

**WATER BOARD OF TRUSTEES**  
**Regular Meeting**  
**January 16, 2017**  
**3:00 PM**  
**Location: 1208 South St.**

**Agenda**

1. Approve Agenda.
2. Approve minutes of the December 19, 2016 regular meeting and January 6, 2017 special meeting.
3. Approve invoices and Financial Statements.
4. Customer Forum.
5. Discussion of wastewater operations.
6. Public Hearing for Proposed Amendments to the 2016/2017 Budget.
7. Approval of Proposed Amendments to the 2016/2017 Budget.
8. Public Hearing for Proposed 2017/2018 Budget.
9. Approval of Proposed 2017/2018 Budget.
10. Discussion regarding declining block rate structure.
11. General Manager's Update.
12. Updates from member of the Board of Trustees.
13. Adjourn.

## **INFORMATION CONCERNING AGENDA ITEMS:**

### **Agenda Item #4**

Chair – Please read this statement to the audience.

“This is the item reserved to receive comments from the community, our customers, for concerns whether or not they are included in the current agenda. The community is encouraged to come and speak before the Water Board of Trustees and asked to keep statements brief. Any questions are to be asked of the Water Department staff and Board of Trustee members prior to speaking to the full Board of Trustees so concerns may be properly researched and answered away from the meeting. Comments are to be directed to the Board of Trustees only.”

At this time, there have been no formal requests to address the Board.

### **Agenda Item #5**

Staff have been working to finish up the SOPs for both plant and collection system. They have also written down equipment assessments and are working to put this into a digital format. We are scheduled to replace the cyclone grit removal system at the northeast plant and have been working with vendors for some time to try and get adequate quotes. It seems that it is taking quite a while for the vendors to get back to us and the costs are higher than anticipated for replacement. We will need to work to try and ensure that we can stay within budgeted resources for this replacement work. Fox Engineering will provide a presentation to the City Council to update them on their findings for the facility plan for the waste water treatment facilities. They will also lay out the upcoming project schedule. On February there are drafts that Fox will provide to the City for Anti-Degradation Analysis, Disinfection Study, Facility Plan/Nutrient Feasibility Study and an Anti-Degradation Report.

### **Agenda Item #6**

We will need a motion to open the Public Hearing, listen to any comments and then a motion to close the Public Hearing.

### **Agenda Item #7**

The budget amendments are what were discussed at the meeting on the 6th. The proposed budget will be attached to your agenda packets and there will be hard copies available at the meeting. I recommend approving the budget as amended.

### **Agenda Item #8**

We will need a motion to open the Public Hearing, listen to any comments and then a motion to close the Public Hearing.

### **Agenda Item #9**

The 2017 -2018 budget is also as discussed at the work session on the . We did send the budgets to PFM for review and inclusion with the cash flow analysis. There was a conference all earlier

during the week of the with Public Financial Management (PFM) staff. Also attached to your agenda packets you will find the 17-18 proposed budget as well as the cash flow analysis from PFM. We are using Exhibit 1 from 2016 when we figured the 7.5% increase in rates set for this spring. In discussions with PFM it was noted that this will set the utility in a good place to be able to cash fund future CIP work as noted on the CIP project worksheet. It was also noted that there will only need to be minimal increases the next several years and they will be lower than what was originally shown on PFM's Exhibit 1 last year. This is good news for the utility and our customers. I recommend approving the budget as presented.

#### **Agenda Item #10**

Mike Vore asked that we have a discussion this month about looking at different rate structures for large users as a follow up to a previous meeting. Parameters need to be looked at for the possibility of instituting a declining block rate structure in an effort to assist with economic development possibilities. At the meeting there will be information showing usage on a monthly basis for our top 15 customers. It is my recommendation that we continue to use the services of PFM to assist us in this area.

#### **Agenda Item #11**

As requested at the work session last week, each Board member will have their own email address from OMWD. There will be instructions on how to log in and get everything up and running. During February's meeting there will be an item for the proposed rate increase. PFM is scheduled to be here to present their findings. As mentioned earlier, the proposed 7.5% increase puts OMWD in a good position to be able to cash fund future CIP work without the need for additional rate increases in following years.

After December's number of shut offs went down to around 55, January's climbed back up to around 100.

Distribution staff have been working on the maintenance issues at the plant and also taking care of leaks. There were two leaks on the old 6" on Hwy 23. There was a split on the 4" main on South Market between Avenue East and Avenue East and then there was also a split on the 12" main on Avenue East by Steven's Concrete.

Updates for OMWD's rules and regulations were sent to Dickinson and are being reviewed by them at this time. Changes to the contract for the General Manager were also sent in for review and will be presented at a future time for approval by the Board.

#### **Agenda Item #12**

This is an item for members of the Board to provide updates or request future agenda items.

## ACCOUNTS:

## INCOME

Material Sales	600-8001-1-4521	2,500	2,500	5,000
Labor Charges	600-8001-1-4522	3,500	1,000	4,500
Late Fees	600-8001-1-4531	38,000	20,000	58,000
Metered Sales	600-8001-1-4555	2,743,288	136,442	2,879,730
Other Income	600-8001-1-4761	7,500	-	7,500
Reimbursements -City for W.W.	600-8001-2-4710	386,723	24,608	411,331
House Rental	600-8001-4-4312	360	-	360
Meter Rental	600-8001-4-4317	20,250	3,950	24,200
Sprinkler & Hydrant Rental	600-8001-4-4318	5,125	-	5,125
Misc . Income	600-8001-4-4518	29,500	-	29,500
<b>Water Fund Income</b>		<b>3,236,746</b>	<b>188,500</b>	<b>3,425,246</b>
Interest	600-8001-4-4300	-	5,600	5,600
Transfer In - Sinking Fund	603-8001-4-4830600	419,320	24	419,344
Transfer In - Meter Fund	604-8001-4-4830600	102,000	-	102,000
<b>Total Revenues</b>		<b>3,758,066</b>	<b>194,124</b>	<b>3,952,190</b>

## OPERATING EXPENSES

Labor - Distribution	8001	6010	196,998	9,047	206,045
Salaries - General Manager	8006	6011	52,546	2,888	55,434
Salaries - Office	8006	6012	141,884	4,566	146,450
Salaries - Service Tech	8006	6013	56,813	3,335	60,148
Labor - Plant	8000	6014	89,165	6,111	95,276
Contract Labor	8006	6015	-	12,062	12,062
Salaries - Trustees	8006	6020	5,670	-	5,670
Salaries - Waste Water Treatment	8009	6014	121,680	7,010	128,690
Salaries - Waste Water Collections	8010	6014	137,652	17,642	155,294
Salaries - Waste Water Storm Water	8011	6014	-	2,419	2,419
Health Ins. Wages	8000	6050	-	-	-
Health Ins. Wages	8001	6050	-	-	-
Health Ins. Wages	8006	6050	2,088	-	2,088
Health Ins. Wages	8010	6050	-	2,088	2,088
Emp. Share - Soc. Sec.	8000	6110	5,528	379	5,907
Emp. Share - Soc. Sec.	8001	6110	12,214	561	12,775
Emp. Share - Soc. Sec.	8006	6110	15,929	669	16,598
Emp. Share - Soc. Sec.	8009	6110	7,543	436	7,979
Emp. Share - Soc. Sec.	8010	6110	8,535	1,175	9,710
Emp. Share - Soc. Sec.	8011	6110	-	150	150
Emp. Share -Medicare	8000	6120	1,293	89	1,382
Emp. Share -Medicare	8001	6120	2,857	131	2,988
Emp. Share -Medicare	8006	6120	3,725	157	3,882
Emp. Share -Medicare	8009	6120	1,764	102	1,866
Emp. Share -Medicare	8010	6120	1,996	275	2,271
Emp. Share -Medicare	8011	6120	-	35	35
Emp. Share - Ipers	8000	6130	7,963	545	8,508
Emp. Share - Ipers	8001	6130	17,592	808	18,400
Emp. Share - Ipers	8006	6130	22,436	963	23,399
Emp. Share - Ipers	8009	6130	10,827	665	11,492
Emp. Share - Ipers	8010	6130	12,292	1,695	13,987
Emp. Share - Ipers	8011	6130	-	216	216
Health/Life Ins.	8006	6150	175,763	-	175,763
Health/Life Ins.	8009	6150	25,561	1,628	27,189
Health/Life Ins.	8010	6150	53,673	(10,928)	42,745
Uniforms	8001	6181	2,500	-	2,500
Uniforms	8009	6181	450	-	450
Uniforms	8010	6181	750	-	750
Self Insurance Expense	8006	6183	6,500	-	6,500
Self Insurance Expense	8009	6183	1,500	-	1,500
Self Insurance Expense	8010	6183	2,500	-	2,500
Dues & Subscription	8006	6220	6,896	-	6,896
Education/Seminars	8000	6240	2,122	-	2,122
Education/Seminars	8001	6240	2,122	-	2,122
Education/Seminars	8006	6240	7,108	-	7,108

Main. - Buildings	8000	6310
Main. - Buildings	8001	6310
Main. - Buildings	8006	6310
Main. - Wells	8000	6311
Main. - Water Supply	8001	6312
Main. - Meters	8001	6313
Main. - Grounds	8000	6320
Main. - Grounds	8001	6320
Gasoline	8001	6331
Truck Expense	8001	6332
Main. - Machinery	8000	6350
Main. - Machinery	8001	6350
Electric/Gas	8000	6371
Electric/Gas	8001	6371
Telephone	8006	6373
Audit Expense	8006	6401
Publications	8006	6402
Insurance	8006	6408
Janitorial Expense	8006	6409
Legal Fees	8006	6411
Computer Expense	8006	6419
Lab Expense	8000	6450
Meter Reading Service	8006	6492
Chemicals	8000	6501
Small Tools	8000	6504
Small Tools	8001	6504
Office Supplies	8006	6506
Misc. Expense	8000	6507
Misc. Expense	8001	6507
Misc. Expense	8006	6507
Postage	8006	6508
Safety Supplies	8000	6510
Safety Supplies	8001	6510
Credit Card Fees	8006	6520
Misc. Supplies	8000	6599
Misc. Supplies	8001	6599
Misc. Supplies	8006	6599
<b>Total Operating Expenses</b>		
<b>Net Operating Revenue</b>		
Transfer Out - Sinking Fund	8001	6910603
Transfer Out - Meter Fund	8001	6910604
<b>Total Transfer Out</b>		

15,000	-	15,000
1,061	-	1,061
530	-	530
82,400	-	82,400
108,150	-	108,150
5,150	-	5,150
21,218	-	21,218
1,061	-	1,061
21,218	-	21,218
4,244	4,000	8,244
40,000	-	40,000
6,365	-	6,365
84,872	-	84,872
5,305	2,000	7,305
7,957	-	7,957
8,523	-	8,523
2,652	776	3,428
58,100	-	58,100
2,122	-	2,122
10,300	-	10,300
25,750	-	25,750
18,000	-	18,000
21,228	35,000	56,228
217,485	-	217,485
1,061	-	1,061
3,183	-	3,183
6,365	5,000	11,365
1,061	300	1,361
4,774	-	4,774
5,000	4,000	9,000
15,450	13,000	28,450
530	-	530
2,122	-	2,122
2,719	6,000	8,719
743	-	743
1,591	-	1,591
1,061	-	1,061
<b>2,038,786</b>	<b>136,995</b>	<b>2,175,781</b>
<b>1,197,960</b>	<b>51,505</b>	<b>1,249,465</b>
	-	
418,787	557	419,344
102,000	-	102,000
<b>520,787</b>	<b>557</b>	<b>521,344</b>
	-	

<b>Net Gain (Loss)</b>		
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<b>1,198,493</b>	<b>56,572</b>	<b>1,255,065</b>
	-	

Office Sign	8001	6750
Various Dist/So. F, So. D & Carbonado	8001	6780
Office / Computer Equipment	8006	6725
Principal Fund 603	8001	6801
Interest Fund 603	8001	6851
Bond Servicing Fee Fund 603	8001	6899
New/Replace Meters Fund 604	8001	6724
<b>Total CIP</b>		
<b>Total Expenses</b>		
<b>Net Gain (Loss)</b>		

5,000	-	5,000
640,000	25,000	665,000
5,000	-	5,000
268,000	-	268,000
139,680	-	139,680
11,640	-	11,640
100,000	-	100,000
	-	
<b>1,169,320</b>	<b>25,000</b>	<b>1,194,320</b>
<b>3,728,893</b>	<b>162,552</b>	<b>3,891,445</b>
	-	
<b>29,173</b>	<b>31,572</b>	<b>60,745</b>

## 2016-2017 budget

### Receipts

<b>Operating Revenue</b>		
	Water Sales	2,879,730
	City - Waste Water	411,331
	Other	<u>134,185</u>
		<b>3,425,246</b>
<b>Capital Sources</b>		
	Interest Income	<u>5,600</u>
		5,600
<b>Total Receipts</b>		<b><u>3,430,846</u></b>

### Disbursements

<b>Operating Expense</b>		
	Water - Personnel Costs	677,424
	Waste Water - Personnel Costs	335,309
	Utilities	100,134
	Outside Services	98,391
	Small Equip & Materials	284,082
	Chemicals, Treatment & Monitoring	235,485
	Transportation	30,523
	Office Supplies	77,712
	Property Insurance	58,100
	Water - Health Insurance	184,351
	Waste Water - Health Insurance	76,022
	Staff Development	<u>18,248</u>
<b>Total Operating Expenses</b>		<b>2,175,781</b>
<b>Capital Outlays</b>		
	Dist projects	665,000
	Office Sign	5,000
	Computer Equipment	5,000
	New/Replace Meters	100,000
	Principal & Interest SRF	<u>419,320</u>
<b>Total Capital Outlays</b>		1,194,320
<b>Total Expenses</b>		<b><u>3,370,101</u></b>
<b>Fund Excess (Deficiency)</b>		60,745
<b>Net Operating Income</b>		<b>1,249,465</b>

Fiscal Year 2015-2016 estimated principal, interest  
and servicing fee total \$418,737.50 + 10% =

\$460,611.25

Loan Parity

\$788,853.63

City Waste Water Accounts

Reimbursements		411,331
Budgeted Cost		411,331
Difference		-

2017-2018 BUDGET

Acct. #

Amended  
2016-2017

Changes

Proposed  
2017-2018

ACCOUNTS:  
INCOME

Material Sales	600-8001-1-4521	5,000	(2,500)	2,500
Labor Charges	600-8001-1-4522	4,500	(1,000)	3,500
Late Fees	600-8001-1-4531	58,000	(20,000)	38,000
Metered Sales	600-8001-1-4555	2,879,730	199,795	3,079,525
Other Income	600-8001-1-4761	7,500	(1,000)	6,500
Reimbursements - City for W.W.	600-8001-2-4710	411,331	8,267	419,598
House Rental	600-8001-4-4312	360	-	360
Meter Rental	600-8001-4-4317	24,200	-	24,200
Sprinkler & Hydrant Rental	600-8001-4-4318	5,125	-	5,125
Misc . Income	600-8001-4-4518	29,500	-	29,500
<b>Water Fund Income</b>		<b>3,425,246</b>	<b>183,562</b>	<b>3,608,808</b>
Interest	600-8001-4-4300	5,600	-	5,600
Transfer In - Sinking Fund	603-8001-4-4830600	419,344	264	419,608
Transfer In - Meter Fund	604-8001-4-4830600	102,000	-	102,000
<b>Total Revenues</b>		<b>3,952,190</b>	<b>183,826</b>	<b>4,136,016</b>

OPERATING EXPENSES

Labor - Distribution	8001	6010	206,045	7,078	213,123
Salaries - General Manager	8006	6011	55,434	1,828	57,262
Salaries - Office	8006	6012	146,450	5,887	152,337
Salaries - Service Tech	8006	6013	60,148	2,327	62,475
Labor - Plant	8000	6014	95,276	6,154	101,430
Contract Labor	8006	6015	12,062	4,890	16,952
Salaries - Trustees	8006	6020	5,670	-	5,670
Salaries - Waste Water Treatment	8009	6014	128,690	1,381	130,071
Salaries - Waste Water Collections	8010	6014	155,294	(1,785)	153,509
Salaries - Waste Water Storm Water	8011	6014	2,419	-	2,419
Health Ins. Wages	8000	6050	-	-	-
Health Ins. Wages	8001	6050	-	-	-
Health Ins. Wages	8006	6050	2,088	-	2,088
Health Ins. Wages	8010	6050	2,088	-	2,088
Emp. Share - Soc. Sec.	8000	6110	5,907	382	6,289
Emp. Share - Soc. Sec.	8001	6110	12,775	439	13,214
Emp. Share - Soc. Sec.	8006	6110	16,598	622	17,220
Emp. Share - Soc. Sec.	8009	6110	7,979	85	8,064
Emp. Share - Soc. Sec.	8010	6110	9,710	(141)	9,569
Emp. Share - Soc. Sec.	8011	6110	150	-	150
Emp. Share -Medicare	8000	6120	1,382	89	1,471
Emp. Share -Medicare	8001	6120	2,988	102	3,090
Emp. Share -Medicare	8006	6120	3,882	145	4,027
Emp. Share -Medicare	8009	6120	1,866	20	1,886
Emp. Share -Medicare	8010	6120	2,271	(33)	2,238
Emp. Share -Medicare	8011	6120	35	-	35
Emp. Share - Ipers	8000	6130	8,508	550	9,058
Emp. Share - Ipers	8001	6130	18,400	632	19,032
Emp. Share - Ipers	8006	6130	23,399	897	24,296
Emp. Share - Ipers	8009	6130	11,492	123	11,615
Emp. Share - Ipers	8010	6130	13,987	(204)	13,783
Emp. Share - Ipers	8011	6130	216	-	216
Health/Life Ins.	8006	6150	175,763	35,153	210,916
Health/Life Ins.	8009	6150	27,189	3,000	30,189
Health/Life Ins.	8010	6150	42,745	5,821	48,566
Uniforms	8001	6181	2,500	-	2,500
Uniforms	8009	6181	450	-	450
Uniforms	8010	6181	750	-	750
Self Insurance Expense	8006	6183	6,500	-	6,500
Self Insurance Expense	8009	6183	1,500	-	1,500
Self Insurance Expense	8010	6183	2,500	-	2,500
Dues & Subscription	8006	6220	6,896	207	7,103
Education/Seminars	8000	6240	2,122	64	2,186
Education/Seminars	8001	6240	2,122	64	2,186
Education/Seminars	8006	6240	7,108	213	7,321

Main. - Buildings	8000	6310	15,000	-	15,000
Main. - Buildings	8001	6310	1,061	32	1,093
Main. - Buildings	8006	6310	530	16	546
Main. - Wells	8000	6311	82,400	2,472	84,872
Main. - Water Supply	8001	6312	108,150	3,245	111,395
Main. - Meters	8001	6313	5,150	155	5,305
Main. - Grounds	8000	6320	21,218	637	21,855
Main. - Grounds	8001	6320	1,061	32	1,093
Gasoline	8001	6331	21,218	637	21,855
Truck Expense	8001	6332	8,244	247	8,491
Main. - Machinery	8000	6350	40,000	1,200	41,200
Main. - Machinery	8001	6350	6,365	191	6,556
Electric/Gas	8000	6371	84,872	2,546	87,418
Electric/Gas	8001	6371	7,305	219	7,524
Telephone	8006	6373	7,957	239	8,196
Audit Expense	8006	6401	8,523	256	8,779
Publications	8006	6402	3,428	103	3,531
Insurance	8006	6408	58,100	1,743	59,843
Janitorial Expense	8006	6409	2,122	64	2,186
Legal Fees	8006	6411	10,300	309	10,609
Computer Expense	8006	6419	25,750	773	26,523
Lab Expense	8000	6450	18,000	540	18,540
Meter Reading Service	8006	6492	56,228	1,687	57,915
Chemicals	8000	6501	217,485	6,525	224,010
Small Tools	8000	6504	1,061	32	1,093
Small Tools	8001	6504	3,183	95	3,278
Office Supplies	8006	6506	11,365	341	11,706
Misc. Expense	8000	6507	1,361	41	1,402
Misc. Expense	8001	6507	4,774	143	4,917
Misc. Expense	8006	6507	9,000	270	9,270
Postage	8006	6508	28,450	854	29,304
Safety Supplies	8000	6510	530	16	546
Safety Supplies	8001	6510	2,122	64	2,186
Credit Card Fees	8006	6520	8,719	2,180	10,899
Misc. Supplies	8000	6599	743	22	765
Misc. Supplies	8001	6599	1,591	48	1,639
Misc. Supplies	8006	6599	1,061	32	1,093
<b>Total Operating Expenses</b>			<b>2,175,781</b>	<b>103,990</b>	<b>2,279,771</b>
<b>Net Operating Revenue</b>			<b>1,249,465</b>	<b>79,572</b>	<b>1,329,037</b>
				-	
Transfer Out - Sinking Fund	8001	6910603	419,344	264	419,608
Transfer Out - Meter Fund	8001	6910604	102,000	-	102,000
<b>Total Transfer Out</b>			<b>521,344</b>	<b>264</b>	<b>521,608</b>
				-	
<b>Net Gain (Loss)</b>			<b>1,255,065</b>	<b>79,572</b>	<b>1,334,637</b>
				-	
Office Sign / Shop Doors	8001	6750	5,000	1,000	6,000
Turbidity Sensors & Lab Equip	8000	6723		20,000	20,000
Vehicles	8001	6710		45,000	45,000
Dist Proj/Valves, South D & Towers	8001	6780	665,000	14,000	679,000
Office / Computer Equipment	8006	6725	5,000	-	5,000
Principal Fund 603	8001	6801	268,000	9,000	277,000
Interest Fund 603	8001	6851	139,680	(8,040)	131,640
Bond Servicing Fee Fund 603	8001	6899	11,640	(672)	10,968
New/Replace Meters Fund 604	8001	6724	100,000	-	100,000
<b>Total CIP</b>			<b>1,194,320</b>	<b>80,288</b>	<b>1,274,608</b>
<b>Total Expenses</b>			<b>\$ 3,891,445</b>	<b>184,542</b>	<b>\$ 4,075,987</b>
				-	
<b>Net Gain (Loss)</b>			<b>\$ 60,745</b>	<b>(716)</b>	<b>\$ 60,029</b>

01/11/2017 13:15



## 2017-2018 budget

### Receipts

#### Operating Revenue

Water Sales	3,079,525
City - Waste Water	419,598
Other	<u>109,685</u>
	<b>3,608,808</b>

#### Capital Sources

Interest Income	<u>5,600</u>
	5,600

#### Total Receipts

**3,614,408**

### Disbursements

#### Operating Expense

Water - Personnel Costs	709,446
Waste Water - Personnel Costs	334,755
Utilities	103,138
Outside Services	101,343
Small Equip & Materials	293,247
Chemicals, Treatment & Monitoring	242,550
Transportation	30,346
Office Supplies	81,962
Property Insurance	59,843
Water - Health Insurance	219,504
Waste Water - Health Insurance	84,843
Staff Development	<u>18,795</u>

#### Total Operating Expenses

**2,279,771**

#### Capital Outlays

Shop Doors	6,000
Turbidity Sensors & Lab Equip	20,000
Vehicles	45,000
Dist projects	679,000
Computer Equipment	5,000
New/Replace Meters	100,000
Equipment	
Principal & Interest SRF	<u>419,608</u>

#### Total Capital Outlays

1,274,608

#### Total Expenses

**3,554,379**

#### Fund Excess (Deficiency)

60,029

#### Net Operating Income

**1,329,037**

Fiscal Year 2016-2017 estimated principal, interest  
and servicing fee total \$418,737.50 + 10% =  
\$460,677.25

Loan Parity \$868,359.32

#### City Waste Water Accounts

Reimbursements	419,598
Budgeted Cost	419,598
Difference	-

**OSKALOOSA MUNICIPAL WATER DEPARTMENT**

**Water Enterprise Fund**

**EXHIBIT 1**

*Assumes Cash Funded CIP*

<b>Growth Assumptions</b>	
Water Usage	(2.00%)
Number of Customers	0.00%
Operating Expenses	5.00%
Interest Rate	0.20%

<b>WATER REVENUE ADJUSTMENTS</b>					
3/1/2014	10.00%	3/1/2018	3.00%	3/1/2022	3.00%
3/1/2015	10.00%	3/1/2019	3.00%	3/1/2023	-
3/1/2016	25.00%	3/1/2020	3.00%	3/1/2024	-
3/1/2017	7.50%	3/1/2021	3.00%	3/1/2025	-

	Unaudited			Budget	Budget	Projected	Projected	Projected	Projected	Projected
	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
<b>COST PER UNIT</b>										
		Mar 2014	Mar 2015	Mar 2016						
Rate per 100 Cubic Feet (Inside) 1	\$4.24	\$4.66	\$5.13	\$6.41	\$6.89	\$7.10	\$7.31	\$7.53	\$7.76	\$7.99
Rate per 100 Cubic Feet (Outside) 2	\$8.48	\$9.32	\$10.26	\$12.83	\$13.78	\$14.19	\$14.62	\$15.06	\$15.51	\$15.98
Min. Monthly Bill (200 CF) Inside 3	\$8.48	\$9.32	\$10.26	\$12.82	\$13.78	\$14.19	\$14.62	\$15.06	\$15.51	\$15.98
Min. Monthly Bill (200 CF) Outside 4	\$16.96	\$18.64	\$20.52	\$25.64	\$27.56	\$28.39	\$29.24	\$30.12	\$31.02	\$31.95
	0.90%	8.61%	18.31%	25.00%	7.50%	3.00%	3.00%	3.00%	3.00%	3.00%
<b>Average Revenue/CCF Inside 5</b>	<b>\$3.37</b>	<b>\$3.66</b>	<b>\$4.33</b>	<b>\$5.41</b>	<b>\$5.82</b>	<b>\$5.99</b>	<b>\$6.17</b>	<b>\$6.36</b>	<b>\$6.55</b>	<b>\$6.75</b>
<b>WATER (CCF) 6</b>										
	(2.12%)	(5.49%)	2.28%	(2.00%)	(2.00%)	(2.00%)	(2.00%)	(2.00%)	(2.00%)	(2.00%)
Total Water Usage 7	431,448	407,750	417,038	408,697	400,523	392,513	384,663	376,969	369,430	362,041
Number of Customers Inside 8	4,638	4,646	4,638	4,638	4,638	4,638	4,638	4,638	4,638	4,638
Number of Customers Outside 9	260	259	260	260	260	260	260	260	260	260
<b>OPERATING REVENUES 10</b>										
	(1.11%)	4.70%	17.97%	23.08%	5.92%	1.49%	1.50%	1.51%	1.52%	1.53%
Metered Water Sales 11	\$1,452,099	\$1,492,440	\$1,806,822	\$2,212,074	\$2,330,420	\$2,352,326	\$2,374,438	\$2,396,757	\$2,419,287	\$2,442,028
Min Monthly Billings - Inside 12	471,963	519,609	571,031	713,510	767,023	790,034	813,735	838,147	863,291	889,190
Min Monthly Billings - Outside 13	52,915	57,933	64,022	79,997	85,997	88,576	91,234	93,971	96,790	99,694
Penalties and Inspection Fees 14	40,205	45,959	51,263	58,000	38,000	38,000	38,000	38,000	38,000	38,000
Labor Charges 15	6,252	6,854	6,012	4,500	3,500	3,500	3,500	3,500	3,500	3,500
Sales Tax 16	136,654	143,739	170,931	210,391	222,841	226,166	229,558	233,021	236,556	240,164
Rental Fees 17	21,807	44,643	0	0	0	0	0	0	0	0
City Wastewater 18	0	0	206,944	411,331	419,598	440,578	462,607	485,737	510,024	535,525
Miscellaneous Revenues 19	64,856	91,610	34,068	34,500	32,000	32,000	32,000	32,000	32,000	32,000
Total Operating Revenues 20	\$2,246,751	\$2,402,787	\$2,911,092	\$3,724,302	\$3,899,378	\$3,971,179	\$4,045,071	\$4,121,133	\$4,199,448	\$4,280,101
<b>OPERATING EXPENSES 21</b>										
	11.95%	(7.70%)	(0.72%)	22.57%	5.43%	5.00%	5.00%	5.00%	5.00%	5.00%
Administration 22	\$676,209	\$671,342	\$626,157	\$753,531	\$814,567	\$855,295	\$898,060	\$942,963	\$990,111	\$1,039,617
Plant O&M 23	430,279	444,184	488,063	595,865	617,135	647,992	680,391	714,411	750,131	787,638
Distribution O&M 24	464,421	334,394	325,303	415,054	428,477	449,901	472,396	496,016	520,816	546,857
WW Operations 25	0	0	206,944	411,331	419,598	440,578	462,607	485,737	510,024	535,525
Sales Tax 26	136,730	143,805	170,931	210,391	222,841	226,166	229,558	233,021	236,556	240,164
Other Misc Expenses 27	0	0	0	0	0	0	0	0	0	0
Total Operating Expense 28	\$1,707,639	\$1,593,725	\$1,817,398	\$2,386,172	\$2,502,618	\$2,619,931	\$2,743,013	\$2,872,148	\$3,007,639	\$3,149,801
<b>NET OPERATING REV 29</b>										
	\$539,112	\$809,062	\$1,093,694	\$1,338,131	\$1,396,760	\$1,351,248	\$1,302,059	\$1,248,985	\$1,191,809	\$1,130,300
Interest on Reserves 30	7,048	6,867	6,971	2,465	2,828	3,147	3,216	3,208	3,431	3,431
Other Non-operating Income 31	0	0	36,160	37,185	36,185	36,185	36,185	36,185	36,185	36,185
<b>Revenue for Debt Service 32</b>	<b>\$546,160</b>	<b>\$815,929</b>	<b>\$1,136,826</b>	<b>\$1,377,781</b>	<b>\$1,435,774</b>	<b>\$1,390,580</b>	<b>\$1,341,460</b>	<b>\$1,288,378</b>	<b>\$1,231,425</b>	<b>\$1,169,916</b>

**OSKALOOSA MUNICIPAL WATER DEPARTMENT**

**Water Enterprise Fund**

**EXHIBIT 1**

*Assumes Cash Funded CIP*

<b>Growth Assumptions</b>	
Water Usage	(2.00%)
Number of Customers	0.00%
Operating Expenses	5.00%
Interest Rate	0.20%

<b>WATER REVENUE ADJUSTMENTS</b>					
3/1/2014	10.00%	3/1/2018	3.00%	3/1/2022	3.00%
3/1/2015	10.00%	3/1/2019	3.00%	3/1/2023	-
3/1/2016	25.00%	3/1/2020	3.00%	3/1/2024	-
3/1/2017	7.50%	3/1/2021	3.00%	3/1/2025	-

		Unaudited	Budget	Budget	Projected	Projected	Projected	Projected	Projected		
		FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
<b>Revenue for Debt Service</b>	33	\$546,160	\$815,929	\$1,136,826	\$1,377,781	\$1,435,774	\$1,390,580	\$1,341,460	\$1,288,378	\$1,231,425	\$1,169,916
<b>Water Debt Service</b>											
2009 SRF Loan	34	\$418,793	\$418,895	\$418,738	\$419,320	\$419,610	\$419,608	\$419,313	\$418,725	\$418,845	\$419,640
Reserved	35	0	0	0	0	0	0	0	0	0	0
<b>Total Revenue Debt</b>	36	\$418,793	\$418,895	\$418,738	\$419,320	\$419,610	\$419,608	\$419,313	\$418,725	\$418,845	\$419,640
<b>Debt Service Coverage</b>											
Net Revenues/ Revenue Debt	37	1.30	1.95	2.71	3.29	3.42	3.31	3.20	3.08	2.94	2.79
<i>Must at least be a 1.10x Coverage for SRF Bonds</i>											
<b>CASHFLOW AFTER DEBT</b>	38	\$127,368	\$397,034	\$718,088	\$958,461	\$1,016,164	\$970,972	\$922,148	\$869,653	\$812,580	\$750,276
Capital Outlays	39	(\$379,526)	(\$283,037)	(\$476,899)	(\$675,000)	(\$755,000)	(\$716,000)	(\$706,607)	(\$538,000)	(\$592,500)	(\$595,000)
Other cash sources/(uses)	40	0	0	74,560	0	0	0	0	0	0	0
Bond Proceeds	41	0	0	0	0	0	0	0	0	0	0
Transfers (to)/from Other Funds	42	0	0	0	0	0	0	0	0	0	0
Transfers to Meter Replcmt Fund	43	(36,000)	(36,000)	(102,000)	(102,000)	(102,000)	(220,000)	(220,000)	(220,000)	(220,000)	(220,000)
Transfers to Sinking Fund	44	(9)	13	49	0	0	0	0	0	0	0
<b>Annual Surplus/ (Deficit)</b>	45	(\$288,167)	\$78,010	\$213,798	\$181,461	\$159,164	\$34,972	(\$4,459)	\$111,653	\$80	(\$64,724)
Debt Proceeds		0	0	0	0	0	0	0	0	0	0
<b>Beginning Cash Balance</b>	46	\$1,228,998	\$940,831	\$1,018,841	\$1,232,639	\$1,414,099	\$1,573,263	\$1,608,235	\$1,603,776	\$1,715,429	\$1,715,509
<b>Ending Cash Balance</b>	47	\$940,831	\$1,018,841	\$1,232,639	\$1,414,099	\$1,573,263	\$1,608,235	\$1,603,776	\$1,715,429	\$1,715,509	\$1,650,784
Cash % of O&M (net of depr)	48	55%	64%	68%	59%	63%	61%	58%	60%	57%	52%
<b>Restricted &amp; Designated</b>											
Improvement Fund	49	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sinking Fund	50	\$34,908	\$34,908	\$34,943	\$34,943	\$34,943	\$34,943	\$34,943	\$34,943	\$34,943	\$34,943
Meter Replacement Fund	51	\$104,813	\$43,151	\$51,419	\$53,419	\$55,419	\$55,419	\$55,419	\$55,419	\$55,419	\$55,419
Debt Service Reserve Fund	52	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL WATER DEPT CASH</b>	53	\$1,080,552	\$1,096,900	\$1,319,001	\$1,502,462	\$1,663,626	\$1,698,598	\$1,694,139	\$1,805,791	\$1,805,871	\$1,741,147
<b>Meter Replacement Expenditures</b>		<b>\$69,922</b>	<b>\$97,662</b>	<b>\$93,732</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$220,000</b>	<b>\$220,000</b>	<b>\$220,000</b>	<b>\$220,000</b>	<b>\$220,000</b>

**OSKALOOSA MUNICIPAL WATER DEPARTMENT**

**Water Enterprise Fund**

**EXHIBIT 1**

*Assumes Cash Funded CIP*

<b>Growth Assumptions</b>	
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Operating Expenses	5.00%
Interest Rate	0.20%

<b>WATER REVENUE ADJUSTMENTS</b>					
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3/1/2015	10.00%	3/1/2019	3.00%	3/1/2023	-
3/1/2016	25.00%	3/1/2020	3.00%	3/1/2024	-
3/1/2017	7.50%	3/1/2021	3.00%	3/1/2025	-

	Unaudited	Budget	Budget	Projected	Projected	Projected	Projected	Projected		
	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23

<b>WATER DEPARTMENT CAPITAL OUTLAYS</b>								
	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	
Split fund Mini Excavator with WW	0	0	0	0	0	32,500	0	
Backhoe & Vacuum	0	0	0	0	40,000	50,000	0	
Rebuild Valves C Ave W	0	0	0	0	0	0	0	
Computers & Phone Equip.	5,000	5,000	5,000	5,000	5,000	5,000	5,000	
Plant Project	0	0	0	0	0	0	0	
Meters	0	0	0	0	0	0	0	
Water Plant Equipment Upgrades	0	0	40,000	0	40,000	0	40,000	
Turbidity Sensors & Lab Equipment	0	20,000	0	0	0	25,000	0	
Vehicles	0	45,000	0	60,000	0	35,000	0	
Equipment	0	0	0	0	15,000	0	50,000	
Dump Truck (high end used)	0	0	0	0	0	0	0	
Shop Building/Overhead Doors	0	6,000	0	0	0	0	0	
Paint North Tower, South Tower	0	420,000	0	0	0	0	0	
Carbonado Road Project	550,000	0	0	0	0	0	0	
South F (11th to Fairview Drive)	100,000	0	0	0	0	0	0	
South D (A Ave to 6th)	15,000	219,000	116,000	0	0	0	0	
North L & A Ave W	0	40,000	400,000	115,000	0	0	0	
Hwy 23 East	0	0	35,000	476,607	0	0	0	
20" from plant to 210th Street	0	0	0	50,000	350,000	405,000	0	
C Avenue West Water main	0	0	0	0	0	40,000	500,000	
20" 230th to Trueblood	0	0	0	0	0	0	0	
New Well @ plant	0	0	120,000	0	0	0	0	
Tractor @ plant	0	0	0	0	80,000	0	0	
Hwy 23 East (17th St. to RR crossing)	0	0	0	0	0	0	0	
Office Sign	5,000	0	0	0	0	0	0	
Plant Computer and Operating System	0	0	0	0	8,000	0	0	
Water Supply Upgrades	0	0	0	0	0	0	0	
Other Capital Outlays	0	0	0	0	0	0	0	
<b>TOTAL WATER DEPARTMENT CAPITAL OUTLAYS</b>	<b>\$0</b>	<b>\$675,000</b>	<b>\$755,000</b>	<b>\$716,000</b>	<b>\$706,607</b>	<b>\$538,000</b>	<b>\$592,500</b>	<b>\$595,000</b>