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**REPORTS OF VILLAGE OFFICIALS – DIR. ADMINISTRATIVE SERVICES**


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**September 2013 Financial Report**
**REPORT PREPARED BY:** Chris Haltom

**REPORT DATE:** October 11, 2013
 

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Enclosed are the financial reports for the nine months ending September 30, 2013 with comparative data for 2012 and 2011 for the General Fund, the utilities and the golf course which also has 2010 and 2009 comparative data.

The **General Fund** is in good shape for the first nine months of 2013. Revenues and expenditures are tracking very close to the same levels (when compared to budget) as experienced in 2012. In 2012, the General Fund ended the year with Excess Revenue over Expenditures of \$212,183. While the General Fund could see a similar amount in 2013, I do not think the fund will see as large of a surplus. Also, please remember that the 2013 budget included transfers of \$732,817 out of the fund mostly to pay off the state trust fund loan but also to transfer some funds to the Capital Project Fund (which has not yet happened).

The **golf course** is also in good shape for the first nine months when compared to prior years. Revenues are down but so are expenses resulting in Operating Income of \$89,176. I do not expect the amount to change much through the remainder of the year as revenues have slowed drastically in October, which is very normal. The course will be closed on November 4<sup>th</sup> with the 3<sup>rd</sup> being the last day of golf, unless weather causes earlier closure.

The utilities are showing decent results for the first nine months of 2013. Income before Contributions is the line to focus upon when reviewing this report (Capital Contributions are comprised of special assessments and developer charges that is a source of income but not related to operations). The water utility is reporting lower Income before Contributions than in 2012, while sewer is higher than 2012 (but lower than 2012) and storm water is holding at about expected levels.

**I recommend that the village hire a consultant to perform a water rate study for 2014 and a sewer rate study for 2014.** The water rate study will take longer for the rates to become effective since the study must be submitted to the Public Service Commission (PSC) for approval. The sewer rates could possibly go into effect by January 2014 since the study only requires board approval.

Prior utility rate studies have been performed by Schenck S.C. after obtaining quotes from reputable rate filers. In order to speed up the process, I would recommend the village hire Schenck S.C. to perform these rate studies. I will be looking for board direction on this issue at the board meeting to confirm if staff can hire Schenck for these rate studies.

**VILLAGE OF HOWARD**

Statement of Revenues and Expenditures

Budget and Actual - General Fund

Nine Months Ended September 30, 2013, 2012 and 2011

(Unaudited - For Internal Use Only)

	2013			2012			2011		
	Actual	Budget	Actual as a Percentage of Budget	Actual	Budget	Actual as a Percentage of Budget	Actual	Budget	Actual as a Percentage of Budget
<b>Revenues</b>									
Taxes	\$ 4,005,089	\$ 4,014,250	99.77%	\$ 3,862,922	\$ 3,822,650	101.05%	\$ 3,755,244	\$ 3,739,150	100.43%
Intergovernmental	714,387	1,359,200	52.56%	768,954	1,426,600	53.90%	886,482	1,722,200	51.47%
Licenses and permits	426,877	426,700	100.04%	366,927	404,600	90.69%	309,686	295,600	104.77%
Fines and forfeits	139,441	209,000	66.72%	156,115	183,000	85.31%	166,217	183,000	90.83%
Charges for services	132,900	165,700	80.21%	152,207	172,200	88.39%	139,708	180,300	77.49%
Miscellaneous	382,021	480,400	79.52%	398,426	448,300	88.87%	374,111	391,200	95.63%
<b>Total revenues</b>	<b>5,800,715</b>	<b>6,655,250</b>	<b>87.16%</b>	<b>5,705,551</b>	<b>6,457,350</b>	<b>88.36%</b>	<b>5,631,448</b>	<b>6,511,450</b>	<b>86.49%</b>
<b>Expenditures</b>									
General government	617,788	846,350	72.99%	685,825	921,950	74.39%	639,354	907,150	70.48%
Public safety	1,897,960	2,613,000	72.64%	1,945,075	2,594,400	74.97%	1,872,620	2,552,400	73.37%
Public works	2,093,612	2,774,300	75.46%	1,792,427	2,666,800	67.21%	1,976,391	2,638,700	74.90%
Community development	251,874	421,600	59.74%	283,711	428,200	66.26%	367,422	513,200	71.59%
<b>Total expenditures</b>	<b>4,861,234</b>	<b>6,655,250</b>	<b>73.04%</b>	<b>4,707,038</b>	<b>6,611,350</b>	<b>71.20%</b>	<b>4,855,787</b>	<b>6,611,450</b>	<b>73.45%</b>
Excess revenues (expenditures) over expenditures (revenues)	939,481	-		998,513	(154,000)		775,661	(100,000)	
Other Financing Sources (Uses)									
Operating Transfers Out	(669,017)	(732,817)		-	-		-	-	
Excess of Revenues & Other Sources Over (Under) Expenditures & Other Uses	\$ 270,464	\$ (732,817)		\$ 998,513	\$ (154,000)		\$ 775,661	\$ (100,000)	

Village of Howard  
**Village Greens Golf Course**  
 Statement of Revenues and Expenses  
 Nine Months Ended September 30, 2013, 2012, 2011, 2010 and 2009  
 (Unaudited - For Internal Use Only)

	2013	2012	2011	2010	2009
Operating Revenues					
Restaurant revenues	\$ -	\$ -	\$ 46,909	\$ 227,400	\$ 239,621
Rental of restaurant	22,248	19,600	12,000	-	-
Revenue from golf course	282,895	306,120	256,693	331,314	332,634
Total revenue	305,143	325,720	315,602	558,714	572,255
Operating Expenses					
Restaurant expenses	-	-	56,913	220,186	219,624
Golf course expenses	176,766	210,086	225,774	226,166	190,862
Administrative expenses	5,451	6,507	10,386	13,734	23,319
Depreciation	33,750	33,750	28,800	28,800	28,800
Total expenses	215,967	250,343	321,873	488,886	462,605
Operating income	89,176	75,377	(6,271)	69,828	109,650
Nonoperating Revenue (Expenses)					
Interest revenue	2,084	629	253	521	4,687
Income from right of way	5,000	7,900	127,740	-	-
Transfer to Park Fund	-	-	-	-	-
Total Nonoperating Revenues	7,084	8,529	127,993	521	4,687
Change in Net Assets	\$ 96,260	\$ 83,906	\$ 121,722	\$ 70,349	\$ 114,337

**VILLAGE OF HOWARD, WISCONSIN**

Comparative Statements of Revenues, Expenses -

Water, Sewer and Storm Water Utilities

Nine Months Ended September 30, 2013, 2012, 2011 and 2010

(Unaudited - For Internal Use Only)

	Water Utility				Sewer Utility				Storm Water			
	2013	2012	2011	2010	2013	2012	2011	2010	2013	2012	2011	2010
Operating Revenue												
Charges for service	\$ 3,756,621	\$ 3,755,928	\$ 3,319,322	\$ 3,131,955	\$ 1,985,888	\$ 1,701,365	\$ 1,509,685	\$ 1,393,444	\$ 556,106	\$ 556,106	\$ 522,962	\$ 520,880
Other	18,896	25,522	19,189	17,936	9,679	10,188	7,000	8,721	2,434	2,434	2,821	2,196
Total Operating Revenue	3,775,517	3,781,450	3,338,511	3,149,891	1,995,567	1,711,553	1,516,685	1,402,165	558,540	558,540	525,783	523,076
Operating Expenses												
Operation and maintenance	2,572,515	2,146,967	2,454,057	1,962,073	1,344,830	1,264,288	824,260	854,551	344,276	354,605	283,965	228,969
Administrative and general	287,945	276,815	244,118	254,410	224,444	221,499	188,732	202,091	-	-	-	-
Depreciation	409,320	437,400	369,000	369,000	183,184	186,334	179,584	179,583	156,600	157,500	157,500	157,500
Taxes	277,615	273,871	229,851	225,000	-	-	-	-	-	-	-	-
Annexation charge	-	-	-	-	-	-	9,016	9,016	-	-	-	-
Total Operating Expenses	3,547,395	3,135,053	3,297,026	2,810,483	1,752,458	1,672,121	1,201,592	1,245,241	500,876	512,105	441,465	386,469
Operating Income	228,122	646,397	41,485	339,408	243,109	39,432	315,093	156,924	57,664	46,435	84,318	136,607
Nonoperating Revenues (Expenses)												
Interest and other revenue	18,773	15,541	13,682	16,102	12,902	12,405	10,150	7,722	9,917	9,301	5,992	2,281
Interest expense and amortization	(40,464)	(48,791)	(134,566)	(152,670)	(8,081)	(10,590)	(20,950)	(28,336)	-	-	-	-
Total Nonoperating Revenues (Expenses)	(21,691)	(33,250)	(120,884)	(136,568)	4,821	1,815	(10,800)	(20,614)	9,917	9,301	5,992	2,281
Income before Contributions	206,431	613,147	(79,399)	202,840	247,930	41,247	304,293	136,310	67,581	55,736	90,310	138,888
Capital Contributions	138,914	45,536	127,667	199,817	719,354	32,193	30,986	96,186	46,543	207,147	55,681	114,452
Net Income	\$ 345,345	\$ 658,683	\$ 48,268	\$ 402,657	\$ 967,284	\$ 73,440	\$ 335,279	\$ 232,496	\$ 114,124	\$ 262,883	\$ 145,991	\$ 253,340