

Fund 620 - Water Works Operations

Fund Type	Water Works Operations					Control	Enterprise Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Charges for Services	14,288,227	15,041,060	15,316,213	6,852,156	16,998,852		19,901,962	19,935,818	19,970,360	20,005,597	1,682,639	11%
Interest Earnings	24,939	30,590	32,000	12,779	35,000		36,050	37,132	38,245	39,393	3,000	9%
Other Income	61,848	65,874	77,382	19,412	72,500		70,500	70,500	70,500	70,500	(4,882)	-6%
Transfers In	43,661	45,514	67,500	30,671	63,000		64,950	66,895	68,905	68,965	(4,500)	-7%
Total Revenue	14,418,675	15,183,038	15,493,095	6,915,018	17,169,352		20,073,462	20,110,345	20,148,010	20,184,455	1,676,257	11%
Expenditures by Type												
Personnel												
Salaries & Wages	3,291,209	3,493,369	3,745,168	1,709,214	3,783,323		3,871,633	3,927,495	3,983,775	4,040,971	38,155	1%
Fringe Benefits	1,378,399	1,623,493	1,813,989	848,337	1,936,753		1,976,584	2,010,764	2,045,479	2,080,846	122,764	7%
Total Personnel	4,669,608	5,116,862	5,559,157	2,557,551	5,720,076		5,848,217	5,938,259	6,029,254	6,121,817	160,919	3%
Supplies	1,386,062	1,180,467	1,727,233	555,907	1,424,736		1,467,482	1,511,504	1,556,845	1,603,557	(302,497)	-18%
Services & Charges												
Professional Services	1,592,672	1,310,806	2,110,427	581,486	1,893,510		1,625,341	1,587,602	1,709,101	1,673,871	(216,917)	-10%
Printing & Advertising	1,971	3,209	4,369	193	5,280		5,439	5,601	5,770	5,943	911	21%
Utilities	686,836	725,324	757,700	323,490	740,050		762,574	785,451	809,015	833,285	(17,650)	-2%
Education & Training	7,259	4,249	31,030	9,820	25,175		25,930	26,709	27,509	28,335	(5,855)	-19%
Travel	4,442	3,031	18,350	2,493	18,750		19,313	19,892	20,489	21,103	400	2%
Repairs & Maintenance	347,146	344,463	559,799	159,134	380,310		390,605	402,328	414,402	426,833	(179,489)	-32%
Payment In Lieu of Taxes	1,942,608	2,039,748	1,785,924	892,962	1,730,831		1,765,448	1,800,757	1,836,772	1,873,507	(55,093)	-3%
Other Interfund Allocations	452,308	741,247	1,189,004	594,498	1,181,266		1,204,891	1,228,990	1,253,568	1,278,641	(7,738)	-1%
Debt Service												
Principal	6,763	111,630	222,053	104,858	398,008		408,942	416,166	306,184	214,277	175,955	79%
Interest & Fees	1,361	9,472	23,895	8,128	35,914		24,567	16,932	9,717	4,045	12,019	50%
Insurance	158,136	134,484	161,532	80,766	158,252		161,417	164,645	167,938	171,297	(3,280)	-2%
Transfers Out	2,193,528	2,273,521	2,177,716	1,135,272	2,000,217		5,415,041	4,570,986	4,326,083	4,334,522	(177,499)	-8%
Other Services & Charges	1,405,379	1,458,784	1,399,065	549,699	1,511,170		1,576,398	1,617,837	1,660,569	1,704,497	112,105	8%
Total Services & Charges	8,800,409	9,159,968	10,440,864	4,442,798	10,078,733		13,385,906	12,643,896	12,547,117	12,570,156	(362,131)	-3%
Capital	-	-	-	-	-		-	-	-	-	-	-
Total Expenditures	14,856,079	15,457,297	17,727,254	7,556,257	17,223,545		20,701,605	20,093,659	20,133,216	20,295,530	(503,709)	-3%
Net Surplus / (Deficit)	(437,404)	(274,259)	(2,234,159)	(641,239)	(54,193)		(628,143)	16,686	14,794	(111,075)		
Beginning Cash Balance	4,298,441	3,889,248	3,801,473		1,574,703		1,520,510	892,367	909,053	923,847		
Cash Adjustments	28,212	186,484	7,389		-		-	-	-	-		
Ending Cash Balance	3,889,248	3,801,473	1,574,703		1,520,510		892,367	909,053	923,847	812,772		
Cash Reserves Target	742,804	772,865	886,363		861,177		1,035,080	1,004,683	1,006,661	1,014,777		
												Cash Reserve 5% of Annual expenditures

Fund Purpose:

This fund was established to account for all revenue and operational expenses of the water utility. This fund provides the monies for debt service obligations, reserve requirements and revenue funded capital improvements through transfer of monies to other funds within the utility operations.

Explain Significant Revenue, Expenditure and Staffing Changes/Variations Below:

Results from an Accounting Report on Rate Study, which was provided in October 2016, reflect an approximate across the board increase in rate and charges of 43.0%. Ordinance 10479-77 was approved in March 2017 with intent of a two year rate phase in. The Water Rate Case is presently underway. Revenue assumptions based on retail water sales and fire protection in 2018 includes nine (9) months of additional revenue at a rate of 22%. Forward projections are 12 months with the additional 21% remaining. Beginning in 2019, annual pay-as-you-go transfers out are forecasted for funding capital improvement expenditures.



Chet Waggoner Drive Water Main

Water Works personnel installed 12" main from Dylan Drive to Mayflower Road.

2400 feet of ductile iron with poly wrap was installed along the new road.



Fund 620 - Water Works Operations

Accomplishments, Goals, KPI's

2017 Accomplishments & Outcomes

- Drinking Water Compliance - 100%
- Work Orders Completed on Schedule - 96.7%
- Telephone Call Response - 92.3% of calls were answered

2018 Department Goals & Objectives and Linkage to City Results

Safe Community for Everyone

Priority Based Budgeting Result: Ensures access to a safe, reliable and well-maintained utility system that delivers clean drinking water and effectively manages sewage treatment

- 100% compliance with drinking water standards
- Continue to monitor the water conditions, ensuring safe drinking water

Well-Governed and Administered City

Priority Based Budgeting Result: Offers excellent services and efficient processes supported by timely and accurate analysis

- Continue working towards selecting and implementing a new utility billing software
- Continue to improve field service/work order efficiency

Priority Based Budgeting Result: Ensures reliable compliance with regulations and well-managed risk

- Evaluate utility rules and regulations to encourage excellent utility practices

Robust & Well-Planned Infrastructure

Priority Based Budgeting Result: Plans and develops a safe, reliable and well-maintained water and wastewater utility infrastructure

- Continue to improve and develop the water utility infrastructure through capital projects

Key Performance Indicators (KPI's)

Measure	Type	Long Term Goal	2016 Actual	2017 Estimated	2018 Target
- Drinking Water Compliance	Quality	100%	100%	100%	100%
- Service Orders completed on time	Efficiency	96%	97%	96%	96%

Types: output, efficiency, effectiveness, quality, outcome, technology

2018 Significant Changes/Challenges/Opportunities

Significant impacts on Water Works budget for past 12 years:

- Reduced staff 16 positions
- Increases in Payment in Lieu of Taxes (PILOT) and allocated city administration fees
- Deferred Maintenance on Capital Equipment
- Pumping capacity has dropped from 70 MGD (millions of gallons per day) to around 40 MGD
- Pumping less water (6.4 billion in 2006, 5.3 billion in 2016)

Fund 620 - Water Works Operations

Staffing (Full-Time Employees only)

Position (* New title or additional position)	2017			2018	Forecast			
	2016 Actual	Amended Budget	06/30/17 Actual	Proposed Budget	2019	2020	2021	2022
Non-Bargaining								
Assistant Director of Utilities	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Director of Finance (Water Utility)	1.00	-	-	-	-	-	-	-
Director of Distributions * title change	1.00	1.00	1.00	-	-	-	-	-
Manager - Maintenance *	-	1.00	1.00	2.00	2.00	2.00	2.00	2.00
Director of Treatment	1.00	-	-	-	-	-	-	-
Distribution System Specialist	1.00	1.00	-	-	-	-	-	-
Superintendent V	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
System Specialist III	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Utilities System Specialist	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Director of Treatment	1.00	-	-	-	-	-	-	-
Financial Specialist Senior	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Financial Specialist IV	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Financial Specialist III	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Water Treatment Operator PF	2.00	-	-	-	-	-	-	-
Quality Assurance Distribution Tech	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Water Quality Specialist	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Customer Service Supervisor	2.00	-	-	-	-	-	-	-
Distribution Records Drafter	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Engineering Aide IV	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Locator	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Director of Customer Service & Billing Office	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Manager - Operations * title change	1.00	1.00	1.00	-	-	-	-	-
Director - Water Works *	-	-	-	1.00	1.00	1.00	1.00	1.00
Manager - Operations Distribution	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Operations Supervisor	-	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Manager - Customer Service	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Manager - Customer Service	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total Non-Bargaining	26.00	25.00	24.00	24.00	24.00	24.00	24.00	24.00
Bargaining								
Job Leader	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Heavy Equipment Operator II	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Heavy Equipment Operator I	3.00	4.00	3.00	3.00	3.00	3.00	3.00	3.00
Machinist	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Operator II	2.00	2.00	1.00	2.00	2.00	2.00	2.00	2.00
Operator I	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Field Repairman/Inspector III	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Field Repairman/Inspector II	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Field Repairman/Inspector I	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Group Leader-Meter Reading	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Meter Serviceman IV	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Maintenance Tech II	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Maintenance Tech I	2.00	3.00	2.00	4.00	4.00	4.00	4.00	4.00
Auditor I	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Customer Service & Billing	4.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Data Processor	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Total Bargaining	40.00	43.00	40.00	43.00	43.00	43.00	43.00	43.00
Total Full-Time Employees	66.00	68.00	64.00	67.00	67.00	67.00	67.00	67.00

Fund 622 - Water Works Capital

Fund Type	Water Works Capital					Control	Enterprise Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Charges for Services	-	-	-	-	-		-	-	-	-	-	-
Interest Earnings	17,400	25,424	24,232	10,849	25,000		25,750	26,525	27,325	28,150	768	3%
Other Income	-	-	-	-	-		-	-	-	-	-	-
Transfers In	-	-	58,000	-	-		3,400,000	2,750,000	2,500,000	2,500,000	(58,000)	-100%
Total Revenue	17,400	25,424	82,232	10,849	25,000		3,425,750	2,776,525	2,527,325	2,528,150	(57,232)	-70%
Expenditures by Type												
Supplies	-	-	-	-	-		-	-	-	-	-	-
Services & Charges												
Professional Services	-	-	73,570	28,427	-		-	-	-	-	(73,570)	-100%
Repairs & Maintenance	-	-	-	-	-		-	-	-	-	-	-
Transfers Out	-	-	-	-	-		-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-		-	-	-	-	-	-
Total Services & Charges	-	-	73,570	28,427	-		-	-	-	-	(73,570)	-100%
Capital												
Land	-	-	-	-	-		-	-	-	-	-	-
Land Improvements	-	-	-	-	-		-	-	-	-	-	-
Buildings & Bldg Improve.	-	-	-	-	-		-	-	-	-	-	-
Motor Equipment	246,891	303,642	799,610	278,460	350,000		377,000	473,000	455,000	392,000	(449,610)	-56%
Machinery & Equipment	15,382	14,675	41,286	23,098	18,000		38,000	-	-	-	(23,286)	-56%
Water Meters	-	-	-	-	800,000		3,050,000	2,305,000	2,075,000	2,135,000	800,000	-
Infrastructure	-	-	500,000	8,299	-		-	-	-	-	(500,000)	-100%
Total Capital	262,273	318,317	1,340,896	309,857	1,168,000		3,465,000	2,778,000	2,530,000	2,527,000	(172,896)	-13%
Total Expenditures	262,273	318,317	1,414,466	338,284	1,168,000		3,465,000	2,778,000	2,530,000	2,527,000	(246,466)	-17%
Net Surplus / (Deficit)	(244,873)	(292,893)	(1,332,234)	(327,435)	(1,143,000)		(39,250)	(1,475)	(2,675)	1,150		
Beginning Cash Balance	3,135,399	2,876,026	2,582,972		1,255,759		112,759	73,509	72,034	69,359	Cash Reserve	
Cash Adjustments	(14,500)	(160)	5,021		-		-	-	-	-	No reserve requirement	
Ending Cash Balance	2,876,026	2,582,972	1,255,759		112,759		73,509	72,034	69,359	70,509		
Cash Reserves Target	-	-	-		-		-	-	-	-		

Fund Purpose:

This fund is used for acquiring, constructing, and improving water utility capital assets. Water utility capital assets include Wells, Reservoirs, Transmission and Distribution Mains, Water Meters, Pumping Equipment, Treatment Equipment, Transportation Equipment, and other general plant items.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Pay-as-you-go financing for capital expenditures is expected to increase as a result of an Accounting Report on Rate Study. A proposed annual capital improvement amount of \$4,090,722 is included in the rate case and is based on an approximate across the board rate increase of 43.0%. Approval and phase in of the additional revenues needed will have an impact on the funding availability and timing of those projects. Lease purchase of water meters will discontinue in 2018.

2017-2018 Capital Supported by TIF Funds

- \$1,563,000 2017 Upgrade to South GAC Plant to provide redundancy and direct entry to south pressure zone
- \$747,000 in 2018 to complete the South GAC project
- \$786,000 Upgrade to Olive GAC Plant to update onsite disinfection, replace fluoride addition, and reactivate GAC vessels

Compound Series Meter



HR-E®

The High Resolution 8-dial Encoder (HR-E®) from Badger Meter



Fund 624 - Water Works Customer Deposit

Fund Type	Water Works Customer Deposit					Control	Enterprise Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance 2017-2018	% Change
						2019	2020	2021	2022			
Revenue												
Charges for Services	-	-	-	-	-	-	-	-	-	-	-	-
Interest Earnings	8,595	13,911	16,500	6,867	15,000	15,500	15,950	16,425	16,915	(1,500)	-9%	
Other Income	-	-	-	-	-	-	-	-	-	-	-	
Transfers In	-	-	-	-	-	-	-	-	-	-	-	
Total Revenue	8,595	13,911	16,500	6,867	15,000	15,500	15,950	16,425	16,915	(1,500)	-9%	
Expenditures by Type												
Supplies	-	-	-	-	-	-	-	-	-	-	-	
Services & Charges												
Professional Services	-	-	-	-	-	-	-	-	-	-	-	
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-	
Utilities	-	-	-	-	-	-	-	-	-	-	-	
Education & Training	-	-	-	-	-	-	-	-	-	-	-	
Travel	-	-	-	-	-	-	-	-	-	-	-	
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-	
Debt Service												
Principal	-	-	-	-	-	-	-	-	-	-	-	
Interest & Fees	-	-	-	-	-	-	-	-	-	-	-	
Transfers Out	9,709	12,228	16,500	6,582	15,000	15,500	15,950	16,425	16,915	(1,500)	-9%	
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-	
Total Services & Charges	9,709	12,228	16,500	6,582	15,000	15,500	15,950	16,425	16,915	(1,500)	-9%	
Capital	-	-	-	-	-	-	-	-	-	-	-	
Total Expenditures	9,709	12,228	16,500	6,582	15,000	15,500	15,950	16,425	16,915	(1,500)	-9%	
Net Surplus / (Deficit)	(1,114)	1,683	-	285	-	-	-	-	-			
Beginning Cash Balance	1,478,773	1,509,816	1,541,423		1,544,420	1,544,420	1,544,420	1,544,420	1,544,420	Cash Reserve		
Cash Adjustments	32,157	29,924	2,997		-	-	-	-	-	100% cash reserves for		
Ending Cash Balance	1,509,816	1,541,423	1,544,420		1,544,420	1,544,420	1,544,420	1,544,420	1,544,420	customer deposits		
Cash Reserves Target	1,509,816	1,541,423	1,541,423		1,544,420	1,544,420	1,544,420	1,544,420	1,544,420			

Fund Purpose:

Security deposits are collected from utility customers and are retained in this separate fund. Upon termination of service, refunds are credit applied to the customers final bill.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Revenue and expenditures are dependent on the frequency of new customers and terminations of service.



Fund 625 - Water Works Sinking (Debt Service)

Fund Type	Water Works Sinking (Debt Service)					Control	Enterprise Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Charges for Services	-	-	-	-	-		-	-	-	-	-	-
Interest Earnings	6,262	7,290	9,661	3,039	9,000		9,275	9,555	9,845	10,140	(661)	-7%
Other Income	-	-	12,751	12,750	-		-	-	-	-	(12,751)	-100%
Transfers In	2,043,540	2,046,060	1,968,000	984,000	2,000,217		2,015,041	1,820,986	1,826,083	1,834,522	32,217	2%
Total Revenue	2,049,802	2,053,350	1,990,412	999,789	2,009,217		2,024,316	1,830,541	1,835,928	1,844,662	18,805	1%
Expenditures by Type												
Supplies	-	-	-	-	-		-	-	-	-	-	-
Services & Charges												
Professional Services	-	-	-	-	-		-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-		-	-	-	-	-	-
Utilities	-	-	-	-	-		-	-	-	-	-	-
Education & Training	-	-	-	-	-		-	-	-	-	-	-
Travel	-	-	-	-	-		-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-		-	-	-	-	-	-
Debt Service												
Principal	1,312,053	965,231	1,395,954	-	1,431,617		1,487,345	1,338,099	1,383,877	1,434,682	35,663	3%
Interest & Fees	731,735	1,035,073	650,437	254,184	568,600		527,696	482,887	442,206	399,840	(81,837)	-13%
Transfers Out	6,265	7,294	9,500	3,030	9,000		9,275	9,555	9,845	10,140	(500)	-5%
Other Services & Charges	-	-	-	-	-		-	-	-	-	-	-
Total Services & Charges	2,050,053	2,007,598	2,055,891	257,214	2,009,217		2,024,316	1,830,541	1,835,928	1,844,662	(46,674)	-2%
Capital	-	-	-	-	-		-	-	-	-	-	-
Total Expenditures	2,050,053	2,007,598	2,055,891	257,214	2,009,217		2,024,316	1,830,541	1,835,928	1,844,662	(46,674)	-2%
Net Surplus / (Deficit)	(251)	45,752	(65,479)	742,575	-		-	-	-	-		
Beginning Cash Balance	4,650	4,398	50,069		28,105		28,105	28,105	28,105	28,105		
Cash Adjustments	(1)	(81)	43,515		-		-	-	-	-		
Ending Cash Balance	4,398	50,069	28,105		28,105		28,105	28,105	28,105	28,105		
Cash Reserves Target	4,398	50,069	28,105		28,105		28,105	28,105	28,105	28,105		

Cash Reserve
100% cash reserves per bond covenants

Fund Purpose:

The purpose of this fund is to disburse principal and interest payments on obligated debt to paying agent trustees. It receives transfers from the Water Works Operations Fund 620. Biannual installments are disbursed at the end of June and December. June's payment includes 50% of the annual interest and December's payment comprises the rest of the interest and all of the principal.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Refunding bonds were issued in 2016 for the current refunding of the Water Works Revenue Bonds of 2000 and the Water Works Revenue Bonds of 2006. Prior issue debt service proceeds totaling \$420,783 were part of the new issue acquisition price.

Fund 626 - Water Works Bond Reserve

Fund Type	Water Works Bond Reserve					Control	Enterprise Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance 2017-2018	% Change
						2019	2020	2021	2022			
Revenue												
Charges for Services	-	-	-	-	-	-	-	-	-	-	-	-
Interest Earnings	6,166	14,781	16,000	6,432	16,000	16,475	16,975	17,485	18,010	-	0%	
Other Income	-	330,000	-	-	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	6,166	344,781	16,000	6,432	16,000	16,475	16,975	17,485	18,010			
Expenditures by Type												
Supplies	-	-	-	-	-	-	-	-	-	-	-	
Services & Charges												
Professional Services	-	-	-	-	-	-	-	-	-	-	-	
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-	
Utilities	-	-	-	-	-	-	-	-	-	-	-	
Education & Training	-	-	-	-	-	-	-	-	-	-	-	
Travel	-	-	-	-	-	-	-	-	-	-	-	
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-	
Debt Service												
Principal	-	-	-	-	-	-	-	-	-	-	-	
Interest & Fees	-	550,448	-	-	-	-	-	-	-	-	-	
Transfers Out	13,281	6,531	16,000	10,000	16,000	16,475	16,975	17,485	18,010	-	0%	
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-	
Total Services & Charges	13,281	556,979	16,000	10,000	16,000	16,475	16,975	17,485	18,010			
Capital	-	-	-	-	-	-	-	-	-	-	-	
Total Expenditures	13,281	556,979	16,000	10,000	16,000	16,475	16,975	17,485	18,010			
Net Surplus / (Deficit)	(7,115)	(212,198)	-	(3,568)	-	-	-	-	-			
Beginning Cash Balance	1,644,945	1,637,116	1,424,915		1,427,622	1,427,622	1,427,622	1,427,622	1,427,622			
Cash Adjustments	(714)	(3)	2,707		-	-	-	-	-			
Ending Cash Balance	1,637,116	1,424,915	1,427,622		1,427,622	1,427,622	1,427,622	1,427,622	1,427,622			
Cash Reserves Target	1,637,116	1,424,915	1,424,915		1,427,622	1,427,622	1,427,622	1,427,622	1,427,622			

Cash Reserve
100% cash reserves per
bond covenants and Crowe
Horwath

Fund Purpose:
The purpose of this fund is to ensure compliance with certain debt service bond covenants. Required balance is determined by debt service financing arrangements at the time of issuance.

Explain Significant Revenue and Expenditure Changes/Variations Below:
Refunding bonds were issued in 2016 for the current refunding of the Water Works Revenue Bonds of 2000 and the Water Works Revenue Bonds of 2006. Additional debt service reserves totaling \$330,000 were part of the new issue acquisition price. The old debt service reserve amount of \$550,448 was part of the bond payout.

Fund 629 - Water Works Reserve Operations & Maintenance

Fund Type	Water Works Reserve Operations & Maintenance					Control	Enterprise Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Charges for Services	-	-	-	-	-		-	-	-	-	-	-
Interest Earnings	12,703	21,912	27,500	11,514	23,000		23,700	24,415	25,150	23,900	(4,500)	-16%
Other Income	-	-	-	-	-		-	-	-	-	-	-
Transfers In	150,228	227,461	151,500	151,272	-		-	-	-	-	(151,500)	-100%
Total Revenue	162,931	249,373	179,000	162,786	23,000		23,700	24,415	25,150	23,900	(156,000)	-87%
Expenditures by Type												
Supplies	-	-	-	-	-		-	-	-	-	-	-
Services & Charges												
Professional Services	-	-	-	-	-		-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-		-	-	-	-	-	-
Utilities	-	-	-	-	-		-	-	-	-	-	-
Education & Training	-	-	-	-	-		-	-	-	-	-	-
Travel	-	-	-	-	-		-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-		-	-	-	-	-	-
Debt Service												
Principal	-	-	-	-	-		-	-	-	-	-	-
Interest & Fees	-	-	-	-	-		-	-	-	-	-	-
Transfers Out	14,406	19,461	27,500	11,059	23,000		23,700	-	-	-	(4,500)	-16%
Other Services & Charges	-	-	-	-	-		-	-	-	-	-	-
Total Services & Charges	14,406	19,461	27,500	11,059	23,000		23,700	-	-	-	(4,500)	-16%
Capital	-	-	-	-	-		-	-	-	-	-	-
Total Expenditures	14,406	19,461	27,500	11,059	23,000		23,700	-	-	-	(4,500)	-16%
Net Surplus / (Deficit)	148,525	229,912	151,500	151,727	-		-	24,415	25,150	23,900		
Beginning Cash Balance	2,081,600	2,228,964	2,457,950		2,614,228	2,614,228	2,614,228	2,638,643	2,663,793		Cash Reserve	
Cash Adjustments	(1,161)	(926)	4,778		-	-	-	-	-		Annual operating expenses	
Ending Cash Balance	2,228,964	2,457,950	2,614,228		2,614,228	2,614,228	2,638,643	2,663,793	2,687,693		in Fund 620, net of transfers	
Cash Reserves Target	2,110,847	2,197,735	2,592,108		2,537,729	2,548,270	2,587,630	2,635,049	2,660,700			

Fund Purpose:

The purpose of this fund is to hold cash reserves to serve as fiscal protection against the risk of revenue shortfalls, emergencies, and other economic risks that may impact the Water Utility's ability to meet financial commitments.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Typically, interest earnings are transferred to Fund 620 Water Works Operations & Maintenance. Starting in 2020, the transfer will be suspended in order to meet the cash reserve requirement for Fund 629.