

WATER BOARD OF TRUSTEES
Regular Meeting
September 10, 2018
4:00 PM
Location: 1208 South 7th St.

Agenda

1. Approve Agenda.
2. Approve minutes of the August 9, 2018 regular meeting.
3. Approve invoices and Financial Statements.
4. Customer Forum.
5. Approve acceptance of the annual financial report for fiscal year 2017-2018 as prepared by Hunt and Associates, P.C.
6. Consideration and discussion of pay application #3 from Dave Schmitt Construction Company, Inc. for South D water main replacement.
7. Consideration and discussion of merit based pay scale for Oskaloosa Municipal Water Department employees.
8. Consideration and discussion of language for Oskaloosa City Code as it pertains to Oskaloosa Municipal Water Department operations.
9. Discussion of wastewater operations.
10. General Manager's update.
11. Updates from members of the Board of Trustees.
12. Adjourn.

Agenda Item #4

Chair – Please read this statement to the audience.

“This is the item reserved to receive comments from the community, our customers, for concerns whether or not they are included in the current agenda. The community is encouraged to come and speak before the Water Board of Trustees and asked to keep statements brief. Any questions are to be asked of the Water Department staff and Board of Trustee members prior to speaking to the full Board of Trustees so concerns may be properly researched and answered away from the meeting. Comments are to be directed to the Board of Trustees only.”

There are no items at the time the agenda was prepared.

Agenda Item #5

Doug Hunt will be in attendance to discuss the findings of the audit with the Board of Trustees and Ex Officio members. Hard copies of the audit will be available at the meeting and digital copies will be attached to the agenda packets.

Agenda Item #6

In your packets you will find information that has been provided through Garden & Associates for Pay Application #3 from Dave Schmitt Construction for the South D Street project. The City Council considered this application at their meeting held September 4th. The water main work is Division 2 for this project when you are looking at the information. As this is an Iowa DOT bid project, there is only a 3% retainage allowed. On this application there is a cumulative total of \$325,434.35 worth of work that has been completed and verified by Garden & Associates. The retainage holds back \$7,015.90, leaving \$318,418.45. Previous pay applications paid down \$173,965.58, which leaves \$144,452.87 due and owing on this application. The original contract amount was \$366,650.00. This leaves a balance of \$41,215.65 on the original contracted amount. I recommend approving the application as submitted.

	Div. 1 Part.	Div. 1 Non-Part.	Div. 2 Non-Part.	Div. 3 Non-Part.	Total	
Total Completed to Date =	\$1,038,013.71	\$7,606.75	\$325,434.35	\$20,503.60	\$1,391,558.41	48.97%
Amount Retained (@3%, \$30,000 Max.) =	\$22,378.08	\$163.99	\$7,015.90	\$442.03	\$30,000.00	
Total Completed Less Retainage =	\$1,015,635.63	\$7,442.76	\$318,418.45	\$20,061.57	\$1,361,558.41	
Less Previous Payments to Contractor =	\$519,185.89	\$7,378.55	\$173,965.58	\$15,882.39	\$716,412.41	
Amount Due Contractor this Application =	\$496,449.74	\$64.21	\$144,452.87	\$4,179.18	\$645,146.00	

This is as shown in the City Council agenda packet for the breakdown.

<u>Summary of Pay Requests</u>				
	Public Works (A)	Water Dept. (B)	Total Payment (A+B)	Approval Date
Application #1	\$159,743.30	\$144,596.50	\$304,339.80	07/02/18
Application #2	\$382,703.53	\$29,369.08	\$412,072.61	08/06/18
Application #3*	\$500,693.13	\$144,452.87	\$645,146.00	09/04/18
Total	\$1,043,139.96	\$318,418.45	\$1,361,558.41	
Retainage	\$22,984.10	\$7,015.90	\$30,000.00	
Remaining	\$1,408,775.83	\$41,215.65	\$1,449,991.48	

Agenda Item #7

Back in June there was a proposal to move to the merit based pay format. At that time the Board discussed waiting to implement until employees had the opportunity to have the system explained and how it would impact future pay increases. Those conversations have happened and it is time to move forward with approving the system. I will include the original information with the agenda packet that shows the matrix and how it will be applied using annual employee evaluations. Staff recommends approving this item.

Agenda Item #8

This item pertains to the difference in language between Oskaloosa City Code and OMWD Code section **2.2.3**, which states;

Metering of Manufactured Home Complexes

Each manufactured home complex must master meter the private water main serving the complex. Meter pits and individual meters are not permitted.

The City is proposing to modify their code language as follows:

SECTION 1. Section 13.04.150 of the Oskaloosa City Code is hereby amended by the deletion therefrom of the current language and text and the insertion in lieu thereof the following:

“ A. A joint service connection shall not be allowed except as otherwise specifically provided in this section.

B. A curb box and curb cock must be installed for each tenant and a separate service pipe must be installed from the main through the curb box to each water meter; except that only one curb box and curb cock shall be installed for all tenants of a house or building housing more than one tenant or for a manufactured home complex or trailer park, in which case the owner of the real estate shall be liable for the payment of all water rentals for said premises.”

SECTION 2. Section 13.04.170 of the Oskaloosa City Code is hereby amended by the deletion therefrom of the current language and text and the insertion in lieu thereof the following:

“Except as otherwise provided and permitted under Ordinance 13.04.150, there shall be installed a meter valve of approved design on each service pipe at the point where it initially enters the building or property served. Valve design is to be approved by the city water department.”

The City Manager and City Attorney worked with OMWD staff to make the necessary changes so that OMWD can move forward with addressing the issue as raised in a previous legal decision. In discussing this issue with the City Manager, it was noted that the Water Board Trustees should make a recommendation

to the City Council approving of the wording changes. As such, a motion approving the changes and recommendation to the City Council is also being recommended at this time by staff.

Agenda Item #9

Collection System Operations:

Performed smoke testing at the Armory lift station, World Foods, and International Ingredients and found some issues that need to be addressed. Assisted contractor with a sewer main repair on North 9th Street, worked on televising the system for the Phase 3 project in conjunction with Garden & Associates, helped verify lateral lines for the homes on South D in relation to the ongoing CIP project as well as televising for the contractor working on the Phase 2 CIP project. There was work on the M Street lift station bar rake thermal overload that continued to fail and needs to be replaced. Performed complaint inspections for various property owners related to recent rainfall events and dealt with numerous alarm calls from lift stations also due to the rain. Staff also attended different classes this month to maintain CEU's for certification licensing. The contractor on the South D project is progressing with installation of sewer main. The only stretch still remaining is across the intersection of High Avenue and South D Street.

Plant Operations:

Staff hauled sludge from the north plant, as well as Oskaloosa Food Products, to the digester at the south plant. The semi-tractor was taken to a mechanic to repair an issue with overheating that has been occurring. The backflow preventers in the digester at the south plant were installed by a contractor, this was an item raised by Fox Engineering that we were able to complete outside of the upcoming short term improvements. Staff worked with different suppliers to verify information on the in-plant sewer pumps that have failed and need to be replaced. The VFD (variable frequency drive) for one of the pumps at the north plant has failed. Staff are working with our system integrator to determine how to best move forward. There is also a VFD at the south plant lift station that has failed. A PO has been approved and we are waiting for the unit to be delivered and installed, meanwhile another one of the pumps appeared to have failed in the same lift station, but it was repaired by our integrator rather inexpensively. The high rainfall and pump failures at the lift station caused a small bypass that was reported to the DNR. Blower #4 at the south plant was taken off-line for repairs. There are parts on order to complete the work. Staff have started mixing the digester so that when crops are out we can start applying bio-solids.

Fox Engineering presented at a study session for the City Council regarding the short term improvements needed at the plants on Tuesday the 4th. At the City Council meeting following, the Council approved acceptance of the report. There is a meeting scheduled at the end of September with Fox and staff to review to work before it goes to bid. There is a hard copy at the office should anyone care to review the report.

Storm Water Operations:

Staff obtained and delivered parts that will be used to relocate storm water infrastructure on the corner of 6th Avenue West and South D Street. This is separate from the South D project. For this work, the City paid for materials and a developer is paying for the installation to make a lot development ready. Staff investigated complaints related to heavy amounts of rainfall and had to remove some pallets that were blocking flow in a ditch on South B Street.

Agenda Item #10

Distribution Operations:

There was one leak this last month not associated with the South D project and that was on a stretch of 2" cast iron main along North Park. There were a couple of leaks on South D related to the construction one of which happened when the contractor hit the old 12" cast main and split it. The good news is that the new storm water infrastructure was able to handle all of the water. Crews worked with the contractor to isolate the area and provide temporary service for customers until everything was back up and running. We have received our construction permit from the DNR and started installing the new 8" water main on B Avenue

West that will supply the new apartment complex. We worked with Mahaska Rural Water to bore several hundred feet and then staff will open cut through the intersection of B Avenue and North L to tie-in to the existing main on the east side until the new main is installed in conjunction with the North L and A Avenue project next spring. Garden is about done with the design work for that project and we will be presenting that to the Board for approval at a future date. We have filled the north water tower and are waiting on bacteriological testing results before returning that tank to service. Once that has been returned to service the contractors are ready to start work on the south tower. We are getting a different set of sub-contractors for the south tower than we had for the north tower. All of the water main for the South D project is installed. They are just waiting for test results there as well to tie-over services and then the water side of the work will be done. As noted in the pay application notes, there is only a minimal amount left on the contract that has not yet been paid. Water main is installed in the new Marje subdivision. The first set of bacteriological tests failed so the contractor is rechlorinating the line and will flush and then resample. We did make the tie-in tap on South 5th Street for this project to connect back in to our system. When the second phase of this project is ready we will complete that tap as well.

Plant Operations:

Currently the South Skunk River is out of its banks. With all of the recent rainfall, we are watching the river forecasts to determine future actions. At this time we are planning to continue with normal operations. There have been a couple of different maintenance items that have come up that staff have been dealing with, nothing of major concern at this time. Production for August followed July's lead and remained lower than previous years.

Office Operations:

We were down to 60 service disconnects this last month. We have battled some different computer issues over the course of the month. Some we were able to handle ourselves and others required the services of Access Systems as noted in the payables. We have completed the interview process and offered the position to Tammy Vos. She will start on September 17th. We will work to have staff introductions at a future Board meeting. Last month the need to change dates for the October meeting was mentioned. I had the wrong dates for the AWWA meeting and would be able to have the meeting later the week of the 8th if necessary. Work on the Waste Water budget has begun. Staff are working on the operations side as well as the equipment side of the CIP budget.

Agenda Item #11

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

CITY OF OSKALOOSA
MUNICIPAL WATER DEPARTMENT
OSKALOOSA, IOWA

INDEPENDENT AUDITOR'S REPORTS
BASIC FINANCIAL STATEMENTS
SUPPLEMENTARY AND OTHER INFORMATION
SCHEDULE OF FINDINGS

June 30, 2018

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CITY OF OSKALOOSA
MUNICIPAL WATER DEPARTMENT

WATERWORKS OFFICIALS

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Mike Vore	Chairman	July, 2018
Kevin Tacke	Secretary	July, 2018
Brad Hodges	Trustee	July, 2020
Jason Carter	Trustee	July, 2022
Dan Nance	Trustee	July, 2022
Chad Coon	General Manager	Indefinite
Crystal Breuklander	Office Manager	Indefinite
Cindy Scholtus	Billings Clerk	Indefinite
Diane Brand	Customer Service	Indefinite
David Dixon	Attorney	Indefinite

DOUGLAS T. HUNT, CPA
DONALD D. KAIN
CHUCK C. CONVERSE, CPA
RUSSELL S. TERPSTRA, CPA
MICHAEL G. STANLEY, CPA
DEE A.A. HOKE, CPA

HUNT & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
City of Oskaloosa Municipal Water Department
Oskaloosa, Iowa

Report on the Financial Statements

We have audited the accompanying financial statements of the business type activities, each major fund and the aggregate remaining fund information of the City of Oskaloosa Municipal Water Department, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Water Department's basic financial statements listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1. This includes determining the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. This includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Water Department's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Water Department's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the business type activities, each major fund and the aggregate remaining fund information of the City of Oskaloosa Municipal Water Department as of June 30, 2018, and the respective changes in cash basis financial position for the year then ended in accordance with the basis of accounting described in note 1.

Basis of Accounting

As described in Note 1, these financial statements were prepared on the basis of cash receipts and disbursements, which is a basis of accounting other than U.S. generally accepted accounting principles. Our opinion is not modified with respect to this matter.

Emphasis of a Matter

As discussed in Note 6 to the financial statements, the City of Oskaloosa Municipal Water Department adopted new accounting guidance related to Governmental Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. Our opinions are not modified with respect to this matter.

Other Matters*Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Oskaloosa Municipal Water Department's basic financial statements. The supplementary information included in Schedules 1 through 2 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The other information, budgetary comparison information, the schedule of the Water Department's Proportionate Share of the Net Pension Liability and the Schedule of Water Department Contributions on pages 26 through 32 has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

The City of Oskaloosa Municipal Water Department has not presented management's discussion and analysis which introduces the basic financial statements by presenting certain financial information as well as management's analytical insights on that information that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of the basic financial statements.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated September 6, 2018 on our consideration of the City of Oskaloosa Municipal Water Department's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City of Oskaloosa Municipal Water Department's internal control over financial reporting and compliance.

Hunt + Associates, P.C.

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Basic Financial Statements

CITY OF OSKALOOSA
MUNICIPAL WATER DEPARTMENT

CASH BASIS STATEMENT OF ACTIVITIES AND NET POSITION
As of and for the year ended June 30, 2018

	<u>Disbursements</u>	<u>Program Receipts</u> Charges for Services	Net (Disbursements) <u>Receipts</u>
Functions/Programs:			
Business Type Activities:			
Water operating	\$ 2,479,900	\$ 3,151,622	\$ 671,722
Debt service	419,610	-	(419,610)
Meter replacements	100,000	-	(100,000)
	<u>\$ 2,999,510</u>	<u>\$ 3,151,622</u>	<u>\$ 152,112</u>
General receipts:			
Unrestricted investment earnings			12,682
Rents collected			35,398
Miscellaneous			<u>460,969</u>
Total general receipts			<u>509,049</u>
Change in cash basis net position			661,161
Cash basis net position beginning of year			<u>1,497,693</u>
Cash basis net position end of year			<u>\$ 2,158,854</u>
Cash basis net position:			
Restricted:			
Expendable:			
Debt service			\$ 34,965
Unrestricted			<u>2,123,889</u>
Total cash basis net position			<u>\$ 2,158,854</u>

See notes to financial statements.

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CITY OF OSKALOOSA
MUNICIPAL WATER DEPARTMENT

STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BALANCES
PROPRIETARY FUNDS

As of and for the year ended June 30, 2018

	Enterprise Funds			Total
	Water Utility Operating	Designated for Meter Replacement	Sinking Fund	
Operating receipts:				
Use of money and property:				
Meter rent	\$ 26,094	\$ -	\$ -	\$ 26,094
House and land rent	4,360	-	-	4,360
Sprinkler and hydrant rent	4,944	-	-	4,944
	<u>35,398</u>	<u>-</u>	<u>-</u>	<u>35,398</u>
Charges for services:				
Meter water sales	2,856,562	-	-	2,856,562
Late and inspection fees	77,123	-	-	77,123
Labor charges	10,657	-	-	10,657
Sales tax collected	207,280	-	-	207,280
	<u>3,151,622</u>	<u>-</u>	<u>-</u>	<u>3,151,622</u>
Miscellaneous:				
Materials sold	12,589	-	-	12,589
Reimbursements/refunds	410,922	-	-	410,922
Tower rental	20,700	-	-	20,700
Miscellaneous	16,758	-	-	16,758
	<u>460,969</u>	<u>-</u>	<u>-</u>	<u>460,969</u>
Total operating receipts	<u>3,647,989</u>	<u>-</u>	<u>-</u>	<u>3,647,989</u>
Operating Disbursements:				
Business type activities:				
Administration:				
Labor	261,437	-	-	261,437
Related labor expenses	42,669	-	-	42,669
Health insurance	167,836	-	-	167,836
Publications	1,875	-	-	1,875
Audit fees	10,350	-	-	10,350
Computer expense	26,021	-	-	26,021
Insurance	54,215	-	-	54,215
Postage	28,226	-	-	28,226
Meter reading service	55,376	-	-	55,376
Telephone	7,519	-	-	7,519
Dues and subscriptions	6,226	-	-	6,226
Education/Seminars	500	-	-	500
Custodial expense	1,896	-	-	1,896
Legal expense	2,623	-	-	2,623

CITY OF OSKALOOSA
MUNICIPAL WATER DEPARTMENT

STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BALANCES
PROPRIETARY FUNDS

As of and for the year ended June 30, 2018

	Enterprise Funds			Total
	Water Utility Operating	Designated for Meter Replacement	Sinking Fund	
Operating Disbursements (continued):				
Business type activities (continued):				
Administration (continued):				
Office supplies	\$ 10,870	\$ -	\$ -	10,870
Miscellaneous supplies	1,022	-	-	1,022
Credit card fees	9,562	-	-	9,562
Capital Outlay	13,913	-	-	13,913
	<u>702,136</u>	<u>-</u>	<u>-</u>	<u>702,136</u>
Plant operation and maintenance:				
Labor	89,810	-	-	89,810
Related labor expenses	14,891	-	-	14,891
Lab expense	17,743	-	-	17,743
Maintenance:				
Buildings	10,420	-	-	10,420
Wells	112,305	-	-	112,305
Grounds	12,956	-	-	12,956
Machinery	68,546	-	-	68,546
Education/Seminars	2,430	-	-	2,430
Utilities	70,073	-	-	70,073
Miscellaneous supplies	1,078	-	-	1,078
Miscellaneous expense	1,826	-	-	1,826
Chemicals	200,079	-	-	200,079
Capital Outlay	20,000	-	-	20,000
	<u>622,157</u>	<u>-</u>	<u>-</u>	<u>622,157</u>
Distribution operations:				
Labor	173,262	-	-	173,262
Related labor expenses	28,727	-	-	28,727
Uniforms	1,025	-	-	1,025
Maintenance:				
Meters	5,663	-	-	5,663
Water system	121,364	-	-	121,364
Building	1,883	-	-	1,883
Machinery	3,457	-	-	3,457
Gasoline	10,960	-	-	10,960
Truck expense	5,809	-	-	5,809
Education/Seminars	5,237	-	-	5,237
Utilities	4,557	-	-	4,557
Small tools	3,359	-	-	3,359
Miscellaneous supplies	3,611	-	-	3,611

CITY OF OSKALOOSA
MUNICIPAL WATER DEPARTMENT

STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BALANCES
PROPRIETARY FUNDS

As of and for the year ended June 30, 2018

	Enterprise Funds			
	Water Utility Operating	Designated for Meter Replacement	Sinking Fund	Total
Operating Disbursements (continued):				
Business type activities (continued):				
Distribution operations				
(continued):				
Miscellaneous expense	\$ 1,216	\$ -	\$ -	\$ 1,216
Capital outlay and replacements	168,591	100,000	-	268,591
Debt service	-	-	419,610	419,610
	<u>538,721</u>	<u>100,000</u>	<u>419,610</u>	<u>1,058,331</u>
Total water disbursements	<u>1,863,014</u>	<u>100,000</u>	<u>419,610</u>	<u>2,382,624</u>
Waste Water Treatment:				
Labor	128,499	-	-	128,499
Related labor expenses	21,344	-	-	21,344
Health insurance	31,208	-	-	31,208
Uniforms	323	-	-	323
Miscellaneous	240	-	-	240
	<u>181,614</u>	<u>-</u>	<u>-</u>	<u>181,374</u>
Waste Water Collections:				
Labor	157,724	-	-	157,724
Related labor expenses	24,931	-	-	24,931
Health insurance	44,993	-	-	44,993
Uniforms	550	-	-	550
Miscellaneous	660	-	-	660
	<u>228,858</u>	<u>-</u>	<u>-</u>	<u>228,858</u>
Waste Water Storm Water:				
Labor	385	-	-	385
Related labor expenses	64	-	-	64
	<u>449</u>	<u>-</u>	<u>-</u>	<u>449</u>
Total waste water disbursements	<u>410,921</u>	<u>-</u>	<u>-</u>	<u>410,921</u>
Other:				
Sales tax remitted	205,965	-	-	205,965
	<u>205,965</u>	<u>-</u>	<u>-</u>	<u>205,965</u>
Total operating disbursements	<u>2,479,900</u>	<u>100,000</u>	<u>419,610</u>	<u>2,999,510</u>

CITY OF OSKALOOSA
MUNICIPAL WATER DEPARTMENT

STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BALANCES
PROPRIETARY FUNDS

As of and for the year ended June 30, 2018

	Enterprise Funds			Total
	Water Utility Operating	Designated for Meter Replacement	Sinking Fund	
Excess (deficiency) of operating receipts over (under) operating disbursements	1,168,089	(100,000)	(419,610)	648,479
Non operating receipts:				
Interest on investments	12,682	-	-	12,682
Excess (deficiency) of receipts over (under) disbursements	1,180,771	(100,000)	(419,610)	661,161
Other financing sources (uses):				
Operating transfers in (note 3)	-	102,000	419,608	521,608
Operating transfers out (note 3)	(521,608)	-	-	(521,608)
Total other financing sources (uses)	(521,608)	102,000	419,608	-
Net change in cash balances	659,163	2,000	(2)	661,161
Cash balance beginning of year	1,408,658	54,068	34,967	1,497,693
Cash balance end of year	<u>\$ 2,067,821</u>	<u>\$ 56,068</u>	<u>\$ 34,965</u>	<u>\$ 2,158,854</u>
Cash basis fund balances:				
Restricted:				
Debt service	-	-	34,965	34,965
Unrestricted	2,067,821	56,068	-	2,123,889
	<u>\$ 2,067,821</u>	<u>\$ 56,068</u>	<u>\$ 34,965</u>	<u>\$ 2,158,854</u>

See notes to financial statements.

CITY OF OSKALOOSA
MUNICIPAL WATER DEPARTMENT

COMBINING STATEMENT OF CASH TRANSACTIONS AND CHANGES IN CASH BALANCES
AGENCY FUNDS
Year ended June 30, 2018

	Customer Deposits	Sewer Receipts	Total
Receipts:			
Charges for services:			
Sanitary sewer receipts	\$ -	\$ 2,693,313	\$ 2,693,313
Stormwater receipts	-	277,072	277,072
Miscellaneous:			
Customer deposits	43,100	-	43,100
Total receipts	43,100	2,970,385	3,013,485
Disbursements:			
Business type activities:			
Customers' deposits refunded	45,685	-	45,685
Sanitary sewer receipts remitted to City	-	2,630,772	2,630,772
Stormwater receipts remitted to City	-	276,906	276,906
Total disbursements	45,685	2,907,678	2,953,363
Excess of receipts over disbursements (disbursements over receipts)	(2,585)	62,707	60,122
Balance beginning of year	94,285	224,296	318,581
Balance end of year	\$ 91,700	\$ 287,003	\$ 378,703

See notes to financial statements.

CITY OF OSKALOOSA
MUNICIPAL WATER DEPARTMENT

NOTES TO FINANCIAL STATEMENTS
June 30, 2018

Note 1. Summary of Significant Accounting Policies

The City of Oskaloosa Municipal Water Department is an independent department and a component unit of the City of Oskaloosa. The Waterworks operates under an appointed Board of Trustees. The Water Department provides water service to the residents of Oskaloosa, Iowa located in Mahaska County.

A. Reporting Entity

For financial reporting purposes, the Municipal Water Department of the City of Oskaloosa, Iowa, has included all funds, organizations, agencies, boards, commissions and authorities. The Water Department has also considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the Water Department, are such that exclusion would cause the Water Department's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the Water Department to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the Water Department. The Water Department has no component units which meet the Governmental Accounting Standards Board criteria. These statements do not include any other City of Oskaloosa funds or transactions.

B. Basis of Presentation

Government-wide Financial Statements – The Cash Basis Statement of Activities and Net Position reports information on all of the nonfiduciary activities of the primary government, the Water Department, and any component units. For the most part, the effect of interfund activity has been removed from this financial statement.

The Cash Basis Statement of Activities and Net Position presents the Water Department's nonfiduciary net position. Net position is reported in two categories:

Expendable restricted net position result when constraints placed on the use of cash balances are either externally imposed or are imposed by law through constitutional provisions or enabling legislation. Enabling legislation did not result in any restricted net position.

Unrestricted net position consists of cash balances not meeting the definition of the preceding category. Unrestricted net position is often subject to constraints imposed by management which can be removed or modified.

The Cash Basis Statement of Activities and Net Position demonstrates the degree to which the direct disbursements of a given function are offset by program receipts. Direct disbursements are those clearly identifiable with a specific function. Program receipts include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function and 2) grants, contributions and interest on investments restricted to meeting the operational or capital requirements of a particular function. Other items not properly included among program receipts are reported instead as general receipts.

CITY OF OSKALOOSA
MUNICIPAL WATER DEPARTMENT

NOTES TO FINANCIAL STATEMENTS
June 30, 2018

Note 1. Summary of Significant Accounting Policies

B. Basis of Presentation (continued)

Fund Financial Statements – Separate financial statements are provided for proprietary and fiduciary funds. Major individual proprietary funds are reported as separate columns in the funds financial statements.

The Water Department reports the following major proprietary funds:

Operating, Meter Replacement, and Sinking Fund Enterprise Funds - The Enterprise Funds are utilized to finance and account for the acquisition, operation and maintenance of governmental facilities and services that are supported by user charges.

Additionally, the Water Department reports the following fund type:

Fiduciary Funds:

Agency Funds are utilized to account for monies and properties received and held by the City of Oskaloosa Municipal Water Department in a trustee capacity as an agent for individuals, private organizations, certain jointly governed organizations, other governmental units and/or other funds.

C. Basis of Accounting

The Municipal Water Department maintains its financial records on the basis of cash receipts and disbursements and the financial statements of the Water Department are prepared on that basis. The cash basis of accounting does not give effect to accounts receivable, accounts payable and accrued items. Accordingly, the financial statements do not present the financial position and results of operations of the funds in accordance with U.S. generally accepted accounting principles.

Proprietary funds distinguish operating receipts and disbursements from non-operating items. Operating receipts and disbursements generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All receipts and disbursements not meeting this definition are reported as non-operating receipts and disbursements.

D. Budgets and Budgetary Accounting

The budgetary comparisons and related disclosures are reported as Other Information.

Note 2. Cash and Pooled Investments

The City of Oskaloosa Municipal Water Department's deposits in banks at June 30, 2018 were entirely covered by Federal depository insurance, or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

CITY OF OSKALOOSA
MUNICIPAL WATER DEPARTMENT

NOTES TO FINANCIAL STATEMENTS
June 30, 2018

Note 2. Cash and Pooled Investments (continued)

The Water Department is authorized by statute to invest public funds in obligations of the United States government, its agencies and instrumentalities; certificates of deposit or other evidences of deposit at federally insured depository institutions approved by the City of Oskaloosa Municipal Water Department's Trustees; prime eligible bankers acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investments companies; certain joint investment trusts; and warrants or improvement certificates of a drainage district.

At June 30, 2018, the Water Department had the following investments:

Type	Carrying Amount	Fair Value	Maturity
Certificate of Deposit	\$ 200,000	\$ 200,000	June 22, 2019
Certificate of Deposit	65,000	65,000	July 12, 2018
Certificate of Deposit	200,000	200,000	November 4, 2018
Certificate of Deposit	<u>200,000</u>	<u>200,000</u>	May 11, 2019
	<u>\$ 665,000</u>	<u>\$ 665,000</u>	

Interest rate risk – The Water Department's investment policy limits the investment of operating funds (funds expected to be expended in the current budget year or within 15 months of receipt) to instruments that mature within 397 days. Funds not identified as operating funds may be invested in investments with maturities longer than 397 days but the maturities shall be consistent with the needs and use of the Department.

Credit risk - The Water Department investments, held in financial depositories, are not subject to level of risk categorization.

The Water Department had no investments meeting the disclosure requirements of Governmental Accounting Standards Board statement No. 72.

Note 3. Interfund Transfers

The detail of interfund transfers for the year ended June 30, 2018 is as follows:

Transfers from	Transfers to	Amount
Proprietary Enterprise: Water Utility Operating	Proprietary Enterprise: Meter Replacement	\$ 102,000
	Sinking Fund	<u>419,608</u>
Total		<u>\$ 521,608</u>

CITY OF OSKALOOSA
MUNICIPAL WATER DEPARTMENT

NOTES TO FINANCIAL STATEMENTS
June 30, 2018

Note 3. Interfund Transfers (continued)

Transfers generally move revenues from the fund statutorily required to collect the resources to the fund statutorily required to expend the resources.

Note 4. Indebtedness

The Water Department authorized and the Iowa Finance Authority approved Water Revenue Capital Loan Notes not to exceed \$6,500,000. The Water Department paid \$277,000 of principal, \$131,640 in interest and \$10,970 in service fees during the year. The annual debt service requirements to maturity for the revenue capital loan notes is as follows:

Year Ending June 30,	Revenue Capital Loan Notes				
	Water				
	Issued January 7, 2009				
	Interest Rate	Interest	Service Fee	Principal	Total
2019	3.00	123,330	10,277	286,000	419,607
2020	3.00	114,750	9,563	295,000	419,313
2021	3.00	105,900	8,825	304,000	418,725
2022	3.00	96,780	8,065	314,000	418,845
2023	3.00	87,360	7,280	325,000	419,640
2024	3.00	77,610	6,468	335,000	419,078
2025	3.00	67,560	5,630	346,000	419,190
2026	3.00	57,180	4,765	357,000	418,945
2027	3.00	46,470	3,873	369,000	419,343
2028	3.00	35,400	2,950	381,000	419,350
2029	3.00	23,970	1,997	393,000	418,967
2030	3.00	12,180	1,015	406,000	419,195
		\$ 848,490	\$ 70,708	\$ 4,111,000	\$ 5,030,198

See accompanying independent auditor's report.

The resolution providing for the issuance of the revenue capital loan notes include the following provisions:

- a) The bonds will only be redeemed from the future earnings of the enterprise activity.
- b) Sufficient monthly cash transfers shall be made to a sinking fund account for the purpose of making the capital loan note principal, interest payments and service fee when due.
- c) Sufficiency of rates. On or before the beginning of each fiscal year the governing body will adopt or continue in effect rates for all services rendered by the Water Department determined to be sufficient to produce Net Revenues for the next succeeding fiscal year which are (i) adequate to pay the principal and interest requirements thereof and to create or maintain the reserves as provided in this Resolution, and (ii) not less than 110 percent of the principal and interest requirements of the next succeeding fiscal year.

CITY OF OSKALOOSA
MUNICIPAL WATER DEPARTMENT

NOTES TO FINANCIAL STATEMENTS
June 30, 2018

Note 5. Pension Plan

Plan Description – IPERS membership is mandatory for employees of the Water Department. Employees of the Water Department are provided with pensions through a cost-sharing multiple employer defined benefit pension plan administered by Iowa Public Employees' Retirement System (IPERS). IPERS issues a stand-alone financial report which is available to the public by mail at 7401 Register Drive P.O. Box 9117, Des Moines, Iowa 50306-9117 or at www.ipers.org.

IPERS benefits are established under Iowa Code chapter 97B and the administrative rules thereunder. Chapter 97B and the administrative rules are the official plan documents. The following brief description is provided for general informational purposes only. Refer to the plan documents for more information.

Pension Benefits – A regular member may retire at normal retirement age and receive monthly benefits without an early-retirement reduction. Normal retirement age is age 65, any time after reaching age 62 with 20 or more years of covered employment, or when the member's years of service plus the member's age at the last birthday equals or exceeds 88, whichever comes first. These qualifications must be met on the member's first month of entitlement to benefits. Members cannot begin receiving retirement benefits before age 55. The formula used to calculate a Regular member's monthly IPERS benefit includes:

- A multiplier based on years of service.
- The member's highest five-year average salary, except members with service before June 30, 2012, will use the highest three-year average salary as of that date if it is greater than the highest five-year average salary.

If a member retires before normal retirement age, the member's monthly retirement benefit will be permanently reduced by an early-retirement reduction. The early-retirement reduction is calculated differently for service earned before and after July 1, 2012. For service earned before July 1, 2012, the reduction is 0.25 percent for each month that the member receives benefits before the member's earliest normal retirement age. For service earned starting July 1, 2012, the reduction is 0.50 percent for each month that the member receives benefits before age 65.

Generally, once a member selects a benefit option, a monthly benefit is calculated and remains the same for the rest of the member's lifetime. However, to combat the effects of inflation, retirees who began receiving benefits prior to July 1990 receive a guaranteed dividend with their regular November benefit payments.

Disability and Death Benefits – A vested member who is awarded federal Social Security disability or Railroad Retirement disability benefits is eligible to claim IPERS benefits regardless of age. Disability benefits are not reduced for early retirement. If a member dies before retirement, the member's beneficiary will receive a lifetime annuity or a lump-sum payment equal to the present actuarial value of the member's accrued benefit or calculated with a set formula, whichever is greater. When a member dies after retirement, death benefits depend on the benefit option the member selected at retirement.

CITY OF OSKALOOSA
MUNICIPAL WATER DEPARTMENT

NOTES TO FINANCIAL STATEMENTS
June 30, 2018

Note 5. Pension Plan (continued)

Contributions – Contribution rates are established by IPERS following the annual actuarial valuation, which applies IPERS’ Contribution Rate Funding Policy and Actuarial amortization Method. State statute limits the amount rates can increase or decrease each year to 1 percentage point. IPERS Contribution Rate Funding Policy requires that the actuarial contribution rate be determined using the “entry age normal” actuarial cost method and the actuarial assumptions and methods approved by the IPERS Investment Board. The actuarial contribution rate covers normal cost plus the unfunded actuarial liability payment based on a 30-year amortization period. The payment to amortize the unfunded actuarial liability is determined as a level percentage of payroll based on the actuarial Amortization Method adopted by the Investment Board.

In fiscal year 2018, pursuant to the required rate, Regular members contributed 5.95 percent of pay and the Water Department contributed 8.93 percent for a total rate of 14.88 percent.

The Water Department’s contributions to IPERS for the year ended June 30, 2018 were \$70,258.

Net Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2018, the Water Department had a liability of \$677,862 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Water Department’s proportion of the net pension liability was based on the Water Department’s share of contributions to IPERS relative to the contributions of all IPERS participating employers. At June 30, 2017, the Water Department proportion was .010176 percent, which was an increase of 0.001347 from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018 the Water Department’s pension expense, deferred outflows of resources and deferred inflows of resources totaled \$93,241, \$247,082 and \$136,031 respectively.

Actuarial Assumptions – The total pension liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Rate of inflation (effective June 30, 2017)	2.60% per annum
Rates of salary increases (effective June 30, 2017)	3.25 to 16.25%, average, including inflation
Long term investment rate of return plan (effective June 30, 2017)	7.00% compounded annually, net of investment expense, including inflation
Wage growth (effective June 30, 2017)	3.25% per annum, based on a 2.60% inflation and 0.65% real wage inflation

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of actuarial experience study dated March 24, 2017.

CITY OF OSKALOOSA
MUNICIPAL WATER DEPARTMENT

NOTES TO FINANCIAL STATEMENTS
June 30, 2018

Note 5. Pension Plan (continued)

Mortality rates were based on the RP-2000 Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA.

The long-term expected rate of return on IPERS investments was determined using a building-block method in which best-estimate ranges of expected future real rates (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Asset Allocation	Long-Term Expected Real Rate of Return
Core plus fixed income	27.0% %	2.25 %
Domestic equity	24.0%	6.25
International equity	16.0%	6.71
Private equity	11.0%	11.15
Public real assets	7.0%	3.27
Private credit	3.0%	4.25
Private real assets	7.5%	4.18
Cash	1.0%	(0.31)
Public credit	3.5%	3.46
Total	<u>100%</u>	

Discount Rate – The discount rate used to measure the total pension liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed employee contributions will be made at the contractually required rate and contributions from the Water Department will be made at contractually required rates, actuarially determined. Based on those assumptions, IPERS’ fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on IPERS investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Water Department’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the Water Department’s proportionate share of the net pension liability calculated using the discount rate of 7.0 percent, as well as what the Water Department’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower (6.0%) or 1% higher (8.0%) than the current rate.

CITY OF OSKALOOSA
MUNICIPAL WATER DEPARTMENT

NOTES TO FINANCIAL STATEMENTS
June 30, 2018

Note 5. Pension Plan (continued)

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Water Department's proportionate share of the net pension liability	\$ 1,116,845	\$ 677,862	\$ 309,032

IPERS' Fiduciary Net Position – Detailed information about IPERS' fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS' website at www.ipers.org.

Note 6. Other Postemployment Benefits (OPEB)

Plan Description – The City of Oskaloosa Municipal Water Department operates a benefit plan which provides medical/prescription drug and dental benefits for employees and their families. Group insurance benefits are established under Iowa Code Chapter 509 A.13. The contribution requirements of plan members are established and may be amended by the Water Department. The City currently finances the employees benefit plan on a pay-as-you-go basis. Employees contribute a certain amount for dental insurance each month \$5 for single plan, \$10 for employee/spouse plan, and \$16 for family plan. Employee also contribute 2.5% of their health insurance premium starting January 1, 2018. The most recent active member monthly premiums for the Water Department plan members are \$705 for single coverage, \$1,444 for employee/spouse, \$2,164 for family coverage. For the year ended June 30, 2018, the Water Department contributed \$237,622 and plan members eligible for benefits contributed \$4,796 to the plan. At June 30, 2018, no assets have been accumulated in a trust that meets the criteria in paragraph 4 of GASB statement No. 75.

OPEB Benefits – Individuals who are employed by the City of Oskaloosa Municipal Water Department and are eligible to participate in the group health plan are eligible to continue health care benefits upon retirement. Retirees under age 65 pay the same premium for the medical/prescription drug and dental benefits as active employees, which results in an implicit rate subsidy.

Retired participants must be age 55 or older at retirement. At June 30, 2018 the following employees were covered by the benefit terms.

Active employees	<u>13</u>
------------------	-----------

Note 7. Compensated Absences

Water Department's employees accumulate a limited amount of earned but unused vacation, sick leave and comp hours for subsequent use or for payment upon termination, retirement or death. These accumulations are not recognized as disbursements by the Water Department until used or paid. Sick leave is only payable if the employee enters a bonafide retirement pursuant to IPERS. Sick leave is not payable for employees hired after December 31, 2015. The Water Department's approximate liability for unrecognized earned compensated absences is as follows:

CITY OF OSKALOOSA
MUNICIPAL WATER DEPARTMENT

NOTES TO FINANCIAL STATEMENTS
June 30, 2018

Note 7. Compensated Absences (continued)

<u>Type of Benefits</u>	<u>Amount</u>
Vacation	\$ 22,556
Sick Leave	85,617
Comp	31,372
Holiday Leave	1,529
Total	\$ 141,074

This liability has been computed based on rates of pay as of June 30, 2018.

Note 8. Risk Management

The Oskaloosa Municipal Water Department is exposed to various risks of loss related to torts; theft, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by the purchase of commercial insurance. The Water Department assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 9. Sewer and Stormwater Receipts

The Water Department assesses and collects sewer and stormwater charges for the City of Oskaloosa, Iowa. The receipts from collections from customers and remittances to the City of Oskaloosa are accounted for in the Agency - Sewer Receipts Fund.

Note 10. Commitments and Contingencies

The Water Department approved a bid for a water tower maintenance project in the amount of \$405,800 on September 12, 2017 in addition a change order of \$51,800 was also approved subsequent to year end. The project was delayed because of the contractor. No payments have been made as of June 30, 2018.

The City of Oskaloosa entered into a contract for D Street Reconstruction on June 18, 2018. Within this contract the Water Department's share for water main work is \$366,650. No payments have been made as of June 30, 2018.

In January, 2002 the Water Department implemented a plan to self-fund the increase in their out of pocket and deductible limits of their health insurance policy for all eligible employees. The maximum annual calendar year exposure to the Water Department would be \$13,000 of which \$1,000 has been paid in claims as of June 30, 2018. The maximum remaining contingent liability as of June 30, 2018 is \$12,000.

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Other Information

CITY OF OSKALOOSA
MUNICIPAL WATER DEPARTMENT
BUDGETARY COMPARISON SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN BALANCES
BUDGET AND ACTUAL (CASH BASIS) – PROPRIETARY FUNDS
Other Information
Year Ended June 30, 2018

	Actual	Amounts Not Required to be Budgeted	Actual Net
Receipts:			
Water:			
Use of money and property	\$ 48,080	\$ -	\$ 48,080
Charges for services	2,945,657	-	2,945,657
Miscellaneous	504,069	43,100	460,969
	3,497,806	43,100	3,454,706
Disbursements:			
Business type activities:			
Water	2,839,230	45,685	2,793,545
	2,839,230	45,685	2,793,545
Excess of receipts over disbursements/ (disbursements over receipts)	658,576	(2,585)	661,161
Cash balances beginning of year	1,591,978	94,285	1,497,693
Cash balances end of year	\$ 2,250,554	\$ 91,700	\$ 2,158,854

See accompanying independent auditor's report.

<u>Budgeted Amounts</u> Original and Final	<u>Final to Total Variance</u> Favorable (Unfavorable)
\$ 35,285	\$ 12,795
2,971,680	(26,023)
458,098	2,871
<u>3,465,063</u>	<u>(10,357)</u>
<u>3,554,379</u>	<u>760,834</u>
<u>\$ (89,316)</u>	<u>\$ 750,477</u>

CITY OF OSKALOOSA
MUNICIPAL WATER DEPARTMENT

NOTES TO OTHER INFORMATION – BUDGETARY REPORTING
June 30, 2018

The budgetary comparison is presented in accordance with Government Accounting Standards Board Statement No. 41 for governments with significant budgeting perspective differences resulting from not being able to present budgetary comparisons for the Enterprise Fund.

In accordance with the Code of Iowa, the Water Department's Trustees annually adopts a budget on the cash basis following required public notice and hearing for all funds, except Agency funds. The annual budget may be amended during the year utilizing similar statutorily prescribed procedures.

Formal and legal budgetary control is based upon nine major classes of disbursements, known as functions, not by fund. These functions are public safety, public works, health and social services, culture and recreation, community and economic development, general government, debt service, capital projects, and business type activities. Function disbursements required to be budgeted include disbursements for Proprietary Funds. Although the budget document presents function disbursements by fund, the legal level of control is at the aggregate function level, not by fund.

CITY OF OSKALOOSA
MUNICIPAL WATER DEPARTMENT

Schedule of the Water Department's Proportionate Share of the Net Pension Liability

Iowa Public Employees' Retirement System
For the Last Four Years*

Other Information

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Water Department's proportion of the net pension liability	0.0102%	0.0088%	0.0075%	0.0089%
Water Department's proportionate share of the net pension liability	\$ 677,862	555,669	370,369	352,056
Water Department's covered-employee payroll	\$ 759,604	633,639	508,235	580,877
Water Department's proportionate share of the net pension liability as a percentage of its covered-employee payroll	89.24%	87.70%	72.90%	60.61%
Plan fiduciary net position as a percentage of the total pension liability	82.21%	81.82%	85.19%	87.61%

*In accordance with GASB Statement No. 68, the amounts presented for each fiscal year were determined as of June 30 of the preceding fiscal year.

See accompanying independent auditor's report.

CITY OF OSKALOOSA
MUNICIPAL WATER DEPARTMENT

Schedule of Water Department Contributions

Iowa Public Employees' Retirement System
Last 10 Fiscal Years

Other Information

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Statutorily required contribution	\$ 70,258	\$ 67,833	\$ 56,584	\$ 45,385	\$ 51,872
Contributions in relation to the statutorily required contribution	<u>(70,258)</u>	<u>(67,833)</u>	<u>(56,584)</u>	<u>(45,385)</u>	<u>(51,872)</u>
Contribution deficiency (excess)	-	-	-	-	-
Water Department's covered-employee payroll	<u>\$ 786,766</u>	<u>\$ 759,604</u>	<u>\$ 633,639</u>	<u>\$ 508,235</u>	<u>\$ 580,877</u>
Contributions as a percentage of covered-employee payroll	8.93%	8.93%	8.93%	8.93%	8.93%

See accompanying independent auditor's report.

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$	47,112	\$ 40,163	\$ 36,853	\$ 34,127	\$ 32,766
	<u>(47,112)</u>	<u>(40,163)</u>	<u>(36,853)</u>	<u>(34,127)</u>	<u>(32,766)</u>
	-	-	-	-	-
\$	<u><u>543,391</u></u>	<u><u>461,643</u></u>	<u><u>530,259</u></u>	<u><u>513,188</u></u>	<u><u>516,000</u></u>
	8.67%	8.07%	6.95%	6.65%	6.35%

CITY OF OSKALOOSA
MUNICIPAL WATER DEPARTMENT

Notes to Other Information – Pension Liability

Year ended June 30, 2018

Changes of Benefit Terms – Legislation enacted in 2010 modified benefit terms for Regular members. The definition of final average salary changed from the highest three to the highest five years of covered wages. The vesting requirement changed from four years of service to seven years. The early retirement reduction increased from 3% per year measured from the member's first unreduced retirement age to a 6% reduction for each year of retirement before age 65.

Changes of Assumptions – The 2017 valuation implemented the following refinements as a result of an experience study dated March 24, 2017:

- Decreased the inflation assumption from 3.00% to 2.60%.
- Decreased the assumed rate of interest on member accounts from 3.75% to 3.50% per year.
- Decreased the discount rate from 7.50% to 7.00%.
- Decreased the wage growth assumption from 4.00% to 3.25%.
- Decreased the payroll growth assumption from 4.00% to 3.25%.

The 2014 valuation implemented the following refinements as a result of a quadrennial experience study:

- Decreased the inflation assumption from 3.25% to 3.00%.
- Decreased the assumed rate of interest on member accounts from 4.00% to 3.75% per year.
- Adjusted male mortality rates for retirees in the Regular membership group.
- Moved from an open 30 year amortization period to a closed 30 year amortization period for the UAL beginning June 30, 2014. Each year thereafter, changes in the UAL from plan experience will be amortized on a separate closed 20 year period.

The 2010 valuation implemented the following refinements as a result of a quadrennial experience study:

- Adjusted retiree mortality assumptions.
- Modified retirement rates to reflect fewer retirements.
- Lowered disability rates at most ages.
- Lowered employment termination rates.
- Generally increased the probability of terminating members receiving a deferred retirement benefit.
- Modified salary increase assumptions based on various service duration.

Supplementary Information

CITY OF OSKALOOSA
MUNICIPAL WATER DEPARTMENT

SCHEDULE OF INDEBTEDNESS
Year Ended June 30, 2018

Obligation	Date of Issue	Interest Rates	Amount Approved to be Issued	Balance Beginning of Year
Revenue Refunding Capital Loan Notes: Water	January 7, 2009	3.00%	\$ 6,500,000	\$ <u>4,388,000</u>

See accompanying independent auditor's report.

<u>Issued During Year</u>	<u>Redeemed During Year</u>	<u>Balance End of Year</u>	<u>Interest Paid</u>	<u>Service Fee Paid</u>	<u>Interest Due and Unpaid</u>	<u>Service Fee Due and Unpaid</u>	<u>Notes Due and Unpaid</u>
\$ <u>-</u>	\$ <u>277,000</u>	\$ <u>4,111,000</u>	\$ <u>131,640</u>	\$ <u>10,970</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

CITY OF OSKALOOSA
MUNICIPAL WATER DEPARTMENT

DEBT MATURITIES
Year Ended June 30, 2018

Revenue Capital Loan Notes					
Water					
Issued January 7, 2009					
Year Ending June 30,	Interest Rate	Interest	Service Fee	Principal	Total
2019	3.00	123,330	10,277	286,000	419,607
2020	3.00	114,750	9,563	295,000	419,313
2021	3.00	105,900	8,825	304,000	418,725
2022	3.00	96,780	8,065	314,000	418,845
2023	3.00	87,360	7,280	325,000	419,640
2024	3.00	77,610	6,468	335,000	419,078
2025	3.00	67,560	5,630	346,000	419,190
2026	3.00	57,180	4,765	357,000	418,945
2027	3.00	46,470	3,873	369,000	419,343
2028	3.00	35,400	2,950	381,000	419,350
2029	3.00	23,970	1,997	393,000	418,967
2030	3.00	12,180	1,015	406,000	419,195
		\$ 848,490	\$ 70,708	\$ 4,111,000	\$ 5,030,198

See accompanying independent auditor's report.

DOUGLAS T. HUNT, CPA
DONALD D. KAIN
CHUCK C. CONVERSE, CPA
RUSSELL S. TERPSTRA, CPA
MICHAEL G. STANLEY, CPA
DEE A.A. HOKE, CPA

HUNT & ASSOCIATES, P.C.
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OSKALOOSA, IA 52577
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS

To the Board of Trustees:
City of Oskaloosa Municipal Water Department
Oskaloosa, Iowa

We have audited in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Governmental Auditing Standards, issued by the Comptroller General of the United States the financial statements of the business-type activities, each major fund and the aggregate remaining fund information of the Municipal Water Department, a component unit of the City of Oskaloosa as of and for the year ended June 30, 2018, and the related notes to financial statements, which collectively comprise the Water Department's basic financial statements, and have issued our report thereon dated September 6, 2018. Our report expressed unmodified opinions on the financial statements which were prepared on the basis of cash receipts and disbursements, a basis of accounting other than U.S. generally accepted accounting principles.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Water Department's internal control over financial reporting to determine the audit procedures appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Municipal Water Department's internal control. Accordingly, we do not express an opinion on the effectiveness of the Municipal Water Department's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility a material misstatement of the City of Oskaloosa Municipal Water Department's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control which is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and, therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Oskaloosa Municipal Water Department's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under Governmental Auditing Standards.

Comments involving statutory and other legal matters about the City of Oskaloosa Municipal Water Department's operations for the year ended June 30, 2018 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the Water Department. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of City of Oskaloosa Municipal Water Department during the course of our audit. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.

Hunt & Associates, P.C.

Oskaloosa, Iowa
September 6, 2018

CITY OF OSKALOOSA
MUNICIPAL WATER DEPARTMENT

SCHEDULE OF FINDINGS

Year Ended June 30, 2018

Part I: Findings Related to the Financial Statements:

Internal Control Deficiencies:

No matters were noted.

Instances of Non-Compliance:

No matters were noted.

CITY OF OSKALOOSA
MUNICIPAL WATER DEPARTMENT

SCHEDULE OF FINDINGS

Year Ended June 30, 2018

Part II: Other Findings Related to Required Statutory Reporting:

- II-A-18 Certified Budget - Disbursements during the year ended June 30, 2018 did not exceed the amounts budgeted in the business type activities function.
- II-B-18 Questionable Disbursements - No disbursements were noted that might not meet the requirements of public purpose as defined in the Attorney General's opinion dated April 25, 1979.
- II-C-18 Travel Expense - No disbursements of the Water Department's money for travel expense of spouses of the Water Department's officials or employees were noted.
- II-D-18 Business Transactions - No business transactions between the Water Department and the Water Department's officials or employees were noted.
- II-E-18 Bond Coverage - Surety bond of Water Department officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to insure that the coverage is adequate for current operations.
- II-F-18 Board Minutes - No transactions were found that we believe should have been approved in the Board minutes but were not.
- II-G-18 Deposits and Investments - No instances of non-compliance with the deposit and investment provisions of Chapter 12B and 12C of the Code of Iowa and the Water Department's investment policy were noted.
- II-H-18 Revenue Notes - No instances of non-compliance with the revenue note resolutions were noted.



GARDEN & ASSOCIATES, LTD.

1701 3rd Avenue East, Suite 1 • P.O. Box 451 • Oskaloosa, IA 52577

Phone: 641.672.2526 • Fax: 641.672.2091

August 20, 2018

Akhilesh Pal, P.E.
Public Works Director
City of Oskaloosa Public Works
804 South D Street
Oskaloosa, IA 52577

Re: D Street Reconstruction Project
IDOT No. STP-U-5780--70-62
G&A #5216190

Dear Akhilesh:

Enclosed herewith are four (4) copies of Application for Partial Payment No. 3 for Dave Schmitt Construction Co., Inc. for the referenced project. Please review and if everything is in order, present it to the City Council for approval. If approved, have the Mayor sign all four copies and send one to the Contractor along with payment in the amount of \$645,146.00 (\$500,693.13 from Public Works and \$144,452.87 from the Water Department), return two copies to our office and keep the other for your file.

Also enclosed is one (1) copy of IDOT Form 517050 – Claim for Reimbursement of Project Costs for costs associated with this application.

If you have any questions, please don't hesitate to contact me.

Sincerely,
GARDEN & ASSOCIATES, LTD.

Robert A. Nielsen, P.E.

RAN/ng

APPLICATION FOR PARTIAL PAYMENT NO. 3

Project: D Street Reconstruction: PCC Pavement - Grade & Replace
Owner: City Of Oskaloosa
Contractor: Dave Schmitt Construction Co., Inc.
Address: 250 50th Avenue S.W.
Cedar Rapids, Iowa 52404
Date: August 20, 2018

IDOT Project No: STP-U-5780(615)--70-62

Payment Period: July 18, 2018 to August 17, 2018

1. Contract Summary

Original Contract Price:	\$2,920,902.14
Net Change by Change Order:	<u>-\$79,352.25</u>
Contract Amount to Date:	\$2,841,549.89

Contract Working Day Report

Notice to Proceed: May 7, 2018

Original Contract Time:	135
Added by Change Order:	1.5
Contract time to Date:	<u>136.5</u>
Working Days to Date:	<u>53</u>
Working Days Remaining:	83.5

2. Work Summary

Total Work Performed to Date:	\$1,391,558.41
Retainage: 3% (maximum \$30,000)	\$30,000.00
Total Less Retainage:	\$1,361,558.41
Total Previous Payments:	<u>\$716,412.41</u>
TOTAL AMOUNT DUE THIS APPLICATION:	\$645,146.00

3. Contractor's Certification

The undersigned CONTRACTOR certifies that:
All previous progress payments received from Owner on account of Work under the Contract referred to above have been applied to discharge in full all obligations of CONTRACTOR incurred in connection with the Work covered by prior Applications for title to all material and equipment incorporated in said Work or otherwise listed in or covered by this application for Payment are free and clear of all liens, claims, security interests and encumbrances.

Dave Schmitt Construction Co., Inc.

CONTRACTOR

By: T. Schmitt

Date: 8.20.18

4. Engineers Approval

Payment of the above AMOUNT DUE THIS APPLICATION is recommended:

Garden & Associates, Ltd.

ENGINEER

By: Deborah Mui

Date: 8/20/18

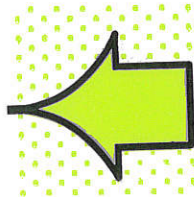
5. Owner's Approval

City of Oskaloosa, Iowa

Owner

By: _____

Date: _____



Application for Payment

Application No.: 3
 Contractor: Dave Schmitt Construction Co., Inc.
 Cedar Rapids, Iowa
 Date of Application: August 20, 2018

Project: D Street Reconstruction: PCC Pavement - Grade & Replace
 Project No.: STP-U-5780(615)--70-62
 Contract ID: 62-5780-615
 County: Mahaska City: Oskaloosa

Line No.	Item Code	Item Description	Plan Quantity					Contract Amounts		Project Quantities				Project Amounts				Percent Complete							
			Unit	Div. 1 Part.	Div. 1 Non-Part.	Div. 2 Non-Part.	Div. 3 Non-Part.	Total	Unit Price	Bid Amount	Div. 1 Part.	Div. 1 Non-Part.	Div. 2 Non-Part.	Div. 3 Non-Part.	Div. 1 Part.	Div. 1 Non-Part.	Div. 2 Non-Part.		Div. 3 Non-Part.	Total					
0820	2599-9999003	GRANULAR SUBBASE, CLASS A CRUSHED STONE	CY	140				140	\$61.80	\$8,652.00					\$0.00		\$0.00	\$0.00	\$0.00	0.00%					
0830	2599-9999003	MEDIAN LANDSCAPE CONCRETE	CY	13				13	\$1,500.00	\$18,750.00					\$0.00		\$0.00	\$0.00	\$0.00	0.00%					
0840	2599-9999005	LOWER/RELOCATE EXISTING WATER SERVICE	EACH			5		5	\$955.00	\$4,775.00			1		\$0.00		\$955.00	\$0.00	\$955.00	20.00%					
0850	2599-9999005	REMOVAL OF EXISTING FIRE HYDRANT ASSEMBLY	EACH			6		6	\$234.00	\$1,404.00			1		\$0.00		\$234.00	\$0.00	\$234.00	16.67%					
0860	2599-9999005	WATER MAIN CONNECTIONS	EACH			12		12	\$1,220.00	\$14,640.00			8		\$0.00		\$9,760.00	\$0.00	\$9,760.00	66.67%					
0870	2599-9999009	ROOF DRAIN OUTLET PIPE, 4" PVC	LF	50				50	\$22.90	\$1,145.00				66	\$1,511.40	\$0.00	\$0.00	\$1,511.40	132.00%						
0880	2599-9999010	VIBRATION MONITORING	LS	1				1	\$17,999.57	\$17,999.57				75%	\$13,499.68	\$0.00	\$0.00	\$13,499.68	75.00%						
0890	2599-9999020	TEMPORARY GRANULAR SURFACING	TON	300				300	\$29.91	\$8,973.00				35.93	\$1,074.67	\$0.00	\$0.00	\$1,074.67	11.98%						
0900	2601-2634100	MULCHING - HYDRAULIC	ACRE	1				1	\$2,000.00	\$2,000.00					\$0.00		\$0.00	\$0.00	0.00%						
0910	2601-2636044	SEEDING AND FERTILIZING - HYDRAULIC (URBAN)	ACRE	1				1	\$5,000.00	\$5,000.00					\$0.00		\$0.00	\$0.00	0.00%						
0920	2602-0000309	PERIMETER AND SLOPE SEDIMENT CONTROL DEVICE, 9 IN. DIA.	LF	200				200	\$2.00	\$400.00			30		\$60.00	\$0.00	\$0.00	\$60.00	15.00%						
0930	2602-0000350	REMOVAL OF PERIMETER AND SLOPE SEDIMENT CONTROL DEVICE	LF	200				200	\$2.00	\$400.00					\$0.00	\$0.00	\$0.00	\$0.00	0.00%						
0940	2610-0000212	MULCH, SHREDDED BARK	CY	46				46	\$60.00	\$2,760.00					\$0.00	\$0.00	\$0.00	\$0.00	0.00%						
0950	2610-0000400	WATERING FOR PLANTS	MGAL	3,725				3,725	\$25.00	\$93,125.00					\$0.00	\$0.00	\$0.00	\$0.00	0.00%						
0960	2611-0000100	SHRUBS, FURNISHED AND INSTALLED - PERENNIALS/ORNAMENTAL GRASSES (WITH WARRANTY)	EACH	1,261				1,261	\$12.00	\$15,132.00					\$0.00	\$0.00	\$0.00	\$0.00	0.00%						
0970	2611-0000200	TREES, FURNISHED AND INSTALLED - ORNAMENTAL (WITH WARRANTY)	EACH	57				57	\$335.00	\$19,095.00					\$0.00	\$0.00	\$0.00	\$0.00	0.00%						
0980	2611-0000200	TREES, FURNISHED AND INSTALLED - OVERSTORY (WITH WARRANTY)	EACH	44				44	\$385.00	\$16,940.00					\$0.00	\$0.00	\$0.00	\$0.00	0.00%						
TOTAL ORIGINAL CONTRACT										\$2,920,902.14	SUBTOTAL										\$1,035,945.21	\$0.00	\$325,434.35	\$20,503.60	\$1,381,883.16

CHANGE ORDER NO. 1			Unit	Div. 1 Part.	Div. 1 Non-Part.	Div. 2 Non-Part.	Div. 3 Non-Part.	Total	Unit Price	Bid Amount
0950	2610-0000400	WATERING FOR PLANTS	MGAL	3,725				-3,725	\$25.00	-\$93,125.00
8001	2599-9999010	TRENCH EXCAVATION	LS		1			1	\$6,686.75	\$6,686.75
8002	2599-9999010	CREW TIME DELAY	LS		1			1	\$920.00	\$920.00
8003	2510-6750600	REMOVAL OF INTAKES AND UTILITY ACCESSES	LS	1				1	\$2,068.50	\$2,068.50
8004	2611-0000100	SHRUBS, FURNISHED AND INSTALLED (WITH WARRANTY)	EA	190				190	\$2.75	\$522.50
8005	2610-0000400	WATERING FOR PLANTS	MGAL	32.500				32.500	\$110.00	\$3,575.00
TOTAL CHANGE ORDER NO. 1										-\$79,352.25

Div. 1 Part.	Div. 1 Non-Part.	Div. 2 Non-Part.	Div. 3 Non-Part.	Total	Percent Complete				
				\$0.00	0.00%				
	1			\$6,686.75	100.00%				
	1			\$920.00	100.00%				
1				\$2,068.50	100.00%				
				\$0.00	0.00%				
				\$0.00	0.00%				
				\$2,068.50	100.00%				
TOTAL					\$1,038,013.71	\$7,606.75	\$325,434.35	\$20,503.60	\$1,391,558.41

TOTAL REVISED CONTRACT \$2,841,549.89

TOTAL \$1,038,013.71 \$7,606.75 \$325,434.35 \$20,503.60 \$1,391,558.41

	Div. 1 Part.	Div. 1 Non-Part.	Div. 2 Non-Part.	Div. 3 Non-Part.	Total	48.97%
Total Completed to Date =	\$1,038,013.71	\$7,606.75	\$325,434.35	\$20,503.60	\$1,391,558.41	
Amount Retained (@3%, \$30,000 Max.) =	\$22,378.08	\$163.99	\$7,015.90	\$442.03	\$30,000.00	
Total Completed Less Retainage =	\$1,015,635.63	\$7,442.76	\$318,418.45	\$20,061.57	\$1,361,558.41	
Less Previous Payments to Contractor =	\$519,185.89	\$7,378.55	\$173,965.58	\$15,882.39	\$716,412.41	
Amount Due Contractor this Application =	\$496,449.74	\$64.21	\$144,452.87	\$4,179.18	\$645,146.00	

Amount Due from Public Works = \$500,693.13 (Division 1 and Division 3)
 Amount Due from Water Department = \$144,452.87 (Division 2)
 Total = \$645,146.00

Eligible Amount = \$1,015,635.63 (Division 1 Participating Items Only)
 Participation @ 80% = \$812,508.50
 IDOT Withholding @ 5% = \$40,625.43
 Less Previously Reimbursed = \$394,581.28
 Amount To Be Reimbursed This Application = \$377,301.80

Compensation Ratio Instructions for Merit Pay

% of Mid-Point for Position	Performance Evaluation Results				
	Unsatisfactory Below 2.5	Improvement Required 2.51 - 2.90	Fully Satisfactory 2.91 - 3.10	Commendable 3.11 - 3.50	Distinguished 3.51 - 4.33
80.00% - 83.33%	0	1.5	1.8	2.2	3
83.34% - 86.66%	0	1.4	1.8	2.1	2.8
86.67% - 90.00%	0	1.3	1.7	2	2.6
90.01% - 93.33%	0	1.2	1.6	1.9	2.4
93.34% - 96.66%	0	1.1	1.5	1.8	2.2
96.67% - 100.00%	0	1	1.4	1.7	2
100.01% - 103.33%	0	0.9	1.3	1.6	1.9
103.34% - 106.66%	0	0.8	1.2	1.5	1.8
106.67% - 110.00%	0	0.7	1.1	1.4	1.7
110.01% - 112.50%	0	0.6	1	1.3	1.6
112.50% - 115.00%	0	0.5	1	1.2	1.5

Any employee with a score below 2.91 requires a reassessment within 90 days. If still at or below a 2.80 after 90 days employee will be terminated. The values in this chart will be used as multiplication factors when determining Merit Pay.

Only employees with an initial evaluation score below 2.91 will be re-evaluated in 90 days.

Employees with a fully satisfactory or higher evaluation will not be able to seek re-evaluation for a larger increase.

New hourly employees will be hired at the 80% threshold of current market mid point.

Hourly employees should be able to progress to market mid point by Year 5 of employment.

Management employees should be hired at 90% of current market mid point. (Negotiations as per Board approval)

Management employees should be able to progress to market mid point by Year 3 of employment.

Use accompanying documents as found in Merit Pay Instructions folder for assistance.

Board will approve annual COLA which will be based largely on Bureau of Labor Statistics Consumer Price Index.

Board will approve size of annual Merit Pool (estimated at 1% of overall labor budget)

The General Manager will administer merit increases and stay within budgeted resources.

General Manager will adjust Merit pay Market pay scale annually based on Board approved increase for tracking.

Position	80%	Averaged Market Mid Point
Customer Service Representative	\$ 32,754.50	\$ 40,943.12
Adjust FY18-19 (2%)	\$ 33,409.59	\$ 41,761.98
Billing Clerk	\$ 35,110.45	\$ 43,888.06
Adjust FY18-19 (2%)	\$ 35,812.66	\$ 44,765.82
Office Manager (Top Finance Executive)	\$ 64,791.09	\$ 80,988.87
Adjust FY18-19 (2%)	\$ 66,086.92	\$ 82,608.64
Water/Wastewater Maintenance I (Water)	\$ 40,804.07	\$ 51,005.08
Adjust FY18-19 (2%)	\$ 41,620.15	\$ 52,025.18
Water/Wastewater Maintenance II (Water)	\$ 45,253.20	\$ 56,566.49
Adjust FY18-19 (2%)	\$ 46,158.26	\$ 57,697.82
Water Operations Manager	\$ 63,110.97	\$ 78,888.72
Adjust FY18-19 (2%)	\$ 64,373.19	\$ 80,466.49
Collection Supervisor	\$ 57,529.12	\$ 71,911.39
Adjust FY18-19 (2%)	\$ 58,679.70	\$ 73,349.62
Water Treatment Operator - Senior	\$ 48,620.68	\$ 60,775.85
(or III, or Lead) Grade III Treatment License or higher		
Adjust FY18-19 (2%)	\$ 49,593.10	\$ 61,991.37
Wastewater Treatment Operator - Senior	\$ 44,846.91	\$ 56,058.64
(or III, or Lead) Grade IV Treatment License		
Adjust FY18-19 (2%)	\$ 45,743.85	\$ 57,179.81
General Manager	\$ 84,113.70	\$ 105,142.13
Adjust FY18-19 (2%)	\$ 85,795.98	\$ 107,244.97

115%	FY17-18 Pay	% of Mid Point
\$ 47,084.59	\$ 30,742.40	75%
\$ 48,026.28		
\$ 50,471.27	\$ 51,500.80	117%
\$ 51,480.69		
\$ 93,137.20	\$ 65,499.20	81%
\$ 94,999.94		
\$ 58,655.85	\$ 53,435.20	105%
\$ 59,828.96		
\$ 65,051.47	\$ 56,846.40	100%
\$ 66,352.50		
\$ 90,722.03	\$ 63,999.52	81%
\$ 92,536.47		
\$ 82,698.10	\$ 62,000.64	86%
\$ 84,352.07		
\$ 69,892.23	\$ 58,240.00	96%
\$ 71,290.07		
\$ 64,467.43	\$ 71,884.80	128%
\$ 65,756.78		
\$ 120,913.45	\$ 112,342.88	107%
\$ 123,331.72		