



**BOARD OF TRUSTEES**  
**Special Meeting Agenda**  
205 East State Street  
**February 2, 2017, 12:00 NOON**

1. Roll Call
2. Review of 2017-2018 Fiscal Year Budget for the Marshalltown Water Works
3. Resolution Setting Public Hearing on Proposed 2017-2018 Fiscal Year Budget for the Marshalltown Water Works

**MARSHALLTOWN WATER WORKS  
PROPOSED REVENUE REQUIREMENT  
2017 - 2018**



	<b>2012-2013 (ACTUAL)</b>	<b>2013-2014 (ACTUAL)</b>	<b>2014-2015 (ACTUAL)</b>	<b>2015-2016 (ACTUAL)</b>	<b>2016-2017 (BUDGET)</b>	<b>2016-17 @50%</b>	<b>2017-2018 (BUDGET)</b>
<b><i>Operational</i></b>							
<b>Residential</b>	\$ 1,426,968.00	\$ 1,430,063.00	\$ 1,453,089.00	\$ 1,493,823.00	\$ 1,564,065.00	\$ 783,683.57	\$ 1,657,909.00
<b>Multi-Family</b>	\$ 185,428.00	\$ 185,965.00	\$ 190,507.00	\$ 184,605.00	\$ 220,598.00	\$ 100,151.53	\$ 212,321.00
<b>Commercial</b>	\$ 432,400.00	\$ 437,663.00	\$ 449,465.00	\$ 466,722.00	\$ 460,461.00	\$ 271,075.08	\$ 488,089.00
<b>Irrigation</b>	\$ 54,397.00	\$ 60,085.00	\$ 23,560.00	\$ 37,103.00	\$ 32,097.00	\$ 46,368.90	\$ 44,403.00
<b>Industrial</b>	\$ 426,795.00	\$ 435,378.00	\$ 461,704.00	\$ 514,524.00	\$ 525,840.00	\$ 303,108.06	\$ 1,011,762.00
<b>Wholesale</b>	\$ 666,040.00	\$ 705,973.00	\$ 667,814.00	\$ 684,069.00	\$ 707,883.00	\$ 360,721.61	\$ 770,616.00
<b>Non-Metered</b>	\$ 1,292.00	\$ 3,457.00	\$ 3,095.00	\$ 949.00	\$ 2,156.00	\$ 1,227.53	\$ 2,156.00
	<b>\$ 3,193,320.00</b>	<b>\$ 3,258,584.00</b>	<b>\$ 3,249,234.00</b>	<b>\$ 3,381,795.00</b>	<b>\$ 3,513,100.00</b>	<b>\$ 1,866,336.28</b>	<b>\$ 4,187,256.01</b>
<b><i>Non-operational</i></b>							
<b>City Contracts</b>	\$ 59,918.00	\$ 62,107.00	\$ 62,094.00	\$ 79,746.00	\$ 78,500.00	\$ 41,837.49	\$ 87,297.00
<b>Penalties</b>	\$ 30,984.00	\$ 35,729.00	\$ 38,877.00	\$ 42,156.00	\$ 42,000.00	\$ 30,615.94	\$ 47,000.00
<b>Customer Service</b>	\$ 13,802.00	\$ 21,343.00	\$ 19,618.00	\$ 19,108.00	\$ 20,600.00	\$ 8,399.00	\$ 20,000.00
<b>Lab. Fees</b>	\$ 3,831.00	\$ 3,291.00	\$ 4,492.00	\$ 3,484.00	\$ 4,000.00	\$ 3,555.00	\$ 4,000.00
<b>Merchandise Sales</b>	\$ 202.00	\$ 2,950.00	\$ 1,562.00	\$ 1,532.00	\$ 1,300.00	\$ 10.00	\$ 1,600.00
<b>Interest</b>	\$ 6,149.00	\$ 5,462.00	\$ 5,503.00	\$ 6,234.00	\$ 6,500.00	\$ 3,793.79	\$ 6,500.00
<b>Rentals</b>	\$ 1,050.00	\$ 1,050.00	\$ 1,800.00	\$ -	\$ 1,050.00	\$ 750.00	\$ 1,050.00
<b>Misc. Income</b>	\$ 7,249.00	\$ 7,176.00	\$ 12,899.00	\$ 7,884.00	\$ 10,000.00	\$ 11,165.29	\$ 18,000.00
<b>Connection Fees</b>	\$ 3,725.00	\$ 1,250.00	\$ 191,560.00	\$ 1,710.00	\$ 8,420.00	\$ 6,318.00	\$ 12,600.00
<b>Tapping Fees</b>	\$ 1,750.00	\$ 825.00	\$ 1,725.00	\$ 3,875.00	\$ 3,000.00	\$ 1,978.00	\$ 4,000.00
	<b>\$ 128,660.00</b>	<b>\$ 141,183.00</b>	<b>\$ 340,130.00</b>	<b>\$ 165,729.00</b>	<b>\$ 175,370.00</b>	<b>\$ 108,422.51</b>	<b>\$ 202,047.00</b>
<b>Total</b>	<b>\$ 3,321,980.00</b>	<b>\$ 3,399,767.00</b>	<b>\$ 3,589,364.00</b>	<b>\$ 3,547,524.00</b>	<b>\$ 3,688,470.00</b>	<b>\$ 1,974,758.79</b>	<b>\$ 4,389,303.00</b>

**BUDGETED OPERATING EXPENSES  
2017 - 2018**



ACCT		PLANT	DISTRIBUTION	SERVICE	OFFICE	SUB-TOTAL	CHANGE
	<b><i>EMPLOYEE SALARIES</i></b>						
100	Operational	382,311	258,628	136,344	305,024	1,082,306	
	<b>Subtotal</b>	<b>\$382,311</b>	<b>\$258,628</b>	<b>\$136,344</b>	<b>\$305,024</b>	<b>\$1,082,306</b>	<b>2.41%</b>
	<b><i>EMPLOYEE BENEFITS</i></b>						
201	Health Insurance	51,823	56,145	21,294	25,389	\$ 154,651.00	
202	Pension	60,443	44,941	0	45,712	\$ 151,095.51	
203	IPERS	14,661	9,123	12,426	12,726	\$ 48,936.10	
204	FICA/Medicare	29,076	19,785	10,430	23,334	\$ 82,625.05	
205	Life Insurance	934	657	333	885	\$ 2,808.86	
206	Mileage	700	625	200	4,000	\$ 5,525.00	
207	Registration	4,000	1,500	200	2,000	\$ 7,700.00	
208	Annual Dues	750	750	0	5,000	\$ 6,500.00	
210	Tuition	500	500	250	100	\$ 1,350.00	
211	Lodging	1,000	1,100	100	1,500	\$ 3,700.00	
212	Food	600	600	100	2,000	\$ 3,300.00	
213	Travel	1,600	1,700	0	2,200	\$ 5,500.00	
214	Safety Clothing	1,000	3,000	500	0	\$ 4,500.00	
215	Safety Training	1,400	1,000	600	500	\$ 3,500.00	
216	Medical (Work-Comp)	300	1,500	250	100	\$ 2,150.00	
	<b>Subtotal</b>	<b>\$168,787</b>	<b>\$142,926</b>	<b>\$46,683</b>	<b>\$125,446</b>	<b>\$483,842</b>	<b>3.67%</b>

**BUDGETED OPERATING EXPENSES  
2017 - 2018**



ACCT		PLANT	DISTRIBUTION	SERVICE	OFFICE	SUB-TOTAL	CHANGE
	<b><u>UTILITIES</u></b>						
301	Electric	290,000			9,000	\$ 299,000.00	
302	Natural Gas	16,000			4,000	\$ 20,000.00	
303	Telephone	1,000			3,000	\$ 4,000.00	
304	Storm Sewer				1,600	\$ 1,600.00	
309	Internet	1,600	400	400	1,600	\$ 4,000.00	
	<b>Subtotal</b>	<b>\$308,600</b>	<b>\$400</b>	<b>\$400</b>	<b>\$19,200</b>	<b>\$328,600</b>	<b>16.48%</b>
	<b><u>DEPRECIATION</u></b>						
401	Plant	350,000	0	0	0	\$ 350,000.00	
402	Distribution	0	120,000	0	0	\$ 120,000.00	
403	Meter	0	0	34,000	0	\$ 34,000.00	
404	Building	0	0	0	15,000	\$ 15,000.00	
405	Capital Improvement				10,540	\$ 10,540.00	
406	Vehicle	6,900	8,300	5,800	0	\$ 21,000.00	
407	Equipment	0	17,000	0	4,500	\$ 21,500.00	
408	Booster Station		2,500			\$ 2,500.08	
	<b>Subtotal</b>	<b>\$356,900</b>	<b>\$147,800</b>	<b>\$39,800</b>	<b>\$30,040</b>	<b>\$574,540</b>	<b>-0.04%</b>
	<b><u>FUELS</u></b>						
501	Regular Gas	2,800	4,500	6,000		\$ 13,300.00	
502	Oil	300	700	140		\$ 1,140.00	
503	Grease	50	150	25		\$ 225.00	
504	Diesel Fuel	4,000	8,500	0		\$ 12,500.00	
505	LP Gas	100	100	100		\$ 300.00	
	<b>Subtotal</b>	<b>\$7,250</b>	<b>\$13,950</b>	<b>\$6,265</b>	<b>\$0</b>	<b>\$27,465</b>	<b>0.00%</b>

**BUDGETED OPERATING EXPENSES  
2017 - 2018**



ACCT		PLANT	DISTRIBUTION	SERVICE	OFFICE	SUB-TOTAL	CHANGE
	<b>SUPPLIES</b>						
601	Laboratory	25,000				\$ 25,000.00	
602	Plant	2,500				\$ 2,500.00	
603	Building	200			1,000	\$ 1,200.00	
604	Wells	1,000				\$ 1,000.00	
605	General	2,000		2,500	7,500	\$ 12,000.00	
606	Safety Equipment	3,000				\$ 3,000.00	
607	Cleaning	1,200				\$ 1,200.00	
608	Health / First Aid	700	450	250	500	\$ 1,900.00	
614	CIWA Meter Pits	1,000				\$ 1,000.00	
601	Distribution		10,000			\$ 10,000.00	
602	Shop		3,000	2,000		\$ 5,000.00	
603	Leak Supplies		32,280			\$ 32,280.00	
604	Hydrants/Valves		5,000			\$ 5,000.00	
605	Booster Station		2,500			\$ 2,500.00	
609	Data-Processing		500		5,000	\$ 5,500.00	
603	Service Repair Supplies			2,500		\$ 2,500.00	
604	Meter Repair Supplies			2,500		\$ 2,500.00	
601	Billing Supplies				4,500	\$ 4,500.00	
602	Administration				600	\$ 600.00	
610	Operational Permits				5,000	\$ 5,000.00	
	<b>Subtotal</b>	<b>\$36,600</b>	<b>\$53,730</b>	<b>\$9,750</b>	<b>\$24,100</b>	<b>\$124,180</b>	<b>5.26%</b>

**BUDGETED OPERATING EXPENSES  
2017 - 2018**



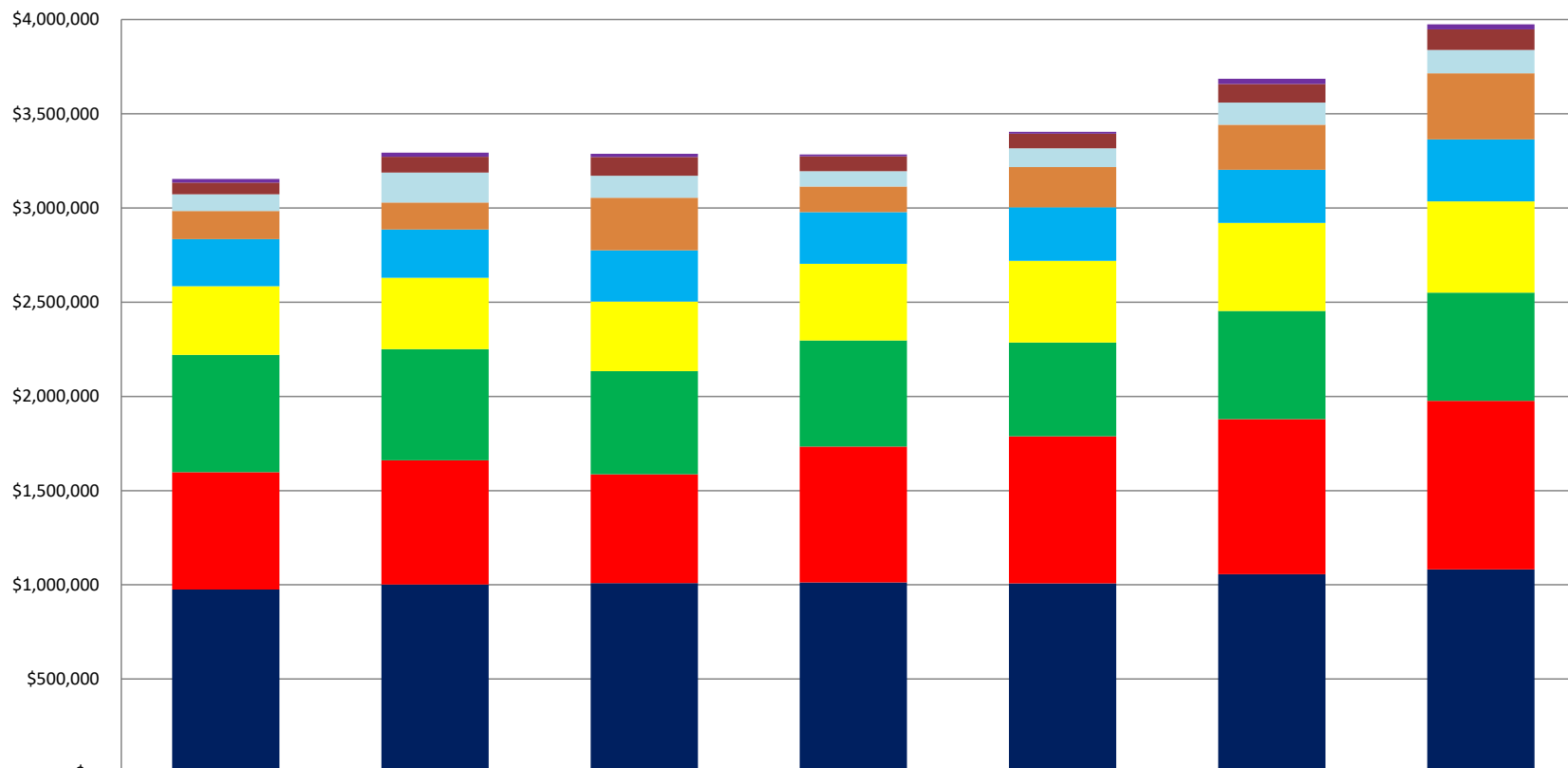
ACCT		PLANT	DISTRIBUTION	SERVICE	OFFICE	SUB-TOTAL	CHANGE
	<b><u>MAINTENANCE</u></b>						
701	Vehicle	1,500	2,000	1,200		\$ 4,700.00	
702	Equip/Machine	15,000	10,000	750		\$ 25,750.00	
703	Grounds	2,500			500	\$ 3,000.00	
704	Well Field	12,000				\$ 12,000.00	
705	Towers		500			\$ 500.00	
707	Reservoirs		500			\$ 500.00	
708	Booster Station		950			\$ 950.00	
709	Office Machine Maint.				3,000	\$ 3,000.00	
710	Heating & Air Cond.	1,000			700	\$ 1,700.00	
711	Building	3,500			2,000	\$ 5,500.00	
712	Computer	2,500	500		38,000	\$ 41,000.00	
713	Safety Equipment	500	1,600	1,000		\$ 3,100.00	
715	Generator	7,000				\$ 7,000.00	
	<b>Subtotal</b>	<b>\$45,500</b>	<b>\$16,050</b>	<b>\$2,950</b>	<b>\$44,200</b>	<b>\$108,700</b>	<b>10.13%</b>
	<b><u>CHEMICALS</u></b>						
801	Pebble-Lime	280,000				\$ 280,000.00	
802	Carbon-Dioxide	23,000				\$ 23,000.00	
803	Chlorine	44,000				\$ 44,000.00	
804	Fluoride	25,000				\$ 25,000.00	
805	Poly-Phosphate	18,000				\$ 18,000.00	
807	Polymer	9,000				\$ 9,000.00	
808	Sodium Chlorite	20,000				\$ 20,000.00	
908	Lime Sludge Removal	475,000				\$ 475,000.00	
	<b>Subtotal</b>	<b>\$894,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$894,000</b>	<b>8.69%</b>

**BUDGETED OPERATING EXPENSES  
2017 - 2018**



ACCT		PLANT	DISTRIBUTION	SERVICE	OFFICE	SUB-TOTAL	CHANGE
	<b><u>CONTRACT SERVICE</u></b>						
911	Laboratory	7,000				\$ 7,000.00	
902	Insurance				70,551	\$ 70,551.00	
904	Bank Services				13,000	\$ 13,000.00	
905	Cleaning				6,000	\$ 6,000.00	
906	Engineering				3,000	\$ 3,000.00	
907	Computer Programming				10,000	\$ 10,000.00	
909	Legal				12,000	\$ 12,000.00	
910	Accounting Service				14,000	\$ 14,000.00	
911	Postage				22,000	\$ 22,000.00	
912	Public Notices				11,000	\$ 11,000.00	
921	One-call phone				0	\$ -	
922	One-call Fees				3,500	\$ 3,500.00	
950	Bad-Debt				5,000	\$ 5,000.00	
853	Interest				160,405	\$ 160,405.00	
954	Board Compensation				900	\$ 900.00	
955	Returned Checks				1,000	\$ 1,000.00	
956	Overpayments				2,000	\$ 2,000.00	
958	Economic Dev				10,000	\$ 10,000.00	
	<b>Subtotal</b>	<b>\$7,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$344,356</b>	<b>\$351,356</b>	<b>47.48%</b>
	<b>GRAND TOTAL</b>	<b>\$2,206,948</b>	<b>\$633,484</b>	<b>\$242,192</b>	<b>\$892,366</b>	<b>\$3,974,989</b>	<b>7.86%</b>

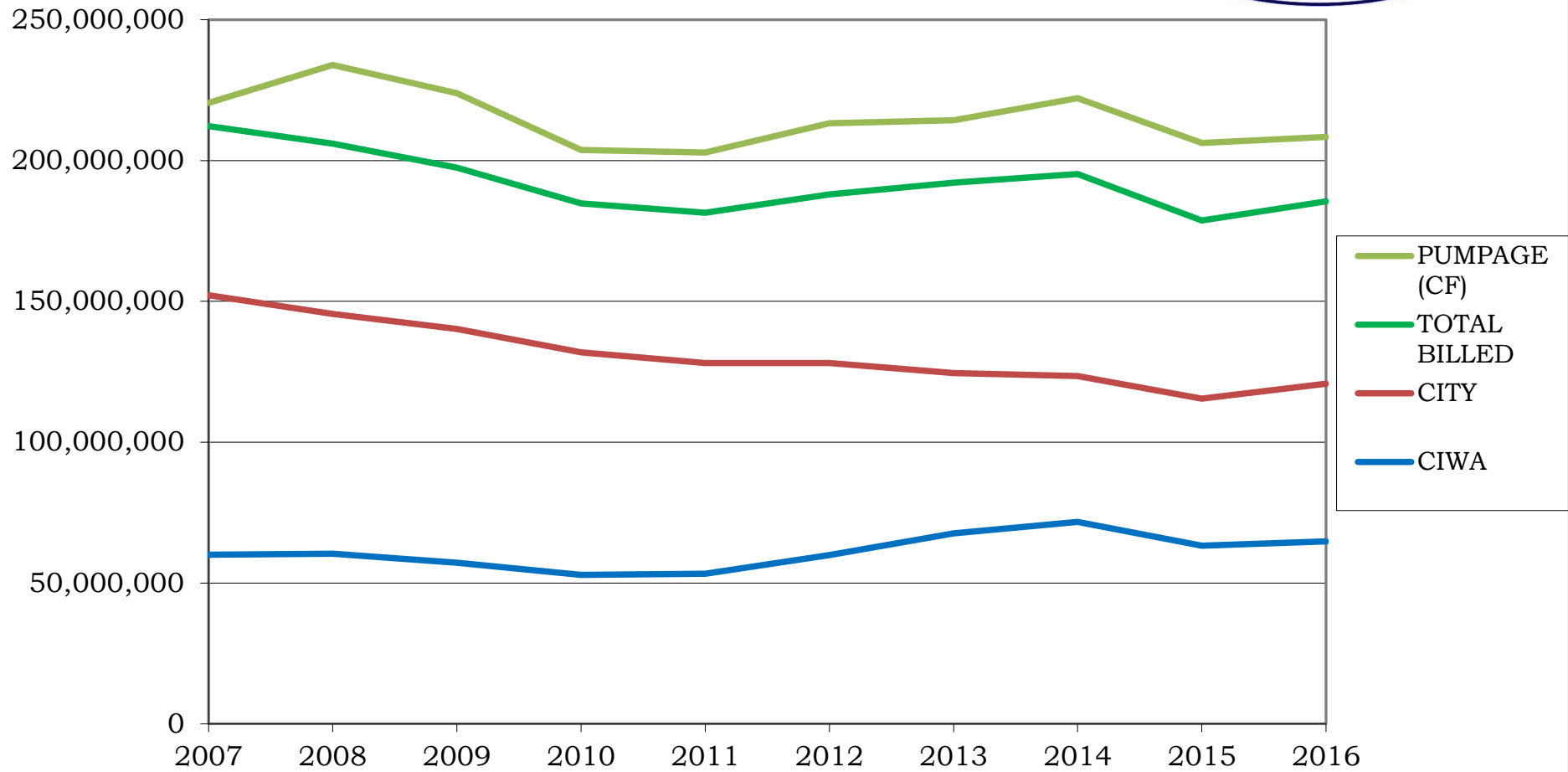
## HISTORICAL & PROJECTED EXPENDITURES



	2013	2014	2015	2016	2017 (EST)	2017 (BUDGET)	2018 (BUDGET)
■ FUELS & LUBS.	\$18,752	\$21,418	\$17,014	\$9,732	\$9,467	\$27,465	\$27,465
■ MAINTENANCE	\$62,596	\$83,695	\$99,567	\$79,624	\$78,373	\$98,700	\$108,700
■ SUPPLIES	\$88,973	\$159,323	\$116,559	\$80,592	\$99,684	\$117,980	\$124,180
■ CONTRACT SERVICES	\$148,640	\$143,635	\$278,558	\$136,321	\$212,669	\$238,233	\$351,356
■ UTILITIES	\$249,852	\$256,138	\$271,569	\$274,053	\$284,989	\$282,100	\$328,600
■ EMPLOYEE BEN.	\$363,981	\$378,437	\$369,173	\$407,004	\$432,867	\$466,719	\$483,842
■ DEPRECIATION	\$623,220	\$589,875	\$547,305	\$563,254	\$497,998	\$574,764	\$574,540
■ CHEMICALS	\$622,201	\$658,890	\$578,646	\$721,174	\$780,569	\$822,500	\$894,000
■ SALARIES	\$975,480	\$1,001,738	\$1,008,638	\$1,012,390	\$1,007,529	\$1,056,823	\$1,082,306



# MARSHALLTOWN WATER WORKS FISCAL YEAR BILLED CONSUMPTION (CF)



# Marshalltown Waterworks

EXHIBIT 1

## Water Enterprise Fund

Growth Assumptions	
Water Sales	0.00%
Personnel Expenses	2.50%
All Other Expenses	2.00%
Non-Water Sale Revenues	2.00%
Interest Rate	0.20%

Rate Adjustments (Excluding Wholesale Contracts)			
1-Jul-13	0.00%	1-Jul-17	6.00%
1-Jul-14	6.50%	1-Jul-18	6.00%
1-Jul-15	0.00%	1-Jul-19	4.50%
1-Jul-16	6.00%	1-Jul-20	4.50%

		Audited Financial Statements				YTD Actual	Budget	Projected	Projected	Projected	Projected
		FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Average \$ Per 100 CF	1	\$1,982	\$2,029	\$2,067	\$2,236	\$2,236	\$2,370	\$2,512	\$2,663	\$2,783	\$2,908
Average \$ - Central IA	2	\$0,925	\$0,985	\$0,985	\$1,056	\$1,056	\$1,119	\$1,186	\$1,257	\$1,314	\$1,373
Average \$ - Alliant	3	-	-	-	-	-	-	\$1,233	\$1,307	\$1,366	\$1,427
<b>WATER SALES (per 100 CF)</b>											
Total Usage	4	1,276,754	1,245,288	1,235,020	1,154,568	1,154,568	1,154,568	1,154,568	1,154,568	1,154,568	1,154,568
Central IA Usage	5	598,838	676,185	716,933	632,586	632,586	632,586	632,586	632,586	632,586	632,586
Alliant Usage	6	-	-	-	-	-	-	327,949	327,949	327,949	327,949
<b>Operating Revenues</b>											
Residential	7	\$1,356,850	\$1,426,968	\$1,430,063	\$1,453,089	\$1,473,263	\$1,503,926	\$1,594,162	\$1,689,812	\$1,765,853	\$1,845,317
Multi-Family	8	179,976	185,428	185,965	190,507	185,888	189,757	201,142	213,211	222,805	232,832
Commercial	9	446,971	432,400	437,663	449,465	459,857	469,428	497,594	527,449	551,184	575,988
Irrigation	10	87,577	54,397	60,085	23,560	40,572	41,416	43,901	46,535	48,629	50,818
Industrial	11	458,663	426,795	435,378	461,704	519,981	530,804	562,652	596,411	623,249	651,296
Non-metered	12	1,018	1,292	3,457	3,095	954	974	1,033	1,095	1,144	1,195
Subtotal Water Sales	13	\$2,531,055	\$2,527,280	\$2,552,611	\$2,581,420	\$2,680,515	\$2,736,305	\$2,900,484	\$3,074,513	\$3,212,866	\$3,357,445
Wholesale - Central IA	14	554,103	666,040	705,973	667,814	661,264	707,883	750,356	795,377	831,169	868,572
Alliant Sales - Usage	15	0	0	0	0	0	0	404,389	428,652	447,942	468,099
Alliant Sales - Meter Charge	16	0	0	0	0	0	0	0	0	0	0
Total Water Sales	17	\$3,085,158	\$3,193,320	\$3,258,584	\$3,249,234	\$3,341,779	\$3,444,188	\$4,055,228	\$4,298,542	\$4,491,976	\$4,694,115
City Contract Services	18	\$62,187	\$59,918	\$62,107	\$62,094	\$66,456	\$67,785	\$69,141	\$70,523	\$71,934	\$73,373
Penalties	19	33,753	30,984	35,729	38,877	33,943	34,622	35,314	36,021	36,741	37,476
Customer Service	20	25,907	19,277	23,418	212,903	14,660	14,953	15,252	15,557	15,868	16,186
Testing Laboratory	21	4,227	3,831	3,291	4,492	2,898	2,956	3,015	3,075	3,137	3,200
Total Operating Revenues	22	\$3,211,232	\$3,307,330	\$3,383,129	\$3,567,600	\$3,459,735	\$3,564,504	\$4,177,951	\$4,423,719	\$4,619,657	\$4,824,349

# Marshalltown Waterworks

EXHIBIT 1

## Water Enterprise Fund

Growth Assumptions	
Water Sales	0.00%
Personnel Expenses	2.50%
All Other Expenses	2.00%
Non-Water Sale Revenues	2.00%
Interest Rate	0.20%

Rate Adjustments (Excluding Wholesale Contracts)			
1-Jul-13	0.00%	1-Jul-17	6.00%
1-Jul-14	6.50%	1-Jul-18	6.00%
1-Jul-15	0.00%	1-Jul-19	4.50%
1-Jul-16	6.00%	1-Jul-20	4.50%

		Audited Financial Statements				YTD Actual	Budget	Projected	Projected	Projected	Projected
		FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
<b>Operating Expenditures</b>											
Salaries & Wages	23	\$929,585	\$975,480	\$1,001,738	\$1,008,638	\$1,019,868	\$1,056,823	\$1,083,244	\$1,110,325	\$1,138,083	\$1,166,535
Payroll Taxes & Benefits	24	344,843	363,981	378,437	369,173	417,480	466,719	478,387	490,347	502,605	515,170
Utilities	25	240,401	249,852	256,138	271,569	273,027	282,100	287,742	293,497	299,367	305,354
Fuels	26	23,405	18,752	21,418	17,014	10,397	27,465	28,014	28,575	29,146	29,729
Supplies	27	70,099	88,973	159,323	116,559	92,051	117,980	120,340	122,746	125,201	127,705
Repairs & Maintenance	28	70,922	62,596	83,695	99,567	67,503	98,700	100,674	102,687	104,741	106,836
Chemicals	29	608,949	622,201	658,890	578,646	347,562	822,500	986,133	1,005,856	1,025,973	1,046,492
Contract Services	30	3,522	3,436	8,263	3,850	508,403	16,000	16,320	16,646	16,979	17,319
Insurance	31	58,815	66,425	57,095	55,845	0	62,000	62,000	62,000	62,000	62,000
Professional Fees	32	13,742	17,465	15,405	16,995	0	29,000	29,580	30,172	30,775	31,391
Other Operating Expenses	33	33,696	30,998	31,420	34,696	0	40,450	41,259	42,084	42,926	43,784
Bad Debt Expense	34	0	0	0	0	0	5,000	5,000	5,000	5,000	5,000
Depreciation	35	620,942	623,220	589,875	547,305	537,199	574,764	574,764	574,764	574,764	574,764
Total Operating Expenditures	36	\$3,018,921	\$3,123,379	\$3,261,697	\$3,119,857	\$3,273,490	\$3,599,501	\$3,813,456	\$3,884,698	\$3,957,560	\$4,032,080
<b>Operating Income</b>	37	\$192,311	\$183,951	\$121,432	\$447,743	\$186,245	(\$34,997)	\$364,494	\$539,020	\$662,096	\$792,269
<b>Operating Income</b>	37	\$192,311	\$183,951	\$121,432	\$447,743	\$186,245	(\$34,997)	\$364,494	\$539,020	\$662,096	\$792,269
<b>Non-Operating Rev. / (Exp.)</b>											
Interest Income	38	\$8,879	\$6,149	\$5,462	\$5,503	\$5,412	\$3,106	\$2,849	\$1,989	\$1,861	\$1,785
Rentals	39	300	1,050	1,050	1,800	1,050	1,071	1,092	1,114	1,137	1,159
Miscellaneous Income	40	10,461	7,451	10,126	14,461	13,420	13,689	13,962	14,242	14,527	14,817
Miscellaneous Expenses	41	(23,446)	(23,648)	(24,238)	(18,849)	(16,900)	(19,400)	(19,788)	(20,184)	(20,587)	(20,999)
Add: Depreciation	42	620,942	623,220	589,875	547,305	537,199	574,764	574,764	574,764	574,764	574,764
<b>Net Revenue for Debt Service</b>	43	\$809,447	\$798,173	\$703,707	\$997,963	\$726,426	\$538,233	\$937,374	\$1,110,946	\$1,233,797	\$1,363,796
<b>Water Revenue Debt Service</b>											
Series 1998C Bonds	44	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Series 2009 Bonds	45	225,963	229,300	232,313	0	0	0	0	0	0	0
Proposed Series 2016 SRF	46	0	0	0	0	0	126,565	532,400	535,100	532,600	535,000
Total Water Revenue Debt	47	\$225,963	\$229,300	\$232,313	\$0	\$0	\$126,565	\$532,400	\$535,100	\$532,600	\$535,000
<b>Debt Service Coverage</b>											
Debt Coverage - Revenue Debt	48	3.58	3.48	3.03	N/A	N/A	4.25	1.76	2.08	2.32	2.55

# Marshalltown Waterworks

EXHIBIT 1

## Water Enterprise Fund

Growth Assumptions	
Water Sales	0.00%
Personnel Expenses	2.50%
All Other Expenses	2.00%
Non-Water Sale Revenues	2.00%
Interest Rate	0.20%

Rate Adjustments (Excluding Wholesale Contracts)			
1-Jul-13	0.00%	1-Jul-17	6.00%
1-Jul-14	6.50%	1-Jul-18	6.00%
1-Jul-15	0.00%	1-Jul-19	4.50%
1-Jul-16	6.00%	1-Jul-20	4.50%

		Audited Financial Statements				YTD Actual	Budget	Projected	Projected	Projected	Projected
		FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
<b>Cashflow After Debt Service</b>	49	\$583,485	\$568,873	\$471,395	\$997,963	\$726,426	\$411,668	\$404,974	\$575,846	\$701,197	\$828,796
Debt Proceeds	50	\$0	\$0	\$0	\$0	\$8,302,622	\$0	\$0	\$0	\$0	\$0
Capital Expenditures	51	(291,490)	(373,965)	(401,247)	(348,697)	(10,000,807)	(540,000)	(835,000)	(640,000)	(739,000)	(739,000)
Misc Sources / Uses	52	(96,384)	96,473	246,467	(32,715)	0	0	0	0	0	0
Transfers (Out) / In - Other	53	0	0	0	0	0	0	0	0	0	0
Transfer (Out) / In - Res. & Des.	54	(8,249)	(871)	11,953	(6,495)	0	0	400,757	0	0	0
Transfer (Out) / In - Held for City	55	7,357	(3,811)	(97,830)	(96,215)	0	0	0	0	0	0
<b>Annual Surplus / (Deficit)</b>	56	<b>\$194,719</b>	<b>\$286,699</b>	<b>\$230,738</b>	<b>\$513,841</b>	<b>(\$971,759)</b>	<b>(\$128,332)</b>	<b>(\$29,269)</b>	<b>(\$64,154)</b>	<b>(\$37,803)</b>	<b>\$89,796</b>
<b>Unrestricted Cash Balance</b>											
Beginning Cash Balance	57	\$823,445	\$1,018,163	\$1,304,862	\$1,535,600	\$2,049,441	\$1,077,682	\$949,350	\$920,081	\$855,926	\$818,123
Annual Surplus / (Deficit)	58	194,719	286,699	230,738	513,841	(971,759)	(128,332)	(29,269)	(64,154)	(37,803)	89,796
<b>Ending Cash Balance</b>	59	<b>\$1,018,163</b>	<b>\$1,304,862</b>	<b>\$1,535,600</b>	<b>\$2,049,441</b>	<b>\$1,077,682</b>	<b>\$949,350</b>	<b>\$920,081</b>	<b>\$855,926</b>	<b>\$818,123</b>	<b>\$907,919</b>
Cash Balance as % of O & M	60	42%	52%	57%	80%	39%	31%	28%	26%	24%	26%
<b>Restricted &amp; Designated Cash</b>											
Sinking Fund	61	\$19,108	\$19,360	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water Deposits Fund	62	57,540	60,785	67,940	74,480	74,480	74,480	74,480	74,480	74,480	74,480
Capital Reserve Fund	63	403,176	400,550	400,802	400,757	400,757	400,757	0	0	0	0
Debt Service Reserve Fund	64	0	0	0	0	0	0	0	0	0	0
Improvement Reserve Fund	65	0	0	0	0	0	0	0	0	0	0
<b>Total Restricted &amp; Designated Cash</b>	66	<b>\$479,824</b>	<b>\$480,695</b>	<b>\$468,742</b>	<b>\$475,237</b>	<b>\$475,237</b>	<b>\$475,237</b>	<b>\$74,480</b>	<b>\$74,480</b>	<b>\$74,480</b>	<b>\$74,480</b>
<b>Cash Held For City</b>											
Sewer Deposit Fund	67	\$77,510	\$82,280	\$92,205	\$99,515	\$99,515	\$99,515	\$99,515	\$99,515	\$99,515	\$99,515
Sewer Cash	68	204,288	206,442	263,300	330,692	330,692	330,692	330,692	330,692	330,692	330,692
Storm Sewer Cash	69	22,589	19,940	49,815	68,847	68,847	68,847	68,847	68,847	68,847	68,847
Landfill Cash	70	10,501	10,037	11,209	13,690	13,690	13,690	13,690	13,690	13,690	13,690
<b>Total Cash Held for City</b>	71	<b>\$314,888</b>	<b>\$318,699</b>	<b>\$416,529</b>	<b>\$512,744</b>	<b>\$512,744</b>	<b>\$512,744</b>	<b>\$512,744</b>	<b>\$512,744</b>	<b>\$512,744</b>	<b>\$512,744</b>
<b>Total Cash Balance</b>	72	<b>\$1,812,875</b>	<b>\$2,104,256</b>	<b>\$2,420,871</b>	<b>\$3,037,422</b>	<b>\$2,065,663</b>	<b>\$1,937,331</b>	<b>\$1,507,305</b>	<b>\$1,443,150</b>	<b>\$1,405,347</b>	<b>\$1,495,143</b>

# Marshalltown Waterworks

## Water Enterprise Fund

Growth Assumptions	
Water Sales	0.00%
Personnel Expenses	2.50%
All Other Expenses	2.00%
Non-Water Sale Revenues	2.00%
Interest Rate	0.20%

Rate Adjustments (Excluding Wholesale Contracts)			
1-Jul-13	0.00%	1-Jul-17	6.00%
1-Jul-14	6.50%	1-Jul-18	6.00%
1-Jul-15	0.00%	1-Jul-19	4.50%
1-Jul-16	6.00%	1-Jul-20	4.50%

Audited Financial Statements				YTD Actual	Budget	Projected	Projected	Projected	Projected
FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
<b>Capital Expenditures</b>									
				\$8,250,807	\$0	\$0	\$0	\$0	\$0
				1,102,000	515,000	505,000	560,000	704,000	704,000
				648,000	25,000	1,030,000	280,000	35,000	35,000
				0	0	(700,000)	(200,000)	0	0
				\$10,000,807	\$540,000	\$835,000	\$640,000	\$739,000	\$739,000

## Estimated Amortization Schedule

**Marshalltown Water Works  
Water Revenue Bond  
FS-64-16-DWSRF-005**



### Loan summary

Loan Closing Date	Jul 29, 2016
Final Disbursement Date	May 5, 2017
Final Maturity Date	Jun 1, 2036
Loan Period in Years	20
Total Loaned Amount	\$ 8,344,000.00
0.5% Initiation Fee	41,720.00
Net Proceeds to Borrower	\$ 8,302,280.00
Annual Interest Rate	1.75%
Total Interest	\$ 1,512,249.98
Servicing Fee Rate	0.25%
Total Servicing Fees	\$ 216,035.72
Total Loan Costs	\$ 1,770,005.70

### Estimated Draw Schedule

Initiation Fee -	Jul 29, 2016	41,720.00
P & D Payoff -	Jul 29, 2016	-
Estimated Draw #1-	Jul 29, 2016	829,728.00
Estimated Draw #2-	Aug 26, 2016	829,728.00
Estimated Draw #3-	Sep 23, 2016	829,728.00
Estimated Draw #4-	Oct 21, 2016	829,728.00
Estimated Draw #5-	Nov 18, 2016	829,728.00
Estimated Draw #6-	Dec 16, 2016	829,728.00
Estimated Draw #7-	Jan 13, 2017	829,728.00
Estimated Draw #8-	Feb 10, 2017	829,728.00
Estimated Draw #9-	Mar 10, 2017	829,728.00
Estimated Draw #10-	Apr 7, 2017	829,728.00
Held for Final Docs -	May 5, 2017	5,000.00
Total Loaned Amount		8,344,000.00

Total Loaned less forgivable **\$ 7,901,500.00**

Amount Forgiven - May 5, 2017 **442,500.00**

Payment Date	Beginning Balance	Principal	Interest	Servicing Fee	Total Loan Payment	Total Annual Debt Service	Ending Balance
Dec 1, 2016	3,360,632.00		13,355.97	1,908.00	15,263.97		3,360,632.00
Jun 1, 2017	8,339,000.00	324,500.00	59,333.36	8,476.19	392,309.55	407,573.52	8,014,500.00
Dec 1, 2017	7,577,000.00		70,176.94	10,025.28	80,202.22		7,577,000.00
Jun 1, 2018	7,577,000.00	332,000.00	70,170.62	10,024.38	412,195.00	492,397.21	7,245,000.00
Dec 1, 2018	7,245,000.00		67,265.62	9,609.38	76,875.00		7,245,000.00
Jun 1, 2019	7,245,000.00	338,000.00	67,265.62	9,609.38	414,875.00	491,749.99	6,907,000.00
Dec 1, 2019	6,907,000.00		64,308.12	9,186.88	73,495.00		6,907,000.00
Jun 1, 2020	6,907,000.00	345,000.00	64,308.12	9,186.88	418,495.00	491,989.99	6,562,000.00
Dec 1, 2020	6,562,000.00		61,289.37	8,755.63	70,045.00		6,562,000.00
Jun 1, 2021	6,562,000.00	352,000.00	61,289.37	8,755.63	422,045.00	492,089.99	6,210,000.00
Dec 1, 2021	6,210,000.00		58,209.37	8,315.63	66,525.00		6,210,000.00
Jun 1, 2022	6,210,000.00	359,000.00	54,337.50	7,762.50	421,100.00	487,625.00	5,851,000.00
Dec 1, 2022	5,851,000.00		51,196.25	7,313.75	58,510.00		5,851,000.00
Jun 1, 2023	5,851,000.00	366,000.00	51,196.25	7,313.75	424,510.00	483,020.00	5,485,000.00
Dec 1, 2023	5,485,000.00		47,993.75	6,856.25	54,850.00		5,485,000.00
Jun 1, 2024	5,485,000.00	374,000.00	47,993.75	6,856.25	428,850.00	483,700.00	5,111,000.00
Dec 1, 2024	5,111,000.00		44,721.25	6,388.75	51,110.00		5,111,000.00
Jun 1, 2025	5,111,000.00	381,000.00	44,721.25	6,388.75	432,110.00	483,220.00	4,730,000.00
Dec 1, 2025	4,730,000.00		41,387.50	5,912.50	47,300.00		4,730,000.00
Jun 1, 2026	4,730,000.00	389,000.00	41,387.50	5,912.50	436,300.00	483,600.00	4,341,000.00
Dec 1, 2026	4,341,000.00		37,983.75	5,426.25	43,410.00		4,341,000.00
Jun 1, 2027	4,341,000.00	396,000.00	37,983.75	5,426.25	439,410.00	482,820.00	3,945,000.00
Dec 1, 2027	3,945,000.00		34,518.75	4,931.25	39,450.00		3,945,000.00
Jun 1, 2028	3,945,000.00	404,000.00	34,518.75	4,931.25	443,450.00	482,900.00	3,541,000.00
Dec 1, 2028	3,541,000.00		30,983.75	4,426.25	35,410.00		3,541,000.00
Jun 1, 2029	3,541,000.00	412,000.00	30,983.75	4,426.25	447,410.00	482,820.00	3,129,000.00
Dec 1, 2029	3,129,000.00		27,378.75	3,911.25	31,290.00		3,129,000.00
Jun 1, 2030	3,129,000.00	421,000.00	27,378.75	3,911.25	452,290.00	483,580.00	2,708,000.00
Dec 1, 2030	2,708,000.00		23,695.00	3,385.00	27,080.00		2,708,000.00
Jun 1, 2031	2,708,000.00	429,000.00	23,695.00	3,385.00	456,080.00	483,160.00	2,279,000.00
Dec 1, 2031	2,279,000.00		19,941.25	2,848.75	22,790.00		2,279,000.00
Jun 1, 2032	2,279,000.00	438,000.00	19,941.25	2,848.75	460,790.00	483,580.00	1,841,000.00
Dec 1, 2032	1,841,000.00		16,108.75	2,301.25	18,410.00		1,841,000.00
Jun 1, 2033	1,841,000.00	447,000.00	16,108.75	2,301.25	465,410.00	483,820.00	1,394,000.00
Dec 1, 2033	1,394,000.00		12,197.50	1,742.50	13,940.00		1,394,000.00
Jun 1, 2034	1,394,000.00	455,000.00	12,197.50	1,742.50	468,940.00	482,880.00	939,000.00
Dec 1, 2034	939,000.00		8,216.25	1,173.75	9,390.00		939,000.00
Jun 1, 2035	939,000.00	465,000.00	8,216.25	1,173.75	474,390.00	483,780.00	474,000.00
Dec 1, 2035	474,000.00		4,147.50	592.50	4,740.00		474,000.00
Jun 1, 2036	474,000.00	474,000.00	4,147.50	592.50	478,740.00	483,480.00	0.00

RESOLUTION SETTING PUBLIC HEARING  
ON PROPOSED 2017-2018 FISCAL YEAR BUDGET  
FOR THE MARSHALLTOWN WATER WORKS

WHEREAS, there is now on file in the office of the Secretary of the Water Works Board of Trustees, the proposed 2017-2018 Fiscal Year Budget for the Marshalltown Water Works of Marshalltown, Iowa, and

WHEREAS, the Secretary is hereby directed to publish Notice of Hearing on the proposed 2017-2018 Fiscal Year Budget in the manner provided by law for the public body outlined herein and that any person interested therein may appear and make objections thereto, if any he has. This Board will meet in the Water Works Office, 205 East State Street, Marshalltown, Iowa at 4:00 PM local time on the 20<sup>th</sup> day of February, 2017 for the purpose of hearing all of said objections so made and for taking final action upon the 2017-2018 Fiscal Year Budget.

Passed this 2<sup>nd</sup> day of February, 2017 and signed this 2<sup>nd</sup> day of February, 2017.

---

Kenn Vinson, Chairman  
Water Works Board of Trustees

ATTEST:

---

Steven Sincox, Secretary