

1. Administrative Details

Proposal Name: West View Water Authority Neville Island Water Treatment Plant Rehabilitation

by Agency: The West View Water Authority

Locations: PA

Date Submitted: 08/20/2018

Confirmation Number: b94a0034-d9dd-42f1-b1de-074cea529e2c

Supporting Documents

File Name	Date Uploaded
WEST VIEW SERVICE TERRITORY (003).pdf	08/20/2018
Exhibit 6-Audited Financials.pdf	08/20/2018
WRRDA Letter-08202018.pdf	08/20/2018

2. Provide the name of the primary sponsor and all non-Federal interests that have contributed or are expected to contribute toward the non-Federal share of the proposed feasibility study or modification.

Sponsor	Letter of Support
The West View Water Authority (Primary)	The West View Water Authority has the funding in place and certifies that they can contribute towards the non-federal share of the proposed feasibility study or modification.

3. State if this proposal is for a feasibility study, a modification to an authorized USACE feasibility study or a modification to an authorized USACE project. If it is a proposal for a modification, provide the authorized water resources development feasibility study or project name.

Feasibility Study

4. Clearly articulate the specific project purpose(s) of the proposed study or modification. Demonstrate that the proposal is related to USACE mission and authorities and specifically address why additional or new authorization is needed.

The West View Water Authority serves over 200,000 customers in most of Allegheny, Butler, and Beaver Counties. They have a water treatment plant located on Nevil Island in Allegheny County. There is significant need for capital upgrades at the facility. As part of this effort, the WVWA is pursuing the Nevillele Nevill e Island Water Treatment Plant Improvements project, which seeks to provide the necessary upgrades to the Nevillelele Island Treatment Plant. While the authority is also constructing an additional water intake facility and a treatment plant in Beaver County, the Nevillelele Island Facility, with its capacity to provide 40 million gallons of water a day, will continue to be the authority's main water source. In recent years the filters have gone down at the facility and had the West View Water Authority in a position to buy bulk water from other providers in the area to meet the needs of their customers. If this work to not be completed it would be catastrophic for the greater metropolitan drinking water service area. This work is necessary for the authority to help one of the larger economic regions in the Commonwealth of Pennsylvania.

5. To the extent practicable, provide an estimate of the total cost, and the Federal and non-Federal share of those costs, of the proposed study and, separately, an estimate of the cost of construction or modification.

	Federal	Non-Federal	Total
Study	\$0	\$0	\$0
Construction	\$7,500,000	\$8,150,000	\$15,650,000

Explanation (if necessary)

Neville Island Water Treatment Plant Improvements Project General Building Repair and Renovation: \$2,000,000 (non-federal match) Clarifier Replacement: \$6,000,000 (federal participation) VFD Addition and Replacement of North Shore Pump No. 1 & 2: \$3,200,000 (non-federal match) VFD Addition and Replacement of South Shore Pump No. 1: \$1,200,000 (non-federal match) VFD Raw Water Pumps: \$1,500,000 (federal participation) Sodium Permanganate Feed System: \$550,000 (non-federal match) Chlorination System Replacement - Tank Hoist_Crane: \$500,000 (non-federal match) Tank Mixing System Improvements: \$200,000 (non-federal match) Filter Trough Replacement: \$500,000 (non federal match)7

6. To the extent practicable, describe the anticipated monetary and nonmonetary benefits of the proposal including benefits to the protection of human life and property; improvement to transportation; the national economy; the environment; or the national security interests of the United States.

The West View Water Authority is the 3rd largest water system in Western Pennsylvania. This system provides water to over 200,000 residents in northern Allegheny County, southern Butler County and eastern Beaver County. The non-monetary benefits of this project can be measured by the protection of human health and improved reliability of safe drinking water. Although the Neville Island Water Treatment Plant is in fair condition, an investment is needed to bring the system into modern times ensuring public health and reliability. The West View Water Authority's system has seen growth of greater than fifteen percent. The project would aid to continue to provide safe clean drinking water.

7. Does local support exist? If 'Yes', describe the local support for the proposal.

Yes

Local Support Description

Yes, we have the support of senator Toomey and Casey's Office.

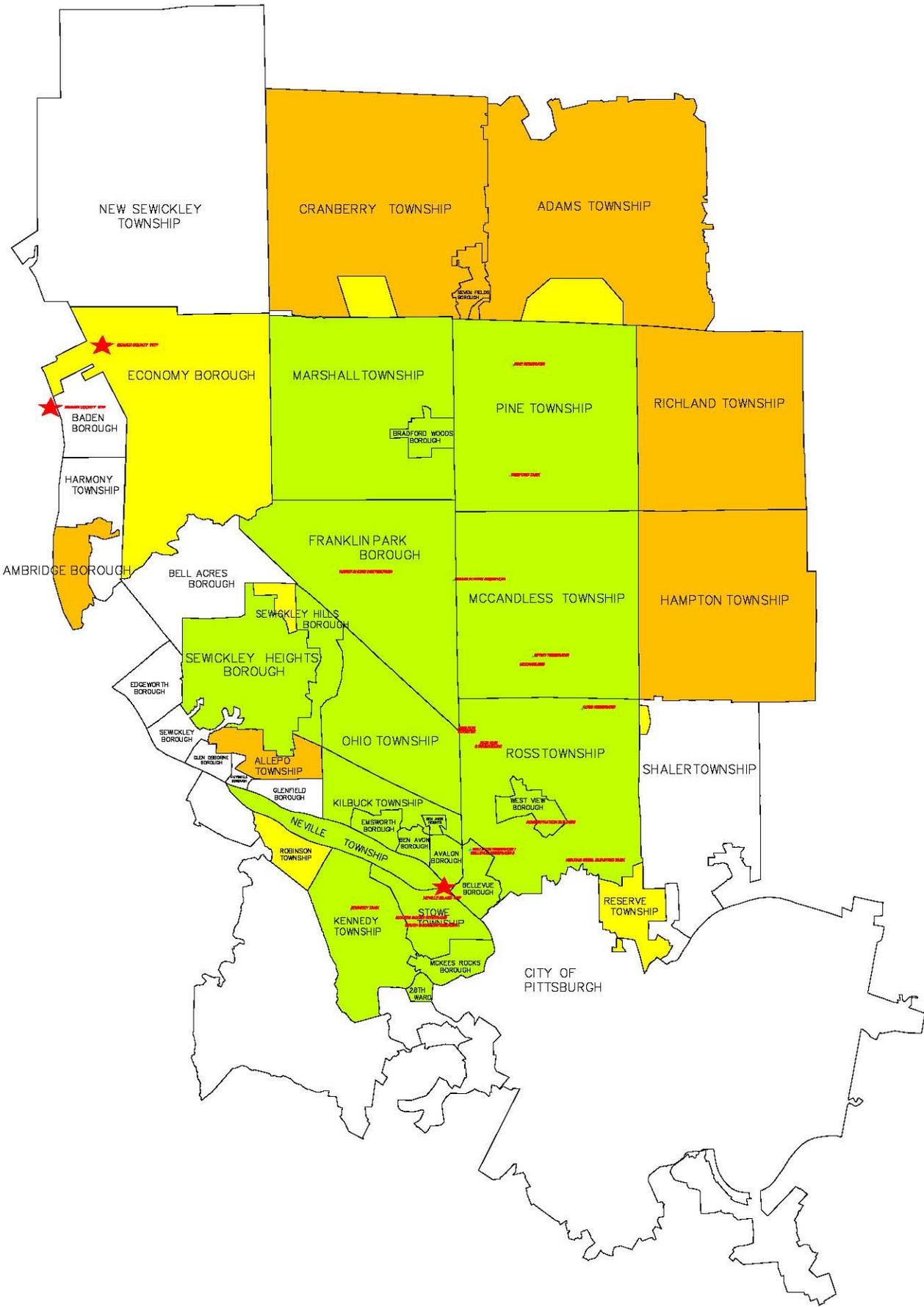
8. Does the primary sponsor named in (2.) above have the financial ability to provide for the required cost share?

Yes

Map Document

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WEST VIEW SERVICE TERRITORY (003).pdf



Map Legend

- WWVA Authority Main Territory
- WWVA Wholesale Communities
- WWVA Partial Service Communities

Additional Proposal Information

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Exhibit 6-Audited Financials.pdf

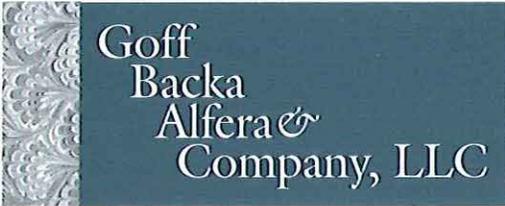
**WEST VIEW WATER AUTHORITY -
WATER PROJECT**

**FINANCIAL STATEMENTS AND
AUDITOR'S REPORT**

DECEMBER 31, 2016 and 2015

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Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Members of the Board
West View Water Authority -
Water Project

Report on the Financial Statements

We have audited the accompanying financial statements of West View Water Authority - Water Project (the Authority) as of and for the years ended December 31, 2016 and 2015, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The Authority's management is responsible for the preparation and fair presentation of these financial statements in accordance with the trust indenture of the Authority; 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 entity'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 entity'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 that 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 financial position of the West View Water Authority - Water Project as of December 31, 2016 and 2015, and the changes in its financial position and its cash flows for the years then ended in accordance with the basis of accounting described in Note (A)3.

Basis of Accounting

We draw attention to Note (A)3 of the financial statements, which describes the basis of accounting. The financial statements are prepared on a basis of accounting in accordance with the trust indenture, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Supplementary Information

The management's discussion and analysis and budgetary comparison information on pages 5 and 6 and pages 30 through 33 is presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is considered to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Goff Backa Alfera & Company, LLC

Goff Backa Alfera & Company, LLC
Pittsburgh, Pennsylvania
March 15, 2017

**WEST VIEW WATER AUTHORITY –
WATER PROJECT**

**Supplementary Information
Management’s Discussion and Analysis (Unaudited)
Year Ended December 31, 2016**

This section of the Authority’s annual financial report presents our discussion and analysis of the Authority’s financial performance during the year ended December 31, 2016. Please read it in conjunction with the Authority’s financial statements, which immediately follow this section.

Financial Highlights

The 2016 water sales were \$34,052,984, which was an increase of 7.8% from 2015. Water revenues increased slightly due to the Board of Directors adopting a Rate Increase during July of 2015 for the Beaver County Water Supply Project and Bond Issue. Actual consumption remained comparable to 2015. Total operating revenues exceeded the budget for the year by \$160,604 which includes metered sales which were over budget for the year by \$111,259.

Total operating expenses were \$22,185,855 in 2016. This is an increase of \$463,145, or 2.13% from 2015. Total operating expenses were under budget by \$437,145. There were several contributing factors, such as lower than anticipated chemical costs and the use of a more efficient process that decreases chemical consumption.

Total assets at December 31, 2016 were \$395,714,172, a \$12,023,113 or 3.13% increase over total assets at December 31, 2015. A majority of the increase is due to the construction of the new Water Treatment Plant in Beaver County.

Total liabilities at December 31, 2016 were \$139,183,644, a \$1,825,284 or 1.32% increase from the prior year. This is due in most part to the increase in the contractors retainage for the new Water Treatment Plant. Long term liabilities make up \$125,507,271 and current liabilities are \$13,676,373.

Total accumulated earnings at December 31, 2016 were \$175,928,749. Of the total, \$24,984,335 are unappropriated and \$150,944,414 are appropriated.

Overview of the Financial Statements

The financial section of this annual report consists of three parts: management’s discussion and analysis (this section), the basic financial statements and related notes to the financial statements, and other supplementary information.

**WEST VIEW WATER AUTHORITY –
WATER PROJECT**

**Supplementary Information
Management’s Discussion and Analysis (Unaudited)
Year Ended December 31, 2016**

The financial statements provide both long-term and short-term information about the Authority’s overall financial status. The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of other supplementary information that further explains and supports the information in the financial statements.

Accumulated Earnings

Total accumulated earnings increased by \$7,304,854. The increase is comprised of an increase of \$6,767,412 in appropriated earnings and an increase of \$537,442 in unappropriated earnings.

New developments

The West View Water Authority (WVWA) is constructing a new water treatment facility in Beaver County, Pennsylvania to supplement the Authority’s existing 40 million gallon per day (MGD) allocation from the Ohio River at its Neville Island intake and Joseph A. Berkley Water Treatment Plant. Up to 15 MGD will be withdrawn from a new river intake to be situated on the Authority acquired property on the eastern bank of the Ohio River in Baden Borough, Beaver County. Construction for this project kicked-off in 2016 and notices to proceed with construction were issued on March 1, 2016. Following a two year construction period, the new source of supply is scheduled to be placed into operation in 2018.

In March of 2016, the WVWA implemented an online payment system through PNC Bank via a link from our website. Since becoming active, an average of 1,525 customers per month utilizes this payment system. This system allows customers to quickly and easily make payments, view their billing statements, save payment information for future use, set up recurring payments, and receive e-mail notifications and reminders regarding their WVWA account. Also, our Customer Service Representatives are able to take payments over the phone, which helps many of our customers who are not familiar with or don’t have access to the internet. This payment system has had a positive impact on how customers can pay their bills and how we do business with our customers. We’ve had very positive feedback from our customers regarding the new payment system.

Lead in drinking water was a significant topic of discussion in 2016. The WVWA passed its required regulatory testing per the Lead and Copper Rule with lead results under the Environmental Protection Agency (EPA) action level. Additionally, the Authority published frequently asked question (FAQs) information on our website to aid customers in dealing with uncertainties with respect to lead.

West View Water Authority - Water Project
Statements of Assets, Liabilities and Accumulated Earnings Arising From
Provisions in Accordance With the Trust Indenture
December 31,

	2016	2015
Current assets - unrestricted		
Revenue fund - cash and investments	\$ 12,679,809	\$ 10,920,898
Working funds - cash	295,687	270,603
Customers deposit account - cash	450,000	400,000
Accounts receivable (less allowance of \$206,808 and \$224,039, respectively)	2,076,149	2,159,319
Interdepartmental receivable	4,598	4,761
Accrued interest receivable on investments	273,423	437,661
Materials & supplies, at cost	1,246,646	1,455,810
Unbilled water service	4,079,697	4,312,506
Prepaid expenses	65,535	66,909
Total current assets - unrestricted	21,171,544	20,028,467
Restricted assets		
Special funds - cash and investments		
Debt service fund	1,441,349	1,412,779
Debt service reserve fund	9,564,252	9,349,532
Capital expenditures fund	72,903,953	111,569,080
Total restricted assets	83,909,554	122,331,391
Property, plant, equipment and intangibles, at cost	287,138,639	237,177,298
Deferred charges	3,494,435	4,153,903
Total assets	\$ 395,714,172	\$ 383,691,059

See Independent Auditors' Report and Notes to Financial Statements.

West View Water Authority - Water Project
Statements of Assets, Liabilities and Accumulated Earnings Arising From
Provisions in Accordance With the Trust Indenture
December 31,

	2016	2015
Current liabilities payable from current assets		
Accounts payable	\$ 382,076	\$ 396,023
Customer deposits	475,103	464,543
Accrued interest on customer deposits	79,052	81,922
Deferred credit	2,400	2,400
Other accruals	3,771,415	2,769,671
Total current liabilities payable from current assets	4,710,046	3,714,559
Current liabilities payable from restricted assets		
Current maturities of water revenue bonds	4,860,000	2,145,000
Contractors retainage	3,408,111	97,795
Accrued interest on bonds	698,216	708,296
Total current liabilities payable from restricted assets	8,966,327	2,951,091
Long-term liabilities		
Water revenue bonds	119,725,000	121,870,000
Unamortized premium on water revenue bonds	12,036,849	12,484,731
Less current maturities of water revenue bonds	(4,860,000)	(2,145,000)
Less unamortized debt discount & expense	(1,394,578)	(1,517,021)
Total long-term liabilities	125,507,271	130,692,710
Total liabilities	139,183,644	137,358,360
Customers' advances for construction	1,686,446	1,917,710
Contributions in aid of construction	78,915,333	75,791,094
Accumulated earnings		
Appropriated for retirement of bonds and notes, capital additions or special funds	150,944,414	144,177,002
Unappropriated, applicable, as provided in the trust indenture, to retirement of bonds, capital additions, etc.	24,984,335	24,446,893
	175,928,749	168,623,895
Total liabilities and accumulated earnings	\$ 395,714,172	\$ 383,691,059

See Independent Auditors' Report and Notes to Financial Statements.

West View Water Authority - Water Project
Statements of Income and Expenses and Provisions in Accordance
With the Trust Indenture
For the Years Ended December 31,

	2016	2015
Operating revenues		
Water sales	\$ 34,052,984	\$ 31,592,520
Other	609,620	817,917
Less provisions for uncollectible accounts	(48,000)	(48,000)
Total operating revenue	34,614,604	32,362,437
Operating expenses		
Source of supply	154,075	190,672
Power and pumping	3,546,157	3,423,593
Purification	2,398,431	2,703,423
Transmission and distribution	7,559,883	7,116,555
Customers accounting & collecting	1,679,484	1,556,202
General and administration	6,791,525	6,677,365
Administrative	56,300	54,900
Total operating expenses	22,185,855	21,722,710
Net operating revenues	12,428,749	10,639,727
Other income		
Interest on investments	579,536	501,673
Amortization of bond premium	447,883	167,956
Other	1,737	8,411
Total other income	1,029,156	678,040
Other deductions		
Interest on bonds	5,651,575	2,659,862
Amortization of bond discount and expense	122,442	123,871
Total other deductions	5,774,017	2,783,733
Income before provisions in accordance with the trust indenture	7,683,888	8,534,034
Provisions in accordance with the trust indenture	7,146,446	7,338,968
Balance carried to accumulated earnings unappropriated	\$ 537,442	\$ 1,195,066

West View Water Authority - Water Project
Statements of Accumulated Earnings Arising From
Provisions in Accordance With the Trust Indenture
For the Years Ended December 31, 2016 and 2015

	Balance December 31, 2015	Provisions or Additions	Deductions	Balance December 31, 2016
Appropriated earnings				
Retirement of bonds	\$ 45,602,959	\$ 2,176,875	\$ -	\$ 47,779,834
Capital expenditures fund	98,719,285	3,469,571	-	102,188,856
Property, plant & equipment	1,805,000	-	-	1,805,000
Debt service reserve fund	1,522,554	-	-	1,522,554
Debt service fund	52,085	-	-	52,085
Surplus fund	2,091,726	1,500,000	-	3,591,726
Retirement of note payable	2,500,000	-	-	2,500,000
Retirement of fixed assets	(8,116,607)	-	(379,034)	(8,495,641)
	<u>\$ 144,177,002</u>	<u>\$ 7,146,446</u>	<u>\$ (379,034)</u>	<u>\$ 150,944,414</u>
	Balance December 31, 2014	Provisions or Additions	Deductions	Balance December 31, 2015
Appropriated earnings				
Retirement of bonds	\$ 43,507,334	\$ 2,095,625	\$ -	\$ 45,602,959
Capital expenditures fund	95,475,942	3,243,343	-	98,719,285
Property, plant & equipment	1,805,000	-	-	1,805,000
Debt service reserve fund	1,522,554	-	-	1,522,554
Debt service fund	52,085	-	-	52,085
Surplus fund	91,726	2,000,000	-	2,091,726
Retirement of note payable	2,500,000	-	-	2,500,000
Retirement of fixed assets	(7,729,120)	-	(387,487)	(8,116,607)
	<u>\$ 137,225,521</u>	<u>\$ 7,338,968</u>	<u>\$ (387,487)</u>	<u>\$ 144,177,002</u>
			2016	2015
Unappropriated earnings, balance December 31,			\$ 24,446,893	\$ 23,251,827
Balance from statement of income and expenses and provisions in accordance with the trust indenture			<u>537,442</u>	<u>1,195,066</u>
Balance December 31,			<u>\$ 24,984,335</u>	<u>\$ 24,446,893</u>
Total accumulated earnings			<u>\$ 175,928,749</u>	<u>\$ 168,623,895</u>

See Independent Auditors' Report and Notes to Financial Statements.

West View Water Authority - Water Project
Statements of Cash Flows Arising From
Provisions in Accordance With the Trust Indenture
For the Years Ended December 31,

	2016	2015
Cash flows from operating activities		
Cash received from customers	\$ 34,941,306	\$ 30,567,126
Cash payments to suppliers and employees for goods and services	(20,259,868)	(20,250,497)
Net cash provided by operating activities	14,681,438	10,316,629
Cash flows from capital and related financing activities		
Principal paid on revenue bonds	(2,145,000)	(2,090,000)
Acquisition of fixed assets and deferred charges	(47,221,816)	(9,198,448)
Interest paid on revenue bonds	(5,539,213)	(2,056,181)
Capital contributed in aid of construction	3,124,239	4,113,189
Customer advances used for current construction	(231,264)	(204,937)
Net cash used for capital and related financing activities	(52,013,054)	(9,436,377)
Cash flows from investing activities		
Net of purchases over maturities (maturities over purchases) of investment securities	35,164,311	(22,647,712)
Interest on investment securities	743,774	334,764
Net cash provided by (used for) investing activities	35,908,085	(22,312,948)
Net decrease in cash and cash equivalents	(1,423,531)	(21,432,696)
Cash and cash equivalents at beginning of year	34,795,581	56,228,277
Cash and cash equivalents at end of year	\$ 33,372,050	\$ 34,795,581

See Independent Auditors' Report and Notes to Financial Statements.

West View Water Authority - Water Project
Statements of Cash Flows Arising From
Provisions in Accordance With the Trust Indenture
For the Years Ended December 31,

	2016	2015
Reconciliation of net operating revenues to net cash provided by operating activities		
Net operating revenues	\$ 12,428,749	\$ 10,639,727
Adjustments to reconcile net operating revenues to net cash provided by operating activities		
Amortization	730,522	749,334
Provision for losses on accounts receivable	48,000	48,000
(Increase) decrease in accounts receivable	35,333	(584,973)
(Increase) decrease in unbilled water service	232,809	(1,264,563)
(Increase) decrease in materials and supplies	209,164	(120,414)
Decrease in prepaid expenses	1,374	3,876
Increase (decrease) in accounts payable	(13,947)	37,602
Increase in customer deposits	10,560	6,225
Increase in accrued liabilities	1,001,744	805,601
Decrease in accrued interest on customer deposits	(2,870)	(3,786)
	2,252,689	(323,098)
Total adjustments		
Net cash provided by operating activities	\$ 14,681,438	\$ 10,316,629

WEST VIEW WATER AUTHORITY - WATER PROJECT
Notes to Financial Statements
Years Ended December 31, 2016 and 2015

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The West View Water Authority (The Authority) was established in 1942 and is a body corporate and politic, operating under the laws of the Commonwealth of Pennsylvania pursuant to the Municipality Authorities Act of 1945. The Authority maintains and operates a water system (WATER PROJECT), and manages a sewer system (WASTE WATER DEPARTMENT). The accompanying financial statements and following notes relate to the Authority's Water Project only.

Following is a summary of the Authority's significant accounting policies consistently applied in the preparation of the accompanying financial statements.

(1) Financial Report Entity

The Government Accounting Standards Board (GASB) establishes the criteria for determining the activities, organizations and functions of government to be included in the financial statements of the reporting entity. The criteria used in determining whether such organizations should be included in the Water Project's financial reporting entity are financial interdependency, legally separate entity, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters.

The following organization, which was considered for inclusion in this report, has been excluded according to GASB criteria:

Borough of West View - Personnel, management and finances are controlled by the Authority's Board, with the Borough's control limited to appointment of board members. The Borough has no responsibility for any financial or other matters of the Water Project.

(2) Fund Accounting

The operations of the Authority fall into the category of a Proprietary Fund as defined by the Governmental Accounting Standards Board. Proprietary funds account for activities that are financed and operated in a manner similar to private business enterprises or for which periodic determination of revenues, expenses and net income is considered desirable. These funds render services to the general public on a user charge basis.

WEST VIEW WATER AUTHORITY - WATER PROJECT
Notes to Financial Statements
Years Ended December 31, 2016 and 2015

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(3) Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. The Authority utilizes the accrual basis of accounting in which revenues are recognized in the accounting period in which they are earned and their expenses are recognized at the time they are incurred. Additionally, in order to comply with the trust indenture, certain transfers are made to appropriated earnings. These transfers are for purposes such as retirement of bonds and the capital expenditures fund. These are made in lieu of depreciation. These transfers in lieu of depreciation do not conform with accounting principles generally accepted in the United States of America. The Authority has also chosen not to record other postemployment benefits, such as health insurance and unfunded pension benefits. This is also a departure from accounting principles generally accepted in the United States of America. Contributions in aid of construction are treated as an equity type account, which also is a departure from accounting principles generally accepted in the United States of America.

(4) Cash and Cash Equivalents

For purposes of the statement of cash flows, the Authority considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

(5) Property, Plant and Equipment

Fixed assets constructed by the Authority or purchased intact are recorded at cost. Cost includes the purchase price of the asset, construction costs and Authority labor costs and capitalized interest, where applicable. The Authority does not use depreciation accounting practices. Accounting principles of the Authority provide that a deduction will be made from revenue for transfers to debt retirement and capital expenditure funds as required by the trust indenture. These deductions are in lieu of depreciation and have been credited to appropriated earnings. Management is of the opinion that these deductions represent a reasonable estimate of cost recovery in lieu of depreciation of Authority property, plant and equipment.

(6) Investments

Investments in government-backed securities and governmental funds are recorded at cost, which approximates fair value.

WEST VIEW WATER AUTHORITY - WATER PROJECT

Notes to Financial Statements

Years Ended December 31, 2016 and 2015

(7) Materials and Supplies Inventory

Materials and supplies inventory are stated at cost. Cost is determined primarily by the average cost method.

(8) Deferred Charges

Deferred charges represent costs which are allocable to future periods and are being amortized in a rational and systematic method. The cost of bond issues, prior to the 1978 issue, to finance capital additions have generally been charged to fixed assets.

(9) Refunded Bonds

Refunded bonds issues in which defeasance occurred, have been removed from the balance sheet.

(10) Budgets

The Board approves, prior to the beginning of each year, an annual budget for the Water Project. The budget is required for the Water Project under the terms of the 1996 Trust Indenture, the First Supplemental Trust Indenture (2002), the Second Supplemental Trust Indenture (2006) and the Third Supplemental Trust Indenture (2009).

(11) Post-Employment Health Care Benefits

In addition to the pension benefits described in Note E, the Authority provides post-employment health care and life insurance benefits to retirees who qualify for the plan. The cost of retirees' benefits for 2016 and 2015 totaled \$451,122 and \$497,328, respectively.

In accordance with GASB 75, the Authority is required to record the amount of post-employment benefits (other than pension) while the employees are in active service, rather than when they are paid many years later. The Authority has chosen not to implement GASB 75 and record only the benefits paid in the current year. The amount of the obligation is not known at this time. Also see NoteA(3).

WEST VIEW WATER AUTHORITY - WATER PROJECT

Notes to Financial Statements

Years Ended December 31, 2016 and 2015

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(12) Compensated Absences

The Authority's policy is that for salaried employees no unused vacation or sick days accrue and hourly employees can accrue unused sick days (but they are not paid for at termination of employment) and vacation days do not carry over from year to year. Therefore, no accrual has been established for compensated absences.

(13) Classification of Revenue

The Water Department has classified its revenues as operating or nonoperating revenues according to the following criteria:

Operating revenues – Operating revenues generally result from providing goods and services to customers of the department.

Nonoperating revenues – Nonoperating revenues are those revenues that do not meet the definition of operating revenues. Nonoperating revenue is made up of interest income and amortization of bond premium.

(14) Unbilled Revenue

Unbilled revenue represents the service provided to the customers as of December 31, 2016 and 2015 that has not yet been billed to the customers.

(15) Accounts Receivable

Accounts receivable are shown net of the allowance for doubtful accounts. The allowance is a monthly estimate based on historic results. Specific accounts receivable are written off when they are determined to be uncollectible.

(16) Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(17) Subsequent Events

The Organization has evaluated subsequent events in accordance with Account Standards Codification Topic 855, Subsequent Events, through March 15, 2017, which is the date the financial statements were available to be issued.

WEST VIEW WATER AUTHORITY - WATER PROJECT

Notes to Financial Statements

Years Ended December 31, 2016 and 2015

NOTE B: FUNDS, CASH AND INVESTMENTS

Funds at December 31, 2016 and 2015 consist of the following:

	<u>2016</u>	<u>2015</u>
Special funds (includes Debt Service, Debt Service Reserve and Capital Expenditures Funds):		
Cash (including interest bearing accounts)	\$ 19,946,554	\$ 24,492,876
Investments	63,963,000	97,838,515
Total	<u>\$ 83,909,554</u>	<u>\$ 122,331,391</u>
Revenue fund, working funds and customers' deposits account:		
Cash (including interest bearing accounts)	\$ 13,425,496	\$ 11,591,501
Total	<u>\$ 13,425,496</u>	<u>\$ 11,591,501</u>

Cash and cash equivalents - At December 31, 2016 and 2015, the carrying amount of the Authority's cash in the checking and money market accounts and on hand was \$33,372,050 and \$24,998,935, respectively. Of these totals \$33,371,460 and \$24,998,345 was covered by Federal depository insurance or by collateral held by the Authority's agent in the Authority's name. A total of \$590 from each year was uninsured and uncollateralized.

Investments - At December 31, 2016 and 2015, the carrying amount of the Authority's investments in U.S. Treasury Obligations and other investments was \$63,963,000 and \$110,902,435, respectively. The entire amount of the investments are covered by collateral held by the Authority's agent in the Authority's name or backed by the U.S. Government.

NOTE C: LONG TERM DEBT

	<u>2016</u>	<u>2015</u>
Long term liabilities at December 31, consisted of:		
Water revenue bonds		
-Series of 2009, 3.40% to 3.50% maturing through 2017	\$ 1,345,000	\$ 2,205,000
-Series of 2012, 4.0% to 4.5%, maturing through 2022	12,460,000	12,460,000
-Series of 2013, 3.0% to 5.0%, maturing through 2017	2,815,000	4,100,000
-Series of 2014, 2.0% to 5.0%, maturing through 2043	103,105,000	103,105,000
Less current maturities of bonds	<u>(4,860,000)</u>	<u>(2,145,000)</u>
Total Long Term Debt	<u>\$ 114,865,000</u>	<u>\$ 119,725,000</u>

The unamortized bond discount and expense on the Series of 2009 Water Revenue Bonds was \$23,220 and \$49,758 at December 31, 2016 and 2015, respectively. The unamortized bond discount and expense on the Series of 2012 Water Revenue Bonds was \$113,876 and \$133,259 at December 31, 2016 and 2015, respectively. The unamortized bond discount on the Series of 2013

WEST VIEW WATER AUTHORITY - WATER PROJECT

Notes to Financial Statements

Years Ended December 31, 2016 and 2015

NOTE C: LONG TERM DEBT (CONTINUED)

Water Revenue Bonds was \$26,890 and \$57,622 at December 31, 2016 and 2015, respectively. The unamortized bond discount of the Series of 2014 Water Revenue Bonds was \$1,230,592 and \$1,276,382 at December 31, 2016 and 2015, respectively.

NOTE D: PENSIONS

The Authority has two pension plans covering employees hired before the following dates: salaried employees – April 1, 2016; clerical unit employees – January 1, 2014; and physical unit employees – October 1, 2012. Pension expense for 2016 and 2015 amounted to \$2,115,927 and \$2,000,245, respectively. As of January 1, 2016 and 2015 the pension fund assets at cost value, were exceeded by the actuarially computed value of vested benefits for both plans by \$8,969,332 and \$7,738,633, respectively. The Authority administers the plans. The financial condition and results of operations of these pension plans have been excluded from this report and the reader is advised to make a separate study of the financial statements of these pension plans.

NOTE E: OTHER PROJECTS

These financial statements do not include the financial condition or the results of operations of its Waste Water Department, which is governed under a separate agreement. The reader is advised to make a separate study of the financial statements of that project.

NOTE F: BONDS PAYABLE - SERIES OF 1996

On January 15, 1996, the Authority issued Water Revenue Bonds, Series of 1996, in the aggregate principal amount of \$29,500,000 to provide funds to (1) fund the required escrow deposit necessary to refund all of the Authority's outstanding Water Revenue Bonds, Series of 1986, (2) provide funds, representing the capitalized amount of savings realized from the refunding program, to be applied to the Authority's capital program; and (3) pay the costs of issuing the 1996 Bonds.

As a result of this refunding of the Water Revenue Bonds, Series of 1986, these bonds are considered to be defeased and the liability has been removed from the balance sheet. The refunding enabled the Authority to reduce its total debt service payments for that portion of the bond issue by \$5,483,517 and incur an economic gain (difference between the present values of the old and new debt service payment) of \$911,507.

On February 15, 2002, the Authority issued Water Revenue Refunding Bonds, Series of 2002, in part to refund a portion of the 1996 bonds. Bonds with a face value of \$3,915,000 were refunded. (See Note H for additional information regarding the Series of 2002 bonds).

On October 4, 2006, the Authority issued Water Revenue Refunding Bonds, Series A of 2006 and Water Revenue Bonds, Series B of 2006, in part to refund the 1996 bonds. Bonds with a face value of \$14,160,000 were refunded. (See Note I for additional information regarding the Series of 2006 bonds).

WEST VIEW WATER AUTHORITY - WATER PROJECT
Notes to Financial Statements
Years Ended December 31, 2016 and 2015

NOTE G: BONDS PAYABLE – SERIES OF 2002

On February 15, 2002, the Authority issued Water Revenue Refunding Bonds, Series of 2002, in the aggregate principal amount of \$9,650,000 to provide funds: (1) to fund the required escrow deposit necessary to advance refund a portion of the Authority's Water Revenue Bonds, Series of 1996; (2) to pay the costs of capital projects as part of the Authority's Capital Program; and (3) to pay the costs of issuing the Bonds.

On April 1, 2009, the Authority issued Water Revenue Refunding Bonds, Series of 2009 which in part currently refunded a portion of the outstanding Water Revenue Refunding Bonds, Series of 2002. See Note I for more information regarding the refunding of the Series of 2002 bonds.

NOTE H: BONDS PAYABLE – SERIES OF 2006

On October 4, 2006, the Authority issued Water Revenue Refunding Bonds, Series of 2006 (Series A Bonds) and Water Revenue Bonds, Series B of 2006 (Series B Bonds) in the aggregate principal account of \$26,800,000 to provide funds to (1) fund the required escrow deposit necessary to currently refund all of the Authority's outstanding Water Revenue Bonds, Series of 1996, (2) to fund the costs of capital projects for the Authority's Capital program; and (3) pay the costs of issuing the Bonds. On April 11, 2012 the Series B Bonds were refunded by the issuance of the Water Revenue Bonds, Series of 2012. On June 26, 2013 the Series A Bonds were refunded by the issuance of the Water Revenue Bonds, Series of 2013.

As a result of these refundings of the Water Revenue Bonds, Series of 1996, these bonds are considered to be defeased and the liability has been removed from the balance sheet.

NOTE I: BONDS PAYABLE – SERIES OF 2009

On April 1, 2009, the Authority issued Water Revenue Refunding Bonds, Series of 2009, in the aggregate principal amount of \$7,410,000 to provide funds; (1) to currently refund a portion of the Authority's outstanding Water Revenue Refunding Bonds, Series of 2002; (2) to fund the costs of capital projects of the Authority's Capital Program; and (3) to pay the costs of issuing the Bonds.

As a result of this refunding of the Water Refunding Bonds, Series of 2002, these bonds are considered to be defeased and the liability has been removed from the balance sheet.

Interest and principal are payable semi-annually on May 15 and November 15. The first payment was made November 15, 2009.

WEST VIEW WATER AUTHORITY - WATER PROJECT
Notes to Financial Statements
Years Ended December 31, 2016 and 2015

NOTE I: BONDS PAYABLE – SERIES OF 2009 (CONTINUED)

Debt service to maturity on the Water Revenue Refunding Bonds, Series of 2009 is as follows:

Payment Date	Interest Rate	Principal	Interest	Total Debt Service
May 15, 2017	3.500%	\$ 675,000	\$ 23,538	\$ 698,538
Nov 15, 2017	3.500%	670,000	11,725	681,725
GRAND TOTAL		<u>\$ 1,345,000</u>	<u>\$ 35,263</u>	<u>\$ 1,380,263</u>

NOTE J: BONDS PAYABLE – SERIES OF 2012

On April 1, 2012, the Authority issued Water Revenue Bonds, Series of 2012 (the 2012 Bonds), in the aggregate principal amount of \$12,655,000 to provide funds to pay: (1) all interest when due on all of the Authority's outstanding Water Revenue Bonds, Series B of 2006 maturing on and after November 15, 2017 (the 2006B Prior Bonds) to and including November 15, 2013; and (2) the redemption price of 100% of par of all of the 2006B Prior Bonds on the optional redemption date of November 15, 2013. As a result of the issuance of the 2012 Bonds, the 2006B Prior Bonds are considered to be defeased and the liability has been removed from the balance sheet.

Interest will be payable semi-annually on May 15 and November 15. The first payment was made on May 15, 2012.

Principal payments and debt service to maturity on the 2012 Bonds is as follows:

Payment Date	Interest Rate	Principal	Interest	Total Debt Service
May 15, 2017	2.000%	\$ -	\$ 253,550	\$ 253,550
Nov 15, 2017	4.000%	700,000	253,550	953,550
May 15, 2018	4.000%	-	239,550	239,550
Nov 15, 2018	4.000%	2,360,000	239,550	2,599,550
May 15, 2019	4.000%	-	192,350	192,350
Nov 15, 2019	4.000%	2,455,000	192,350	2,647,350
May 15, 2020	4.000%	-	143,250	143,250
Nov 15, 2020	4.000%	2,550,000	143,250	2,693,250
May 15, 2021	4.000%	-	92,250	92,250
Nov 15, 2021	4.000%	2,655,000	92,250	2,747,250
May 15, 2022	4.000%	-	39,150	39,150
Nov 15, 2022	4.500%	1,740,000	39,150	1,779,150
GRAND TOTAL		<u>\$ 12,460,000</u>	<u>\$ 1,920,200</u>	<u>\$ 14,380,200</u>

WEST VIEW WATER AUTHORITY - WATER PROJECT

Notes to Financial Statements

Years Ended December 31, 2016 and 2015

NOTE K: BONDS PAYABLE – SERIES OF 2013

On June 26, 2013, the Authority issued Water Revenue Bonds, Series of 2013 (the 2013 Bonds), in the aggregate principal amount of \$6,635,000 to provide funds to pay: (1) all interest when due on all of the Authority's outstanding Water Revenue Bonds, Series A of 2006 maturing on and after November 15, 2017 (the 2006A Prior Bonds) to and including November 15, 2013; and (2) the redemption price of 100% of par of all of the 2006A Prior Bonds on the optional redemption date of November 15, 2013.

As a result of the issuance of the 2013 Bonds, the 2006A Prior Bonds are considered to be defeased and the liability has been removed from the balance sheet.

Interest will be payable semi-annually on May 15 and November 15. The first payment was made on November 15, 2013.

Principal payments and debt service to maturity on the 2013 Bonds is as follows:

<u>Date</u>	<u>Interest Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>
May 15, 2017		\$ -	\$ 70,375	\$ 70,375
Nov 15, 2017	5.000%	2,815,000	70,375	2,885,375
GRAND TOTAL		<u>\$ 2,815,000</u>	<u>\$ 140,750</u>	<u>\$ 2,955,750</u>

NOTE L: BONDS PAYABLE – SERIES OF 2014

On October 23, 2014, the Authority issued Water Revenue Bonds, Series of 2014 (the 2014 Bonds), in the aggregate principal amount of \$103,105,000 to provide funds to pay: (1) the acquisition, construction and equipping of certain capital additions, improvements and equipment acquisitions to the Authority's water system and the undertaking of various capital projects, (2) the funding of capitalized interest, (3) the funding of a debt service reserve account, and (4) the payment of all or a portion of the costs of issuing the 2014 Bonds. A premium of \$12,652,687 was received upon issuance and will be amortized over the life of the 2014 Bonds. The unamortized premium on the Series of 2014 Water Revenue Bonds as of December 31, 2016 and 2015 was \$12,036,849 and \$12,484,731, respectively.

WEST VIEW WATER AUTHORITY - WATER PROJECT

Notes to Financial Statements

Years Ended December 31, 2016 and 2015

NOTE L: BONDS PAYABLE – SERIES OF 2014 (CONTINUED)

Principal payments and debt service to maturity of the 2014 Bonds is as follows:

Payment Date	Interest Rate	Principal	Interest	Total Debt Service
May 15, 2017	0.000%	\$ -	\$ 2,446,700	\$ -
November 15, 2017	0.000%	-	2,446,700	4,893,400
May 15, 2018	0.000%	-	2,446,700	-
November 15, 2018	2.000%	55,000	2,446,700	4,948,400
May 15, 2019	0.000%	-	2,446,150	-
November 15, 2019	2.000%	55,000	2,446,150	4,947,300
May 15, 2020	0.000%	-	2,445,600	-
November 15, 2020	2.000%	60,000	2,445,600	4,951,200
May 15, 2021	0.000%	-	2,445,000	-
November 15, 2021	2.000%	55,000	2,445,000	4,945,000
May 15, 2022	0.000%	-	2,444,450	-
November 15, 2022	5.000%	1,080,000	2,444,450	5,968,900
May 15, 2023	0.000%	-	2,417,450	-
November 15, 2023	5.000%	2,950,000	2,417,450	7,784,900
May 15, 2024	0.000%	-	2,343,700	-
November 15, 2024	5.000%	3,100,000	2,343,700	7,787,400
May 15, 2025	0.000%	-	2,266,200	-
November 15, 2025	5.000%	3,255,000	2,266,200	7,787,400
May 15, 2026	0.000%	-	2,184,825	-
November 15, 2026	5.000%	3,415,000	2,184,825	7,784,650
May 15, 2027	0.000%	-	2,099,450	-
November 15, 2027	5.000%	3,590,000	2,099,450	7,788,900
May 15, 2028	0.000%	-	2,009,700	-
November 15, 2028	5.000%	3,770,000	2,009,700	7,789,400
May 15, 2029	0.000%	-	1,915,450	-
November 15, 2029	5.000%	3,955,000	1,915,450	7,785,900
May 15, 2030	0.000%	-	1,816,575	-
November 15, 2030	5.000%	4,155,000	1,816,575	7,788,150
May 15, 2031	0.000%	-	1,712,700	-
November 15, 2031	5.000%	4,365,000	1,712,700	7,790,400
May 15, 2032	0.000%	-	1,603,575	-
November 15, 2032	5.000%	4,580,000	1,603,575	7,787,150
May 15, 2033	0.000%	-	1,489,075	-
November 15, 2033	5.000%	4,810,000	1,489,075	7,788,150
May 15, 2034	0.000%	-	1,368,825	-
November 15, 2034	5.000%	5,050,000	1,368,825	7,787,650
May 15, 2035	0.000%	-	1,242,575	-
November 15, 2035	5.000%	5,300,000	1,242,575	7,785,150
May 15, 2036	0.000%	-	1,110,075	-
November 15, 2036	5.000%	5,565,000	1,110,075	7,785,150
May 15, 2037	0.000%	-	970,950	-
November 15, 2037	5.000%	5,845,000	970,950	7,786,900

WEST VIEW WATER AUTHORITY - WATER PROJECT
Notes to Financial Statements
Years Ended December 31, 2016 and 2015

NOTE L: BONDS PAYABLE – SERIES OF 2014 (Continued)

Payment Date	Interest Rate	Principal	Interest	Total Debt Service
May 15, 2038	0.000%	-	824,825	-
November 15, 2038	5.000%	6,140,000	824,825	7,789,650
May 15, 2039	0.000%	-	671,325	-
November 15, 2039	5.000%	6,445,000	671,325	7,787,650
May 15, 2040	0.000%	-	510,200	-
November 15, 2040	4.000%	6,765,000	510,200	7,785,400
May 15, 2041	0.000%	-	374,900	-
November 15, 2041	4.000%	7,035,000	374,900	7,784,800
May 15, 2042	0.000%	-	234,200	-
November 15, 2042	4.000%	7,315,000	234,200	7,783,400
May 15, 2043	0.000%	-	87,900	-
November 15, 2043	4.000%	4,395,000	87,900	4,570,800
TOTAL SERIES 2014		<u>\$ 103,105,000</u>	<u>\$ 87,858,150</u>	<u>\$ 190,963,150</u>

NOTE M: DEFERRED COMPENSATION PLAN

The Authority offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Authority employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All assets and income of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries. This is in order to comply with the laws governing the plan. The plan assets are not subject to the claims of the authority's general creditors.

WEST VIEW WATER AUTHORITY - WATER PROJECT
Notes to Financial Statements
Years Ended December 31, 2016 and 2015

NOTE N: DEFERRED CHARGES

Deferred charges are made up of the following items at December 31:

	<u>2016</u>	<u>2015</u>
Tank painting	\$ 568,842	\$ 770,173
Granular activated carbon	1,155,615	265,557
Office building roof replacement	152,415	165,116
North Shore roof replacement	60,764	955
Davis Island lagoon sludge removal	901,287	1,100,949
Davis Island pumphouse roof	4,325	6,487
Reis Run warehouse roof	11,846	17,768
Reis Run painting and lighting	33,944	42,430
Water treatment plant substation roof	20,629	22,921
Plant roof replacement	86,200	95,776
Switchgear battery replacement	25,293	27,822
Intake/chemical building roof	107,433	117,199
Neville Island road restoration	867	867
Premium on 2014 capital projects investments	219,777	1,190,751
Premium on debt service reserve fund investments	17,983	183,756
Chemical building roof replacement	147,490	157,275
Other	(20,275)	(11,899)
Total	<u>\$ 3,494,435</u>	<u>\$ 4,153,903</u>

**NOTE O: CONTINUING DISCLOSURE AGREEMENT - BONDS PAYABLE -
SERIES OF 1996, SERIES OF 2002, SERIES OF 2006, SERIES OF 2009, SERIES
OF 2012, SERIES OF 2013 AND SERIES OF 2014**

In accordance with the Continuing Disclosure Agreement, the Authority must provide notice of the occurrence of certain events. The events are as follows: (a) principal and interest payment delinquencies; (b) non-payment related defaults; (c) unscheduled draws on debt service reserves (if any) reflecting financial difficulties; (d) unscheduled draws on credit enhancements reflecting financial difficulties; (e) substitution of credit or liquidity providers or their failure to perform; (f) adverse tax opinions or events affecting the tax-exempt status of the Bonds; (g) modifications to rights of Bondholders; (h) Bond calls; (i) defeasances of Bonds; (j) release, substitution or sale of property securing repayment of any Bonds; or (k) credit rating changes. All issues except for the Series of 2009, Series of 2012, Series of 2013 and Series of 2014 have been refunded.

WEST VIEW WATER AUTHORITY - WATER PROJECT

Notes to Financial Statements

Years Ended December 31, 2016 and 2015

**NOTE O: CONTINUING DISCLOSURE AGREEMENT - BONDS PAYABLE -
SERIES OF 1996, SERIES OF 2002, SERIES OF 2006, SERIES OF 2009, SERIES OF
2012, SERIES OF 2013 AND SERIES OF 2014 (Continued)**

Additionally, the following historical financial data is presented in order to comply with the Continuing Disclosure Agreement.

HISTORICAL REVENUES AND EXPENDITURES

Statement of Income and Expenses and Provisions in
Accordance with the Trust Indenture
Years Ended December 31, 2015, 2014, 2013 and 2012

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Operating Revenues				
Water Sales	\$ 31,592,520	\$ 26,787,601	\$ 26,957,657	\$ 28,001,208
Other	817,917	978,931	672,260	689,957
Less Provision for Uncollectible Accounts	<u>(48,000)</u>	<u>(48,000)</u>	<u>(48,000)</u>	<u>(48,000)</u>
Total Operating Revenues	<u>32,362,437</u>	<u>27,718,532</u>	<u>27,581,917</u>	<u>28,643,165</u>
Operating Expenses				
Source of Supply	190,672	1,035,188	176,611	211,842
Power and Pumping	3,423,593	3,469,343	3,509,548	3,941,758
Purification	2,703,423	2,625,194	2,667,168	2,619,709
Transmission and Distribution	7,116,555	6,823,175	5,974,567	5,668,024
Customers Accounting and Collecting	1,556,202	1,518,355	1,549,321	1,366,935
General and Administration	6,677,365	6,718,920	6,763,579	6,773,485
Administrative	54,900	56,000	55,550	55,550
	<u>21,722,710</u>	<u>22,246,175</u>	<u>20,696,344</u>	<u>20,637,303</u>
Net Operating Revenues	10,639,727	5,472,357	6,885,573	8,005,862
Other Income				
Interest on Investments	501,673	17,961	70,577	54,188
Other	176,367	20,897	156,787	312,961
Total Other Income	<u>678,040</u>	<u>38,858</u>	<u>227,364</u>	<u>367,149</u>
Other Deductions				
Interest on Bonds	2,659,862	886,475	933,315	1,015,445
Amortization of Bond Discount and Expense	123,871	83,805	108,400	124,825
Total Other Deductions	<u>2,783,733</u>	<u>970,280</u>	<u>1,041,715</u>	<u>1,140,270</u>
Excess of Income Over Expense Before Trust Indenture Provisions	8,534,034	4,540,935	6,071,222	7,232,741
Provisions in Accordance with the Trust Indentures	<u>7,338,968</u>	<u>4,802,215</u>	<u>5,785,368</u>	<u>6,701,803</u>
Balance Carried to Accumulated Earnings Unappropriated	<u>\$ 1,195,066</u>	<u>\$ (261,280)</u>	<u>\$ 285,854</u>	<u>\$ 530,938</u>

WEST VIEW WATER AUTHORITY - WATER PROJECT
Notes to Financial Statements
Years Ended December 31, 2016 and 2015

NOTE P: CONTINGENCIES

The Authority is presently both a defendant and plaintiff in several lawsuits. The Authority's opinion is that in all the cases the chances are either remote that the Authority will be liable for any damages or that, at this time, no judgment can be given as to whether the Authority will be liable for any amounts.

SUPPLEMENTARY INFORMATION

WEST VIEW WATER AUTHORITY - WATER PROJECT
Budgetary Comparison Schedule (Unaudited)
Year Ended December 31, 2016

	Original and Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
OPERATING REVENUES			
Metered Sales			
Residential	\$ 18,750,000	\$ 18,611,797	\$ (138,203)
Commerical	4,875,000	4,972,809	97,809
Industrial	160,000	125,465	(34,535)
Municipal	1,050,000	1,208,630	158,630
Resale:			
Adams Township	1,175,000	1,161,861	(13,139)
Aleppo Township	250,000	233,542	(16,458)
Ambridge Borough	3,000	1,749	(1,251)
Cranberry Township	3,200,000	3,366,020	166,020
Hampton Township	685,000	686,626	1,626
Neville Township	800,000	678,829	(121,171)
Richland Township	1,075,000	1,085,560	10,560
Seven Fields	300,000	301,371	1,371
Total Metered Sales	<u>32,323,000</u>	<u>32,434,259</u>	<u>111,259</u>
Nonmetered Sales			
Private Fire Protection	656,000	674,953	18,953
Public Fire Protection	936,000	943,772	7,772
Total Nonmetered Sales	<u>1,592,000</u>	<u>1,618,725</u>	<u>26,725</u>
Miscellaneous Revenue			
Turn-Ons, Etc.	150,000	143,145	(6,855)
Sales and Jobbing	45,000	60,180	15,180
Sewer Billing Services	62,000	65,448	3,448
Lien Letters	60,000	77,060	17,060
Engineering & Overhead	270,000	263,787	(6,213)
Total Miscellaneous Revenue	<u>587,000</u>	<u>609,620</u>	<u>22,620</u>
TOTAL OPERATING REVENUES	<u>34,502,000</u>	<u>34,662,604</u>	<u>160,604</u>

See independent auditors' report and accompanying notes to budgetary comparison schedules

WEST VIEW WATER AUTHORITY - WATER PROJECT
Budgetary Comparison Schedule (Unaudited) (Continued)
Year Ended December 31, 2016

	Original and Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
OPERATING EXPENSES			
Source of Supply			
Operating Labor	17,500	26,220	(8,720)
Water Purchased	84,000	79,289	4,711
Maintenance	90,000	48,566	41,434
Total - Source of Supply	<u>191,500</u>	<u>154,075</u>	<u>37,425</u>
Pumping System			
Operating Labor	447,000	454,279	(7,279)
Supplies and Expenses	320,000	321,255	(1,255)
Power Purchased	2,600,000	2,402,987	197,013
Maintenance	335,000	367,636	(32,636)
Total - Pumping System	<u>3,702,000</u>	<u>3,546,157</u>	<u>155,843</u>
Purification System			
Operating Labor	750,000	747,971	2,029
Supplies and Expenses	1,875,000	1,601,494	273,506
Maintenance	75,000	48,966	26,034
Total - Purification System	<u>2,700,000</u>	<u>2,398,431</u>	<u>301,569</u>
Distribution System			
Operating Labor	2,025,000	1,937,546	87,454
Maps and Records	115,000	127,109	(12,109)
Supplies and Expenses	540,000	567,351	(27,351)
Maintenance:			
Structures and Equipment	290,000	262,312	27,688
Distribution Mains	3,300,000	3,891,555	(591,555)
Services	600,000	491,320	108,680
Meters	125,000	115,457	9,543
Hydrants	225,000	167,233	57,767
Total - Distribution System	<u>7,220,000</u>	<u>7,559,883</u>	<u>(339,883)</u>
Commerical Expenses			
Supervisory Salaries	450,000	453,252	(3,252)
Clerical Salaries	670,000	619,946	50,054
Meter Reading and Collecting	250,000	209,089	40,911
Supplies and Expenses	480,000	397,197	82,803
Total - Commerical Expenses	<u>1,850,000</u>	<u>1,679,484</u>	<u>170,516</u>

See independent auditors' report and accompanying notes to budgetary comparison schedules

WEST VIEW WATER AUTHORITY - WATER PROJECT
Budgetary Comparison Schedule (Unaudited) (Continued)
Year Ended December 31, 2016

	Original and Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
General Expenses			
Supervisory Salaries	262,000	260,830	1,170
Clerical Salaries	330,000	331,836	(1,836)
Supplies and Expenses	405,000	428,836	(23,836)
Insurance	2,900,000	2,785,493	114,507
Social Security	600,000	575,061	24,939
Pensions	2,115,000	2,115,927	(927)
Special Services	150,000	181,657	(31,657)
Membership Dues	26,000	26,244	(244)
Other Taxes	11,000	7,286	3,714
Maintenance of General Property	105,000	78,355	26,645
Total - General Expenses	<u>6,904,000</u>	<u>6,791,525</u>	<u>112,475</u>
Administrative Expenses			
Officer's Compensation	11,500	11,400	100
Legal Fees	9,000	9,000	-
Engineering Fees	12,000	12,000	-
Auditor's Fees	23,000	23,900	(900)
Total - Administrative Expenses	<u>55,500</u>	<u>56,300</u>	<u>(800)</u>
TOTAL OPERATING EXPENSES	<u>22,623,000</u>	<u>22,185,855</u>	<u>437,145</u>
NET REVENUE	<u>\$ 11,879,000</u>	<u>\$ 12,476,749</u>	<u>\$ 597,749</u>

See independent auditors' report and accompanying notes to budgetary comparison schedules

WEST VIEW WATER AUTHORITY - WATER PROJECT
Notes to Budgetary Comparison Schedule (Unaudited)
December 31, 2016

NOTE A – BUDGET TO ACTUAL RECONCILIATION

Total actual amounts (budgetary basis) of revenues	\$34,662,604
Difference – budget to regulatory basis	.
Provision for uncollectible accounts	(48,000)
	<hr/>
Total operating revenues as reported on the statement of income and expenses and provisions in accordance with the trust indenture	\$34,614,604
	=====

NOTE B – ORIGINAL AND FINAL BUDGET

The original budget, as adopted, was not amended during the year, therefore, the original and final budget is the same.

Primary Sponsor Letter of Support

(This is as uploaded, a blank page will show if nothing was submitted)

WRRDA Letter__08202018.pdf



August 20, 2018

U.S. Army Corps of Engineers
1000 Liberty Avenue
Pittsburgh, PA 15222

RE: WRRDA – Neville Island Water Treatment Plant Improvements

To Whom It May Concern:

This letter is intended to provide the U.S. Army Corps of Engineers with a budget for the West View Water Authority project titled Neville Island Treatment Plant Improvements. The budget enclosed in this letter, in my professional opinion as a public engineer, is a reasonable estimation of the total project cost of the West View Water Authority Project.

Board of Directors
Chairman
Dennis A. Watson
Vice Chairman
John R. Henry
Secretary
M. Kimberly Steele
Treasurer
William F. Aguglia
Assistant Treasurer
Paul G. Malone
Administrative
Executive Director
Robert J. Christian
Consulting Engineer
R.L. Krause
Solicitor
Michael J. Witherel

General Building Repair and Renovation:	\$2,000,000
Clarifier Replacement:	\$6,000,000
VFD Addition and Replacement of North Shore Pump No. 1 & 2:	\$3,200,000
VFD Addition and Replacement of South Shore Pump No. 1:	\$1,200,000
VFD Raw Water Pumps:	\$1,500,000
Sodium Permanganate Feed System:	\$550,000
Chlorination System Replacement – Tank Hoist/Crane:	\$500,000
Tank Mixing System Improvements:	\$200,000
Filter Trough Replacement:	\$500,000
Total:	\$15,650,000

Please feel free to send me any further inquiries to me at the contact information listed in the application.

Sincerely,

Robert Christian, P.E.
West View Water Authority