

WATER DEPARTMENT

Update



WHERE WE WERE

AN UNSUSTAINABLE PATH

	As of		
	12/31/2018	12/31/2019	12/31/2020
<u>Cash and Cash Equivalents:</u>			
Operation and Maintenance Fund	\$109,648	\$77,441	\$16,692
Capital Improvement Fund	19,498	24,126	2,028
Total Cash and Cash Equivalents	\$129,146	\$101,567	\$18,720

Baker Tilly comprehensive report:

- Suggested either a rate increase of 53% or selling the department
- In order to be fiscally healthy, need at least \$100,000 in reserves (\$52k operating and maintenance, \$51k capital improvements), better if near \$150,000



WHERE WE ARE TODAY

MUCH HEALTHIER & READY TO TAKE ON FUTURE PROJECTS

FUND TITLE	CURRENT BALANCE
**Bank Number 6	
6101 WATER UTILITY OPERATING	150886.99
6106 WATER CAPITAL IMPROVEMENT	65298.10
SubTotal Bank Number 6	216185.09
*** GRAND TOTAL ***	216185.09

12/31/2020
\$16,692
2,028
\$18,720

Since 12/31/2020:

- Operating: +\$134,194
- Capital: +\$63,270



HOW WE GOT THERE

TACKLING THE PROBLEM ON SEVERAL FRONTS

- ❖ ARPA money received (\$200,000)
- ❖ Reduced labor costs
 - Combined street & water departments
 - Share cost of Julia's time (40% of salary)
- ❖ Water rate increase 50% (Baker Tilly recommended 53%)
- ❖ Followed up on a number of delinquent properties
- ❖ No snowbird exceptions
- ❖ Scrutinizing expenses
 - USIC bills and out-of-town locates +/- \$7,000
- ❖ Wireless meters provide more accuracy
- ❖ Water testing and EPA reports outsourced



WIRELESS METERS

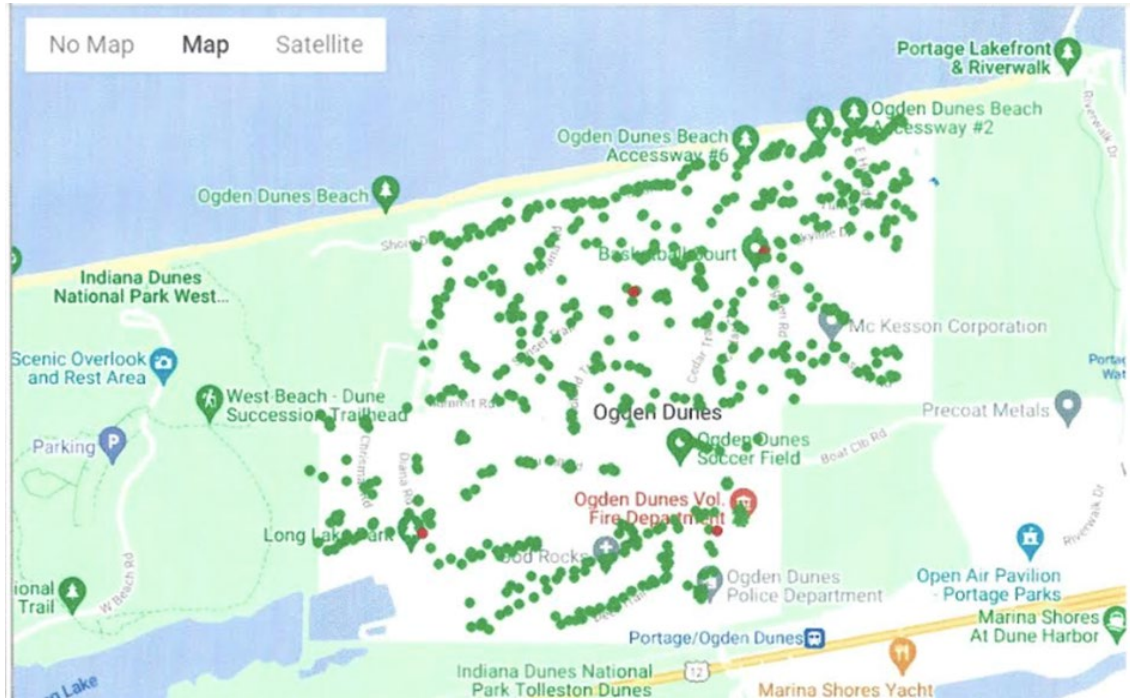
PROJECT UPDATE

- ❖ 586 out of 634 meters are now wireless (92%)
- ❖ Will be 98% complete by end of month
- ❖ Savings associated with no more meter reading
- ❖ Real-time leak detection
 - Fast leak detection = savings for homeowners
- ❖ No more 4th quarter estimates = additional savings on labor
- ❖ Ability to move to monthly billing in the future = greater ability to control cash flow



WIRELESS METERS

PROJECT UPDATE



UPCOMING PROJECTS & EXPENSES

WHY MONEY IN THE BANK IS SO IMPORTANT

❖ Emergencies

- Recent water main leak @ Hillcrest and Diana, repair 6 feet long = \$8,000
- Recent Diana leak and valve repair on Hillcrest = expect around \$18,000

❖ 6 Deep meters = \$16,000

❖ NIPSCO rewiring for pump station = \$20,000

❖ Pump station update = \$50,000

❖ Pump station exterior improvements = \$50,000-\$70,000

