

WATER BOARD OF TRUSTEES
Special Meeting
January 15, 2018
4:00 PM
Location: 1208 South St.

Agenda

1. Approve Agenda.
2. Public Hearing for proposed Fiscal Year 2018/2019 Budget.
3. Approval of Fiscal Year 2018/2019 Budget.
4. Updates from members of the Board of Trustees.
5. Adjourn.

INFORMATION CONCERNING AGENDA ITEMS:

Agenda Item #2

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 #3

The proposed budget will be sent out in your packets. There were a couple of changes as a result of discussion at the last meeting. The meter reading line item was originally set at \$38,000 and has been raised to \$45,000. We also changed metered sales as a result of a proposed change in rates.

One of the discussion points was to try to smooth out any rate increases. Using the new cash flow analyses provided by Public Financial Management (PFM), there is one scenario whereby a 6% increase this year also results in continued 6% increases through 2024, eliminating peaks and valleys. Susanne Gerlach with PFM will be here on Monday to go through the cash flow analyses with the Board.

Staff recommendation is to approve the budget as presented.

Rate increases will be considered and acted upon during the February meeting.

Agenda Item#4

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

2018-2019 BUDGET

	Acct. #	Original 2017-2018	Changes	Proposed 2018-2019 6%-Increase
ACCOUNTS:				
INCOME				
Material Sales	600-8001-1-4521	2,500	-	2,500
Labor Charges	600-8001-1-4522	3,500	-	3,500
Late Fees	600-8001-1-4531	38,000	-	38,000
Metered Sales	600-8001-1-4555	2,930,180	85,669	3,015,849
Other Income	600-8001-1-4761	6,500	(2,000)	4,500
Reimbursements - City for W.W.	600-8001-2-4710	419,598	27,235	446,833
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
Water Fund Income		3,459,463	110,904	3,570,367
Interest	600-8001-4-4300	5,600	-	5,600
Transfer In - Sinking Fund	603-8001-4-4830600	419,608	(25)	419,583
Transfer In - Meter Fund	604-8001-4-4830600	102,000	118,000	220,000
Total Revenues		3,986,671	228,879	4,215,550

OPERATING EXPENSES

Labor - Distribution	8001	6010	213,123	13,455	226,578
Salaries - General Manager	8006	6011	57,262	1,718	58,980
Salaries - Office	8006	6012	152,337	57,400	209,737
Salaries - Service Tech	8006	6013	62,475	3,124	65,599
Labor - Plant	8000	6014	101,430	5,072	106,502
Contract Labor	8006	6015	16,952	(16,952)	-
Salaries - Trustees	8006	6020	5,670	-	5,670
Salaries - Waste Water Treatment	8009	6014	130,071	6,021	136,092
Salaries - Waste Water Collections	8010	6014	153,509	7,599	161,108
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	6,289	314	6,603
Emp. Share - Soc. Sec.	8001	6110	13,214	834	14,048
Emp. Share - Soc. Sec.	8006	6110	17,220	3,859	21,079
Emp. Share - Soc. Sec.	8009	6110	8,064	374	8,438
Emp. Share - Soc. Sec.	8010	6110	9,569	874	10,443
Emp. Share - Soc. Sec.	8011	6110	150	-	150
Emp. Share -Medicare	8000	6120	1,471	73	1,544
Emp. Share -Medicare	8001	6120	3,090	195	3,285
Emp. Share -Medicare	8006	6120	4,027	903	4,930
Emp. Share -Medicare	8009	6120	1,886	87	1,973
Emp. Share -Medicare	8010	6120	2,238	204	2,442
Emp. Share -Medicare	8011	6120	35	-	35
Emp. Share - Ipers	8000	6130	9,058	996	10,054
Emp. Share - Ipers	8001	6130	19,032	2,357	21,389
Emp. Share - Ipers	8006	6130	24,296	7,263	31,559
Emp. Share - Ipers	8009	6130	11,615	1,233	12,848
Emp. Share - Ipers	8010	6130	13,783	2,130	15,913
Emp. Share - Ipers	8011	6130	216	-	216
Health/Life Ins.	8006	6150	210,916	21,372	232,288
Health/Life Ins.	8009	6150	30,189	5,784	35,973
Health/Life Ins.	8010	6150	48,566	2,029	50,595
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
Cell Phone Reimb	8009	6373	-	240	240
Cell Phone Reimb	8010	6373	-	660	660
Dues & Subscription	8006	6220	7,103	213	7,316

Education/Seminars	8000	6240	2,186	66	2,252
Education/Seminars	8001	6240	2,186	3,479	5,665
Education/Seminars	8006	6240	7,321	512	7,833
Main. - Buildings	8000	6310	15,000	450	15,450
Main. - Buildings	8001	6310	1,093	67	1,160
Main. - Buildings	8006	6310	546	10,016	10,562
Main. - Wells	8000	6311	84,872	2,546	87,418
Main. - Water Supply	8001	6312	111,395	3,343	114,737
Main. - Meters	8001	6313	5,305	160	5,464
Main. - Grounds	8000	6320	21,855	656	22,511
Main. - Grounds	8001	6320	1,093	33	1,126
Gasoline	8001	6331	21,855	656	22,511
Truck Expense	8001	6332	8,491	1,809	10,300
Main. - Machinery	8000	6350	41,200	1,236	42,436
Main. - Machinery	8001	6350	6,556	197	6,753
Electric/Gas	8000	6371	87,418	2,623	90,041
Electric/Gas	8001	6371	7,524	226	7,750
Telephone	8006	6373	8,196	246	8,442
Audit Expense	8006	6401	8,779	1,521	10,300
Publications	8006	6402	3,531	106	3,637
Insurance	8006	6408	59,843	5,984	65,827
Janitorial Expense	8006	6409	2,186	366	2,552
Legal Fees	8006	6411	10,609	318	10,927
Computer Expense	8006	6419	26,523	797	27,319
Lab Expense	8000	6450	18,540	556	19,096
Meter Reading Service	8006	6492	57,915	(12,915)	45,000
Chemicals	8000	6501	224,010	6,720	230,730
Small Tools	8000	6504	1,093	33	1,126
Small Tools	8001	6504	3,278	98	3,376
Office Supplies	8006	6506	11,706	351	12,057
Misc. Expense	8000	6507	1,402	42	1,444
Misc. Expense	8001	6507	4,917	148	5,065
Misc. Expense	8006	6507	9,270	278	9,548
Postage	8006	6508	29,304	880	30,183
Safety Supplies	8000	6510	546	16	562
Safety Supplies	8001	6510	2,186	66	2,252
Credit Card Fees	8006	6520	10,899	4,726	15,625
Misc. Supplies	8000	6599	765	23	788
Misc. Supplies	8001	6599	1,639	49	1,688
Misc. Supplies	8006	6599	1,093	33	1,126
Total Operating Expenses			2,279,771	167,950	2,447,721
Net Operating Revenue			1,179,692	(57,046)	1,122,646
				-	
Transfer Out - Sinking Fund	8001	6910603	419,608	(25)	419,583
Transfer Out - Meter Fund	8001	6910604	102,000	118,000	220,000
Total Transfer Out			521,608	117,975	639,583
				-	
Net Gain (Loss)			1,185,292	(57,046)	1,128,246
				-	
Office Sign / Shop Doors	8001	6750	6,000	(6,000)	-
Plant Equip Upgrades	8000	6723	20,000	20,000	40,000
Vehicles	8001	6710	45,000	(45,000)	-
Dist Proj/Valves, South D & Towers	8001	6780	679,000	108,000	787,000
Office / Computer Equipment	8006	6725	5,000	-	5,000
Principal Fund 603	8001	6801	277,000	9,750	286,750
Interest Fund 603	8001	6851	131,640	(9,025)	122,615
Bond Servicing Fee Fund 603	8001	6899	10,968	(750)	10,218
New/Replace Meters Fund 604	8001	6724	100,000	120,000	220,000
Total CIP			1,274,608	196,975	1,471,583
Total Expenses			\$ 4,075,987	482,900	\$ 4,558,887
				-	
Net Gain (Loss)			\$ (89,316)	(254,021)	\$ (343,337)

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2018-2019 budget

Receipts

Operating Revenue

Water Sales	3,015,849
City - Waste Water	446,833
Other	<u>107,685</u>
	3,570,367

Capital Sources

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

Total Receipts

3,575,967

Disbursements

Operating Expense

Water - Personnel Costs	790,057
Waste Water - Personnel Costs	354,177
Utilities	106,233
Outside Services	91,290
Small Equip & Materials	312,081
Chemicals, Treatment & Monitoring	249,826
Transportation	32,811
Office Supplies	88,821
Property Insurance	65,827
Water - Health Insurance	240,876
Waste Water - Health Insurance	92,656
Staff Development	<u>23,066</u>

Total Operating Expenses

2,447,721

Capital Outlays

Shop Doors	-
Turbidity Sensors & Lab Equip	40,000
Vehicles	-
Dist projects	787,000
Computer Equipment	5,000
New/Replace Meters	220,000
Equipment	
Principal & Interest SRF	<u>419,583</u>

Total Capital Outlays

1,471,583

Total Expenses

3,919,304

Fund Excess (Deficiency)

(343,337)

Net Operating Income

1,122,646

Fiscal Year 2018-2019 estimated principal, interest
and servicing fee total \$419,583 + 10% =
\$461,541.30

Loan Parity \$661,104.70

City Waste Water Accounts

Reimbursements	446,833
Budgeted Cost	446,833
Difference	-

OSKALOOSA MUNICIPAL WATER DEPARTMENT

Water Enterprise Fund

EXHIBIT 1

Assumes Cash Funded CIP

Growth Assumptions	
Water Usage	(2.00%)
Number of Customers	0.00%
Operating Expenses	5.00%
Interest Rate	0.50%

WATER REVENUE ADJUSTMENTS					
3/1/2014	10.00%	3/1/2018	5.00%	3/1/2022	6.50%
3/1/2015	10.00%	3/1/2019	6.50%	3/1/2023	6.50%
3/1/2016	25.00%	3/1/2020	6.50%	3/1/2024	6.50%
3/1/2017	5.00%	3/1/2021	6.50%	3/1/2025	-

	Audited Financial Statements			Budget	Budget	Projected	Projected	Projected	Projected	Projected	Projected
	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	FY 2023-24	FY 2024-25
COST PER UNIT	Mar 2014	Mar 2015	Mar 2016	Mar 2017							
Rate per 100 Cubic Feet (Inside) 1	\$4.66	\$5.13	\$6.41	\$6.73	\$7.07	\$7.53	\$8.02	\$8.54	\$9.09	\$9.68	\$10.31
Rate per 100 Cubic Feet (Outside) 2	\$9.32	\$10.26	\$12.83	\$13.47	\$14.13	\$15.05	\$16.03	\$17.07	\$18.18	\$19.36	\$20.62
Min. Monthly Bill (200 CF) Inside 3	\$9.32	\$10.26	\$12.82	\$13.46	\$13.46	\$13.46	\$13.46	\$13.46	\$13.46	\$13.46	\$13.46
Min. Monthly Bill (200 CF) Outside 4	\$18.64	\$20.52	\$25.64	\$26.92	\$26.92	\$26.92	\$26.92	\$26.92	\$26.92	\$26.92	\$26.92
	8.61%	9.56%	29.68%	5.00%	5.00%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%
Average Revenue/CCF Inside 5	\$3.66	\$4.01	\$5.20	\$5.46	\$5.73	\$6.11	\$6.50	\$6.93	\$7.38	\$7.85	\$8.37
WATER (CCF) 6	(5.49%)	2.28%	(5.89%)	(2.00%)	(2.00%)	(2.00%)	(2.00%)	(2.00%)	(2.00%)	(2.00%)	(2.00%)
Total Water Usage 7	407,750	417,038	392,457	384,608	376,916	369,377	361,990	354,750	347,655	340,702	333,888
Number of Customers Inside 8	4,646	4,638	4,652	4,652	4,652	4,652	4,652	4,652	4,652	4,652	4,652
Number of Customers Outside 9	259	260	257	257	257	257	257	257	257	257	257
OPERATING REVENUES 10	4.70%	11.41%	23.04%	3.42%	2.08%	3.15%	3.19%	3.23%	3.26%	3.30%	3.33%
Metered Water Sales 11	\$1,492,440	\$1,671,026	\$2,042,685	\$2,099,959	\$2,160,858	\$2,255,287	\$2,353,843	\$2,456,706	\$2,564,064	\$2,676,114	\$2,793,060
Min Monthly Billings - Inside 12	519,609	571,031	715,664	751,391	751,391	751,391	751,391	751,391	751,391	751,391	751,391
Min Monthly Billings - Outside 13	57,933	64,022	79,074	83,021	83,021	83,021	83,021	83,021	83,021	83,021	83,021
Penalties and Inspection Fees 14	45,959	51,145	71,562	38,000	38,000	38,000	38,000	38,000	38,000	38,000	38,000
Labor Charges 15	6,854	6,012	11,490	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Sales Tax 16	143,739	160,293	202,901	205,406	209,669	216,279	223,178	230,378	237,893	245,737	253,923
Rental Fees 17	44,643	0	0	0	0	0	0	0	0	0	0
City Wastewater 18	0	206,944	370,179	419,598	446,833	475,924	499,720	524,706	550,942	578,489	607,413
Miscellaneous Revenues 19	91,610	13,748	12,435	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000
Total Operating Revenues 20	\$2,402,787	\$2,744,221	\$3,505,989	\$3,632,875	\$3,725,272	\$3,855,403	\$3,984,654	\$4,119,703	\$4,260,812	\$4,408,252	\$4,562,309
OPERATING EXPENSES 21	(7.70%)	(0.72%)	6.67%	21.15%	7.24%	1.32%	5.00%	5.00%	5.00%	5.00%	5.00%
Administration 22	\$671,342	\$626,157	\$681,077	\$814,567	\$900,584	\$872,113	\$915,719	\$961,505	\$1,009,580	\$1,060,059	\$1,113,062
Plant O&M 23	444,184	488,063	509,992	617,135	638,557	670,485	704,009	739,210	776,170	814,979	855,727
Distribution O&M 24	334,394	325,302	344,428	428,477	455,647	478,429	502,351	527,468	553,842	581,534	610,611
WW Operations 25	0	206,944	370,172	419,598	453,261	475,924	499,720	524,706	550,942	578,489	607,413
Sales Tax 26	143,805	157,636	203,418	205,406	209,669	216,279	223,178	230,378	237,893	245,737	253,923
Other Misc Expenses 27	0	0	0	0	0	0	0	0	0	0	0
Total Operating Expense 28	\$1,593,725	\$1,804,102	\$2,109,087	\$2,485,183	\$2,657,718	\$2,713,230	\$2,844,977	\$2,983,267	\$3,128,427	\$3,280,797	\$3,440,736
NET OPERATING REV 29	\$809,062	\$940,119	\$1,396,902	\$1,147,692	\$1,067,554	\$1,142,172	\$1,139,677	\$1,136,436	\$1,132,385	\$1,127,455	\$1,121,572
Interest on Reserves 30	6,867	6,971	9,712	7,043	7,310	5,497	4,502	4,450	4,169	3,849	4,031
Other Non-operating Income 31	0	56,752	65,680	36,185	34,185	34,185	34,185	34,185	34,185	34,185	34,185
Revenue for Debt Service 32	\$815,929	\$1,003,842	\$1,472,294	\$1,190,921	\$1,109,049	\$1,181,854	\$1,178,364	\$1,175,071	\$1,170,738	\$1,165,489	\$1,159,788

OSKALOOSA MUNICIPAL WATER DEPARTMENT

Water Enterprise Fund

EXHIBIT 1

Assumes Cash Funded CIP

Growth Assumptions	
Water Usage	(2.00%)
Number of Customers	0.00%
Operating Expenses	5.00%
Interest Rate	0.50%

WATER REVENUE ADJUSTMENTS					
3/1/2014	10.00%	3/1/2018	5.00%	3/1/2022	6.50%
3/1/2015	10.00%	3/1/2019	6.50%	3/1/2023	6.50%
3/1/2016	25.00%	3/1/2020	6.50%	3/1/2024	6.50%
3/1/2017	5.00%	3/1/2021	6.50%	3/1/2025	-

	Audited Financial Statements			Budget	Budget	Projected	Projected	Projected	Projected	Projected	Projected
	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	FY 2023-24	FY 2024-25
Revenue for Debt Service 33	\$815,929	\$1,003,842	\$1,472,294	\$1,190,921	\$1,109,049	\$1,181,854	\$1,178,364	\$1,175,071	\$1,170,738	\$1,165,489	\$1,159,788
Water Debt Service											
2009 SRF Loan 34	\$418,895	\$418,738	\$419,320	\$419,610	\$419,608	\$419,313	\$418,725	\$418,845	\$419,640	\$419,078	\$419,190
Reserved 35	0	0	0	0	0	0	0	0	0	0	0
Total Revenue Debt 36	\$418,895	\$418,738	\$419,320	\$419,610	\$419,608	\$419,313	\$418,725	\$418,845	\$419,640	\$419,078	\$419,190
Debt Service Coverage				<i>Must at least be a 1.10x Coverage for SRF Bonds</i>							
Net Revenues/ Revenue Debt 37	1.95	2.40	3.51	2.84	2.64	2.82	2.81	2.81	2.79	2.78	2.77
CASHFLOW AFTER DEBT 38	\$397,034	\$585,104	\$1,052,974	\$771,311	\$689,441	\$762,542	\$759,639	\$756,226	\$751,098	\$746,411	\$740,598
Capital Outlays 39	(\$283,037)	(\$476,900)	(\$567,288)	(\$616,000)	(\$832,000)	(\$741,607)	(\$550,000)	(\$592,500)	(\$595,000)	(\$660,000)	(\$645,000)
Other cash sources/(uses) 40	0	0	(1)	0	0	0	0	0	0	0	0
Bond Proceeds 41	0	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	0
Transfers to Meter Replcmt Fund 43	(36,000)	(102,000)	(102,000)	(102,000)	(220,000)	(220,000)	(220,000)	(220,000)	(220,000)	(50,000)	(50,000)
Transfers to Sinking Fund 44	13	(48)	(24)	0	0	0	0	0	0	0	0
Annual Surplus/ (Deficit) 45	\$78,010	\$6,156	\$383,661	\$53,311	(\$362,559)	(\$199,065)	(\$10,361)	(\$56,274)	(\$63,902)	\$36,411	\$45,598
Debt Proceeds	0	0	0	0	0	0	0	0	0	0	0
Beginning Cash Balance 46	\$940,831	\$1,018,841	\$1,024,997	\$1,408,658	\$1,461,969	\$1,099,410	\$900,345	\$889,983	\$833,709	\$769,807	\$806,219
Ending Cash Balance 47	\$1,018,841	\$1,024,997	\$1,408,658	\$1,461,969	\$1,099,410	\$900,345	\$889,983	\$833,709	\$769,807	\$806,219	\$851,817
Cash % of O&M (net of depr) 48	64%	57%	67%	59%	41%	33%	31%	28%	25%	25%	25%
Restricted & Designated											
Improvement Fund 49	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sinking Fund 50	\$34,908	\$34,943	\$34,967	\$34,967	\$34,967	\$34,967	\$34,967	\$34,967	\$34,967	\$34,967	\$34,967
Meter Replacement Fund 51	\$43,151	\$51,419	\$54,068	\$56,068	\$56,068	\$56,068	\$56,068	\$56,068	\$56,068	\$56,068	\$56,068
Debt Service Reserve Fund 52	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL WATER DEPT CASH 53	\$1,096,900	\$1,111,359	\$1,497,693	\$1,553,004	\$1,190,445	\$991,380	\$981,018	\$924,744	\$860,842	\$897,254	\$942,852
Meter Replacement Expenditures	\$97,662	\$93,732	\$99,351	\$100,000	\$220,000	\$220,000	\$220,000	\$220,000	\$220,000	\$50,000	\$50,000

OSKALOOSA MUNICIPAL WATER DEPARTMENT

Water Enterprise Fund

EXHIBIT 1

Assumes Cash Funded CIP

<i>Growth Assumptions</i>	
Water Usage	(2.00%)
Number of Customers	0.00%
Operating Expenses	5.00%
Interest Rate	0.50%

WATER REVENUE ADJUSTMENTS					
3/1/2014	10.00%	3/1/2018	5.00%	3/1/2022	6.50%
3/1/2015	10.00%	3/1/2019	6.50%	3/1/2023	6.50%
3/1/2016	25.00%	3/1/2020	6.50%	3/1/2024	6.50%
3/1/2017	5.00%	3/1/2021	6.50%	3/1/2025	-

Audited Financial Statements			Budget	Budget	Projected	Projected	Projected	Projected	Projected	Projected
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	FY 2023-24	FY 2024-25

WATER DEPARTMENT CAPITAL OUTLAYS

	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Split fund Mini Excavator with WW	\$0	\$0	\$0	\$0	\$32,500	\$0	\$0	\$0
Backhoe & Vacuum	0	0	0	40,000	50,000	0	0	0
Computers & Phone Equip.	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Water Plant Equipment Upgrades	0	40,000	0	40,000	0	40,000	0	40,000
Turbidity Sensors & Lab Equipment	20,000	0	0	0	25,000	0	0	0
Vehicles	45,000	0	80,000	0	35,000	0	35,000	0
Equipment	0	0	0	15,000	0	50,000	0	0
Shop Building/Overhead Doors	6,000	0	0	0	0	0	0	0
Paint North Tower, South Tower	420,000	0	0	0	0	0	0	0
South D (A Ave to 6th)	100,000	332,000	0	0	0	0	0	0
North L & A Ave W	20,000	420,000	115,000	0	0	0	0	0
Hwy 23 East	0	35,000	476,607	0	0	0	0	0
20" from plant to 210th Street	0	0	50,000	350,000	405,000	0	0	0
C Avenue West Water main	0	0	0	0	40,000	500,000	0	0
20" 230th to Trueblood	0	0	0	0	0	0	500,000	0
New Well @ plant	0	0	0	0	0	0	120,000	0
Tractor @ plant	0	0	0	80,000	0	0	0	0
Plant Computer and Operating System	0	0	0	20,000	0	0	0	0
Preliminary Engineering Report - Distribution	0	0	15,000	0	0	0	0	0
Other Capital Outlays	0	0	0	0	0	0	0	600,000
TOTAL WATER DEPARTMENT CAPITAL OUTLAYS	\$616,000	\$832,000	\$741,607	\$550,000	\$592,500	\$595,000	\$660,000	\$645,000

OSKALOOSA MUNICIPAL WATER DEPARTMENT

Water Enterprise Fund

EXHIBIT 1

Assumes Cash Funded CIP

Growth Assumptions	
Water Usage	(2.00%)
Number of Customers	0.00%
Operating Expenses	5.00%
Interest Rate	0.50%

WATER REVENUE ADJUSTMENTS					
3/1/2014	10.00%	3/1/2018	6.00%	3/1/2022	6.00%
3/1/2015	10.00%	3/1/2019	6.00%	3/1/2023	6.00%
3/1/2016	25.00%	3/1/2020	6.00%	3/1/2024	6.00%
3/1/2017	5.00%	3/1/2021	6.00%	3/1/2025	-

	Audited Financial Statements			Budget	Budget	Projected	Projected	Projected	Projected	Projected	Projected
	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	FY 2023-24	FY 2024-25
COST PER UNIT	Mar 2014	Mar 2015	Mar 2016	Mar 2017							
Rate per 100 Cubic Feet (Inside) 1	\$4.66	\$5.13	\$6.41	\$6.73	\$7.13	\$7.56	\$8.02	\$8.50	\$9.01	\$9.55	\$10.12
Rate per 100 Cubic Feet (Outside) 2	\$9.32	\$10.26	\$12.83	\$13.47	\$14.27	\$15.12	\$16.03	\$16.99	\$18.01	\$19.09	\$20.24
Min. Monthly Bill (200 CF) Inside 3	\$9.32	\$10.26	\$12.82	\$13.46	\$13.46	\$13.46	\$13.46	\$13.46	\$13.46	\$13.46	\$13.46
Min. Monthly Bill (200 CF) Outside 4	\$18.64	\$20.52	\$25.64	\$26.92	\$26.92	\$26.92	\$26.92	\$26.92	\$26.92	\$26.92	\$26.92
	8.61%	9.56%	29.68%	5.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Average Revenue/CCF Inside 5	\$3.66	\$4.01	\$5.20	\$5.46	\$5.79	\$6.13	\$6.50	\$6.89	\$7.31	\$7.75	\$8.21
WATER (CCF) 6	(5.49%)	2.28%	(5.89%)	(2.00%)	(2.00%)	(2.00%)	(2.00%)	(2.00%)	(2.00%)	(2.00%)	(2.00%)
Total Water Usage 7	407,750	417,038	392,457	384,608	376,916	369,377	361,990	354,750	347,655	340,702	333,888
Number of Customers Inside 8	4,646	4,638	4,652	4,652	4,652	4,652	4,652	4,652	4,652	4,652	4,652
Number of Customers Outside 9	259	260	257	257	257	257	257	257	257	257	257
OPERATING REVENUES 10	4.70%	11.41%	23.04%	3.42%	2.78%	2.81%	2.84%	2.86%	2.89%	2.92%	2.95%
Metered Water Sales 11	\$1,492,440	\$1,671,026	\$2,042,685	\$2,099,959	\$2,181,437	\$2,266,077	\$2,354,001	\$2,445,336	\$2,540,215	\$2,638,776	\$2,741,160
Min Monthly Billings - Inside 12	519,609	571,031	715,664	751,391	751,391	751,391	751,391	751,391	751,391	751,391	751,391
Min Monthly Billings - Outside 13	57,933	64,022	79,074	83,021	83,021	83,021	83,021	83,021	83,021	83,021	83,021
Penalties and Inspection Fees 14	45,959	51,145	71,562	38,000	38,000	38,000	38,000	38,000	38,000	38,000	38,000
Labor Charges 15	6,854	6,012	11,490	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Sales Tax 16	143,739	160,293	202,901	205,406	211,109	217,034	223,189	229,582	236,224	243,123	250,290
Rental Fees 17	44,643	0	0	0	0	0	0	0	0	0	0
City Wastewater 18	0	206,944	370,179	419,598	446,833	475,924	499,720	524,706	550,942	578,489	607,413
Miscellaneous Revenues 19	91,610	13,748	12,435	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000
Total Operating Revenues 20	\$2,402,787	\$2,744,221	\$3,505,989	\$3,632,875	\$3,747,292	\$3,866,948	\$3,984,822	\$4,107,537	\$4,235,293	\$4,368,300	\$4,506,775
OPERATING EXPENSES 21	(7.70%)	(0.72%)	6.67%	21.15%	7.24%	1.32%	5.00%	5.00%	5.00%	5.00%	5.00%
Administration 22	\$671,342	\$626,157	\$681,077	\$814,567	\$900,584	\$872,113	\$915,719	\$961,505	\$1,009,580	\$1,060,059	\$1,113,062
Plant O&M 23	444,184	488,063	509,992	617,135	638,557	670,485	704,009	739,210	776,170	814,979	855,727
Distribution O&M 24	334,394	325,302	344,428	428,477	455,647	478,429	502,351	527,468	553,842	581,534	610,611
WW Operations 25	0	206,944	370,172	419,598	453,261	475,924	499,720	524,706	550,942	578,489	607,413
Sales Tax 26	143,805	157,636	203,418	205,406	211,109	217,034	223,189	229,582	236,224	243,123	250,290
Other Misc Expenses 27	0	0	0	0	0	0	0	0	0	0	0
Total Operating Expense 28	\$1,593,725	\$1,804,102	\$2,109,087	\$2,485,183	\$2,659,158	\$2,713,986	\$2,844,988	\$2,982,471	\$3,126,757	\$3,278,183	\$3,437,103
NET OPERATING REV 29	\$809,062	\$940,119	\$1,396,902	\$1,147,692	\$1,088,134	\$1,152,962	\$1,139,834	\$1,125,066	\$1,108,536	\$1,090,116	\$1,069,672
Interest on Reserves 30	6,867	6,971	9,712	7,043	7,310	5,600	4,659	4,609	4,271	3,833	3,828
Other Non-operating Income 31	0	56,752	65,680	36,185	34,185	34,185	34,185	34,185	34,185	34,185	34,185
Revenue for Debt Service 32	\$815,929	\$1,003,842	\$1,472,294	\$1,190,921	\$1,129,628	\$1,192,747	\$1,178,679	\$1,163,860	\$1,146,992	\$1,128,135	\$1,107,686

OSKALOOSA MUNICIPAL WATER DEPARTMENT

Water Enterprise Fund

EXHIBIT 1

Assumes Cash Funded CIP

Growth Assumptions	
Water Usage	(2.00%)
Number of Customers	0.00%
Operating Expenses	5.00%
Interest Rate	0.50%

WATER REVENUE ADJUSTMENTS					
3/1/2014	10.00%	3/1/2018	6.00%	3/1/2022	6.00%
3/1/2015	10.00%	3/1/2019	6.00%	3/1/2023	6.00%
3/1/2016	25.00%	3/1/2020	6.00%	3/1/2024	6.00%
3/1/2017	5.00%	3/1/2021	6.00%	3/1/2025	-

	Audited Financial Statements			Budget	Budget	Projected	Projected	Projected	Projected	Projected	Projected
	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	FY 2023-24	FY 2024-25
Revenue for Debt Service 33	\$815,929	\$1,003,842	\$1,472,294	\$1,190,921	\$1,129,628	\$1,192,747	\$1,178,679	\$1,163,860	\$1,146,992	\$1,128,135	\$1,107,686
Water Debt Service											
2009 SRF Loan 34	\$418,895	\$418,738	\$419,320	\$419,610	\$419,608	\$419,313	\$418,725	\$418,845	\$419,640	\$419,078	\$419,190
Reserved 35	0	0	0	0	0	0	0	0	0	0	0
Total Revenue Debt 36	\$418,895	\$418,738	\$419,320	\$419,610	\$419,608	\$419,313	\$418,725	\$418,845	\$419,640	\$419,078	\$419,190
Debt Service Coverage											
Net Revenues/ Revenue Debt 37	1.95	2.40	3.51	<i>Must at least be a 1.10x Coverage for SRF Bonds</i>							
				2.84	2.69	2.84	2.81	2.78	2.73	2.69	2.64
CASHFLOW AFTER DEBT 38	\$397,034	\$585,104	\$1,052,974	\$771,311	\$710,021	\$773,434	\$759,954	\$745,015	\$727,352	\$709,057	\$688,496
Capital Outlays 39	(\$283,037)	(\$476,900)	(\$567,288)	(\$616,000)	(\$832,000)	(\$741,607)	(\$550,000)	(\$592,500)	(\$595,000)	(\$660,000)	(\$645,000)
Other cash sources/(uses) 40	0	0	(1)	0	0	0	0	0	0	0	0
Bond Proceeds 41	0	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	0
Transfers to Meter Replcmt Fund 43	(36,000)	(102,000)	(102,000)	(102,000)	(220,000)	(220,000)	(220,000)	(220,000)	(220,000)	(50,000)	(50,000)
Transfers to Sinking Fund 44	13	(48)	(24)	0	0	0	0	0	0	0	0
Annual Surplus/ (Deficit) 45	\$78,010	\$6,156	\$383,661	\$53,311	(\$341,979)	(\$188,173)	(\$10,046)	(\$67,485)	(\$87,648)	(\$943)	(\$6,504)
Debt Proceeds	0	0	0	0	0	0	0	0	0	0	0
Beginning Cash Balance 46	\$940,831	\$1,018,841	\$1,024,997	\$1,408,658	\$1,461,969	\$1,119,990	\$931,817	\$921,771	\$854,285	\$766,637	\$765,694
Ending Cash Balance 47	\$1,018,841	\$1,024,997	\$1,408,658	\$1,461,969	\$1,119,990	\$931,817	\$921,771	\$854,285	\$766,637	\$765,694	\$759,190
Cash % of O&M (net of depr) 48	64%	57%	67%	59%	42%	34%	32%	29%	25%	23%	22%
Restricted & Designated											
Improvement Fund 49	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sinking Fund 50	\$34,908	\$34,943	\$34,967	\$34,967	\$34,967	\$34,967	\$34,967	\$34,967	\$34,967	\$34,967	\$34,967
Meter Replacement Fund 51	\$43,151	\$51,419	\$54,068	\$56,068	\$56,068	\$56,068	\$56,068	\$56,068	\$56,068	\$56,068	\$56,068
Debt Service Reserve Fund 52	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL WATER DEPT CASH 53	\$1,096,900	\$1,111,359	\$1,497,693	\$1,553,004	\$1,211,025	\$1,022,852	\$1,012,806	\$945,320	\$857,672	\$856,729	\$850,225
Meter Replacement Expenditures	\$97,662	\$93,732	\$99,351	\$100,000	\$220,000	\$220,000	\$220,000	\$220,000	\$220,000	\$50,000	\$50,000

OSKALOOSA MUNICIPAL WATER DEPARTMENT

Water Enterprise Fund

EXHIBIT 1

Assumes Cash Funded CIP

<i>Growth Assumptions</i>	
Water Usage	(2.00%)
Number of Customers	0.00%
Operating Expenses	5.00%
Interest Rate	0.50%

<i>WATER REVENUE ADJUSTMENTS</i>					
3/1/2014	10.00%	3/1/2018	6.00%	3/1/2022	6.00%
3/1/2015	10.00%	3/1/2019	6.00%	3/1/2023	6.00%
3/1/2016	25.00%	3/1/2020	6.00%	3/1/2024	6.00%
3/1/2017	5.00%	3/1/2021	6.00%	3/1/2025	-

Audited Financial Statements			Budget	Budget	Projected	Projected	Projected	Projected	Projected	Projected
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	FY 2023-24	FY 2024-25

WATER DEPARTMENT CAPITAL OUTLAYS

	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Split fund Mini Excavator with WW	\$0	\$0	\$0	\$0	\$32,500	\$0	\$0	\$0
Backhoe & Vacuum	0	0	0	40,000	50,000	0	0	0
Computers & Phone Equip.	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Water Plant Equipment Upgrades	0	40,000	0	40,000	0	40,000	0	40,000
Turbidity Sensors & Lab Equipment	20,000	0	0	0	25,000	0	0	0
Vehicles	45,000	0	80,000	0	35,000	0	35,000	0
Equipment	0	0	0	15,000	0	50,000	0	0
Shop Building/Overhead Doors	6,000	0	0	0	0	0	0	0
Paint North Tower, South Tower	420,000	0	0	0	0	0	0	0
South D (A Ave to 6th)	100,000	332,000	0	0	0	0	0	0
North L & A Ave W	20,000	420,000	115,000	0	0	0	0	0
Hwy 23 East	0	35,000	476,607	0	0	0	0	0
20" from plant to 210th Street	0	0	50,000	350,000	405,000	0	0	0
C Avenue West Water main	0	0	0	0	40,000	500,000	0	0
20" 230th to Trueblood	0	0	0	0	0	0	500,000	0
New Well @ plant	0	0	0	0	0	0	120,000	0
Tractor @ plant	0	0	0	80,000	0	0	0	0
Plant Computer and Operating System	0	0	0	20,000	0	0	0	0
Preliminary Engineering Report - Distribution	0	0	15,000	0	0	0	0	0
Other Capital Outlays	0	0	0	0	0	0	0	600,000
TOTAL WATER DEPARTMENT CAPITAL OUTLAYS	\$616,000	\$832,000	\$741,607	\$550,000	\$592,500	\$595,000	\$660,000	\$645,000