Master Plan Addendum

- 2014 Budget:
  - Revenue: $237,000
  - Expenses: $204,250
    - Includes following Capital Improvements:
      - Butler Meter Replacement and Chlorination Equipment

WELCH-COMER ENGINEERS | SURVEYORS

CITY OF MILLWOOD

Master Plan Addendum

- 2011 through 2013 Revenue and Expenses:
  - Revenue up 30%-Reflects Rate Increase
  - Expenses down 18%-Fewer Projects, Salary Changes
- Ending Fund Balance for 2013: $289,425

WELCH-COMER ENGINEERS SURVEYORS

CITY OF MILLWOOD

Master Plan Addendum

- Loan Reserve Requirements
  - 12.5% Operating Reserve-$27,000
  - Emergency Reserve-Replace Most Vulnerable Component
    - New Well Pump, Column, Shaft, Discharge Head
    - $75,000
- Other Reserve Recommendations:
  - Maintain 1 year loan payment-$26,100
- Total Recommendation: $128,100
- Funds Available for Capital Improvement Plan: $289,425 -$128,100 = $161,325

WELCH-COMER ENGINEERS SURVEYORS

CITY OF MILLWOOD

Financial Report Summary

WATER UTILITY

	A	B	C	D	E	F	G	H	I
3	Revenue					2011	2012	2013	2014 Budget
4		Charges for Services							
5			Water Sales			$185,154	$219,566	$240,419	$237,000
6			Debt Service for DOH Loan ($2.56 per account)						
7			CIP Increase						
8									
9		Miscellaneous Revenue							
10			Investment Interest			$118	$202	$151	
11			Penalty Charges			$5,108	$5,968	$2,112	$2,000
12			Sale of Scrap			$5,148			
13			Service Call					$2,405	
14		Other Financing Sources							
20					Subtotal Revenue	$195,528	$225,736	$245,087	$239,000
21									
22		Non Revenue							
23			Connection Charges					$2,274	
24			Other Non Revenue			$80	$6	$0	
25					**Total Revenue**	**$195,608**	**$225,742**	**$247,361**	**$239,000**
26									
27	Expenditures								
28		Operating Expenditures							
29			Customer Service						
30				Salaries		$26,625	$26,217		
31				Benefits		$9,214	$11,904		
32				Office Supplies		$1,579	$1,276		
33				Professional Services		$1,856	$2,370		
34				Communications		$4,175	$2,952		
35				Operating Rentals and Leases			$469	$494	$500
36			Operations						
37				Salaries and Wages		$50,306	$47,957	$64,739	$60,000
38				Personnel Benefits		$21,888	$17,613	$28,168	$28,000
39				Supplies		$2,987	$2,699	$7,587	$17,000
40				Fuel		$807	$2,699	$105	$29,500
41				Small Tools and Equipment		$0	$0	$3,484	
42				Professional Services		$25,015	$10,351	$3,932	
43				Communications		$1,128	$1,177	$5,980	
44				Travel		$15	$146	$58	$250
45				Insurance		$14,042	$8,639	$8,998	$12,000
46				Utility Services		$37,362	$36,044	$35,013	$35,000
47				Repairs and Maint		$4,192	$5,131	$3,342	$6,000
48				Misc		$13,808	$4,089	$3,663	$4,000
49				Taxes and Operating Assessments			$10,429	$10,275	$12,000
50					Subtotal Operations	$214,999	$192,162	$175,838	$204,250
51									
52			Non-Expenditure			$0	$132	$439	
53									
54		Loan Repayments		Total Projects					
55			Buckeye	$450,000					
56									
57									
58					**Total Expenditures**	**$214,999**	**$192,295**	**$176,277**	**$204,250**
59	Summary:								
60					**Net Income**	**-$19,391**	**$33,447**	**$71,084**	**$34,750**
61									
62					**Starting Balance**	**$204,285**	**$184,894**	**$218,341**	**$289,425**
63					**Funds Available for CIP**	**$184,894**	**$218,341**	**$289,425**	**$324,175**

6 Year Capital Improvement Plan

WATER UTILITY

	A	B	C	D	E	F	G	H	I
3	Period	Improvement	Purpose	Lineal Footage	Estimated Cost	Potential Funding Sources	Status	Revised Priority	Associated Rate Increase ($/month/account)
4		Old Park Backup Power Generator					Complete		
5	Current Budget Year								
6		Replacement of 6" Main on Buckeye, Bessie and Marietta between Buckeye and Marietta	Eliminate Depreciated Main Line, Eliminate System Dead Ends, Add Looping	2700	$ 450,900	DWSRF		2014	$2.56
7		New Meters on All Wells	Improve Accuracy for Tracking Purposes						
8		Butler			$ 5,000	City Budget		2014	
9		New Park					Complete		
10		Add Chlorination Equipment to Butler			$ 5,000	City Budget		2014	
11			**Total Current Budget Year**		$ 455,900				
12	6 Year Priorities								
13		Add Chlorination Equipment to New Park			$ 5,000	City Budget		2015	
14		Interior Tank Inspection	Determine Condition in Order to Schedule Interior Coating		$ 5,000	City Budget		6 year	
15		Exterior Tank Coating	Maintenance, Last Coating 1992, Recommended Life is 15-20 years		$ 55,000	City Budget		6 year	
16		Pursue Integration of Water Rights			$ 5,000	Scheduled O and M			
17		Water Audit and Determination of Distribution System Losses/Leak Detection			$ -	Scheduled O and M			
18				**Total 6 Year**	**$ 70,000**				

Master Plan Addendum

February 11, 2014

6 Year Capital Outlay

Revenue	2011	2012	2013	2014 Budget	2015	2016	2017	2018	2019	Notes
Charges for Services										
Water Sales	$185,154	$219,566	$240,419	$237,000	$240,419	$240,419	$240,419	$240,419	$240,419	Based on 2014 Revenue
Debt Service for DOH Loan ($2.56 per account)								$26,107	$26,107	
CIP Increase					$0	$0	$0	$0	$0	
Total Revenue	**$195,608**	**$225,742**	**$247,361**	**$239,000**	**$240,419**	**$240,419**	**$240,419**	**$266,526**	**$266,526**	
Expenditures										
Operating Expenditures										
Taxes and Operating Assessments		$10,429	$10,275	$12,000						
Subtotal Operations	$214,999	$192,162	$175,838	$204,250	$207,314	$210,423	$213,580	$216,784	$220,035	**Increased at 1.5% per Year**
Loan Repayments										
Buckeye							$0	$26,107	$26,107	
Total Expenditures	**$214,999**	**$192,295**	**$176,277**	**$204,250**	**$207,314**	**$210,423**	**$213,580**	**$242,891**	**$246,142**	
Summary:										
Net Income	**-$19,391**	**$33,447**	**$71,084**	**$34,750**	**$33,105**	**$29,996**	**$26,839**	**$23,635**	**$20,384**	
Starting Balance	**$204,285**	**$184,894**	**$218,341**	**$289,425**	**$324,175**	**$328,996**	**$345,857**	**$359,561**	**$370,062**	
Funds Available for CIP	**$184,894**	**$218,341**	**$289,425**	**$324,175**	**$357,280**	**$358,991**	**$372,696**	**$383,197**	**$390,446**	
Capital Improvements										
Meter					$5,000					
Chlorine Equipment					$5,000					
Tank Inspection					$5,150					
Tank Exterior Paint					$13,135	$13,135	$13,135	$13,135	$13,135	Reflects 3% Inflation per Year for 6 years
Subtotal Capital Projects	**$0**	**$0**	**$0**	**$0**	**$28,285**	**$13,135**	**$13,135**	**$13,135**	**$13,135**	
Ending Balance After CIP	$184,894	$218,341	$289,425	$324,175	$328,996	$345,857	$359,561	$370,062	$377,311	
Funding Goals										
12.5% Operating Reserve				$25,531	$25,914	$26,303	$26,697	$27,098	$27,504	
Emergency Reserve										
One Year Debt Service							$26,107	$26,107	$26,107	
Most vulnerable asset (Storage Tank)				$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	
Total Funding Reserve Goal	$0	$0	$0	$100,531	$100,914	$101,303	$127,804	$128,205	$128,611	
Funding Reserve Surplus/(Deficit)	**$184,894**	**$218,341**	**$289,425**	**$223,644**	**$228,082**	**$244,554**	**$231,757**	**$241,857**	**$248,700**	

20 Year Capital Improvement Plan

WATER UTILITY

	A	B	C	D	E	F	G	H	I
19	Period	Improvement	Purpose	Lineal Footage	Estimated Cost	Potential Funding Sources	Status	Revised Priority	Associated Rate Increase ($/month/account)
20		Old Park Backup Power Generator					Complete		
21	20 Year Priorities								
22		Interior Tank Coating	Maintenance, Last Coating 1992, Recommended Life is 15-20 years		$ 80,000	City Budget or DWSRF			$ 0.71
23		Old Park Well Building-Roof Sealant	Maintenance		$ 5,000	City Budget or DWSRF		20 year	$ 0.04
24		6" Main between Laura and Sargent on Grace	Depreciated Main, Turned Off	360	$ 60,120	City Budget or DWSRF		20 year	$ 0.53
26		Replace Balance of Old Cast Iron Pipe							
27		Add Third Booster Pump and VFD to Existing Booster Building						20 year	$ -
28		6" on Stout (Buckeye to Grace) including Buckeye (Argonne to Stout)	Depreciated Main	770	$ 128,590	City Budget or DWSRF		20 year	$ 1.14
29		6" on Stout (Grace to Frederick)	Depreciated Main	620	$ 103,540	City Budget or DWSRF		20 year	$ 0.92
30		6" on Dale (south from Buckeye)	Depreciated Main	420	$ 70,140	City Budget or DWSRF		20 year	$ 0.62
31		6" on Vista (Liberty to Courland)	Depreciated Main	660	$ 110,220	City Budget or DWSRF		20 year	$ 0.98
32		8" on Laura (Grace to Frederick)	Depreciated Main	660	$ 110,220	City Budget or DWSRF		20 year	$ 0.98
33		6" Main on Liberty (Vista to Bessie)	Depreciated Main	660	$ 110,220	City Budget or DWSRF		20 year	$ 0.98
34				**Total 20 Year**	**$ 878,250**				**$ 7.78**
35	Other Priorities								
36		Replace 6" Main North of Empire between Fowler and Davis		660	$ 110,220	Developer			
37		Replacement of 4" Main on Trent from Laura to Dale		720	$ 120,240	Developer			

Overview of 20 Year Capital Improvements

20 Year Outlay

	Monthly Rate Increase	3.5	3.5	3.5	3.5	5.5	5.5	5.5	5.5
Revenue		**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Charges for Services									
Water Sales		$240,419	$240,419	$240,419	$240,419	$240,419	$240,419	$240,419	$240,419
Debt Service for DOH Loan ($2.56 per account)					$26,107	$26,107	$26,107	$26,107	$26,107
CIP Increase		$35,658	$35,658	$35,658	$35,658	$56,034	$56,034	$56,034	$56,034
	Total Revenue	**$276,077**	**$276,077**	**$276,077**	**$302,184**	**$322,560**	**$322,560**	**$322,560**	**$322,560**
Expenditures									
Operating Expenditures									
Loan Repayments									
Buckeye				$0	$26,107	$26,107	$26,107	$26,107	$26,107
	Total Expenditures	**$207,314**	**$210,423**	**$213,580**	**$242,891**	**$246,142**	**$249,443**	**$252,793**	**$256,193**
Summary:									
	Net Income	**$68,763**	**$65,654**	**$62,497**	**$59,293**	**$76,418**	**$73,117**	**$69,767**	**$66,367**
	Starting Balance	**$324,175**	**$364,654**	**$417,173**	**$466,535**	**$512,694**	**$575,977**	**$643,124**	**$589,658**
	Funds Available for CIP	**$392,938**	**$430,307**	**$479,670**	**$525,829**	**$589,112**	**$649,095**	**$712,892**	**$656,025**
Capital Improvements									
20 year Depreciation Projects									
Interior Tank Coating									$101,342
Old Park Well Building-Roof Sealant							$5,970		
Replacement of 4" Main on frederick from Locust East to Dead End								$123,233	
6" Main between Laura and Sargent on Grace									
Replace Balance of Old Cast Iron Pipe									
6" on Stout (Buckeye to Grace) including Buckeye (Argonne to Stout)									
6" on Stout (Grace to Frederick)									
6" on Dale (south from Buckeye)									
6" on Vista (Liberty to Courland)									
8" on Laura (Grace to Frederick)									
6" Main on Liberty (Vista to Bessie)									
	Subtotal Capital Projects	**$28,285**	**$13,135**	**$13,135**	**$13,135**	**$13,135**	$5,970	$123,233	$101,342
	Ending Balance After CIP	$364,654	$417,173	$466,535	$512,694	$575,977	$643,124	$589,658	$554,683
Funding Goals									
12.5% Operating Reserve		$25,914	$26,303	$26,697	$27,098	$27,504	$27,917	$28,336	$28,761
Emergency Reserve									
One Year Debt Service				$26,107	$26,107	$26,107	$26,107	$26,107	$26,107
Most vulnerable asset (Storage Tank)		$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000
	Total Funding Reserve Goal	$100,914	$101,303	$127,804	$128,205	$128,611	$129,024	$129,443	$129,868
								$7	
	Funding Reserve Surplus/(Deficit)	**$263,740**	**$315,870**	**$338,731**	**$384,489**	**$447,366**	$514,100	$460,215	$424,816

20 Year Outlay

WATER UTILITY

A	B	C	E	S	T	U	V	W	X	Y	Z	AA	AB	AC
		Monthly Rate Increase		5.5	5.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5
Revenue				2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
	Charges for Services													
		Water Sales		$240,419	$240,419	$240,419	$240,419	$240,419	$240,419	$240,419	$240,419	$240,419	$240,419	$240,419
		Debt Service for DOH Loan ($2.56 per account)		$26,107	$26,107	$26,107	$26,107	$26,107	$26,107	$26,107	$26,107	$26,107	$26,107	$26,107
		CIP Increase		$56,034	$56,034	$76,410	$76,410	$76,410	$76,410	$76,410	$76,410	$76,410	$76,410	$76,410
		Total Revenue		**$322,560**	**$322,560**	**$342,936**	**$342,936**	**$342,936**	**$342,936**	**$342,936**	**$342,936**	**$342,936**	**$342,936**	**$342,936**
Expenditures														
	Operating Expenditures													
	Loan Repayments													
		Buckeye		$26,107	$26,107	$26,107	$26,107	$26,107	$26,107	$26,107	$26,107	$26,107	$26,107	$26,107
		Total Expenditures		**$259,644**	**$263,147**	**$266,703**	**$270,312**	**$273,975**	**$277,693**	**$281,467**	**$285,297**	**$289,185**	**$293,131**	**$297,137**
Summary:														
		Net Income		**$62,916**	**$59,413**	**$76,233**	**$72,624**	**$68,961**	**$65,243**	**$61,469**	**$57,639**	**$53,751**	**$49,805**	**$45,799**
		Starting Balance		**$554,683**	**$539,156**	**$598,569**	**$496,803**	**$569,427**	**$486,336**	**$551,579**	**$503,772**	**$561,411**	**$432,985**	**$295,147**
		Funds Available for CIP		**$617,599**	**$598,569**	**$674,802**	**$569,427**	**$638,388**	**$551,579**	**$613,048**	**$561,411**	**$615,161**	**$482,789**	**$340,946**
	Capital Improvements													
		20 year Depreciation Projects												
		Interior Tank Coating												
		Old Park Well Building-Roof Sealant												
		Replacement of 4" Main on frederick from Locust East to Dead End												
		6" Main between Laura and Sargent on Grace		$78,443										
		Replace Balance of Old Cast Iron Pipe												
		6" on Stout (Buckeye to Grace) including Buckeye (Argonne to Stout)				$177,999								
		6" on Stout (Grace to Frederick)						$152,052						
		6" on Dale (south from Buckeye)								$109,276				
		6" on Vista (Liberty to Courland)										$182,177		
		8" on Laura (Grace to Frederick)											$187,642	
		6" Main on Liberty (Vista to Bessie)												$193,271
		Subtotal Capital Projects		$78,443	$0	$177,999	$0	$152,052	$0	$109,276	$0	$182,177	$187,642	$193,271
		Ending Balance After CIP		$539,156	$598,569	$496,803	$569,427	$486,336	$551,579	$503,772	$561,411	$432,985	$295,147	$147,675
Funding Goals														
	12.5% Operating Reserve			$29,192	$29,630	$30,075	$30,526	$30,984	$31,448	$31,920	$32,399	$32,885	$33,378	$33,879
	Emergency Reserve													
		One Year Debt Service		$26,107	$26,107	$26,107	$26,107	$26,107	$26,107	$26,107	$26,107	$26,107	$26,107	$26,107
		Most vulnerable asset (Storage Tank)		$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000
		Total Funding Reserve Goal		$130,299	$130,737	$131,182	$131,633	$132,091	$132,555	$133,027	$133,506	$133,992	$134,485	$134,986
		Funding Reserve Surplus/(Deficit)		$408,857	$467,832	$365,621	$437,794	$354,245	$419,023	$370,745	$427,905	$298,993	$160,662	$12,689