | 15,009 | 4,668 | 19,677 |
| 9 101-635 City Maintenance | 707,523.30 | 2.48% | 9,335 | 0 | 9,335 | 2,903 | 12,238 |
| 10 101-640 City Fleet | 2,475,205.92 | 8.67% | 32,657 | 0 | 32,657 | 10,157 | 42,814 |
| 11 101-721 Planning and Community Dev | 281,972.51 | 0.99% | 3,720 | 0 | 3,720 | 1,157 | 4,877 |
| 12 202 Major Street Fund | 4,207,261.38 | 14.74% | 55,509 | 0 | 55,509 | 17,264 | 72,774 |
| 13 203 Local Street Fund | 2,522,964.43 | 8.84% | 33,287 | 0 | 33,287 | 10,353 | 43,640 |
| 14 209 Cemeteries | 345,715.68 | 1.21% | 4,561 | 0 | 4,561 | 1,419 | 5,980 |
| 15 226 Solid Waste | 2,470,054.13 | 8.65% | 32,589 | 0 | 32,589 | 10,136 | 42,725 |
| 16 590 Wastewater Admin | 7,535,189.15 | 26.39% | 99,417 | 0 | 99,417 | 30,921 | 130,337 |
| 17 591 Water Fund Admin | 5,775,760.50 | 20.23% | 76,203 | 0 | 76,203 | 23,701 | 99,904 |
| Subtotal | 28,550,528.14 | 100.00% | 376,686 | 0 | 376,686 | 117,157 | 493,843 |
| Direct Bills | | | | | 0 | | 0 |
| Total | | | | | \$376,686 | | \$493,843 |

Basis Units: Departmental Expenditures Excluding Transfers
Source: Financial Statements

**City of Kalamazoo - Water Fund
Departmental Study**

2016 BUDGET
8/13/2015

Retiree Health Care Allocations

Dept:2 591-551 Administration

| Department | Units | Allocation Percent | First Allocation | Direct Billed | Department Allocation | Second Allocation | Total |
|-----------------------------------|---------------------|-------------------------------|-----------------------------|----------------------|----------------------------------|------------------------------|------------------|
| 2 591-551 Administration | 350,937.39 | 10.82% | \$76,201 | \$0 | \$76,201 | \$0 | \$76,201 |
| 3 591-552 Accounting | 70,515.15 | 2.17% | 15,311 | 0 | 15,311 | 0 | 15,311 |
| 4 591-563 Water Commercial Office | 99,477.29 | 3.07% | 21,600 | 0 | 21,600 | 0 | 21,600 |
| 5 591-564 Water Building Services | 75,890.84 | 2.34% | 16,479 | 0 | 16,479 | 0 | 16,479 |
| 18 Other | 2,648,048.07 | 81.61% | 574,988 | 0 | 574,988 | 0 | 574,988 |
| Subtotal | 3,244,868.74 | 100.00% | 704,580 | 0 | 704,580 | 0 | 704,580 |
| Direct Bills | | | | | 0 | | 0 |
| Total | | | | | \$704,580 | | \$704,580 |

Basis Units: Wages by Division

Source: Year End Expenditure Report

**City of Kalamazoo - Water Fund
Departmental Study**

2016 BUDGET
8/13/2015

Allocation Summary

Dept:2 591-551 Administration

| Department | Interfund Transfer | Retiree Health Care | Total |
|---------------------------------------|-------------------------------|--------------------------------|--------------------|
| 2 591-551 Administration | \$0 | \$76,201 | \$76,201 |
| 3 591-552 Accounting | 0 | 15,311 | 15,311 |
| 4 591-563 Water Commercial Office | 0 | 21,600 | 21,600 |
| 5 591-564 Water Building Services | 0 | 16,479 | 16,479 |
| 7 101-441-00 Public Works General | 18,877 | 0 | 18,877 |
| 8 101-630 Engineering | 19,677 | 0 | 19,677 |
| 9 101-635 City Maintenance | 12,238 | 0 | 12,238 |
| 10 101-640 City Fleet | 42,814 | 0 | 42,814 |
| 11 101-721 Planning and Community Dev | 4,877 | 0 | 4,877 |
| 12 202 Major Street Fund | 72,774 | 0 | 72,774 |
| 13 203 Local Street Fund | 43,640 | 0 | 43,640 |
| 14 209 Cemeteries | 5,980 | 0 | 5,980 |
| 15 226 Solid Waste | 42,725 | 0 | 42,725 |
| 16 590 Wastewater Admin | 130,337 | 0 | 130,337 |
| 17 591 Water Fund Admin | 99,904 | 0 | 99,904 |
| 18 Other | 0 | 574,988 | 574,988 |
| Total | \$493,843 | \$704,580 | \$1,198,423 |

**City of Kalamazoo - Water Fund
Departmental Study**

2016 BUDGET
8/13/2015

**Accounting Water Fund 591-552
Nature and Extent of Services**

The accounting function of the Water Fund (591-552) provides assistance for the financial records management of the various public works activities overseen by the Water fund's administration. For plan purposes the costs associated with the accounting function are allocated to all benefitting funds and activities based on the number of transactions posted during the year.

The plan is designed to allocate other central service cost pools to the various rate study cost pools including this department. These costs are designated as first and second allocations and are added to the expenses of the department for further allocation to benefitting departments.

Any direct charges made within the City's accounting system are adjusted through direct billing credits.

**City of Kalamazoo - Water Fund
Departmental Study**

2016 BUDGET
8/13/2015

A. Department Costs

Dept:3 591-552 Accounting

| Description | | Amount | General Admin | Interfund Transfers |
|--------------------------------------|----|-----------------------|------------------|------------------------|
| <hr/> | | | | |
| Personnel Costs | | | | |
| Salaries | S1 | 52,165 | 0 | 52,165 |
| <i>Salary % Split</i> | | | <i>.00%</i> | <i>100.00%</i> |
| Benefits | P | 18,350 | 0 | 18,350 |
| Subtotal - Personnel Costs | | <hr/> 70,515 | 0 | <hr/> 70,515 |
| | | | | |
| Services & Supplies Cost | | | | |
| 729 Operating Expenses | P | 579 | 0 | 579 |
| 850.003 Computer Services | P | 111,420 | 0 | 111,420 |
| 850.005 Charges for Services | D | (490,284) | 0 | 0 |
| Subtotal - Services & Supplies | | <hr/> (378,285) | 0 | <hr/> 111,999 |
| | | | | |
| Department Cost Total | | (307,770) | 0 | 182,514 |
| | | | | |
| Adjustments to Cost | | | | |
| 850.005 Charges for Services | D | 490,284 | 0 | 0 |
| Subtotal - Adjustments | | <hr/> 490,284 | 0 | <hr/> 0 |
| | | | | |
| Total Costs After Adjustments | | 182,514 | 0 | 182,514 |
| | | | | |
| General Admin Distribution | | | 0 | 0 |
| | | | | |
| Grand Total | | <hr/> <hr/> \$182,514 | | <hr/> <hr/> \$182,514 |

**City of Kalamazoo - Water Fund
Departmental Study**

2016 BUDGET
8/13/2015

B. Incoming Costs - (Default Spread Expense%)

Dept:3 591-552 Accounting

| Department | First Incoming | Second Incoming | Interfund Transfers |
|-------------------------------------|---------------------------|----------------------------|--------------------------------|
| 2 Retiree Health Care | \$15,311 | \$0 | \$15,311 |
| Subtotal - 591-551 Administration | 15,311 | 0 | 15,311 |
| 6 City Wide Cost Allocation | 0 | 19,844 | 19,844 |
| Subtotal - City Wide Indirect Costs | 0 | 19,844 | 19,844 |
| Total Incoming | 15,311 | 19,844 | 35,155 |
| C. Total Allocated | | \$217,669 | \$217,669 |
| | | | 100.00% |

**City of Kalamazoo - Water Fund
Departmental Study**

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8/13/2015

Interfund Transfers Allocations

Dept:3 591-552 Accounting

| Department | Units | Allocation Percent | First Allocation | Direct Billed | Department Allocation | Second Allocation | Total |
|---------------------------------------|----------------|--------------------|------------------|---------------|-----------------------|-------------------|------------------|
| 7 101-441-00 Public Works General | 4,074 | 3.70% | \$7,320 | \$0 | \$7,320 | \$734 | \$8,054 |
| 8 101-630 Engineering | 4,991 | 4.53% | 8,967 | 0 | 8,967 | 900 | 9,867 |
| 9 101-635 City Maintenance | 3,657 | 3.32% | 6,571 | 0 | 6,571 | 659 | 7,230 |
| 10 101-640 City Fleet | 15,321 | 13.92% | 27,527 | 0 | 27,527 | 2,761 | 30,289 |
| 11 101-721 Planning and Community Dev | 769 | 0.70% | 1,382 | 0 | 1,382 | 139 | 1,520 |
| 12 202 Major Street Fund | 8,194 | 7.44% | 14,722 | 0 | 14,722 | 1,477 | 16,199 |
| 13 203 Local Street Fund | 4,201 | 3.82% | 7,548 | 0 | 7,548 | 757 | 8,305 |
| 14 209 Cemeteries | 871 | 0.79% | 1,565 | 0 | 1,565 | 157 | 1,722 |
| 15 226 Solid Waste | 3,050 | 2.77% | 5,480 | 0 | 5,480 | 550 | 6,030 |
| 16 590 Wastewater Admin | 38,018 | 34.53% | 68,307 | 0 | 68,307 | 6,852 | 75,159 |
| 17 591 Water Fund Admin | 26,958 | 24.48% | 48,436 | 0 | 48,436 | 4,859 | 53,294 |
| Subtotal | 110,104 | 100.00% | 197,825 | 0 | 197,825 | 19,844 | 217,669 |
| Direct Bills | | | | | 0 | | 0 |
| Total | | | | | \$197,825 | | \$217,669 |

Basis Units: Accounting Transactions by Dept
Source: General Ledger Detail

**City of Kalamazoo - Water Fund
Departmental Study**

2016 BUDGET
8/13/2015

Allocation Summary

Dept:3 591-552 Accounting

| Department | Interfund Transfers | Total |
|---------------------------------------|----------------------------|------------------|
| 7 101-441-00 Public Works General | \$8,054 | \$8,054 |
| 8 101-630 Engineering | 9,867 | 9,867 |
| 9 101-635 City Maintenance | 7,230 | 7,230 |
| 10 101-640 City Fleet | 30,289 | 30,289 |
| 11 101-721 Planning and Community Dev | 1,520 | 1,520 |
| 12 202 Major Street Fund | 16,199 | 16,199 |
| 13 203 Local Street Fund | 8,305 | 8,305 |
| 14 209 Cemeteries | 1,722 | 1,722 |
| 15 226 Solid Waste | 6,030 | 6,030 |
| 16 590 Wastewater Admin | 75,159 | 75,159 |
| 17 591 Water Fund Admin | 53,294 | 53,294 |
| Total | \$217,669 | \$217,669 |

**City of Kalamazoo - Water Fund
Departmental Study**

2016 BUDGET
8/13/2015

**Commercial Office Water Fund (591-563)
Nature and Extent of Services**

The Commercial Office of the Water Fund (591-563) works within the City Treasurer's office and provides support for the collection of Water and Waste Water accounts. For plan purposes the costs associated with the Commercial Office have been separated and the costs allocated as follows:

- **Commercial Office – (Treasurer)** – Costs associated with the Treasurer's Office staff are allocated to all benefitting funds based on the percentage of payments processed for each fund.
- **Other** – This portion of the expenses relate to meter reading and maintenance activities and are not allocated.

The plan is designed to allocate other central service cost pools to the various rate study cost pools including this department. These costs are designated as first and second allocations and are added to the expenses of the department for further allocation to benefitting departments.

Any direct charges made within the City's accounting system are adjusted through direct billing credits.

**City of Kalamazoo - Water Fund
Departmental Study**

2016 BUDGET
8/13/2015

A. Department Costs

Dept:4 591-563 Water Commercial Office

| Description | | Amount | General Admin | Commercial Office (Treas) | Other |
|---|----|------------------|------------------|---------------------------------|------------------|
| Personnel Costs | | | | | |
| Salaries | S1 | 78,452 | 0 | 58,752 | 19,699 |
| <i>Salary % Split</i> | | | <i>.00%</i> | <i>74.89%</i> | <i>25.11%</i> |
| Benefits | P | 21,025 | 0 | 13,396 | 7,630 |
| Subtotal - Personnel Costs | | 99,477 | 0 | 72,148 | 27,329 |
| Services & Supplies Cost | | | | | |
| 728 Office Supplies | P | 111,467 | 0 | 111,467 | 0 |
| 729 Operating Supplies | P | 24,410 | 0 | 24,401 | 8 |
| 810 fees | P | 144,814 | 0 | 144,814 | 0 |
| 840 Fees / Bad Debts | P | (9,654) | 0 | (9,654) | 0 |
| 845 Outside Contractual Services | P | 140,024 | 0 | 23,728 | 116,296 |
| 850.003 Computer Charges | D | 300,024 | 0 | 0 | 0 |
| 850.005 Charges for Services | D | (717,900) | 0 | 0 | 0 |
| Subtotal - Services & Supplies | | (6,815) | 0 | 294,756 | 116,304 |
| Department Cost Total | | 92,662 | 0 | 366,904 | 143,633 |
| Adjustments to Cost | | | | | |
| 850.003 Computer Charges | D | (300,024) | 0 | 0 | 0 |
| 850.005 Charges for Services | D | 717,900 | 0 | 0 | 0 |
| Subtotal - Adjustments | | 417,876 | 0 | 0 | 0 |
| Total Costs After Adjustments | | 510,538 | 0 | 366,904 | 143,633 |
| General Admin Distribution | | | 0 | 0 | 0 |
| Grand Total | | \$510,538 | | \$366,904 | \$143,633 |

**City of Kalamazoo - Water Fund
Departmental Study**

2016 BUDGET
8/13/2015

B. Incoming Costs - (Default Spread Expense%)

Dept:4 591-563 Water Commercial Office

| Department | First Incoming | Second Incoming | Commercial Office (Treas) | Other |
|-------------------------------------|---------------------------|----------------------------|--|------------------|
| 2 Retiree Health Care | \$21,600 | \$0 | \$15,523 | \$6,077 |
| Subtotal - 591-551 Administration | 21,600 | 0 | 15,523 | 6,077 |
| 6 City Wide Cost Allocation | 0 | 88,129 | 63,335 | 24,794 |
| Subtotal - City Wide Indirect Costs | 0 | 88,129 | 63,335 | 24,794 |
| Total Incoming | 21,600 | 88,129 | 78,858 | 30,871 |
| C. Total Allocated | | \$620,267 | \$445,763 | \$174,504 |
| | | | 71.87% | 28.13% |

**City of Kalamazoo - Water Fund
Departmental Study**

2016 BUDGET
8/13/2015

Commercial Office (Treas) Allocations

Dept:4 591-563 Water Commercial Office

| Department | Units | Allocation Percent | First Allocation | Direct Billed | Department Allocation | Second Allocation | Total |
|-------------------------|---------------|---------------------------|-------------------------|----------------------|------------------------------|--------------------------|------------------|
| 16 590 Wastewater Admin | 43.96 | 43.96% | \$168,115 | \$0 | \$168,115 | \$27,842 | \$195,957 |
| 17 591 Water Fund Admin | 56.04 | 56.04% | 214,312 | 0 | 214,312 | 35,493 | 249,805 |
| Subtotal | 100.00 | 100.00% | 382,428 | 0 | 382,428 | 63,335 | 445,763 |
| Direct Bills | | | | | 0 | | 0 |
| Total | | | | | \$382,428 | | \$445,763 |

Basis Units: Percentage of payments processed
Source: Treasurer's Receipt Log

**City of Kalamazoo - Water Fund
Departmental Study**

2016 BUDGET
8/13/2015

Other Allocations

Dept:4 591-563 Water Commercial Office

| Department | Units | Allocation Percent | First Allocation | Direct Billed | Department Allocation | Second Allocation | Total |
|-----------------|-------|--------------------|------------------|---------------|-----------------------|-------------------|------------------|
| 18 Other | 100 | 100.00% | \$149,710 | \$0 | \$149,710 | \$24,794 | \$174,504 |
| Subtotal | 100 | 100.00% | 149,710 | 0 | 149,710 | 24,794 | 174,504 |
| Direct Bills | | | | | 0 | | 0 |
| Total | | | | | \$149,710 | | \$174,504 |

Basis Units: Direct
Source:

**City of Kalamazoo - Water Fund
Departmental Study**

2016 BUDGET
8/13/2015

Allocation Summary

Dept:4 591-563 Water Commercial Office

| Department | Commercial Office (Treas) | Other | Total |
|-------------------------|--|------------------|------------------|
| 16 590 Wastewater Admin | \$195,957 | \$0 | \$195,957 |
| 17 591 Water Fund Admin | 249,805 | 0 | 249,805 |
| 18 Other | 0 | 174,504 | 174,504 |
| Total | \$445,763 | \$174,504 | \$620,267 |

**City of Kalamazoo - Water Fund
Departmental Study**

2016 BUDGET
8/13/2015

**Water Building Services - Water Fund (591-564)
Nature and Extent of Services**

The Water Building Services activity **(591-564)** identifies the cost of the maintenance of the Stockbridge – Public Services Building and the Fleet Building. Costs associated with the operations and maintenance of these buildings are allocated to occupants based on their assigned square footages.

The plan is designed to allocate other central service cost pools to the various rate study cost pools including this department. These costs are designated as first and second allocations and are added to the expenses of the department for further allocation to benefitting departments.

Any direct charges made within the City's accounting system are adjusted through direct billing credits.

**City of Kalamazoo - Water Fund
Departmental Study**

2016 BUDGET
8/13/2015

A. Department Costs

Dept:5 591-564 Water Building Services

| Description | | Amount | General Admin | Building Maintenance |
|--------------------------------------|----|-----------------------|------------------|-------------------------|
| <hr/> | | | | |
| Personnel Costs | | | | |
| Salaries | S1 | 53,179 | 0 | 53,179 |
| <i>Salary % Split</i> | | | <i>.00%</i> | <i>100.00%</i> |
| Benefits | S | 22,712 | 0 | 22,712 |
| Subtotal - Personnel Costs | | <hr/> 75,891 | 0 | <hr/> 75,891 |
| | | | | |
| Services & Supplies Cost | | | | |
| 729 Operating Supplies | S | 24,320 | 0 | 24,320 |
| 815 Utilities | S | 162,794 | 0 | 162,794 |
| 825 Insurance | S | 114,156 | 0 | 114,156 |
| 845 Outside Contractual Services | S | 60,938 | 0 | 60,938 |
| 850.003 Computer Services | D | 27,420 | 0 | 0 |
| 850.005 Charges for Services | D | (370,176) | 0 | 0 |
| Subtotal - Services & Supplies | | <hr/> 19,452 | 0 | <hr/> 362,208 |
| | | | | |
| Department Cost Total | | 95,343 | 0 | 438,099 |
| | | | | |
| Adjustments to Cost | | | | |
| 850.003 Computer Services | D | (27,420) | 0 | 0 |
| 850.005 Charges for Services | D | 370,176 | 0 | 0 |
| Subtotal - Adjustments | | <hr/> 342,756 | 0 | <hr/> 0 |
| | | | | |
| Total Costs After Adjustments | | 438,099 | 0 | 438,099 |
| | | | | |
| General Admin Distribution | | | 0 | 0 |
| | | | | |
| Grand Total | | <hr/> <hr/> \$438,099 | | <hr/> <hr/> \$438,099 |

**City of Kalamazoo - Water Fund
Departmental Study**

2016 BUDGET
8/13/2015

B. Incoming Costs - (Default Spread Salary%)

Dept:5 591-564 Water Building Services

| Department | First Incoming | Second Incoming | Building Maintenance |
|-------------------------------------|---------------------------|----------------------------|---------------------------------|
| 2 Retiree Health Care | \$16,479 | \$0 | \$16,479 |
| Subtotal - 591-551 Administration | 16,479 | 0 | 16,479 |
| 6 City Wide Cost Allocation | 0 | 50,614 | 50,614 |
| Subtotal - City Wide Indirect Costs | 0 | 50,614 | 50,614 |
| Total Incoming | 16,479 | 50,614 | 67,093 |
| C. Total Allocated | | \$505,192 | \$505,192 |
| | | | 100.00% |

**City of Kalamazoo - Water Fund
Departmental Study**

2016 BUDGET
8/13/2015

Building Maintenance Allocations

Dept:5 591-564 Water Building Services

| Department | Units | Allocation Percent | First Allocation | Direct Billed | Department Allocation | Second Allocation | Total |
|---------------------------------------|------------------|--------------------|------------------|---------------|-----------------------|-------------------|------------------|
| 7 101-441-00 Public Works General | 3,075.61 | 6.65% | \$30,208 | \$0 | \$30,208 | \$3,363 | \$33,571 |
| 8 101-630 Engineering | 4,512.00 | 9.75% | 44,316 | 0 | 44,316 | 4,934 | 49,250 |
| 10 101-640 City Fleet | 14,505.00 | 31.34% | 142,464 | 0 | 142,464 | 15,862 | 158,326 |
| 11 101-721 Planning and Community Dev | 9,395.00 | 20.30% | 92,275 | 0 | 92,275 | 10,274 | 102,549 |
| 12 202 Major Street Fund | 5,305.90 | 11.46% | 52,113 | 0 | 52,113 | 5,802 | 57,915 |
| 13 203 Local Street Fund | 3,567.51 | 7.71% | 35,039 | 0 | 35,039 | 3,901 | 38,940 |
| 14 209 Cemeteries | 238.79 | 0.52% | 2,345 | 0 | 2,345 | 261 | 2,606 |
| 15 226 Solid Waste | 4,140.61 | 8.95% | 40,668 | 0 | 40,668 | 4,528 | 45,196 |
| 16 590 Wastewater Admin | 1,542.58 | 3.33% | 15,151 | 0 | 15,151 | 1,687 | 16,838 |
| Subtotal | 46,283.00 | 100.00% | 454,578 | 0 | 454,578 | 50,614 | 505,192 |
| Direct Bills | | | | | 0 | | 0 |
| Total | | | | | \$454,578 | | \$505,192 |

Basis Units: Assigned Sq Footages
Source: Maintenance Records

**City of Kalamazoo - Water Fund
Departmental Study**

2016 BUDGET
8/13/2015

Allocation Summary

Dept:5 591-564 Water Building Services

| Department | Building Maintenance | Total |
|---------------------------------------|---------------------------------|------------------|
| 7 101-441-00 Public Works General | \$33,571 | \$33,571 |
| 8 101-630 Engineering | 49,250 | 49,250 |
| 10 101-640 City Fleet | 158,326 | 158,326 |
| 11 101-721 Planning and Community Dev | 102,549 | 102,549 |
| 12 202 Major Street Fund | 57,915 | 57,915 |
| 13 203 Local Street Fund | 38,940 | 38,940 |
| 14 209 Cemeteries | 2,606 | 2,606 |
| 15 226 Solid Waste | 45,196 | 45,196 |
| 16 590 Wastewater Admin | 16,838 | 16,838 |
| Total | \$505,192 | \$505,192 |

**City of Kalamazoo - Water Fund
Departmental Study**

2016 BUDGET
8/13/2015

**City-Wide Indirect Costs
Nature and Extent of Services**

A portion of the costs of the Water Fund (591) is the indirect costs identified in the City's Cost Allocation Plan. For this plan the costs for the Water Fund identified in the City-Wide Plan are added. The costs are allocated to each of the identified Water Divisions identified in this plan based on the dollars of operating expenditures with the balance going to the "Other" category based on the level of expenditures recorded for the year.

The plan is designed to allocate other central service cost pools to the various rate study cost pools including this department. These costs are designated as first and second allocations and are added to the expenses of the department for further allocation to benefitting departments.

Any direct charges made within the City's accounting system are adjusted through direct billing credits.

**City of Kalamazoo - Water Fund
Departmental Study**

2016 BUDGET
8/13/2015

A. Department Costs

Dept:6 City Wide Indirect Costs

| Description | | Amount | General Admin | City Wide Cost Allocation |
|--------------------------------------|---|-------------------------|-------------------------|---------------------------------|
| <hr/> | | | | |
| Personnel Costs | | | | |
| Salaries | S | 0 | 0 | 0 |
| <i>Salary % Split</i> | | | <i>.00%</i> | <i>.00%</i> |
| Benefits | S | 0 | 0 | 0 |
| Subtotal - Personnel Costs | | <hr/> 0 | <hr/> 0 | <hr/> 0 |
| Services & Supplies Cost | | | | |
| City Wide Indirect | P | 1,668,681 | 0 | 1,668,681 |
| Subtotal - Services & Supplies | | <hr/> 1,668,681 | <hr/> 0 | <hr/> 1,668,681 |
| Department Cost Total | | 1,668,681 | 0 | 1,668,681 |
| Adjustments to Cost | | | | |
| Subtotal - Adjustments | | <hr/> 0 | <hr/> 0 | <hr/> 0 |
| Total Costs After Adjustments | | 1,668,681 | 0 | 1,668,681 |
| General Admin Distribution | | | 0 | 0 |
| Grand Total | | <hr/> <hr/> \$1,668,681 | <hr/> <hr/> \$1,668,681 | |

**City of Kalamazoo - Water Fund
Departmental Study**

2016 BUDGET
8/13/2015

B. Incoming Costs - (Default Spread Expense%)

Dept:6 City Wide Indirect Costs

No Indirect Costs

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**City of Kalamazoo - Water Fund
Departmental Study**

2016 BUDGET
8/13/2015

City Wide Cost Allocation Allocations

Dept:6 City Wide Indirect Costs

| Department | Units | Allocation Percent | First Allocation | Direct Billed | Department Allocation | Second Allocation | Total |
|-----------------------------------|----------------------|--------------------|------------------|---------------|-----------------------|-------------------|--------------------|
| 2 591-551 Administration | 376,685.85 | 2.45% | \$40,956 | \$0 | \$40,956 | \$0 | \$40,956 |
| 3 591-552 Accounting | 182,513.78 | 1.19% | 19,844 | 0 | 19,844 | 0 | 19,844 |
| 4 591-563 Water Commercial Office | 810,561.83 | 5.28% | 88,129 | 0 | 88,129 | 0 | 88,129 |
| 5 591-564 Water Building Services | 465,519.17 | 3.03% | 50,614 | 0 | 50,614 | 0 | 50,614 |
| 18 Other | 13,512,273.43 | 88.04% | 1,469,138 | 0 | 1,469,138 | 0 | 1,469,138 |
| Subtotal | 15,347,554.06 | 100.00% | 1,668,681 | 0 | 1,668,681 | 0 | 1,668,681 |
| Direct Bills | | | | | 0 | | 0 |
| Total | | | | | \$1,668,681 | | \$1,668,681 |

Basis Units: Based on Expenditures (Excluding billings)
Source: Financials

**City of Kalamazoo - Water Fund
Departmental Study**

2016 BUDGET
8/13/2015

Allocation Summary

Dept:6 City Wide Indirect Costs

| Department | City Wide Cost Allocation | Total |
|-----------------------------------|--|--------------------|
| 2 591-551 Administration | \$40,956 | \$40,956 |
| 3 591-552 Accounting | 19,844 | 19,844 |
| 4 591-563 Water Commercial Office | 88,129 | 88,129 |
| 5 591-564 Water Building Services | 50,614 | 50,614 |
| 18 Other | 1,469,138 | 1,469,138 |
| Total | \$1,668,681 | \$1,668,681 |