

ARCH CAPE WATER & SANITARY DISTRICTS BUDGET
COMMITTEE - FISCAL 2019 – 2020

19 April 2019

The following members were present on behalf of their respective districts.

Water District: Ron Schiffman, Director – President
Debra Birkby, Director – Vice President & Treasurer
Virginia Birkby, Director – Vice-President
Linda Murray, Director
Dan Seifer, Director
Cathy D’Onofrio, Arch Cape Community
Richard D’Onofrio, Arch Cape Community
Heather Newman, Arch Cape Community
Chris Anderson, Arch Cape Community
Carl Matson, Arch Cape Community

Sanitary District: Ron Schiffman, Director – President
Virginia Birkby, Director – Vice-President
Debra Birkby, Director - Treasurer
Casey Short, Director
Darr Tindall, Director
Cathy D’Onofrio, Arch Cape Community
Richard D’Onofrio, Arch Cape Community
Heather Newman, Arch Cape Community
Chris Anderson, Arch Cape Community
Carl Matson, Arch Cape Community

Public: Rick Gardner
Cathy Gardner

Staff: Phil Chick, District Manager
Steve Hill, Secretary

Mr. Schiffman opened the meeting at 4:00pm.

Election of Budget Committee Chairman: Mr. Dan Seifer nominated Mr. Casey Short as Budget Committee Chairman which was seconded by Mr. Ron Schiffman. All in favor
Motion carried.

Mr. Casey Short called for appointment of the Budget Officer.

Appointment of Budget Officer: Ms. Debra Birkby moved that Mr. Phil Chick be appointed as the Budget Officer which was seconded by Mr. Ron Schiffman. All in favor. Motion carried.

Publishing of Budget Message: Mr. Phil Chick reviewed for each district his 2019-20 Fiscal Budget Message (attached) with the committee.

Consideration of Proposed 2019-20 Fiscal Budgets: Long Range Financial Plans (LRFP) were considered first. Three versions were reviewed. One reflecting adjustments of rates only for the water district and two for the sanitary district. The first LRFP considered was for the water district and reflected adjustments to the rates only of 2% per year from 2019-20 through 2028-29. The second LRFP considered was for the sanitary district and reflected adjustments to the rates only with an early rate ramp up of a 9% increase in 2019-20, 8% in 2020-21 and 7% in 2021-22 followed by 2% increases from 2022-23 through 2025-26 and assumed slimmer working capital provisions in contingency and liquidity reserves. The third LRFP reviewed was for the sanitary district where rates were held to 4% annual increases from 2019-20 through 2028-29, working capital provisions maintained and the three principal capital projects were funded by loans of \$905K and a lifetime interest expense of \$254K. The water and sanitary budgets for the next fiscal year were then reviewed in detail by line item. The expectation is for a budget committee recommendation for a 2019-20 Fiscal Budget adoption including final adoption of any recommended resolutions revising rates at the May 17, 2019 regular meetings.

Water District: The Recommended Version 1 of the proposed budget from staff was reviewed with the following actions taken.

- Budget line items were left as presented

For the LRFP the following adjustments were recommended.

- Correlating the hookups shown to the budget
- Show an estimated adjustment to SDC charges year to year by general inflation

An additional LRFP was requested reflecting \$50K per year watershed expenditures ~~for~~ from 2020-21, ~~through 2028-29 supported by loans.~~

A desire was expressed to see anticipated operating revenues and expenses from a possible community forest acquisition. It was also felt that a local bond option should be explored for the watershed purchase.

2019-20 Water District Budget Public Hearing: Mr. Short opened the public hearing at 4:54pm to take comments or questions from the public and hearing none closed the hearing at 4:56pm.

Sanitary District: The Recommended Version 1 of the proposed budget from staff was reviewed with the following actions taken.

- Budget line items were left as presented
- Property Tax Receipts line item to have the added label of (Bond)

For the LRFP the following adjustments were recommended.

- Correlating the hookups shown to the budget
- Clearing the letter 'p' overstrike of the calculated revenue in 2019-20

Rate projections were reviewed for both 'rates only' as well as with 'loans' for the combination of water and sanitary district rates shown on the LRFP's.

While there was a desire expressed to fund present and future expected district expenditures from rates only there was also a discussion of how other communities may have set up low income discounted utility rate structures and how implementing that kind of program in Arch Cape could take place. Phil Chick was asked to inquire with neighboring utilities such as Seaside and Pacific Power and see what programs they offered.

2019-20 Sanitary District Budget Public Hearing: Mr. Short opened the public hearing at 5:55pm to take comments or questions from the public and hearing none closed the hearing at 5:57pm.

All changes to be reflected in new updated budgets shown as RECOM ver2 and revised long range financial plans for further consideration.

The meeting was recessed by Mr. Casey Short at 5:58pm to be reconvened at 4:00pm May 3, 2019.

Respectfully submitted,



Steve Hill

Attest



Mr. Casey Short, Committee Chairman

BUDGET MESSAGE 2019-20



Arch Cape Domestic Water Supply District

32065 East Shingle Mill Lane
Arch Cape, OR 97102 • 503.436.2790

April 19, 2019

I am pleased to present the Fiscal Year 2019-20 budget to the Arch Cape Domestic Water Supply District Budget Committee, Board of Commissioners, and Public. The budget message is a brief synopsis of the District's financial plan for the coming year, as well as its relationship to the past and future financial needs of the District.

The 2019-20 proposed budget was developed using historical operational figures and long-range financial planning estimates developed by staff and the Board. The District prepares its budget using the modified cash basis of accounting. There are no changes in the method by which the District carries out its fiscal duties. The District's financial condition remains secure due to steady account revenues, a solid reserve fund, and the collaborative planning and management efforts of Board and Staff. The proposed budget identifies a 2% rate increase for the coming year.

Fiscal Year 2019-20

The budget is presented in a fund by fund format, itemizing Resources and Requirements for the General and Capital Funds. The budget figures are based on the best estimate of what the District will receive and what it will spend from July 1, 2019 to June 30, 2020.

RESOURCES

The General Fund's main revenue resources come from user fees, excess usage charges, revenue received from the Sanitary District through the intergovernmental agreement (I.G.A.), and debt service surcharges. The Water District entered into an I.G.A. with the Sanitary District in 2014, taking over administrative and staff support functions for the operation and management of the Sanitary District facilities and operations. I.G.A. revenue received by the Water District for FY 2018-19 came in higher than projected, and is trending to increase in 2019-20.

The District's capital reserves accumulate through the collection of system development charges which are assessed to new homes connecting to the Water District. Staff has followed a model of 2 new connections per year in developing the current budget and related planning documents. This assumption is crucial to developing long-range planning for the District, and is influential in determining the timing of future rate increases and spending needs. The District received 2 new connections in 2018-19, and there is indication that new home building will bring in 2 additional hookups to the District in the coming year.

REQUIREMENTS

Total Personal Services:

The District employs two full time staff members and contracts the services of a part-time administrative assistant. Total Personal Services is increased by 5.3% in this budget with the anticipated increase in medical insurance costs and a recommended increase to staff salaries.

Total Materials and Services

This section outlays the costs for actual operations of the district including maintenance, utilities, professional services, and administrative support. Staff is recommending a 7% overall decrease in Total Materials and services from the budgeted amount in 2018-19. This is due to a carry over of watershed funds from FY 2018-19, since the planned land appraisal for the watershed property was not conducted in 2018-19, but will be in 2019-20. Since 2017 the District has been working with partners, Sustainable Northwest and the North Coast Land Conservancy, to acquire 2,100 acres abutting Arch Cape for the creation of a community forest and protected drinking watershed. The District has taken advantage of several grant funding opportunities to help build capacity for this cause. The proposed budget sets aside \$35,000 in the watershed budget line. This is for conducting a necessary land appraisal of the 2,100 acres, which will be the driving factor in establishing a land purchase price and sales agreement with the current landowner.

Debt Profile

The District currently services debt on only one loan, entering into a loan agreement with IFA Business Oregon in 2011 for \$536,000 repayable over 30 years to upgrade the water filtration plant.

Capital Projects and Future Plans

The District has several future capital project expenditures including the construction of a storage reservoir on the south end of Arch Cape, membrane filter replacement, and the eventual need for a redundant water source.

Summary:

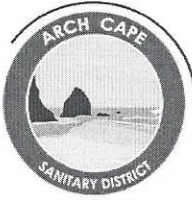
I believe that this is a responsible budget. It allows the District to maintain or improve current levels of service while considering long term needs and challenges and their financial impacts. The attached documents provide a breakdown of the proposed budget, and examine future projects and the financial assumptions necessary for their completion. I look forward to the budget process and working with you all, as the District plans for FY 2019-20 and beyond.

Sincerely,

Phil Chick

District Manager

Budget Message 2019-20



Arch Cape Sanitary District

32065 East Shingle Mill Lane
Arch Cape, OR 97102 • 503.436.2790

April 19, 2019

I am pleased to present the Fiscal Year 2019-20 budget to the Arch Cape Sanitary District Budget Committee, Board of Directors, and Public. The budget message is a brief synopsis of the District's financial plan for the coming year, as well as its relationship to the past and future financial needs of the District.

The 2019-20 proposed budget was developed using historical operational figures and long-range financial planning estimates developed by staff and the Board. The District prepares its budget using the modified cash basis of accounting. There are no changes in the method by which the District carries out its fiscal duties. The District's financial condition relies upon steady account revenues, a solid reserve fund, and the collaborative planning and management efforts of Board and Staff.

The major challenge of the District will be in providing for the replacement of essential treatment plant equipment in the coming year. The membrane filters, installed in 2009, have reached the end of their reliable use. The District has been building reserves for this project for the past few years. However, recent findings related to the condition of the membranes this past Fall have escalated the timeframe for when this project must happen. In addition to needing new membranes, a screening system improvement will also be made at this time in order to lengthen the longevity of the new membrane filters.

Fiscal Year 2019-20

The budget is presented in a fund by fund format, itemizing Resources and Requirements for the General and Capital Funds. The budget figures are based on the best estimate of what the District will receive and what it will spend from July 1, 2019 to June 30, 2020.

RESOURCES

The General Fund's main revenue resources come from user fees, property taxes, debt service surcharges, and excess usage fees. The District is estimating \$140,000 in property tax receipts for 2019-20. Revenue for 2019-20 is predicted to see an increase from the FY 2018-19 adopted budget.

The District's capital reserves accumulate through the collection of system development charges which are assessed to new homes connecting to the Sanitary District. Staff has followed a model of 2 new connections per year in developing the current budget and related planning documents. This assumption is crucial to developing long-range planning for the District, and is influential in determining the timing of future rate increases and spending needs. The District received 3 new connections in FY 2018-19, and there is indication that new home building will bring in 2 additional hookups to the District in the coming year.

REQUIREMENTS

Total Personal Services:

Total Personal Services costs fall under the budget of the Water District, as a function of the intergovernmental agreement (I.G.A.) between the Water and Sanitary Districts.

Total Materials and Services:

Total Materials and Services outlays the costs for actual operations of the district including maintenance, utilities, professional services, and Water District I.G.A. charges. The Sanitary District entered into an I.G.A. with the Water District in 2014. The Sanitary District contracts the services of the Water District for administrative and staff support functions for the operation and management of the Sanitary District's facilities and operations. It is anticipated that the Sanitary District will require more support from the Water District in the coming year, increasing the I.G.A. fees that the Water District charges to the Sanitary District. FY 2019-20 budget shows an 11% increase in Total Materials and services compared to the previous year's adopted budget.

Debt Profile:

The Sanitary District currently services debt on four loans: Irrigation Site, Facility Engineering, Wastewater Treatment Plant Upgrade, and I & I improvements. These loans are scheduled to be retired in 2023, 2027, 2040, and 2038. The practice of funding future Capital projects through user rates has been modeled in recent years in the Long Range Financial Plan for the District. This Plan has been included in the budget materials distributed to the Budget Committee and available to the Public. This year, an additional scenario has been created, featuring a loan-driven model for the financing of future capital needs.

Capital Projects and Future Plans:

Future Capital projects have been identified in the documents included with the Budget Message. A major expense for the Sanitary District in FY 2019-20 will be to replace the membranes and to upgrade the headworks screen at the wastewater treatment plant. The original membranes have reached the end of their useful life. Consequently, membrane replacement has been initiated one year earlier in the Capital Plan. Upgrading the treatment plant's Fine Screen has also been scheduled for the coming year. Non-flushable items such as dental floss, baby wipes, and plastics shorten the lifespan of the membrane filters when they bypass the screening system at the headworks. The proposed plan to deal with this is to design a secondary screening system which will capture any bypass before it reaches the Membrane Filtration Basins. The wastewater plant's computerized SCADA system is also scheduled for replacement in FY 2019-20.

The Webb Lift Station and generator on E. Shingle Mill Lane are responsible for conveying the entire District's wastewater load to the treatment plant. They are two of the most essential elements of the collection system. Each are dated, and are beginning to accumulate repair and maintenance costs. This station is identified in the Long Range Financial Plan to be replaced in 2021-22.

Summary:

I believe that this is a responsible budget. It allows the District to maintain or improve current levels of service while considering the type of long term needs and challenges that are posed to every wastewater utility. The attached documents provide a breakdown of the proposed budget, and examine the future projects and financial assumptions necessary for their completion.

I look forward to the budget process and working with you all, as the District plans for FY 2019-20 and beyond.

Sincerely,

Phil Chick

District Manager

**Arch Cape
Rate Projections
FY 2019-20 Budget Cycle**

WD & SD Rates only

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2033-34
LRFP Blended Rates :													
Water Qtrly Rate	140	160	163	166	169	172	175	179	183	187	191	195	215
Sanitary Qtrly Rate	215	215	234	253	271	276	282	288	294	294	294	294	324
Water Rate % Chg		14%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Sanitary Rate % Chg			9%	8%	7%	2%	2%	2%	2%				
Water Qtrly Rate : Annual \$	\$ 560	\$ 640	\$ 652	\$ 664	\$ 676	\$ 688	\$ 700	\$ 716	\$ 732	\$ 748	\$ 764	\$ 780	
Sanitary Qtrly Rate : Annual \$	\$ 860	\$ 860	\$ 936	\$ 1,012	\$ 1,084	\$ 1,104	\$ 1,128	\$ 1,152	\$ 1,176	\$ 1,176	\$ 1,176	\$ 1,176	
Total Yearly Utility Cost	\$ 1,420	\$ 1,500	\$ 1,588	\$ 1,676	\$ 1,760	\$ 1,792	\$ 1,828	\$ 1,868	\$ 1,908	\$ 1,924	\$ 1,940	\$ 1,956	
Total Annual % Chg		6%	6%	6%	5%	2%	2%	2%	2%	1%	1%	1%	

WD & SD Loans & \$254K interest expense

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2033-34
LRFP Blended Rates :													
Water Qtrly Rate	140	160	163	166	169	172	175	179	183	187	191	195	215
Sanitary Qtrly Rate	215	215	224	233	242	252	262	272	283	294	306	318	387
Water Rate % Chg		14%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Sanitary Rate % Chg			4%	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%
Water Qtrly Rate : Annual \$	\$ 560	\$ 640	\$ 652	\$ 664	\$ 676	\$ 688	\$ 700	\$ 716	\$ 732	\$ 748	\$ 764	\$ 780	
Sanitary Qtrly Rate : Annual \$	\$ 860	\$ 860	\$ 896	\$ 932	\$ 968	\$ 1,008	\$ 1,048	\$ 1,088	\$ 1,132	\$ 1,176	\$ 1,224	\$ 1,272	
Total Yearly Utility Cost	\$ 1,420	\$ 1,500	\$ 1,548	\$ 1,596	\$ 1,644	\$ 1,696	\$ 1,748	\$ 1,804	\$ 1,864	\$ 1,924	\$ 1,988	\$ 2,052	
Total Annual % Chg		6%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	

**ARCH CAPE WATER & SANITARY DISTRICTS
HISTORICAL RATE REVIEW**

Water : Qtrly 3/4"	Qrtly	Qrtly	Total	% Inc	Annual Cost
	Base Rate	Surcharge	Qrtly		
Jul 1993	\$48.00	\$0.00	\$48.00		\$192.00
Jul 1998	\$66.00	\$21.00	\$87.00	81%	\$348.00
Jul 2002	\$105.00	\$21.00	\$126.00	45%	\$504.00
May 2008	\$132.00	\$21.00	\$153.00	21%	\$612.00
Jul 2011	\$141.00	\$47.00	\$188.00	23%	\$752.00
Jul 2012	\$123.00	\$47.00	\$170.00	(10%)	\$680.00
Jul 2016	\$121.00	\$19.00	\$140.00	(18%)	\$560.00
Jul 2018	\$141.00	\$19.00	\$160.00	14%	\$640.00

Sanitary	Qrtly	Qrtly	Total	% Inc	Annual Cost
	Base Rate	Surcharge	Qrtly		
Jul 1993	\$66.00	\$0.00	\$66.00		\$264.00
Jul 2000	\$81.00	\$0.00	\$81.00	23%	\$324.00
Jul 2004	\$105.00	\$21.00	\$126.00	56%	\$504.00
May 2008	\$147.00	\$12.00	\$159.00	26%	\$636.00
Jul 2011	\$153.00	\$27.00	\$180.00	13%	\$720.00
Jul 2012	\$153.00	\$41.00	\$194.00	8%	\$776.00
Jul 2016	\$174.00	\$41.00	\$215.00	11%	\$860.00
Jul 2018	\$174.00	\$41.00	\$215.00	0%	\$860.00

Total Annual Cost WD & SD	Qrtly	Qrtly	Total	% Inc	Annual Cost
	Base Rate	Surcharge	Qrtly		
Jul 1993	\$114.00	\$0.00	\$114.00		\$456.00
Jul 2000	\$147.00	\$21.00	\$168.00	47%	\$672.00
Jul 2004	\$210.00	\$42.00	\$252.00	50%	\$1,008.00
May 2008	\$279.00	\$33.00	\$312.00	24%	\$1,248.00
Jul 2011	\$294.00	\$74.00	\$368.00	18%	\$1,472.00
Jul 2012	\$276.00	\$88.00	\$364.00	(1%)	\$1,456.00
Jul 2016	\$295.00	\$60.00	\$355.00	(2%)	\$1,420.00
Jul 2018	\$315.00	\$60.00	\$375.00	6%	\$1,500.00

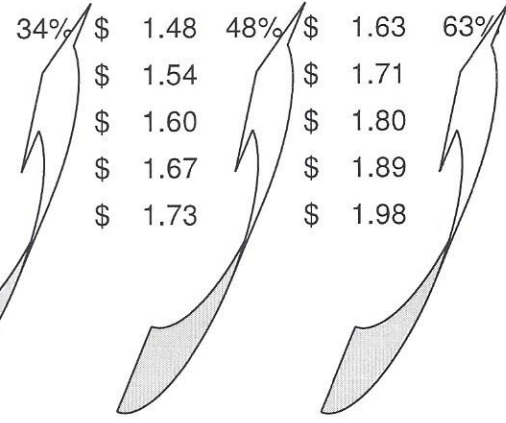
Inflation Rate

1%	2%	3%	4%	5%
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Orig Cost \$ 1.00

Year	1%	2%	3%	4%	5%
Year 1	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
Year 2	\$ 1.01	\$ 1.02	\$ 1.03	\$ 1.04	\$ 1.05
Year 3	\$ 1.02	\$ 1.04	\$ 1.06	\$ 1.08	\$ 1.10
Year 4	\$ 1.03	\$ 1.06	\$ 1.09	\$ 1.12	\$ 1.16
Year 5	\$ 1.04	\$ 1.08	\$ 1.13	\$ 1.17	\$ 1.22
Year 6	\$ 1.05	\$ 1.10	\$ 1.16	\$ 1.22	\$ 1.28
Year 7	\$ 1.06	\$ 1.13	\$ 1.19	\$ 1.27	\$ 1.34
Year 8	\$ 1.07	\$ 1.15	\$ 1.23	\$ 1.32	\$ 1.41
Year 9	\$ 1.08	\$ 1.17	\$ 1.27	\$ 1.37	\$ 1.48
Year 10	\$ 1.09	\$ 1.20	\$ 1.30	\$ 1.42	\$ 1.55
Year 11	\$ 1.10	\$ 1.22	\$ 1.34	\$ 1.48	\$ 1.63
Year 12	\$ 1.12	\$ 1.24	\$ 1.38	\$ 1.54	\$ 1.71
Year 13	\$ 1.13	\$ 1.27	\$ 1.43	\$ 1.60	\$ 1.80
Year 14	\$ 1.14	\$ 1.29	\$ 1.47	\$ 1.67	\$ 1.89
Year 15	\$ 1.15	\$ 1.32	\$ 1.51	\$ 1.73	\$ 1.98

Percentage increase at the end of a 10 Year Period



**ARCH CAPE WATER DISTRICT
FY 2019-20 BUDGET
GENERAL FUND**

2016-17 ACTUAL	2017-18 ACTUAL	2018-19 ADOPTED	2018-19 EOY PROJ	WATER RESOURCES	2019-20 PROP (ver1)	2019-20 RECOM (ver2)	2019-20 FINAL (ver3)
BEGINNING BALANCE							
57,205	92,771	76,597	112,809	Undesignated Balance	83,861		
				Capital Reserve			
		31,488		Operating Reserve	55,083		
				2018-19 Transfer to Capital Reserve			
57,205	92,771	108,085	112,809	TOTAL BEGINNING BALANCE	138,944		
REVENUE							
133,288	138,268	161,924	162,275	User Fees	165,940		
25,219	38,341	26,000	30,446	Excess Usage Charges	24,000		
20,862	21,698	21,820	22,716	Debt Service Surcharges	21,895		
122,641	125,515	124,722	131,407	Sanitary District IGA ¹ Service Charge	140,368		
469	860	800	1,500	Interest	900		
4,540	5,442		9,862	Miscellaneous			
2,100	0	1,400	1,400	Meter Hookup Fee	1,400		
				Sale of Truck			
648	667	700	375	Cannon Beach IGA	700		
			1,797	Cannon View Park			
309,766	330,791	337,366	361,777	TOTAL REVENUE	355,203		
366,971	423,562	445,451	474,586	TOTAL RESOURCES	494,147		

Received	Water District Accounts	Base Rate
99%	291	\$144.00
		165,940
	Debt Srvc Rate	
	291	\$19.00
		21,895

1/ Intergovernmental Agreement

Total Rate **\$163.00**

**ARCH CAPE WATER DISTRICT
FY 2019-20 BUDGET
GENERAL FUND**

2016-17 ACTUAL	2017-18 ACTUAL	2018-19 ADOPTED	2018-19 EOY PROJ	WATER REQUIREMENTS		2019-20 PROP (ver1)	2019-20 RECOM (ver2)	2019-20 FINAL (ver3)
PERSONNEL SERVICES								
68,581	71,324	74,176	74,176	Manager		76,179		
47,794	49,525	52,998	51,666	Operator		55,184		
8,903	9,983	9,783	9,627	FICA		10,049		
10,637	11,783	11,688	11,671	PERS		14,200		
26,193	35,799	38,500	35,780	Medical Insurance		37,428		
3,094	3,150	2,800	3,133	Worker's Compensation		3,500		
165,201	181,565	189,945	186,053	TOTAL Personnel Services		196,540		
MATERIALS & SERVICES								
26,784	27,588	27,588	27,588	Administrative Services		28,416		
1,173	2,940	6,000	5,853	Temporary Help		12,000		
577	648	650	681	Clothing Allowance		700		
2,200	1,963	2,000	549	Education		2,000		
1,927	645	2,000	995	Travel		2,000		
1,042	1,124	1,200	1,949	Office Supplies		1,500		
1,238	1,326	1,420	2,100	Postage		1,600		
4,014	3,479	4,000	2,565	Vehicle		3,000		
3,300	2,925	3,600	3,225	Sanitary District Facilities Use Charges		3,600		
500	525	525	525	Payroll Service		551		
5,583	4,708	5,660	5,666	Liability & Property Insurance		6,063		
3,672	190	1,000	1,055	Licenses		2,000		
13,554	17,960	21,000	23,616	Maintenance		21,000		
4,244	3,343	5,000	4,708	Chemicals		5,000		
0	1,938	55,000	25,572	Watershed		35,000		
952	1,209	875	890	Dues / Taxes		900		
6,808	1,354	4,000	6,787	Professional Services		5,700		
2,180	2,440	5,000	3,500	Auditing		4,000		
473	940	2,700	1,600	Legal Services		2,000		
480	25	700	674	Notices		700		
7,516	8,889	10,000	8,722	Utilities		10,000		
88,217	86,159	159,918	128,818	TOTAL MATERIALS & SERVICES		147,730		
CAPITAL OUTLAY								
	17,925			Replacement Pickup Truck				
	4,332			Water Purification Unit				
0	22,257	0	0	TOTAL CAPITAL OUTLAYS		0		
253,418	289,981	349,863	314,871	TOTAL OPERATING EXPENSES		344,270		

**ARCH CAPE WATER DISTRICT
FY 2019-20 BUDGET
GENERAL FUND**

DEBT SERVICE

20,772	20,772	20,772	20,772	20,772	Flex-lease Loan : Reservoir		
20,772	20,772	20,772	20,772	20,772	Water Tank Loan Pre-Payment		20,772
					IFA Water Plant Upgrade		20,772
274,190	310,753	370,635	335,643	365,041	TOTAL DEBT SERVICE		
					TOTAL GENENERAL FUND EXPENDITURES		

TRANSFER TO CAPITAL FUND

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CONTINGENCY & ENDING BALANCE

		38,000			CONTINGENCY		51,000
					Replacement Truck		
					Other reserve		
		31,488			Operating Reserve		55,083
					Other reserve		
92,782	112,809	5,328	138,944		Undesignated		23,022
92,782	112,809	36,816	138,944		TOTAL UNAPPROPRIATED BALANCE		78,105
92,782	112,809	74,816	138,944		TOT CONTINGENCY & UNAPP BAL. (Ending Bal)		129,105
366,971	423,562	445,451	474,586		TOTAL REQUIREMENTS		494,147
0	0	0	0		RESOURCES UNDER/(OVER) REQUIREMENTS		0

**ARCH CAPE WATER DISTRICT
FY 2019-20 BUDGET
CAPITAL FUND**

2016-17 ACTUAL	2017-18 ACTUAL	2018-19 ADOPTED	2018-19 EOY PROJ	WATER RESOURCES	2019-20 PROP (ver1)	2019-20 RECOM (ver2)	2019-20 FINAL (ver3)
33,649	48,892	66,979	54,387	Undesignated Balance	65,321		
				Project Reserve			
				Debt Service Reserve			
33,649	48,892	66,979	54,387	TOTAL BEGINNING BALANCE	65,321		

REVENUE

15,243	18,087	10,934	10,934	Loan Proceeds			
				SDC Revenue	10,934		
				Other			
				Interest on Investments			
				Miscellaneous			
15,243	18,087	10,934	10,934	TOTAL REVENUE	10,934		

TRANSFER FROM GENERAL FUND

0	0	0	0		0		
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48,892	66,979	77,913	65,321	TOTAL RESOURCES	76,255		
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**ARCH CAPE WATER DISTRICT
FY 2019-20 BUDGET
CAPITAL FUND**

2016-17 ACTUAL	2017-18 ACTUAL	2018-19 ADOPTED	2018-19 EOY PROJ	WATER REQUIREMENTS	2019-20 PROP (ver1)	2019-20 RECOM (ver2)	2019-20 FINAL (ver3)
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CAPITAL OUTLAY

	12,592			Dodge Truck			
				Water Source Assessment			
				New Service			
				Other			
0	12,592	0	0	TOTAL CAPITAL	0		

CONTINGENCY & ENDING BALANCE

CONTINGENCY

	77,913	65,321	CONTINGENCY		76,255		
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UNAPPROPRIATED BALANCE

				Project Reserve			
				Project Reserve			
48,892	54,387			Undesignated			
48,892	54,387	0	0	TOTAL UNAPPROPRIATED BALANCE	0		
48,892	54,387	77,913	65,321	TOT CONTINGENCY & UNAPP BAL. (Ending Bal)	76,255		

48,892	66,979	77,913	65,321	TOTAL REQUIREMENTS	76,255		
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0	0	0	0	RESOURCES UNDER/(OVER) REQUIREMENTS	0		
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ARCH CAPE WATER DISTRICT
LONG RANGE FINANCIAL PLAN

KEY ASSUMPTIONS:

- 2 Hookups per year
- Expense allocation: Blended 57.0% Sanitary
- Expense growth: 2% growing to 4%
- Rates adjusted to retain approximately 16% of Oper Exp on hand
- Contingency set at 15% of Operating Expenses
- No loans for capital projects
- Watershed expense of \$35K : 2019-20 & \$32K per year from 2023-24 to 2026-27
- Transfer from Gen Fund to Capital Fund:
 - \$15K : 2025-26
- User rates adjusted for Op Ex needs and Capital Expenses
 - Rate increased by 2% per year from 2019-20 at \$163 to \$195 in 2028-29

EXPECTED FUTURE CAPITAL FUND EXPENDITURE:

- \$70K Membrane Replacement : 2025-26
- \$20K Storage Planning : Preliminary Design : 2025-26
- \$280K South Reservoir Construction : 2032-33 (Includes \$40K Grant)
- \$80K Membrane Replacement : 2034-35

**ARCH CAPE WATER DISTRICT
LONG RANGE FINANCIAL PLAN**

WATER DISTRICT - GENERAL FUND													
ASSUMPTIONS	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	
SD IGA % : PERSONNEL + ALLOC	55.5%	53.0%	57.0%	57.0%	57.0%	57.0%	57.0%	57.0%	57.0%	57.0%	57.0%	57.0%	57.0%
GENERAL INFLATION	2.0%	2.5%	2.5%	2.5%	2.5%	3.0%	3.0%	3.0%	4.0%	4.0%	4.0%	4.0%	4.0%
CONTINGENCY	Assume 15% of operating expenditures is budgeted after 2019-20; and assume 15% of that amount is spent per year.												
HOOKUPS	290	292	294	296	298	300	302	304	306	308	310	312	
Change in Hookups	2	2	2	2	2	2	2	2	2	2	2	2	
System Development Charge	5,329	5,467	5,467	5,467	5,467	5,467	5,467	5,467	5,467	5,467	5,467	5,467	
Excess usage Charge % of User Fees*	17.5%	17.5%	17.5%	17.5%	17.5%	17.5%	17.5%	17.5%	17.5%	17.5%	17.5%	17.5%	
WD Quarterly User Rates	140	160	163	166	169	172	175	179	183	187	191	195	
User Rate % increase			2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	
Usage charges	121	141	144	147	150	153	156	160	164	168	172	176	
Debt service surcharges	19	19	19	19	19	19	19	19	19	19	19	19	
Annual increase - Total		14.3%	1.9%	1.8%	1.8%	1.8%	1.7%	2.3%	2.2%	2.2%	2.1%	2.1%	
Annual increase - Usage chg. Only		16.5%	2.1%	2.1%	2.0%	2.0%	2.0%	2.6%	2.5%	2.4%	2.4%	2.3%	
	Act	EOY PROJ	PROJECTED										
RESOURCES	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	
BEGINNING BALANCE	92,771	112,809	138,943	129,103	159,128	185,681	212,642	224,682	238,331	251,554	264,114	296,063	
REVENUE													
USER FEES	138,268	162,275	165,940	172,308	177,012	181,764	186,564	192,614	198,729	204,906	211,147	217,452	
EXCESS USAGE CHARGES	38,341	30,446	24,000	30,154	30,977	31,809	32,649	33,708	34,778	35,859	36,951	38,054	
FEE SURCHARGE FOR DEBT	21,698	22,716	21,895	22,496	22,648	22,800	22,952	23,104	23,256	23,408	23,560	23,712	
SD IGA REVENUE	125,515	131,407	140,368	144,752	148,371	152,822	157,407	162,129	168,614	175,359	182,373	189,668	
WATERSHED REVENUE													
DEBT PROCEEDS	2,500			2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	
SALE OF TRUCK	4,470	14,933	3,000	2,400									
OTHER													
TOTAL REVENUE	330,791	361,777	355,203	372,109	381,408	391,595	401,971	413,955	427,776	441,931	456,431	471,285	
TOTAL RESOURCES	423,562	474,586	494,146	501,212	540,536	577,276	614,613	638,636	666,107	693,486	720,545	767,348	

**ARCH CAPE WATER DISTRICT
LONG RANGE FINANCIAL PLAN**

REQUIREMENTS	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
EXPENDITURES												
PERSONNEL												
SALARY/WAGE	142,615	147,140	155,613	159,503	163,491	168,396	173,448	178,651	185,797	193,229	200,958	208,996
BENEFITS	38,950	38,913	40,928	41,951	43,000	44,290	45,619	46,987	48,867	50,821	52,854	54,968
TOTAL PERSONNEL	181,565	186,053	196,541	201,455	206,491	212,686	219,066	225,638	234,664	244,050	253,812	263,965
MATERIALS & SERVICES												
ALLOCABLE EXPENSES	39,713	42,280	51,216	52,496	53,809	55,423	57,086	58,798	61,150	63,596	66,140	68,786
SD FACILITIES USE	2,925	3,225	3,600	3,000	3,000	3,000	3,000	3,000	3,000	3,001	3,002	3,003
WATERSHED	1,938	25,572	35,000	5,000	5,000	5,000	20,000	20,000	20,000	20,000	20,000	20,000
MAINTENANCE & CHEMICALS	21,303	28,323	26,000	26,650	27,316	28,136	28,980	29,849	31,043	32,285	33,576	34,919
UTILITIES	8,889	8,722	10,000	10,250	10,506	10,821	11,146	11,480	11,940	12,417	12,914	13,431
GEN'L & ADMINISTRATIVE	11,391	20,696	21,914	22,462	23,023	23,714	24,426	25,158	26,165	27,211	28,300	29,432
TOTAL MATERIALS & SERVICES	86,159	128,818	147,730	119,858	122,655	126,094	144,637	148,286	153,298	158,511	143,932	149,570
CONTINGENCY		38,000	51,000	48,197	49,372	50,817	54,556	56,089	58,194	60,384	59,662	62,030
CONTINGENCY (amt. spent @ 10%/yr)					4,937	5,082	5,456	5,609	5,819	6,038	5,966	6,203
CAPITAL OUTLAY	22,257											
TOTAL OPERATING EXPENDITURES	289,981	314,871	344,271	321,313	334,083	343,862	369,159	379,533	393,781	408,599	403,710	419,738
TRANSFER TO CAPITAL FUND												
DEBT SERVICE	20,772	20,772	20,772	20,772	20,772	20,772	20,772	20,772	20,772	20,772	20,772	20,772
CONTINGENCY & ENDING BALANCE												
CONTINGENCY			51,000	48,197	49,372	50,817	54,556	56,089	58,194	60,384	59,662	62,030
DESIGNATED RESERVES			55,083	51,410	52,663	54,205	58,193	59,828	62,074	64,410	63,639	66,166
UNDESIGNATED	112,809	138,943	23,020	59,521	83,646	107,620	111,934	122,415	131,286	139,321	172,762	198,642
CONT. + RESERVES + UNDESIGNATED	112,809	138,943	129,103	159,128	185,681	212,642	224,682	238,331	251,554	264,114	296,063	326,838
ENDING BALANCE	112,809	138,943	129,103	159,128	185,681	212,642	224,682	238,331	251,554	264,114	296,063	326,838
TOTAL REQUIREMENTS	423,562	474,586	494,146	501,212	540,536	577,276	614,613	638,636	666,107	693,486	720,545	767,348
END BAL OVER/(UNDER) BEG BAL	20,038	26,134	(9,840)	30,025	26,553	26,961	12,040	13,649	13,223	12,560	31,948	30,775
RESOURCES OVER/(UNDER) REQ.	0											
LIQUIDITY REQ'T: 16% OP EXP	44,621	28,338	55,083	51,410	52,663	54,205	58,193	59,828	62,074	64,410	63,639	66,166
ENDING BALANCE MINUS LIQUIDITY R	68,189	110,605	74,020	107,718	133,018	158,437	166,489	178,503	189,481	199,705	232,424	260,672
CAPITAL FUND ENDING BALANCE	51,417	62,351	73,285	84,219	95,153	106,087	117,021	127,955	138,889	149,823	160,757	171,691

**ARCH CAPE WATER DISTRICT
LONG RANGE FINANCIAL PLAN**

WATER DISTRICT - CAPITAL FUND															
	2015-16	Act	2017-18	Act	EOY PROJ		PROJECTED								
					2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
RESOURCES															
BEGINNING BALANCE	21,486	33,649	48,892	48,892	51,417	62,351	73,285	84,219	95,153	106,087	117,021	127,955	48,889	59,823	70,757
REVENUE															
SDC REVENUE	16,033	15,243	18,087	18,087	10,934	10,934	10,934	10,934	10,934	10,934	10,934	10,934	10,934	10,934	10,934
TOTAL REVENUE	16,033	15,243	18,087	18,087	10,934	10,934	10,934	10,934	10,934	10,934	10,934	10,934	10,934	10,934	10,934
TRANSFER FROM GENERAL FUND	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL RESOURCES	37,519	48,892	66,979	66,979	62,351	73,285	84,219	95,153	106,087	117,021	127,955	138,889	59,823	70,757	81,691
REQUIREMENTS															
2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29		
EXPENDITURES															
WATER SOURCE ASSESSMENT	3,870														
MEMBRANE REPLACEMENT															
SECOND WATER SOURCE															
STORAGE PLING : PRELIM DESIGN															
TRUCK			12,592												
SOUTH RESERVOIR			2,970												
OTHER															
TOTAL EXPENDITURES	3,870	0	15,562	0	0	0	0	0	0	0	0	90,000	0	0	0
ENDING BALANCE	33,649	48,892	51,417	62,351	73,285	84,219	95,153	106,087	117,021	127,955	48,889	59,823	70,757	81,691	
TOTAL REQUIREMENTS	37,519	48,892	66,979	62,351	73,285	84,219	95,153	106,087	117,021	127,955	138,889	59,823	70,757	81,691	

**ARCH CAPE SANITARY DISTRICT
FY 2019-20 BUDGET
GENERAL FUND**

2016-17 ACTUAL	2017-18 ACTUAL	2018-19 ADOPTED	2018-19 EOY PROJ	SANITARY RESOURCES	2019-20 PROP (ver1)	2019-20 RECOM (ver2)	2019-20 FINAL (ver3)
BEGINNING BALANCE							
261,902	274,771	277,350	255,069	Undesignated Balance	295,526		
			5,000	Capital Reserve			
15,256	15,256	15,256	15,256	ODEQ Irrig Site Loan#11432 res	15,256		
		40,960	42,864	Operating Reserve	21,825		
		9,000	9,003	Bonded Debt Reserve	9,003		
277,158	290,027	342,566	327,192	TOTAL BEGINNING BALANCE	341,611		

REVENUE

221,486	231,810	234,963	235,154	User Fees	261,384		
18,925	33,039	18,000	23,357	Excess Usage Charges	15,000		
52,365	54,571	55,365	55,352	Debt Service Surcharges	55,527		
3,300	2,925	3,300	3,225	WD Facilities Use Charges	3,300		
	1,136			Clatsop Cty Land Sales			
132,165	150,541	141,436	144,325	Property Tax Receipts	140,000		
2,980	5,526	2,800	8,500	Interest	2,764		
768	4,567		811	Miscellaneous			
431,988	484,116	455,863	470,724	TOTAL REVENUE	477,974		

709,146	774,143	798,430	797,916	TOTAL RESOURCES	819,585		
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Received	Sanitary District Accounts	Base Rate
99%	342	\$193.00
		261,384
	Debt Svc Rate	
	342	\$41.00
		55,527
	Total Rate	\$234.00

**ARCH CAPE SANITARY DISTRICT
FY 2019-20 BUDGET
GENERAL FUND**

2016-17 ACTUAL	2017-18 ACTUAL	2018-19 ADOPTED	2018-19 EOY PROJ	SANITARY REQUIREMENTS	2019-20 PROP (ver1)	2019-20 RECOM (ver2)	2019-20 FINAL (ver3)
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EXPENDITURES

PERSONNEL SERVICES							
0	0	0	0	TOTAL Personnel Services	0	0	

MATERIALS & SERVICES

122,641	125,515	124,722	131,407	Water District IGA ¹ Charges	140,368		
10,657	10,655	11,440	10,605	Liability & Property Insurance	11,347		
2,758	2,736	2,800	2,657	Licenses	2,800		
28,615	37,587	35,000	40,651	Maintenance	40,000		
4,709	5,627	5,500	5,777	Chemicals	5,500		
0	4,611	5,000	1,500	Inflow & Infiltration	4,000		
1,091	872	1,100	1,202	Dues / Taxes	1,100		
4,796	4,360	6,000	6,150	Professional Services	6,000		
0	625	0	0	Emergency Sanitation	0		
2,180	2,440	5,000	3,500	Auditing	10,000		
1,000	3,753	2,500	8,936	Legal Services	5,000		
250	20	700	553	Notices	700		
46,875	43,117	46,000	44,246	Utilities	46,000		
225,572	241,917	245,762	257,184	TOTAL MATERIALS & SERVICES	272,815		

CAPITAL OUTLAY

	16,715			TR50 Mixer			
				Dodge Ram Truck			
0	16,715	0	0	TOTAL CAPITAL OUTLAYS	0		
225,572	258,632	245,762	257,184	TOTAL OPERATING EXPENSES	272,815		

**ARCH CAPE SANITARY DISTRICT
FY 2019-20 BUDGET
GENERAL FUND**

DEBT SERVICE									
15,948	15,885	15,819	15,819	15,819	DEQ - Irrigation Site Loan	15,819	15,819		
19,319	19,319	19,319	19,319	19,319	OECD - Facility Engineering Loan	19,319	19,319		19,319
144,600	144,600	144,600	144,600	144,600	USDA Plant Upgrade	144,600	144,600		144,600
19,383	19,383	19,383	19,383	19,383	IFA Loan/Grant - Facility Improvement	19,383	19,383		19,383
199,250	199,187	199,121	199,121	199,121	TOTAL DEBT SERVICE	199,121	199,121		199,121
424,823	457,819	444,883	456,305	471,937	TOTAL GENERAL FUND EXPENDITURES				471,937
TRANSFER TO CAPITAL FUND									
									270,000
CONTINGENCY & ENDING BALANCE									
CONTINGENCY									
		39,000	39,000	39,000	CONTINGENCY				13,000
UNAPPROPRIATED BALANCE									
					Reserve for Truck Replacement				
					Mixer reserve				
		5,000	5,000	5,000	Actuator reserve				
15,256	15,256	15,256	15,256	15,256	ODEQ Irrigation Site Loan#R11432 reserve				15,256
	40,960	40,960	42,864	42,864	Operating Reserve				21,825
9,284	11,884	9,000	9,003	9,003	Bonded Debt Reserve				1,426
					Other reserve				
259,783	289,183	244,331	230,488	230,488	Undesignated				26,141
284,323	316,323	314,547	302,611	302,611	TOTAL UNAPPROPRIATED BALANCE				64,648
284,323	316,323	353,547	341,611	341,611	TOT CONTINGENCY & UNAPP BAL. (Ending Bal)				77,648
709,146	774,143	798,430	797,916	797,916	TOTAL REQUIREMENTS				819,585
0	0	0	0	0	RESOURCES UNDER/(OVER) REQUIREMENTS				0

**ARCH CAPE SANITARY DISTRICT
FY 2019-20 BUDGET
CAPITAL FUND**

2016-17 ACTUAL	2017-18 ACTUAL	2018-19 ADOPTED	2018-19 EOY PROJ	SD CAPITAL RESOURCES	2019-20 PROP (ver1)	2019-20 RECOM (ver2)	2019-20 FINAL (ver3)
BEGINNING BALANCE							
76,280	76,280	92,588	107,780	Undesignated Balance Project Reserve Debt Service Reserve	124,130		
76,280	76,280	92,588	107,780	TOTAL BEGINNING BALANCE	124,130		
REVENUE							
	23,904 7,596	16,350	16,350	Loan Proceeds Bond Proceeds SDC Revenue Other Interest on Investments Miscellaneous	16,350		
0	31,500	16,350	16,350	TOTAL REVENUE	16,350		
TRANSFER FROM GENERAL FUND							
0	0	0	0		270,000		
76,280	107,780	108,938	124,130	TOTAL RESOURCES	410,480		

**ARCH CAPE SANITARY DISTRICT
FY 2019-20 BUDGET
CAPITAL FUND**

2015-16 ACTUAL	2016-17 ACTUAL	2018-19 ADOPTED	2018-19 EOY PROJ	SANITARY CAPITAL REQUIREMENTS	2019-20 PROP (ver1)	2019-20 RECOM (ver2)	2019-20 FINAL (ver3)
EXPENDITURES							
CAPITAL OUTLAY							
		25,000		Inflow & Infiltration Membranes & Screens SCADA Sys Upgrade Other	375,000 21,000		
0	0	25,000	0	TOTAL CAPITAL	396,000		
CONTINGENCY & ENDING BALANCE							
CONTINGENCY							
0	0	83,938	39,000	CONTINGENCY	14,480		
UNAPPROPRIATED BALANCE							
				Project Reserve			
				Project Reserve			
76,280	107,780		85,130	Undesignated			
76,280	107,780	0	85,130	TOTAL UNAPPROPRIATED BALANCE	0		
76,280	107,780	83,938	124,130	TOT CONTINGENCY & UNAPP BAL. (Ending Bal)	14,480		
76,280	107,780	108,938	124,130	TOTAL REQUIREMENTS	410,480		
0	0	0	0	RESOURCES UNDER/(OVER) REQUIREMENTS	0		

**ARCH CAPE SANITARY DISTRICT
LONG RANGE FINANCIAL PLAN**

KEY ASSUMPTIONS:

- 2 Hookups per year
- Expense allocation: Blended 57.0% Sanitary
- Expense growth: 2% growing to 4%
- Contingency set at 5% of Operating Expenses : 2019-20 thru 2021-22
- Liquidity Requirement set to 8% in 2019-20 & 2020-21 and 4% in 2021-22 from 16%
- Transfer from Gen Fund to Capital Fund:
 - \$280K : 2019-20
 - \$130K : 2021-22
 - \$225K : 2028-29
- Imposition of Tax : 2019-20 : \$142K : retention of \$6K balance
- User rates adjusted for Op Ex needs and Capital Expenses
 - Rate increased by 9% to \$234 : 2019-20
 - Rate increased by 8% to \$253 : 2020-21
 - Rate increased by 7% to \$271 : 2021-22
 - Rate increased by 2% to \$276 : 2022-23
 - Rate increased by 2% to \$282 : 2023-24
 - Rate increased by 2% to \$288 : 2024-25
 - Rate increased by 2% to \$294 : 2025-26

EXPECTED FUTURE CAPITAL FUND EXPENDITURES:

- \$325K Membrane & Screens Replacement : 2019-20
- \$50K Screening Upgrade : 2019-20
- \$21K SCADA Upgrade : 2019-20
- \$180K Web Lift Station Upgrade : 2021-22
- \$350K Membrane Replacement : 2028-29
- \$400K Membrane Replacement : 2037-38

**ARCH CAPE SANITARY DISTRICT
LONG RANGE FINANCIAL PLAN**

SANITARY DISTRICT - GENERAL FUND												
ASSUMPTIONS	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
	2.0%	2.5%	2.5%	2.5%	2.5%	3.0%	3.0%	3.0%	4.0%	4.0%	4.0%	4.0%
GENERAL INFLATION												
CONTINGENCY												
HOOKUPS	340	342	344	346	348	350	352	354	356	358	360	362
Change in Hookups	2	2	2	2	2	2	2	2	2	2	2	2
System Development Charge	7,968	8,175	8,175	8,379	8,589	8,847	9,112	9,385	9,761	10,151	10,557	10,979
Excess usage Charge % of User Fees	6.4%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	6.0%	6.0%
SD Quarterly User Rates	215	215	234	253	271	276	282	288	294	294	294	294
User Rate % increase			9.0%	8.0%	7.0%	2.0%	2.0%	2.0%	2.0%			
Usage charges	174	174	193	212	230	244	250	256	262	262	262	262
Debt service surcharges	41	41	41	41	41	32	32	32	32	32	32	32
Annual increase - Total			9%	8%	7%	2%	2%	2%	2%			
Annual increase - Usage chg. Only			10.9%	9.8%	8%	6%	2%	2%	2%			
	Act	EOY PROJ	PROJECTED									
RESOURCES	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
BEGINNING BALANCE	290,027	327,192	341,611	77,650	120,236	52,857	125,535	200,557	277,761	353,833	419,094	465,476
REVENUE												
USER FEES	231,810	235,154	261,384	293,408	320,160	341,600	352,000	362,496	373,088	375,184	377,280	379,376
EXCESS USAGE CHARGES	33,039	23,357	15,000	23,473	25,613	27,328	28,160	29,000	29,847	30,015	22,637	22,763
FEE SURCHARGE FOR DEBT	54,571	55,352	55,527	54,587	54,587	38,703	38,703	38,703	38,703	19,383	19,383	19,383
PROPERTY TAX RECEIPTS	150,541	144,325	140,000	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600
OTHER	14,155	12,536	6,064	6,216	6,371	6,562	6,759	6,962	7,240	7,530	7,831	8,144
TOTAL REVENUE	484,116	470,724	477,975	522,283	551,331	558,793	570,222	581,760	593,478	576,712	571,731	574,266
ADDITIONAL DEBT/GRANTS												
SCADA Upgrade												
TOTAL ADDITIONAL DEBT												
TOTAL RESOURCES	774,143	797,916	819,586	599,933	671,566	611,650	695,757	782,318	871,240	930,545	990,825	1,039,742

**ARCH CAPE SANITARY DISTRICT
LONG RANGE FINANCIAL PLAN**

REQUIREMENTS	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
EXPENDITURES												
MATERIALS & SVCS												
WD IGA CHARGES	125,515	131,407	140,368	144,752	148,371	152,822	157,407	162,129	168,614	175,359	182,373	189,668
MAINTENANCE & CHEMICALS	43,214	46,428	45,500	46,638	47,803	49,238	50,715	52,236	54,326	56,499	58,759	61,109
UTILITIES	43,117	44,246	46,000	47,150	48,329	49,779	51,272	52,810	54,923	57,119	59,404	61,780
GEN'L & ADMINISTRATIVE	30,071	35,103	40,947	41,971	43,020	44,311	45,640	47,009	48,889	50,845	52,879	54,994
TOTAL M&S	241,917	257,184	272,815	280,510	287,523	296,149	305,033	314,184	326,751	339,822	353,414	367,551
DEBT SERVICE	54,587	54,521	54,521	54,587	54,587	38,703	38,703	38,703	38,703	19,383	19,383	19,383
USDA PLANT UPGRADE - GO BONDS	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600
CONTINGENCY	37,000	39,000	13,000	11,220	11,501	44,422	45,755	47,128	49,013	50,973	53,012	55,133
CONTINGENCY SPENT(@ 15%/yr)						6,663	6,863	7,069	7,352	7,646	7,952	8,270
CAPITAL OUTLAY	16,715											
TOTAL OPERATING EXPENDITURES	258,632	257,184	272,815	280,510	287,523	296,149	305,033	314,184	326,751	339,822	353,414	367,551
TOTAL GENERAL FUND EXPENDITURES	457,819	456,305	471,936	479,697	486,710	486,115	495,199	504,556	517,406	511,451	525,349	539,804
TRANSFER TO CAPITAL FUND			270,000		132,000							225,000
CONTINGENCY		39,000	13,000	11,220	11,501	44,422	45,755	47,128	49,013	50,973	53,012	55,133
DESIGNATED RESERVES		72,123	16,682	20,256	20,256	20,256	5,000	5,000	5,000	5,000		
UNDESIGNATED	316,324	230,488	47,968	88,759	21,100	60,856	149,802	225,634	299,821	363,121	412,464	219,805
CONTING. + ENDING BALANCE	316,324	341,611	77,650	120,236	52,857	125,535	200,557	277,761	353,833	419,094	465,476	274,938
TOTAL REQUIREMENTS	774,143	797,916	819,586	599,933	671,566	611,650	695,757	782,318	871,240	930,545	990,825	1,039,742
END BAL OVER/(UNDER) BEG BAL	26,297	14,419	(263,961)	42,586	(67,379)	72,678	75,023	77,204	76,072	65,261	46,382	(190,538)
RESOURCES OVER/(UNDER) REQ.												
LIQUIDITY REQ'MENT: 16% OP EXP	76,303	76,051	21,825	22,441	11,501	47,384	48,805	50,269	52,280	54,371	56,546	58,808
ENDING BALANCE MINUS LIQUIDITY RE	240,021	265,560	55,824	97,795	41,356	78,151	151,752	227,492	301,553	364,723	408,930	216,130
CAPITAL ENDING BALANCE	107,780	124,130	14,480	31,239	416	18,110	36,333	55,104	74,625	94,928	116,042	13,001

LRFP Blended Rates :	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Water Qtrly Rate	140	160	163	166	169	172	175	179	183	187	191	195
Sanitary Qtrly Rate	215	215	234	253	271	276	282	288	294	294	294	294
Water Rate % Chg		14%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Sanitary Rate % Chg			9%	8%	7%	2%	2%	2%	2%	2%	2%	2%
Water Qtrly Rate : Annual \$	\$ 560	\$ 640	\$ 652	\$ 664	\$ 676	\$ 688	\$ 700	\$ 716	\$ 732	\$ 748	\$ 764	\$ 780
Sanitary Qtrly Rate : Annual \$	\$ 860	\$ 860	\$ 936	\$ 1,012	\$ 1,084	\$ 1,104	\$ 1,128	\$ 1,152	\$ 1,176	\$ 1,176	\$ 1,176	\$ 1,176
Total Yearly Utility Cost	\$ 1,420	\$ 1,500	\$ 1,588	\$ 1,676	\$ 1,760	\$ 1,792	\$ 1,828	\$ 1,868	\$ 1,908	\$ 1,924	\$ 1,940	\$ 1,956
Total Annual % Chg		6%	6%	6%	5%	2%	2%	2%	2%	1%	1%	1%

**ARCH CAPE SANITARY DISTRICT
LONG RANGE FINANCIAL PLAN**

KEY ASSUMPTIONS:

- 2 Hookups per year
- Expense allocation: Blended 57.0% Sanitary
- Expense growth: 2% growing to 4%
- Contingency set at 15% of Operating Expenses
- Liquidity Requirement set to 16% of Total Operating Expenses
- Loans : \$375K 10Yrs at 4% total expense of \$462K : 2019-20
 \$180K 20Yrs at 4% total expense of \$265K : 2021-22
 \$350K 10Yrs at 4% total expense of \$432K : 2028-29
 Total Interest expense for three loans : \$254K
- Transfer from Gen Fund to Capital Fund:
 - \$375K : 2019-20
 - \$180K : 2021-22
 - \$350K : 2028-29
- Imposition of Tax : 2019-20 : \$140K : retention of \$6K balance
- User rates adjusted for Op Ex needs and Capital Expenses
 - Rate increased by 4% to \$224 : 2019-20
 - Rate increased by 4% to \$233 : 2020-21
 - Rate increased by 4% to \$242 : 2021-22
 - Rate increased by 4% to \$252 : 2022-23
 - Rate increased by 4% to \$262 : 2023-24
 - Rate increased by 4% to \$272 : 2024-25
 - Rate increased by 4% to \$283 : 2025-26
 - Rate increased by 4% to \$294 : 2026-27
 - Rate increased by 4% to \$306 : 2027-28
 - Rate increased by 4% to \$318 : 2028-29

EXPECTED FUTURE CAPITAL FUND EXPENDITURES:

- \$325K Membrane & Screens Replacement : 2019-20
- \$50K Screening Upgrade : 2019-20
- \$21K SCADA Upgrade : 2019-20
- \$180K Web Lift Station Upgrade : 2021-22
- \$350K Membrane Replacement : 2028-29
- \$400K Membrane Replacement : 2037-38

**ARCH CAPE SANITARY DISTRICT
LONG RANGE FINANCIAL PLAN**

SANITARY DISTRICT - GENERAL FUND												
ASSUMPTIONS	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
	2.0%	2.5%	2.5%	2.5%	2.5%	3.0%	3.0%	3.0%	4.0%	4.0%	4.0%	4.0%
GENERAL INFLATION												
CONTINGENCY	Assume 15% of operating expenditures is budgeted after 2017-18; and 15% of that amount is spent per year.											
HOOKUPS	341	343	345	347	349	351	353	355	357	359	361	363
Change in Hookups	2	2	2	2	2	2	2	2	2	2	2	2
System Development Charge	7,968	8,175	8,175	8,379	8,589	8,847	9,112	9,385	9,761	10,151	10,557	10,979
Excess usage Charge % of User Fees	6.4%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	6.0%	6.0%
SD Quarterly User Rates	215	215	224	233	242	252	262	272	283	294	306	318
			4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
<i>Usage charges</i>	174	174	149	158	157	179	189	199	210	235	247	227
<i>Debt service surcharges</i>	41	41	75	75	85	73	73	73	73	59	59	91
Annual increase - Total			4.2%	4.0%	4%	4%	4%	4%	4%	4%	4%	4%
Annual increase - Usage chg. Only			-14.4%	6.0%	-1%	14%	6%	5%	6%	12%	5%	-8%
PROJECTED												
	Act	EOY PROJ										
RESOURCES	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
BEGINNING BALANCE	290,027	327,192	341,611	287,644	250,198	205,752	185,365	173,021	168,628	170,537	200,153	229,988
REVENUE												
USER FEES	231,810	235,154	247,841	219,304	219,172	251,316	266,868	282,580	299,880	337,460	356,668	329,604
EXCESS USAGE CHARGES	33,039	23,357	15,000	17,544	17,534	20,105	21,349	22,606	23,990	26,997	21,400	19,776
FEE SURCHARGE FOR DEBT	54,571	55,352	55,365	100,821	114,066	98,182	98,182	98,182	98,182	78,862	78,862	122,014
PROPERTY TAX RECEIPTS	150,541	144,325	140,000	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600
OTHER	14,155	12,536	6,064	6,216	6,371	6,562	6,759	6,962	7,240	7,530	7,831	8,144
TOTAL REVENUE	484,116	470,724	464,269	488,485	501,743	520,765	537,758	554,930	573,893	595,449	609,361	624,139
ADDITIONAL DEBT/GRANTS												
SCADA Upgrade			375,000									350,000
Membranes & Screens					180,000							
Webb Lift Station					180,000							
TOTAL ADDITIONAL DEBT			375,000		180,000							350,000
TOTAL RESOURCES	774,143	797,916	1,180,880	776,129	931,941	726,517	723,124	727,951	742,521	765,986	809,515	1,204,126

**ARCH CAPE SANITARY DISTRICT
LONG RANGE FINANCIAL PLAN**

REQUIREMENTS	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
EXPENDITURES												
MATERIALS & SVCS												
WD IGA CHARGES	125,515	131,407	140,368	144,752	148,371	152,822	157,407	162,129	168,614	175,359	182,373	189,668
MAINTENANCE & CHEMICALS	43,214	46,428	45,500	46,638	47,803	49,238	50,715	52,236	54,326	56,499	58,759	61,109
UTILITIES	43,117	44,246	46,000	47,150	48,329	49,779	51,272	52,810	54,923	57,119	59,404	61,780
GEN'L & ADMINISTRATIVE	30,071	35,103	40,947	41,971	43,020	44,311	45,640	47,009	48,889	50,845	52,879	54,994
TOTAL M&S	241,917	257,184	272,815	280,510	287,523	296,149	305,033	314,184	326,751	339,822	353,414	367,551
DEBT SERVICE	54,587	54,521	100,821	100,821	114,066	98,182	98,182	98,182	98,182	78,862	78,862	122,014
USDA PLANT UPGRADE - GO BONDS	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600
CONTINGENCY	37,000	39,000	40,922	42,077	43,128	44,422	45,755	47,128	49,013	50,973	53,012	55,133
CONTINGENCY SPENT (@ 5%/yr)						2,221	2,288	2,356	2,451	2,549	2,651	2,757
CAPITAL OUTLAY	16,715											
TOTAL OPERATING EXPENDITURES	457,819	456,305	518,236	525,931	546,189	541,152	550,103	559,322	571,984	565,832	579,527	636,922
TRANSFER TO CAPITAL FUND			375,000		180,000							350,000
CONTINGENCY		39,000	40,922	42,077	43,128	44,422	45,755	47,128	49,013	50,973	53,012	55,133
DESIGNATED RESERVES		72,123	34,409	20,256	20,256	20,256	5,000	5,000	5,000	5,000		
UNDESIGNATED	316,324	230,488	212,313	187,865	142,367	120,687	122,266	116,501	116,524	144,180	176,975	162,072
CONTING. + ENDING BALANCE	316,324	341,611	287,644	250,198	205,752	185,365	173,021	168,628	170,537	200,153	229,988	217,204
TOTAL REQUIREMENTS	774,143	797,916	1,180,880	776,129	931,941	726,517	723,124	727,951	742,521	765,986	809,515	1,204,126
END BAL OVER/(UNDER) BEG BAL	26,297	14,419	(53,967)	(37,446)	(44,446)	(20,386)	(12,344)	(4,392)	1,909	29,616	29,834	(12,783)
RESOURCES OVER/(UNDER) REQ.												
LIQUIDITY REQ: 16% OP EXP	76,303	76,051	82,918	84,149	87,390	86,584	88,016	89,492	91,517	90,533	92,724	101,907
ENDING BALANCE MINUS LIQUIDITY	240,021	265,560	204,726	166,049	118,361	98,781	85,004	79,137	79,020	109,620	137,263	115,297
CAPITAL ENDING BALANCE	107,780	124,130	119,480	136,239	153,416	171,110	189,333	208,104	227,625	247,928	269,042	291,001

LRFP Blended Rates :	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Water Qtrly Rate	140	160	163	166	169	172	175	179	183	187	191	195
Sanitary Qtrly Rate	215	215	224	233	242	252	262	272	283	294	306	318
Water Rate % Chg		14%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Sanitary Rate % Chg			4%	4%	4%	4%	4%	4%	4%	4%	4%	4%
Water Qtrly Rate : Annual \$	\$ 560	\$ 640	\$ 652	\$ 664	\$ 676	\$ 688	\$ 700	\$ 716	\$ 732	\$ 748	\$ 764	\$ 780
Sanitary Qtrly Rate : Annual \$	\$ 860	\$ 860	\$ 896	\$ 932	\$ 968	\$ 1,008	\$ 1,048	\$ 1,088	\$ 1,132	\$ 1,176	\$ 1,224	\$ 1,272
Total Yearly Utility Cost	\$ 1,420	\$ 1,500	\$ 1,548	\$ 1,596	\$ 1,644	\$ 1,696	\$ 1,748	\$ 1,804	\$ 1,864	\$ 1,924	\$ 1,988	\$ 2,052
Total Annual % Chg		6%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%

**ARCH CAPE SANITARY DISTRICT
LONG RANGE FINANCIAL PLAN**

SANITARY DISTRICT - GENERAL FUND										Totals				
2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29					
Loans										Membranes				905,000
Membranes & Screens										Webb				
375,000		180,000							350,000	10 Yrs at 4%				
										pmt				
										43,152				
										tot exp				
										431,520				
										int exp				
										81,520				
										1,158,760				
										253,760				