

**CITY OF EAST GRAND FORKS, MINNESOTA
WATER AND LIGHT DEPARTMENT**

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2014

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INTRODUCTORY SECTION

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FINANCIAL SECTION

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| <u>APPOINTED OFFICIALS:</u> | | <u>Term</u> | <u>Term Expires</u> |
|--------------------------------------|---------------------------------|-------------|---------------------|
| Commissioners | Mike Quirk, President | 3 years | 12/31/14 |
| | Marilynn Ogden, Vice President | 3 years | 12/31/15 |
| | Tim Loven | 3 years | 12/31/16 |
| | Henry Tweten (Councilmember) | | |
| <u>EMPLOYEES:</u> | | | <u>Start Date</u> |
| Customer Services and Administration | Dan Boyce, General Manager | | 06/30/90 |
| | Bonnie Abel | | 01/06/86 |
| | Lori Maloney | | 01/01/90 |
| | Anna Hearn | | 06/01/92 |
| | Maren Swingen | | 06/01/05 |
| | Kristen Shipes | | 07/01/08 |
| Electric Services | Scott Gravseth, Superintendent | | 06/01/78 |
| | Veronica Kostrzewski | | 09/24/80 |
| | Jeff Olson | | 06/01/78 |
| | Dave Solarski | | 03/16/94 |
| | Todd Grabanski | | 09/16/94 |
| | Jamey David | | 05/16/98 |
| | Micheal Coauette | | 05/16/98 |
| | Lance Riel | | 06/16/98 |
| | Corey Thompson | | 08/21/00 |
| | Kris Kovar | | 04/23/07 |
| Seth Brown | | 07/14/08 | |
| Water Services | Randy Rapacz, Superintendent | | 09/28/81 |
| | Chad Troitte | | 08/01/97 |
| | James Beeman | | 09/21/98 |
| | Mike Holweger | | 07/14/08 |
| | Tom Schneiderman | | 07/14/08 |
| | Randie Johnson | | 05/18/09 |
| | Brian Johnson | | 03/14/11 |
| Ray Rakoczy | | 01/23/12 | |

Financial Highlights

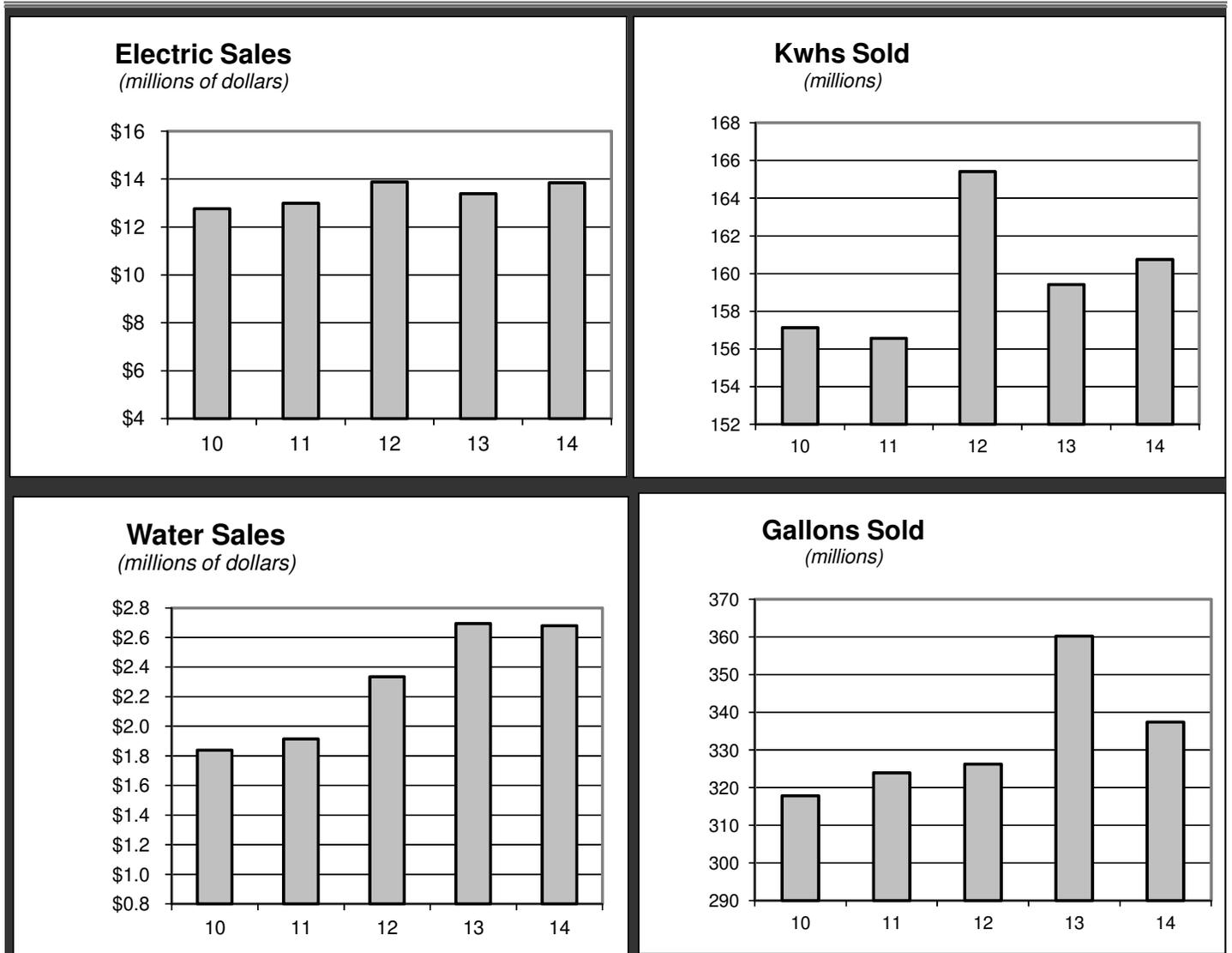
**CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT**

| | 2014 | 2013 | 2012 | 2011 | 2010 |
|--------------------------------|---------------|---------------|---------------|---------------|---------------|
| Financial Results | | | | | |
| Electric Sales Revenue | \$ 13,838,129 | \$ 13,387,324 | \$ 13,875,019 | \$ 12,981,430 | \$ 12,756,781 |
| Kilowatt Hours Sold (millions) | 160.8 | 159.4 | 165.4 | 156.6 | 157.1 |
| Water Sales Revenue | \$ 2,679,556 | \$ 2,694,827 | \$ 2,334,738 | \$ 1,913,119 | \$ 1,838,719 |
| Gallons Sold (millions) | 337.39 | 360.19 | 326.25 | 323.92 | 317.84 |

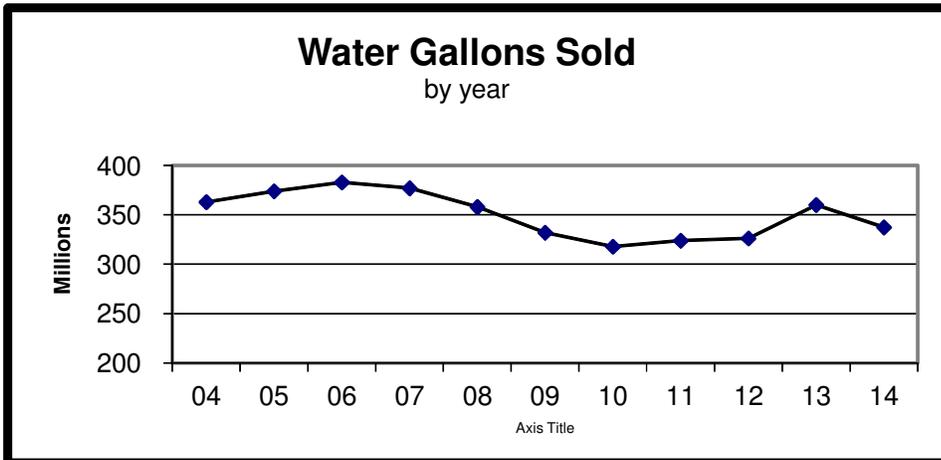
Financial Position

| | | | | | |
|--------------------------------|--------------|--------------|--------------|--------------|--------------|
| Cash - Electric (unrestricted) | \$ 2,910,093 | \$ 3,101,494 | \$ 3,947,303 | \$ 2,744,730 | \$ 2,154,141 |
| Investments - Electric | \$ 8,557,974 | \$ 7,173,317 | \$ 7,846,317 | \$ 9,009,459 | \$ 8,194,924 |
| Cash - Water (unrestricted) | \$ 754,144 | \$ 703,007 | \$ 39,647 | \$ - | \$ 143,593 |
| Bonded Debt - Water | \$ - | \$ - | \$ - | \$ - | \$ - |

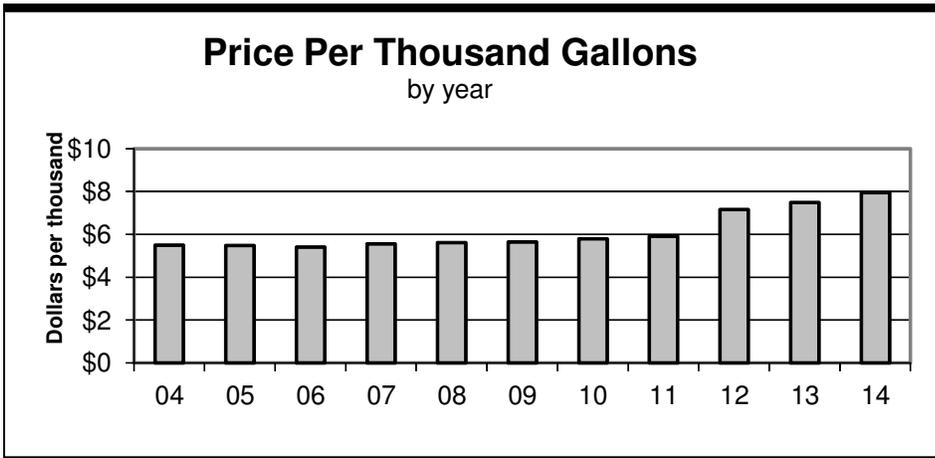
At A Glance



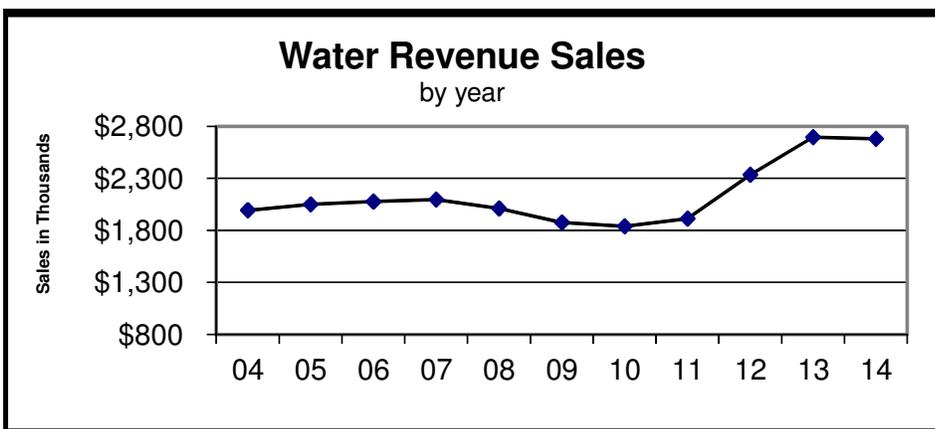
Water Sales Data:



| Year | Gals. Sold |
|------|------------|
| 2004 | 363 |
| 2005 | 374 |
| 2006 | 383 |
| 2007 | 377 |
| 2008 | 358 |
| 2009 | 332 |
| 2010 | 318 |
| 2011 | 324 |
| 2012 | 326 |
| 2013 | 360 |
| 2014 | 337 |

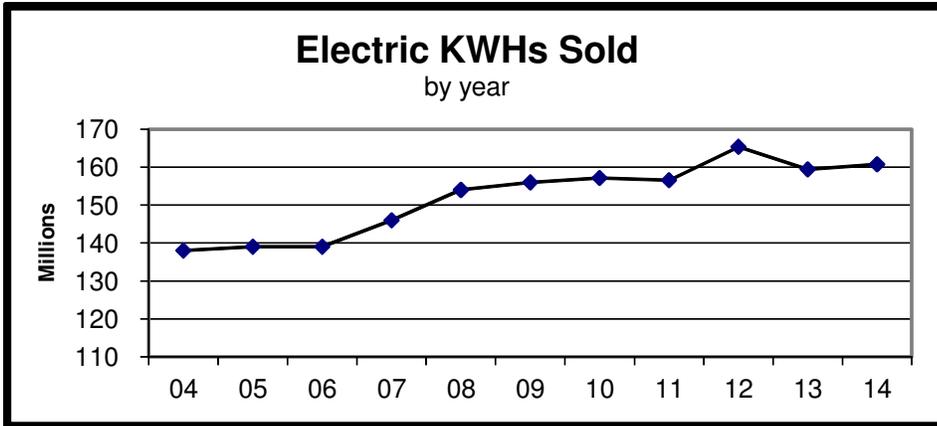


| Year | Price |
|------|--------|
| 2004 | \$5.49 |
| 2005 | \$5.48 |
| 2006 | \$5.41 |
| 2007 | \$5.55 |
| 2008 | \$5.61 |
| 2009 | \$5.65 |
| 2010 | \$5.79 |
| 2011 | \$5.91 |
| 2012 | \$7.16 |
| 2013 | \$7.48 |
| 2014 | \$7.94 |

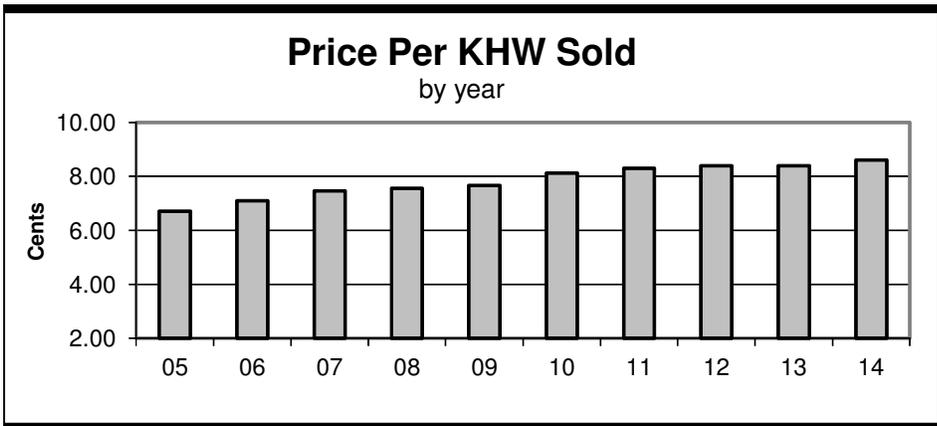


| Year | Sales (000) |
|------|-------------|
| 2004 | \$1,993 |
| 2005 | \$2,049 |
| 2006 | \$2,076 |
| 2007 | \$2,095 |
| 2008 | \$2,010 |
| 2009 | \$1,875 |
| 2010 | \$1,839 |
| 2011 | \$1,913 |
| 2012 | \$2,335 |
| 2013 | \$2,695 |
| 2014 | \$2,680 |

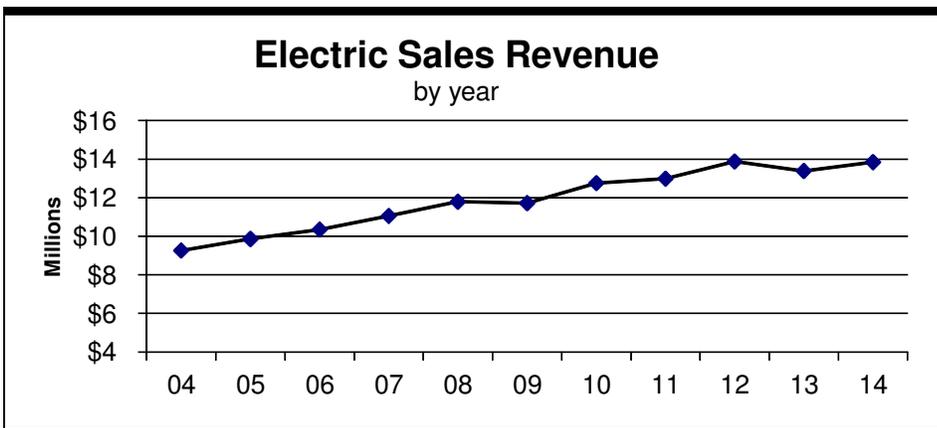
Electric Sales Data:



| Year | KWHs Sold |
|------|-----------|
| 2004 | 138 |
| 2005 | 139 |
| 2006 | 139 |
| 2007 | 146 |
| 2008 | 154 |
| 2009 | 156 |
| 2010 | 157 |
| 2011 | 157 |
| 2012 | 165 |
| 2013 | 159 |
| 2014 | 161 |



| Year | Price |
|------|----------|
| 2004 | \$0.0671 |
| 2005 | \$0.0709 |
| 2006 | \$0.0746 |
| 2007 | \$0.0755 |
| 2008 | \$0.0766 |
| 2009 | \$0.0751 |
| 2010 | \$0.0812 |
| 2011 | \$0.0829 |
| 2012 | \$0.0839 |
| 2013 | \$0.0840 |
| 2014 | \$0.0861 |



| Year | Sales (Mil.) |
|------|--------------|
| 2004 | \$9.26 |
| 2005 | \$9.86 |
| 2006 | \$10.35 |
| 2007 | \$11.05 |
| 2008 | \$11.79 |
| 2009 | \$11.72 |
| 2010 | \$12.76 |
| 2011 | \$12.98 |
| 2012 | \$13.88 |
| 2013 | \$13.39 |
| 2014 | \$13.84 |

Electric Distribution System

Electric Distribution

Electric distribution personnel perform routine maintenance on the city's electric system and street lights, install service equipment to new developments or rebuild areas, and respond to outages or any reported electrical problems.

Major improvements to the city's electrical system accomplished in 2014 were: 1) completion of primary voltage conversion 2) removal of Park Substation 3) primary cable replacement along the south side of highway 2 east 4) heavy maintenance to Industrial Park transformer #1 LTC and circuit breakers in Industrial Park and Sugar Hills Substations.

Underground Cable Replacement

North Holt Electric was contracted to replace primary and street light cables, as well as install cables in previously undeveloped areas. New primary feeders were installed along the south side of Hwy 2 and along River Rd. New primary was also installed around Park substation and between circuit switches.

New distribution cables and transformers were installed in the Coulee View Addition.

Voltage Conversion

Water and Light has operated 2 distribution voltages since the building of Industrial Park substation in 1985. Work has been ongoing for several years to convert areas of 4160 volts to 12470 volts. This was finally accomplished in June of 2014, allowing the removal of the city's oldest substation, Park, from service. Demolition of the structure behind the Legion is pending upon XCEL Energy's removal of the power transformer.

New Commercial

Service was provided to two new commercial buildings in 2014. Primary cables and transformers were installed to feed Fer-ti-lawn located in the City's Industrial Park and Fairfield Inn on the corner of 5th Ave NE and Hwy 2.

Street Lights

Conversion to LED street lighting began with plans to complete the city in 4 or 5 years. Areas converted included: 1) High Mast lighting in downtown parking lot 2) Cobrahead lighting on Bygland Rd, 23rd St NW, 5th Ave NE, River Rd, 4th St NW and 1st St SE including the Point Bridge. 2) Security lighting in alleys and some commercial properties. Typical energy savings for LED lighting is 50%.

Outage Report

There were 6 outages caused by equipment failure affecting 2,432 customers. There were also 12 scheduled outages affecting 1,555 customers. Scheduled outages occur when parts of the system are de-energized for upgrades or replacement.

Community Work

Water and Light personnel are also involved annually in non-utility activities on behalf of the City. Crews are responsible for a portion of the City's flood protection system. They do training, maintenance, inventory, erection, removal and storage of the downtown "invisible" (removable) floodwall, as well as the nine road closures and two railroad closures.

The floodwall at each site must be erected and inspected at least once every five years.

Department crews also removed all electrical service panels and pedestals in the Red River State Recreation Area campground. Water and Light re-installed all equipment after the flood waters receded.

Temporary electric and water services were provided for Artfest on River Street in June. Only temporary electric service was set up for Catfish Days and Bikes and Bites in July. The commission donated electricity and waived charges for set up and removal for the community events.

Holiday decorations were provided by the Department and maintained, installed and removed by Water & Light crews.

Technology Services

The technology department has a staff of two that provide voice, data, computing, and other technology services to all municipal departments.

This includes upkeep and continuous improvement of a metro area network that connects 35 sites around East Grand Forks and multiple gateways to the Internet; hardware and software maintenance of more than 150 desktop and laptop computers, along with 35 servers; management of over 3,000 gigabytes of data storage, including backup and archiving of data; ensure telemetry to dozens of remote terminal units used for SCADA with the electric, water, and wastewater utilities; maintaining a phone system with over 200 extensions at municipal facilities; providing remote access for telework and mobile access; managing various audio/video systems; providing help desk support to over 120 users; maintenance of automated meter reading and demand response systems; and ensuring secure and reliable use of all systems.

Large projects for 2014 included expansion of metro area networks to lift stations and integration with new sanitary sewer SCADA system, migration to virtualized servers and many more improvements in network efficiency and data storage.

Water Distribution System

The water distribution crew performs maintenance on the water mains, valves, hydrants, and water meters that make up the city's water system. Yearly flushing and testing of all hydrants occurs in early June. This program ensures a fresh product and reveals where repairs are needed to maintain fire protection to the customer. The water crew also works on water meter repairs and change outs, water leaks, and works closely with contractors on water main replacement and new water main installation.

Water Main Replacement

The Water & Light Department replaces old cast iron water mains, valves and hydrants each year to keep the city's distribution system current. RJ Zavoral and Sons were contracted to install new plastic main on 18th Street NW, from 8th Ave to 12th Ave, the 700 block of 17th Street NW, and 7th Ave NW from 17th Street to 15th Street. Work was also done at Central Ave and 10th Street and Central Ave and 9th Street to allow that section of main along Central Ave to be abandoned.

Water Treatment Plant

Operations

The East Grand Forks Water Treatment Plant is a 4 million gallon per day surface water treatment facility, utilizing enhanced pretreatment, lime/soda ash softening, fluoridation, stabilization, conventional filtration, and chlorine/chloramines disinfection. The average daily pumpage is 1.2 million gallons; the distribution system utilizes two elevated towers and two ground reservoirs for a 4 million gallon storage capacity.

Community Service

East Grand Forks Water Treatment Operators provided hands on presentations again this year during the Heritage Village/Dakota Science Center's 18th Annual Water Festival May 6-7, 2014 to educate area 4th grade students on important water related subjects. Presentations included the Water Cycle, Surface Water Treatment, and Water Distribution Systems.

East Grand Forks Water Treatment Staff also provide plant tours upon request. Participants include area pre-school, grade school, high school, and college students.

Water Plant Dehumidification System

Custom Aire, Grand Forks, North Dakota submitted the low bid for the Water Treatment Plant Dehumidifier Replacement Project. Removal of the existing equipment started November 3, 2014. Installation of the new equipment was completed on December 11, 2014 including a soft start of the system. Full system start-up is scheduled for early Spring of 2015 during sufficient moisture load conditions. The new system is designed to prevent structural, piping, and equipment damage during times of extreme temperature changes, and high humidity.

Total project cost \$74,950.00.

Lime Storage Silo

Bids were opened January 10, 2014 for the Lime Storage Silo and Associated Equipment project. This project included cleaning, abrasive blasting, repairs, and recoating all metal surfaces on the Lime Silo, Auger Convey Systems, Lime bulk unloading area, three exterior doors, and one above ground diesel fuel tank. Non coating work included installation of new OSHA compliant cable-style ladder safety climb systems on the silo and Water Plant roof. Full containment, including impervious ground cover was required to contain dust and lead based emissions during the abrasive blasting and paint drift during the recoat process. Recovery, removal, and proper disposal of all spent abrasives, dust, dirt, and paint chips, were required as well. A total of four bids were received. The project was awarded to Champion Coatings, the low bidder, in the amount of \$154,000.00. Total project cost including engineering and inspection fees (\$21,500.00), less liquidated damages (\$7,000.00) was \$165,500.00.

Engineering estimates indicate that the work completed should extend the overall life of the Lime Silo and associated equipment to near thirty years. The equipment will be inspected early Fall 2016 near the end of the warranty period.

Carbon Evaluation Study

The purpose of this study was to determine the best Powdered Activated Carbon (PAC) for the removal of taste and odor causing compounds in the Red Lake River, particularly Geosmin and 2-Methylisobroneol (MIB). These two displeasing compounds are associated with musty, earthy or dirt smelling issues in drinking water and are typically detected more frequently during floods or heavy rainfall events.

PAC samples from all six vendors participating in the 2013 Chemical Bid process included, Cal-Pacific, Norit Hydrodarco W, Watercarb, Watercarb 800, Calgon WPH, and Carbon Resources. All products were compared for percent removal of both Geosmin and MIB. A performance factor was calculated by normalizing their individual percent removal when compared with the best performing carbon. By multiplying the performance factor by the cost per pound of each product a performance corrected PAC cost per pound for each product was determined.

The final results of the study verified that Carbon Resources had the best performance of all PAC brands tested for taste and odor removal, but was also the most expensive per pound. When multiplying the cost per pound of each PAC by the performance factor, Watercarb 800 was the most cost effective carbon, followed by Carbon Resources, Norit Hydrodarco W, and lastly Cal-Pacific.

Analyzing available PAC's for future purchases based on cost/pound v/s performance provides a cost saving alternative to low bid selection. In addition, higher grade Carbon's will provide additional taste and odor removal, allow for a reduction in process feed rates that in turn will increase equipment life, and require less bag handling by staff promoting safety.

Award

The Minnesota Department of Health Oral Health Program and Drinking Water Protection Sections presented the East Grand Forks Water Treatment Plant with the Centers for Disease Control and Prevention (CDC) 2013 Water Fluoridation Quality Award. This award recognizes those public water systems that adjust the fluoride concentration in drinking water and achieve a monthly average fluoride level that is in the optimal range for 12 consecutive months in a calendar year, as documented in the Water Fluoridation Reporting System (WFRS).

Energy Conservation

In 2014, the Department continued with the energy conservation programs that were offered to its customers in 2013. For 2014, Minnesota State law mandates that municipal electric utilities annually spend 1.5% of gross revenues from 2012 on energy conservation projects and requires a goal of energy savings equivalent to 1.5% of the average annual energy used based on the energy sales for the years 2010 – 2012. For East Grand Forks that is \$208,125.00 of required expenditure with a goal of saving 2,395,495 kWh annually. The actual 2014 conservation program incentives paid and kWh savings figures are in the table below showing totals with and without using the Load Management figures.

| 2014 | Required | Incentives Paid w/o Loan Mgmt | Incentives Paid with Load Mgmt |
|--------------|------------|-------------------------------|--------------------------------|
| SPEND | \$ 208,125 | \$ 248,791 | \$ 290,959 |
| SAVE | 2,348,559 | 4,872,600 | 5,137,131 |
| | | 3.05% | 3.22% |

The rest of the Energy Conservation section of the management report provides an explanation of 2014 Energy Conservation Program offerings and rebates or credits issued to our customers.

RESIDENTIAL REBATES

Weatherization Rebates - This program provides up to \$500 in rebates for residential customers to install conservation measures that improve the energy efficiency of their home. Some popular measures include replacing doors and windows, insulating, caulking and weather stripping. In 2014, a total of 43 rebates were issued for the following measures:

| | |
|------------|----|
| Windows | 17 |
| Doors | 7 |
| Insulation | 14 |
| Patio door | 5 |

Appliance & Heating/Cooling Rebates – This program started on January 1, 2009 and allows our customers to receive a rebate when they purchase an Energy Star qualified appliance. The appliances and rebates for 2014 were as follows:

| <u>Unit</u> | <u>Rebate Amount</u> | <u># of Rebates</u> |
|-------------------------|----------------------|---------------------|
| Refrigerator | \$75.00 | 78 |
| Freezers | \$75.00 | 3 |
| Dishwasher | \$50.00 | 70 |
| Washing Machine | \$75.00 or \$100.00 | 67 |
| Electric Water Heater | \$50.00 | 7 |
| Room Air Conditioner | \$25.00 | 37 |
| Central Air Conditioner | \$200.00 | 3 |
| Air Source Heat Pump | \$250.00 | - |
| Geothermal Heat Pump | \$200/ton | 1 |
| Mini Split Ductless A/C | \$100.00 | - |
| ECM Fan Motor | \$150.00 | 16 |

Central Air Conditioner Tune Up Rebate – This program started in July 2009 and will rebate up to \$60.00, once every 2 years, to customers when they have their central air conditioner tuned up by a licensed heating/cooling contractor. In 2014 we issued 128 rebates.

Compact Fluorescent Light Bulb Rebate – When customers purchase Energy Star CFL bulbs they can receive a rebate of 50% of the bulb or package cost. In 2014, 5 rebates were issued.

LED Light Bulb/Fixture Rebate – We started this program in 2014 with a rebate of 50% of the LED bulb price, up to \$10.00 per bulb and 50% of the fixture price, up to \$20.00 per fixture. This rebate has a \$400.00 lifetime limit per customer. In 2014, 9 LED Bulb rebates were issued and 3 LED Fixture rebates.

Low Income Weatherization – The Department contracted with Mahube Community Council to do our low income weatherization projects. In 2014, they weatherized 4 homes.

COMMERCIAL REBATES

Lighting Replacement Rebate – This program provides a rebate for commercial customers to upgrade the lighting in their facility to more energy efficient fixtures. In 2014, 10 commercial customers took advantage of this rebate. The amount of the rebate for the customer is paid on a prescriptive basis on a per fixture rebate.

Weatherization Rebate – This program provides a rebate for commercial customers who perform conservation measures that will improve the energy efficiency of their building envelope, by replacing windows and doors and adding insulation, etc. We paid out 2 rebates in 2014.

Variable Frequency Drive Rebate – This program provides a rebate to commercial customers to install new VFDs to either existing or new motors. In 2014 we had 2 commercial customers take advantage of this rebate.

Custom Rebate – This program provides a rebate to commercial customers for energy efficient projects that they implement at their facility that do not fall under any of the other programs. The rebate amount is determined by how much energy the project will save. We paid out 1 rebate for this program in 2014.

ENERGY AUDITS

Home Energy Audits – In 2011 we began offering Home Energy Audits to our customers at 50% of the actual cost of the audit. There are two types of audits to choose from: Standard Audit – which includes a blower door test and walk through. An Infrared Audit – which includes the blower door test along with using an infrared camera. In 2014 there were 6 home audits performed.

Commercial Energy Assessments – In 2011 we contracted with a commercial energy consultant to help the Department achieve the goals mandated by the State of Minnesota by providing support to our staff and free energy assessments to our commercial customers. This assistance continued in 2014 and was very beneficial in helping us meet our energy savings goal.

CFL LIGHT BULB AND DIRECT INSTALL PROGRAMS

The Department held its fourth annual CFL Swap during Public Power Week. This year, like last year, we held a food drive. Customers bring in 6 non-perishable food items and we will exchange them for CFL or LED bulbs. In 2014 we had 203 customers take advantage of this program.

The Direct Install program, which began in 2011 offers our customers with electric water heaters the chance to have a representative of the Department come into their home and install low flow shower heads, low flow faucet aerators on kitchen and bath faucets and install 6 CFL bulbs. In 2013 we performed Direct Installs in 10 homes.

Technology Services:

The technology department has a staff of two that provide voice, data, computing, and other technology services to all municipal departments.

This includes upkeep and continuous improvement of a metro area network that connects 35 sites around East Grand Forks and multiple gateways to the Internet; hardware and software maintenance of more than 150 desktop and laptop computers, along with 35 servers; management of over 3,000 gigabytes of data storage, including backup and archiving of data; ensure telemetry to dozens of remote terminal units used for SCADA with the electric, water, and wastewater utilities; maintaining a phone system with over 200 extensions at municipal facilities; providing remote access for telework and mobile access; managing various audio/video systems; providing help desk support to over 120 users; maintenance of automated meter reading and demand response systems; and ensuring secure and reliable use of all systems.

Large projects for 2014 included expansion of metro area networks to lift stations and integration with new sanitary sewer SCADA system, migration to virtualized servers and many more improvements in network efficiency and data storage.

Financial Section

Independent Auditor's Report

Management's Discussion and Analysis

Combined Statement of Net Position

Combined Statement of Revenues, Expenses, and Changes in Net Position

Combined Statement of Cash Flows

Notes to the Financial Statements



CERTIFIED PUBLIC ACCOUNTANTS
AND CONSULTANTS

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor
Water and Light Commission
And Members of the City Council
East Grand Forks, Minnesota

Report on the Financial Statements

We have audited the accompanying financial statements of the City of East Grand Forks Water and Electric Funds, as of and for the years ended December 31, 2014, 2013, 2012, 2011, and 2010, and the related notes to the financial statements, which collectively comprise the City of East Grand Forks Water and Electric Funds basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the City of East Grand Forks Water and Electric Funds, as of December 31, 2014, 2013, 2012, 2011, and 2010, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

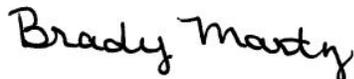
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of East Grand Forks Water and Electric Fund's basic financial statements. The introductory section, combining and individual fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.



BRADY, MARTZ & ASSOCIATES, P.C.
GRAND FORKS, NORTH DAKOTA

June 22, 2015

This section of the East Grand Forks Water and Light Department's annual financial report presents the analysis of the Department's financial performance during the fiscal year ended December 31, 2014. Please read it in conjunction with the financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

Electric utility sales increased 1.4 million kWh (.83%) to 160.8 million kWh sold in 2014 compared to 159.4 million kWh sold in 2013. In 2014, electric sales revenues increased \$450,805 (3.3%) to \$13,838,129, compared to 2013 sales revenue of \$13,387,324.

Electric utility wholesale power purchase costs increased \$112,679 (0.12%) to \$8,782,577 in 2014 compared to \$8,669,899 in 2013.

Electric utility operating income decreased \$153,124 (37.8%) to \$251,566 in 2014, compared to 2013 operating income of \$404,690.

Water utility sales decreased 22.8 million gallons (6.3%) to 337.4 million gallons sold in 2014, compared to 360.2 gallons sold in 2013. In 2014, water sales revenues decreased \$15,272 (0.5%) to \$2,679,555, compared to 2013 sales revenue of \$2,694,827.

Water utility operating income (loss) decreased \$147,179 (26.8%) to \$401,156 in 2014, compared to a 2013 operating income (loss) of \$548,335.

The Department's net position increased \$905,439 (2.2%) to \$40,257,317 in 2014, compared to net position of \$39,351,879 in 2013.

The Department's 2014 noncurrent liabilities increased \$23,644 (5.8%) to \$409,612, compared to 2013 noncurrent liabilities of \$385,968.

OVERVIEW OF FINANCIAL STATEMENTS

The Department has two enterprise funds: Electric and Water. The Department's basic financial statements are comprised of three parts: 1) management's discussion and analysis, 2) the basic financial statements, and 3) an optional section that presents detailed summaries and schedules of selected financial data.

Management's Discussion and Analysis (MD&A) serves as an introduction to the basic financial statements and supplementary information. The MD&A represents management's examination and analysis of the Department's financial condition and performance. Summary financial statement data, key financial and operational indicators used in the strategic plan, budget, bond resolutions and other management tools were used for this analysis.

The basic financial statements consist of entity-wide financial statements that provide both the short-term and long-term financial information about the Department's financial activities, all of which are operated like commercial enterprises. These statements report information about the Department using full accrual accounting methods and economic resources focus as utilized by similar business activities in the private sector. Information concerning all the Department's assets and liabilities, both financial and capital, and short-term and long-term are included. Likewise, all revenues and expenses received during the year, regardless of when cash is received or paid are reported. However, rate-regulated accounting principles applicable to private sector utilities are not used by the Department.

The basic financial statements of the Department include a balance sheet; a statement of revenues, expenses, and changes in net position; a statement of cash flows; and notes to the financial statements, which are described below:

- The balance sheet presents the financial position of the Department on a full accrual, historical cost basis. This statement provides information about the nature and amount of resources and obligations at year-end.

- The statement of revenues, expenses, and changes in net position presents the results of the business activities over the course of the fiscal year and information as to how the net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. This statement also provides certain information about the Department's recovery of its costs. Rate setting policies use different methods of cost recovery not fully provided by accounting standards generally accepted in the United States of America. The primary objectives of the rate model are to improve equity among customer classes and to ensure that capital costs are allocated on the basis of long-term capacity needs, ensuring that growth pays for growth.
- The statement of cash flows presents changes in cash and cash equivalents, resulting from operating, capital and related financing, and investing activities. This statement presents cash receipts and cash disbursement information, without consideration of the earnings event, when an obligation arises, or depreciation of capital assets.
- The notes to the financial statements provide required disclosures and other information that are essential to a full understanding of material data provided in the statements. The notes present information about the Department's significant accounting policies, account balances and activities, material risks, obligations, commitments, contingencies and subsequent events, if any.

The supplementary information presented by the Department includes statements and schedules that focus on the individual funds where more detailed financial data is desirable. Additionally, non-financial data is presented to the readers of the financial statements and provides a more complete understanding of operations.

The Department's entity-wide financial statements report its net position and how they have changed over the reporting period. Net position - the differences between assets and liabilities - may serve as a useful indicator of the Department's financial position. Over time, increases or decreases in the net position are a useful indicator of whether its financial health is improving or deteriorating, respectively. However, one also needs to consider other non-financial factors such as changes in economic conditions, population growth, and new or changed governmental legislation to adequately assess its overall health.

| | Net Position | | |
|----------------------------------|----------------------|----------------------|------------------------|
| | 2014 | 2013 | Increase (decrease) |
| ASSETS | | | |
| Current assets and other assets | \$ 16,310,190 | \$ 14,985,155 | \$ 1,325,035 |
| Capital assets | 26,479,370 | 26,718,686 | (239,316) |
| Total assets | <u>42,789,560</u> | <u>41,703,841</u> | <u>1,085,719</u> |
| LIABILITIES | | | |
| Current liabilities | 2,122,631 | 1,965,994 | 156,637 |
| Noncurrent liabilities | 409,612 | 385,968 | 23,644 |
| Total liabilities | <u>2,532,243</u> | <u>2,351,962</u> | <u>180,281</u> |
| NET POSITION | | | |
| Net Investment in Capital Assets | 26,479,370 | 26,718,686 | (239,316) |
| Unrestricted | 13,777,947 | 12,633,193 | 1,144,754 |
| Total net position | <u>\$ 40,257,317</u> | <u>\$ 39,351,879</u> | <u>\$ 905,438</u> |

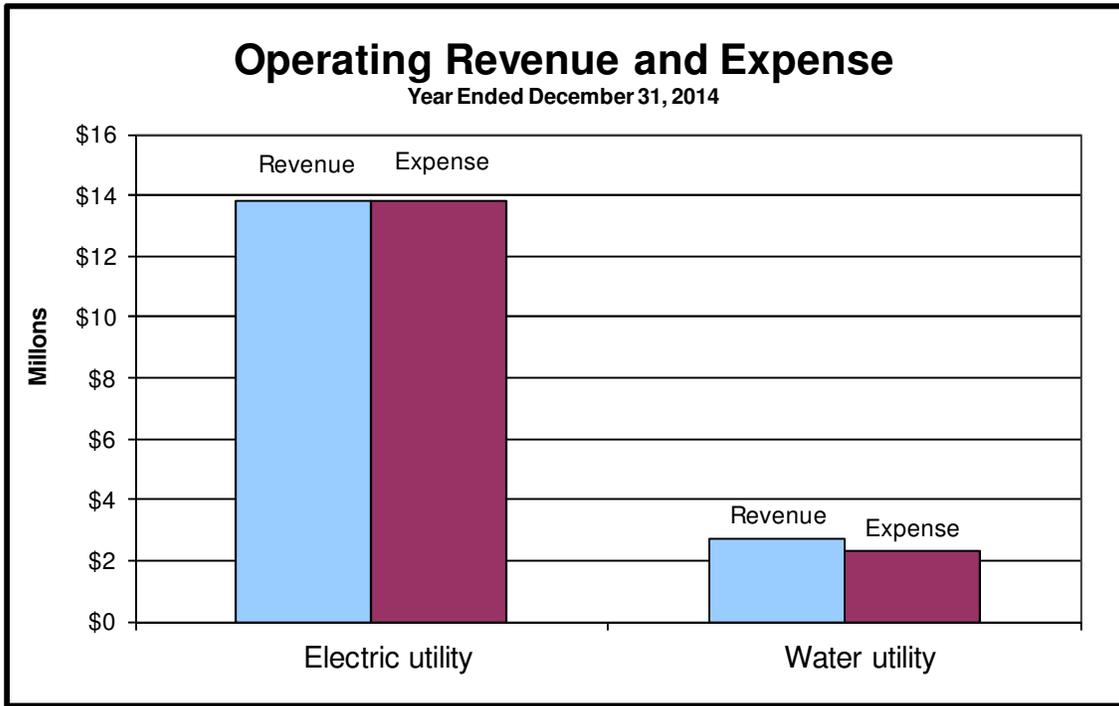
The entity-wide net position increased \$905,439 to \$40,257,317 in 2014. The increase in the net investment in capital assets, is the result of investment in new capital assets exceeding depreciation in 2014.

**Condensed Statement of Revenues,
Expenses, and Changes in Net Position**

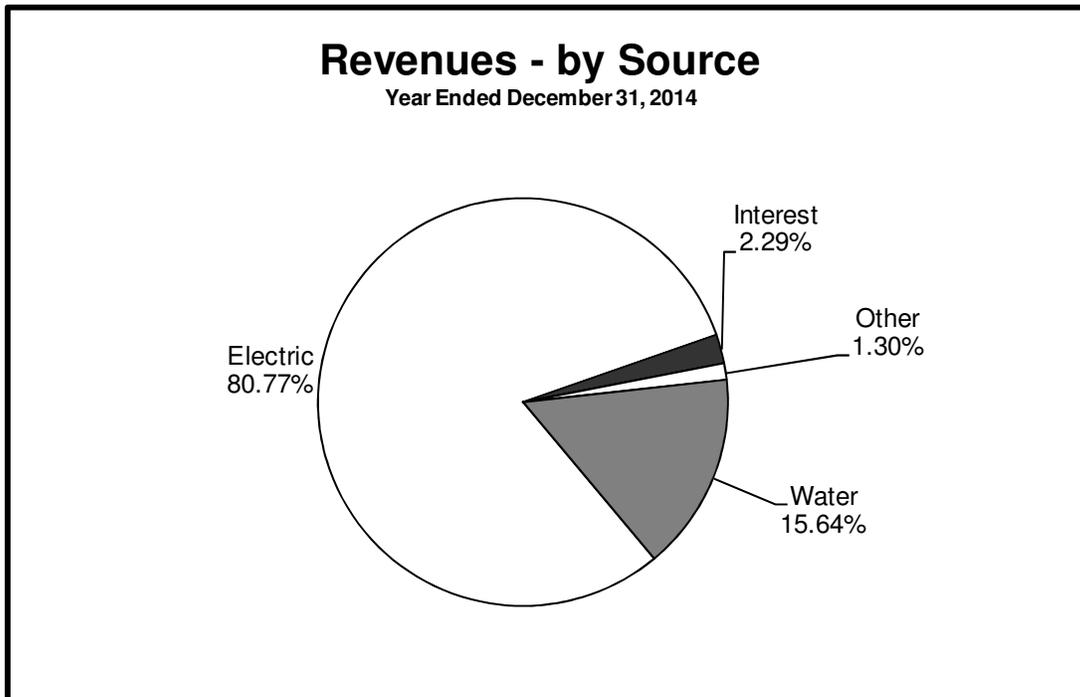
| | 2014 | 2013 | Increase (decrease) |
|---------------------------------------|-------------------|-------------------|------------------------|
| Revenues: | | | |
| Charges for services: | | | |
| Electric utility | \$ 13,838,129 | \$ 13,387,324 | \$ 450,805 |
| Water utility | 2,679,555 | 2,694,827 | (15,272) |
| Total charges for services | <u>16,517,684</u> | <u>16,082,151</u> | 435,533 |
| Interest earnings | 392,825 | (218,396) | 611,221 |
| Other | <u>222,522</u> | <u>205,944</u> | 16,578 |
| Total revenues | <u>17,133,031</u> | <u>16,069,699</u> | <u>1,063,332</u> |
| Expenses: | | | |
| Operating expenses: | | | |
| Electric utility | 13,796,997 | 13,182,765 | 614,232 |
| Water utility | <u>2,290,487</u> | <u>2,152,305</u> | 138,182 |
| Total operating expenses | 16,087,484 | 15,335,070 | 752,414 |
| Interest expense | <u>-</u> | <u>215</u> | (215) |
| Total expenses | <u>16,087,484</u> | <u>15,335,285</u> | <u>752,199</u> |
| Income (loss) before transfers out | 1,045,547 | 734,414 | 311,133 |
| Transfers in | 281,294 | - | 281,294 |
| Transfers out | <u>(421,402)</u> | <u>(294,639)</u> | <u>(126,763)</u> |
| Change in net position | <u>\$ 905,439</u> | <u>\$ 439,775</u> | <u>\$ 465,664</u> |

While the balance sheet shows a snapshot of the Department's financial position at the end of each year, the above statement of revenues, expenses, and changes in net position provides answers as to the nature and source of these changes. A comparison of total charges for service shows a \$1,063,331 (6.2%) increase and operating expenses increased \$752,199 (4.7%). This is due to the Department purchasing more power from MMPA due to increased power purchases of some of the larger industrial customers.

The following summary of the operating revenue and expense for the electric and water utility for 2014:



The following is a summary of the composition of 2014 revenue by source:



**Capital Assets
(net of accumulated depreciation)**

| | 2014 | 2013 | Increase (decrease) |
|-----------------------------------|----------------------|----------------------|------------------------|
| Land | \$ 349,394 | \$ 349,394 | \$ - |
| Building, systems, and structures | 25,505,357 | 25,907,776 | (402,419) |
| Machinery and equipment | 624,619 | 461,516 | 163,103 |
| Total capital assets, net | \$ 26,479,370 | \$ 26,718,686 | \$ (239,316) |

In 2014, depreciation and disposals exceeded capital investments by \$293,314; new investment in capital assets totaled \$1,393,344 and depreciation totaled \$1,632,658. Major capital assets improvement projects for 2014 are mentioned in the Manager's annual narrative report.

**Long-term Liabilities
(net of unamortized discounts)**

| | 2014 | 2013 | Increase (Decrease) |
|------------------------------|------------|------------|------------------------|
| Compensated absences payable | \$ 454,612 | \$ 430,968 | \$ 23,644 |
| | \$ 454,612 | \$ 430,968 | \$ 23,644 |

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

- According to data from the U.S. Bureau of Labor Statistics, the unemployment rate for Polk County, Minnesota area as of December 31, 2014 was 3.8%, which is slightly above the state average of 3.6% and below the national (5.6%) average. The North Dakota Grand Forks County unemployment rate was 2.7% for December 2014. The Grand Forks-East Grand Forks metropolitan statistical area unemployment rate for December 2014 was 4.0%. Grand Forks is located across the Red River of the North and has an approximate population of 54,932.
- The economy of the state is gradually recovering and recent legislative actions have resulted in more certainty in local government aid (LGA) funding.

REQUESTS FOR INFORMATION

The financial report is designed to provide a general overview of the Department's finances for all those interested in government finances. Questions concerning any information in the report or requests for additional information should be addressed to the Water and Light Department, City of East Grand Forks, 600 DeMers Avenue NW, East Grand Forks, MN 56721.

**Combined Statement of Net Position
As of December 31, 2014, 2013, 2012, 2011, 2010**

**CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT**

| | 2014 | 2013 | 2012 | 2011 | 2010 |
|---------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| ASSETS | | | | | |
| CURRENT ASSETS | | | | | |
| Cash and Cash Equivalents | \$ 3,664,237 | \$ 3,804,501 | \$ 3,986,950 | \$ 2,744,730 | \$ 2,297,734 |
| Investments | 8,557,974 | 7,173,317 | 7,846,317 | 9,009,459 | 8,194,924 |
| Restricted Cash and Cash Equivalents: | | | | | |
| Cash in Customer Deposits | 87,950 | 83,800 | 78,150 | 79,850 | 74,900 |
| Cash in Bond Account | - | - | - | - | - |
| Accounts Receivable | 1,466,028 | 1,625,916 | 1,533,781 | 1,904,461 | 2,147,679 |
| Allowance for doubtful Accounts | (48,000) | (48,000) | (48,000) | (48,000) | (48,000) |
| Interest Receivable | 24,977 | 24,662 | 32,596 | 54,905 | 63,269 |
| Material Inventory | 881,373 | 902,857 | 1,060,589 | 933,407 | 1,063,138 |
| Prepaid Expenses | 7,564 | 56,921 | 20,962 | 61,043 | 45,349 |
| Interfund Receivable | 1,148,309 | 1,008,600 | 1,079,415 | 1,182,341 | 1,377,499 |
| Due from Other Funds | 167,197 | - | - | - | - |
| Due from Other Governments | 807 | 807 | 807 | - | - |
| Total Current Assets | <u>15,958,416</u> | <u>14,633,381</u> | <u>15,591,567</u> | <u>15,922,196</u> | <u>15,216,493</u> |
| NONCURRENT ASSETS | | | | | |
| Capital Assets: | | | | | |
| Land | 349,394 | 349,394 | 349,394 | 349,394 | 349,394 |
| Buildings, Structures, Etc. | 19,892,263 | 19,161,332 | 14,765,287 | 14,756,230 | 14,756,230 |
| Distribution Systems | 30,317,662 | 29,129,389 | 28,431,073 | 26,869,699 | 24,996,996 |
| Meters | 1,232,252 | 1,647,835 | 1,635,126 | 1,629,830 | 1,629,830 |
| Machinery and Equipment | 2,347,290 | 2,590,235 | 2,580,644 | 2,585,254 | 2,551,201 |
| Automotive Equipment | 754,761 | 642,179 | 570,337 | 466,019 | 466,019 |
| Office Equipment | 699,459 | 679,373 | 671,349 | 671,349 | 671,349 |
| Construction in Progress | - | - | 2,282,420 | 850,173 | 1,191,106 |
| Total Capital Assets | 55,593,081 | 54,199,737 | 51,285,630 | 48,177,948 | 46,612,125 |
| Less Accumulated Depreciation | <u>(29,113,711)</u> | <u>(27,481,051)</u> | <u>(26,133,413)</u> | <u>(24,696,499)</u> | <u>(23,237,379)</u> |
| Total Capital Assets (Net) | 26,479,370 | 26,718,686 | 25,152,217 | 23,481,449 | 23,374,746 |
| Customer Acquisition Costs | <u>351,774</u> | <u>351,774</u> | <u>351,774</u> | <u>351,774</u> | <u>351,774</u> |
| Total Noncurrent Assets | <u>26,831,144</u> | <u>27,070,460</u> | <u>25,503,991</u> | <u>23,833,223</u> | <u>23,726,521</u> |
| TOTAL ASSETS | <u>\$ 42,789,560</u> | <u>\$ 41,703,841</u> | <u>\$ 41,095,558</u> | <u>\$ 39,755,419</u> | <u>\$ 38,943,013</u> |
| LIABILITIES | | | | | |
| CURRENT LIABILITIES | | | | | |
| Accounts Payable | \$ 1,126,614 | \$ 1,634,973 | \$ 1,497,963 | \$ 1,276,231 | \$ 1,189,649 |
| Retainage Payable | 6,838 | - | - | - | - |
| Accrued Payroll | 68,641 | 58,100 | 43,197 | 39,302 | 33,354 |
| Accrued Vacation | 108,780 | 95,294 | 95,765 | 88,785 | 74,062 |
| Accrued Sick Leave | 45,000 | 45,000 | 45,000 | 45,000 | 44,700 |
| Due to Other Government Units | 46,025 | 48,827 | 54,717 | 51,938 | 59,969 |
| Due to Other Funds | 632,783 | - | - | 207,873 | - |
| Customer Deposits | 87,950 | 83,800 | 78,150 | 79,850 | 74,900 |
| Total Current Liabilities | <u>2,122,631</u> | <u>1,965,994</u> | <u>1,814,792</u> | <u>1,788,979</u> | <u>1,476,633</u> |
| NONCURRENT LIABILITIES | | | | | |
| Compensated Absences Payable-Net | 409,612 | 385,968 | 368,662 | 365,145 | 326,692 |
| Total Noncurrent Liabilities | <u>409,612</u> | <u>385,968</u> | <u>368,662</u> | <u>365,145</u> | <u>326,692</u> |
| TOTAL LIABILITIES | <u>2,532,243</u> | <u>2,351,962</u> | <u>2,183,454</u> | <u>2,154,124</u> | <u>1,803,326</u> |
| NET POSITION | | | | | |
| Net Investment in Capital Assets | 26,479,370 | 26,718,686 | 25,152,217 | 23,481,449 | 23,374,746 |
| Unrestricted | <u>13,777,947</u> | <u>12,633,193</u> | <u>13,759,887</u> | <u>14,119,846</u> | <u>13,764,941</u> |
| TOTAL NET POSITION | <u>\$ 40,257,317</u> | <u>\$ 39,351,879</u> | <u>\$ 38,912,104</u> | <u>\$ 37,601,295</u> | <u>\$ 37,139,688</u> |

See Notes to the Financial Statements

Combined Statement of Revenues, Expenses and Changes in Net Position
For the Years Ended December 31, 2014, 2013, 2012, 2011, 2010

CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT

| | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> | <u>2010</u> |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| OPERATING REVENUES | | | | | |
| Electric Sales | \$ 13,838,129 | \$ 13,387,324 | \$ 13,875,019 | \$ 12,981,430 | \$ 12,756,781 |
| Water Sales | 2,679,555 | 2,694,827 | 2,334,738 | 1,913,119 | 1,838,719 |
| Penalty Charges | 104,116 | 94,325 | 100,091 | 79,994 | 89,072 |
| Other Income | 118,405 | 111,618 | 92,644 | 19,039 | 145,095 |
| Total | <u>16,740,205</u> | <u>16,288,094</u> | <u>16,402,492</u> | <u>14,993,583</u> | <u>14,829,669</u> |
| OPERATING EXPENSES | | | | | |
| Cost of Sales and Services | 12,101,216 | 11,715,457 | 12,110,564 | 10,830,560 | 10,550,516 |
| Administration | 1,134,974 | 835,894 | 747,893 | 794,786 | 704,576 |
| Depreciation | 1,632,657 | 1,593,190 | 1,472,148 | 1,459,119 | 1,427,613 |
| Taxes and Tax Equivalents | 1,218,637 | 1,190,529 | 1,219,013 | 1,279,383 | 1,159,138 |
| Total | <u>16,087,484</u> | <u>15,335,070</u> | <u>15,549,618</u> | <u>14,363,848</u> | <u>13,841,843</u> |
| OPERATING INCOME | <u>652,721</u> | <u>953,024</u> | <u>852,874</u> | <u>629,734</u> | <u>987,825</u> |
| NONOPERATING REVENUES (EXPENSES) | | | | | |
| Investment Income | 392,825 | (218,396) | 208,272 | 289,138 | 294,296 |
| Gain on Disposal of Assets | - | - | - | - | 3,600 |
| Interest Expenses | - | (215) | (337) | (450) | (22,100) |
| Total | <u>392,825</u> | <u>(218,610)</u> | <u>207,936</u> | <u>288,689</u> | <u>275,798</u> |
| INCOME BEFORE CAPITAL CONTRIBUTIONS & TRANSFERS | 1,045,546 | 734,413 | 1,060,809 | 918,421 | 1,263,618 |
| TRANSFERS IN | 281,294 | - | 2,000,000 | - | 400,000 |
| TRANSFERS OUT | <u>(421,402)</u> | <u>(294,639)</u> | <u>(1,750,000)</u> | <u>(456,816)</u> | <u>(634,384)</u> |
| CHANGE IN NET POSITION | 905,438 | 439,774 | 1,310,809 | 461,606 | 1,029,235 |
| NET POSITION - JANUARY 1 | <u>39,351,878</u> | <u>38,912,104</u> | <u>37,601,295</u> | <u>37,139,688</u> | <u>36,110,454</u> |
| NET POSITION - DECEMBER 31 | <u>\$ 40,257,317</u> | <u>\$ 39,351,878</u> | <u>\$ 38,912,104</u> | <u>\$ 37,601,295</u> | <u>\$ 37,139,687</u> |

Combined Statement of Cash Flows
For the Years Ended December 31, 2014, 2013, 2012, 2011, 2010

CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT

| | 2014 | 2013 | 2012 | 2011 | 2010 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| Cash flows from operating activities: | | | | | |
| Cash received from customers and users | \$ 15,935,183 | \$ 15,260,814 | \$ 15,971,373 | \$ 14,541,604 | \$ 13,242,991 |
| Cash received from interfund activities | 844,589 | 829,177 | 707,455 | 681,107 | 682,487 |
| Cash paid to suppliers for goods and services | (11,798,796) | (10,109,846) | (10,675,431) | (8,854,432) | (8,954,460) |
| Cash paid for interfund activities | (51,645) | (91,113) | (208,680) | (337,436) | (206,995) |
| Cash paid to employees | (1,768,752) | (2,065,761) | (2,031,224) | (1,973,591) | (1,973,719) |
| Cash paid for taxes and tax equivalents | (1,221,439) | (1,190,529) | (1,219,013) | (1,279,383) | (1,159,138) |
| Other operating revenues (expenses) | 118,405 | 111,619 | 92,644 | 19,039 | 145,095 |
| Net cash provided (used) by operating activities | <u>2,057,545</u> | <u>2,744,362</u> | <u>2,637,124</u> | <u>2,796,908</u> | <u>1,776,263</u> |
| Cash flows from noncapital financing activities: | | | | | |
| Interfund receivable | (133,760) | | | | |
| Interfund payable | 606,821 | 70,814 | 102,927 | 195,160 | 182,501 |
| Operating Transfers from other funds | 114,098 | - | 2,000,000 | - | 400,000 |
| Operating Transfers to other funds | (395,440) | (294,639) | (1,750,000) | (456,816) | (634,384) |
| Net cash provided (used) by noncapital financing activities | <u>191,720</u> | <u>(223,825)</u> | <u>352,927</u> | <u>(261,656)</u> | <u>(51,883)</u> |
| Cash flows from capital and related financing activities: | | | | | |
| Acquisition of capital assets | (1,393,343) | (3,159,659) | (3,142,916) | (1,565,824) | (1,969,946) |
| Proceeds from sale of capital assets | - | - | - | - | 3,600 |
| Customer acquisition costs | - | - | - | - | (83,668) |
| Principal payments on bonds | - | - | - | - | (1,200,000) |
| Interest and fiscal charges on bonds | - | (215) | (337) | (450) | (30,453) |
| Net cash (used) by capital and related financing activities | <u>(1,393,343)</u> | <u>(3,159,874)</u> | <u>(3,143,253)</u> | <u>(1,566,274)</u> | <u>(3,280,467)</u> |
| Cash flows from investing activities: | | | | | |
| Interest received on investments | 392,510 | 127,171 | 230,580 | 297,502 | 316,316 |
| Proceeds from sales and maturities of investments | 192,000 | 3,576,367 | 1,692,000 | 5,399,000 | 5,619,000 |
| Purchase of investments | (1,576,545) | (3,241,000) | (528,858) | (6,213,535) | (4,838,373) |
| Net cash provided (used) by investing activities | <u>(992,035)</u> | <u>462,538</u> | <u>1,393,722</u> | <u>(517,033)</u> | <u>1,096,943</u> |
| Net increase (decrease) in cash and cash equivalents | (136,114) | (176,799) | 1,240,520 | 451,945 | (459,146) |
| Cash and cash equivalents - January 1 | <u>3,888,301</u> | <u>4,065,100</u> | <u>2,824,580</u> | <u>2,372,634</u> | <u>2,831,780</u> |
| Cash and cash equivalents - December 31 | <u>\$ 3,752,187</u> | <u>\$ 3,888,301</u> | <u>\$ 4,065,100</u> | <u>\$ 2,824,580</u> | <u>\$ 2,372,635</u> |
| Reconciliation of operating income to net cash provided (used) by operating activities: | | | | | |
| Operating income | \$ 652,722 | \$ 953,025 | \$ 852,874 | \$ 629,734 | \$ 987,824 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | | | |
| Depreciation | 1,632,657 | 1,593,190 | 1,472,149 | 1,459,119 | 1,427,613 |
| Changes in assets and liabilities: | | | | | |
| Accounts receivable | 159,888 | (92,135) | 370,680 | 243,218 | (755,640) |
| Materials & supplies | 21,484 | 157,732 | (127,182) | 129,731 | 115,838 |
| Prepaid items | 49,357 | (35,959) | 40,081 | (15,694) | (8,464) |
| Due from other government units | (6,067) | - | (807) | - | - |
| Accounts payable | (508,359) | 137,011 | 221,731 | 86,582 | 70,119 |
| Retainage payable | 6,838 | - | - | - | - |
| Accrued payroll | 10,541 | 14,903 | 3,895 | 5,944 | 5,455 |
| Accrued vacation | 13,492 | (471) | 6,980 | 14,723 | 379 |
| Accrued compensated absences | 23,644 | 17,306 | 3,517 | 38,753 | (64,355) |
| Due to other funds | - | - | (207,873) | 207,876 | - |
| Due to other government units | (2,802) | (5,890) | 2,779 | (8,031) | 947 |
| Customer deposits | 4,150 | 5,650 | (1,700) | 4,950 | (3,454) |
| Net cash provided (used) by operating activities | <u>\$ 2,057,545</u> | <u>\$ 2,744,362</u> | <u>\$ 2,637,124</u> | <u>\$ 2,796,908</u> | <u>\$ 1,776,263</u> |
| Schedule of noncash investing, capital and financing activities: | | | | | |
| Increase (decrease) in fair value of investments | \$ - | \$ (337,633) | \$ 6,436 | \$ 6,436 | \$ (9,347) |
| Capital contributions | - | - | - | - | - |
| Cash and cash equivalents are shown on the balance sheet under the following captions: | | | | | |
| Cash and cash equivalents | 3,664,237 | 3,804,501 | 3,986,950 | 2,744,730 | 2,297,735 |
| Restricted assets | 87,950 | 83,800 | 78,150 | 79,850 | 74,900 |
| Cash and cash equivalents - December 31 | <u>\$ 3,752,187</u> | <u>\$ 3,888,301</u> | <u>\$ 4,065,100</u> | <u>\$ 2,824,580</u> | <u>\$ 2,372,635</u> |

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements include only the activities of the Water and Light Department. The Water and Light Department accounts for its activities in two enterprise funds, with each fund distinguished by the type of services provided to the city. These funds are reported separately from other city funds in order to provide meaningful information to the management of the Water and Light Department.

The accounting policies of the City of East Grand Forks Water and Light Department conform to accounting principles generally accepted in the United States of America applicable to governmental units. The following is a summary of significant accounting policies:

A. Basis of Presentation

The Water Fund and the Electric Fund are both proprietary funds. Proprietary funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the same time liabilities are incurred.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing or delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the utility funds are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, taxes and tax equivalents, and depreciation of capital assets.

When both restricted and unrestricted resources are available for use, it is the Department's policy to use restricted resources first, then unrestricted resources as they are needed.

Proprietary funds include the following fund types:

B. Cash (including cash equivalents) and Investments

For purposes of the statement of cash flows, the Water and Light Department considers cash on hand, demand deposit accounts, money market savings accounts, and non-negotiable certificates of deposit as cash and cash equivalents.

Investments are reported at fair value. The Minnesota Municipal Investment Pool is an external investment pool not registered with the Securities Exchange Commission (SEC) that follows the same regulatory rules of the SEC under Rule 2.a.7. The fair value of the city's position is the same value as the pool shares.

C. Accounts Receivable

Accounts (trade) receivable are carried at original billing amount less an estimate made for doubtful receivables based on a review of all outstanding amounts on a regular basis. Management determines the allowance for doubtful accounts by identifying troubled accounts and by using historical experience applied to an aging of accounts. Trade receivables are written off when deemed uncollectible. Recoveries of trade receivables previously written off are recorded when received.

A receivable is considered past due if any portion of the receivable balance is outstanding for more than 30 days. Interest is charged on receivables that are outstanding for more than 30 days. Accrual of interest is not suspended until a receivable is determined to be uncollectible.

D. Short-Term Inter-Fund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet. Short-term inter-fund loans are classified as "inter-fund receivables/ payables".

E. Inventories

Inventories are carried at the lower of cost (first-in, first-out) or market.

F. Property, Plant and Equipment

Property, plant, and equipment are carried at cost less accumulated depreciation computed on the straight-line method. They are depreciated over their estimated useful lives as follows:

| | <u>Lives</u> |
|---------------------------------|------------------|
| Buildings, Structures, etc. | 66 years maximum |
| Distribution Systems | 20-50 years |
| Meters, Machinery and Equipment | 5-10 years |
| Automotive Equipment | 3-10 years |
| Office Equipment | 5-10 years |

When property, plant, and equipment assets are deleted, the related cost and accumulated depreciation are removed. Any resulting gains or losses are included in non-operating revenues or expenses. The capitalization threshold for assets is \$5,000.

G. Customer Acquisition Costs

The Department purchases electric and water service territories. Accordingly, under GAAP, as codified by FASB, Goodwill and Other Intangible Assets, the Department will periodically reassess the useful life of these costs (and all other capital asset costs) to determine if any impairment losses should be recognized.

H. Revenue Recognition

Revenues from electric energy sales are reflected in the accounts only at the time meters are read. Accordingly, the revenues related to energy delivered, but not metered, are not accrued. The City has three billing cycles per month: North End, South End, and Large Commercial Electric. The North End cycle is billed at the end of each month, with meter readings taken between the 11th and 25th day of the same month. The South End cycle is billed in the middle of each month, with meter readings taken between the 26th of the previous month and the 10th day of the current billing month. The Large Commercial Electric cycle is billed in the middle of the month, with meter readings taken on the last day of the previous month. Large Commercial Electric sales revenues are accrued to the month of the meter readings. North End and South End sales revenues are recognized in the month billed, which is consistent with current and past revenue recognition practices.

I. Power Cost

Wholesale power suppliers bill monthly on meter readings taken at the end of each month. The expense related to power delivered is the accrued amount billed by the supplier.

J. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Ultimate results could differ from those estimates.

K. Sales Tax

Sales taxes collected from customers and remitted to taxing authorities are excluded from revenues and cost of sales, respectively.

L. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resource (expense/expenditure) until then. The Department does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The Department does not have any items that qualify for reporting in this category.

M. Net Position

Net position represents the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources in the financial statements. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any long-term debt attributable to the acquisition, construction, or improvement of those assets. Restricted Net Position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Unrestricted Net Position is the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

NOTE 2 CASH AND INVESTMENTS

Cash and investments as of December 31, 2014, are classified in the accompanying financial statements as follows:

Statement of net position:

| | |
|---------------------------------------|----------------------|
| Cash and cash equivalents | \$ 3,664,237 |
| Investments | 8,557,974 |
| Restricted cash and cash equivalents: | |
| Cash in customer deposits | <u>87,950</u> |
| Total cash and investments | <u>\$ 12,310,161</u> |

Cash and investments as of December 31, 2014, consist of the following:

Cash:

| | |
|--------------------------------------|----------------------|
| Cash on hand | \$ 1,300 |
| Deposits with financial institutions | 1,825,379 |
| Cash equivalents: | |
| 4M Local Government Investment Pool | 1,697,925 |
| Money Market Funds | 227,583 |
| Investments: | |
| Various | <u>8,557,974</u> |
| Total cash and investments | <u>\$ 12,310,161</u> |

Investments Authorized by Minnesota Statutes and the City's Investment Policy

The table below identifies the investment types that are authorized for the City by Minnesota State statute. The City's investment policy does not restrict investment types beyond the limits set forth by state statute. The table also identifies any provisions in state statutes that address interest rate risk, credit risk, and concentration risk. This table also applies to investments of debt proceeds held by bond trustees that are governed by provisions of debt agreements and similarly restricted by state statute.

| <u>Authorized Investment Type</u> | <u>Maximum Maturity</u> | <u>Maximum Percentage of Portfolio</u> | <u>Maximum Investment in One Issuer</u> |
|-------------------------------------|-------------------------|--|---|
| U.S. Treasury Obligations | None | None | None |
| U.S. Agency Securities | None | None | None |
| Banker's Acceptances | None | None | None |
| Commercial Paper | 270 days | None | None |
| Negotiable Certificates of Deposits | None | None | \$250,000 |
| MN State or Municipal Obligations | None | None | None |
| Repurchase Agreements | None | None | None |

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. As of December 31, 2014, the Department's investments in U.S. Agencies are rated AAA by Standard & Poor's and Aaa by Moody's Investors Service. The city's investments in negotiable certificates of deposit are below the F.D.I.C. \$250,000 insurance limit per institution. The local government investment pool is not rated.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rate will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value is to changes in market interest rates. One way the Department manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments. The city also manages this risk by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide cash flow and liquidity for operations. Further, the Department purchases some securities that have interest rates that step-up over time. The Department monitors the interest rate risk inherent in its portfolio by measuring the weighted average maturity of its portfolio. The city has no specific limitations with respect to this metric.

| <u>Investment Type</u> | <u>Fair Value</u> | <u>Weighted Avg. Maturity (in years)</u> |
|--|--------------------|--|
| Federal Agencies: | | |
| Federal Home Loan Mortgage | \$2,398,529 | 8.30 |
| Fannie Mae | 979,650 | 10.54 |
| Non-negotiable certificates of deposit | 100,200 | 1.00 |
| Negotiable certificates of deposit | <u>5,079,595</u> | 3.10 |
| | <u>\$8,557,974</u> | |

Concentration of Credit Risk

State statutes contain no limitations on the amount that can be invested in any one issuer. Investments in any one issuer representing 5% or more of the Department's total investments are as follows:

| <u>Investment Type</u> | <u>Fair Value</u> | <u>Percent of Investment Portfolio</u> |
|----------------------------|-------------------|--|
| Federal Agencies: | | |
| Federal Home Loan Mortgage | 2,398,529 | 19.48% |
| Fannie Mae | 979,650 | 7.96% |

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. Minnesota statutes do not contain legal requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: Minnesota statutes require that all Department deposits be protected by insurance, surety bond, or collateral. The market value of the collateral must be a minimum of 110% of deposits not covered by insurance or bonds (140% in the case of mortgage backed collateral). Authorized collateral includes the legal investment described earlier, as well as certain first mortgage notes, and certain other state or local obligations. Minnesota statutes require that securities pledged as collateral be held in safekeeping by the clerk-treasurer or in a financial institution other than that furnishing the collateral.

The Department was adequately collateralized throughout the year.

NOTE 3 ACCOUNTS RECEIVABLE

An analysis of the accounts receivable at December 31, 2014, 2013, 2012, 2011, and 2010, is as follows:

| | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> | <u>2010</u> |
|------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Current | \$ 1,402,016 | \$ 1,560,977 | \$ 1,471,388 | \$ 1,807,888 | \$ 1,362,541 |
| Delinquent: | | | | | |
| South end | 17,606 | 30,399 | 23,548 | 44,645 | 51,808 |
| North end | 14,581 | 34,540 | 38,845 | 51,928 | 93,800 |
| Large Commercial | <u>31,825</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>639,530</u> |
| | <u>\$ 1,466,028</u> | <u>\$ 1,625,916</u> | <u>\$ 1,533,781</u> | <u>\$ 1,904,461</u> | <u>\$ 2,147,679</u> |

In 2009, \$1,275,000 was lent to finance special assessment projects that will be repaid over the next 15 years with annual payments of \$116,689 which includes 4.25% interest. The balance on this receivable is \$1,070,827 at year end.

NOTE 4 DEFINED BENEFIT PENSION PLANS - STATEWIDE**A. Plan Description**

All full-time and certain part-time employees of the City of East Grand Forks are covered by defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the General Employees Retirement Fund (GERF) which is a cost-sharing multiple-employer retirement plan. This plan is established and administered in accordance with Minnesota Statutes, Chapters 353 and 356.

GERF members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security and Basic Plan members are not. All new members must participate in the Coordinated Plan.

PERA provides retirement benefits as well as disability benefits to members, and benefits to survivors upon death of eligible members. Benefits are established by State Statute, and vest after three years of credited service. The defined retirement benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination.

Two methods are used to compute benefits for PERA's Coordinated and Basic Plan members. The retiring member receives the higher of step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Basic Plan member is 2.2 percent of average salary for each of the first 10 years of service and 2.7 percent for each remaining year. The annuity accrual rate for Coordinated Plan members is 1.2 percent of average salary for each of the first 10 years and 1.7 percent for each remaining year. Using Method 2, the annuity accrual rate is 2.7 percent of average salary for Basic Plan members and 1.7 percent for Coordinated Plan members. For GERF members hired prior to July 1, 1989 whose annuity is calculated using Method 1, a full annuity is available when age plus years of service equal 90. Normal retirement age is 65 for Basic and Coordinated members hired prior to July 1, 1989. Normal retirement age is the age for unreduced Social Security benefits capped at 66 for Coordinated Plan members hired on or after July 1, 1989. A reduced retirement annuity is also available to eligible members seeking early retirement.

There are different types of annuities available to members upon retirement. A single-life annuity is a lifetime annuity that ceases upon the death of the retiree -- no survivor annuity is payable. There are also various types of joint and survivor annuity options available which will be payable over joint lives. Members may also leave their contributions in the fund upon termination of public service in order to qualify for a deferred annuity at retirement age. Refunds of contributions are available at any time to members who leave public service, but before retirement benefits begin.

The benefit provisions stated in the previous paragraphs of this section are current provisions and apply to active plan participants.

PERA issues a publicly available financial report that includes financial statements and required supplementary information for GERF. That report may be obtained on the internet at www.mnpera.org, by writing to PERA, 60 Empire Drive #200, St. Paul, Minnesota 55103-2088 or by calling (651) 296-7460 or 1-800-652-9026.

B. Funding Policy

Minnesota Statutes Chapter 353 sets the rates for employer and employee contributions. These statutes are established and amended by the state legislature. The Water & Light Department makes annual contributions to the pension plans equal to the amount required by state statutes. GERF Basic Plan members and Coordinated Plan members are required to contribute 9.10% and 6.25%, respectively, of their annual covered salary. In 2014, the Water & Light Department was required to contribute the following percentages of annual covered payroll: 9.10% for Basic Plan members and 8.75% for Coordinated Plan members. The Department's contributions to the Public Employees Retirement Fund for the years ended December 31, 2014, 2013, 2012, 2011, and 2010 were \$124,162, \$116,595, \$114,268, \$114,611, and \$105,341, respectively. The Department's contributions were equal to the contractually required contributions for each year as set by state statute.

NOTE 5 VACATION, SEVERANCE AND SICK TIME PAY

Vacation pay is charged to expense in the year earned and unused vacation amounts are carried forward. Upon resignation, employees are paid for accumulated unused vacation. The liability for accumulated vacation at December 31, 2014 for the last five years is as follows:

| | |
|------|------------|
| 2014 | \$ 108,780 |
| 2013 | 95,294 |
| 2012 | 95,765 |
| 2011 | 88,785 |
| 2010 | 74,062 |

Sick leave may be accumulated indefinitely, and is charged to expense in the year earned. Upon retirement, death, or disability, employees are paid accumulated unused sick leave, not exceeding 160 days. Upon resignation, department heads and nonunion employees receive 100% of accumulated sick leave not exceeding 160 days, and union employees receive 100% of accumulated sick leave not exceeding 120 days.

The liability for accumulated sick leave at December 31, 2014 for the last five years is as follows:

| | |
|------|------------|
| 2014 | \$ 454,612 |
| 2013 | 430,968 |
| 2012 | 413,662 |
| 2011 | 410,145 |
| 2010 | 371,392 |

Employees who have accumulated 120 days of sick leave may sell back to the City at current compensation rates, 50 percent of the unused sick pay accumulated during the year. The amount of sick leave sold back for the last five years is as follows:

| | |
|------|----------|
| 2014 | \$ 6,437 |
| 2013 | 9,041 |
| 2012 | 7,900 |
| 2011 | 9,913 |
| 2010 | 10,452 |

NOTE 6 LONG-TERM DEBT

GENERAL OBLIGATION REVENUE BONDS. The City issues general obligation bonds to provide funds for the acquisition and construction of major capital assets. General obligation water revenue bonds have been issued for the construction of the water plant generator addition and for a portion of the distribution service center.

General obligation revenue bonds are direct obligations and, while supported by revenues from proprietary funds, pledge the full faith and credit of the City. These bonds are reported as a liability in the Water Fund.

REVENUE BONDS. The City also issues bonds where the City pledges income derived from the acquired or constructed assets to pay debt service. Electric revenue bonds have been issued for construction of the distribution service center. The distribution service center is a dual-purpose facility supporting the operations of both the water and electric fund.

The following is a summary of changes in long-term liabilities reported in the government-wide financial statement for the years ended December 31, 2014, 2013, 2012, 2011, and 2010:

| | Beginning Balance | Additions | Reduction | Ending Balance | Due within one year |
|----------------------|----------------------|-----------|----------------|-------------------|------------------------|
| 2014 | | | | | |
| Compensated Absences | \$ 430,968 | \$ 23,644 | \$ - | \$ 454,612 | \$ 45,000 |
| Total long-term debt | \$ 430,968 | \$ 23,644 | \$ - | \$ 454,612 | \$ 45,000 |
| 2013 | | | | | |
| Compensated Absences | \$ 413,662 | \$ 17,306 | \$ - | \$ 430,968 | \$ 45,000 |
| Total long-term debt | \$ 413,662 | \$ 17,306 | \$ - | \$ 430,968 | \$ 45,000 |
| 2012 | | | | | |
| Compensated Absences | \$ 410,145 | \$ 3,517 | \$ - | \$ 413,662 | \$ 45,000 |
| Total long-term debt | \$ 410,145 | \$ 3,517 | \$ - | \$ 413,662 | \$ 45,000 |
| 2011 | | | | | |
| Compensated Absences | \$ 371,392 | \$ 38,753 | \$ - | \$ 410,145 | \$ 45,000 |
| Total long-term debt | \$ 371,392 | \$ 38,753 | \$ - | \$ 410,145 | \$ 45,000 |
| 2010 | | | | | |
| Compensated Absences | \$ 435,747 | \$ - | \$ (64,355) | \$ 371,392 | \$ 44,700 |
| Total long-term debt | \$ 1,623,747 | \$ - | \$ (1,252,355) | \$ 371,392 | \$ 44,700 |

NOTE 7 OPERATING TRANSFERS

The Electric Fund transfers out includes capital projects for street lighting, energy conservation, and flood control. Additionally, both un-reimbursed expenses and budgeted general fund support are included in transfers out.

NOTE 8 LEASE COMMITMENTS

At December 31, 2014, 2013, 2012, 2011, and 2010, rental commitments under operating leases were not significant.

NOTE 9 CAPITAL ASSETS

Capital asset activities for the years ended December 31, 2014, 2013, 2012, 2011, and 2010 were as follows:

| | Beginning Balance | Additions | Deletions | Ending Balance |
|-----------------------------------|----------------------|---------------------|-----------------------|----------------------|
| 2014 | | | | |
| Nondepreciable assets: | | | | |
| Land | \$ 349,394 | \$ - | \$ - | \$ 349,394 |
| Construction in progress | - | 1,255,184 | (1,255,184) | - |
| Total nondepreciable | <u>349,394</u> | <u>1,255,184</u> | <u>(1,255,184)</u> | <u>349,394</u> |
| Depreciable assets: | | | | |
| Buildings, systems and structures | 49,938,556 | 1,099,108 | - | 51,037,664 |
| Machinery and equipment | 3,911,787 | 294,236 | - | 4,206,023 |
| Total depreciable | <u>53,850,343</u> | <u>1,393,344</u> | <u>-</u> | <u>55,243,687</u> |
| Less accumulated depreciation | | | | |
| Buildings, systems and structures | (24,030,780) | (1,501,527) | - | (25,532,307) |
| Machinery and equipment | (3,450,271) | (131,133) | - | (3,581,404) |
| Total accumulated depreciation | <u>(27,481,051)</u> | <u>(1,632,660)</u> | <u>-</u> | <u>(29,113,711)</u> |
| Total capital assets, net | <u>\$ 26,718,686</u> | <u>\$ 1,015,868</u> | <u>\$ (1,255,184)</u> | <u>\$ 26,479,370</u> |
| | | | | |
| 2013 | | | | |
| Nondepreciable assets: | | | | |
| Land | \$ 349,394 | \$ - | \$ - | \$ 349,394 |
| Construction in progress | 2,282,420 | - | (2,282,420) | - |
| Total nondepreciable | <u>2,631,814</u> | <u>-</u> | <u>(2,282,420)</u> | <u>349,394</u> |
| Depreciable assets: | | | | |
| Buildings, systems and structures | 44,831,486 | 5,352,621 | (245,551) | 49,938,556 |
| Machinery and equipment | 3,822,330 | 89,457 | - | 3,911,787 |
| Total depreciable | <u>48,653,816</u> | <u>5,442,078</u> | <u>(245,551)</u> | <u>53,850,343</u> |
| Less accumulated depreciation | | | | |
| Buildings, systems and structures | (22,930,891) | (1,345,440) | 245,551 | (24,030,780) |
| Machinery and equipment | (3,202,522) | (247,749) | - | (3,450,271) |
| Total accumulated depreciation | <u>(26,133,413)</u> | <u>(1,593,189)</u> | <u>245,551</u> | <u>(27,481,051)</u> |
| Total capital assets, net | <u>\$ 25,152,217</u> | <u>\$ 3,848,889</u> | <u>\$ (2,282,420)</u> | <u>\$ 26,718,686</u> |

| | Beginning Balance | Additions | Deletions | Ending Balance |
|-----------------------------------|----------------------|---------------------|-----------------------|----------------------|
| 2012 | | | | |
| Nondepreciable assets: | | | | |
| Land | \$ 349,394 | \$ - | \$ - | \$ 349,394 |
| Construction in progress | 851,417 | 3,017,370 | (1,586,367) | 2,282,420 |
| Total nondepreciable | <u>1,200,811</u> | <u>3,017,370</u> | <u>(1,586,367)</u> | <u>2,631,814</u> |
| Depreciable assets: | | | | |
| Buildings, systems and structures | 43,254,515 | 1,576,971 | - | 44,831,486 |
| Machinery and equipment | 3,722,622 | 137,159 | (37,451) | 3,822,330 |
| Total depreciable | <u>46,977,137</u> | <u>1,714,130</u> | <u>(37,451)</u> | <u>48,653,816</u> |
| Less accumulated depreciation | | | | |
| Buildings, systems and structures | (21,619,556) | (1,311,335) | - | (22,930,891) |
| Machinery and equipment | (3,076,943) | (160,815) | 35,236 | (3,202,522) |
| Total accumulated depreciation | <u>(24,696,499)</u> | <u>(1,472,150)</u> | <u>35,236</u> | <u>(26,133,413)</u> |
| Total capital assets, net | <u>\$ 23,481,449</u> | <u>\$ 3,259,350</u> | <u>\$ (1,588,582)</u> | <u>\$ 25,152,217</u> |
| 2011 | | | | |
| Nondepreciable assets: | | | | |
| Land | \$ 349,394 | \$ - | \$ - | \$ 349,394 |
| Construction in progress | 1,191,106 | 851,417 | (1,191,106) | 851,417 |
| Total nondepreciable | <u>1,540,500</u> | <u>851,417</u> | <u>(1,191,106)</u> | <u>1,200,811</u> |
| Depreciable assets: | | | | |
| Buildings, systems and structures | 41,383,056 | 1,871,459 | - | 43,254,515 |
| Machinery and equipment | 3,688,568 | 34,054 | - | 3,722,622 |
| Total depreciable | <u>45,071,624</u> | <u>1,905,513</u> | <u>-</u> | <u>46,977,137</u> |
| Less accumulated depreciation | | | | |
| Buildings, systems and structures | (20,438,303) | (1,181,253) | - | (21,619,556) |
| Machinery and equipment | (2,799,075) | (277,868) | - | (3,076,943) |
| Total accumulated depreciation | <u>(23,237,378)</u> | <u>(1,459,121)</u> | <u>-</u> | <u>(24,696,499)</u> |
| Total capital assets, net | <u>\$ 23,374,746</u> | <u>\$ 1,297,809</u> | <u>\$ (1,191,106)</u> | <u>\$ 23,481,449</u> |
| 2010 | | | | |
| Nondepreciable assets: | | | | |
| Land | \$ 349,394 | \$ - | \$ - | \$ 349,394 |
| Construction in progress | 85,255 | 1,105,851 | - | 1,191,106 |
| Total nondepreciable | <u>434,649</u> | <u>1,105,851</u> | <u>-</u> | <u>1,540,500</u> |
| Depreciable assets: | | | | |
| Buildings, systems and structures | 40,705,182 | 677,874 | - | 41,383,056 |
| Machinery and equipment | 3,617,503 | 186,216 | (115,151) | 3,688,568 |
| Total depreciable | <u>44,322,685</u> | <u>864,090</u> | <u>(115,151)</u> | <u>45,071,624</u> |
| Less accumulated depreciation | | | | |
| Buildings, systems and structures | (19,097,728) | (1,340,575) | - | (20,438,303) |
| Machinery and equipment | (2,827,188) | (87,038) | 115,151 | (2,799,075) |
| Total accumulated depreciation | <u>(21,924,916)</u> | <u>(1,427,613)</u> | <u>115,151</u> | <u>(23,237,378)</u> |
| Total capital assets, net | <u>\$ 22,832,418</u> | <u>\$ 542,328</u> | <u>\$ -</u> | <u>\$ 23,374,746</u> |

NOTE 10 COMMITMENTS AND CONTINGENCIES

The Department has entered into an agreement to acquire electric service territory from Red River Valley Power Coop (RRVPC). The agreement, entered into January 2003, will be in effect as long as agreed upon by both parties. The Department paid to RRVPC the following amounts for electricity sold to the customers in the annexed service territory:

| | |
|------|----------|
| 2014 | \$ 7,990 |
| 2013 | 10,398 |
| 2012 | 12,357 |
| 2011 | 13,203 |
| 2010 | 14,146 |

The Department entered into an agreement in 2004 with PKM to acquire electric service territory. The Department will pay PKM ½ cent per kilowatt hour sold on every meter in the newly acquired area for 10 years. There were payments totaling \$4,623 on this agreement for 2014.

The Department entered into a joint membership agreement with the Minnesota Municipal Power Agency (MMPA) in 2004. The agreement is in effect until December 31, 2040 and requires the Department to purchase all required power above the Western Area Power Association (WAPA) allocation from MMPA.

NOTE 11 CONCENTRATION OF SALES

American Crystal Sugar Company is the Water and Light Department's largest customer, accounting for approximately 50% of its total sales for the electric fund and approximately 25% of the water sales.

NOTE 12 RESTRICTED FUNDS

Bond resolutions in both the Electric Fund and Water Fund require the Department to deposit specific amounts into designated accounts for specified purposes. At December 31, all funds were in compliance with the requirements of the respective bond resolutions. The funds are invested in cash and cash equivalents and restricted for the following purpose:

Debt service funds - These funds include (1) debt service accounts, which are restricted for payment of the current portion of bond principal and interest and (2) debt service reserve accounts, which are to include sufficient funds to cover the maximum annual principal and interest requirements of the respective related issues.

NOTE 13 RISK MANAGEMENT AND LITIGATION

The Department is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For the past several years, the City obtained coverage from commercial insurance companies and has effectively managed risk through various employee education and prevention programs.

Additionally, the Department self-insures the electric distribution assets in the Electric Fund because the deductible for such coverage is \$50,000 per loss for maximum coverage of \$500,000 per loss.

All risk management activities are accounted for in the appropriate fund. Expenditures and claims are recognized when it is probable that a loss has occurred, the amount of the loss can be reasonably estimated, and the loss amount exceeds insurance coverage. In determining claims, events that might create claims, but for which none have been reported, are considered.

The city attorney estimates that the amount of actual or potential claims against the Department as of December 31, 2014 will not materially affect the financial condition of the Department.

Workers compensation coverage is provided through a pooled self-insurance program through the League of Minnesota Cities Insurance Trust (LMCIT). The Department pays an annual premium to LMCIT. If deemed necessary, LMCIT may require the Department to pay supplemental assessments. The LMCIT reinsures through Workers Compensation Reinsurance Association (WCRA) as required by law.

The Department's coverage is retrospectively rated, where final premiums are determined after loss experience is known. Property, casualty, and liability insurances are provided by LMCIT through a pooled self-insurance program. The Department's commercial insurance carrier has no set reserve losses or reserve expenses for claims filed after December 31, 2014, for incidents occurring prior to that date.

There were no significant reductions in insurance from the previous year and there were no settlements in excess of insurance coverage in each of the past three years.

NOTE 14 ARBITRAGE REBATE

In accordance with the provisions of Section 148(f) of the Internal Revenue Code of 1986, as amended, bonds must satisfy certain arbitrage rebate requirements. Positive arbitrage is the excess of (1) the amount earned on investments purchased with bond proceeds or (2) the amount that such investments would have earned had such investments been invested at a rate equal to the yield on the bond issue. In order to comply with the arbitrage rebate requirements, positive arbitrage must be paid to the U.S. Treasury at the end of each five-year anniversary date of the bond issue. As of December 31, 2014 there were no amounts for arbitrage rebates.

NOTE 15 NEW PRONOUNCEMENTS

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, establishes accounting and financial reporting requirements related to pensions for governments whose employees are provided with pensions through pension plans that are covered by the scope of this Statement, as well as for nonemployer governments that have a legal obligation to contribute to those plans. The Statement establishes a definition of a pension plan that reflects the primary activities associated with the pension arrangement determining pensions, accumulating and managing assets dedicated for pensions, and paying benefits to plan members as they come due. GASB 68 is effective for periods beginning after June 15, 2014.

GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, an amendment of GASB Statement No. 68, requires that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning new pension liability. The provisions of this Statement should be applied simultaneously with the provisions of Statement 68 which is effective for periods beginning after June 15, 2014.

Management has not yet determined the effect these statements will have on its financial statements.

Supplementary Section

Combining Statement of Net Position

Combining Statement of Revenues, Expenses and Changes in Net Position

Combining Statement of Cash Flows

**Combining Statement of Net Position
As of December 31, 2014**

(With Comparative totals for December 31, 2013, 2012, 2011, 2010)

**CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT**

| | <u>WATER</u> | <u>ELECTRIC</u> | <u>2014</u> |
|---------------------------------------|----------------------|----------------------|----------------------|
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash and Cash Equivalents | \$ 754,144 | \$ 2,910,093 | \$ 3,664,237 |
| Investments | - | 8,557,974 | 8,557,974 |
| Restricted Cash and Cash Equivalents: | | | |
| Cash in Customer Deposits | - | 87,950 | 87,950 |
| Accounts Receivable | - | 1,466,028 | 1,466,028 |
| Allowance for Doubtful Accounts | - | (48,000) | (48,000) |
| Interest Receivable | - | 24,977 | 24,977 |
| Material Inventory | 96,619 | 784,754 | 881,373 |
| Prepaid Expenses | 849 | 6,715 | 7,564 |
| Interfund Receivable | - | 1,148,309 | 1,148,309 |
| Due from Other Funds | 167,197 | - | 167,197 |
| Due from Other Government Units | 807 | - | 807 |
| Total Current Assets | <u>1,019,616</u> | <u>14,938,800</u> | <u>15,958,416</u> |
| NONCURRENT ASSETS | | | |
| Capital Assets: | | | |
| Land | 44,000 | 305,394 | 349,394 |
| Buildings, Structures, Etc. | 10,661,202 | 9,231,061 | 19,892,263 |
| Distribution Systems | 12,533,305 | 17,784,357 | 30,317,662 |
| Meters | - | 1,232,252 | 1,232,252 |
| Machinery and Equipment | 1,240,142 | 1,107,148 | 2,347,290 |
| Automotive Equipment | 47,162 | 707,599 | 754,761 |
| Office Equipment | 125,799 | 573,660 | 699,459 |
| Construction in Progress | - | - | - |
| Total Capital Assets | <u>24,651,610</u> | <u>30,941,471</u> | <u>55,593,081</u> |
| Less Accumulated Depreciation | <u>(12,848,279)</u> | <u>(16,265,432)</u> | <u>(29,113,711)</u> |
| Total Capital Assets (Net) | <u>11,803,331</u> | <u>14,676,039</u> | <u>26,479,370</u> |
| Deferred Charges | - | - | - |
| Customer Acquisition Costs | <u>83,668</u> | <u>268,106</u> | <u>351,774</u> |
| Total Noncurrent Assets | <u>11,886,999</u> | <u>14,944,145</u> | <u>26,831,144</u> |
| TOTAL ASSETS | <u>\$ 12,906,615</u> | <u>\$ 29,882,945</u> | <u>\$ 42,789,560</u> |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Accounts Payable | \$ 24,792 | \$ 1,101,822 | \$ 1,126,614 |
| Retainage Payable | 3,748 | 3,090 | 6,838 |
| Accrued Payroll | 18,886 | 49,755 | 68,641 |
| Accrued Vacation | 25,377 | 83,403 | 108,780 |
| Accrued Sick Leave | 13,000 | 32,000 | 45,000 |
| Due to Other Government Units | - | 46,025 | 46,025 |
| Due to Other Funds | 25,962 | 606,821 | 632,783 |
| Customer Deposits | - | 87,950 | 87,950 |
| Total Current Liabilities | <u>111,765</u> | <u>2,010,866</u> | <u>2,122,631</u> |
| NONCURRENT LIABILITIES | | | |
| Compensated Absences Payable-Net | <u>72,074</u> | <u>337,538</u> | <u>409,612</u> |
| Total Noncurrent Liabilities | <u>72,074</u> | <u>337,538</u> | <u>409,612</u> |
| TOTAL LIABILITIES | <u>183,839</u> | <u>2,348,404</u> | <u>2,532,243</u> |
| NET POSITION | | | |
| Net Investment in Capital Assets | 11,803,331 | 14,676,039 | 26,479,370 |
| Unrestricted | <u>919,445</u> | <u>12,858,502</u> | <u>13,777,947</u> |
| TOTAL NET POSITION | <u>\$ 12,722,776</u> | <u>\$ 27,534,541</u> | <u>\$ 40,257,317</u> |

**Combining Statement of Net Position
As of December 31, 2014**

(With Comparative totals for December 31, 2013, 2012, 2011, 2010)

**CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT**

| | <u>2013</u> | <u>2012</u> | <u>2011</u> | <u>2010</u> |
|----|---------------------|---------------------|---------------------|---------------------|
| \$ | 3,804,501 | \$ 3,986,950 | \$ 2,744,730 | \$ 2,297,734 |
| | 7,173,317 | 7,846,317 | 9,009,459 | 8,194,924 |
| | 83,800 | 78,150 | 79,850 | 74,900 |
| | 1,625,916 | 1,533,781 | 1,904,461 | 2,147,679 |
| | (48,000) | (48,000) | (48,000) | (48,000) |
| | 24,662 | 32,596 | 54,905 | 63,269 |
| | 902,857 | 1,060,589 | 933,407 | 1,063,138 |
| | 56,921 | 20,962 | 61,043 | 45,349 |
| | 1,008,600 | 1,079,415 | 1,182,341 | 1,377,499 |
| | <u>807</u> | <u>807</u> | <u>-</u> | <u>-</u> |
| | <u>14,633,381</u> | <u>15,591,567</u> | <u>15,922,196</u> | <u>15,216,493</u> |
| | 349,394 | 349,394 | 349,394 | 349,394 |
| | 19,161,332 | 14,765,287 | 14,756,230 | 14,756,230 |
| | 29,129,389 | 28,431,073 | 26,869,699 | 24,996,996 |
| | 1,647,835 | 1,635,126 | 1,629,830 | 1,629,830 |
| | 2,590,235 | 2,580,644 | 2,585,254 | 2,551,201 |
| | 642,179 | 570,337 | 466,019 | 466,019 |
| | 679,373 | 671,349 | 671,349 | 671,349 |
| | - | <u>2,282,420</u> | <u>850,173</u> | <u>1,191,106</u> |
| | 54,199,737 | 51,285,630 | 48,177,948 | 46,612,125 |
| | <u>(27,481,051)</u> | <u>(26,133,413)</u> | <u>(24,696,499)</u> | <u>(23,237,379)</u> |
| | 26,718,686 | 25,152,217 | 23,481,449 | 23,374,746 |
| | - | - | - | - |
| | <u>351,774</u> | <u>351,774</u> | <u>351,774</u> | <u>351,774</u> |
| | <u>27,070,460</u> | <u>25,503,991</u> | <u>23,833,223</u> | <u>23,726,521</u> |
| \$ | <u>41,703,841</u> | <u>41,095,558</u> | <u>39,755,419</u> | <u>38,943,013</u> |
| \$ | 1,634,973 | \$ 1,497,963 | \$ 1,276,231 | \$ 1,189,649 |
| | 58,100 | 43,197 | 39,302 | 33,354 |
| | 95,294 | 95,765 | 88,785 | 74,062 |
| | 45,000 | 45,000 | 45,000 | 44,700 |
| | 48,827 | 54,717 | 51,938 | 59,969 |
| | - | - | 207,873 | - |
| | <u>83,800</u> | <u>78,150</u> | <u>79,850</u> | <u>74,900</u> |
| | <u>1,965,994</u> | <u>1,814,792</u> | <u>1,788,979</u> | <u>1,476,633</u> |
| | <u>385,968</u> | <u>368,662</u> | <u>365,145</u> | <u>326,692</u> |
| | <u>385,968</u> | <u>368,662</u> | <u>365,145</u> | <u>326,692</u> |
| | <u>2,351,962</u> | <u>2,183,454</u> | <u>2,154,124</u> | <u>1,803,326</u> |
| | 26,718,686 | 25,152,217 | 23,481,449 | 23,374,746 |
| | <u>12,633,193</u> | <u>13,759,887</u> | <u>14,119,846</u> | <u>13,764,941</u> |
| \$ | <u>39,351,879</u> | <u>38,912,104</u> | <u>37,601,295</u> | <u>37,139,688</u> |

**Combining Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended December 31, 2014**

(With Comparative totals for December 31, 2013, 2012, 2011, 2010)

**CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT**

| | <u>WATER</u> | <u>ELECTRIC</u> | <u>2014</u> |
|---|----------------------|----------------------|----------------------|
| OPERATING REVENUES | | | |
| Electric Sales | \$ - | \$ 13,838,129 | \$ 13,838,129 |
| Water Sales | 2,679,556 | - | 2,679,556 |
| Penalty Charges | - | 104,116 | 104,116 |
| Other Income | 12,088 | 106,317 | 118,405 |
| Total | <u>2,691,644</u> | <u>14,048,562</u> | <u>16,740,206</u> |
| OPERATING EXPENSES | | | |
| Cost of Sales and Services | 1,379,336 | 10,721,880 | 12,101,216 |
| Administration | 281,295 | 853,679 | 1,134,974 |
| Depreciation | 629,856 | 1,002,801 | 1,632,657 |
| Taxes and Tax Equivalents | - | 1,218,637 | 1,218,637 |
| Total | <u>2,290,487</u> | <u>13,796,997</u> | <u>16,087,484</u> |
| OPERATING INCOME (LOSS) | <u>401,157</u> | <u>251,565</u> | <u>652,722</u> |
| NONOPERATING REVENUES (EXPENSES) | | | |
| Investment Income | - | 392,825 | 392,825 |
| Gain on Disposal of Assets | - | - | - |
| Interest Expenses | - | - | - |
| Total | <u>-</u> | <u>392,825</u> | <u>392,825</u> |
| INCOME BEFORE TRANSFERS | 401,157 | 644,390 | 1,045,547 |
| TRANSFERS IN | - | 281,294 | 281,294 |
| TRANSFERS OUT | <u>-</u> | <u>(421,402)</u> | <u>(421,402)</u> |
| CHANGE IN NET POSITION | 401,157 | 504,282 | 905,439 |
| NET POSITION - JANUARY 1 | <u>12,321,620</u> | <u>27,030,259</u> | <u>39,351,878</u> |
| NET POSITION - DECEMBER 31 | <u>\$ 12,722,777</u> | <u>\$ 27,534,541</u> | <u>\$ 40,257,318</u> |

**Combining Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended December 31, 2014**

(With Comparative totals for December 31, 2013, 2012, 2011, 2010)

**CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT**

| <u>2013</u> | <u>2012</u> | <u>2011</u> | <u>2010</u> |
|----------------------|----------------------|----------------------|----------------------|
| \$ 13,387,324 | \$ 13,875,019 | \$ 12,981,430 | \$ 12,756,781 |
| 2,694,827 | 2,334,738 | 1,913,119 | 1,838,719 |
| 94,325 | 100,091 | 79,994 | 89,072 |
| 111,619 | 92,644 | 19,039 | 145,095 |
| <u>16,288,095</u> | <u>16,402,492</u> | <u>14,993,582</u> | <u>14,829,668</u> |
| 11,715,457 | 12,110,564 | 10,830,560 | 10,550,516 |
| 835,894 | 747,893 | 794,786 | 704,576 |
| 1,593,190 | 1,472,148 | 1,459,119 | 1,427,613 |
| 1,190,529 | 1,219,013 | 1,279,383 | 1,159,138 |
| <u>15,335,070</u> | <u>15,549,618</u> | <u>14,363,848</u> | <u>13,841,843</u> |
| <u>953,025</u> | <u>852,874</u> | <u>629,734</u> | <u>987,825</u> |
| (218,396) | 208,272 | 289,138 | 294,296 |
| - | - | - | 3,600 |
| (215) | (337) | (450) | (22,100) |
| <u>(218,611)</u> | <u>207,935</u> | <u>288,688</u> | <u>275,797</u> |
| 734,414 | 1,060,809 | 918,422 | 1,263,619 |
| - | 2,000,000 | - | 400,000 |
| <u>(294,639)</u> | <u>(1,750,000)</u> | <u>(456,816)</u> | <u>(634,384)</u> |
| 439,775 | 1,310,809 | 461,606 | 1,029,235 |
| <u>38,912,104</u> | <u>37,601,295</u> | <u>37,139,689</u> | <u>36,110,452</u> |
| <u>\$ 39,351,879</u> | <u>\$ 38,912,104</u> | <u>\$ 37,601,295</u> | <u>\$ 37,139,687</u> |

**Combining Statement of Cash Flows
For the Year Ended December 31, 2014**

(With Comparative totals for December 31, 2013, 2012, 2011, 2010)

**CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT**

| | WATER | ELECTRIC | 2014 |
|--|-------------------|---------------------|---------------------|
| Cash flows from operating activities: | | | |
| Cash received from customers and users | \$ 2,632,751 | \$ 13,302,432 | \$ 15,935,183 |
| Cash received from interfund activities | 46,805 | 797,784 | 844,589 |
| Cash paid to suppliers for goods and services | (862,719) | (10,936,077) | (11,798,796) |
| Cash paid for interfund activities | (281,295) | 229,650 | (51,645) |
| Cash paid to employees | (659,939) | (1,108,813) | (1,768,752) |
| Cash paid for taxes and tax equivalents | - | (1,221,439) | (1,221,439) |
| Other operating revenues (expenses) | 12,088 | 106,317 | 118,405 |
| Net cash provided (used) by operating activities | <u>887,691</u> | <u>1,169,854</u> | <u>2,057,545</u> |
| Cash flows from noncapital financing activities: | | | |
| Interfund receivable | | (133,760) | (133,760) |
| Interfund payable | - | 606,821 | 606,821 |
| Operating Transfers from other funds | (167,196) | 281,294 | 114,098 |
| Operating Transfers to other funds | 25,963 | (421,402) | (395,440) |
| Net cash provided (used) by noncapital financing activities | <u>(141,234)</u> | <u>332,953</u> | <u>191,720</u> |
| Cash flows from capital and related financing activities: | | | |
| Acquisition of capital assets | (695,320) | (698,023) | (1,393,343) |
| Proceeds from sale of capital assets | - | - | - |
| Customer acquisition costs | - | - | - |
| Principal payments on bonds | - | - | - |
| Interest and fiscal charges on bonds | - | - | - |
| Net cash (used) by capital and related financing activities | <u>(695,320)</u> | <u>(698,023)</u> | <u>(1,393,343)</u> |
| Cash flows from investing activities: | | | |
| Interest received on investments | - | 392,510 | 392,510 |
| Proceeds from sales and maturities of investments | - | 192,000 | 192,000 |
| Purchase of investments | - | (1,576,545) | (1,576,545) |
| Net cash provided (used) by investing activities | <u>-</u> | <u>(992,035)</u> | <u>(992,035)</u> |
| Net increase (decrease) in cash and cash equivalents | 51,137 | (187,251) | (136,114) |
| Cash and cash equivalents - January 1 | 703,007 | 3,185,294 | 3,888,301 |
| Cash and cash equivalents - December 31 | <u>\$ 754,144</u> | <u>\$ 2,998,043</u> | <u>\$ 3,752,187</u> |
| Reconciliation of operating income to net cash provided (used) by operating activities: | | | |
| Operating income (loss) | \$ 401,157 | \$ 251,565 | \$ 652,722 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | |
| Depreciation | 629,856 | 1,002,801 | 1,632,657 |
| Changes in assets and liabilities: | | | |
| Accounts receivable | - | 159,888 | 159,888 |
| Materials & supplies | 4,915 | 16,569 | 21,484 |
| Prepaid items | 869 | 48,488 | 49,357 |
| Due from other government units | - | (6,067) | (6,067) |
| Accounts payable | (157,048) | (351,311) | (508,359) |
| Accrued payroll | 1,296 | 9,245 | 10,541 |
| Retainage payable | 3,748 | 3,090 | 6,838 |
| Accrued vacation | (997) | 14,489 | 13,492 |
| Accrued compensated absences | 3,895 | 19,749 | 23,644 |
| Due to other funds | - | - | - |
| Due to other government units | - | (2,802) | (2,802) |
| Customer deposits | - | 4,150 | 4,150 |
| Net cash provided (used) by operating activities | <u>\$ 887,691</u> | <u>\$ 1,169,854</u> | <u>\$ 2,057,545</u> |
| Schedule of noncash investing, capital and financing activities: | | | |
| Increase (decrease) in fair value of investments | \$ - | \$ - | \$ - |
| Cash and cash equivalents are shown on the balance sheet under the following captions: | | | |
| Cash and cash equivalents | 754,144 | 2,910,093 | 3,664,237 |
| Restricted assets | - | 87,950 | 87,950 |
| Cash and cash equivalents - December 31 | <u>\$ 754,144</u> | <u>\$ 2,998,043</u> | <u>\$ 3,752,187</u> |

**Combining Statement of Cash Flows
For the Year Ended December 31, 2014**

(With Comparative totals for December 31, 2013, 2012, 2011, 2010)

**CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT**

| <u>2013</u> | <u>2012</u> | <u>2011</u> | <u>2010</u> |
|---------------------|---------------------|---------------------|---------------------|
| \$ 15,260,814 | \$ 15,971,373 | \$ 14,541,604 | \$ 13,242,991 |
| 829,177 | 707,455 | 681,107 | 682,487 |
| (10,109,846) | (10,675,431) | (8,854,432) | (8,954,460) |
| (91,113) | (208,680) | (337,436) | (206,995) |
| (2,065,761) | (2,031,224) | (1,973,591) | (1,973,719) |
| (1,190,529) | (1,219,013) | (1,279,383) | (1,159,138) |
| <u>111,619</u> | <u>92,644</u> | <u>19,039</u> | <u>145,095</u> |
| <u>2,744,362</u> | <u>2,637,124</u> | <u>2,796,908</u> | <u>1,776,261</u> |
| 70,814 | 102,927 | 195,160 | 182,501 |
| - | 2,000,000 | - | 400,000 |
| <u>(294,639)</u> | <u>(1,750,000)</u> | <u>(456,816)</u> | <u>(634,384)</u> |
| <u>(223,825)</u> | <u>352,927</u> | <u>(261,656)</u> | <u>(51,883)</u> |
| (3,159,659) | (3,142,916) | (1,565,824) | (1,969,946) |
| - | - | - | 3,600 |
| - | - | - | (83,668) |
| - | - | - | (1,200,000) |
| <u>(215)</u> | <u>(337)</u> | <u>(450)</u> | <u>(30,453)</u> |
| <u>(3,159,874)</u> | <u>(3,143,253)</u> | <u>(1,566,274)</u> | <u>(3,280,467)</u> |
| 127,171 | 230,580 | 297,502 | 316,316 |
| 3,576,367 | 1,692,000 | 5,399,000 | 5,619,000 |
| <u>(3,241,000)</u> | <u>(528,858)</u> | <u>(6,213,535)</u> | <u>(4,838,373)</u> |
| <u>462,538</u> | <u>1,393,722</u> | <u>(517,033)</u> | <u>1,096,943</u> |
| (176,799) | 1,240,520 | 451,945 | (459,146) |
| <u>4,065,100</u> | <u>2,824,580</u> | <u>2,372,634</u> | <u>2,831,780</u> |
| <u>\$ 3,888,301</u> | <u>\$ 4,065,100</u> | <u>\$ 2,824,580</u> | <u>\$ 2,372,634</u> |
| \$ 953,025 | \$ 852,874 | \$ 629,734 | \$ 987,824 |
| 1,593,190 | 1,472,149 | 1,459,119 | 1,427,613 |
| (92,135) | 370,680 | 243,218 | (755,640) |
| 157,732 | (127,182) | 129,731 | 115,838 |
| (35,959) | 40,081 | (15,694) | (8,464) |
| - | (807) | - | - |
| 137,011 | 221,731 | 86,582 | 70,119 |
| 14,903 | 3,895 | 5,948 | 5,455 |
| (471) | 6,980 | 14,723 | 379 |
| 17,306 | 3,517 | 38,753 | (64,355) |
| - | (207,873) | 207,876 | - |
| (5,890) | 2,779 | (8,031) | 947 |
| <u>5,650</u> | <u>(1,700)</u> | <u>4,950</u> | <u>(3,454)</u> |
| <u>\$ 2,744,362</u> | <u>\$ 2,637,124</u> | <u>\$ 2,796,909</u> | <u>\$ 1,776,261</u> |
| \$ (337,633) | \$ 6,436 | \$ 6,436 | \$ (9,347) |
| 3,804,501 | 3,986,950 | 2,744,730 | 2,297,734 |
| <u>83,800</u> | <u>78,150</u> | <u>79,850</u> | <u>74,900</u> |
| <u>\$ 3,888,301</u> | <u>\$ 4,065,100</u> | <u>\$ 2,824,580</u> | <u>\$ 2,372,634</u> |

Water Fund

Statement of Net Position

Statement of Revenues, Expenses and Changes in Net Position

Statement of Cash Flows

Statistics

Details of Revenues, Expenses, and Object Codes

**Statement of Net Position – Water Fund
As of December 31, 2014, 2013, 2012, 2011, 2010**

**CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT**

| | 2014 | 2013 | 2012 | 2011 | 2010 |
|--------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| ASSETS | | | | | |
| CURRENT ASSETS | | | | | |
| Cash and Cash Equivalents | \$ 754,144 | \$ 703,007 | \$ 39,647 | \$ - | \$ 143,593 |
| Materials & Supplies | 96,619 | 101,534 | 128,154 | 162,457 | 195,730 |
| Prepaid Expenses | 849 | 1,718 | 16,328 | 14,352 | 334 |
| Due from Other Funds | 167,197 | - | - | - | - |
| Due from Other Government Units | 807 | 807 | 807 | - | - |
| Total Current Assets | <u>1,019,616</u> | <u>807,066</u> | <u>184,936</u> | <u>176,809</u> | <u>339,657</u> |
| NONCURRENT ASSETS | | | | | |
| Capital Assets: | | | | | |
| Land | 44,000 | 44,000 | 44,000 | 44,000 | 44,000 |
| Buildings, Structures, Etc. | 10,661,202 | 9,930,271 | 7,569,447 | 7,560,391 | 7,560,391 |
| Distribution Systems | 12,533,305 | 11,841,706 | 11,527,731 | 11,096,617 | 9,428,444 |
| Meters | - | 419,737 | 414,841 | 414,841 | 414,841 |
| Machinery and Equipment | 1,240,142 | 1,483,087 | 1,473,496 | 1,473,496 | 1,460,821 |
| Automotive Equipment | 47,162 | 111,690 | 111,690 | 111,691 | 111,690 |
| Office Equipment | 125,799 | 125,799 | 117,775 | 117,775 | 117,775 |
| Construction in Progress | - | - | 2,164,186 | 350,423 | 1,191,106 |
| Total Capital Assets | 24,651,610 | 23,956,290 | 23,423,166 | 21,169,234 | 20,329,068 |
| Less Accumulated Depreciation | <u>(12,848,279)</u> | <u>(12,218,421)</u> | <u>(11,667,604)</u> | <u>(11,113,912)</u> | <u>(10,579,789)</u> |
| Total Capital Assets (Net) | 11,803,331 | 11,737,869 | 11,755,562 | 10,055,322 | 9,749,279 |
| Deferred Charges | - | - | - | - | - |
| Customer Acquisition Costs | 83,668 | 83,668 | 83,668 | 83,668 | 83,668 |
| Total Noncurrent Assets | <u>11,886,999</u> | <u>11,821,537</u> | <u>11,839,230</u> | <u>10,138,990</u> | <u>9,832,947</u> |
| TOTAL ASSETS | <u>\$ 12,906,615</u> | <u>\$ 12,628,603</u> | <u>\$ 12,024,166</u> | <u>\$ 10,315,799</u> | <u>\$ 10,172,604</u> |
| LIABILITIES | | | | | |
| CURRENT LIABILITIES | | | | | |
| Accounts Payable | \$ 24,792 | \$ 181,840 | \$ 136,743 | \$ 227,192 | \$ 104,222 |
| Retainage Payable | 3,748 | - | - | - | - |
| Accrued Payroll | 18,886 | 17,590 | 13,135 | 10,827 | 9,528 |
| Accrued Vacation | 25,377 | 26,374 | 25,851 | 20,533 | 17,257 |
| Due to Other Governmental Units | - | - | - | - | - |
| Due To Other Funds | 25,962 | - | - | 207,873 | - |
| Compensated Absences Payable-Current | 13,000 | 13,000 | 13,000 | 13,000 | 13,100 |
| Total Current Liabilities | <u>111,765</u> | <u>238,804</u> | <u>188,729</u> | <u>479,425</u> | <u>144,107</u> |
| NONCURRENT LIABILITIES | | | | | |
| Compensated Absences Payable-Net | 72,074 | 68,179 | 62,152 | 58,013 | 71,811 |
| G.O. Revenue Bonds Payable | - | - | - | - | - |
| Total Noncurrent Liabilities | <u>72,074</u> | <u>68,179</u> | <u>62,152</u> | <u>58,013</u> | <u>71,811</u> |
| TOTAL LIABILITIES | <u>183,839</u> | <u>306,983</u> | <u>250,881</u> | <u>537,438</u> | <u>215,918</u> |
| NET POSITION | | | | | |
| Net Investment in Capital Assets | 11,803,331 | 11,737,869 | 11,755,562 | 10,055,322 | 9,749,279 |
| Unrestricted | 919,445 | 583,751 | 17,723 | (276,961) | 207,406 |
| TOTAL NET POSITION | <u>\$ 12,722,776</u> | <u>\$ 12,321,620</u> | <u>\$ 11,773,285</u> | <u>\$ 9,778,361</u> | <u>\$ 9,956,685</u> |

**Statement of Revenues, Expenses, and
Changes in Net Position – Water Fund
For the Years Ended December 31, 2014, 2013, 2012, 2011, 2010**

**CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT**

| | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> | <u>2010</u> |
|------------------------------------|----------------------|----------------------|----------------------|---------------------|---------------------|
| OPERATING REVENUES | | | | | |
| Water Sales | \$ 2,679,556 | \$ 2,694,827 | \$ 2,334,738 | \$ 1,913,119 | \$ 1,838,719 |
| Other Income | 12,088 | 5,813 | 3,394 | 4,674 | 5,120 |
| Total | <u>2,691,644</u> | <u>2,700,640</u> | <u>2,338,132</u> | <u>1,917,793</u> | <u>1,843,840</u> |
| OPERATING EXPENSES | | | | | |
| Cost of Sales and Services | 1,379,336 | 1,357,426 | 1,543,772 | 1,300,943 | 1,335,407 |
| Administration | 281,295 | 244,062 | 245,745 | 261,053 | 230,789 |
| Depreciation | 629,856 | 550,817 | 553,691 | 534,122 | 527,108 |
| Total | <u>2,290,487</u> | <u>2,152,305</u> | <u>2,343,208</u> | <u>2,096,118</u> | <u>2,093,304</u> |
| OPERATING INCOME (LOSS) | <u>401,157</u> | <u>548,335</u> | <u>(5,076)</u> | <u>(178,324)</u> | <u>(249,465)</u> |
| NONOPERATING REVENUES (EXPENSES) | | | | | |
| Investment Income | - | - | - | - | 8,015 |
| Interest Expenses | - | - | - | - | (21,541) |
| Total | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(13,526)</u> |
| INCOME (LOSS) BEFORE CONTRIBUTIONS | 401,157 | 548,335 | (5,076) | (178,324) | (262,990) |
| CAPITAL CONTRIBUTIONS | - | - | - | - | - |
| TRANSFERS IN | <u>-</u> | <u>-</u> | <u>2,000,000</u> | <u>-</u> | <u>400,000</u> |
| CHANGE IN NET POSITION | 401,157 | 548,335 | 1,994,924 | (178,324) | 137,010 |
| NET POSITION - JANUARY 1 | <u>12,321,620</u> | <u>11,773,285</u> | <u>9,778,361</u> | <u>9,956,686</u> | <u>9,819,676</u> |
| NET POSITION - DECEMBER 31 | <u>\$ 12,722,777</u> | <u>\$ 12,321,620</u> | <u>\$ 11,773,285</u> | <u>\$ 9,778,361</u> | <u>\$ 9,956,686</u> |

**Statement of Cash Flows – Water Fund
For the Years Ended December 31, 2014, 2013, 2012, 2011, 2010**

**CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT**

| | 2014 | 2013 | 2012 | 2011 | 2010 |
|---|-------------------|---------------------|--------------------|-------------------|--------------------|
| Cash flows from operating activities: | | | | | |
| Cash received from customers and users | \$ 2,632,751 | \$ 2,636,739 | \$ 2,277,334 | \$ 1,852,720 | \$ 1,780,587 |
| Cash received from interfund activities | 46,805 | 58,089 | 57,404 | 60,399 | 58,132 |
| Cash paid to suppliers for goods and services | (862,719) | (603,517) | (942,363) | (567,776) | (799,269) |
| Cash paid for interfund activities | (281,295) | (258,201) | (469,985) | (64,781) | (112,213) |
| Cash paid to employees | (659,939) | (642,439) | (632,206) | (588,663) | (637,526) |
| Other operating revenues (expenses) | 12,088 | 5,813 | 3,394 | 4,674 | 5,120 |
| Net cash provided (used) by operating activities | <u>887,691</u> | <u>1,196,484</u> | <u>293,578</u> | <u>696,573</u> | <u>294,831</u> |
| Cash flows from noncapital financing activities: | | | | | |
| Interfund receivable | (167,196) | - | - | - | - |
| Interfund payable | 25,963 | - | - | - | - |
| Transfers from other funds | - | - | 2,000,000 | - | 400,000 |
| Net cash provided (used) by noncapital financing activities | <u>(141,234)</u> | <u>-</u> | <u>2,000,000</u> | <u>-</u> | <u>400,000</u> |
| Cash flows from capital and related financing activities: | | | | | |
| Acquisition of capital assets | (695,320) | (533,124) | (2,253,931) | (840,166) | (1,105,852) |
| Purchase of Customer Acquisition Costs | - | - | - | - | (83,668) |
| Principal payments on bonds | - | - | - | - | (1,200,000) |
| Interest and fiscal charges on bonds | - | - | - | - | (29,894) |
| Net cash (used) by capital and related financing activities | <u>(695,320)</u> | <u>(533,124)</u> | <u>(2,253,931)</u> | <u>(840,166)</u> | <u>(2,419,414)</u> |
| Cash flows from investing activities: | | | | | |
| Interest received on investments | - | - | - | - | 8,016 |
| Net cash provided (used) by investing activities | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>8,016</u> |
| Net increase (decrease) in cash and cash equivalents | 51,137 | 663,360 | 39,647 | (143,593) | (1,716,567) |
| Cash and cash equivalents - January 1 | <u>703,007</u> | <u>39,647</u> | <u>-</u> | <u>143,593</u> | <u>1,860,160</u> |
| Cash and cash equivalents - December 31 | <u>\$ 754,144</u> | <u>\$ 703,007</u> | <u>\$ 39,647</u> | <u>\$ -</u> | <u>\$ 143,593</u> |
| Reconciliation of operating income to net cash provided (used) by operating activities: | | | | | |
| Operating income (loss) | \$ 401,157 | \$ 548,335 | \$ (5,076) | \$ (178,324) | \$ (249,465) |
| Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities: | | | | | |
| Depreciation | 629,856 | 550,817 | 553,692 | 534,122 | 527,108 |
| Changes in assets and liabilities: | | | | | |
| Materials & supplies | 4,915 | 26,620 | 34,303 | 33,272 | 336 |
| Prepaid items | 869 | 14,610 | (1,976) | (14,018) | (10) |
| Due from other government units | - | - | (807) | - | - |
| Accounts payable | (157,048) | 45,097 | (90,450) | 122,970 | 66,248 |
| Retainage payable | 3,748 | - | - | - | - |
| Accrued payroll | 1,296 | 4,455 | 2,308 | 1,299 | 564 |
| Accrued vacation | (997) | 523 | 5,318 | 3,276 | (68) |
| Accrued compensated absences | 3,895 | 6,027 | 4,139 | (13,898) | (49,883) |
| Due to other funds | - | - | (207,873) | 207,875 | - |
| Net cash provided (used) by operating activities | <u>\$ 887,691</u> | <u>\$ 1,196,484</u> | <u>\$ 293,578</u> | <u>\$ 696,573</u> | <u>\$ 294,831</u> |
| Schedule of noncash investing, capital and financing activities: | | | | | |
| Capital contributions | \$ - | \$ - | \$ - | \$ - | \$ 63,336 |
| Cash and cash equivalents are shown on the balance sheet under the following captions: | | | | | |
| Cash and cash equivalents | 754,144 | 703,007 | 39,647 | - | 143,593 |
| Restricted assets | - | - | - | - | - |
| Cash and cash equivalents - December 31 | <u>\$ 754,144</u> | <u>\$ 703,007</u> | <u>\$ 39,647</u> | <u>\$ -</u> | <u>\$ 143,593</u> |

Statistics
For the Years Ended December 31, 2014, 2013, 2012, 2011, 2010

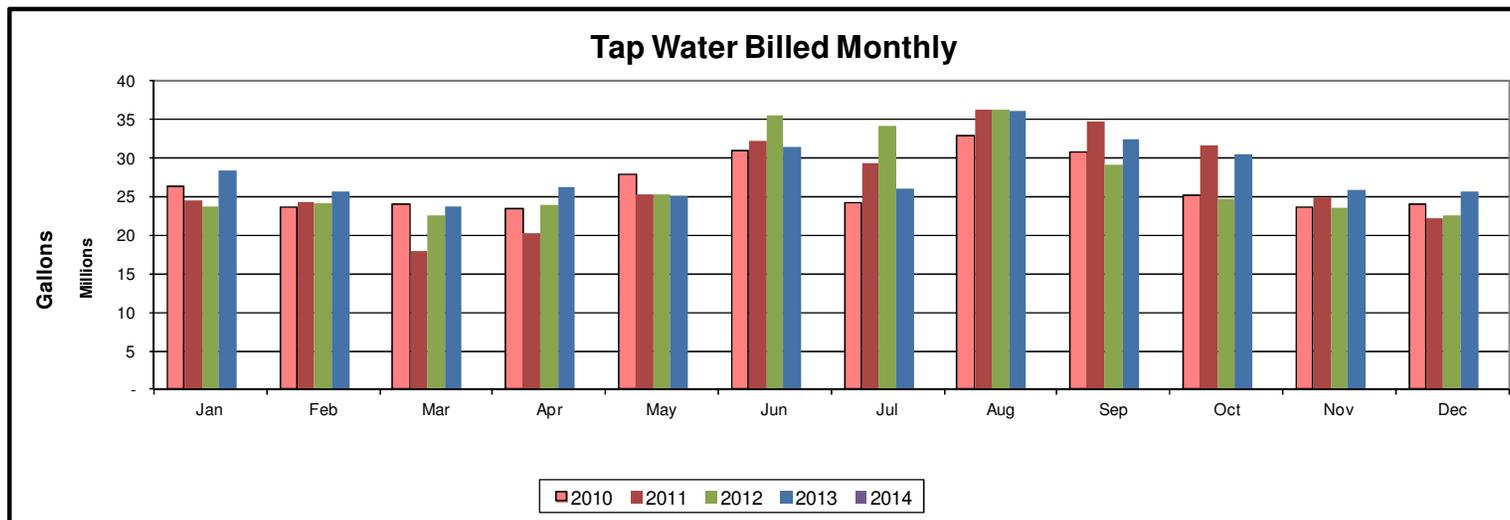
CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT

| | 2014 | | | 2013 | | | 2012 | | | 2011 | | | 2010 | | |
|--------------------------------------|--------------------|--------------------|---------------------|--------------------|--------------------|---------------------|--------------------|--------------------|---------------------|--------------------|--------------------|---------------------|--------------------|--------------------|---------------------|
| | Quantity (gallons) | Amount | Amount Per Thousand | Quantity (gallons) | Amount | Amount Per Thousand | Quantity (gallons) | Amount | Amount Per Thousand | Quantity (gallons) | Amount | Amount Per Thousand | Quantity (gallons) | Amount | Amount Per Thousand |
| Water Division Sales | | | | | | | | | | | | | | | |
| Residential | 118,738,400 | \$778,539 | \$6.557 | 111,370,722 | \$810,859 | \$7.281 | 113,116,106 | \$673,495 | \$5.954 | 112,816,254 | \$588,284 | \$5.215 | 114,205,718 | \$554,309 | \$4.854 |
| Apartment | 48,121,000 | 309,552 | \$6.433 | 51,686,000 | 328,090 | \$6.348 | 49,977,000 | 303,649 | \$6.076 | 45,528,000 | 225,367 | \$4.950 | 46,844,000 | 227,234 | \$4.851 |
| Sprinkling | | | | 18,286,678 | | | 19,384,594 | 111,377 | \$5.746 | 11,105,946 | 54,974 | \$4.950 | 14,576,282 | 70,695 | \$4.850 |
| Commercial | 170,528,300 | 1,223,723 | \$7.176 | 178,844,500 | 1,212,036 | \$6.777 | 143,772,900 | 946,137 | \$6.581 | 154,470,100 | 764,832 | \$4.951 | 142,209,200 | 689,762 | \$4.850 |
| Customer Charge - Residential | | 261,587 | | | 243,302 | | | 207,266 | | | 193,340 | | | 209,700 | |
| Apartment | | 22,584 | | | 20,494 | | | 19,006 | | | 17,816 | | | 17,814 | |
| Commercial | | 83,570 | | | 80,047 | | | 73,808 | | | 68,505 | | | 69,205 | |
| Total | 337,387,700 | \$2,679,555 | \$7.942 | 360,187,900 | \$2,694,827 | \$7.482 | 326,250,600 | \$2,334,738 | \$7.156 | 323,920,300 | \$1,913,119 | \$5.906 | 317,835,200 | \$1,838,719 | \$5.785 |
| Other Operating Revenue | | | | | | | | | | | | | | | |
| Remote Connections & Other | | \$ 12,088 | | | \$ 5,813 | | | \$ 3,394 | | | \$ 4,674 | | | \$ 5,120 | |
| Total | | 12,088 | | | 5,813 | | | 3,394 | | | 4,674 | | | 5,120 | |
| Total Operating Revenue | | \$2,691,643 | | | \$2,700,639 | | | \$2,338,132 | | | \$1,917,793 | | | \$1,843,840 | |
| Percent of Operating Revenues | | | | | | | | | | | | | | | |
| | | 2014 | | | 2013 | | | 2012 | | | 2011 | | | 2010 | |
| | | Amount | Percent |
| Operating Revenues | | \$2,691,643 | 100.0% | | \$2,700,639 | 100.0% | | \$2,338,132 | 100.0% | | \$1,917,793 | 100.0% | | \$1,843,840 | 100.0% |
| Treatment Cost | | 1,184,609 | 44.0% | | 1,062,080 | 39.3% | | 987,811 | 42.2% | | 1,014,462 | 52.9% | | 1,030,335 | 55.9% |
| Treatment Cost Margin | | 1,507,034 | 56.0% | | 1,638,559 | 60.7% | | 1,350,321 | 57.8% | | 903,331 | 47.1% | | 813,505 | 44.1% |
| Distribution Cost | | 697,060 | 25.9% | | 727,118 | 26.9% | | 946,105 | 40.5% | | 674,257 | 35.2% | | 690,919 | 37.5% |
| Gross Margin | | 809,974 | 30.1% | | 911,441 | 33.7% | | 404,216 | 17.3% | | 229,074 | 11.9% | | 122,585 | 6.6% |
| Administrative and Customer Cost | | 408,818 | 15.2% | | 363,107 | 13.4% | | 409,292 | 17.5% | | 407,399 | 21.2% | | 372,050 | 20.2% |
| Operating Income (Loss) | | \$401,156 | 14.9% | | \$548,335 | 20.3% | | (\$5,076) | -0.2% | | (\$178,325) | -9.3% | | (\$249,465) | -13.5% |

Statistics
For the Years Ended December 31, 2014, 2013, 2012, 2011, 2010

CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT

| 2014 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total |
|--------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
| Residential | 9,812,700 | 9,280,800 | 8,275,200 | 9,346,200 | 9,238,300 | 10,698,400 | 10,517,700 | 12,807,400 | 10,947,000 | 9,456,300 | 9,179,400 | 9,179,000 | 118,738,400 |
| Apartment | 4,008,000 | 4,086,000 | 3,705,000 | 4,140,000 | 3,998,000 | 4,122,000 | 3,985,000 | 4,088,000 | 4,100,000 | 3,849,000 | 3,923,000 | 4,117,000 | 48,121,000 |
| Sprinkling | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Commercial | 14,581,400 | 12,238,600 | 11,807,800 | 12,880,700 | 11,929,200 | 16,622,300 | 11,498,700 | 19,240,300 | 17,455,500 | 17,251,100 | 12,702,300 | 12,320,400 | 170,528,300 |
| Total | 28,402,100 | 25,605,400 | 23,788,000 | 26,366,900 | 25,165,500 | 31,442,700 | 26,001,400 | 36,135,700 | 32,502,500 | 30,556,400 | 25,804,700 | 25,616,400 | 337,387,700 |
| 2013 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total |
| Residential | 10,106,100 | 9,505,500 | 8,437,900 | 9,503,100 | 5,896,354 | 7,008,963 | 9,674,014 | 11,526,184 | 10,774,407 | 10,168,400 | 9,512,400 | 9,257,400 | 111,370,722 |
| Apartment | 4,343,000 | 4,475,000 | 3,921,000 | 4,418,000 | 4,594,000 | 4,821,000 | 4,380,000 | 4,710,000 | 4,478,000 | 3,959,000 | 3,903,000 | 3,684,000 | 51,686,000 |
| Sprinkling | - | - | - | - | 3,639,546 | 3,646,837 | 3,655,586 | 3,678,916 | 3,665,793 | - | - | - | 18,286,678 |
| Commercial | 12,991,200 | 14,821,700 | 14,967,900 | 12,562,100 | 10,113,600 | 14,176,800 | 14,589,300 | 18,935,900 | 20,752,700 | 14,627,700 | 15,801,300 | 14,504,300 | 178,844,500 |
| Total | 27,440,300 | 28,802,200 | 27,326,800 | 26,483,200 | 24,243,500 | 29,653,600 | 32,298,900 | 38,851,000 | 39,670,900 | 28,755,100 | 29,216,700 | 27,445,700 | 360,187,900 |
| 2012 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total |
| Residential | 9,960,400 | 9,435,500 | 8,741,300 | 9,605,800 | 8,158,694 | 9,229,330 | 9,306,983 | 9,919,965 | 8,687,234 | 10,926,700 | 9,755,000 | 9,389,200 | 113,116,106 |
| Apartment | 4,132,000 | 4,219,000 | 3,665,000 | 3,875,000 | 3,567,000 | 4,225,000 | 4,249,000 | 4,696,000 | 4,610,000 | 4,121,000 | 4,294,000 | 4,324,000 | 49,977,000 |
| Sprinkling | - | - | - | - | 2,272,506 | 3,994,270 | 4,412,117 | 5,404,735 | 3,300,966 | - | - | - | 19,384,594 |
| Commercial | 9,766,500 | 10,448,600 | 10,136,100 | 10,475,600 | 11,335,000 | 18,179,000 | 16,153,600 | 16,370,500 | 12,600,100 | 9,758,900 | 9,560,100 | 8,988,900 | 143,772,900 |
| Total | 23,858,900 | 24,103,100 | 22,542,400 | 23,956,400 | 25,333,200 | 35,627,600 | 34,121,700 | 36,391,200 | 29,198,300 | 24,806,600 | 23,609,100 | 22,702,100 | 326,250,600 |
| 2011 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total |
| Residential | 9,791,900 | 9,832,800 | 8,691,000 | 9,675,700 | 8,955,541 | 9,226,044 | 8,980,414 | 9,013,370 | 8,975,285 | 10,120,700 | 9,892,000 | 9,661,500 | 112,816,254 |
| Apartment | 3,878,000 | 3,843,000 | 3,558,000 | 3,836,000 | 3,509,000 | 3,707,000 | 3,541,000 | 3,787,000 | 3,864,000 | 3,900,000 | 4,025,000 | 4,080,000 | 45,528,000 |
| Sprinkling | - | - | - | - | 704,959 | 2,126,856 | 2,382,486 | 2,960,630 | 2,931,015 | - | - | - | 11,105,946 |
| Commercial | 10,826,200 | 10,614,600 | 5,748,000 | 6,844,600 | 12,173,700 | 17,125,900 | 14,494,800 | 20,478,900 | 19,093,300 | 17,608,900 | 10,960,000 | 8,501,200 | 154,470,100 |
| Total | 24,496,100 | 24,290,400 | 17,997,000 | 20,356,300 | 25,343,200 | 32,185,800 | 29,398,700 | 36,239,900 | 34,863,600 | 31,629,600 | 24,877,000 | 22,242,700 | 323,920,300 |
| 2010 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total |
| Residential | 10,571,500 | 9,859,300 | 8,837,400 | 10,080,900 | 8,921,933 | 9,348,698 | 9,163,346 | 8,209,922 | 9,619,019 | 9,890,300 | 10,030,100 | 9,673,300 | 114,205,718 |
| Apartment | 4,112,000 | 4,225,000 | 3,712,000 | 4,061,000 | 3,619,000 | 3,711,000 | 3,628,000 | 4,007,000 | 4,094,000 | 3,823,000 | 4,046,000 | 3,806,000 | 46,844,000 |
| Sprinkling | - | - | - | - | 1,620,767 | 2,532,402 | 3,030,654 | 4,592,878 | 2,799,581 | - | - | - | 14,576,282 |
| Commercial | 11,760,900 | 9,515,300 | 11,463,300 | 9,401,400 | 13,741,100 | 15,514,400 | 8,516,700 | 16,190,800 | 14,289,200 | 11,484,900 | 9,677,200 | 10,654,000 | 142,209,200 |
| Total | 26,444,400 | 23,599,600 | 24,012,700 | 23,543,300 | 27,902,800 | 31,106,500 | 24,338,700 | 33,000,600 | 30,801,800 | 25,198,200 | 23,753,300 | 24,133,300 | 317,835,200 |



Residential - Meters

| Month | 2014 | 2013 | 2012 | 2011 | 2010 |
|-----------|-------|-------|-------|-------|-------|
| January | 2,517 | 2,484 | 2,473 | 2,474 | 2,464 |
| February | 2,516 | 2,486 | 2,476 | 2,469 | 2,463 |
| March | 2,519 | 2,496 | 2,471 | 2,470 | 2,468 |
| April | 2,525 | 2,497 | 2,474 | 2,482 | 2,467 |
| May | 2,529 | 2,496 | 2,476 | 2,483 | 2,475 |
| June | 2,536 | 2,501 | 2,481 | 2,484 | 2,474 |
| July | 2,533 | 2,507 | 2,490 | 2,481 | 2,480 |
| August | 2,535 | 2,523 | 2,489 | 2,487 | 2,468 |
| September | 2,538 | 2,514 | 2,490 | 2,481 | 2,476 |
| October | 2,540 | 2,521 | 2,486 | 2,485 | 2,472 |
| November | 2,548 | 2,516 | 2,484 | 2,479 | 2,481 |
| December | 2,540 | 2,516 | 2,485 | 2,477 | 2,470 |
| Average | 2,531 | 2,505 | 2,481 | 2,479 | 2,472 |

Apartment - Meters

| Month | 2014 | 2013 | 2012 | 2011 | 2010 |
|-----------|------|------|------|------|------|
| January | 74 | 76 | 76 | 76 | 77 |
| February | 74 | 76 | 76 | 76 | 77 |
| March | 74 | 76 | 76 | 76 | 77 |
| April | 74 | 76 | 76 | 76 | 77 |
| May | 74 | 77 | 76 | 76 | 77 |
| June | 74 | 74 | 76 | 76 | 76 |
| July | 74 | 73 | 76 | 77 | 76 |
| August | 74 | 74 | 78 | 76 | 76 |
| September | 75 | 74 | 76 | 76 | 76 |
| October | 75 | 74 | 76 | 76 | 77 |
| November | 75 | 75 | 76 | 76 | 76 |
| December | 75 | 74 | 76 | 76 | 76 |
| Average | 74 | 75 | 76 | 76 | 77 |

Commercial - Meters

| Month | 2014 | 2013 | 2012 | 2011 | 2010 |
|-----------|------|------|------|------|------|
| January | 254 | 256 | 254 | 254 | 256 |
| February | 251 | 256 | 254 | 255 | 256 |
| March | 252 | 256 | 254 | 255 | 255 |
| April | 252 | 257 | 256 | 254 | 255 |
| May | 258 | 262 | 259 | 258 | 263 |
| June | 270 | 270 | 269 | 269 | 267 |
| July | 270 | 277 | 272 | 270 | 271 |
| August | 272 | 275 | 275 | 270 | 271 |
| September | 273 | 273 | 271 | 267 | 273 |
| October | 268 | 268 | 268 | 267 | 266 |
| November | 260 | 257 | 257 | 257 | 257 |
| December | 254 | 258 | 258 | 254 | 252 |
| Average | 261 | 264 | 262 | 261 | 262 |

Statistics
For the Years Ended December 31, 2014, 2013, 2012, 2011, 2010

CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT

| | Raw Water | Tap Water Pumped | Tap Used in Processing | Plant Meter | Tap Available for Sale | Tap Billed | Difference | Loss or Other |
|-------------|-------------|------------------|------------------------|-------------|------------------------|-------------|-------------|---------------|
| 2014 | | | | | | | | |
| January | 32,152,000 | 30,780,000 | 2,513,300 | 3,800 | 28,262,900 | 28,402,100 | (139,200) | -0.5% |
| February | 27,751,000 | 27,804,000 | 4,093,700 | 13,800 | 23,696,500 | 25,605,400 | (1,908,900) | -8.1% |
| March | 32,523,000 | 31,113,000 | 2,457,100 | 3,400 | 28,652,500 | 23,788,000 | 4,864,500 | 17.0% |
| April | 29,131,000 | 28,533,000 | 2,470,800 | 3,700 | 26,058,500 | 26,366,900 | (308,400) | -1.2% |
| May | 33,418,000 | 33,155,000 | 2,969,900 | 20,900 | 30,164,200 | 25,165,500 | 4,998,700 | 16.6% |
| June | 34,374,000 | 33,227,000 | 2,923,300 | 74,600 | 30,229,100 | 31,442,700 | (1,213,600) | -4.0% |
| July | 35,827,000 | 34,238,000 | 2,906,900 | 103,400 | 31,227,700 | 26,001,400 | 5,226,300 | 16.7% |
| August | 41,882,000 | 39,522,000 | 3,115,000 | 123,000 | 36,284,000 | 36,135,700 | 148,300 | 0.4% |
| September | 32,086,000 | 30,468,000 | 2,744,900 | 8,600 | 27,714,500 | 32,502,500 | (4,788,000) | -17.3% |
| October | 32,333,000 | 30,631,000 | 2,932,400 | 3,400 | 27,695,200 | 30,556,400 | (2,861,200) | -10.3% |
| November | 31,665,000 | 29,100,000 | 2,628,100 | 3,600 | 26,468,300 | 25,804,700 | 663,600 | 2.5% |
| December | 33,369,000 | 29,388,000 | 2,653,900 | 4,600 | 26,729,500 | 25,616,400 | 1,113,100 | 4.2% |
| 1st Quarter | 92,426,000 | 89,697,000 | 9,064,100 | 21,000 | 80,611,900 | 77,795,500 | 2,816,400 | 3.5% |
| 2nd Quarter | 96,923,000 | 94,915,000 | 8,364,000 | 99,200 | 86,451,800 | 82,975,100 | 3,476,700 | 4.0% |
| 3rd Quarter | 109,795,000 | 104,228,000 | 8,766,800 | 235,000 | 95,226,200 | 94,639,600 | 586,600 | 0.6% |
| 4th Quarter | 97,367,000 | 89,119,000 | 8,214,400 | 11,600 | 80,893,000 | 81,977,500 | (1,084,500) | -1.3% |
| Total | 396,511,000 | 377,959,000 | 34,409,300 | 366,800 | 343,182,900 | 337,387,700 | 5,795,200 | 1.7% |
| 2013 | | | | | | | | |
| January | 31,174,000 | 29,536,000 | 2,418,200 | 156,500 | 26,961,300 | 27,440,300 | (479,000) | -1.8% |
| February | 33,010,000 | 30,932,000 | 1,712,600 | 166,000 | 29,053,400 | 28,802,200 | 251,200 | 0.9% |
| March | 31,716,000 | 30,730,000 | 2,040,500 | 157,200 | 28,532,300 | 27,326,800 | 1,205,500 | 4.2% |
| April | 29,009,000 | 28,860,000 | 2,755,400 | 18,300 | 26,086,300 | 26,483,200 | (396,900) | -1.5% |
| May | 29,422,000 | 28,972,000 | 2,443,700 | 10,200 | 26,518,100 | 24,243,500 | 2,274,600 | 8.6% |
| June | 36,308,000 | 34,607,000 | 2,698,500 | 211,900 | 31,696,600 | 29,653,600 | 2,043,000 | 6.4% |
| July | 41,315,000 | 39,138,000 | 2,972,100 | 318,300 | 35,847,600 | 32,298,900 | 3,548,700 | 9.9% |
| August | 47,986,000 | 46,803,000 | 7,823,500 | 322,900 | 38,656,600 | 38,851,000 | (194,400) | -0.5% |
| September | 37,735,000 | 38,938,000 | 7,770,300 | 148,100 | 31,019,600 | 39,670,900 | (8,651,300) | -27.9% |
| October | 33,921,000 | 34,800,000 | 8,258,300 | 3,900 | 26,537,800 | 28,755,100 | (2,217,300) | -8.4% |
| November | 31,975,000 | 31,328,000 | 4,507,300 | 3,600 | 26,817,100 | 29,216,700 | (2,399,600) | -8.9% |
| December | 34,437,000 | 32,698,000 | 2,799,300 | 5,200 | 29,893,500 | 27,445,700 | 2,447,800 | 8.2% |
| 1st Quarter | 95,900,000 | 91,198,000 | 6,171,300 | 479,700 | 84,547,000 | 83,569,300 | 977,700 | 1.2% |
| 2nd Quarter | 94,739,000 | 92,439,000 | 7,897,600 | 240,400 | 84,301,000 | 80,380,300 | 3,920,700 | 4.7% |
| 3rd Quarter | 127,036,000 | 124,879,000 | 18,565,900 | 789,300 | 105,523,800 | 110,820,800 | (5,297,000) | -5.0% |
| 4th Quarter | 100,333,000 | 98,826,000 | 15,564,900 | 12,700 | 83,248,400 | 85,417,500 | (2,169,100) | -2.6% |
| Total | 418,008,000 | 407,342,000 | 48,199,700 | 1,522,100 | 357,620,200 | 360,187,900 | (2,567,700) | -0.7% |
| 2012 | | | | | | | | |
| January | 28,088,000 | 30,062,000 | 4,810,800 | 29,000 | 25,222,200 | 23,858,900 | 1,363,300 | 5.4% |
| February | 27,708,000 | 26,191,000 | 2,322,500 | 4,100 | 23,864,400 | 24,103,100 | (238,700) | -1.0% |
| March | 27,260,000 | 28,153,000 | 6,255,400 | 4,100 | 21,893,500 | 22,542,400 | (648,900) | -3.0% |
| April | 28,894,000 | 28,049,000 | 4,786,700 | 8,400 | 23,253,900 | 23,956,400 | (702,500) | -3.0% |
| May | 36,834,000 | 36,176,000 | 6,346,000 | 12,000 | 29,818,000 | 25,333,200 | 4,484,800 | 15.0% |
| June | 40,689,000 | 39,373,000 | 3,859,900 | 82,400 | 35,430,700 | 35,627,600 | (196,900) | -0.6% |
| July | 43,834,000 | 41,853,000 | 6,001,900 | 159,600 | 35,691,500 | 34,121,700 | 1,569,800 | 4.4% |
| August | 41,198,000 | 38,818,000 | 6,757,100 | 36,500 | 32,024,400 | 36,391,200 | (4,366,800) | -13.6% |
| September | 32,950,000 | 31,196,000 | 3,667,100 | 6,100 | 27,522,800 | 29,198,300 | (1,675,500) | -6.1% |
| October | 28,734,000 | 28,018,000 | 6,645,600 | 4,600 | 21,367,800 | 24,806,600 | (3,438,800) | -16.1% |
| November | 26,114,000 | 26,329,000 | 5,686,100 | 55,400 | 20,587,500 | 23,609,100 | (3,021,600) | -14.7% |
| December | 30,465,000 | 29,326,000 | 2,749,500 | 180,100 | 26,396,400 | 22,702,100 | 3,694,300 | 14.0% |
| 1st Quarter | 83,056,000 | 84,406,000 | 13,388,700 | 37,200 | 70,980,100 | 70,504,400 | 475,700 | 0.7% |
| 2nd Quarter | 106,417,000 | 103,598,000 | 14,992,600 | 102,800 | 88,502,600 | 84,917,200 | 3,585,400 | 4.1% |
| 3rd Quarter | 117,982,000 | 111,867,000 | 16,426,100 | 202,200 | 95,238,700 | 99,711,200 | (4,472,500) | -4.7% |
| 4th Quarter | 85,313,000 | 83,673,000 | 15,081,200 | 240,100 | 68,351,700 | 71,117,800 | (2,766,100) | -4.0% |
| Total | 392,768,000 | 383,544,000 | 59,888,600 | 582,300 | 323,073,100 | 326,250,600 | (3,177,500) | -1.0% |

Statistics
For the Years Ended December 31, 2014, 2013, 2012, 2011, 2010

CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT

| | Raw Water | Tap Water Pumped | Tap Used in Processing | Plant Meter | Tap Available for Sale | Tap Billed | Difference | Loss or Other |
|--------------|--------------------|--------------------|------------------------|----------------|------------------------|--------------------|---------------------|---------------|
| 2011 | | | | | | | | |
| January | 29,252,000 | 30,010,000 | 7,084,400 | 3,700 | 22,921,900 | 24,496,100 | (1,574,200) | -6.9% |
| February | 25,198,000 | 25,764,000 | 6,596,400 | 5,000 | 19,162,600 | 24,290,400 | (5,127,800) | -26.8% |
| March | 25,226,000 | 26,015,000 | 6,829,200 | 6,400 | 19,179,400 | 17,997,000 | 1,182,400 | 6.2% |
| April | 25,192,000 | 25,926,000 | 7,100,700 | 5,200 | 18,820,100 | 20,356,300 | (1,536,200) | -8.2% |
| May | 27,753,000 | 28,159,000 | 7,134,700 | 4,100 | 21,020,200 | 25,343,200 | (4,323,000) | -20.6% |
| June | 34,053,000 | 33,400,000 | 7,852,800 | 30,900 | 25,516,300 | 32,185,800 | (6,669,500) | -26.1% |
| July | 39,745,000 | 38,359,000 | 8,627,100 | 151,900 | 29,580,000 | 29,398,700 | 181,300 | 0.6% |
| August | 43,106,000 | 41,774,000 | 8,384,200 | 156,300 | 33,233,500 | 36,239,900 | (3,006,400) | -9.0% |
| September | 36,973,000 | 36,039,000 | 7,030,200 | 59,600 | 28,949,200 | 34,863,600 | (5,914,400) | -20.4% |
| October | 34,350,000 | 32,898,000 | 4,103,400 | 55,800 | 28,738,800 | 31,629,600 | (2,890,800) | -10.1% |
| November | 27,229,000 | 26,464,000 | 5,092,400 | 45,200 | 21,326,400 | 24,877,000 | (3,550,600) | -16.6% |
| December | 26,818,000 | 25,003,000 | 2,048,800 | 54,800 | 22,899,400 | 22,242,700 | 656,700 | 2.9% |
| 1st Quarter | 79,676,000 | 81,789,000 | 20,510,000 | 15,100 | 61,263,900 | 66,783,500 | (5,519,600) | -9.0% |
| 2nd Quarter | 86,998,000 | 87,485,000 | 22,088,200 | 40,200 | 65,356,600 | 77,885,300 | (12,528,700) | -19.2% |
| 3rd Quarter | 119,824,000 | 116,172,000 | 24,041,500 | 367,800 | 91,762,700 | 100,502,200 | (8,739,500) | -9.5% |
| 4th Quarter | 88,397,000 | 84,365,000 | 11,244,600 | 155,800 | 72,964,600 | 78,749,300 | (5,784,700) | -7.9% |
| Total | 374,895,000 | 369,811,000 | 77,884,300 | 578,900 | 291,347,800 | 323,920,300 | (32,572,500) | -11.2% |
| 2010 | | | | | | | | |
| January | 29,902,000 | 29,874,000 | 6,702,900 | - | 23,171,100 | 26,444,400 | (3,273,300) | -14.1% |
| February | 26,994,000 | 25,739,000 | 4,732,100 | - | 21,006,900 | 23,599,600 | (2,592,700) | -12.3% |
| March | 29,430,000 | 28,863,000 | 6,567,000 | - | 22,296,000 | 24,012,700 | (1,716,700) | -7.7% |
| April | 29,337,000 | 29,132,000 | 6,853,000 | - | 22,279,000 | 23,543,300 | (1,264,300) | -5.7% |
| May | 34,916,000 | 34,321,000 | 7,189,800 | - | 27,131,200 | 27,902,800 | (771,600) | -2.8% |
| June | 33,690,000 | 32,884,000 | 7,459,100 | - | 25,424,900 | 31,106,500 | (5,681,600) | -22.3% |
| July | 32,685,000 | 31,955,000 | 5,636,800 | - | 26,318,200 | 24,338,700 | 1,979,500 | 7.5% |
| August | 39,973,000 | 39,187,000 | 7,915,500 | - | 31,271,500 | 33,000,600 | (1,729,100) | -5.5% |
| September | 29,945,000 | 29,545,000 | 5,450,500 | - | 24,094,500 | 30,801,800 | (6,707,300) | -27.8% |
| October | 30,432,000 | 29,507,000 | 4,628,300 | - | 24,878,700 | 25,198,200 | (319,500) | -1.3% |
| November | 27,641,000 | 27,472,000 | 5,072,600 | - | 22,399,400 | 23,753,300 | (1,353,900) | -6.0% |
| December | 28,570,000 | 28,647,000 | 5,538,300 | - | 23,108,700 | 24,133,300 | (1,024,600) | -4.4% |
| 1st Quarter | 86,326,000 | 84,476,000 | 18,002,000 | - | 66,474,000 | 74,056,700 | (7,582,700) | -11.4% |
| 2nd Quarter | 97,943,000 | 96,337,000 | 21,501,900 | - | 74,835,100 | 82,552,600 | (7,717,500) | -10.3% |
| 3rd Quarter | 102,603,000 | 100,687,000 | 19,002,800 | - | 81,684,200 | 88,141,100 | (6,456,900) | -7.9% |
| 4th Quarter | 86,643,000 | 85,626,000 | 15,239,200 | - | 70,386,800 | 73,084,800 | (2,698,000) | -3.8% |
| Total | 373,515,000 | 367,126,000 | 73,745,900 | - | 293,380,100 | 317,835,200 | (24,455,100) | -8.3% |

Statistics
For the Years Ended December 31, 2014, 2013, 2012, 2011, 2010

CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT

| Raw Water | 2014 | | | 2013 | | | 2012 | | | 2011 | | | 2010 | | |
|-----------|-----------|---------|-----------|-----------|---------|-----------|-----------|---------|-----------|-----------|---------|-----------|-----------|-----------|-----------|
| | Maximum | Minimum | Average | Maximum | Minimum | Average |
| January | 1,430,000 | 465,000 | 1,037,161 | 1,307,000 | 438,000 | 1,005,613 | 1,610,000 | 605,000 | 906,065 | 1,487,000 | 629,000 | 943,613 | 1,270,000 | 579,000 | 964,581 |
| February | 1,427,000 | 505,000 | 991,107 | 2,259,000 | 745,000 | 1,178,929 | 1,207,000 | 750,000 | 955,448 | 1,208,000 | 612,000 | 899,929 | 1,362,000 | 636,000 | 964,071 |
| March | 1,734,000 | 651,000 | 1,049,129 | 1,471,000 | 814,000 | 1,023,097 | 1,255,000 | 532,000 | 879,355 | 1,451,000 | 542,000 | 813,742 | 1,366,000 | 665,000 | 949,355 |
| April | 1,262,000 | 731,000 | 971,033 | 1,227,000 | 606,000 | 966,967 | 1,352,000 | 586,000 | 963,133 | 1,361,000 | 565,000 | 839,733 | 1,470,000 | 731,000 | 977,900 |
| May | 2,079,000 | 713,000 | 1,078,000 | 1,488,000 | 414,000 | 949,097 | 1,738,000 | 745,000 | 1,188,194 | 1,543,000 | 628,000 | 895,258 | 1,884,000 | 629,000 | 1,126,323 |
| June | 1,518,000 | 779,000 | 1,145,800 | 2,377,000 | 568,000 | 1,210,267 | 2,303,000 | 918,000 | 1,356,300 | 1,957,000 | 548,000 | 1,135,100 | 1,648,000 | 703,000 | 1,123,000 |
| July | 1,714,000 | 631,000 | 1,155,710 | 1,904,000 | 392,000 | 1,332,742 | 2,105,000 | 821,000 | 1,414,000 | 2,184,000 | 762,000 | 1,282,097 | 1,374,000 | 712,000 | 1,054,355 |
| August | 1,943,000 | 525,000 | 1,351,032 | 2,088,000 | 970,000 | 1,547,935 | 1,972,000 | 785,000 | 1,328,968 | 1,893,000 | 778,000 | 1,390,516 | 1,874,000 | 902,000 | 1,289,452 |
| September | 1,347,000 | 757,000 | 1,069,533 | 1,983,000 | 674,000 | 1,257,833 | 1,728,000 | 476,000 | 1,098,333 | 1,692,000 | 616,000 | 1,232,433 | 1,415,000 | 635,000 | 998,167 |
| October | 1,430,000 | 701,000 | 1,043,000 | 1,450,000 | 426,000 | 1,094,226 | 1,400,000 | 516,000 | 926,903 | 1,819,000 | 570,000 | 1,108,065 | 1,573,000 | 610,000 | 981,677 |
| November | 1,355,000 | 469,000 | 1,055,500 | 1,447,000 | 637,000 | 1,065,833 | 1,118,000 | 553,000 | 870,467 | 1,108,000 | 629,000 | 907,633 | 1,305,000 | 566,000 | 921,367 |
| December | 1,287,000 | 778,000 | 1,076,419 | 1,609,000 | 779,000 | 1,110,871 | 1,407,000 | 461,000 | 982,742 | 1,161,000 | 569,000 | 865,097 | 1,249,000 | 577,000 | 921,613 |
| Tap Water | 2014 | | | 2013 | | | 2012 | | | 2011 | | | 2010 | | |
| | Maximum | Minimum | Average | Maximum | Minimum | Average |
| January | 1,426,000 | 273,000 | 992,903 | 1,220,000 | 468,000 | 952,774 | 1,433,000 | 639,000 | 886,290 | 1,470,000 | 734,000 | 968,065 | 1,237,000 | 684,000 | 963,677 |
| February | 1,330,000 | 426,000 | 993,000 | 2,079,000 | 714,000 | 1,104,714 | 1,140,000 | 729,000 | 903,138 | 1,198,000 | 660,000 | 920,143 | 1,266,000 | 718,000 | 919,250 |
| March | 1,736,000 | 560,000 | 1,010,333 | 1,474,000 | 655,000 | 991,290 | 1,185,000 | 573,000 | 908,161 | 1,544,000 | 573,000 | 839,194 | 1,160,000 | 699,000 | 931,065 |
| April | 1,234,000 | 644,000 | 951,100 | 1,286,000 | 642,000 | 962,000 | 1,303,000 | 585,000 | 934,967 | 1,362,000 | 507,000 | 864,200 | 1,361,000 | 762,000 | 971,067 |
| May | 1,891,000 | 749,000 | 1,069,516 | 1,556,000 | 458,000 | 934,581 | 1,618,000 | 749,000 | 1,166,968 | 1,429,000 | 502,000 | 908,355 | 1,596,000 | 690,000 | 1,107,129 |
| June | 1,508,000 | 763,000 | 1,107,567 | 2,110,000 | 676,000 | 1,153,567 | 2,207,000 | 676,000 | 1,312,433 | 1,775,000 | 622,000 | 1,113,333 | 1,581,000 | 778,000 | 1,096,133 |
| July | 1,713,000 | 595,000 | 1,104,452 | 1,763,000 | 432,000 | 1,262,516 | 2,041,000 | 760,000 | 1,350,097 | 1,672,000 | 799,000 | 1,237,387 | 1,395,000 | 686,000 | 1,030,806 |
| August | 1,861,000 | 447,000 | 1,274,903 | 2,049,000 | 892,000 | 1,509,774 | 1,951,000 | 820,000 | 1,252,194 | 1,795,000 | 851,000 | 1,347,548 | 1,846,000 | 1,001,000 | 1,264,097 |
| September | 1,328,000 | 461,000 | 1,015,600 | 1,956,000 | 773,000 | 1,297,933 | 1,518,000 | 492,000 | 1,039,867 | 1,584,000 | 656,000 | 1,201,300 | 1,380,000 | 677,000 | 984,833 |
| October | 1,456,000 | 736,000 | 988,097 | 1,504,000 | 605,000 | 1,122,581 | 1,277,000 | 511,000 | 903,806 | 1,695,000 | 636,000 | 1,061,226 | 1,373,000 | 629,000 | 951,839 |
| November | 1,394,000 | 350,000 | 970,000 | 1,429,000 | 662,000 | 1,044,267 | 1,178,000 | 509,000 | 877,633 | 1,070,000 | 593,000 | 882,133 | 1,234,000 | 532,000 | 915,733 |
| December | 1,244,000 | 585,000 | 948,000 | 1,498,000 | 746,000 | 1,054,774 | 1,379,000 | 537,000 | 946,000 | 1,048,000 | 553,000 | 806,548 | 1,254,000 | 557,000 | 924,097 |
| NTU | 2014 | | | 2013 | | | 2012 | | | 2011 | | | 2010 | | |
| | Maximum | Minimum | Average | Maximum | Minimum | Average |
| January | 0.06 | 0.02 | 0.03 | 0.30 | 0.02 | 0.03 | 0.15 | 0.02 | 0.05 | 0.30 | 0.02 | 0.15 | 0.23 | 0.06 | 0.12 |
| February | 0.08 | 0.02 | 0.04 | 0.08 | 0.02 | 0.03 | 0.10 | 0.01 | 0.04 | 0.22 | 0.02 | 0.08 | 0.27 | 0.01 | 0.09 |
| March | 0.04 | 0.02 | 0.02 | 0.06 | 0.02 | 0.02 | 0.20 | 0.02 | 0.05 | 0.22 | 0.02 | 0.07 | 0.32 | 0.02 | 0.14 |
| April | 0.13 | 0.02 | 0.05 | 0.18 | 0.02 | 0.05 | 0.14 | 0.01 | 0.06 | 0.19 | 0.02 | 0.05 | 0.16 | 0.02 | 0.06 |
| May | 0.10 | 0.02 | 0.06 | 0.18 | 0.01 | 0.04 | 0.38 | 0.02 | 0.09 | 0.13 | 0.02 | 0.05 | 0.24 | 0.01 | 0.08 |
| June | 0.11 | 0.02 | 0.03 | 0.06 | 0.02 | 0.02 | 0.24 | 0.02 | 0.09 | 0.27 | 0.02 | 0.09 | 0.27 | 0.02 | 0.08 |
| July | 0.15 | 0.02 | 0.07 | 0.15 | 0.02 | 0.03 | 0.17 | 0.02 | 0.07 | 0.19 | 0.02 | 0.07 | 0.10 | 0.01 | 0.03 |
| August | 0.11 | 0.02 | 0.05 | 0.17 | 0.02 | 0.07 | 0.15 | 0.01 | 0.07 | 0.17 | 0.02 | 0.07 | 0.18 | 0.02 | 0.08 |
| September | 0.09 | 0.02 | 0.04 | 0.16 | 0.01 | 0.06 | 0.16 | 0.02 | 0.06 | 0.23 | 0.01 | 0.06 | 0.27 | 0.01 | 0.09 |
| October | 0.07 | 0.02 | 0.03 | 0.04 | 0.01 | 0.02 | 0.09 | 0.02 | 0.03 | 0.22 | 0.02 | 0.10 | 0.43 | 0.01 | 0.13 |
| November | 0.14 | 0.07 | 0.10 | 0.09 | 0.02 | 0.04 | 0.16 | 0.02 | 0.03 | 0.13 | 0.02 | 0.07 | 0.28 | 0.02 | 0.07 |
| December | 0.15 | 0.07 | 0.10 | 0.12 | 0.02 | 0.04 | 0.08 | 0.02 | 0.03 | 0.21 | 0.02 | 0.10 | 0.48 | 0.02 | 0.17 |

WATER FUND

REVENUES

| Account Number | | 12/31/10 Actual | 12/31/11 Actual | 12/31/12 Actual | 12/31/13 Actual | 12/31/14 Actual |
|-----------------------|------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| 602-37-000-37110 | Res. Water Sales | \$ 554,309 | \$ 588,284 | \$ 673,495 | \$ 810,859 | \$ 778,539 |
| 602-37-000-37111 | Apt. Water Sales | 227,234 | 225,367 | 303,649 | 328,090 | 309,552 |
| 602-37-000-37120 | Sprinkling | 70,695 | 54,974 | 111,377 | - | - |
| 602-37-000-37130 | Com. Water Sales | 689,762 | 764,832 | 946,137 | 1,212,036 | 1,223,723 |
| 602-37-000-37145 | Temp. Hydrant | 314 | 72 | 508 | - | 179 |
| 602-37-000-37150 | Remote Meter Fee | 2,240 | 1,315 | 2,560 | 4,416 | 5,835 |
| 602-37-000-37446 | Res. Meter Charge | 209,700 | 193,340 | 207,266 | 243,302 | 261,586 |
| 602-37-000-37447 | Apt. Meter Charge | 17,814 | 17,816 | 19,006 | 20,494 | 22,584 |
| 602-37-000-37448 | Com. Meter Charge | 69,205 | 68,505 | 73,808 | 80,047 | 83,570 |
| 602-37-000-37480 | Interest Earnings | 8,016 | - | - | - | - |
| 602-37-000-37487 | Gain on Asset Disposal | - | - | - | - | - |
| 602-37-000-37488 | Repairs | - | - | - | - | 496 |
| 602-37-000-37490 | Miscellaneous | 2,567 | 3,288 | 326 | 1,396 | 5,579 |
| 602-37-000-37500 | Contributed Capital | - | - | - | - | - |
| 602-37-000-39203 | Transfers In | 400,000 | - | 2,000,000 | - | - |
| | | \$2,251,856 | \$1,917,793 | \$ 4,338,132 | \$ 2,700,639 | \$ 2,691,643 |

Details of Revenues, Expenses and Object Codes
 For the Years Ended December 31, 2014, 2013, 2012, 2011, 2010

CITY OF EAST GRAND FORKS
 WATER AND LIGHT DEPARTMENT

WATER FUND

| Expenses OBJECT CODES | 12/31/10 Actual | 12/31/11 Actual | 12/31/12 Actual | 12/31/13 Actual | 12/31/14 Actual |
|---------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| 41010 Salaries - Reg. | \$ 398,758 | \$ 379,370 | \$ 421,607 | \$ 444,793 | \$ 457,645 |
| 41020 Salaries - O.T. | 17,251 | 12,936 | 7,616 | 9,872 | 8,636 |
| 41070 Vacations, etc. | 39,172 | 56,950 | 80,490 | 56,722 | 53,810 |
| 41210 PERA | 31,152 | 32,857 | 33,025 | 36,166 | 36,969 |
| 41220 FICA | 33,594 | 33,912 | 36,768 | 36,480 | 38,041 |
| 41300 Insurance | 54,341 | 50,969 | 48,257 | 55,049 | 53,209 |
| 41510 Workers Comp | 13,872 | 12,346 | 16,208 | 14,362 | 15,823 |
| 42110 General Supplies | 456 | 548 | 900 | 495 | 583 |
| 42120 Fuel & Lubes | 7,361 | 15,748 | 21,588 | 4,256 | 9,478 |
| 42160 Chemicals | 249,053 | 228,025 | 224,810 | 262,203 | 197,479 |
| 42170 Lab Supplies | 10,088 | 15,635 | 17,172 | 11,758 | 9,236 |
| 42180 Uniforms | 1,207 | 1,221 | 1,069 | 1,243 | 833 |
| 42270 Parts & Supplies | 63,389 | 40,538 | 49,314 | 53,501 | 35,267 |
| 42400 Small Tools | 5,924 | 5,957 | 5,688 | 2,544 | 255 |
| 43030 Engineering | 58,622 | 51,280 | 77,517 | 45,192 | 24,661 |
| 43190 Other Professional | 750 | - | - | - | - |
| 43310 Travel & School | 8,783 | 9,969 | 13,500 | 14,054 | 14,975 |
| 43810 Utilities | 101,918 | 108,446 | 108,481 | 129,515 | 128,205 |
| 43830 Utilities - Gas | 25,363 | 24,827 | 21,190 | 19,116 | 20,603 |
| 44040 Contracted Services | 136,837 | 155,675 | 296,585 | 113,574 | 219,941 |
| 44050 Cleaning Services | 3,577 | 17,214 | 17,379 | 18,164 | 20,942 |
| 44200 Depreciation | 527,108 | 534,122 | 553,691 | 550,817 | 629,856 |
| 44300 Miscellaneous | 4,108 | 21,462 | 18,378 | 3,015 | 1,723 |
| 44330 Dues & Subscript. | 4,424 | 7,488 | 4,374 | 4,467 | 24,013 |
| 44410 Permits & Fees | 53,071 | 5,969 | 6,295 | 6,746 | 7,009 |
| 46110 Interest Expense | 21,541 | - | - | - | - |
| 46200 Fiscal Agent Fees | - | - | - | - | - |
| 999 Reimbursed | 243,126 | 272,655 | 261,306 | 258,200 | 281,295 |
| | <u>\$ 2,114,845</u> | <u>\$ 2,096,118</u> | <u>\$ 2,343,209</u> | <u>\$ 2,152,305</u> | <u>\$ 2,290,487</u> |

Details of Revenues, Expenses and Object Codes
For the Years Ended December 31, 2014, 2013, 2012, 2011, 2010

CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT

| Account Number | 12/31/10 | 12/31/11 | 12/31/12 | 12/31/13 | 12/31/14 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| EXPENSES | Actual | Actual | Actual | Actual | Actual |
| Raw Water Pumping | | | | | |
| 602-49-400-41010 Salaries - Reg. | \$ 37 | \$ 1,088 | \$ 1,897 | \$ 1,308 | \$ 1,257 |
| 602-49-400-41020 Salaries - O.T. | - | 310 | 50 | 101 | 85 |
| 602-49-400-41210 PERA | 3 | 101 | 141 | 102 | 93 |
| 602-49-400-41220 FICA | 3 | 104 | 145 | 102 | 101 |
| 602-49-400-42110 General Supplies | - | 62 | - | - | - |
| 602-49-400-44040 Contracted Services | 221 | 6,099 | 6,178 | 6,765 | 3,896 |
| 602-49-400-44200 Depreciation | 4,266 | 4,266 | 4,254 | - | - |
| 602-49-400-44300 Miscellaneous | - | 59 | 5 | - | 3 |
| Total | 4,529 | 12,090 | 12,671 | 8,378 | 5,435 |
| Treatment - Plant | | | | | |
| 602-49-420-41010 Salaries - Reg. | 152,264 | 155,775 | 178,572 | 179,019 | 186,713 |
| 602-49-420-41020 Salaries - O.T. | 9,803 | 7,979 | 4,717 | 6,629 | 5,631 |
| 602-49-420-41210 PERA | 13,044 | 13,312 | 13,289 | 13,460 | 13,944 |
| 602-49-420-41220 FICA | 13,967 | 13,587 | 16,519 | 13,429 | 14,079 |
| 602-49-420-41300 Insurance | 33,507 | 33,771 | 30,149 | 32,502 | 33,194 |
| 602-49-420-42110 General Supplies | 456 | 486 | 900 | 495 | 583 |
| 602-49-420-42120 Fuels & Lubes | 1,387 | 3,776 | 4,516 | 1,751 | 2,293 |
| 602-49-420-42160 Chemicals | 249,053 | 228,025 | 224,810 | 262,203 | 197,479 |
| 602-49-420-42170 Lab Supplies | 10,088 | 15,635 | 17,172 | 11,758 | 9,236 |
| 602-49-420-42270 Parts & Supplies | 8,756 | 891 | 2,581 | 456 | 32 |
| 602-49-420-43030 Engineering | 39,821 | 17,551 | 619 | 4,500 | 11,720 |
| 602-49-420-43310 Travel & School | 3,571 | 3,554 | 6,307 | 5,312 | 7,494 |
| 602-49-420-43810 Utility Charges | 88,773 | 91,622 | 90,938 | 102,906 | 102,707 |
| 602-49-420-43830 Utility Charges - Gas | 25,363 | 24,827 | 21,190 | 19,116 | 20,603 |
| 602-49-420-44040 Contracted Services | 70,635 | 96,533 | 12,437 | 24,907 | 7,508 |
| 602-49-420-44050 Cleaning Services | 3,577 | 17,214 | 17,379 | 18,164 | 20,942 |
| 602-49-420-44200 Depreciation | 161,647 | 160,086 | 158,685 | 166,896 | 251,344 |
| 602-49-420-44300 Miscellaneous | 842 | 1,853 | 1,281 | 803 | 396 |
| Total | 886,554 | 886,476 | 802,062 | 864,305 | 885,898 |
| Treatment - M & E | | | | | |
| 602-49-421-41010 Salaries - Reg. | 52,796 | 49,641 | 67,605 | 75,118 | 72,207 |
| 602-49-421-41020 Salaries - O.T. | 2,255 | 2,072 | 1,030 | 977 | 1,007 |
| 602-49-421-41210 PERA | 3,861 | 3,749 | 4,976 | 5,517 | 5,286 |
| 602-49-421-41220 FICA | 4,069 | 3,782 | 4,795 | 5,359 | 5,270 |
| 602-49-421-42270 Parts & Supplies | 23,088 | 10,157 | 25,002 | 17,310 | 9,286 |
| 602-49-421-42400 Small Tools & Equip. | 5,059 | 4,438 | 3,383 | - | - |
| 602-49-421-44040 Contracted Services | 15,949 | 9,206 | 13,539 | 25,875 | 165,708 |
| Total | 107,077 | 83,046 | 120,330 | 130,157 | 258,764 |
| Treatment - B & G | | | | | |
| 602-49-422-41010 Salaries - Reg. | 3,432 | 3,785 | 4,483 | 4,740 | 8,370 |
| 602-49-422-41020 Salaries - O.T. | 154 | - | 211 | 477 | 126 |
| 602-49-422-41210 PERA | 250 | 280 | 335 | 378 | 431 |
| 602-49-422-41220 FICA | 272 | 292 | 347 | 384 | 640 |
| 602-49-422-42270 Parts & Supplies | 3,774 | 4,206 | 6,299 | 5,771 | 8,297 |
| 602-49-422-42400 Small Tools & Equip. | 866 | 1,518 | 2,306 | 2,544 | 255 |
| 602-49-422-44040 Contracted Services | 23,427 | 22,768 | 38,766 | 44,944 | 16,395 |
| Total | 32,176 | 32,850 | 52,748 | 59,239 | 34,514 |
| Distribution - Pumping | | | | | |
| 602-49-430-41010 Salaries - Reg. | 591 | 573 | 727 | 520 | 358 |
| 602-49-430-41020 Salaries - O.T. | 116 | - | 123 | - | 42 |
| 602-49-430-41210 PERA | 49 | 42 | 62 | 38 | 24 |
| 602-49-430-41220 FICA | 50 | 43 | 63 | 37 | 30 |
| 602-49-430-42270 Parts & Supplies | 230 | 1,351 | 1,470 | 2,417 | 2,046 |
| 602-49-430-43810 Electric Utilities | 9,584 | 12,934 | 12,455 | 21,739 | 20,538 |
| 602-49-430-44040 Contracted Services | 3,411 | 2,878 | 3,531 | 422 | 1,303 |
| Total | 14,030 | 17,821 | 18,431 | 25,174 | 24,341 |

Details of Revenues, Expenses and Object Codes
For the Years Ended December 31, 2014, 2013, 2012, 2011, 2010

CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT

| Account Number | | 12/31/10 | 12/31/11 | 12/31/12 | 12/31/13 | 12/31/14 |
|--------------------------------|-------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| EXPENSES | | Actual | Actual | Actual | Actual | Actual |
| Distribution - Lines | | | | | | |
| 602-49-433-41010 | Salaries - Reg. | 49,569 | 53,537 | 53,622 | 57,263 | 62,352 |
| 602-49-433-41020 | Salaries - O.T. | 2,992 | 626 | 321 | 558 | 935 |
| 602-49-433-41210 | PERA | 3,541 | 3,848 | 3,786 | 4,152 | 4,584 |
| 602-49-433-41220 | FICA | 3,852 | 3,937 | 3,964 | 4,139 | 4,711 |
| 602-49-433-42270 | Parts & Supplies | 4,423 | 5,782 | 5,823 | 12,643 | 4,461 |
| 602-49-433-44040 | Contracted Services | 15,360 | 7,202 | 4,285 | 1,363 | 12,174 |
| 602-49-433-44300 | Miscellaneous | - | - | 79 | - | - |
| | Total | 79,737 | 74,935 | 71,881 | 80,118 | 89,217 |
| Distribution - Storage | | | | | | |
| 602-49-436-41010 | Salaries - Reg. | 2,988 | 5,468 | 6,607 | 3,352 | 5,393 |
| 602-49-436-41020 | Salaries - O.T. | 805 | 652 | 292 | 157 | 125 |
| 602-49-436-41210 | PERA | 265 | 444 | 500 | 254 | 381 |
| 602-49-436-41220 | FICA | 284 | 460 | 514 | 258 | 404 |
| 602-49-436-42270 | Parts & Supplies | 1,829 | 175 | 451 | 151 | 516 |
| 602-49-436-43810 | Utilities | 3,562 | 3,889 | 5,088 | 4,869 | 4,960 |
| 602-49-436-44040 | Contracted Services | 4,591 | 9,761 | 211,506 | 7,047 | 10,439 |
| 602-49-436-44300 | Miscellaneous | - | - | 324 | - | - |
| | Total | 14,323 | 20,848 | 225,282 | 16,088 | 22,218 |
| Distribution - Meters | | | | | | |
| 602-49-449-41010 | Salaries - Reg. | 6,645 | 6,391 | 4,801 | 6,661 | 10,191 |
| 602-49-449-41210 | PERA | 463 | 461 | 348 | 475 | 739 |
| 602-49-449-41220 | FICA | 489 | 469 | 353 | 479 | 761 |
| 602-49-449-42270 | Parts & Supplies | 6,649 | 9,306 | 6,089 | 8,068 | 8,063 |
| 602-49-449-44040 | Contracted Services | 58 | - | - | 280 | - |
| | Total | 14,304 | 16,627 | 11,591 | 15,963 | 19,754 |
| Distribution - Hydrants | | | | | | |
| 602-49-450-41010 | Salaries - Reg. | 16,310 | 13,946 | 7,980 | 13,558 | 9,543 |
| 602-49-450-41210 | PERA | 952 | 796 | 456 | 744 | 539 |
| 602-49-450-41220 | FICA | 1,210 | 1,029 | 593 | 987 | 720 |
| 602-49-450-42270 | Parts & Supplies | 13,827 | 6,028 | 277 | 4,508 | 227 |
| 602-49-450-44040 | Contracted Services | 250 | - | - | - | - |
| | Total | 32,549 | 21,799 | 9,306 | 19,797 | 11,029 |
| Distribution - Vehicles | | | | | | |
| 602-49-453-41010 | Salaries - Reg. | 1,724 | 1,599 | 1,202 | 1,997 | 1,613 |
| 602-49-453-41210 | PERA | 111 | 116 | 87 | 132 | 113 |
| 602-49-453-41220 | FICA | 127 | 116 | 88 | 145 | 120 |
| 602-49-453-42120 | Fuels & Lubes | 5,974 | 11,972 | 17,071 | 2,505 | 7,185 |
| 602-49-453-42270 | Parts & Supplies | 44 | - | 20 | 368 | 5 |
| 602-49-453-44040 | Contracted Services | 2,934 | 638 | 6,342 | 1,912 | 2,518 |
| 602-49-453-44300 | Miscellaneous | - | - | - | - | 32 |
| | Total | 10,915 | 14,441 | 24,810 | 7,060 | 11,586 |
| Distribution - DSC | | | | | | |
| 602-49-458-44200 | Depreciation | 30,892 | 28,578 | 31,576 | 17,005 | 14,707 |
| 602-49-458-49990 | Reimbursed to 601-49576 | 12,337 | 11,602 | 15,560 | 14,138 | 13,871 |
| | Total | 43,229 | 40,180 | 47,136 | 31,143 | 28,578 |
| Distribution - Other | | | | | | |
| 602-49-459-41010 | Salaries - Reg. | 3,045 | 2,082 | - | 391 | - |
| 602-49-459-41210 | PERA | 180 | 151 | - | 28 | - |
| 602-49-459-41220 | FICA | 225 | 168 | - | 53 | - |
| 602-49-459-41300 | Insurance | 9,798 | 10,654 | 11,273 | 14,959 | 12,169 |
| 602-49-459-42270 | Parts & Supplies | 769 | 2,643 | 1,303 | 1,808 | 2,334 |
| 602-49-459-43030 | Engineering | 12,454 | 9,916 | 67,432 | 34,461 | 4,209 |
| 602-49-459-43310 | Travel & School | 2,338 | 2,419 | 847 | 740 | 204 |
| 602-49-459-44040 | Contracted Services | - | 589 | - | 59 | - |
| 602-49-459-44200 | Depreciation | 329,267 | 340,278 | 358,860 | 365,991 | 361,883 |
| 602-49-459-44300 | Miscellaneous | 44 | 63 | 48 | 94 | 128 |
| | Total | 358,121 | 368,962 | 439,762 | 418,584 | 380,927 |

Details of Revenues, Expenses and Object Codes
For the Years Ended December 31, 2014, 2013, 2012, 2011, 2010

CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT

| Account Number EXPENSES | 12/31/10 Actual | 12/31/11 Actual | 12/31/12 Actual | 12/31/13 Actual | 12/31/14 Actual |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| Operations - Supervision | | | | | |
| 602-49-466-41010 Salaries - Reg. | 101,401 | 78,458 | 75,543 | 87,557 | 83,620 |
| 602-49-466-41210 PERA | 5,047 | 4,825 | 5,195 | 5,912 | 5,960 |
| 602-49-466-41220 FICA | 5,455 | 5,069 | 5,481 | 6,202 | 6,254 |
| 602-49-466-41300 Insurance | 11,036 | 6,544 | 6,836 | 7,588 | 7,846 |
| 602-49-466-42180 Uniforms | 100 | - | - | - | - |
| 602-49-466-43310 Travel & School | 673 | 3,748 | 4,851 | 5,932 | 5,727 |
| Total | 123,712 | 98,645 | 97,906 | 113,191 | 109,407 |
| General - Unallocated | | | | | |
| 602-49-467-41010 Salaries - Reg. | 7,956 | 7,026 | 18,567 | 13,308 | 16,028 |
| 602-49-467-41020 Salaries - O.T. | 1,127 | 1,297 | 871 | 973 | 685 |
| 602-49-467-41070 Holiday, Vacation, etc | 39,172 | 56,950 | 80,490 | 56,722 | 53,810 |
| 602-49-467-41210 PERA | 3,384 | 4,732 | 3,850 | 4,973 | 4,875 |
| 602-49-467-41220 FICA | 3,592 | 4,855 | 3,905 | 4,904 | 4,951 |
| 602-49-467-41510 Workers Comp | 13,872 | 12,346 | 16,208 | 14,362 | 15,823 |
| 602-49-467-42180 Uniforms | 1,107 | 1,221 | 1,069 | 1,243 | 833 |
| 602-49-467-43030 Engineering | 6,347 | 23,813 | 9,466 | 6,232 | 8,732 |
| 602-49-467-43190 Other Professional Services | 750 | - | - | - | - |
| 602-49-467-43310 Travel & School | 2,200 | 248 | 1,494 | 2,070 | 1,550 |
| 602-49-467-44300 Miscellaneous | 3,223 | 19,486 | 16,641 | 2,118 | 1,164 |
| 602-49-467-44330 Dues & Subscriptions | 4,424 | 7,488 | 4,374 | 4,467 | 24,013 |
| 602-49-467-44410 Permits & Fees | 53,071 | 5,969 | 6,295 | 6,746 | 7,009 |
| 602-49-467-44490 Loss on Asset Disposal | - | - | - | - | - |
| Total | 140,225 | 145,432 | 163,231 | 118,120 | 139,473 |
| Meter Rdrs Reimbursed | | | | | |
| Depreciation | - | - | - | - | - |
| 602-49-610-49990 Reimbursed to 601 | 1,579 | 5,272 | 5,239 | 5,114 | 6,298 |
| Total | 1,579 | 5,272 | 5,239 | 5,114 | 6,298 |
| G. & A. - Reimbursed | | | | | |
| 602-49-620-44200 Depreciation | 1,036 | 914 | 316 | 926 | 1,922 |
| 602-49-620-49990 Reimbursed to 601 | 229,210 | 255,781 | 240,507 | 238,948 | 261,126 |
| Total | 230,246 | 256,695 | 240,823 | 239,874 | 263,048 |
| Debt Service | | | | | |
| 602-49-621-46110 Bond Interest | 21,541 | - | - | - | - |
| 602-49-621-46200 Fiscal Agent Fees | - | - | - | - | - |
| Total | 21,541 | - | - | - | - |
| Total Expenses | \$ 2,114,845 | \$ 2,096,118 | \$ 2,343,209 | \$ 2,152,305 | \$ 2,290,487 |

Electric Fund

Statement of Net Position

Statement of Revenues, Expenses and Changes in Net Position

Statement of Cash Flows

Statistics

Details of Revenues, Expenses, and Object Codes

**Statement of Net Position – Electric Fund
As of December 31, 2014, 2013, 2012, 2011, 2010**

**CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT**

| | 2014 | 2013 | 2012 | 2011 | 2010 |
|---------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| ASSETS | | | | | |
| CURRENT ASSETS | | | | | |
| Cash and Cash Equivalents | \$ 2,910,093 | \$3,101,494 | \$3,947,303 | \$2,744,730 | \$2,154,141 |
| Investments | 8,557,974 | 7,173,317 | 7,846,317 | 9,009,459 | 8,194,924 |
| Restricted Cash and Cash Equivalents: | | | | | |
| Cash in Customer Deposits | 87,950 | 83,800 | 78,150 | 79,850 | 74,900 |
| Accounts Receivable | 1,466,028 | 1,625,916 | 1,533,781 | 1,904,461 | 2,147,679 |
| Allowance for Doubtful Accounts | (48,000) | (48,000) | (48,000) | (48,000) | (48,000) |
| Interest Receivable | 24,977 | 24,662 | 32,596 | 54,905 | 63,269 |
| Materials & Supplies | 784,754 | 801,323 | 932,435 | 770,950 | 867,408 |
| Prepaid Expenses | 6,715 | 55,203 | 4,634 | 46,691 | 45,015 |
| Interfund Receivable | 1,148,309 | 1,008,600 | 1,079,414 | 1,182,341 | 1,377,499 |
| Total Current Assets | <u>14,938,800</u> | <u>13,826,315</u> | <u>15,406,630</u> | <u>15,745,387</u> | <u>14,876,836</u> |
| NONCURRENT ASSETS | | | | | |
| Capital Assets: | | | | | |
| Land | 305,394 | 305,394 | 305,394 | 305,394 | 305,394 |
| Buildings, Structures, Etc. | 9,231,061 | 9,231,061 | 7,195,840 | 7,195,839 | 7,195,839 |
| Distribution Systems | 17,784,357 | 17,287,683 | 16,903,342 | 15,773,082 | 15,568,552 |
| Meters | 1,232,252 | 1,228,098 | 1,220,285 | 1,214,989 | 1,214,989 |
| Machinery and Equipment | 1,107,148 | 1,107,148 | 1,107,148 | 1,111,758 | 1,090,380 |
| Automotive Equipment | 707,599 | 530,489 | 458,647 | 354,328 | 354,329 |
| Office Equipment | 573,660 | 553,574 | 553,574 | 553,574 | 553,574 |
| Construction in Progress | - | - | 118,234 | 499,750 | - |
| Total Capital Assets | <u>30,941,471</u> | <u>30,243,447</u> | <u>27,862,464</u> | <u>27,008,714</u> | <u>26,283,056</u> |
| Less Accumulated Depreciation | <u>(16,265,432)</u> | <u>(15,262,630)</u> | <u>(14,465,809)</u> | <u>(13,582,587)</u> | <u>(12,657,589)</u> |
| Total Capital Assets (Net) | <u>14,676,039</u> | <u>14,980,817</u> | <u>13,396,655</u> | <u>13,426,127</u> | <u>13,625,467</u> |
| Customer Acquisition Costs | 268,106 | 268,106 | 268,106 | 268,106 | 268,106 |
| Total Noncurrent Assets | <u>14,944,145</u> | <u>15,248,923</u> | <u>13,664,761</u> | <u>13,694,233</u> | <u>13,893,573</u> |
| TOTAL ASSETS | <u>\$29,882,945</u> | <u>\$29,075,238</u> | <u>\$29,071,391</u> | <u>\$29,439,620</u> | <u>\$28,770,409</u> |
| LIABILITIES | | | | | |
| CURRENT LIABILITIES | | | | | |
| Accounts Payable | \$ 1,101,822 | \$ 1,453,133 | \$ 1,361,219 | \$ 1,049,039 | \$ 1,085,427 |
| Retainage Payable | 3,090 | - | - | - | - |
| Accrued Payroll | 49,755 | 40,510 | 30,062 | 28,475 | 23,826 |
| Accrued Vacation | 83,403 | 68,914 | 69,914 | 68,252 | 56,805 |
| Compensated Absences Payable-Current | 32,000 | 32,000 | 32,000 | 32,000 | 31,600 |
| Due to Other Funds | 606,821 | - | - | - | - |
| Due to Other Government Units | 46,025 | 48,827 | 54,717 | 51,938 | 59,969 |
| Customer Deposits | 87,950 | 83,800 | 78,150 | 79,850 | 74,900 |
| Total Current Liabilities | <u>2,010,866</u> | <u>1,727,190</u> | <u>1,626,062</u> | <u>1,309,554</u> | <u>1,332,526</u> |
| NONCURRENT LIABILITIES | | | | | |
| Compensated Absences Payable-Net | 337,538 | 317,789 | 306,510 | 307,132 | 254,881 |
| Total Noncurrent Liabilities | <u>337,538</u> | <u>317,789</u> | <u>306,510</u> | <u>307,132</u> | <u>254,881</u> |
| TOTAL LIABILITIES | <u>2,348,404</u> | <u>2,044,979</u> | <u>1,932,572</u> | <u>1,616,686</u> | <u>1,587,407</u> |
| NET POSITION | | | | | |
| Net Investment in Capital Assets | 14,676,039 | 14,980,817 | 13,396,655 | 13,426,127 | 13,625,467 |
| Unrestricted | 12,858,502 | 12,049,442 | 13,742,164 | 14,396,807 | 13,557,534 |
| TOTAL NET POSITION | <u>\$27,534,541</u> | <u>\$27,030,259</u> | <u>\$27,138,819</u> | <u>\$27,822,934</u> | <u>\$27,183,002</u> |

**Statement of Revenues, Expense and
Changes in Net Position – Electric Fund
For the Years Ended December 31, 2014, 2013, 2012, 2011, 2010**

**CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT**

| | 2014 | 2013 | 2012 | 2011 | 2010 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| OPERATING REVENUES | | | | | |
| Electric Sales | \$13,838,129 | \$13,387,324 | \$13,875,019 | \$12,981,430 | \$12,756,781 |
| Penalty Charges | 104,116 | 94,325 | 100,091 | 79,994 | 89,072 |
| Other Income | 106,317 | 105,806 | 89,250 | 14,366 | 139,975 |
| Total | <u>14,048,562</u> | <u>13,587,455</u> | <u>14,064,360</u> | <u>13,075,789</u> | <u>12,985,828</u> |
| OPERATING EXPENSES | | | | | |
| Cost of Sales and Services | 10,721,880 | 10,358,031 | 10,566,792 | 9,529,616 | 9,215,109 |
| Administration | 853,679 | 591,832 | 502,148 | 533,733 | 473,787 |
| Depreciation | 1,002,801 | 1,042,373 | 918,457 | 924,997 | 900,505 |
| Taxes and Tax Equivalentents | 1,218,637 | 1,190,529 | 1,219,013 | 1,172,838 | 1,159,138 |
| Total | <u>13,796,997</u> | <u>13,182,765</u> | <u>13,206,410</u> | <u>12,161,184</u> | <u>11,748,539</u> |
| OPERATING INCOME | <u>251,565</u> | <u>404,690</u> | <u>857,950</u> | <u>914,605</u> | <u>1,237,289</u> |
| NONOPERATING REVENUES (EXPENSES) | | | | | |
| Investment Income | 392,825 | (218,396) | 208,272 | 289,138 | 286,280 |
| Gain (Loss) on Disposal of Assets | - | - | - | - | 3,600 |
| Interest Expenses | - | (215) | (337) | (450) | (559) |
| Total | <u>392,825</u> | <u>(218,611)</u> | <u>207,935</u> | <u>288,687</u> | <u>289,321</u> |
| INCOME BEFORE TRANSFERS OUT | <u>644,390</u> | <u>186,079</u> | <u>1,065,885</u> | <u>1,203,292</u> | <u>1,526,610</u> |
| TRANSFERS IN | 281,294 | | | | |
| TRANSFERS OUT | <u>(421,402)</u> | <u>(294,639)</u> | <u>(1,750,000)</u> | <u>(563,361)</u> | <u>(634,384)</u> |
| CHANGE IN NET POSITION | <u>504,282</u> | <u>(108,560)</u> | <u>(684,115)</u> | <u>639,932</u> | <u>892,226</u> |
| NET POSITION - JANUARY 1 | <u>27,030,259</u> | <u>27,138,819</u> | <u>27,822,934</u> | <u>27,183,003</u> | <u>26,290,777</u> |
| NET POSITION - DECEMBER 31 | <u>\$27,534,541</u> | <u>\$27,030,259</u> | <u>\$27,138,819</u> | <u>\$27,822,934</u> | <u>\$27,183,003</u> |

**Statement of Cash Flows – Electric Fund
For the Years Ended December 31, 2014, 2013, 2012, 2011, 2010**

**CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT**

| | 2014 | 2013 | 2012 | 2011 | 2010 |
|--|--------------|--------------|--------------|--------------|--------------|
| Cash flows from operating activities: | | | | | |
| Cash received from customers and users | \$13,302,432 | \$12,624,076 | \$13,694,039 | \$12,688,884 | \$11,462,404 |
| Cash received from interfund activities | 797,784 | 771,088 | 650,051 | 620,708 | 624,355 |
| Cash paid to suppliers for goods and services | (10,936,077) | (9,506,329) | (9,733,068) | (8,286,656) | (8,155,190) |
| Cash paid for interfund activities | 229,650 | 167,088 | 261,305 | (272,656) | (94,782) |
| Cash paid to employees | (1,108,813) | (1,423,323) | (1,399,018) | (1,384,927) | (1,336,193) |
| Cash paid for taxes and tax equivalents | (1,221,439) | (1,190,529) | (1,219,013) | (1,172,838) | (1,159,139) |
| Other operating revenues (expenses) | 106,317 | 105,806 | 89,250 | 14,365 | 139,975 |
| Net cash provided (used) by operating activities | \$1,169,854 | 1,547,878 | 2,343,546 | 2,206,881 | 1,481,430 |
| Cash flows from noncapital financing activities: | | | | | |
| Interfund receivable | (133,760) | | | | |
| Interfund payable | 606,821 | 70,814 | 102,927 | 195,160 | 182,501 |
| Operating transfers from other funds | 281,294 | | | | |
| Operating transfers to other funds | (421,402) | (294,639) | (1,750,000) | (563,361) | (634,384) |
| Net cash provided (used) by noncapital financing activities | 332,953 | (223,825) | (1,647,073) | (368,201) | (451,883) |
| Cash flows from capital and related financing activities: | | | | | |
| Acquisition of capital assets | (698,023) | (2,626,535) | (888,985) | (725,658) | (864,094) |
| Proceeds from sale of capital assets | - | - | - | - | 3,600 |
| Interest and fiscal charges on bonds | - | (215) | (337) | (450) | (559) |
| Net cash (used) by capital and related financing activities | (698,023) | (2,626,750) | (889,322) | (726,108) | (861,053) |
| Cash flows from investing activities: | | | | | |
| Interest received on investments | 392,510 | 127,171 | 230,580 | 297,502 | 308,300 |
| Proceeds from sales and maturities of investments | 192,000 | 3,576,367 | 1,692,000 | 5,399,000 | 5,619,000 |
| Purchase of investments | (1,576,545) | (3,241,000) | (528,858) | (6,213,535) | (4,838,373) |
| Net cash provided (used) by investing activities | (992,035) | 462,538 | 1,393,722 | (517,033) | 1,088,927 |
| Net increase (decrease) in cash and cash equivalents | (187,251) | (840,159) | 1,200,873 | 595,539 | 1,257,421 |
| Cash and cash equivalents - January 1 | 3,185,294 | 4,025,453 | 2,824,580 | 2,229,041 | 971,620 |
| Cash and cash equivalents - December 31 | \$ 2,998,043 | \$ 3,185,294 | \$ 4,025,453 | \$ 2,824,580 | \$ 2,229,041 |
| Reconciliation of operating income to net cash provided (used) by operating activities: | | | | | |
| Operating income | \$ 251,565 | \$ 404,690 | \$ 857,950 | \$ 914,604 | \$ 1,237,289 |
| Adjustments to reconcile net income to net cash provided (used) by operating activities: | | | | | |
| Depreciation | 1,002,801 | 1,042,373 | 918,457 | 924,997 | 900,505 |
| Changes in assets and liabilities: | | | | | |
| Accounts receivable | 159,888 | (92,135) | 370,680 | 243,218 | (755,640) |
| Materials & supplies | 16,569 | 131,112 | (161,485) | 96,458 | 115,502 |
| Prepaid items | 48,488 | (50,569) | 42,057 | (1,676) | (8,454) |
| Due from other government units | (6,067) | | | | |
| Accounts payable | (351,311) | 91,914 | 312,181 | (36,388) | 3,871 |
| Retainage payable | 3,090 | | | | |
| Accrued payroll | 9,245 | 10,448 | 1,587 | 4,649 | 4,891 |
| Accrued vacation | 14,489 | (994) | 1,662 | 11,447 | 447 |
| Accrued compensated absences | 19,749 | 11,279 | (622) | 52,651 | (14,474) |
| Due to other government units | (2,802) | (5,890) | 2,779 | (8,031) | 947 |
| Customer deposits | 4,150 | 5,650 | (1,700) | 4,950 | (3,454) |
| Net cash provided (used) by operating activities | \$ 1,169,854 | \$ 1,547,878 | \$ 2,343,546 | \$ 2,206,879 | \$ 1,481,430 |
| Schedule of noncash investing, capital and financing activities: | | | | | |
| Increase (decrease) in fair value of investments | \$ - | \$ (337,633) | \$ 6,436 | \$ 6,436 | \$ (9,347) |
| Cash and cash equivalents are shown on the balance sheet under the following captions: | | | | | |
| Cash and cash equivalents | 2,910,093 | 3,101,494 | 3,947,303 | 2,744,730 | 2,154,141 |
| Restricted assets | 87,950 | 83,800 | 78,150 | 79,850 | 74,900 |
| Cash and cash equivalents - December 31 | \$ 2,998,043 | \$ 3,185,294 | \$ 4,025,453 | \$ 2,824,580 | \$ 2,229,041 |

Statistics
For the Years Ended December 31, 2014, 2013, 2012, 2011, 2010

CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT

| | 2014 | | | 2013 | | | 2012 | | | 2011 | | | 2010 | | |
|--------------------------------------|--------------------|----------------------|-----------------|--------------------|----------------------|-----------------|--------------------|----------------------|-----------------|--------------------|---------------------|-----------------|--------------------|---------------------|-----------------|
| | Quantity (KWH) | Amount | Amount Per KWH | Quantity (KWH) | Amount | Amount Per KWH | Quantity (KWH) | Amount | Amount Per KWH | Quantity (KWH) | Amount | Amount Per KWH | Quantity (KWH) | Amount | Amount Per KWH |
| Electric Division Sales | YTD | | | | | | | | | | | | | | |
| Residential | 35,076,734 | \$ 3,448,055 | \$0.0983 | 34,705,735 | \$ 3,294,862 | \$0.0949 | 33,542,932 | \$ 3,010,395 | \$0.0897 | 33,680,208 | \$ 2,961,648 | \$0.0879 | 33,574,673 | \$2,868,363 | \$0.0854 |
| Commercial | 29,118,988 | 2,345,340 | \$0.0805 | 29,430,636 | 2,305,694 | \$0.0783 | 27,584,177 | 2,099,120 | \$0.0761 | 27,144,481 | 1,964,103 | \$0.0724 | 27,396,468 | 1,930,710 | \$0.0705 |
| Large Commercial | 9,659,182 | 570,763 | \$0.0591 | 10,313,123 | 577,327 | \$0.0560 | 10,034,320 | 569,413 | \$0.0567 | 10,191,360 | 566,264 | \$0.0556 | 10,125,960 | 534,376 | \$0.0528 |
| Off Peak Heating | 1,222,369 | 88,086 | \$0.0721 | 1,160,647 | 79,492 | \$0.0685 | 889,449 | 58,367 | \$0.0656 | 1,091,642 | 68,988 | \$0.0632 | 1,092,070 | 66,481 | \$0.0609 |
| City Electric | 8,138,996 | 763,255 | \$0.0938 | 8,131,234 | 740,420 | \$0.0911 | 7,478,149 | 626,026 | \$0.0837 | 7,311,147 | 593,510 | \$0.0812 | 7,576,631 | 599,452 | \$0.0791 |
| All Electric | 3,558,279 | 327,881 | \$0.0921 | 3,503,042 | 313,799 | \$0.0896 | 3,120,850 | 269,922 | \$0.0865 | 3,462,451 | 297,825 | \$0.0860 | 3,492,473 | 296,659 | \$0.0849 |
| Governmental | 302,021 | 23,969 | \$0.0794 | 267,116 | 20,186 | \$0.0756 | 213,071 | 14,144 | \$0.0664 | 273,237 | 17,314 | \$0.0634 | 245,194 | 15,031 | \$0.0613 |
| Industrial | 72,737,765 | 4,789,885 | \$0.0659 | 71,260,452 | 4,525,416 | \$0.0635 | 80,570,039 | 5,664,698 | \$0.0703 | 70,783,870 | 4,925,879 | \$0.0696 | 72,103,702 | 4,925,618 | \$0.0683 |
| Industrial Standby | 940,162 | 244,561 | \$0.2601 | 653,770 | 286,419 | \$0.4381 | 1,969,479 | 317,654 | \$0.1613 | 2,623,003 | 354,827 | \$0.1353 | 1,527,721 | 296,083 | \$0.1938 |
| KVAR | | 53,039 | | | 53,323 | | | 53,865 | | | 44,320 | | | 43,423 | |
| Night Watch | | 8,170 | | | 8,224 | | | 7,721 | | | 7,908 | | | 7,892 | |
| LCE Facility Charge | | 83,070 | | | 85,200 | | | 85,200 | | | 85,224 | | | 83,780 | |
| Industrial Facility Charge | | 570,000 | | | 570,000 | | | 570,000 | | | 570,000 | | | 570,000 | |
| Industrial Excess | | (6,955) | | | 1,014 | | | 6,207 | | | 1,645 | | | 2,966 | |
| Customer Charge - | | | | | | | | | | | | | | | |
| Residential | | 350,847 | | | 345,838 | | | 343,117 | | | 342,364 | | | 337,706 | |
| Commercial | | 55,743 | | | 55,445 | | | 54,450 | | | 53,605 | | | 52,158 | |
| Large Commercial | | 49,140 | | | 50,400 | | | 50,400 | | | 50,414 | | | 49,560 | |
| Industrial | | 97,800 | | | 97,800 | | | 97,800 | | | 97,800 | | | 97,800 | |
| City | | 10,560 | | | 10,482 | | | 9,881 | | | 9,885 | | | 9,872 | |
| Green Power | | 5,714 | | | 6,339 | | | 6,613 | | | 7,197 | | | 7,689 | |
| Air Conditioner Credit | | (6,247) | | | (6,128) | | | (6,089) | | | (5,842) | | | (5,605) | |
| Load Control Credit | | (34,547) | | | (34,230) | | | (33,886) | | | (33,448) | | | (33,233) | |
| | 160,754,496 | \$ 13,838,129 | \$0.0861 | 159,425,755 | \$ 13,387,324 | \$0.0840 | 165,402,466 | \$ 13,875,019 | \$0.0839 | 156,561,399 | \$12,981,430 | \$0.0829 | 157,134,892 | \$12,756,781 | \$0.0812 |
| Other Operating Revenue | | | | | | | | | | | | | | | |
| Reconnections | | \$5,320 | | | \$2,510 | | | \$3,140 | | | \$2,800 | | | \$3,320 | |
| Remote Connections | | \$0 | | | \$0 | | | \$0 | | | \$0 | | | \$0 | |
| Temporary Services | | \$705 | | | \$600 | | | \$680 | | | \$80 | | | \$280 | |
| Underground | | \$4,511 | | | \$6,415 | | | \$16,366 | | | \$25,114 | | | \$39,952 | |
| Repairs | | \$7,704 | | | \$12,037 | | | \$14,298 | | | \$3,945 | | | \$5,411 | |
| Penalties | | \$104,116 | | | \$94,325 | | | \$100,091 | | | \$79,994 | | | \$89,072 | |
| Uncollectible Accounts | | (\$42,766) | | | (\$27,320) | | | (\$19,163) | | | (\$61,768) | | | (\$25,802) | |
| Miscellaneous | | \$130,842 | | | \$111,564 | | | \$73,929 | | | \$44,195 | | | \$116,814 | |
| | | <u>\$210,433</u> | | | <u>\$200,131</u> | | | <u>\$189,341</u> | | | <u>\$94,359</u> | | | <u>\$229,046</u> | |
| Total Operating Revenue | | \$ 14,048,562 | | | \$ 13,587,455 | | | \$14,064,360 | | | \$13,075,789 | | | \$12,985,828 | |
| Percent of Operating Revenues | | | | | | | | | | | | | | | |
| | | <u>Amount</u> | <u>Percent</u> | | <u>Amount</u> | <u>Percent</u> | | <u>Amount</u> | <u>Percent</u> | | <u>Amount</u> | <u>Percent</u> | | <u>Amount</u> | <u>Percent</u> |
| Operating Revenues | | \$14,048,562 | 100.0% | | \$13,587,455 | 100.0% | | \$14,064,360 | 100.0% | | \$13,075,789 | 100.0% | | \$12,985,828 | 100.0% |
| Power Cost | | 8,782,578 | 62.5% | | 8,669,897 | 63.8% | | 8,866,201 | 63.0% | | 7,836,510 | 59.9% | | 7,622,425 | 58.7% |
| Power Cost Margin | | 5,265,984 | 37.5% | | 4,917,558 | 36.2% | | 5,198,159 | 37.0% | | 5,239,279 | 40.1% | | 5,363,402 | 41.3% |
| Distribution | | 2,780,419 | 20.3% | | 2,695,850 | 19.8% | | 2,584,416 | 18.4% | | 2,582,255 | 19.7% | | 2,459,055 | 18.9% |
| Gross Margin | | 2,485,565 | 17.2% | | 2,221,708 | 16.4% | | 2,613,744 | 18.6% | | 2,657,024 | 20.3% | | 2,904,348 | 22.4% |
| Meter Reading | | 12,596 | 0.1% | | 10,229 | 0.1% | | 10,478 | 0.1% | | 10,544 | 0.1% | | 3,158 | 0.0% |
| General and Administrative | | 1,002,768 | 4.4% | | 616,260 | 4.5% | | 526,302 | 3.7% | | 559,037 | 4.3% | | 504,763 | 3.9% |
| Taxes and Tax Equivalents | | 1,218,637 | 8.7% | | 1,190,529 | 8.8% | | 1,219,013 | 8.7% | | 1,172,838 | 9.0% | | 1,159,138 | 8.9% |
| Operating Income | | <u>\$251,565</u> | <u>4.0%</u> | | <u>\$404,690</u> | <u>3.0%</u> | | <u>\$857,950</u> | <u>6.1%</u> | | <u>\$914,605</u> | <u>7.0%</u> | | <u>\$1,237,289</u> | <u>9.5%</u> |

Statistics
For the Years Ended December 31, 2014, 2013, 2012, 2011, 2010

CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT

| Selected Financial Data | 2014 | 2013 | 2012 | 2011 | 2010 |
|----------------------------|---------------|---------------|---------------|---------------|---------------|
| Utility operating revenues | \$ 14,048,562 | \$ 13,587,455 | \$ 14,064,360 | \$ 13,075,789 | \$ 12,985,828 |
| Utility operating expenses | 13,796,997 | 13,182,765 | 13,206,410 | 12,161,185 | 11,748,539 |
| Operating Income | 251,565 | 404,690 | 857,950 | 914,604 | 1,237,289 |
| Net income (loss) | 504,282 | (108,560) | (684,115) | 639,931 | 892,226 |
| Total assets | 29,882,945 | 29,075,238 | 29,071,391 | 29,439,620 | 28,770,409 |
| Total liabilities | 2,348,404 | 2,044,979 | 1,932,572 | 1,616,686 | 1,587,407 |
| Capital expenditures | 698,023 | 2,626,535 | 888,985 | 1,363,840 | 1,363,840 |
| Depreciation | 1,002,801 | 1,042,373 | 918,457 | 924,997 | 900,505 |
| Taxes and tax equivalents | 1,218,637 | 1,190,529 | 1,219,013 | 1,172,838 | 1,159,138 |
| Operating transfers out | 421,402 | 294,639 | 1,750,000 | 563,361 | 634,384 |
| Cash flow from operations | 1,169,854 | 1,547,878 | 2,343,546 | 2,206,879 | 1,481,430 |

| Selected Financial Statistics | 2014 | 2013 | 2012 | 2011 | 2010 |
|---|---------|---------|---------|---------|---------|
| Avg. utility plant investment per \$ of revenue | \$ 2.15 | \$ 2.23 | \$ 1.97 | \$ 2.03 | \$ 2.02 |
| Accum. deprec. as a % of depreciable plant | 50.98% | 50.98% | 52.72% | 51.83% | 48.72% |
| Deprec. expense as a % of depreciable plant | 3.35% | 3.48% | 3.35% | 3.53% | 3.47% |
| Return on equity | 1.95% | 1.50% | 3.16% | 3.29% | 4.55% |
| Return on assets | 2.70% | 1.39% | 2.95% | 3.11% | 4.30% |

| Miscellaneous Statistics | 2014 | 2013 | 2012 | 2011 | 2010 |
|---|-------------|-------------|-------------|-------------|-------------|
| Maximum Demand in MW | 33.10 | 33.12 | 31.84 | 30.53 | 32.01 |
| Date of Maximum Demand | 1/2/2014 | 12/11/2013 | 12/10/2012 | 1/9/2011 | 1/5/2010 |
| KWH purchased from WAPA | 73,051,000 | 73,051,000 | 73,304,000 | 73,051,000 | 73,051,000 |
| WAPA percentage of total power purchases | 43.8% | 43.9% | 42.5% | 45.4% | 45.5% |
| KWH purchased from MMPA | 93,886,766 | 93,284,971 | 99,053,865 | 87,947,759 | 87,670,669 |
| MMPA percentage of total power purchases | 56.2% | 56.1% | 57.5% | 54.6% | 54.5% |
| KWH Line loss or billing differential | (7,123,432) | (7,563,986) | (8,924,878) | (7,060,363) | (5,114,498) |
| Line loss or billing differential percent | -4.27% | -4.55% | -5.18% | -4.39% | -3.18% |
| Average number of customers with discount | 472 | 468 | 464 | 457 | 454 |
| Average number of residential meters | 3724 | 3668 | 3637 | 3635 | 3636 |
| Average number of commercial meters | 554 | 550 | 540 | 528 | 520 |
| Average number of large commercial meters | 9 | 10 | 10 | 10 | 10 |
| Average number of industrial meters | 1 | 1 | 1 | 1 | 1 |

| Management Efficiency | 2014 | 2013 | 2012 | 2011 | 2010 |
|--------------------------------------|-----------|---------|-----------|---------|---------|
| Benefit employees | 25 | 25 | 24 | 24 | 24 |
| Electric employee allocation | 14 | 14 | 14 | 14 | 14 |
| Operating income (loss) per employee | 38,259 | 28,906 | 61,282 | 65,329 | 88,378 |
| Revenue per employee | 1,003,471 | 970,533 | 1,004,597 | 933,985 | 927,559 |
| Accounts receivable turnover | 9.5 | 8.5 | 9.4 | 7.0 | 6.1 |
| Asset turnover | 0.7 | 0.5 | 0.5 | 0.4 | 0.4 |

| Selected Owners Data | 2014 | 2013 | 2012 | 2011 | 2010 |
|-------------------------------------|----------|----------|----------|----------|----------|
| Population | 8,640 | 8,601 | 8,601 | 8,601 | 8,601 |
| One employee per number of owners | 617 | 614 | 614 | 614 | 614 |
| Operating revenue per owner | \$ 1,626 | \$ 1,580 | \$ 1,635 | \$ 1,520 | \$ 1,510 |
| Operating expenses per owner | 1,564 | 1,533 | 1,535 | 1,414 | 1,366 |
| Operating income (loss) per owner | 868 | 659 | 1,397 | 1,489 | 2,014 |
| Net income (loss) per owner | 310 | (69) | (418) | 421 | 591 |
| Net assets per owner | 2,297 | 3,380 | 3,380 | 3,423 | 3,345 |
| Liabilities per owner | 40 | 238 | 225 | 188 | 185 |
| Capital expenditures per owner | 304 | 305 | 103 | 159 | 159 |
| Taxes and tax equivalents per owner | 141 | 138 | 142 | 136 | 135 |

Statistics
For the Years Ended December 31, 2014, 2013, 2012, 2011, 2010

CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT

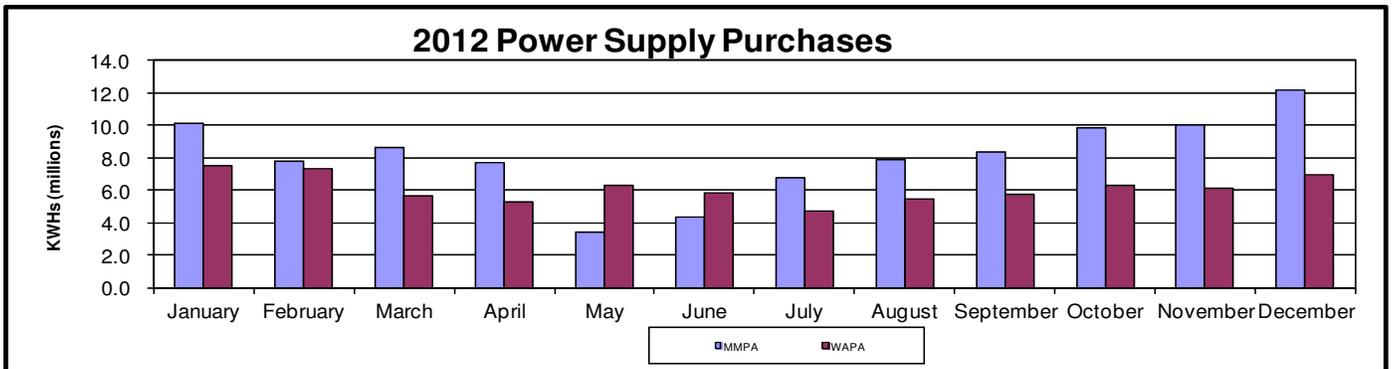
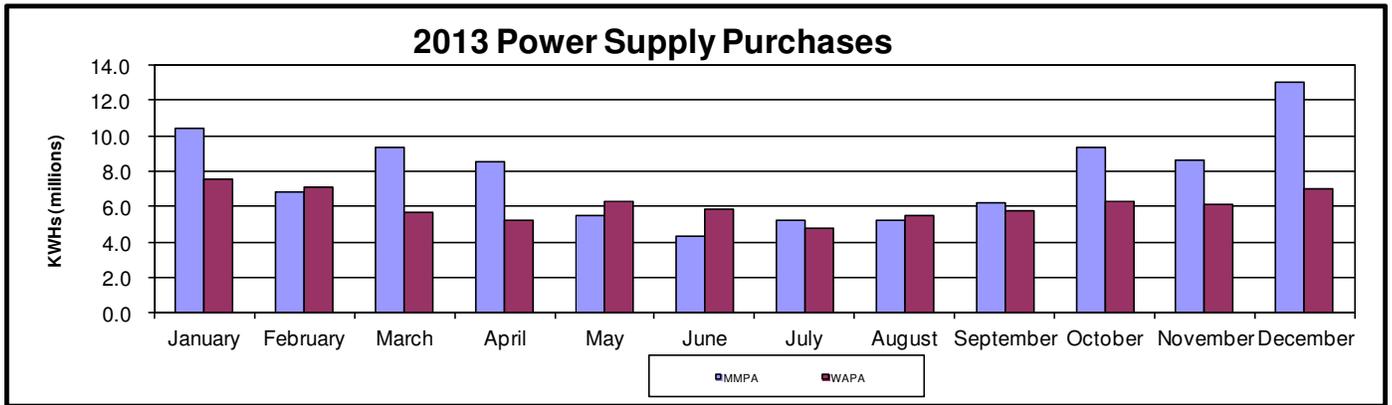
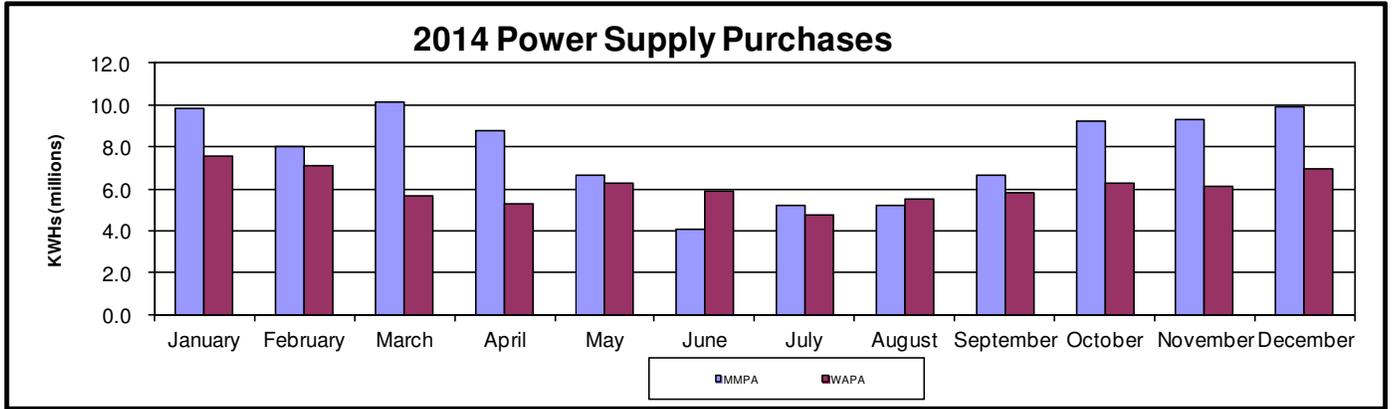
| KWHs | ... | Demand | ... | ... | Energy | ... | WAPA + | Standby |
|-------------|---------|---------|---------|------------|------------|-------------|-------------|-------------------|
| | MMPA | WAPA | System | MMPA | WAPA | System | MMPA | Loss at wholesale |
| 2014 | | | | | | | | |
| January | 19,666 | 13,235 | 33,100 | 9,798,634 | 7,519,000 | 17,317,634 | 17,317,634 | - 2,483 |
| February | 15,830 | 12,370 | 28,186 | 8,036,658 | 7,096,000 | 15,132,658 | 15,132,658 | - 67,790 |
| March | 15,391 | 10,905 | 26,460 | 10,139,580 | 5,630,000 | 15,769,580 | 15,769,580 | - 227,875 |
| April | 15,049 | 9,192 | 24,379 | 8,804,493 | 5,244,000 | 14,048,493 | 14,048,493 | - 72,654 |
| May | 10,755 | 11,650 | 22,580 | 6,625,114 | 6,302,000 | 12,927,114 | 12,927,114 | - - |
| June | 8,204 | 11,276 | 19,649 | 4,039,915 | 5,876,000 | 9,915,915 | 9,915,915 | - - |
| July | 11,751 | 9,899 | 21,798 | 5,204,862 | 4,729,000 | 9,933,862 | 9,933,862 | - - |
| August | 9,512 | 11,092 | 20,770 | 5,214,533 | 5,492,000 | 10,706,533 | 10,706,533 | - - |
| September | 10,397 | 12,097 | 22,675 | 6,675,348 | 5,774,000 | 12,449,348 | 12,449,348 | - 76,123 |
| October | 14,537 | 12,661 | 27,388 | 9,201,288 | 6,287,000 | 15,488,288 | 15,488,288 | - 121,305 |
| November | 16,372 | 11,104 | 27,643 | 9,327,430 | 6,117,000 | 15,444,430 | 15,444,430 | - 304,534 |
| December | 19,113 | 13,325 | 32,547 | 9,900,784 | 6,985,000 | 16,885,784 | 16,885,784 | - 45,363 |
| 1st Quarter | 50,887 | 36,510 | 87,746 | 27,974,872 | 20,245,000 | 48,219,872 | 48,219,872 | - 298,148 |
| 2nd Quarter | 34,008 | 32,118 | 66,608 | 19,469,522 | 17,422,000 | 36,891,522 | 36,891,522 | - 72,654 |
| 3rd Quarter | 31,660 | 33,088 | 65,243 | 17,094,743 | 15,995,000 | 33,089,743 | 33,089,743 | - 76,123 |
| 4th Quarter | 50,022 | 37,090 | 87,578 | 28,429,502 | 19,389,000 | 47,818,502 | 47,818,502 | - 471,202 |
| Total | 166,577 | 138,806 | 307,175 | 92,968,639 | 73,051,000 | 166,019,639 | 166,019,639 | - 918,127 |
| 2013 | | | | | | | | |
| January | 17,908 | 13,235 | 31,342 | 10,446,799 | 7,519,000 | 17,965,799 | 17,965,799 | - 58,051 |
| February | 15,203 | 12,556 | 27,759 | 6,802,453 | 7,096,000 | 13,898,453 | 13,898,453 | - 53,617 |
| March | 14,683 | 10,905 | 25,752 | 9,357,897 | 5,630,000 | 14,987,897 | 14,987,897 | - 55,356 |
| April | 15,761 | 9,192 | 25,091 | 8,571,552 | 5,244,000 | 13,815,552 | 13,815,552 | - 29,168 |
| May | 11,322 | 11,650 | 23,147 | 5,489,053 | 6,302,000 | 11,791,053 | 11,791,053 | - 94,408 |
| June | 9,788 | 11,276 | 21,233 | 4,291,040 | 5,876,000 | 10,167,040 | 10,167,040 | - 88,348 |
| July | 10,327 | 9,899 | 20,374 | 5,233,234 | 4,729,000 | 9,962,234 | 9,962,234 | - - |
| August | 12,536 | 11,092 | 23,794 | 5,191,324 | 5,492,000 | 10,683,324 | 10,683,324 | - - |
| September | 10,425 | 12,097 | 22,703 | 6,237,750 | 5,774,000 | 12,011,750 | 12,011,750 | - 213,105 |
| October | 14,741 | 12,661 | 27,952 | 9,342,015 | 6,287,000 | 15,629,015 | 15,629,015 | - 16,299 |
| November | 16,680 | 11,104 | 27,951 | 8,647,480 | 6,117,000 | 14,764,480 | 14,764,480 | - 25,101 |
| December | 19,687 | 13,325 | 33,121 | 13,035,926 | 6,985,000 | 20,020,926 | 20,020,926 | - 4,995 |
| 1st Quarter | 47,794 | 36,696 | 84,853 | 26,607,149 | 20,245,000 | 46,852,149 | 46,852,149 | - 167,024 |
| 2nd Quarter | 36,871 | 32,118 | 69,471 | 18,351,645 | 17,422,000 | 35,773,645 | 35,773,645 | - 211,924 |
| 3rd Quarter | 33,288 | 33,088 | 66,871 | 16,662,308 | 15,995,000 | 32,657,308 | 32,657,308 | - 213,105 |
| 4th Quarter | 51,108 | 37,090 | 89,024 | 31,025,421 | 19,389,000 | 50,414,421 | 50,414,421 | - 46,395 |
| Total | 169,061 | 138,992 | 310,219 | 92,646,523 | 73,051,000 | 165,697,523 | 165,697,523 | - 638,448 |
| 2012 | | | | | | | | |
| January | 18,396 | 13,235 | 31,830 | 10,126,288 | 7,519,000 | 17,645,288 | 17,645,288 | - 122,932 |
| February | 17,358 | 12,370 | 29,914 | 7,843,545 | 7,349,000 | 15,192,545 | 15,192,545 | - 55,724 |
| March | 15,232 | 10,905 | 26,301 | 8,625,687 | 5,630,000 | 14,255,687 | 14,255,687 | - 40,595 |
| April | 13,119 | 9,192 | 22,449 | 7,696,380 | 5,244,000 | 12,940,380 | 12,940,380 | - 121,819 |
| May | 7,726 | 11,650 | 19,551 | 3,445,403 | 6,302,000 | 9,747,403 | 9,747,403 | - 210,396 |
| June | 9,839 | 11,276 | 21,284 | 4,333,149 | 5,876,000 | 10,209,149 | 10,209,149 | - 3,490 |
| July | 11,163 | 9,899 | 21,210 | 6,799,816 | 4,729,000 | 11,528,816 | 11,528,816 | - - |
| August | 19,664 | 11,092 | 30,922 | 7,883,023 | 5,492,000 | 13,375,023 | 13,375,023 | - - |
| September | 12,838 | 12,097 | 25,116 | 8,346,550 | 5,774,000 | 14,120,550 | 14,120,550 | - 1,028,736 |
| October | 14,546 | 12,661 | 27,397 | 9,863,735 | 6,287,000 | 16,150,735 | 16,150,735 | - 32,167 |
| November | 16,940 | 11,104 | 28,211 | 10,005,115 | 6,117,000 | 16,122,115 | 16,122,115 | - 59,414 |
| December | 18,404 | 13,325 | 31,838 | 12,161,857 | 6,985,000 | 19,146,857 | 19,146,857 | - 248,044 |
| 1st Quarter | 50,986 | 36,510 | 88,045 | 26,595,520 | 20,498,000 | 47,093,520 | 47,093,520 | - 219,251 |
| 2nd Quarter | 30,684 | 32,118 | 63,284 | 15,474,932 | 17,422,000 | 32,896,932 | 32,896,932 | - 335,705 |
| 3rd Quarter | 43,665 | 33,088 | 77,248 | 23,029,389 | 15,995,000 | 39,024,389 | 39,024,389 | - 1,028,736 |
| 4th Quarter | 49,890 | 37,090 | 87,446 | 32,030,707 | 19,389,000 | 51,419,707 | 51,419,707 | - 339,625 |
| Total | 175,225 | 138,806 | 316,023 | 97,130,548 | 73,304,000 | 170,434,548 | 170,434,548 | - 1,923,317 |

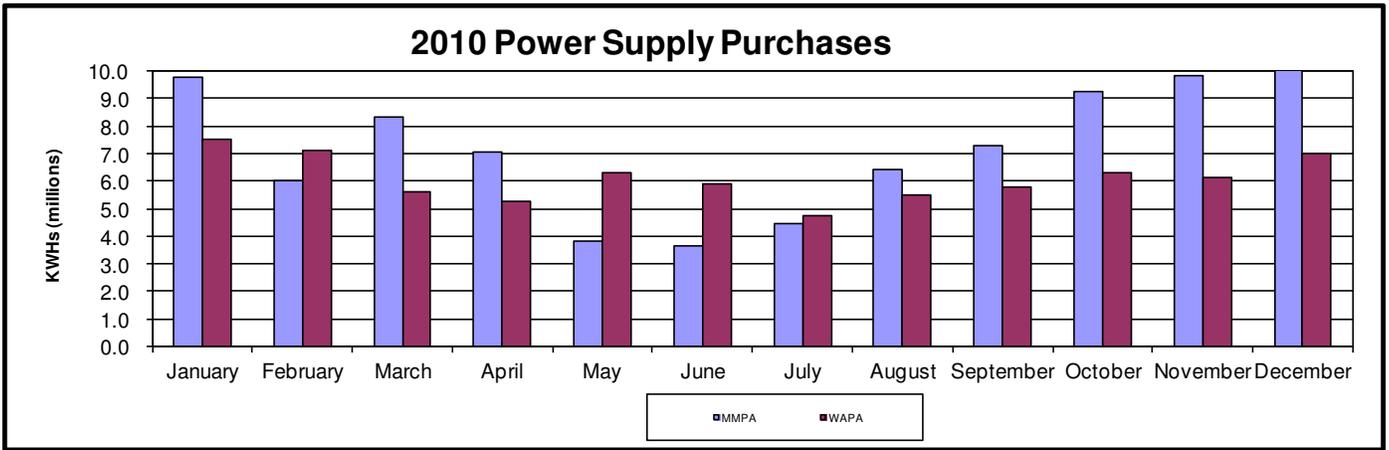
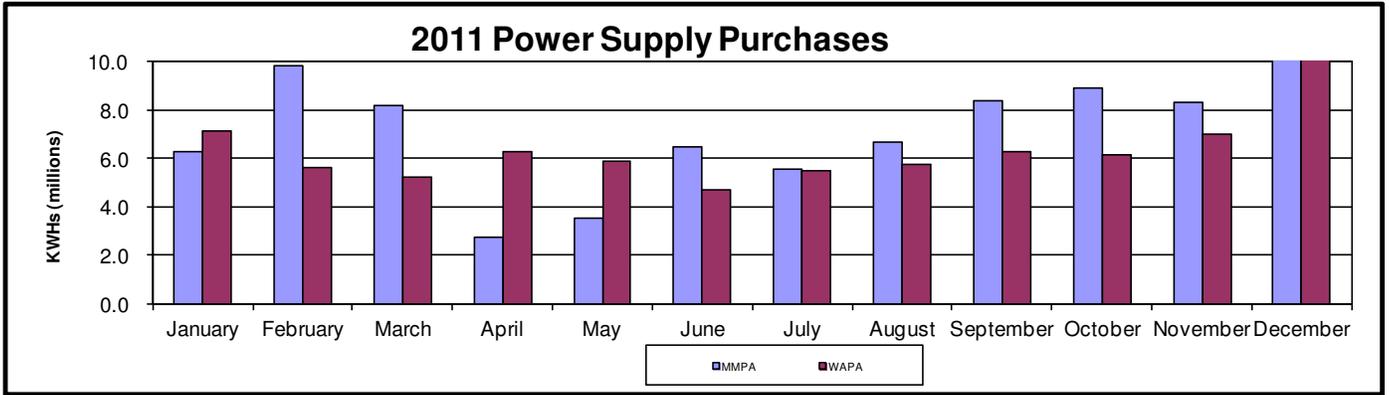
Statistics
For the Years Ended December 31, 2014, 2013, 2012, 2011, 2010

CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT

| | | | | | | | | | | |
|-------------|--------------|----------------|----------------|----------------|-------------------|-------------------|--------------------|--------------------|----------|------------------|
| 2011 | January | 17,091 | 13,235 | 30,525 | 10,610,423 | 7,519,000 | 18,129,423 | 18,129,423 | - | 43,562 |
| | February | 13,564 | 12,370 | 26,120 | 6,260,117 | 7,096,000 | 13,356,117 | 13,356,117 | - | 108,732 |
| | March | 14,195 | 10,905 | 25,264 | 9,832,152 | 5,630,000 | 15,462,152 | 15,462,152 | - | 43,628 |
| | April | 14,308 | 9,192 | 23,638 | 8,194,823 | 5,244,000 | 13,438,823 | 13,438,823 | - | 268,623 |
| | May | 9,199 | 11,650 | 21,024 | 2,744,821 | 6,302,000 | 9,046,821 | 9,046,821 | - | 52,337 |
| | June | 7,954 | 11,276 | 19,399 | 3,493,352 | 5,876,000 | 9,369,352 | 9,369,352 | - | - |
| | July | 11,538 | 9,899 | 21,585 | 6,442,092 | 4,729,000 | 11,171,092 | 11,171,092 | - | - |
| | August | 11,096 | 11,092 | 22,354 | 5,572,791 | 5,492,000 | 11,064,791 | 11,064,791 | - | 321,222 |
| | September | 10,348 | 12,097 | 22,626 | 6,689,746 | 5,774,000 | 12,463,746 | 12,463,746 | - | 532,576 |
| | October | 12,255 | 12,661 | 25,106 | 8,392,282 | 6,287,000 | 14,679,282 | 14,679,282 | - | 914,696 |
| | November | 17,284 | 11,104 | 28,555 | 8,865,252 | 6,117,000 | 14,982,252 | 14,982,252 | - | 67,711 |
| | December | 12,671 | 13,325 | 26,105 | 8,288,378 | 6,985,000 | 15,273,378 | 15,273,378 | - | 208,443 |
| | 1st Quarter | 44,850 | 36,510 | 81,909 | 26,702,692 | 20,245,000 | 46,947,692 | 46,947,692 | - | 195,922 |
| | 2nd Quarter | 31,461 | 32,118 | 64,061 | 14,432,996 | 17,422,000 | 31,854,996 | 31,854,996 | - | 320,960 |
| | 3rd Quarter | 32,982 | 33,088 | 66,565 | 18,704,629 | 15,995,000 | 34,699,629 | 34,699,629 | - | 853,798 |
| | 4th Quarter | 42,210 | 37,090 | 79,766 | 25,545,912 | 19,389,000 | 44,934,912 | 44,934,912 | - | 1,190,850 |
| | Total | 151,503 | 138,806 | 292,301 | 85,386,229 | 73,051,000 | 158,437,229 | 158,437,229 | - | 2,561,530 |

| KWHs | | ... | Demand | ... | ... | Energy | ... | WAPA + | | Standby |
|-------------|--------------|----------------|----------------|----------------|-------------------|-------------------|--------------------|--------------------|----------|------------------|
| | | MMPA | WAPA | System | MMPA | WAPA | System | MMPA | Loss | at wholesale |
| 2010 | January | 18,571 | 13,235 | 32,005 | 9,777,174 | 7,519,000 | 17,296,174 | 17,296,174 | - | 70,854 |
| | February | 12,032 | 12,370 | 24,588 | 6,032,248 | 7,096,000 | 13,128,248 | 13,128,248 | - | 15,432 |
| | March | 12,249 | 10,905 | 23,318 | 8,322,339 | 5,630,000 | 13,952,339 | 13,952,339 | - | 121,081 |
| | April | 11,370 | 9,192 | 20,700 | 7,042,974 | 5,244,000 | 12,286,974 | 12,286,974 | - | 5,422 |
| | May | 7,520 | 11,650 | 19,345 | 3,792,602 | 6,302,000 | 10,094,602 | 10,094,602 | - | - |
| | June | 6,356 | 11,276 | 17,801 | 3,626,597 | 5,876,000 | 9,502,597 | 9,502,597 | - | - |
| | July | 8,633 | 9,899 | 18,680 | 4,446,078 | 4,729,000 | 9,175,078 | 9,175,078 | - | - |
| | August | 12,738 | 11,092 | 23,996 | 6,408,489 | 5,492,000 | 11,900,489 | 11,900,489 | - | 974,879 |
| | September | 9,295 | 12,097 | 21,573 | 7,271,438 | 5,774,000 | 13,045,438 | 13,045,438 | - | 88,958 |
| | October | 13,679 | 12,661 | 26,530 | 9,234,576 | 6,287,000 | 15,521,576 | 15,521,576 | - | 98,217 |
| | November | 16,216 | 11,104 | 27,487 | 9,834,911 | 6,117,000 | 15,951,911 | 15,951,911 | - | 53,128 |
| | December | 18,177 | 13,325 | 31,611 | 11,881,243 | 6,985,000 | 18,866,243 | 18,866,243 | - | 63,943 |
| | 1st Quarter | 42,852 | 36,510 | 79,911 | 24,131,761 | 20,245,000 | 44,376,761 | 44,376,761 | - | 207,367 |
| | 2nd Quarter | 25,246 | 32,118 | 57,846 | 14,462,173 | 17,422,000 | 31,884,173 | 31,884,173 | - | 5,422 |
| | 3rd Quarter | 30,666 | 33,088 | 64,249 | 18,126,005 | 15,995,000 | 34,121,005 | 34,121,005 | - | 1,063,837 |
| | 4th Quarter | 48,072 | 37,090 | 85,628 | 30,950,730 | 19,389,000 | 50,339,730 | 50,339,730 | - | 215,288 |
| | Total | 146,836 | 138,806 | 287,634 | 87,670,669 | 73,051,000 | 160,721,669 | 160,721,669 | - | 1,491,914 |





Statistics
For the Years Ended December 31, 2014, 2013, 2012, 2011, 2010

CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT

| 2014 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total |
|--------------------|------------|------------|------------|------------|------------|-----------|-----------|------------|------------|------------|------------|------------|-------------|
| Residential | 3,800,850 | 3,595,111 | 3,029,051 | 2,858,497 | 2,393,607 | 2,637,275 | 2,850,846 | 3,209,567 | 2,801,734 | 2,318,099 | 2,482,909 | 3,099,188 | 35,076,734 |
| All Electric | 559,814 | 542,513 | 445,866 | 345,290 | 221,659 | 156,110 | 146,817 | 164,159 | 146,276 | 152,101 | 260,165 | 417,509 | 3,558,279 |
| Commercial | 3,016,307 | 2,834,261 | 2,425,685 | 2,346,251 | 2,102,370 | 2,292,584 | 2,201,259 | 2,393,803 | 2,175,036 | 2,292,972 | 2,510,904 | 2,527,556 | 29,118,988 |
| Large Commercial | 970,192 | 838,875 | 810,464 | 730,580 | 713,499 | 687,692 | 728,399 | 764,550 | 798,479 | 842,130 | 852,090 | 922,232 | 9,659,182 |
| City Electric | 1,005,381 | 957,505 | 829,967 | 653,841 | 562,480 | 542,428 | 477,469 | 509,400 | 482,460 | 567,129 | 717,917 | 833,019 | 8,138,996 |
| City Off Peak | 46,052 | 64,048 | 30,922 | 19,969 | 20,750 | 2,848 | 1,721 | 84 | 5,288 | 14,238 | 38,519 | 57,582 | 302,021 |
| Off Peak | 261,525 | 246,316 | 213,487 | 136,246 | 55,308 | 16,737 | 11,248 | 6,401 | 8,579 | 16,119 | 73,045 | 177,358 | 1,222,369 |
| Industrial | 7,027,910 | 6,310,936 | 7,198,347 | 7,077,358 | 6,250,231 | 3,361,637 | 2,823,654 | 3,717,038 | 5,997,021 | 8,275,513 | 7,135,754 | 7,562,366 | 72,737,765 |
| Industrial Standby | 2,542 | 69,418 | 233,344 | 74,397 | - | - | - | - | 77,950 | 124,216 | 311,843 | 46,452 | 940,162 |
| Total | 16,690,573 | 15,458,983 | 15,217,133 | 14,242,429 | 12,319,904 | 9,697,311 | 9,241,413 | 10,765,002 | 12,492,823 | 14,602,517 | 14,383,146 | 15,643,262 | 160,754,496 |

| 2013 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total |
|--------------------|------------|------------|------------|------------|------------|-----------|-----------|-----------|------------|------------|------------|------------|-------------|
| Residential | 3,420,871 | 3,407,051 | 2,783,911 | 2,850,864 | 2,455,452 | 2,418,810 | 3,197,332 | 2,954,760 | 3,142,537 | 2,356,910 | 2,577,206 | 3,140,031 | 34,705,735 |
| All Electric | 493,228 | 515,763 | 384,962 | 356,020 | 225,391 | 151,380 | 171,815 | 154,390 | 168,062 | 154,374 | 274,882 | 452,775 | 3,503,042 |
| Commercial | 3,142,346 | 2,843,347 | 2,250,128 | 2,348,440 | 2,078,266 | 2,161,918 | 2,347,251 | 2,242,803 | 2,382,180 | 2,230,870 | 2,393,265 | 3,009,822 | 29,430,636 |
| Large Commercial | 1,004,680 | 933,520 | 935,560 | 867,920 | 746,120 | 645,000 | 713,760 | 805,640 | 862,920 | 942,479 | 886,122 | 969,402 | 10,313,123 |
| City Electric | 904,528 | 898,199 | 779,338 | 656,596 | 541,616 | 531,767 | 487,799 | 503,494 | 506,347 | 608,594 | 785,438 | 927,518 | 8,131,234 |
| City Off Peak | 30,132 | 43,288 | 34,140 | 58,488 | 1,966 | 370 | 46 | 45 | 46 | 5,724 | 33,639 | 59,232 | 267,116 |
| Off Peak | 220,088 | 242,600 | 169,351 | 144,438 | 62,856 | 16,552 | 7,011 | 6,776 | 7,418 | 18,222 | 71,373 | 193,962 | 1,160,647 |
| Industrial | 7,917,051 | 5,609,120 | 7,330,741 | 6,517,898 | 5,370,860 | 3,505,309 | 2,539,282 | 3,200,722 | 5,332,445 | 8,130,544 | 6,654,701 | 9,151,779 | 71,260,452 |
| Industrial Standby | 59,444 | 54,904 | 56,684 | 29,869 | 96,673 | 90,468 | - | - | 218,220 | 16,690 | 25,703 | 5,115 | 653,770 |
| Total | 17,192,368 | 14,547,792 | 14,724,815 | 13,830,533 | 11,579,200 | 9,521,574 | 9,464,296 | 9,868,630 | 12,620,175 | 14,464,407 | 13,702,329 | 17,909,636 | 159,425,755 |

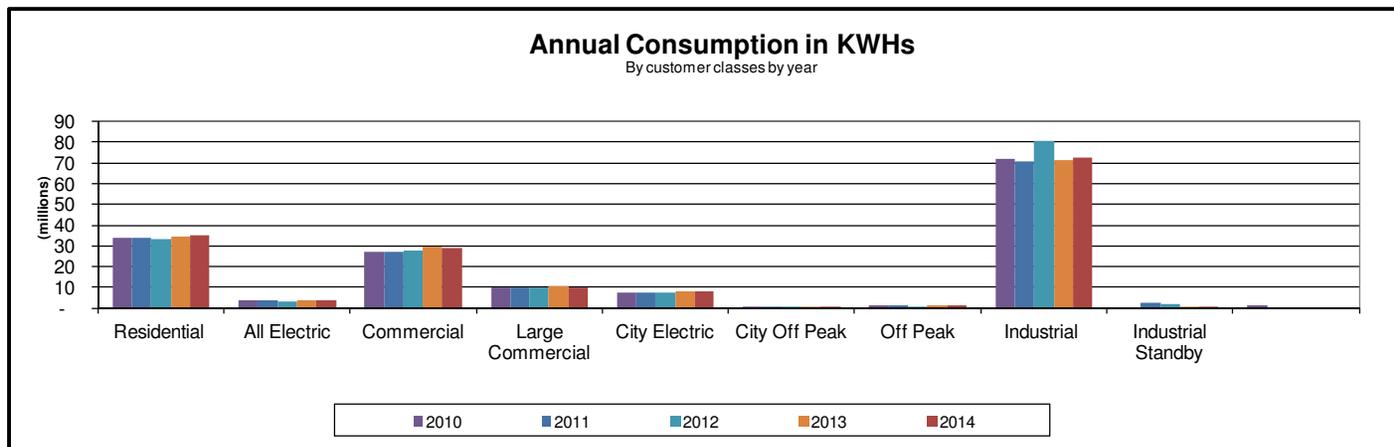
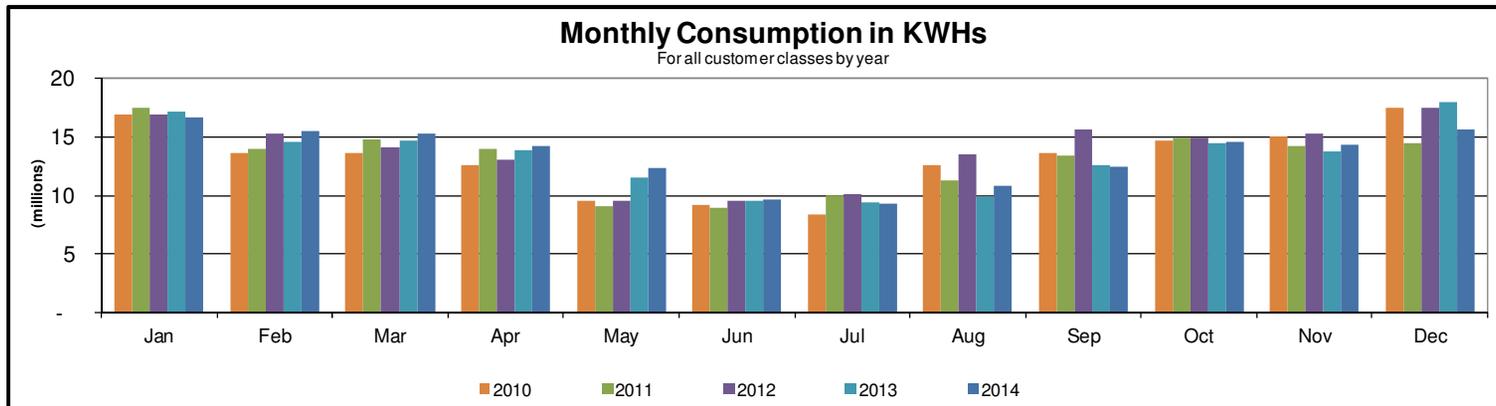
| 2012 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total |
|--------------------|------------|------------|------------|------------|-----------|-----------|------------|------------|------------|------------|------------|------------|-------------|
| Residential | 3,169,188 | 3,079,370 | 2,706,420 | 2,419,029 | 2,246,158 | 2,492,342 | 3,293,327 | 3,546,539 | 2,904,200 | 2,202,048 | 2,559,225 | 2,925,086 | 33,542,932 |
| All Electric | 416,490 | 429,962 | 342,223 | 227,254 | 169,386 | 153,259 | 188,449 | 183,404 | 157,397 | 172,418 | 282,039 | 398,569 | 3,120,850 |
| Commercial | 2,523,134 | 2,563,557 | 2,173,417 | 2,087,475 | 2,007,636 | 2,092,553 | 2,307,612 | 2,284,758 | 2,195,362 | 2,160,473 | 2,485,203 | 2,702,997 | 27,584,177 |
| Large Commercial | 901,320 | 876,080 | 874,360 | 765,000 | 780,760 | 686,720 | 793,080 | 828,760 | 748,560 | 929,120 | 896,080 | 954,480 | 10,034,320 |
| City Electric | 790,945 | 778,269 | 730,873 | 537,682 | 486,107 | 516,717 | 489,357 | 503,171 | 488,224 | 585,842 | 753,799 | 817,163 | 7,478,149 |
| City Off Peak | 52,879 | 33,990 | 25,765 | 9,105 | 2,199 | 251 | 44 | 43 | 81 | 18,088 | 29,423 | 41,203 | 213,071 |
| Off Peak | 172,997 | 192,277 | 148,709 | 48,841 | 32,432 | 12,281 | 5,594 | 4,942 | 5,857 | 26,770 | 89,184 | 149,565 | 889,449 |
| Industrial | 8,802,551 | 7,317,466 | 7,032,500 | 6,773,682 | 3,642,820 | 3,621,533 | 3,089,573 | 6,207,562 | 8,036,203 | 8,775,938 | 8,059,035 | 9,211,176 | 80,570,039 |
| Industrial Standby | 125,883 | 57,061 | 41,569 | 124,743 | 215,446 | 3,574 | - | - | 1,053,426 | 32,939 | 60,840 | 253,998 | 1,969,479 |
| Total | 16,955,387 | 15,328,032 | 14,075,836 | 12,992,811 | 9,582,944 | 9,579,230 | 10,167,036 | 13,559,179 | 15,589,310 | 14,903,636 | 15,214,828 | 17,454,237 | 165,402,466 |

| 2011 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total |
|--------------------|------------|------------|------------|------------|-----------|-----------|------------|------------|------------|------------|------------|------------|-------------|
| Residential | 3,473,052 | 3,334,022 | 2,809,785 | 2,723,057 | 2,325,398 | 2,316,285 | 2,884,552 | 3,329,325 | 2,898,309 | 2,272,347 | 2,434,106 | 2,879,970 | 33,680,208 |
| All Electric | 520,264 | 504,064 | 426,184 | 330,567 | 216,917 | 163,077 | 175,292 | 183,746 | 164,882 | 157,084 | 252,316 | 368,058 | 3,462,451 |
| Commercial | 2,872,723 | 2,590,882 | 2,230,000 | 2,187,477 | 1,985,480 | 2,051,844 | 2,194,280 | 2,338,635 | 2,140,827 | 2,053,684 | 2,207,105 | 2,291,544 | 27,144,481 |
| Large Commercial | 975,960 | 864,160 | 976,680 | 806,680 | 757,160 | 711,400 | 779,560 | 867,920 | 902,720 | 835,720 | 857,200 | 856,200 | 10,191,360 |
| City Electric | 834,117 | 819,085 | 732,117 | 580,086 | 507,062 | 500,484 | 463,691 | 471,731 | 449,949 | 522,927 | 669,870 | 760,028 | 7,311,147 |
| City Off Peak | 62,252 | 55,065 | 43,407 | 23,453 | 10,542 | 3,480 | 1,061 | 383 | 1,396 | 3,041 | 23,952 | 45,205 | 273,237 |
| Off Peak | 277,143 | 260,401 | 193,009 | 104,971 | 34,699 | 16,429 | 5,833 | 2,568 | 2,713 | 6,763 | 50,507 | 136,606 | 1,091,642 |
| Industrial | 8,408,261 | 5,494,808 | 7,353,210 | 6,977,296 | 3,134,347 | 3,193,398 | 3,543,707 | 3,720,598 | 6,316,628 | 8,128,813 | 7,617,583 | 6,895,221 | 70,783,870 |
| Industrial Standby | 44,608 | 111,341 | 44,676 | 275,067 | 53,593 | - | - | 328,931 | 545,357 | 936,648 | 69,336 | 213,446 | 2,623,003 |
| Total | 17,468,380 | 14,033,828 | 14,809,068 | 14,008,654 | 9,025,198 | 8,956,397 | 10,047,976 | 11,243,837 | 13,422,781 | 14,917,027 | 14,181,975 | 14,446,278 | 156,561,399 |

Statistics
For the Years Ended December 31, 2014, 2013, 2012, 2011, 2010

CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT

| 2010 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total |
|--------------------|-------------------|-------------------|-------------------|-------------------|------------------|------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
| Residential | 3,572,599 | 3,293,107 | 2,722,100 | 2,572,485 | 2,223,285 | 2,460,772 | 2,935,679 | 3,268,366 | 2,887,963 | 2,175,935 | 2,437,481 | 3,024,901 | 33,574,673 |
| All Electric | 534,644 | 518,029 | 384,637 | 279,330 | 203,497 | 166,479 | 177,739 | 193,779 | 172,953 | 156,691 | 258,001 | 446,694 | 3,492,473 |
| Commercial | 2,874,481 | 2,744,741 | 2,202,022 | 2,098,828 | 1,924,712 | 2,085,862 | 2,145,358 | 2,272,962 | 2,058,791 | 2,095,196 | 2,283,936 | 2,609,579 | 27,396,468 |
| Large Commercial | 957,120 | 831,800 | 953,080 | 872,680 | 803,440 | 653,440 | 725,960 | 842,160 | 848,920 | 838,280 | 843,840 | 955,240 | 10,125,960 |
| City Electric | 883,635 | 824,221 | 752,692 | 570,964 | 473,714 | 556,983 | 515,251 | 527,474 | 462,224 | 560,551 | 674,301 | 774,621 | 7,576,631 |
| City Off Peak | 60,664 | 46,295 | 34,336 | 3,648 | 3,981 | 2,175 | 1,338 | 1,823 | 1,409 | 2,215 | 30,526 | 56,784 | 245,194 |
| Off Peak | 263,706 | 248,749 | 163,584 | 62,004 | 23,760 | 12,656 | 5,604 | 3,674 | 4,930 | 13,251 | 69,421 | 220,731 | 1,092,070 |
| Industrial | 7,697,876 | 5,070,118 | 6,256,950 | 6,114,102 | 3,819,468 | 3,267,803 | 1,852,679 | 4,434,285 | 7,105,189 | 8,764,319 | 8,340,258 | 9,380,655 | 72,103,702 |
| Industrial Excess | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Industrial Standby | 72,555 | 15,802 | 123,988 | 5,552 | - | - | - | 998,246 | 91,092 | 100,574 | 54,433 | 65,479 | 1,527,721 |
| Total | 16,917,280 | 13,592,862 | 13,593,389 | 12,579,593 | 9,475,857 | 9,206,170 | 8,359,608 | 12,542,769 | 13,633,471 | 14,707,012 | 14,992,197 | 17,534,684 | 157,134,892 |



**Details of Revenues, Expenses and Object Codes – Electric Fund
For the Years Ended December 31, 2014, 2013, 2012, 2011, 2010**

**CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT**

| Load Factors | 2014 | 2013 | 2012 | 2011 | 2010 |
|---------------------------|---------|---------|---------|---------|---------|
| MMPA Power Factor | | | | | |
| January | 86.9200 | 87.5600 | 88.2000 | 89.5200 | 89.7700 |
| February | 91.5200 | 90.3200 | 88.3700 | 93.6800 | 93.1000 |
| March | 91.9000 | 91.5600 | 90.3900 | 91.8100 | 93.4300 |
| April | 89.4000 | 90.7900 | 89.7200 | 91.2600 | 92.7800 |
| May | 87.9800 | 89.7500 | 86.5600 | 92.0800 | 92.4200 |
| June | 93.7800 | 95.8500 | 92.3900 | 93.0700 | 92.2300 |
| July | 93.5300 | 96.1000 | 93.5500 | 91.4100 | 92.3800 |
| August | 90.1100 | 90.5300 | 89.3400 | 87.5200 | 91.8600 |
| September | 90.8300 | 84.9100 | 84.9400 | 88.0100 | 89.9400 |
| October | 82.3700 | 82.7100 | 84.8500 | 87.0800 | 88.9300 |
| November | 84.8400 | 84.4600 | 85.7900 | 84.2700 | 88.0400 |
| December | 87.8800 | 86.9300 | 86.7600 | 90.0500 | 89.8100 |
| Average | 89.2550 | 89.2892 | 88.4050 | 89.9800 | 91.2242 |
| WAPA Load Factor | | | | | |
| January | 76.3595 | 76.3595 | 76.3595 | 76.3595 | 76.3595 |
| February | 85.3590 | 85.3590 | 85.3590 | 85.3640 | 85.3640 |
| March | 69.3921 | 69.3921 | 69.3921 | 69.3921 | 69.3921 |
| April | 79.2356 | 79.2356 | 79.2356 | 79.2356 | 79.2356 |
| May | 72.7076 | 72.7076 | 72.7076 | 72.7076 | 72.7076 |
| June | 72.3759 | 72.3759 | 72.3759 | 72.3759 | 72.3759 |
| July | 64.2104 | 64.2104 | 64.2104 | 64.2104 | 64.2104 |
| August | 66.5499 | 66.5499 | 66.5499 | 66.5499 | 66.5499 |
| September | 66.2928 | 66.2928 | 66.2928 | 66.2928 | 66.2928 |
| October | 66.7425 | 66.7425 | 66.7425 | 66.7425 | 66.7425 |
| November | 76.5115 | 76.5115 | 76.5115 | 76.5115 | 76.5115 |
| December | 70.9365 | 70.9365 | 70.9365 | 70.9365 | 70.9365 |
| Average | 72.2228 | 72.2228 | 72.2228 | 72.2232 | 72.2232 |
| System Load Factor | | | | | |
| January | 76.3595 | 76.3595 | 76.3595 | 76.3595 | 76.3595 |
| February | 85.3590 | 85.3590 | 85.3590 | 85.3640 | 85.3640 |
| March | 69.3921 | 69.3921 | 69.3921 | 69.3921 | 69.3921 |
| April | 79.2356 | 79.2356 | 79.2356 | 79.2356 | 79.2356 |
| May | 72.7076 | 72.7076 | 72.7076 | 72.7076 | 72.7076 |
| June | 72.3759 | 72.3759 | 72.3759 | 72.3759 | 72.3759 |
| July | 64.2104 | 64.2104 | 64.2104 | 64.2104 | 64.2104 |
| August | 66.5499 | 66.5499 | 66.5499 | 66.5499 | 66.5499 |
| September | 66.2928 | 66.2928 | 66.2928 | 66.2928 | 66.2928 |
| October | 36.7425 | 66.7425 | 66.7425 | 66.7425 | 66.7425 |
| November | 76.5115 | 76.5115 | 76.5115 | 76.5115 | 76.5115 |
| December | 70.9365 | 70.9365 | 70.9365 | 70.9365 | 70.9365 |
| Average | 69.7228 | 72.2228 | 72.2228 | 72.2232 | 72.2232 |

**Details of Revenues, Expenses and Object Codes – Electric Fund
For the Years Ended December 31, 2014, 2013, 2012, 2011, 2010**

**CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT**

| Revenues Account Number | 2010 Actual | 2011 Actual | 2012 Actual | 2013 Actual | 2014 Actual |
|--|------------------------|------------------------|------------------------|------------------------|------------------------|
| 601-37-000-37410 Res. Regular | \$ 2,866,121 | \$ 2,958,672 | \$ 3,007,589 | \$ 3,291,559 | \$ 3,445,989 |
| 601-37-000-37412 Res. All Electric | 296,659 | 297,825 | 269,922 | 313,799 | 327,881 |
| 601-37-000-37415 Res. Off Peak | 40,678 | 42,353 | 32,538 | 44,217 | 48,710 |
| 601-37-000-37416 Res. Seasonal | 2,242 | 2,976 | 2,806 | 3,303 | 2,066 |
| 601-37-000-37420 Com. Regular | 1,929,615 | 1,962,695 | 2,097,503 | 2,303,989 | 2,343,221 |
| 601-37-000-37421 Com. Large | 534,376 | 566,264 | 569,413 | 577,327 | 570,763 |
| 601-37-000-37422 Com. Industrial Standby | 296,083 | 354,827 | 317,654 | 286,419 | 244,561 |
| 601-37-000-37425 Com. Off Peak | 25,803 | 26,635 | 25,828 | 35,276 | 39,376 |
| 601-37-000-37426 Com. Seasonal | 1,095 | 1,408 | 1,618 | 1,705 | 2,119 |
| 601-37-000-37427 Industrial | 4,925,618 | 4,925,879 | 5,664,698 | 4,525,416 | 4,789,885 |
| 601-37-000-37428 Industrial Excess | 2,966 | 1,645 | 6,207 | 1,014 | (6,955) |
| 601-37-000-37435 LCE Facility | 83,780 | 85,224 | 85,200 | 85,200 | 83,070 |
| 601-37-000-37436 Industrial Facility | 570,000 | 570,000 | 570,000 | 570,000 | 570,000 |
| 601-37-000-37440 KVAR | 43,423 | 44,320 | 53,865 | 53,323 | 53,039 |
| 601-37-000-37441 Res. Off Peak Customer | 5,701 | 5,669 | 5,715 | 5,806 | 5,870 |
| 601-37-000-37442 Com. Off Peak Customer | 1,547 | 1,518 | 1,472 | 1,449 | 1,449 |
| 601-37-000-37443 Res. Customer | 287,681 | 291,710 | 292,943 | 294,474 | 296,255 |
| 601-37-000-37444 Com. Customer | 50,611 | 52,087 | 52,978 | 53,996 | 54,294 |
| 601-37-000-37445 LCE. Customer | 49,560 | 50,414 | 50,400 | 50,400 | 49,140 |
| 601-37-000-37446 Industrial Customer | 97,800 | 97,800 | 97,800 | 97,800 | 97,800 |
| 601-37-000-37447 Res. All Elect. Customer | 44,324 | 44,985 | 44,460 | 45,558 | 48,722 |
| 601-37-000-37448 City Elect. Customer | 9,458 | 9,471 | 9,467 | 10,068 | 10,146 |
| 601-37-000-37449 City Off-Peak Customer | 414 | 414 | 414 | 414 | 414 |
| 601-37-000-37450 Reconnection | 3,320 | 2,800 | 3,140 | 2,510 | 5,320 |
| 601-37-000-37452 Temporary Service | 280 | 80 | 680 | 600 | 705 |
| 601-37-000-37453 Underground | 39,952 | 25,114 | 16,366 | 6,415 | 4,511 |
| 601-37-000-37471 Night Watch | 7,892 | 7,908 | 7,721 | 8,224 | 8,170 |
| 601-37-000-37472 City Electric | 599,452 | 593,510 | 626,026 | 740,420 | 763,255 |
| 601-37-000-37473 City Special | 15,031 | 17,314 | 14,144 | 20,186 | 23,969 |
| 601-37-000-37474 Fiber Optic Lease | - | 3,876 | 3,876 | 3,876 | 3,876 |
| 601-37-000-37480 Interest Earnings | 286,280 | 289,138 | 208,272 | 119,237 | 392,825 |
| 601-37-000-37481 Change-Investment Value | - | - | - | (337,633) | - |
| 601-37-000-37482 Green Power | 7,689 | 7,197 | 6,613 | 6,339 | 5,714 |
| 601-37-000-37485 Discount Air Conditioner | (5,605) | (5,842) | (6,089) | (6,128) | (6,247) |
| 601-37-000-37486 Discount Electric | (33,233) | (33,448) | (33,886) | (34,230) | (34,547) |
| 601-37-000-37487 Gain on Sale of Fixed Asset | 3,600 | - | - | - | - |
| 601-37-000-37488 Repairs | 5,411 | 3,945 | 14,298 | 12,037 | 7,704 |
| 601-37-000-37489 Penalties | 89,072 | 79,994 | 100,091 | 94,325 | 104,116 |
| 601-37-000-37490 Miscellaneous | 116,814 | 40,319 | 70,053 | 107,688 | 126,967 |
| 601-37-000-37491 Bad Debt - Uncollectible | (25,802) | (61,768) | (19,163) | (27,320) | (42,766) |
| | <u>\$ 13,275,708</u> | <u>\$ 13,364,927</u> | <u>\$ 14,272,632</u> | <u>\$ 13,369,059</u> | <u>\$ 14,441,387</u> |

**Details of Revenues, Expenses and Object Codes – Electric Fund
For the Years Ended December 31, 2014, 2013, 2012, 2011, 2010**

**CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT**

| Expenses | | 2010 | 2011 | 2012 | 2013 | 2014 |
|---------------------|-----------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| OBJECT CODES | | Actual | Actual | Actual | Actual | Actual |
| 41010 | Salaries - Reg. | \$ 960,144 | \$ 1,097,284 | \$ 1,036,755 | \$ 1,036,860 | \$ 1,130,655 |
| 41020 | Salaries - O.T. | 15,875 | 16,080 | 17,681 | 19,175 | 21,642 |
| 41070 | Vacations, etc. | 106,551 | 94,305 | 106,289 | 104,666 | 104,545 |
| 41210 | PERA | 74,189 | 81,010 | 82,212 | 81,399 | 87,288 |
| 41220 | FICA | 78,949 | 81,921 | 82,430 | 81,093 | 86,363 |
| 41300 | Insurance | 142,693 | 148,331 | 145,417 | 163,471 | 168,853 |
| 41510 | Workers Comp | 16,821 | 16,152 | 26,925 | 21,988 | 24,276 |
| 42000 | Office Supplies | 12,017 | 10,920 | 13,917 | 9,473 | 13,168 |
| 42110 | General & Cleaning Supplies | - | 1,154 | 915 | 1,346 | 1,268 |
| 42120 | General Supplies | 15,755 | 12,516 | 16,670 | 20,025 | 13,307 |
| 42180 | Uniforms | 10,955 | 4,805 | 3,850 | 2,317 | 1,736 |
| 42270 | Parts & Supplies | 111,563 | 135,833 | 66,989 | 129,016 | 120,917 |
| 42400 | Small Tools | 5,233 | 11,731 | 19,816 | 28,760 | 31,399 |
| 42800 | WAPA Purchases | 2,331,656 | 2,330,159 | 2,334,738 | 2,330,556 | 2,330,159 |
| 42810 | NSP Purchases | 65,702 | 66,591 | 67,499 | 67,499 | 56,117 |
| 42820 | MMPA | 5,225,067 | 5,439,760 | 6,326,174 | 6,271,844 | 6,396,302 |
| 43010 | Auditing | 14,675 | 14,675 | 28,028 | 18,675 | 14,155 |
| 43030 | Engineering | 79,510 | 74,062 | 74,401 | 37,414 | 98,741 |
| 43040 | Legal Fees | 24,380 | 22,686 | 19,279 | 15,986 | 16,925 |
| 43090 | EDP/Accounting | 60,097 | 61,023 | 62,651 | 66,723 | 65,576 |
| 43190 | Other Professional | 14,209 | 20,398 | 14,645 | 14,719 | 15,125 |
| 43200 | Communications | 26,442 | 23,820 | 22,500 | 22,713 | 20,810 |
| 43220 | Postage | 19,653 | 24,170 | 25,026 | 17,373 | 29,744 |
| 43310 | Travel & School | 27,316 | 31,086 | 33,195 | 26,125 | 20,709 |
| 43330 | Freight & Express | - | 178 | - | - | - |
| 43400 | Promotion/Advertising | 21,952 | 36,951 | 23,220 | 24,681 | 24,235 |
| 43500 | Printing & Publishing | 2,899 | 3,125 | 2,553 | 2,228 | 2,355 |
| 43610 | Liability Insurance | 48,872 | 46,118 | 40,482 | 19,576 | 53,172 |
| 43620 | Property Insurance | 29,664 | 29,076 | 30,067 | 55,775 | 33,021 |
| 43810 | Electric Utilities | 51,011 | 58,978 | 57,728 | 69,013 | 73,575 |
| 43830 | Utilities | 5,027 | 4,896 | 3,966 | 5,956 | 6,066 |
| 44040 | Contracted Services | 170,245 | 83,458 | 162,079 | 78,167 | 158,173 |
| 44120 | Office Rent | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 |
| 44200 | Depreciation | 900,505 | 924,997 | 918,457 | 1,042,373 | 1,002,801 |
| 44300 | Miscellaneous | 188,037 | 249,266 | 249,777 | 206,841 | 254,169 |
| 44330 | Dues & Subscript. | 32,014 | 38,077 | 44,556 | 91,215 | 39,029 |
| 44340 | Collections Fees | 3,252 | 3,765 | 758 | - | - |
| 44350 | Banking/Credit Card Fees | 6,891 | 11,207 | 14,050 | 17,863 | 24,053 |
| 44410 | Permits & Fees | 32,806 | 32,217 | 28,924 | 30,262 | 26,996 |
| 45200 | Capital Outlay | 135,291 | 481,504 | 282,660 | 266,041 | 180,067 |
| 46110 | Bond Interest | 559 | 450 | 337 | 215 | 85 |
| 46200 | Fiscal Agent Fees | - | - | - | - | - |
| 47200 | Franchise Taxes | 1,159,138 | 1,172,838 | 1,219,013 | 1,190,529 | 1,218,637 |
| 47210 | Cash Transfers to Other | - | - | - | 36,639 | 250,000 |
| 47220 | Cash Transfers to Water | 400,000 | - | 1,500,000 | - | - |
| 49990 | Reimbursed | (262,133) | (290,580) | (267,880) | (266,970) | (297,109) |
| | | <u>\$ 12,383,482</u> | <u>\$ 12,724,995</u> | <u>\$ 14,956,747</u> | <u>\$ 13,477,619</u> | <u>\$ 13,937,105</u> |

**Details of Revenues, Expenses and Object Codes – Electric Fund
For the Years Ended December 31, 2014, 2013, 2012, 2011, 2010**

**CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT**

| EXPENSES | 2010 | 2011 | 2012 | 2013 | 2014 |
|--|------------------|------------------|------------------|------------------|------------------|
| Account Number | Actual | Actual | Actual | Actual | Actual |
| Power Purchases | | | | | |
| 601-49-560-42800 WAPA | \$ 2,331,656 | \$ 2,330,159 | \$ 2,334,738 | \$ 2,330,556 | \$ 2,330,159 |
| 601-49-560-42810 NSP/NSP Facility | 65,702 | 66,591 | 67,499 | 67,499 | 56,117 |
| 601-49-560-42820 MMPA/NSP | 5,225,067 | 5,439,760 | 6,326,174 | 6,271,844 | 6,396,302 |
| Total | <u>7,622,425</u> | <u>7,836,510</u> | <u>8,728,410</u> | <u>8,669,899</u> | <u>8,782,578</u> |
| Distribution Lines | | | | | |
| 601-49-570-41010 Salaries - Reg. | 158,812 | 192,726 | 182,861 | 161,781 | 177,439 |
| 601-49-570-41020 Salaries - O.T. | 7,645 | 5,420 | 5,750 | 4,969 | 8,963 |
| 601-49-570-41210 PERA | 11,599 | 14,363 | 13,646 | 12,061 | 13,603 |
| 601-49-570-41220 FICA | 11,870 | 14,080 | 13,337 | 11,792 | 13,345 |
| 601-49-570-42270 Parts & Supplies | 22,130 | 15,613 | 9,461 | 50,541 | 14,784 |
| 601-49-570-44040 Contracted Services | 22,926 | 10,551 | 438 | 372 | 361 |
| Total | <u>234,982</u> | <u>252,752</u> | <u>225,493</u> | <u>241,515</u> | <u>228,495</u> |
| Transformers | | | | | |
| 601-49-571-41010 Salaries - Reg. | 5,366 | 3,373 | 8,589 | 7,350 | 5,840 |
| 601-49-571-41020 Salaries - O.T. | - | 186 | - | 162 | - |
| 601-49-571-41210 PERA | 376 | 258 | 558 | 545 | 425 |
| 601-49-571-41220 FICA | 374 | 260 | 608 | 510 | 396 |
| 601-49-571-42270 Parts & Supplies | 7,151 | 12,659 | 3,460 | 5,047 | 34,588 |
| 601-49-571-43030 Engineering | 5,637 | - | - | - | - |
| 601-49-571-44040 Contracted Services | 2,269 | 1,100 | 14,628 | 14,802 | 2,663 |
| Total | <u>21,174</u> | <u>17,836</u> | <u>27,842</u> | <u>28,416</u> | <u>43,912</u> |
| Meters | | | | | |
| 601-49-572-41010 Salaries - Reg. | 23,548 | 20,015 | 17,894 | 20,141 | 14,069 |
| 601-49-572-41020 Salaries - O.T. | 49 | 463 | 145 | - | - |
| 601-49-572-41210 PERA | 1,644 | 1,465 | 1,294 | 1,443 | 1,001 |
| 601-49-572-41220 FICA | 1,620 | 1,410 | 1,241 | 1,427 | 991 |
| 601-49-572-42270 Parts & Supplies | 7,113 | 10,546 | 10,219 | 1,991 | 8,084 |
| 601-49-572-44040 Contracted Services | 3,178 | 3,937 | 3,895 | 827 | 3,307 |
| Total | <u>37,152</u> | <u>37,835</u> | <u>34,688</u> | <u>25,829</u> | <u>27,452</u> |
| Substations | | | | | |
| 601-49-574-41010 Salaries - Reg. | 6,792 | 6,676 | 6,899 | 10,558 | 13,153 |
| 601-49-574-41020 Salaries - O.T. | 286 | - | 54 | - | 280 |
| 601-49-574-41210 PERA | 478 | 507 | 456 | 765 | 974 |
| 601-49-574-41220 FICA | 502 | 501 | 473 | 740 | 957 |
| 601-49-574-42270 Parts & Supplies | 3,086 | 8,048 | 572 | 490 | 20,596 |
| 601-49-574-43030 Engineering | 15,572 | - | - | - | - |
| 601-49-574-43810 Electric Utilities | 7,777 | 8,478 | 7,687 | 9,842 | 14,853 |
| 601-49-574-44040 Contracted Services | 25,836 | 190 | 2,658 | 2,860 | 51,015 |
| Total | <u>60,330</u> | <u>24,400</u> | <u>18,799</u> | <u>25,255</u> | <u>101,828</u> |
| Street Lights | | | | | |
| 601-49-575-41010 Salaries - Reg. | 40,444 | 35,062 | 32,427 | 33,519 | 67,448 |
| 601-49-575-41020 Salaries - O.T. | 294 | 301 | 453 | 818 | - |
| 601-49-575-41210 PERA | 2,797 | 2,541 | 2,328 | 2,469 | 4,894 |
| 601-49-575-41220 FICA | 2,856 | 2,399 | 2,311 | 2,399 | 4,726 |
| 601-49-575-42270 Parts & Supplies | 15,638 | 26,478 | 20,380 | 14,094 | 24,222 |
| 601-49-575-44040 Contracted Services | 8,160 | 4,696 | 42,258 | 1,620 | 4,888 |
| Total | <u>70,188</u> | <u>71,476</u> | <u>100,157</u> | <u>54,919</u> | <u>106,178</u> |
| Distribution Service Center | | | | | |
| 601-49-576-41010 Salaries - Reg. | 45,507 | 39,335 | 40,615 | 50,598 | 43,538 |
| 601-49-576-41020 Salaries - O.T. | 147 | 491 | 161 | 164 | - |
| 601-49-576-41210 PERA | 2,810 | 2,424 | 2,615 | 3,232 | 2,836 |
| 601-49-576-41220 FICA | 3,270 | 2,817 | 2,842 | 3,563 | 3,130 |
| 601-49-576-42270 Parts & Supplies | 4,948 | 1,151 | 4,924 | 2,137 | 3,775 |
| 601-49-576-42400 Small Tools & Equipment | - | 414 | 203 | - | - |
| 601-49-576-43810 Electric Utilities | 43,233 | 50,500 | 50,041 | 59,171 | 58,722 |
| 601-49-576-43830 Utilities | 5,027 | 4,896 | 3,966 | 5,956 | 6,066 |
| 601-49-576-44040 Contracted Services | 18,427 | 13,993 | 50,238 | 16,364 | 20,643 |
| 601-49-576-44200 Depreciation | 84,434 | 84,434 | 84,265 | 83,128 | 81,301 |
| 601-49-576-49990 Reimbursed from 602 (10%) | (12,337) | (11,602) | (15,560) | (14,138) | (13,871) |
| Total | <u>195,466</u> | <u>188,853</u> | <u>224,308</u> | <u>210,174</u> | <u>206,140</u> |

**Details of Revenues, Expenses and Object Codes – Electric Fund
For the Years Ended December 31, 2014, 2013, 2012, 2011, 2010**

**CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT**

| EXPENSES | 2010 | 2011 | 2012 | 2013 | 2014 |
|--|------------------|------------------|------------------|------------------|------------------|
| Account Number | Actual | Actual | Actual | Actual | Actual |
| Location Services | | | | | |
| 601-49-577-41010 Salaries - Reg. | 40,731 | 40,159 | 39,552 | 42,000 | 45,565 |
| 601-49-577-41020 Salaries - O.T. | 63 | 394 | 398 | 369 | 279 |
| 601-49-577-41210 PERA | 2,840 | 2,658 | 2,896 | 3,072 | 3,325 |
| 601-49-577-41220 FICA | 3,021 | 2,746 | 2,951 | 3,091 | 3,362 |
| Total | <u>46,655</u> | <u>45,958</u> | <u>45,798</u> | <u>48,532</u> | <u>52,531</u> |
| Vehicles | | | | | |
| 601-49-578-41010 Salaries - Reg. | 4,669 | 4,522 | 3,236 | 5,133 | 5,897 |
| 601-49-578-41020 Salaries - O.T. | - | 152 | - | - | - |
| 601-49-578-41210 PERA | 325 | 339 | 235 | 364 | 425 |
| 601-49-578-41220 FICA | 340 | 330 | 225 | 357 | 408 |
| 601-49-578-42120 Fuels & Lubricants | 15,755 | 12,516 | 16,670 | 20,024 | 13,307 |
| 601-49-578-42270 Parts & Supplies | 3,958 | 2,423 | 1,151 | 3,419 | 641 |
| 601-49-578-44040 Contracted Services | 18,931 | 18,782 | 15,123 | 23,970 | 25,303 |
| 601-49-578-44300 Miscellaneous | 500 | - | 336 | - | 379 |
| Total | <u>44,479</u> | <u>39,064</u> | <u>36,976</u> | <u>53,268</u> | <u>46,360</u> |
| Energy/Load Mgt | | | | | |
| 601-49-580-41010 Salaries - Reg. | 64,776 | 59,153 | 57,842 | 59,658 | 62,229 |
| 601-49-580-41020 Salaries - O.T. | 380 | 113 | 120 | 123 | 376 |
| 601-49-580-41210 PERA | 4,586 | 4,184 | 4,202 | 4,179 | 4,521 |
| 601-49-580-41220 FICA | 4,239 | 3,571 | 3,663 | 3,545 | 3,927 |
| 601-49-580-41300 Insurance | 11,634 | 12,374 | 12,916 | 14,245 | 14,473 |
| 601-49-580-42270 Parts & Supplies | 8,084 | 4,064 | 2,226 | 16,756 | 383 |
| 601-49-580-43400 Promotion | 20,230 | 20,113 | 20,089 | 22,453 | 22,133 |
| 601-49-580-44040 Contracted Services | 7,243 | 9,805 | 9,330 | 7,792 | 9,249 |
| 601-49-580-44300 Miscellaneous | 173,424 | 228,078 | 240,182 | 194,807 | 237,835 |
| Total | <u>294,595</u> | <u>341,455</u> | <u>350,570</u> | <u>323,557</u> | <u>355,126</u> |
| Information Systems | | | | | |
| 601-49-585-41010 Salaries - Reg. | 59,963 | 89,122 | 91,706 | 125,181 | 106,138 |
| 601-49-585-41020 Salaries - O.T. | 993 | 1,688 | 2,752 | 2,873 | 2,924 |
| 601-49-585-41210 PERA | 4,237 | 6,490 | 6,801 | 6,738 | 7,412 |
| 601-49-585-41220 FICA | 4,132 | 6,126 | 6,221 | 6,135 | 6,639 |
| 601-49-585-42270 Parts & Supplies | 2,223 | 2,955 | 2,058 | 1,056 | 1,438 |
| 601-49-585-42400 Small Tools & Equipment | 13,639 | 34,601 | 10,244 | 7,211 | 20,535 |
| 601-49-585-43310 Travel & School | - | 2,124 | 178 | 132 | - |
| 601-49-585-44040 Contracted Services | 1,111 | 1,718 | 1,192 | - | 2 |
| 601-49-585-44300 Miscellaneous | 2,003 | 2,339 | 2,949 | 2,278 | 1,740 |
| Total | <u>88,301</u> | <u>147,162</u> | <u>124,101</u> | <u>151,604</u> | <u>146,828</u> |
| Supervision | | | | | |
| 601-49-588-41010 Salaries - Reg. | 83,283 | 91,328 | 84,767 | 89,902 | 95,607 |
| 601-49-588-41210 PERA | 5,823 | 6,150 | 6,146 | 6,352 | 6,588 |
| 601-49-588-41220 FICA | 6,373 | 6,375 | 6,254 | 6,564 | 6,936 |
| 601-49-588-41300 Insurance | 6,645 | 7,040 | 7,202 | 7,375 | 7,322 |
| 601-49-588-43310 Travel & School | 1,757 | 1,438 | 2,156 | 1,946 | 3,433 |
| Total | <u>103,880</u> | <u>112,331</u> | <u>106,525</u> | <u>112,138</u> | <u>119,886</u> |
| General - Unallocated | | | | | |
| 601-49-590-41010 Salaries - Reg. | 85,153 | 105,845 | 76,622 | 63,461 | 93,004 |
| 601-49-590-41020 Salaries - O.T. | 1,684 | 1,904 | 1,803 | 3,475 | 1,795 |
| 601-49-590-41070 Vacation, etc. | 106,551 | 94,305 | 106,289 | 104,666 | 104,545 |
| 601-49-590-41210 PERA | 12,935 | 12,862 | 13,105 | 13,642 | 13,467 |
| 601-49-590-41220 FICA | 14,199 | 13,181 | 13,315 | 13,927 | 13,544 |
| 601-49-590-41300 Insurance | 85,912 | 86,270 | 89,782 | 92,816 | 96,532 |
| 601-49-590-41510 Workers Comp | 13,470 | 12,252 | 23,079 | 19,664 | 21,661 |
| 601-49-590-42110 General & Cleaning Supplies | - | 1,154 | 915 | 1,346 | 1,268 |
| 601-49-590-42180 Uniforms | 10,855 | 4,805 | 3,750 | 2,317 | 1,736 |
| 601-49-590-42270 Parts & Supplies | 14,929 | 8,007 | 8,777 | 6,804 | 11,187 |
| 601-49-590-42400 Small Tools & Equipment | 5,233 | 10,021 | 7,679 | 17,507 | 10,814 |
| 601-49-590-43030 Engineering | 58,301 | 74,062 | 74,401 | 37,414 | 98,741 |
| 601-49-590-43190 Other Professional | - | - | 125 | - | - |
| 601-49-590-43310 Travel & School | 10,599 | 10,967 | 14,874 | 13,044 | 9,016 |
| 601-49-590-43330 Freight & Express | - | 178 | - | - | - |
| 601-49-590-43400 Advertising | 530 | 485 | 521 | 528 | 539 |
| 601-49-590-44040 Contracted Services | 12,441 | 776 | 2,327 | 1,740 | 1,835 |
| 601-49-590-44200 Depreciation | 781,937 | 804,715 | 799,560 | 924,589 | 885,178 |
| 601-49-590-44300 Miscellaneous | 4,618 | 14,722 | 3,403 | 6,382 | 8,472 |
| 601-49-590-44330 Dues & Subscript. | 9,699 | 14,402 | 19,908 | 67,056 | 14,140 |
| 601-49-590-44410 Permits & Fees | 32,806 | 32,217 | 28,924 | 30,262 | 26,996 |
| Total | <u>1,261,853</u> | <u>1,303,131</u> | <u>1,289,159</u> | <u>1,420,642</u> | <u>1,414,470</u> |

**Details of Revenues, Expenses and Object Codes – Electric Fund
For the Years Ended December 31, 2014, 2013, 2012, 2011, 2010**

**CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT**

| EXPENSES | | 2010 | 2011 | 2012 | 2013 | 2014 |
|---------------------------|--------------------------|----------------|----------------|----------------|----------------|----------------|
| Account Number | | Actual | Actual | Actual | Actual | Actual |
| Meter Readers | | | | | | |
| 601-49-610-41010 | Salaries - Reg. | 3,960 | 13,845 | 12,809 | 12,539 | 15,956 |
| 601-49-610-41020 | Salaries - O.T. | 189 | - | 948 | 869 | 539 |
| 601-49-610-41210 | PERA | 289 | 992 | 970 | 969 | 1,196 |
| 601-49-610-41220 | FICA | 298 | 980 | 990 | 966 | 1,202 |
| 601-49-610-44040 | Contracted Services | - | - | - | - | - |
| 601-49-610-49990 | Reimbursed | (1,579) | (5,272) | (5,239) | (5,114) | (6,298) |
| | Total | 3,158 | 10,544 | 10,478 | 10,229 | 12,595 |
| W&L Commission | | | | | | |
| 601-49-615-41010 | Salaries - Reg. | 11,340 | 10,800 | 9,900 | 11,700 | 10,800 |
| 601-49-615-41220 | FICA | 868 | 826 | 757 | 895 | 826 |
| | Total | 12,208 | 11,626 | 10,657 | 12,595 | 11,626 |
| Administrative | | | | | | |
| 601-49-620-41010 | Salaries - Reg. | 269,865 | 320,014 | 290,595 | 290,279 | 328,576 |
| 601-49-620-41020 | Salaries - O.T. | 2,227 | 1,580 | 1,445 | 1,775 | 1,397 |
| 601-49-620-41210 | PERA | 19,414 | 20,815 | 20,884 | 21,501 | 22,965 |
| 601-49-620-41220 | FICA | 20,935 | 21,524 | 21,348 | 21,291 | 22,540 |
| 601-49-620-41300 | Insurance | 36,280 | 39,692 | 35,517 | 49,035 | 50,526 |
| 601-49-620-41510 | Workers Comp | 3,351 | 3,900 | 3,846 | 2,324 | 2,615 |
| 601-49-620-42000 | Office Supplies | 12,017 | 10,920 | 13,917 | 9,473 | 13,168 |
| 601-49-620-42180 | Uniforms | 100 | - | 100 | - | - |
| 601-49-620-42400 | Small tools | - | 1,297 | 1,690 | 4,042 | 50 |
| 601-49-620-43010 | Auditing | 14,675 | 14,675 | 28,028 | 18,675 | 14,155 |
| 601-49-620-43040 | Legal Fees | 24,380 | 22,686 | 19,279 | 15,986 | 16,925 |
| 601-49-620-43090 | EDP/Accounting | 60,097 | 61,023 | 62,651 | 66,723 | 65,576 |
| 601-49-620-43190 | Other Professional | 14,209 | 20,398 | 14,520 | 14,719 | 15,125 |
| 601-49-620-43200 | Communications | 26,442 | 23,820 | 22,500 | 22,713 | 20,810 |
| 601-49-620-43220 | Postage | 19,653 | 24,170 | 25,026 | 17,373 | 29,744 |
| 601-49-620-43310 | Travel & School | 14,959 | 16,558 | 15,987 | 11,004 | 8,260 |
| 601-49-620-43500 | Printing & Publishing | 2,899 | 3,125 | 2,553 | 2,228 | 2,355 |
| 601-49-620-43610 | Liability Insurance | 48,872 | 46,118 | 40,482 | 19,576 | 53,172 |
| 601-49-620-43620 | Property Insurance | 29,664 | 29,076 | 30,067 | 55,775 | 33,021 |
| 601-49-620-44040 | Contracted Services | 8,448 | 8,827 | 8,111 | 7,258 | 8,148 |
| 601-49-620-44120 | Office Rent | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 |
| 601-49-620-44200 | Depreciation | 34,134 | 35,848 | 34,632 | 34,656 | 36,322 |
| 601-49-620-44300 | Miscellaneous | 7,492 | 4,128 | 2,907 | 3,374 | 5,743 |
| 601-49-620-44330 | Dues & Subscript. | 22,315 | 23,675 | 24,648 | 24,159 | 24,889 |
| 601-49-620-44340 | Collections Fees | 3,252 | 3,765 | 758 | - | - |
| 601-49-620-44350 | Banking/Credit Card Fees | 6,891 | 11,207 | 14,050 | 17,863 | 24,053 |
| 601-49-620-44390 | Promotion | 1,192 | 16,353 | 2,609 | 1,699 | 1,563 |
| 601-49-620-49990 | Reimbursed | (229,210) | (255,781) | (240,507) | (238,948) | (261,126) |
| | Total | 492,555 | 547,411 | 515,645 | 512,551 | 558,572 |
| Debt Service | | | | | | |
| 601-49-651-46110 | Interest expense | 559 | 450 | 337 | 215 | - |
| 601-49-621-46110 | Interest expense | - | - | - | - | 85 |
| 601-49-651-46120 | Loss on bond defeasance | - | - | - | - | - |
| 601-49-651-46200 | Fiscal Agent Fees | - | - | - | - | - |
| | Total | 559 | 450 | 337 | 215 | 85 |
| City Energy Cons. | | | | | | |
| 601-49-631-42270 | Parts & Supplies | - | 10,689 | - | - | - |
| 601-49-631-44040 | Contracted Services | 41,274 | 9,084 | 11,844 | - | 30,759 |
| 601-49-631-45200 | Capital Outlay | - | 24,688 | 32,660 | 8,041 | 8,665 |
| | Total | 41,274 | 44,462 | 44,504 | 8,041 | 39,424 |

**Details of Revenues, Expenses and Object Codes – Electric Fund
For the Years Ended December 31, 2014, 2013, 2012, 2011, 2010**

**CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT**

| EXPENSES | 2010 | 2011 | 2012 | 2013 | 2014 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| Account Number | Actual | Actual | Actual | Actual | Actual |
| Expenses for City | | | | | |
| 601-49-632-41010 Salaries - Reg. | 55,936 | 65,309 | 80,442 | 53,060 | 45,396 |
| 601-49-632-41020 Salaries - O.T. | 1,919 | 3,389 | 3,653 | 3,577 | 5,089 |
| 601-49-632-41210 PERA | 4,035 | 4,963 | 6,076 | 4,066 | 3,656 |
| 601-49-632-41220 FICA | 4,052 | 4,793 | 5,894 | 3,892 | 3,434 |
| 601-49-632-42270 Parts & Supplies | 10,886 | 1,553 | 3,762 | 26,683 | 1,219 |
| 601-49-632-44040 Contracted Services | - | - | 35 | 563 | - |
| 601-49-632-45200 Capital Outlay | 135,291 | 456,816 | 250,000 | 258,000 | 171,402 |
| 601-49-632-47200 Transfer to General | 1,159,138 | 1,172,838 | 1,219,013 | 1,190,529 | 1,218,637 |
| 601-49-632-47210 Transfer to Other | - | - | - | 36,639 | 250,000 |
| 601-49-632-47220 Transfer to Water Fund | 400,000 | - | 1,500,000 | - | - |
| 601-49-632-49990 City - Reimbursed | (19,007) | (17,924) | (6,575) | (8,770) | (15,814) |
| Total | <u>1,752,248</u> | <u>1,691,737</u> | <u>3,062,300</u> | <u>1,568,239</u> | <u>1,683,019</u> |
| Total Expenses | <u>\$ 12,383,482</u> | <u>\$ 12,724,995</u> | <u>\$ 14,956,747</u> | <u>\$ 13,477,619</u> | <u>\$ 13,937,105</u> |

**List of Unrestricted Securities and Deposits
As of December 31, 2014**

**CITY OF EAST GRAND FORKS
WATER AND LIGHT DEPARTMENT**

| Institution | Purchase Date | Due Date | Call | Interest Rate | Par Value | Carrying Value | Market Value |
|---|---------------|----------|-----------|---------------|---------------------|---------------------|---------------------|
| WATER & LIGHT | | | | | | | |
| --SmithBarney/Bonds-- | | | | | | | |
| Fed Home Loan | 5/25/12 | 5/25/22 | 2/25/15 | 2.2% step | \$ 500,000 | \$ 494,425 | \$ 494,425 |
| Fed Home Loan | 9/7/12 | 9/7/22 | 3/7/15 | 1.9% step | 300,000 | 296,538 | 296,538 |
| Fed Home Loan | 11/9/12 | 11/9/22 | 2/9/15 | 1.8% step | 500,000 | 488,485 | 488,485 |
| Fed Home Loan | 12/19/12 | 12/19/22 | 3/19/15 | 1.8% step | 399,996 | 389,788 | 389,788 |
| Fed Home Loan | 7/30/13 | 1/30/23 | 1/30/15 | 1.9% step | 500,000 | 483,605 | 483,605 |
| Fed Home Loan | 5/16/13 | 5/16/23 | 2/16/15 | 1.7% step | 250,000 | 245,688 | 245,688 |
| | | | | | <u>2,449,996</u> | <u>2,398,529</u> | <u>2,398,529</u> |
| --SmithBarney/Certificates of Deposit-- | | | | | | | |
| State Bank of India - NY | 1/25/13 | 1/25/18 | | 1.200% | 96,000 | 95,663 | 95,663 |
| Goldman Sachs New York NY | 9/30/14 | 10/8/20 | | 2.350% | 96,000 | 94,905 | 94,905 |
| Capital One Bank Glen Allen VA | 9/30/14 | 10/9/18 | | 1.800% | 130,000 | 128,475 | 128,475 |
| NBT Bank CD Norwich NY | 8/20/14 | 8/27/19 | | 2.100% | 245,000 | 242,067 | 242,067 |
| Safra Natl Bk CD New York NY | 5/30/14 | 11/21/19 | 2/21/2015 | 1.350% | 180,000 | 178,832 | 178,832 |
| Capital One, N.A. - VA | 1/4/08 | 1/12/15 | | 5.000% | 96,000 | 96,074 | 96,074 |
| Bank Baroda New York NY | 1/14/14 | 1/22/15 | | 0.300% | 248,000 | 247,985 | 247,985 |
| Gulf Coast Bank & Trust, Louisiana | 5/20/11 | 5/20/15 | | 1.750% | 60,000 | 60,334 | 60,334 |
| Susquehanna Bk CD Litiz PA | 1/14/14 | 1/22/15 | | 0.350% | 248,000 | 247,990 | 247,990 |
| Goldman Sachs Bank USA - UT | 8/24/11 | 8/24/16 | | 1.850% | 150,000 | 152,124 | 152,124 |
| World Financial Capital Bk -UT | 10/14/11 | 10/15/18 | | 2.100% | 245,000 | 245,938 | 245,938 |
| World Financial Network-Wilmington | 5/31/12 | 5/31/17 | | 1.800% | 200,000 | 202,838 | 202,838 |
| Bk China NY New York NY | 3/5/14 | 3/12/15 | | 0.250% | 248,000 | 247,933 | 247,933 |
| First Merchant Bank Muncie Indiana | 4/1/13 | 4/1/19 | 4/1/2019 | 1.300% | 245,000 | 236,496 | 236,496 |
| Nat'l Bnk of Superior WI | 3/28/13 | 3/28/19 | 3/28/2019 | 1.250% | 245,000 | 236,006 | 236,006 |
| Northern Bank Woburn Mass | 4/10/13 | 4/10/19 | 4/10/2019 | 1.400% | 245,000 | 237,356 | 237,356 |
| Oriental Bank & Trust Puerto Rico | 4/19/13 | 4/19/17 | 1/19/2015 | 1.011% | 245,000 | 244,383 | 244,383 |
| 1st Nat'l Bank East Lansing Mich | 4/30/13 | 4/29/22 | 4/29/2022 | 2.000% | 150,000 | 141,119 | 141,119 |
| CIT Bank Salt Lake City | 6/12/13 | 6/12/20 | 6/12/2020 | 2.000% | 150,000 | 146,649 | 146,649 |
| Synovus Bank CD Columbus GA | 3/5/14 | 3/3/15 | | 0.250% | 248,000 | 247,913 | 247,913 |
| Compass Bank-Birmingham AL | 8/7/13 | 8/7/18 | | 1.750% | 220,000 | 220,227 | 220,227 |
| Ally Bank | 9/25/13 | 9/26/16 | | 1.150% | 245,000 | 245,443 | 245,443 |
| TCF Sioux Falls SD | 1/14/14 | 7/22/15 | | 0.350% | 248,000 | 248,027 | 248,027 |
| Vallience Bank McKenae TX | 9/30/13 | 9/30/20 | | 2.550% | 220,000 | 220,942 | 220,942 |
| First Business BK Madison WI | 3/25/13 | 4/11/19 | 4/11/2015 | 1.300% | 245,000 | 236,376 | 236,376 |
| Gulf Coast BK CD New Orleans | 6/6/13 | 6/14/21 | 3/14/2015 | 2.000% | 185,000 | 177,500 | 177,500 |
| | | | | | <u>4,703,000</u> | <u>5,079,595</u> | <u>5,079,595</u> |
| --Dain/Bonds-- | | | | | | | |
| Fannie Mae | 07/30/12 | 07/30/27 | 01/30/15 | 1% step | 500,000 | 498,190 | 498,190 |
| Fannie or Freddie | 12/28/12 | 12/28/22 | 06/28/15 | 1.125%step | 500,000 | 481,460 | 481,460 |
| | | | | | <u>1,000,000</u> | <u>979,650</u> | <u>979,650</u> |
| --Community Bank -- CDs | | | | | | | |
| CB 807799 | 7/23/09 | 7/23/14 | | 1.200% | 100,000 | 100,200 | 100,200 |
| | | | | | <u>100,000</u> | <u>100,200</u> | <u>100,200</u> |
| TOTAL W & L 12/31/14 | | | | | <u>\$ 8,252,996</u> | <u>\$ 8,557,974</u> | <u>\$ 8,557,974</u> |