



**R**athbun  
**R**egional  
**W**ater  
**A**ssociation, Inc.

**Spring 2018**

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## "2018 BEST TASTING WATER IN IOWA"

Rathbun Regional Water Association took home the *Best Tasting Water in Iowa Award* at the 2018 Iowa Rural Water Association's 43<sup>rd</sup> Annual Conference held in Des Moines February 12-14. Numerous rural water and municipal utilities from around the state submitted samples of their water, straight from the tap in an effort to identify the tastiest water in the state.

The panel of water tasting judges included Annette Sweeney, USDA-Rural Development State Director, Kate Sand, Community Programs Director with USDA-Rural Development, Charlie Detrick, State Engineer with USDA-Rural Development, and Jason Marcel, IDNR ESD Field Services Bureau Chief.

Placing second in the water tasting competition was a tie between Cedar Falls Utilities and Poweshiek Water Association/Amana Plant. Third place also resulted in a tie between Southern Iowa Water Association/Creston Water Works and the City of Pisgah.

Kathy Law, Iowa Rural Water Association says the competition is part of a *Quality On Tap! Campaign*. "The contest helps emphasize the high quality, standards and, consequently, *taste* of water in rural America," she says.

Buckingham says the rural conference allows water treatment staff to get trained on new techniques and provides continuing education. "It's a great opportunity to meet with vendors and network with other water professionals."

RRWA will represent Iowa as they compete with other state winners from around the country in the national "Great American Water Taste Test" contest next year. The Rural Water Rally is held annually in Washington, D.C. each February and is an annual legislative event for the state affiliates of the National Rural Water Association.

The capacity of RRWA's first water treatment facility, built in 1975, was four million gallons per day (MGD) and supplied drinking water to four counties. The utility has seen steady growth and now provides clean drinking water to 18 counties and 51 communities in southern Iowa and northern Missouri. Since 2007, RRWA has invested close to \$50 million in improvements to the Association's drinking water system which includes the new water treatment plant.



**Photo Caption:** Jer Buckingham, Rathbun Regional Water Association's Plant Superintendent, receives the Best Tasting Water in Iowa Award at the 2018 Iowa Rural Water Association's 43<sup>rd</sup> Annual Conference held in Des Moines February 12-14.



## 2017 CONSUMER CONFIDENCE REPORT INFO

The Rathbun Regional Water Association, Inc. 2017 Water Quality Reports (CCR) are coming soon: Starting June 30, 2018 you will be able to view your RRWA system 2017 Annual Water Quality Report (also known as a Consumer Confidence Report, CCR) online. Please log on to the following link to view your CCR.

<http://www.rrwa.net/documents/803/2017RathbunCCR.pdf>

Your 2017 Consumer Confidence Report contains important information about the source and quality of your drinking water. If you would like a paper copy of the CCR mailed to your home or sent as an attachment to an email, please call 641.647.2416 or email [jbuckingham@rrwa.net](mailto:jbuckingham@rrwa.net).

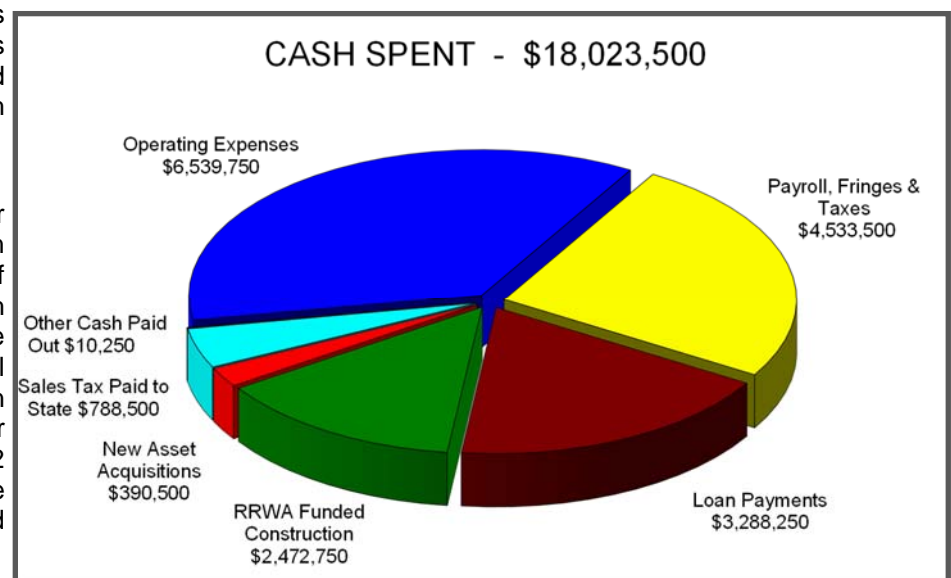
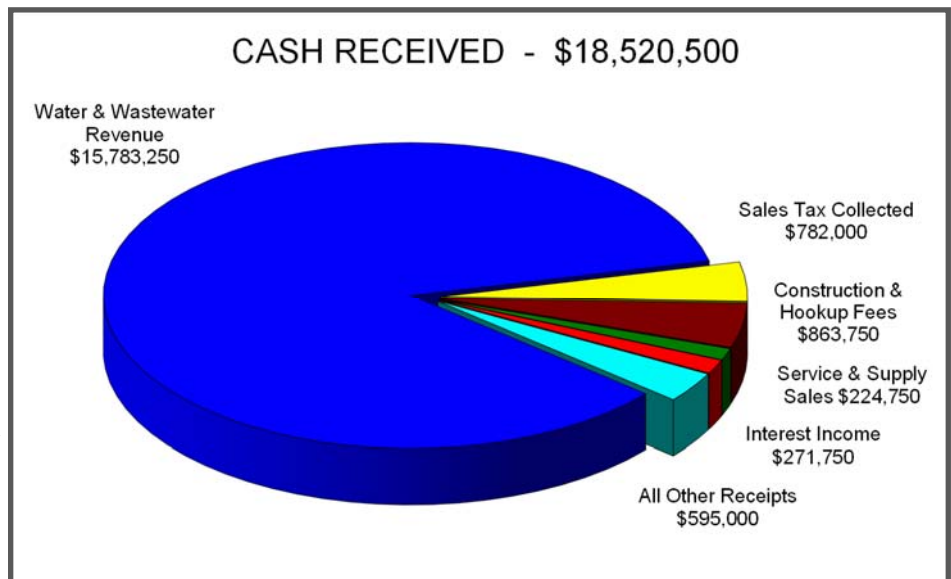
# 2017 FINANCIAL SUMMARY OF RRWA

The number of meters that RRWA customers had in service increased by 400 throughout the year and totaled 20,125 by the end of 2017. Water usage during the year from these meters increased by almost 7 percent or 180 million gallons from 2016 numbers and totaled 2.8 billion gallons for 2017. This increased water usage was primarily due to the dry and hot weather conditions experienced throughout the year.

The 2.8 billion gallons in water sales generated revenues of over \$15.5 million for the Association and when combined with \$225,000 collected from 750 Waste Water customers, accounted for 85% of the total cash received during 2017. Another \$782,000 in sales tax associated with water sales was collected for the State. Construction income and hookup fees charged for the new additions to the distribution system brought in \$865,000 while additional construction services and material sales provided to members, customers and other entities added \$225,000. Income from RRWA's cash investments generated just over \$270,000 in interest income throughout the year and all other cash received from miscellaneous sources during 2017 totaled \$595,000.

Daily operating expenses of the company during 2017 required \$6.5 million in cash and included in this segment was everything from the chemicals and electricity used to purify and pump the water to the fuel and repair costs associated with RRWA's trucks and equipment, or the office supplies and postage expenditures incurred throughout the year. Operating expenses in this segment increased 10% or \$235,000 from the prior year. Another \$4.5 million was spent on salaries, fringe benefits and payroll taxes for the company's 62 full-time employees. The next segment of cash expenditures was loan payments which required \$3.3 million of cash. Interest payments totaled \$1.7 million on an average loan balance of roughly \$47 million throughout the year with principal payments making up the remaining \$1.6 million. Construction projects and improvements required almost \$2.5 million throughout the year for the funding of costs associated with new individual customer hookups and the infrastructure needed for the connections to the Cities of Birmingham, Hillsboro, Salem and Chariton. New capital purchases required another \$390,000; payments made to the State for sales tax totaled \$790,000; and all other uses of cash totaled \$10,250.

Total cash expenditures for the year added up to \$18,023,500, which when compared with total cash receipts of \$18,520,500, resulted in a positive cash flow during the year of \$497,000. The company's balance sheet and financial ratios continued to remain strong in 2017 with the company's net worth or members equity increasing by almost \$2 million over numbers reported the previous year while long term debt and liabilities decreased by \$1.6 million.





# CHANGES TO STATE TAX ON WATER 7-1-18

## MONTHLY WATER RATE CHART

First 2,000 gal & Min. Bill	25.75 per thousand
2,000 - 5,000	+ 7.15 per thousand
5,000 - 10,000	+ 5.60 per thousand
11,000 - 20,000	+ 4.50 per thousand
20,000 - 50,000	+ 3.40 per thousand
50,000 - up	+ 4.10 per thousand
Cities & Towns	3.00 per thousand

**All Amounts include Excise Tax of 6%**

Gallons	Amount Due	Late Payment Charge
		Amount Due if Not Paid by 15th
Minimum Bill	27.30	30.03
2,000	27.30	30.03
3,000	34.87	38.36
4,000	42.45	46.70
5,000	50.03	55.03
6,000	55.97	61.57
7,000	61.90	68.09
8,000	67.84	74.62
9,000	73.78	81.16
10,000	79.71	87.68
11,000	84.48	92.93
12,000	89.25	98.18
13,000	94.02	103.42
14,000	98.79	108.67
15,000	103.56	113.92
16,000	108.33	119.16
17,000	113.10	124.41
18,000	117.87	129.66
19,000	122.64	134.90
20,000	127.41	140.15
21,000	131.02	144.12
22,000	134.62	148.08
23,000	138.22	152.04
24,000	141.83	156.01
25,000	145.43	159.97
26,000	149.04	163.94
27,000	152.64	167.90
28,000	156.24	171.86
29,000	159.85	175.84
30,000	163.45	179.80
31,000	167.06	183.77
32,000	170.66	187.73
33,000	174.26	191.69
34,000	177.87	195.66
35,000	181.47	199.62
36,000	185.08	203.59
37,000	188.68	207.55
38,000	192.28	211.51
39,000	195.89	215.48
40,000	199.49	219.44
41,000	203.10	223.41
42,000	206.70	227.37
43,000	210.30	231.33
44,000	213.91	235.30
45,000	217.51	239.26
46,000	221.12	243.23
47,000	224.72	247.19
48,000	228.32	251.15
49,000	231.93	255.12
50,000	235.53	259.08

**All water over 50,000 Gallons**

If Paid by the 15th --	\$235.53 + \$4.35 per 1,000 Gal over 50,000
If Paid after the 15th --	\$259.08 + \$4.78 per 1,000 Gal over 50,000

Std 25.75 (6%)

The Iowa Department of Revenue has informed Rathbun Regional Water Association that following the passage of SF512 during the recent legislative session, a Water Service Excise Tax will be created effective July 1, 2018.

Currently, before the enactment of this law, the sale of water was subject to the 6% state sales tax as well as any applicable local option sales tax. The new law will exempt the sale of water service from state sales tax, but impose a 6% special excise tax. This will not be an additional tax or an increase in taxes – the excise tax just takes the place of sales tax and is at the same 6% rate. In fact, most RRWA customers will see a 1% decrease in their bills because of the elimination of the local option sales tax (LOST) charged on water services. Additionally, the sales price from transactions which were exempt from state sales tax is also exempt from the excise tax imposed by this new law.

RRWA has included with this article a new rate chart for your water bills, which reflects only the 6% excise tax without any local option taxes. Please cut this chart out and use it for all bills paid on or after July 1, 2018. If you have any questions on this change please call our office at 1-800-233-8849.

## RRWA 41ST ANNUAL MEETING HELD

The 41st Annual Membership meeting was held at the RRWA Treatment Plant, 16166 Hwy J29, Centerville, IA on February 22, 2018 at 7:00 p.m.

Two directors were re-elected to serve a three-year term on the RRWA Board:

**District 5:** Charles Warner-PO Box 37, Bonaparte, IA 52620.

**District 6:** Garry Schiller-1798 255th Street, Donnellson, IA 52625.

RRWA would like to thank all of those members of the nominating committee for their willingness to serve. Members of the nominating committee appointed by the Board of Directors were: Dan Furlin, Jr-Numa, Gary Dustin-Albia, Paul Wells-Milton, Leroy Perkins-Corydon, Darrell Krehbiel-Donnellson, Richard Rickelman-Bloomfield, and Bill Hillyard-Burlington.

Other items discussed at the meeting were:

- The 2017 Financial Report of RRWA
- Tour of the Original RRWA Treatment Plant
- Tour of the New RRWA Treatment Plant

Return Service Requested

## **Rathbun Regional Water Association, Inc. Mission Statement**

Rathbun Regional Water Association, Inc. strives to improve the quality of life in our region by providing our customers with safe, high quality drinking water and related services.

We believe the success of our organization depends on our commitment to the following values:

- Good communication and cooperation between our customers, employees, management, and board.
- Innovative, dependable, highly trained employees that take pride in their work and are dedicated to serving our customers.
- Responsibility as a team for the efficient and reliable delivery of reasonably priced product and services to our region.
- Equal opportunity for growth and excellence for every employee.
- Proactive involvement with economic growth and environmental stewardship.

**RRWA  
OFFICE HOURS  
8:00 a.m. to 4:30 p.m.  
Monday through Friday**

Please call regarding your bill between these hours.

After hours call **only** in case of emergency.

**(641) 647-2416**

### **NOTICE**

Please be sure you have provided RRWA with the correct mailing address and current telephone number associated with your water account.

### **Rathbun Regional Water Association, Inc.**

#### ***BOARD OF DIRECTORS***

Charles Warner, Chairman  
Max Proctor, Vice Chairman  
Mike Fesler, Secretary & Treas.  
Denny Amoss  
Randy Eddy  
Doug Goben  
Garry Schiller