CITY OF WEST DES MOINES
CITY COUNCIL MEETING COMMUNICATION

ITEM: 2018 West Des Moines Water Works Budget DATE: December 27, 2017

FINANCIAL IMPACT: Water, estimated at $126,000 retail is supplied to all city buildings, parks, median irrigation and city projects at no cost to the City of West Des Moines.

BACKGROUND: This request is for the City Council to receive and file West Des Moines Water Works' Operating and Capital Budget for 2018.

The budget for calendar year 2018 was approved by The Water Works Board of Trustees during its December 7, 2017 meeting, after a public hearing was held.

The Water Works Capital Improvements Budget begins on page 12 of the budget document.

OUTSTANDING ISSUES (if any):

RECOMMENDATION: The City Council receive and file the 2018 Water Works Budget and Capital Improvements Program.

Lead Staff Member: Rebecca Scott, Finance Manager and Treasurer, WDMWW

STAFF REVIEWS

Department Director	Djana Wilson, General Manager, WDMWW
Appropriations/Finance	
Legal	
Agenda Acceptance	

PUBLICATION(S) (if applicable)

Published In	Des Moines Register
Dates(s) Published	November 27, 2017

SUBCOMMITTEE REVIEW (if applicable)

Committee	Finance and Audit		
Date Reviewed	September 25, 2017		
Recommendation	Yes	No	Split

BUDGET FOR CALENDAR YEAR 2018

West Des Moines Water Works

West Des Moines, Iowa

Approved December 7, 2017
The Board of Trustees
West Des Moines Water Works

By _____
Diana J. Wilson
General Manager and Secretary

COMMENTS ABOUT ENTRIES ON PAGE 1

Metered Water Sales (14000-011)	We anticipate selling 2.16 billion gallons of water during 2018. A 1% adjustment to the commodity water rate and 5% adjustment to the irrigation water rate is planned.
Basic Service Charge (14050-011)	The Basic Service Charge is designed to cover the cost of depreciating meters according to the manufacturer's recommended life span, and also to cover the cost of meter reading labor and equipment.
Water Supply Connection Fees (14200-011)	Development has been increasing through 2017, and we believe this will continue in 2018. The current Water Supply Connection Fee schedule, in part, calls for a fee of $700 per dwelling or commercial occupancy unit.
Connection Fees - South and Southwest Area Water Connection Fee Districts	These entries are an estimate of possible development projects which could occur in these areas, depending upon the interest of the development community.
(14230-011)	In the South Area Water Connection Fee District development began in 2013. We expect additional development to continue in this area.
(14231-011)	The Southwest Area Water Connection Fee District will continue to develop due to the I-80 and Alice's Road/105th Street interchange project involving Waukee, the City of West Des Moines, and the Iowa Department of Transportation.
Rental Income (14700-011)	Rental Income is the income received from the rental of space on water towers for cell phone providers.
Developer Contributed Water Mains (15500-011)	This is a non-cash item, and is historically estimated at a low amount.

REVENUE					Revenue
Account	Source of Revenue	Accrual Basis Actual Revenue 2016	Accrual Basis Budget 2017	Accrual Basis Anticipated Revenue 2017	Accrual Basis Budget 2018
14000-011	Metered Water Sales	$ 10,573,560	$ 10,829,515	$ 11,637,166	11,027,664
14050-011	Basic Service Charge	1,255,248	1,315,944	1,307,619	1,320,695
14100-011	Bulk Water Sales	39,931	25,515	12,900	12,900
14150-011	Material Sales to Others	69,945	75,750	136,000	76,000
14200-011	Water Supply Connection Fees	570,111	510,000	575,000	510,000
14230-011	Connection Fees - South Area Water	0	310,000	0	358,237
14231-011	SW Area Water Connection Fee District	69,169	205,000	605,000	197,869
14232-011	Pheasant Ridge Capital Fees	41,222	46,955	44,731	46,380
14300-011	Construction Inspection Fees	28,145	39,000	45,000	39,000
14400-011	Labor	31,880	40,720	60,000	40,720
14550-011	Laboratory Testing Fees	5,455	4,930	4,000	4,930
14600-011	Miscellaneous	22,099	28,500	28,500	28,500
14700-011	Rental Income	148,383	175,000	150,375	170,000
14800-011	Interest on Investments	62,764	66,000	97,615	97,615
14900-011	Sanitary Sewer Service Collection Fees	52,854	53,240	58,300	58,883
14910-011	Stormwater Management Collection Fees	74,048	74,700	91,500	92,415
14950-011	Solid Waste Service Collection Fees	47,991	49,330	53,021	53,551
15000-011	Late Payment Charges	33,843	33,330	33,476	33,330
15100-011	Non-Payment Penalties	65,373	63,730	66,500	66,500
15110-011	Shared Water Tower - Unearned Revenue Recognized	40,468	40,468	40,468	40,468
15350-011	Special Assessment Payments - 60th Street Assessments	11,387	0	1,000	0
15500-011	Developer Contributed Water Mains	698,961	100,000	100,000	100,000
15600-011	Bond Premium Amortization	69,094	69,095	69,095	69,095
	Gain on Sale of Fixed Assets	17,954	0	0	0
TOTAL REVENUE		$ 14,029,885	$ 14,156,722	$ 15,217,266	$ 14,444,752

COMMENTS ABOUT ENTRIES ON PAGE 2

Salaries and Wages (16000)	The budget includes a pay increase on January 1, 2018 for all permanent full-time employees. There are 35 full time positions included in the budget for 2018.
Employee Fitness Incentive Program & Achievement Program (16150 and 16560)	The Employee Incentive Programs (Fitness and Achievement Recognition) are recommended for continuation in 2018, with estimated amounts shown.
Economic Development Expense (16600)	The Economic Development Expense in the amount of $50,000 is planned again for 2018.
Consulting Fees – Engineering, Auditing and Legal (17050)	This item includes the audit fees and all legal fees. Engineering consulting fees not related to capital projects are also included in this category. Several consulting projects are projected for 2018.

OPERATING EXPENSES					
Summary of All Departments					Operating Expenses
Account	Object of Expense	Accrual Basis Actual Expense 2016	Accrual Basis Budget 2017	Accrual Basis Anticipated Expense 2017	Accrual Basis Budget 2018
Payroll and Employee Benefits					
16000	Salaries, Wages and Trustees' Compensation	$ 2,563,346	$ 2,702,560	$ 2,699,925	$ 2,702,793
16050	Temporary Help	28,757	0	15,038	0
16100	Overtime	142,680	128,040	129,039	125,500
16150	Employee Fitness Incentive Program	6,250	6,500	6,510	6,500
16200	Water Works' Share - FICA	198,550	216,541	216,416	215,040
16300	Water Works' Share - IPERS moved to Pension Expense in 2015	237,955	252,773	257,809	258,720
16320	Accrued Sick Leave Expense	2,626	3,000	3,000	0
16330	Other Postemployment Benefits Expense	38,639	40,000	38,640	44,000
16340	GASB 68 Pension Expense- excess over IPERS employer contributions	(112,046)	100,000	100,000	100,000
16350	Water Works' Share - Deferred Compensation	10,000	10,000	10,240	26,000
16400	Group Health and Life Insurance	407,682	425,410	448,101	475,541
16500	Allowances	13,580	15,020	16,338	16,620
16560	Employee Achievement Recognition Program	6,907	7,200	7,341	7,525
Commodities and Services					
16600	Economic Development Expense	50,000	0	50,000	50,000
16800	Advertising and Legal Publications	41,772	23,072	39,383	41,745
16850	Cost of Materials Sold	43,216	58,500	57,700	58,462
16900	Collection Expense	1,325	1,600	1,600	1,600
17000	Consulting Fees - IDNR and Water Quality Testing	6,833	25,000	2,300	25,000
17040	Consulting Fees - Safety	0	1,000	200	0
17050	Consulting Fees - Engineering, Accounting and Legal	58,918	205,000	195,500	290,000
17060	Consulting Fees - Issuance of Bonds	0	0	0	0
17070	Data Processing - Maintenance and Consulting Fees	98,587	106,915	121,171	121,650
17100	Dues and Memberships	5,573	8,500	9,335	10,505

COMMENTS ABOUT ENTRIES ON PAGE 3

Data Processing –Maintenance & Consulting Fees (17070)	Water Works data processing maintenance & consulting fees, including: -Phone and internet support provided by the City of West Des Moines. -Software maintenance agreements for accounting, meter reading, mapping, vehicle maintenance and backflow cross connection control. -Server maintenance, firewall and virus protection software maintenance, and backup software maintenance.
Dues and Memberships (17100)	This entry provides for payment of the utility's memberships in the American Water Works Association, the American Water Works Association Research Foundation, the Iowa Association of Water Agencies and the Iowa Association of Municipal Utilities.
Maintenance – Buildings and Structures (17500)	Maintenance in the amount of $261,000 is budgeted for the following departments: Water Treatment $210,000 Water Distribution $ 30,000 Customer Service & Finance $ 21,000 Total $261,000
Maintenance – Vehicles and Equipment (17600)	Maintenance in the amount of $210,000 is budgeted for the following departments: Water Treatment $125,000 Water Distribution $ 70,000 Customer Service & Finance $ 15,000 Total $210,000
Depreciation (18800)	Accrual budgeting requires that depreciation be shown, as follows: Water Treatment $1,509,600 Water Distribution $1,683,000 Customer Service & Finance $ 70,000 Total $3,262,600
Purchased Water (Detail included in Department 21. 19600, 19610, 19620, 19630, 19640, 19650, and 19660)	West Des Moines Water Works purchased 8.973 MGD in treatment plant capacity from Des Moines Water Works between 1993 and 2006, and entered in to the current Wholesale Water Service Master Agreement in 2005.

Summary of All Departments				Operating Expenses	
Account	Object of Expense	Accrual Basis Actual Expense 2016	Accrual Basis Budget 2017	Accrual Basis Anticipated Expense 2017	Accrual Basis Budget 2018
17120	IDNR Operation Permit	7,380	8,344	7,308	7,450
17200	Property and Other Insurance	$ 123,053	$ 134,150	$ 131,442	$ 146,951
17300	Postage and Shipping	82,002	85,660	78,200	85,950
17400	Printing	47,248	43,260	36,000	44,000
17500	Maintenance - Buildings and Structures	221,053	195,000	212,286	261,000
17600	Maintenance - Vehicles and Equipment	183,929	361,000	206,449	210,000
17700	Maintenance - Water Distribution System	143,922	180,000	115,140	180,000
17800	Communication	22,071	22,823	20,348	21,860
17900	Continuing Education and Travel	9,131	17,570	11,039	19,675
18000	Electricity	492,837	535,610	540,525	546,975
18100	Natural Gas	6,031	7,127	9,175	9,365
18300	Bad Debts	5,230	5,681	2,066	5,681
18800	Depreciation	2,730,172	3,200,000	3,120,000	3,262,600
19500	Maintenance - Grounds	40,826	34,509	54,529	56,500
19600-10; 19630; 19650-70	Purchased Water- purchased capacity rate ($1.98/1000), based on 2017 usage	1,679,799	1,536,231	1,703,889	1,821,191
19620	Purchased Water- Westside O&M, same as 2017 budget	31,853	67,200	64,000	64,000
19640	Purchased Water- Grand & Glen Oaks- warehouse with storage rate ($4.03/100), based on 2017 usage	34,580	75,000	20,218	21,173
19700	Minor Equipment	19,676	8,864	10,611	11,550
19800	Miscellaneous Commodities	3,420	6,825	5,060	5,600
19850	Water Works' Share - Iowa One Call System	11,047	12,311	10,050	11,000
19900	Vehicles and Equipment - Fuel	26,625	31,713	24,095	31,810
19950	Lock Box Charges	45,250	52,000	41,122	52,000
21000	Office Supplies	5,595	7,630	5,042	7,330

COMMENTS ABOUT ENTRIES ON PAGE 4

Lime Residuals Removal (Lagoons) (20150)	It is anticipated that the contractor that hauls residuals from the lagoons will be available to us in 2018. We propose spending $50,000 in 2018 to remove lime from the lagoon where it was deposited years ago, and to begin lowering of the south well field road.
Lime, Soda Ash, Coagulant, Carbon Dioxide, Salt and Other Chemicals (20200 – 20600)	Price increases are estimated at approximately 4% for lime, and other chemicals.
Debt Service (22084 through 22099)	These entries provide for interest payments on Water Revenue Bonds and the SRF Loan. Bonds shown as "Des Moines Water Works" have been issued by Des Moines Water Works and the amounts shown represent West Des Moines Water Works' share of the bond issues.

Summary of All Departments				Operating Expenses	
Account	Object of Expense	Accrual Basis Actual Expense 2016	Accrual Basis Budget 2017	Accrual Basis Anticipated Expense 2017	Accrual Basis Budget 2018
Water Treatment Chemicals and Laboratory Supplies					
20150	Lime Residuals Removal (Lagoons)	$ 9,928	$ 50,000	$ 50,000	$ 50,000
20160	Lime Residuals Hauling (Press)	139,751	173,400	173,982	175,000
20200	Lime	247,496	295,095	275,000	306,899
20300	Soda Ash	31,117	45,063	32,000	46,865
20400	Coagulant	6,304	14,070	9,300	14,633
20500	Carbon Dioxide	29,850	28,696	27,500	29,844
20550	Salt	5,410	6,582	5,500	6,845
20600	Other Chemicals	12,520	20,827	15,900	21,660
20750	Sodium Hypo-Chlorite	53,457	70,493	59,714	73,313
20800	Laboratory Supplies	21,427	15,646	17,565	16,272
	Sub-totals - Operating Expenses	$ 10,381,140	$ 11,685,009	$ 11,520,636	$ 12,202,191
Debt Service - Interest					
22087	2011 DMWW Refunding Bonds - WDMWW Share - Treatment Plant Capacity 6.323 MGD	31,592	12,244	12,244	0
22086	2012 DMWW Refunding Bonds - WDMWW Share - Treatment Plant capacity 2 MGD	75,981	69,786	69,786	62,604
22098	2012 Water Revenue Bonds	164,350	144,000	144,000	143,250
22099	2013 Water Revenue Bonds	96,931	91,225	91,225	70,225
22081	2016 SRF Loan	0	47,800	48,366	68,110
	Sub totals - Interest	$ 368,854	$ 365,055	$ 365,621	$ 344,189
Totals - Operating Expenses Plus Interest on Debt					
	Operating Expenses	$ 10,381,140	$ 11,685,009	$ 11,520,636	$ 12,202,191
	Interest	$ 368,854	$ 365,055	$ 365,621	$ 344,189
Totals - Operating Expenses Plus Interest on Debt		$ 10,749,994	$ 12,050,064	$ 11,886,256	$ 12,546,380

Water Treatment Plant Operation and Maintenance				Operating Expenses	
Account	Object of Expense	Accrual Basis Actual Expense 2016	Accrual Basis Budget 2017	Accrual Basis Anticipated Expense 2017	Accrual Basis Budget 2018
Payroll and Employee Benefits					
16000-021	Salaries and Wages	$ 775,244	$ 805,155	$ 805,572	841,409
16100-021	Overtime	56,656	60,725	58,185	58,185
16200-021	Water Works' Share - FICA	$ 60,778	66,240	66,077	68,819
16300-021	Water Works' Share - IPERS moved to Pension Expense in 2015	73,353	77,323	82,316	80,186
16320-021	Accrued Sick Leave Expense	316	1,000	1,000	0
16350-021	Water Works' Share - Deferred Compensation	2,000	2,000	2,000	5,200
16400-021	Group Health and Life Insurance	138,955	145,900	143,399	149,135
16500-021	Allowances	2,654	3,000	4,000	4,000
Commodities and Services					
17000-021	Consulting Fees - IDNR and Water Quality Testing	6,833	25,000	2,300	25,000
17040-021	Consulting Fees - Safety	0	1,000	200	0
17070-021	Data Processing - Maintenance and Consulting Fees	14,961	22,000	17,640	22,000
17120-021	IDNR Operation Permit	7,380	8,344	7,308	7,450
17200-021	Property and Other Insurance	66,941	68,593	63,574	71,075
17300-021	Postage and Shipping	221	700	600	700
17500-021	Maintenance - Buildings and Structures	179,381	150,000	163,354	210,000
17600-021	Maintenance - Vehicles and Equipment	132,317	285,000	122,000	125,000
17800-021	Communication	11,224	10,715	9,600	9,750
17900-021	Continuing Education and Travel	1,722	3,570	2,200	3,570
18000-021	Electricity	369,091	420,200	423,530	427,765
18100-021	Natural Gas	5,431	6,530	8,500	8,670
18800-021	Depreciation	948,255	1,480,000	1,480,000	1,509,600
19500-021	Maintenance - Grounds	36,252	28,009	27,460	28,500

Water Treatment Plant Operation and Maintenance				Operating Expenses	
Account	Object of Expense	Accrual Basis Actual Expense 2016	Accrual Basis Budget 2017	Accrual Basis Anticipated Expense 2017	Accrual Basis Budget 2018
19600-021	Purchased Water - Elm Street	$ 342,114	$ 163,399	$ 279,034	298,244
19610-021	Purchased Water - Westside 88th & University	280,374	447,480	269,679	288,245
19620-021	Purchased Water - Westside O & M	31,853	67,200	64,000	64,000
19630-021	Purchased Water - 92nd & University	15,079	59,950	20,149	21,537
19640-021	Purchased Water - Grand & Glen Oaks	34,580	75,000	20,218	21,173
19650-021	Purchased Water - 88th Street	957,153	778,250	1,077,637	1,151,825
19660-021	Purchased Water - Maffitt Lake Dr	2,220	2,152	3,022	3,230
19670-021	Purchased Water - S 22nd St	82,859	85,000	54,368	58,110
19700-021	Minor Equipment	1,194	1,500	1,250	1,500
19800-021	Miscellaneous Commodities	959	1,500	520	1,000
19900-021	Vehicles and Equipment - Fuel	3,041	3,000	1,800	3,000
20100-021	Office Supplies	1,044	2,800	1,264	2,500
Water Treatment Chemicals and Laboratory Supplies					
20150-021	Lime Residuals Removal (Lagoons)	9,928	50,000	50,000	50,000
20160-021	Lime Residuals Hauling (Press)	139,751	173,400	173,982	175,000
20200-021	Lime	247,496	295,095	275,000	306,899
20300-021	Soda Ash	31,117	45,063	32,000	46,865
20400-021	Coagulant	6,304	14,070	9,300	14,633
20500-021	Carbon Dioxide	29,850	28,696	27,500	29,844
20550-021	Salt	5,410	6,582	5,500	6,845
20575-021	Sodium Hypo-Chlorite	53,457	70,493	59,714	73,313
20600-021	Other Chemicals	12,520	20,827	15,900	21,660
20800-021	Laboratory Supplies	21,427	15,646	17,565	16,272
Water Treatment Department Totals		$ 5,199,695	$ 6,078,105	$ 5,950,217	$ 6,311,709

Water Distribution				Operating Expenses	
Account	Object of Expense	Accrual Basis Actual Expense 2016	Accrual Basis Budget 2017	Accrual Basis Anticipated Expense 2017	Accrual Basis Budget 2018
Payroll and Employee Benefits					
16000-051	Salaries and Wages	$ 915,428	$ 971,825	$ 954,324	$ 947,418
16100-051	Overtime	58,328	50,000	50,000	50,000
16200-051	Water Works' Share - FICA	71,177	78,170	$ 76,831	76,302
16300-051	Water Works' Share - IPERS	86,331	91,249	89,686	95,054
16320-051	Accrued Sick Leave Expense	2,310	1,000	1,000	0
16350-051	Water Works' Share - Deferred Compensation	3,000	3,000	3,000	7,800
16400-051	Group Health and Life Insurance	174,891	179,550	180,793	188,025
16500-051	Allowances	5,668	7,500	7,262	7,500
Commodities and Services					
17070-051	Data Processing - Maintenance and Consulting Fees	21,422	31,415	57,756	32,000
17200-051	Property and Other Insurance	31,500	38,425	38,632	43,190
17300-051	Postage and Shipping	359	500	100	250
17500-051	Maintenance - Buildings and Structures	24,104	30,000	28,586	30,000
17600-051	Maintenance - Vehicles and Equipment	35,084	62,000	69,833	70,000
17700-051	Maintenance - Water Distribution System	143,922	180,000	115,140	180,000
17800-051	Communication	7,006	7,340	6,338	7,340
17900-051	Continuing Education and Travel	4,270	5,000	5,105	5,105
18000-051	Electricity	118,407	109,800	111,135	113,350
18100-051	Natural Gas	579	556	630	650
18800-051	Depreciation	1,718,574	1,650,000	1,570,000	1,683,000
19500-051	Maintenance - Grounds	4,574	6,500	27,069	28,000
19700-051	Minor Equipment	16,772	4,814	7,481	7,500
19800-051	Miscellaneous Commodities	87	825	40	100
19850-051	Water Works' Share - Iowa One Call System	11,047	12,311	10,050	11,000
19900-051	Vehicles and Equipment - Fuel	16,287	15,810	14,625	15,810
20100-051	Office Supplies	554	1,020	178	1,020
Distribution Department Totals		$ 3,471,681	$ 3,538,610	$ 3,425,591	$ 3,600,414

Customer Service and Finance				Operating Expenses	
Account	Object of Expense	Accrual Basis Actual Expense 2016	Accrual Basis Budget 2017	Accrual Basis Anticipated Expense 2017	Accrual Basis Budget 2018
Payroll and Employee Benefits					
16000-081	Salaries and Wages	$ 736,015	$ 787,375	$ 799,970	$ 771,835
16050-081	Temporary Help	28,757	0	15,038	0
16100-081	Overtime	27,696	17,315	20,854	17,315
16200-081	Water Works' Share - FICA	56,595	61,559	62,793	59,045
16300-081	Water Works - IPERS to GASB 68	67,160	71,859	73,300	69,934
16320-081	Accrued Sick Leave Expense	0	1,000	1,000	0
16350-081	Water Works' Share - Deferred Compensation	4,000	4,000	4,240	10,400
16400-081	Group Health and Life Insurance	76,788	82,058	106,252	120,018
16500-081	Allowances	2,538	3,520	3,476	3,520
Commodities and Services					
16850-081	Cost of Materials Sold	43,216	58,500	57,700	58,462
16900-081	Collection Expense	1,325	1,600	1,600	1,600
17070-081	Data Processing - Maintenance and Consulting Fees	27,172	45,000	41,625	63,500
17200-081	Property and Other Insurance	24,612	27,132	29,236	32,686
17300-081	Postage and Shipping	81,422	84,460	77,500	85,000
17400-081	Printing	47,248	43,260	36,000	44,000
17500-081	Maintenance - Building	17,568	15,000	20,346	21,000
17600-081	Maintenance - Vehicles and Equipment	16,528	14,000	14,616	15,000
17800-081	Communication	2,765	3,468	3,470	3,470
17900-081	Travel and Continuing Education	2,539	5,500	3,434	7,500
18000-081	Electricity	5,339	5,610	5,860	5,860
18100-081	Natural Gas	21	41	45	45
18300-081	Bad Debts	5,230	5,681	2,066	5,681
18800-081	Depreciation	63,343	70,000	70,000	70,000
19700-081	Minor Equipment	1,710	2,550	1,880	2,550

Customer Service and Finance				Operating Expenses	
Account	Object of Expense	Accrual Basis Actual Expense 2016	Accrual Basis Budget 2017	Accrual Basis Anticipated Expense 2017	Accrual Basis Budget 2018
19800-081	Miscellaneous Commodities	$ 374	$ 3,000	$ 4,000	$ 3,000
19900-081	Vehicles and Equipment - Fuel	7,297	12,903	7,670	13,000
19950-081	Lock Box Charges	45,250	52,000	41,122	52,000
20100-081	Office Supplies	3,997	3,810	3,600	3,810
	Customer Service and Finance Department Totals	$ 1,396,505	$ 1,482,200	$ 1,508,692	$ 1,540,231

Administration				Operating Expenses	
Account	Object of Expense	Accrual Basis Actual Expense 2016	Accrual Basis Budget 2017	Accrual Basis Anticipated Expense 2017	Accrual Basis Budget 2018
Payroll and Employee Benefits					
16000-091	Salaries and Trustees' Compensation	$ 136,659	$ 138,205	$ 140,059	$ 142,131
16150-091	Employee Fitness Incentive Program	6,250	6,500	6,510	6,500
16200-091	Water Works' Share - FICA	10,000	10,573	10,714	10,873
16300-091	Water Works' Share - IPERS	11,111	12,342	12,507	13,545
16320-091	Accrued Sick Leave Expense	0	0	0	0
16330-091	Other Post Employment Benefits Expense	38,639	40,000	38,640	44,000
16340-091	GASB 68 Pension Expense- excess over IPERS employer contributions	(112,046)	100,000	100,000	100,000
16350-091	Water Works' Share - Deferred Compensation	1,000	1,000	1,000	2,600
16400-091	Group Health and Life Insurance	17,048	17,903	17,657	18,363
16500-091	Allowances	2,720	1,000	1,600	1,600
16560-091	Employee Achievement Recognition Program	6,907	7,200	7,341	7,525
Commodities and Services					
16600-091	Economic Development Expense	50,000	0	50,000	50,000
16800-091	Advertising and Legal Publications	41,772	23,072	39,383	41,745
17050-091	Consulting Fees - Engineering, Accounting and Legal	58,918	205,000	195,500	290,000
17060-091	Consulting Fees - Issuance of Bonds	0	0	0	0
17070-091	Consulting Fees - Data Processing	35,032	8,500	4,150	4,150
17100-091	Dues and Memberships	5,573	8,500	9,335	10,505
17800-091	Communication	1,076	1,300	940	1,300
17900-091	Continuing Education and Travel	600	3,500	300	3,500
19800-091	Miscellaneous Commodities	2,000	1,500	500	1,500
Sub-totals - Administration Expenses		$ 313,259	$ 586,094	$ 636,136	$ 749,837

Administration					Interest on Debt
Account	Object of Expense	Accrual Basis Actual Expense 2016	Accrual Basis Budget 2017	Accrual Basis Anticipated Expense 2017	Accrual Basis Budget 2018
Debt Service - Interest					
22087-091	2011 DMWW Refunding Bonds - WDMWW Share - Treatment Plant Capacity 6.323 MGD	$ 31,592	$ 12,244	$ 12,244	0
22086-091	2012 DMWW Refunding Bonds - WDMWW Share - Treatment Plant capacity 2 MGD	75,981	69,786	69,786	62,604
22098-091	2012 Water Revenue Bonds	164,350	144,000	144,000	143,250
22099-091	2013 Water Revenue Bonds	96,931	91,225	91,225	70,225
22081-091	2016 SRF Loan	0	47,800	48,366	68,110
Sub-totals - Interest		$ 368,854	$ 365,055	$ 365,621	$ 344,189
Administration Department Totals					
	Operating Expenses	$ 313,259	$ 586,094	$ 636,136	$ 749,837
	Interest	$ 368,854	$ 365,055	$ 365,621	$ 344,189
Administration Department Totals		$ 682,113	$ 951,149	$ 1,001,757	$ 1,094,026
SUMMARY OF OPERATING EXPENSES					
	Water Treatment	$ 5,199,695	$ 6,078,105	$ 5,950,217	$ 6,311,709
	Water Distribution	$ 3,471,681	$ 3,538,610	$ 3,425,591	$ 3,600,414
	Customer Service and Finance	$ 1,396,505	$ 1,482,200	$ 1,508,692	$ 1,540,231
	Administration	$ 682,113	$ 951,149	$ 1,001,757	$ 1,094,026
Sub-Totals Operating Expense plus Bond Interest		$ 10,749,994	$ 12,050,064	$ 11,886,256	$ 12,546,380
Totals - Current Year Revenue		$ 14,029,885	$ 14,156,722	$ 15,217,266	$ 14,444,752
Net Revenue over Operating Expenses		$ 3,279,891	$ 2,106,658	$ 3,331,010	$ 1,898,372

WEST DES MOINES WATER WORKS

The Capital Outlay data shown on pages 12 through 16 is for information only.

COMMENTS ABOUT ENTRIES ON PAGE 12

Debt Service – Principal – Funds Required	The principal amounts shown for the various debt instruments are taken from the bond amortization tables.

CAPITAL OUTLAY					Capital Outlay
Debt Service - Principal - Funds Required		Accrual Basis Actual Debt Service 2016	Accrual Basis Budget 2017	Accrual Basis Anticipated Debt Service 2017	Accrual Basis Budget 2018
	2011 DMWW Refunding Bonds - WDMWW Share - Treatment Plant Capacity 6.323 MGD	$ 703,584	$ 408,122	$ 408,122	$ 0
	2012 DMWW Refunding Bonds - WDMWW Share - Treatment Plant capacity 2 MGD	225,250	239,426	239,426	248,718
	2012 Water Revenue Bonds	740,000	25,000	25,000	25,000
	2013 Water Revenue Bonds	415,000	1,400,000	1,400,000	1,780,000
	2016 SRF Loan	0	0	0	146,000
Sub-totals - Debt Service - Principal		$ 2,083,834	$ 2,072,548	$ 2,072,548	$ 2,199,718

COMMENTS ABOUT ENTRIES ON PAGE 13
CAPITAL OUTLAY DETAIL

Equipment

Inventory 00600-100-00000	Water meters and accessories, water service tapping materials and other material goods for use in the water distribution system.
Plant Meter Replacement 00800-120-15002	Replacement of outdated equipment
Replace windows 00800-120-17002	Replace windows, tuck point and block north garage
Ground Storage Tank 2 Painting 00800-120-17007	Ground Storage Tank 2 Painting.
Lime Slaker Replacement 00800-120-17008	Replace Lime Slaker
Plant Door 00800-120-18001	Replace Plant Door
Furnishings 00800-120-18002	Plant Conference Room Furnishings
Process Pipe Cleaning 00800-120-18003	Process Pipe Cleaning
Chemical Pipe Cleaning 00800-120-18004	Chemical Pipe Cleaning
Generator 00800-120-18005	Standby Generator 17th St Tower
Storage 00800-120-18006	Distribution Material Storage Cover
Security 00800-120-18007	Building Security Improvements-Plant
Equipment 00800-120-18008	Plant Equipment Contingency
Equipment 00800-120-18009	Distribution Equipment Contingency

CAPITAL OUTLAY					Capital Outlay
Account	Object of Expenditure	Accrual Basis Actual Expense 2016	Accrual Basis Budget 2017	Accrual Basis Anticipated Expense 2017	Accrual Basis Budget 2018
	Equipment				
00600-100	Inventory - Meters and Appurtenances		$ 238,000	$ 95,420	$ 238,000
00800-120	**Plant**				
00000	Clearwell transfer pumps & installation		$ 0	$ 30,482	$ 0
-15002	Plant Meter Replacement		50,000	24,286	50,000
-16002	Replace selected doors and windows at plant and wells		0	11,477	0
-17001	Hypo Feeder Pump		7,000	6,674	0
-17002	Replace windows, tuck point and block north garage		20,000	0	20,000
-17003	Replace roof on plant filter building		35,000	35,000	0
-17004	New Chlorine storage tanks, piping and controls		175,000	175,000	0
-17005	Replace water softeners for soda ash feed system		30,000	25,685	0
-17006	Replace HVAC for plant office		9,000	8,034	0
-17007	Ground Storage Tank 2 Painting		299,000	0	299,000
-17008	Lime Slaker Replacement		250,000	250,000	300,000
-18001	Plant Door Replacement		0	0	20,000
-18002	Plant Conference Room Furnishings		0	0	20,000
-18003	Process Pipe Cleaning		0	0	90,000
-18004	Chemical Pipe Painting		0	0	10,000
-18005	Standby Generator 17th St. Tower		0	0	15,000
-18006	Distribution Material Storage Cover		0	0	25,000
-18007	Building Security Improvements- Plant		0	0	25,000
-18008	Plant Equipment Contingency		0	0	105,000
00800-120	**Water Distribution**				
-16006	Hydraulic Modeling and Training		0	19,350	0
-17009	New Pipe Saw		12,500	10,865	0
-18009	Distribution Equipment Contingency		0	0	50,000

COMMENTS ABOUT ENTRIES ON PAGE 14

General Office/Meter Reading

Computers 00800-120-14004	PC and laptop replacements scheduled
Meter Replacement 00800-120-14007	Meter Replacement/Upgrade Plan
Trimble Handheld 00800-120-17010	Trimble Handheld to program meters
4G Tablets 00800-120-17011	4G Tablets for Meter Techs
Security 00800-120-18010	Building Security Improvements – City Hall
Office Equipment 00800-120-18011	General Office Equipment Contingency

Vehicles

Loader & Dump Trailer 00800-120-18012	Loader & Dump Trailer
Service Truck 00800-120-18013	Service Truck Replacement

CAPITAL OUTLAY					Capital Outlay
Account	Object of Expenditure	Accrual Basis Actual Expense 2016	Accrual Basis Budget 2017	Accrual Basis Anticipated Expense 2017	Accrual Basis Budget 2018
00800-120	**General Office/Meter Reading**				
-14004	PC and laptop replacements scheduled		10,000	2,062	20,000
-14007	Meter Replacement/Upgrade Plan		450,000	786,000	450,000
-17010	Trimble Handheld to program meters		4,000	2,585	4,000
-17011	4G Tablets for Meter Techs		2,000	0	2,000
-17012	ARC GIS Server		25,000	20,357	0
-17013	Firewall Software		5,100	5,954	0
-18010	Building Security Improvements- CH		0	0	25,000
-18011	General Office Equipment Contingency		0	0	31,000
Equipment					
00800-120	**Vehicles**				
-16010	Truck replacement		0	90,208	0
-17014	Truck replacement		67,000	66,677	0
-17015	Service Truck Replacement		110,000	110,000	0
-18012	Distrib. Wheel Loader & Dump Trailer		0	0	105,000
-18013	Service Truck Replacement		0	0	70,000
Sub-totals - Equipment		$ 1,264,307	$ 1,798,600	$ 1,599,439	$ 1,974,000

COMMENTS ABOUT ENTRIES ON PAGE 15

Improvements –
Treatment Plant and Distribution
00800-170

00800-170-15002	Convert Ball Fields to Lake Water Irrigation
00800-170-16003	2016-2018 Shallow Well Construction at AC Ward
00800-170-18001	Ashworth Rd – 81st to 88th Street
00800-170-18002	Grand Main Replacement – Delevan to Wolf Way
00800-170-18003	Anticipated City Reimbursed Projects

South Area Water Connection Fee District

00800-170-16005	Veteran's Pkwy Water Main Extension 2016
00800-170-18004	Joint Water Main & Pump Station – South Area
00800-170-18005	Alluvion Booster Station

Southwest Area Connection Fee District

00800-170-17003	Rural Water Territory Purchase
00800-170-17004	2017 EP True 88th to 2600 feet west

CAPITAL OUTLAY					Capital Outlay
Account	Object of Expenditure	Accrual Basis Actual Capital Outlay 2016	Capital Outlay Budget 2017	Accrual Basis Anticipated Capital Outlay 2017	Capital Outlay Budget 2018
00800-170	**Treatment Plant & Distribution**				
-15002	Convert Ball Fields to Lake Water Irrigation		100,000	0	100,000
-16001	AC Ward Redundant Pipe		0	170,000	0
-16002	New Jordan Well and Transmission Main at AC Ward		1,792,500	3,000,000	0
-16003	2016-2018 Shallow Well Construction at AC Ward		372,500	0	372,500
-16004	2016-2017 ASR Well		0	0	0
-18001	Ashworth Rd- 81st to 88th St		0	0	312,500
-18002	Grand Main Repl-Delevan to Wolf Way		0	0	325,000
-18003	Anticipated City Reimbursed Projects				95,000
	South Area Water Connection Fee District				
-16005	Veteran's Pkwy Water Main Ext 2016		538,000	250,000	263,000
-15003	City TIF Water Mains		400,000	400,000	0
-18004	Joint Water Main & Pump Station- South Area		0	0	1,600,000
-18005	Alluvion Booster Station		0	0	125,000
	Southwest Area Connection Fee District				
-15008	60th St - Mills Civic to Grand		630,000	0	0
-15009	Grand Avenue and S. 35th St Water Main Replacement (City Project)		0	118,656	0
-15010	Grand Avenue Hydrant Additions, S. 50th St to S 35th St (City Project		0	16,880	
-17001	88th St EP True to 900' North		167,000	155,018	0
-17002	98th St Tower City Development Frontage		30,000	0	0
-17003	Rural Water Territory Purchase		500,000	0	500,000
-17004	2017 EP True 88th to 2600 feet west		375,000	0	375,000
-17007	2017 Mills Civic - Grand Prairie Parkway to Wendover		192,500	0	0
-17008	2017 Mills Civic Parkway 81st to 88th		476,800	244,275	0

COMMENTS ABOUT ENTRIES ON PAGE 16

Water Main Replacement Projects

00800-170-17005	Ashworth Rd 8th – 35th Design/Construction
00800-170-18007	88th St 900' N of EP True to Ashworth
00800-170-18006	2018 Water Main Replacement

SUMMARY OF CAPITAL OUTLAY			Capital Outlay		Capital Outlay
Account	Object of Expenditure	Accrual Basis Actual Capital Outlay 2016	Capital Outlay Budget 2017	Accrual Basis Anticipated Capital Outlay 2017	Capital Outlay Budget 2018
	Water Main Replacement Projects				
-16006	2016 Water Main Replacement		0	275,000	0
-16007	SW Grand Prairie Pkwy to Wendover Easements (not budgeted)		0	247,722	0
-16008	WMR Jordan Creek Crossing Pipe replacement in 2017		75,000	64,816	0
-17005	Ashworth Rd 8th-35th Design/Constr		450,000	3,838	1,440,000
-17006	2017 Water Main Replacement		350,000	306,904	0
-18007	88th ST 900' N. of EP True to Ashworth		0	0	202,600
-18006	2018 Water Main Replacement		0	0	150,000
Sub-totals - Improvements		$ 3,051,417	$ 6,449,300	$ 5,253,109	$ 5,860,600
	Equipment				
	Totals	$ 1,264,307	$ 1,798,600	$ 1,599,439	$ 1,974,000
	Improvements				
	Totals	$ 3,051,417	$ 6,449,300	$ 5,253,109	$ 5,860,600
	Sub-total - Equipment and Improvements	$ 4,315,724	$ 8,247,900	$ 6,852,548	$ 7,834,600
	Debt Service - Principal				
	Totals	$ 2,083,834	$ 2,072,548	$ 2,072,548	$ 2,199,718
TOTALS - CAPITAL OUTLAY		$ 6,399,558	$ 10,320,448	$ 8,925,096	$ 10,034,318
SUMMARY OF ALL OPERATING AND CAPITAL EXPENSES					
	Operating Expenses	$ 10,749,994	$ 12,050,064	$ 11,886,256	$ 12,546,380
	Debt Service - Principal	$ 2,083,834	$ 2,072,548	$ 2,072,548	$ 2,199,718
	Capital Outlay-Equipment & Improvements	$ 4,315,724	$ 8,247,900	$ 6,852,548	$ 7,834,600
TOTALS - ALL OPERATING AND CAPITAL OUTLAY EXPENSES		$ 17,149,552	$ 22,370,512	$ 20,811,352	$ 22,580,698