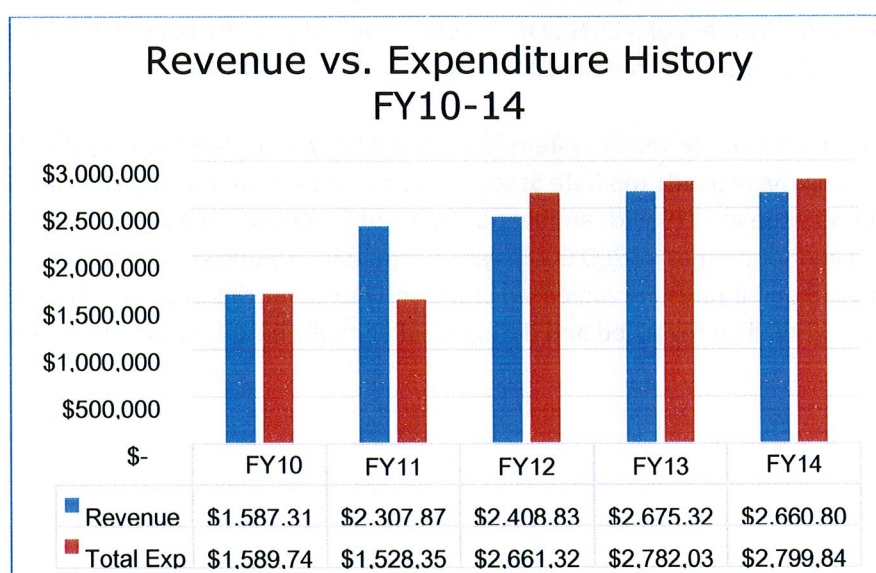


Sewer Fund

The Sewer Fund is a type of proprietary fund, which is considered an enterprise fund. Enterprise funds account for business-type activities supported largely through user charges. The main purpose of this business-like approach is to provide services to consumers at a price that will cover both the current cost of operations (expenses) and the maintenance and financing of the necessary capital assets.

The primary sources of revenue for the sewer fund are tract connection fees from new users and sewer use fees. The Wastewater Service Agreement and Addendum between the City of Omaha and City of La Vista was adopted by the City Council on April 7, 2009 and was amended in January 2013. The chart below is indicative of the increasing sewer use fees as the City began collecting from subdivisions within the extraterritorial jurisdiction (ETJ) east to the interstate, in FY11 collection was expanded to include those west of the interstate, and in FY 14 for expansion to west side of 144th Street.



The fees paid to the City of Omaha to treat sewage for the City of La Vista represent 58.2% of the City's anticipated sewer expenses in FY16. The City of Omaha bills the City of La Vista for treating sanitary sewage and is proposing rate increases through 2018 between 9% and 10% per year.

The Mayor and City Council accepted the Rate Study's recommendation to increase annual rates by 10% annually FY15 through FY19 for all classes of sewer customers with the exception of transitioning the format of billing multi-family customers. The Rate Study recommended a transition in the fees for multi-family sewer users so that by FY19 those customers can be billed through the MUD billing system and eliminating manual billing by City staff. This will position the City to favorably accommodate changes in the projections and to reduce abrupt rate changes in the future.

The sewer fund budget includes 75/25 split with the General Fund for Administrative Services, Administration, Streets Administration and Human Resources. *(The salary and benefits of the Assistant Public Works Director/City Engineer; Secretary; and Intern are split 50/50 between Streets Administration and Sewer Administration).*

Sewer Fund

The capital request of \$400,000 is to replace the combination truck that was purchased in 2006. The truck is severely rusting out, the water pump has been rebuilt several times, the sensors and wiring have been replaced but are still not functioning correctly and the truck is unsafe when the sensors are not operating. The technology has improved with anti-rust material for tank bodies and water pumps requiring less maintenance. An additional \$5,300 capital request is for a CUES camera cable. The current cable is only 500 feet and covers the distance of 300 feet between manholes. With increased footage of 1000 feet, this would allow for televising of roughly 900 feet decreasing the time spent on camera set-up and tear-down.

As noted in prior years, the City's sewer infrastructure is beginning to show its age and it is anticipated that significant repair/reconstruction will be required in the future. In anticipation of this, in FY12 the City established a Sewer Replacement Reserve of \$300,000. The recommendation for funds in excess of a 25% cash reserve to be put into the reserve annually. This provides for any unanticipated smaller repairs and equipment that may occur.

There are several small pieces of the sewer system identified each year in need of rehabilitation. In order to begin addressing these needs the Rate Study recommended an annual expenditure to be funded by a \$2.9M Bond issue in FY19 with annual payments of \$200,000. The study took into account various rate scenarios and found that a \$200,000 payment could be supported if bond payments are assumed to begin in 2019 and if rates are increased sufficiently to cover this expense. Nevertheless, funding recommendations will be reviewed and determined annually based on current conditions.

Sewer Fund

Sewer Fund Summary

	FY13 Actual	FY14 Actual	FY15 Budget	FY16 Approved
REVENUES				
Sewer Service Charges	223,063	244,595	258,231	283,285
Sewer User Fees	2,136,911	2,272,850	2,812,725	3,345,986
Sales Tax Collection Fee	336	375	200	450
Sewer Hookup Fee	287,104	114,315	100,000	200,000
Interest Income	3,298	3,600	3,000	3,311
Grant Income	24,082	24,233	24,082	22,918
Bond Proceeds	0	0	0	0
Miscellaneous	529	839	0	0
Total Revenue	2,675,323	2,660,807	3,198,238	3,855,950
EXPENDITURES				
Salary & Benefits	731,944	760,519	778,176	815,229
Operating Expenditures	1,714,092	2,039,325	2,430,703	2,600,928
Total Expenditures	2,446,036	2,799,844	3,208,879	3,416,157
Other Financing Sources (Uses)				
CIP Transfer	0	(20,000)	(28,000)	(50,000)
Total Other Uses of Funds	0	(20,000)	(28,000)	(50,000)
Operating Cash Annual Inc/(Dec)	229,287	(159,037)	(38,641)	389,793
Total Capital	36,000	16,971	60,000	405,300
Total Expenditures & Capital	2,482,036	2,816,815	3,268,879	3,821,457
Prior Year Cash	1,188,075	1,393,803	1,217,795	1,554,592
End of Year Cash Total	1,381,362	1,217,795	1,119,154	1,539,085
Target Reserve (25% of Oper Exp)	611,509	699,961	802,220	854,039
Excess Cash Over Reserves	769,853	517,834	316,934	685,046

Sewer Fund

Sewer Administration					
		FY13	FY14	FY15	FY16
		Actual	Actual	Budget	Approved
PERSONNEL SERVICES					
101	Salaries - Full-Time	278,550	317,573	310,418	318,536
102	Salaries - Part-Time	17,436	9,309	18,365	22,520
103	Overtime Salaries	2,674	3,161	888	730
104	FICA	21,721	24,172	25,231	25,752
105	Insurance Charges	32,432	34,157	30,191	40,747
107	Pension	14,480	16,231	14,878	15,278
108	Pension/ICMA	2,396	3,008	3,811	4,039
Total Personnel Services		369,690	407,612	403,782	427,602
COMMODITIES					
201	Office Supplies	4,342	4,151	3,079	3,779
202	Books and Periodicals	128	274	311	311
203	Food Supplies	16	0	79	158
Total Commodities		4,486	4,425	3,469	4,248
CONTRACTUAL SERVICES					
301	Postage	852	491	1,608	1,271
302	Telephone	1,830	1,957	1,636	1,905
303	Professional Services-Other	4,534	439	1,625	1,588
304	Utilities	7,432	7,724	6,747	6,897
307	Car Allowance	1,812	1,548	1,830	1,830
308	Legal Advertising	324	426	375	375
309	Printing	785	1,047	1,087	902
310	Dues and Subscriptions	1,871	2,240	2,268	2,441
311	Travel	6,132	5,034	9,246	8,039
313	Training	3,219	4,028	11,867	6,877
314	Other Contractual Services	8,373	14,081	7,641	8,569
320	Prof Services-Auditing	13,019	11,595	12,538	13,600
321	Professional Services-Legal	49,555	42,593	31,607	37,179
Total Contractual Services		99,738	93,205	90,075	91,473
MAINTENANCE					
401	Building and Grounds	11	0	0	0
OTHER CHARGES					
505	Other Charges	8,936	6,463	8,345	10,645
TOTAL		482,862	511,704	505,671	533,968

2-41 Sewer Administration

The Administration, Administrative Services and Human Resources budgets are partially funded by the Sewer Administration budget. The line items below fund 25% of the total of these same line items in the budgets mentioned above.

Budget

Line Item

101 Full Time Salaries

This line item provides partial funding for full time positions. A 2.5% base factor is included for potential salary increases in accordance with the compensation ordinance.

102 Part Time Salaries

This line item provides partial funding for part time and seasonal positions.

103 Overtime

This line item provides partial funding for overtime expenditures. Overtime is approved on an as-needed basis.

104 FICA

This is a mandatory withholding match that is a fixed percentage of salaries.

105 Insurance Charges

This line item partially funds the City's portion of health, dental, life and disability insurance for employees. In an effort to keep health insurance rates at a manageable level, changes were made this past year to the way this benefit is funded. The City took on a portion of the liability, which resulted in lower premiums. Actual savings, if any, will depend on plan usage during a given year. The budget does include a potential 5% increase in insurance premiums, but we are hopeful this new funding mechanism will help us better keep insurance costs under control.

107 Civilian Pension

This line item partially funds the City's portion of employee pension contributions.

201 Office Supplies

This line item partially funds miscellaneous office supplies including copy machine and postage meter supplies.

202 Books and Periodicals

This line item partially funds the purchase of books and periodicals including new NE Revised Statute books.

Sewer Fund

203 Food Supplies

This line item partially funds any food supplies purchased for meetings, etc.

204 Wearing Apparel

No funding requested in this line item.

205 Motor Vehicle Supplies

No funding requested in this line item.

211 Other Commodities

No funding requested in this line item.

301 Postage

This line item partially funds the mailing of the City Newsletter and other general mailing expenses.

302 Telephone

This line item partially funds telephone services.

303 Professional Services - Other

This line item partially funds services such as employee drug testing, engineering services and any additional professional services.

304 Utilities

This line item partially funds all utility costs. An across-the-board increase of 3% was requested this year for all utilities.

308 Legal Advertising

This line item partially funds advertising costs for employment positions and legal notices.

309 Printing

This line item provides partial funding for printing the City Newsletter, letterhead and stationary, and other miscellaneous printing projects.

310 Dues and Subscriptions

This line item partially funds professional memberships and certifications for employees as well as subscriptions.

311 Travel Expenses

This line item partially funds all authorized trips and the expenses related to meals, lodging, transportation and miscellaneous incidental costs.

312 Towel/Cleaning Service

No funding requested in this line item.

Sewer Fund

313 Training

This line item partially funds all training course registrations costs and seminar costs.

314 Contractual Services

This line item partially funds on-going service contracts and contracts associated with special projects.

321 Professional Services – Legal

This line item partially funds legal fees.

505 Other Charges

This line item partially funds the purchase of supplies that do not logically fall into any one of the scheduled accounts and other miscellaneous expenses.

Sewer Fund

Sewer Operations

		FY13	FY14	FY15	FY16
		Actual	Actual	Budget	Approved
PERSONNEL SERVICES					
101	Salaries - Full-Time	251,863	236,156	240,084	247,992
102	Salaries - Part-Time	12,889	21,732	29,071	29,138
103	Overtime Salaries	5,811	7,771	12,062	13,350
104	FICA	19,753	19,320	21,596	22,304
105	Insurance Charges	56,479	53,292	55,531	58,238
107	Pension	15,460	14,636	16,050	16,605
Total Personnel Services		362,254	352,907	374,394	387,627
COMMODITIES					
201	Office Supplies	196	246	200	200
203	Food Supplies	38	48	100	100
204	Wearing Apparel	1,045	1,010	1,580	1,580
205	Motor Vehicle Supplies	25,710	21,799	25,639	27,239
206	Maint/Lab/Med Tool Supply	601	1,020	1,000	1,000
207	Janitor Supplies	293	188	200	200
208	Chemical Supplies	8,306	2,900	8,500	8,500
209	Welding Supplies	513	398	700	700
Total Commodities		36,702	27,609	37,919	39,519
CONTRACTUAL SERVICES					
301	Postage	703	181	675	642
302	Telephone	93	480	480	480
303	Professional Services-Other	890	795	2,814	2,814
304	Utilities	4,554	6,167	9,270	9,270
305	Insurance and Bonds	120,926	123,792	155,000	98,404
306	Rentals	0	0	0	0
308	Legal Advertising	0	0	150	150
309	Printing	2,250	2,959	2,348	2,623
310	Dues and Subscriptions	10	10	40	40
311	Travel	4,740	4,710	9,366	9,366
312	Towel and Cleaning Services	939	970	1,500	1,500
313	Training	1,530	1,845	2,895	2,895
314	Other Contractual Services	1,352,308	1,674,761	1,992,684	2,236,241
320	Prof Services-Auditing	4,339	3,785	4,850	4,800
321	Professional Services-Legal	1,240	730	15,000	15,000
Total Contractual Services		1,494,522	1,821,185	2,197,072	2,384,225

Sewer Fund

Sewer Operations					
		FY13 Actual	FY14 Actual	FY15 Budget	FY16 Approved
	MAINTENANCE				
401	Building and Grounds	8,427	9,721	10,500	10,500
403	Sewer Plant and Tanks				
404	Sewer Plant Machinery				
405	Sanitary Sewers	4,479	8,061	4,527	4,527
409	Machine Equip and Tool Maint.	7,167	5,241	5,509	8,309
410	Motor Vehicle Maintenance	11,132	14,885	13,030	18,330
411	Radio Maintenance	576	0	1,500	1,500
	Total Maintenance	31,782	37,908	35,066	43,166
	OTHER CHARGES				
505	Other Charges	128	1,296	150	150
	CAPITAL OUTLAY				
618	Other Capital Outlay	36,000	16,971	60,000	405,300
	TOTAL	1,961,388	2,257,877	2,704,601	3,259,987

Sewer Fund

2-42 Sewer Maintenance

Budget Line Item

101 Full Time Salaries

This line item provides funding for six full time positions. A 2.5% base factor is included for potential salary increases in accordance with the compensation ordinance.

102 Part Time Salaries

This line item provides funding for two part time and two seasonal positions with a full time equivalent of 1.04. Funding requested at same level as last year.

103 Overtime

This line item provides overtime funding for six full-time positions. Overtime is approved on an as-needed basis. The major contributing factor to overtime is snow removal operations. Overtime is also needed during La Vista Days, sewer plugs and occasional emergency call-outs from dispatch.

104 FICA

This is a mandatory withholding match that is a fixed percentage of salaries.

105 Insurance Charges

This line item funds the City's portion of health, dental, life and disability insurance for employees. In an effort to keep health insurance rates at a manageable level, the City took on a portion of the liability for this benefit in January of 2014, resulting in premium savings. Additional savings, if any, will depend on plan usage during a given year. The budget does include a potential 6% increase in insurance premiums, based on the current market and input from our broker. Every effort will be made to stay under that amount.

107 Civilian Pension

This line item funds the City's portion of employee pension contributions.

201 Office Supplies

This line item funds supplies used in the front office, Sewer Foreman's office and general use by hourly employees. Funding requested at same level as last year.

203 Food Supplies

This line item funds two breakfast meetings with supervisory staff and the City Engineer. Funding requested at same level as last year.

204 Wearing Apparel

This line item funds the purchase of safety boots, safety shirts, rain gear, and safety equipment for six full time, one part time and two seasonal employees. Funding requested at same level as last year.

Sewer Fund

205 Motor Vehicle Supplies

This line item funds the purchase of fuel, oil, anti-freeze and tires for 8 vehicles and 12 pieces of equipment. A one-time increase of \$1,600 is requested for purchase of tires for the combination truck.

206 Lab and Maintenance Supplies

This line item funds the purchase of replacement tools and equipment such as power tools, mechanic tools, sewer tools, shovels, rakes and all other construction related tool requirements. Funding requested at same level as last year.

207 Janitorial Supplies

This line item funds paper products and cleaning supplies for the Sewer Shop. Funding requested at same level as last year.

208 Chemical Supply

This line item is for the purchase of chemical products used to treat sanitary sewer lines and related right-of-way areas. Funding requested at same level as last year.

209 Welding Supplies

This line item funds welding supplies to maintain 8 vehicles and 12 pieces of equipment in addition to any building and grounds repairs. Funding requested at same level as last year.

301 Postage

This line item covers the sewer operating share of mailing the City Newsletter and general mailing. A slight decrease is shown.

302 Telephone

This line item covers the access to the internet for One Call and GIS mapping. Funding requested at same level as last year.

303 Professional Services - Other

This line item funds the State of Nebraska fuel tank registration, employee drug testing, engineering services and any additional professional services. Funding requested at same level as last year.

304 Utilities

This line item funds natural gas and electricity service for the sewer shop and old sewer treatment plant. Funding requested at same level as last year.

308 Legal Advertising

This line item funds advertising for seasonal employment positions. Funding requested at same level as last year.

Sewer Fund

309 Printing

This line item provides funding for printing the city newsletter, letterhead and stationary. An ongoing increase of \$275 for printing costs associated with the city newsletter is included.

310 Dues and Subscriptions

This line item funds the professional memberships and certifications for 6 full time employees. Examples include Nebraska Pesticide Applicators License and Water Operators License. Funding requested is a slight decrease from last year.

311 Travel Expenses

This line item funds all authorized trips and the expenses related to meals, lodging, transportation and miscellaneous incidental costs. A one-time increase of \$3,200 is requested for travel, lodging and meals for 2 employees to attend training for CUES camera repair. This additional travel was originally scheduled for FY15, but the class was cancelled.

312 Towel/Cleaning Service

This line item funds the laundering of Public Works uniforms. Funding requested at same level as last year.

313 Training

This line item includes all training courses and seminar costs. One-time increase of \$100.00 is requested for training on repairing the CUES camera equipment. This additional training was originally scheduled for FY15, but the class was cancelled.

314 Contractual Services

This line item funds contracts for the following services: City of Omaha sewer treatment; Heritage Crystal Clean; Papillion Sanitation; Simplex Grinnel; Sarpy County 800 MHz; One Call; Cummings Generator Inspection and vehicle loan payment. Requesting an additional \$243,529 for sewer treatment in conjunction with City of Omaha rate increases, as well as increased quantity due to anticipated development.

321 Professional Services – Legal

Funding requested at same level as last year.

401 Building and Grounds

Funds in this line item are used for the repair and maintenance of the sewer shop and old sewer treatment building. Funding requested at same level as last year.

405 Sanitary Sewer Maintenance

This line item provides funding for the repair and maintenance of the sanitary sewer system. Funding requested at same level as last year.

Sewer Fund

409 Machine – Equipment and Tool Maintenance

This line item funds the repair, maintenance and replacement of maintenance tools and equipment such as marking paint, pry bars, blowers and generators. A one-time request of \$2,800 is included to purchase a replacement sewer cleaning nozzle.

410 Motor Vehicle Maintenance

This line item funds replacement parts for 8 vehicles and 12 pieces of equipment. A one-time request of \$5,300 is included to install a rust proofing liner on Sewer Jet.

411 Radio Maintenance

This line item funds the repair and maintenance of the radio system. Funding requested at same level as last year.

505 Other Charges

This line item funds the purchase of supplies that do not logically fall into any one of the scheduled accounts such as expenses for the annual employee appreciation dinner. Funding requested at same level as last year.

618 Other Capital

Combination Truck - \$ 400,000

We currently have a 2006 Camel Super Products combination truck. The debris body is rusting out severely. When we clean it out we get chunks of rust that come out in sheets and about 1/8 inch thick. The water pump is weak and we have rebuilt it several times. The rack that holds our vacuum tubes on the back of the truck will not move up or down without an employee pulling down or pushing it up so we can get the tubes off or back on the truck. We have to be very careful with the compactor plate in the debris body. If we push the compactor plate all the way out it won't go back in unless an employee crawls up to the top and adjusts the sensors. We have replaced the sensors and wiring and it still doesn't work right. The truck is unsafe when the sensors do not operate correctly. The technology has improved in combination trucks. In the new trucks the debris body is made of an anti-rust material so it will not rust. The water pumps have went from a three piston to a single piston for better operation and reduced maintenance. This unit is a vital piece of equipment to the sewer division as we use it to retrieve debris out of sanitary sewer lines and to clean out the storm sewer boxes so we don't have to send an employee down a manhole to retrieve the debris.

CUES camera cable - \$ 5,300

The current cable we have is only 500 ft. and with a 1000ft of cable we can increase our footage we televise in a day. With a distance of roughly 300 ft. between manholes we are only able to televise one line before we have to tear down and move to the next manhole. We are currently spending more time setting up and tearing down than we are televising. With a new 1000 ft. of cable we can televise roughly 900 ft. before we have to teardown.

Travel & Training

Storm Water Management					
		FY13	FY14	FY15	FY16
		Actual	Actual	Budget	Approved
OTHER CHARGES					
505	Other Charges	37,787	47,234	58,607	27,502
TOTAL		37,787	47,234	58,607	27,502

2-43 Storm Water Management

Budget Line Item

505 Other Charges

This account was created to manage grant funding made available by the Nebraska Department of Environmental Quality (NDEQ) for implementation of the Storm Water Management Plan (SWMP) for the City of La Vista. These funds must be used only for implementation of the SWMP. These funds may not be used for normal operation and maintenance or flood control. The City is required to provide a 20% match for all grant funding. The City has received annual grants since 2006 from the State of Nebraska. These are state funds and do not involve federal money. Public Works will be applying for a grant in December of 2015 and it is estimated that the grant amount will be \$22,918. Funds are currently being used to finance activities associated with MS4 storm water management responsibilities. Some of these responsibilities take place through activities conducted by the Papillion Creek Watershed Partnership (PCWP) through our interlocal agreement with that agency. Projects which have been completed to date include: conducting an inventory of the entire storm water system and placing it onto a GIS overlay; storm drain marking to prevent illegal dumping in catch basins and curb inlets; installation of a storm water quality devices, purchase of automatic vehicle locating systems to track application of deicing chemicals and street sweeping, and various public education, outreach and demonstration projects. Future projects may include the installation of several more water quality devices, the equipping of the sewer camera truck with access to the Sarpy GIS system to access sewer maps for information and updating, installation of a sediment/grit trap at Public Works to improve water quality of runoff from wash down activities, public education events such as the La Vista Bio Blitz, rain barrel program, water quality demonstration projects and other activities in our Storm Water Management Plan.

Travel & Training

Department	Number Approved	Name of Conference	Location	Approved Travel	Approved Training
Sewer Operating	6	Pre-Fall Conference	Kearney, NE	648	240
	6	APWA, AWWA, NWEA Fall Conference	Kearney, NE	1,404	810
	6	LNM Wastewater Operations Snow Ball Conference	TBA	704	450
	2	Pumper Expo	Indianapolis, IN	3,160	100
	6	Pesticide Applicator Training	Omaha, NE	72	360
	4	Metam Sodium License	Lincoln, NE	60	600
	1	AWWA Conference	Kearney, NE	118	135
	2	Pool Operator License	Omaha, NE	-	100
	2	CUES Camera Repair Training	Orlando, FL	3,200	100
Sub Total Operating				\$ 9,366	\$ 2,895
Sewer Administration					
Administrative Services				1,932	2,118
Human Resources				1,130	1,989
Administration				4,310	2,025
Streets Administration				667	745
Sub Total Administration				\$ 8,039	\$ 6,877
Total Sewer Fund				\$ 17,405	\$ 9,772

Grants

Department	Agency	Account	Total Grant Expenditure	Total Grant Revenue
Storm Water Management				
	NE Dept of Environmental Quality Storm Water Management Grant	Papio Partnership Fees & various efforts to improve storm water quality per management plan. Requires local match of \$4,816. Funds are released in December and are available for 18 months. 02.43.0505	\$27,502	\$22,918
TOTAL GRANTS			\$27,502	\$22,918

These are anticipated grants; therefore the expenditures are not authorized unless the grants are awarded.