

Adopted Budget - FY 2020

Water

Calculation of Contribution to(from) Fund Balance/General Fund

	Adopted Budget FY 2019	Adopted Budget FY 2020
Estimated Revenue		
Rev-Use Money/Property	241,120	238,260
Charges for Services	8,253,270	8,693,830
Miscellaneous Revenue	86,000	78,200
Recovered Cost	10,000	13,320
Total Estimated Revenue	8,590,390	9,023,610
Operating Expenses		
Administration Services	3,096,500	3,296,890
Engineering	266,240	371,830
Distribution	594,680	616,960
Service	217,200	222,230
Meters & Regulators	167,020	178,160
Treatment-Main	348,930	359,450
Laboratory	95,280	105,610
Operations-Main	1,237,470	1,265,960
Operations-Industrial	155,640	162,940
Capital Expenses	1,108,800	1,338,100
Capital Projects	5,500,000	1,000,000
Total Operating Expenses	12,787,760	8,918,130
Net Operating Income (Loss)	-4,197,370	105,480
Add:		
Depreciation	1,680,000	1,685,000
Deduct:		
Debt Service Principal	928,370	821,300
Capital Expenditures from Current Operating Funds	0	0
Contribution to City's General Fund	942,300	950,300
Contribution To(From) Retained Earnings	(4,388,040)	18,880

WATER FUND

ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2020-2024

Project/Source	PL#	FY 2020	FY 2021	FY 2022	FY 2023	FY 2023	5 Yr Total
Water Distribution							
Water Line Reconstruction	60053	\$ 1,000,000	\$ 1,100,000	\$ 500,000	\$ -	\$ -	\$ 2,600,000
Water Distribution Total		\$ 1,000,000	\$ 1,100,000	\$ 500,000	\$ -	\$ -	\$ 2,600,000
Funding Source:							
Utility Fund Revenues		\$ 1,000,000	\$ 1,100,000	\$ 500,000	\$ -	\$ -	\$ 2,600,000
Total Funding		\$ 1,000,000	\$ 1,100,000	\$ 500,000	\$ -	\$ -	\$ 2,600,000

**WATER FUND
ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2020
FUNDING SOURCES**

	Current Revenues	Fund Balance	Debt Financing	Grants/CIA	Other	Project Total
<i>Water Distribution</i>						
Water Line Reconstruction	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
Total Water Distribution	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
Total Projects:	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000

Revenue categories for this fund are as follows:

REVENUE – USE OF MONEY/PROPERTY: This revenue category includes: **Interest on Investments** - All of the City’s funds are invested in secured accounts in an attempt to earn the highest possible return. Investments earnings are a function of the money marketplace and swings in the revenues reflect higher or lower interest rates. **Sale-Salvage and Surplus Property** - This revenue represents the sale of surplus vehicles and equipment and funds received from the sale of scrap metal. This category also includes income from the lease of antennas attached to water towers.

CHARGES FOR SERVICES: This revenue category include consumer fees and is the major revenue source for the Water Fund. The residential category is the largest part of that revenue stream, representing 15,000 customers. The commercial base represents 2,198 customers and the industrial base has 35 customers. The municipal class represents charges to the City for its municipal facilities. Other revenues in this category include penalties for non-payment and reconnection fees and charges for commercial, industrial and municipal firelines.

As part of the 2019 biennial rate study, the rate consultant’s recommendation is to increase the water consumption charge from \$2.40/100 cubic feet to \$2.60/100 cubic feet to increase revenue for pending water capital projects. The increase will be offset by the same in-kind decrease in the wastewater consumption charge. The water fund has a long-term capital project list of replacing obsolete water mains with new polyurethane mains. The goal of the project is to increase reliability by decreasing the number of water main breaks and outages.

MISCELLANEOUS REVENUE:

Miscellaneous revenue includes fees charged to customers who request alternation to their services and revenue for damages from third parties to property and equipment.

	FY 2017 Actual	FY 2018 Actual	FY 2019 Adopted	FY 2020 Adopted	Increase/ (Decrease)
Revenues:					
Rev-Use Money & Property	\$ 224,695	\$ 280,005	\$ 241,120	\$ 238,260	\$ (2,860)
Charges for Services	8,202,277	7,935,549	8,253,270	8,693,830	440,560
Miscellaneous Rev	118,839	69,170	86,000	78,200	(7,800)
Recovered Cost	9,477	14,011	10,000	13,320	3,320
Transfer from Fund Bal	-	-	1,500,000	-	(1,500,000)
Totals	\$8,555,288	\$8,298,735	\$ 10,090,390	\$ 9,023,610	\$ (1,066,780)

Description

Water Engineering performs complex work managing the design, planning, and coordination of projects to ensure reliable, safe and efficient operation of Danville's water system. This is accomplished by managing projects for new main and service installations, main rehabilitation, economic development, roadway construction and relocations; performing system testing and calculations for adequate capacity; reviewing plans and engineering work performed by consultants and interpreting and implementing regulations related to construction of the water distribution system. In addition, Water Engineering maintains and supports the Water Geographic Information System.

Expenditures

	FY 2017 Actual	FY 2018 Actual	FY 2019 Adopted	FY 2020 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$171,140	\$167,554	\$143,540	\$ 180,150	\$ 36,610
Employee Benefits	25,495	25,016	24,040	29,470	5,430
Purchased Services	69,838	59,984	76,980	133,610	56,630
Internal Service	14,576	13,770	11,910	11,050	(860)
Other Operating Exp	3,966	7,320	8,570	11,600	3,030
Capital Outlay	2,028	1,054	1,200	5,950	4,750
Totals	\$287,043	\$274,698	\$266,240	\$ 371,830	\$ 105,590

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs
W&G CORROSION TECHNICIAN		1.00
WATER & GAS ENGINEERING AIDE	0.50	
W&G SR ENGINEERING TECHNICIAN	1.00	1.00
W&G CHIEF ENGINEER	0.50	0.50
SENIOR SECRETARY	0.25	0.25
WG GIS ENGINEERING TECHNICIAN	0.50	1.00
Total	2.75	3.75

Accomplishments

The Engineering group has completed the digitizing and backup of all paper water service. These records will enable mobile access to field employees. Coordination of valve adjustments associated with the street overlay program.

Goals

Design new installation and replacements for economic development and public improvement projects. Update the Water Master Plan and re-prioritize projects identified to improve reliability and pressure.

Description

The Water Fund's mission is to provide reliable high quality drinking and industrial process water at the lowest cost possible while complying with all local, state, and federal laws, regulations and standards. The City has owned and operated a potable supply system since 1876. The administrative division of water distribution provides leadership to the 42 employees who work within water distribution, service, engineering and metering.

Expenditures

	FY 2017 Actual	FY 2018 Actual	FY 2019 Adopted	FY 2020 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 87,034	\$ 61,654	\$ 90,490	\$ 118,180	\$ 27,690
Employee Benefits	12,646	49,833	9,340	18,270	8,930
Purchased Services	88,381	104,280	114,040	116,600	2,560
Internal Service	114,104	115,412	128,120	117,500	(10,620)
Other Operating Exp	35,446	61,212	42,700	48,740	6,040
Cost Allocation	(143,099)	(131,034)	(135,330)	49,260	184,590
Capital Outlay	4,350	-	-	-	-
Depreciation	1,490,341	1,419,075	1,480,000	1,464,000	(16,000)
Debt Service	5,030	-	5,030	-	(5,030)
Totals	\$1,694,233	\$1,680,432	\$1,734,390	\$ 1,932,550	\$ 198,160

Personnel

The Facilities and Fleet Manager (FFM) position is a new position being request in FY20. This would be a reclassification of another vacant position. The FFM position would be responsible for oversee the maintenance of all utilities buildings and of the 100+ utility vehicles in the department fleet. These duties were previously completed by whoever was capable of taking on those responsibilities in the past. Over time, the duties have become overwhelming and required full time attention.

One position is shared between Water Distribution Administration and Gas Distribution Administration:

50% Division Director of Water and Gas

Position Title	FY 2019 FTEs	FY 2020 FTEs
DIVISION DIR OF WATER & GAS	0.5	0.50
FACILITIES & FLEET MANAGER		1.00
Total	0.50	1.50

Description

Water Distribution Service installs meters, activation and deactivation of meters, and performing field investigations for high bill complaints and stopped meters. Additionally, this division responds to emergency calls regarding water.

Expenditures

	FY 2017 Actual	FY 2018 Actual	FY 2019 Adopted	FY 2020 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 24,833	\$ 26,715	\$ 98,000	\$ 94,030	\$ (3,970)
Employee Benefits	3,423	3,717	15,210	14,600	(610)
Purchased Services	1,875	758	5,000	4,500	(500)
Internal Service	4,675	4,442	8,970	8,250	(720)
Other Operating Exp	10,652	11,129	17,500	15,000	(2,500)
Totals	\$ 45,458	\$ 46,761	\$ 144,680	\$ 136,380	\$ (8,300)

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs
PUBLIC SERVICE WORKER	0.65	0.39
CONSTRUCTION WORKER	0.78	
MOTOR EQUIPMENT OPERATOR I	0.39	1.04
MOTOR EQUIPMENT OPERATOR II	0.26	0.13
MOTOR EQUIPMENT OPERATOR III		0.13
W&G CONSTRUCTION CREW SUPERVSR	0.26	
W&G CREW SUPERVISOR	0.52	0.78
W&G WELDER/CREW SUPERVISOR	0.13	0.13
Total	2.99	2.60

Description

Water Distribution installs, maintains and constructs water mains, purges water lines and installs valves and fire hydrants. This division responds to emergencies regarding water mains.

Expenditures

	FY 2017 Actual	FY 2018 Actual	FY 2019 Adopted	FY 2020 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$346,609	\$353,914	\$354,780	\$ 371,620	\$ 16,840
Employee Benefits	48,003	48,993	55,030	57,660	2,630
Purchased Services	27,330	121,620	61,860	73,990	12,130
Internal Service	49,851	47,775	53,470	49,100	(4,370)
Other Operating Exp	88,744	114,933	137,170	145,730	8,560
Capital Outlay	3,454	3,401	4,800	4,800	-
Totals	\$563,991	\$690,636	\$667,110	\$ 702,900	\$ 35,790

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs
PUBLIC SERVICE WORKER	0.65	0.39
CONSTRUCTION WORKER	0.78	
MOTOR EQUIPMENT OPERATOR I	0.39	1.04
MOTOR EQUIPMENT OPERATOR II	0.26	0.13
MOTOR EQUIPMENT OPERATOR III		0.13
DISPATCHER	0.5	0.50
W&G SERVICE TECHNICIAN	3.5	3.50
W&G CREW SUPERVISOR	0.52	0.78
W&G WELDER/CREW SUPERVISOR	0.13	0.13
W&G CONSTRUCTION CREW SUPERVSR	0.26	
W&G DISTRIBUTION SUPERVISOR	0.5	0.50
W&G DISTRIBUTION SUPERINTENDEN	0.5	0.50
W&G CONSTRUCTION INSPECTOR		0.50
Total	7.99	8.10

Accomplishments

Replaced one mile of cast iron water mains in FY19 to improve reliability. This is an annual goal to reduce water main breaks and outages.

Goals

Replace cast iron water mains that are suspect to breaks and outages. Keep detailed records of previous outages and ongoing problems to direct efforts to avoid future outages.

Description

The Water metering and regulator division is responsible for the maintenance, operation, and installation of the automated meter reading modules and the physical meters. The team tests, calibrates and removes or installs all water meters in the distribution system. The group is responsible for meter disconnects and reconnections, and investigations and operating and maintaining water and fire hydrant valves.

Expenditures

	FY 2017 Actual	FY 2018 Actual	FY 2019 Adopted	FY 2020 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 81,802	\$ 74,166	\$ 96,240	\$ 99,030	\$ 2,790
Employee Benefits	11,909	11,073	15,650	16,150	500
Purchased Services	456	270	12,540	10,150	(2,390)
Internal Service	4,648	3,903	5,800	5,280	(520)
Other Operating Exp	11,166	11,483	35,830	46,590	10,760
Capital Outlay	628	706	960	960	-
Totals	\$110,609	\$101,601	\$167,020	\$ 178,160	\$ 11,140

Personnel

Three water and gas meter technicians are shared with gas meters and regulators.

Position Title	FY 2019 FTEs	FY 2020 FTEs
W&G METER TECHNICIAN	1.35	1.35
W&G SYSTEMS CONTROL SUPERINTEN	0.50	0.50
Total	1.85	1.85

Accomplishments

Replace three large water meters and install AMI modules to enable automatic meter reading.

Goals

Reducing operating and maintenance expenditures by installing new meters and AMI modules on our remaining commercial metersets to complete the advanced metering infrastructure project

Description

Water Debt Service budgets and accounts for the retirement of principal for general obligation bonds for the Water fund. All debt for this division has been extinguished.

	FY 2017 Actual	FY 2018 Actual	FY 2019 Adopted	FY 2020 Adopted	Increase/ (Decrease)
Expenditures:					
Debt Service	\$ 828,345	\$ 889,093	\$ 928,370	\$ 821,300	\$ (107,070)
Totals	\$ 828,345	\$ 889,093	\$ 928,370	\$ 821,300	\$ (107,070)

Description

The purpose of the Capital Improvement Program is to ensure the orderly expansion, modification and repair to the water distribution system for improved customer reliability, to allow future growth, and improve operational efficiency. This mission is accomplished by systematic construction and/or modifications to the distribution system.

Expenditures

	FY 2017 Actual	FY 2018 Actual	FY 2019 Adopted	FY 2020 Adopted	Increase/ (Decrease)
Expenditures:					
Purchased Services	\$205,449	\$302,591	\$ 210,000	\$ 290,000	\$ 80,000
Other Operating Exp	134	14,806	-	-	-
Capital Outlay	6,299	30,690	70,000	120,000	50,000
Capital Projects	-	32,302	5,000,000	-	(5,000,000)
Totals	\$211,882	\$380,389	\$5,280,000	\$ 410,000	\$ (4,870,000)

Personnel

Hourly water fund employees are accounted for within capital projects through our work order system. Although there are no employees exclusively or specifically assigned to capital projects, we forecast the following results for FY 2019:

Position Title	FY 2019 FTEs	FY 2020 FTEs
PUBLIC SERVICE WORKER	1.2	0.72
CONSTRUCTION WORKER	1.44	
MOTOR EQUIPMENT OPERATOR I	0.72	1.92
MOTOR EQUIPMENT OPERATOR II	0.48	0.24
MOTOR EQUIPMENT OPERATOR III		0.24
W&G METER TECHNICIAN	0.15	0.15
W&G CREW SUPERVISOR	0.96	1.44
W&G CONSTRUCTION CREW SUPERVSR	0.48	
W&G WELDER/CREW SUPERVISOR	0.24	0.24
Total	5.67	4.95

Accomplishments

Replace One Mile of Main per Year using contract labor; Replace One Mile of Main per Year using Water distribution labor; Replace obsolete and inoperable Public Fire Hydrants

Goals

Implement improvements to pressure by completing zone boundary projects and system improvement projects;

Description

The Water Fund's mission is to provide reliable high quality drinking and industrial process water at the lowest cost possible while complying with all local, state, and federal laws, regulations and standards. The City has owned and operated a potable supply system since 1876.

The administrative division processes accounts payable invoices and weekly and monthly payroll, establishes scheduling, contracts with vendors and plans the annual budget for the Water Treatment facility.

Expenditures

	FY 2017 Actual	FY 2018 Actual	FY 2019 Adopted	FY 2020 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 152,845	\$ 114,170	\$ 132,250	\$ 123,930	\$ (8,320)
Employee Benefits	22,366	16,598	22,250	21,100	(1,150)
Purchased Services	18,404	704	1,740	1,850	110
Internal Service	12,961	12,791	12,140	15,470	3,330
Other Operating Exp	87,805	76,763	99,920	95,990	(3,930)
Cost Allocation	634,477	679,225	742,230	775,070	32,840
Depreciation	120,126	120,504	200,000	221,000	21,000
Debt Service	220,714	187,399	151,580	109,930	(41,650)
Transfer Out	937,300	942,300	942,300	950,300	8,000
Totals	\$2,206,998	\$2,150,454	\$2,304,410	\$ 2,314,640	\$ 10,230

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs
SENIOR SECRETARY	0.50	0.50
WATER TREATMENT MANAGER	1.00	1.00
DIVISION DIR WTR/WSTWTR TRTMNT	0.50	0.50
Total	2.00	2.00

Description

The Division of Water Treatment is responsible for water supply and treatment including operation and maintenance of raw water intake facilities, the potable water treatment plant, industrial water treatment plant, water booster stations, and water storage facilities. In 1966, the City added an industrial water system to serve the Goodyear Tire & Rubber plant and the City's wastewater treatment plants.

The Water Treatment Plant is designed to purify up to 18 million gallons per day, but currently operates at approximately six million gallons per day.

Expenditures

	FY 2017 Actual	FY 2018 Actual	FY 2019 Adopted	FY 2020 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 427,646	\$ 445,634	\$ 484,210	\$ 495,990	\$ 11,780
Employee Benefits	61,400	64,390	77,120	79,900	2,780
Purchased Services	238,510	312,014	132,400	152,800	20,400
Internal Service	689,776	689,598	735,900	723,250	(12,650)
Other Operating Exp	290,372	286,482	405,580	440,750	35,170
Debt Service	3,536	2,893	2,110	1,270	(840)
Totals	\$1,711,240	\$1,801,011	\$1,837,320	\$ 1,893,960	\$ 56,640

Personnel

The Plumbing/Cross Connection Inspector is shared with Community Development.

Position Title	FY 2019 FTEs	FY 2020 FTEs
PLUMBING/CROSS CNCTN INSPECTOR	0.50	0.50
WTR TRTMNT PLNT OPRTR TRAINEE	4.00	4.00
WATER TRTMNT PLNT OPERATOR III		1.00
WATER TRTMNT PLNT OPERATOR I	3.00	1.00
WATER TRTMNT PLNT OPERATR SUPV	2.00	3.00
UTILITY PLANT MAINTENANCE WORK	1.00	
INDUSTRIAL MECHANIC	1.00	1.00
SENIOR INDUSTRIAL MECHANIC	1.00	2.00
WATER CHEMIST	1.00	1.00
Total	13.50	13.50

Description

Water Treatment capital budgets and accounts for the repair and maintenance of equipment and tanks, repairs to the facilities and the replacement of vehicles, pumps, motors and equipment.

Expenditures

	FY 2017 Actual	FY 2018 Actual	FY 2019 Adopted	FY 2020 Adopted	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 96,437	\$ 119,804	\$ 184,590	\$ 175,420	\$ (9,170)
Employee Benefits	12,351	16,435	38,290	34,100	(4,190)
Purchased Services	189,363	319,348	82,000	102,000	20,000
Internal Service	31,817	33,603	31,250	27,900	(3,350)
Other Operating Exp	256,067	185,751	239,670	380,280	140,610
Capital Outlay	102,798	41,299	153,000	108,400	(44,600)
Capital Projects	-	-	500,000	1,000,000	500,000
Contingency Approp	-	-	100,000	100,000	-
Totals	\$ 688,833	\$ 716,240	\$ 1,328,800	\$ 1,928,100	\$ 599,300

Description

Water Debt Service budgets and accounts for the retirement of principal for general obligation bonds for the treatment division of the Water fund.

Expenditures

	FY 2017 Actual	FY 2018 Actual	FY 2019 Adopted	FY 2020 Adopted	Increase/ (Decrease)
Expenditures:					
Debt Service	\$ 6,106	\$ -	\$ -	\$ -	\$ -
Totals	\$ 6,106	\$ -	\$ -	\$ -	\$ -

FY 2020 FIVE-YEAR CAPITAL & SPECIAL PROJECTS PLAN
PROJECT DESCRIPTION

Project Title: Water Line Reconstruction
Project No: 60053

Department: Utilities
Division: Water Distribution
Section: N/A

Description:

Many water mains have reached their expected life span and have resulted in a number of maintenance repairs. Annual funding will allow for systematic replacement of the deteriorating lines. An upgraded water pipeline system will improved water quality and system reliability.

Justification:

Danville Utilities is starting a multi-year water main and service line replacement project. Many existing water mains are in need of being replaced to prevent outages during extreme temperatue swings. These outages are often experienced on days when there are 30+ degree temperature swings. Annual funding will allow for systematic replacement of the obsolete water lines. The City has good historic records to help prioritize water main replacements that will improve water quality and system reliability.

Comments:

Funding		FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Utility Revenues		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
Total Funding Sources		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000

Goals/Milestones:

FY 2020	Replacement of water mains
FY 2021	Replacement of water mains
FY 2022	Replacement of water mains
FY 2023	Replacement of water mains
FY 2024	Replacement of water mains