

ARCH CAPE WATER & SANITARY DISTRICTS BUDGET COMMITTEE - FISCAL 2017 – 2018 DRAFT MINUTES

19 May 2017

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

Water District: Virginia Birkby, Director – President
Debra Birkby, Director - Treasurer
Ron Schiffman, Director
Cathy D’Onofrio, Arch Cape Community
Richard D’Onofrio, Arch Cape Community
Diane Matson, Arch Cape Community
Mike Wood, Arch Cape Community

Excused Absent Dan Seifer, Director

Sanitary District: Darr Tindall, Director - President
Virginia Birkby, Director - Vice-President
Debra Birkby, Director - Treasurer
Ron Schiffman, Director
Casey Short, Director
Cathy D’Onofrio, Arch Cape Community
Richard D’Onofrio, Arch Cape Community
Diane Matson, Arch Cape Community
Mike Wood, Arch Cape Community

Staff: Phil Chick, District Manager
Steve Hill, Secretary

Mr. Casey Short, Budget Committee Chairman, reconvened the meeting at 4:03pm.

April 21st and May 5th Budget Committee Meeting Minutes: Ms. Tindall moved approval of the April 21st and May 5th Budget Committee meetings minutes which was seconded by Mr. Richard D’Onofrio. All in favor (AIF) excepting Mr. Schiffman who abstained.

Consideration of Proposed 2017-18 Fiscal Budgets: Mr. Chick and Mr. Hill explained the changes reflected in version 3 of the proposed budget along with potential effects on the Long Range Financial Plan. Water was considered first followed by the Sanitary District.

Water District: Version 3 of the proposed budget was reviewed first following changes recommended in the May 5th meeting and subsequent adjustments recommended by the budget committee chairman, Mr. Short.

The budget consensus at the end of the meeting is reflected in the FINAL version 3 column.

- Establish a partial capital reserve of \$23,740.
- Add revenue of \$2,500 for sale of the truck.
- Inclusion of \$20K for share in truck purchase from the Sanitary District with expected IGA payments in revenue.
- Additional \$900 maintenance expense.
- Watershed expense was discussed at different levels for the present plan and possibly in the future. \$5K was established for 2017-18 offset by a \$5K reduction in contingency. A concern was expressed that road maintenance not be a part of this expense category. Mr. Schiffman moved that \$5K be established for watershed expense in 2017-18 only and taken out of contingency which was seconded by Mr. Richard D'Onofrio. Mr. Schiffman, Mr. Richard D'Onofrio, Ms. Tindall, Ms. Virginia Birkby, Mr. Wood, and Ms. Matson voted yes. Ms. Debra Birkby, Mr. Short and Ms. Cathy D'Onofrio voted no. Motion passed.
- 2016-17 end of year projected SDC revenue prior period adjustment made reflecting three service hook ups.

2017-18 Water District Budget Approval: Ms. Virginia Birkby moved to approve the Water District 2017-18 Budget and recommend it to the Water District Board for adoption which was seconded by Mr. Schiffman. AIF.

Sanitary District: Version 3 of the proposed budget was reviewed reflecting changes recommended in the May 5th meeting and subsequent adjustments recommended by the budget committee chairman, Mr. Short.

The budget consensus at the end of the meeting is reflected in the FINAL version 3 column.

- Emergency sanitation expense established at \$750. Ms. Tindall moved establishment of emergency sanitation expense at \$750 to be taken out of undesignated reserve which was seconded by Mr. Schiffman. AIF.
- Establishment of operating and bonded debt reserve.
- Imposition of tax to service the general obligation bonds was changed from \$140,000 to \$147,551 with expected 98% collection rate and revenue receipts of \$144,600. The anticipated reserve is approximately \$9,000.
- Inclusion of \$20K truck purchase share with scheduled IGA expense payments.

2017-18 Budget Public Hearing: Mr. Short opened the public hearing at 4:55pm to take comments or questions from the public and hearing none closed the hearing at 4:57pm.

2017-18 Sanitary District Budget Approval: Ms. Tindall moved to approve the Sanitary District 2017-18 Budget and recommend it to the Sanitary District Board for adoption which was seconded by Mr. Schiffman. AIF.

Mr. Casey Short expressed his appreciation for all who attended and adjourned the meeting at 5:00pm.

Respectfully submitted,

Steve Hill

Attest _____
Mr. Casey Short, Committee Chairman

**ARCH CAPE WATER DISTRICT
FY 2017-18 FINAL BUDGET
GENERAL FUND**

2014-15 ACTUAL	2015-16 ACTUAL	2016-17 ADOPTED	2016-17 EOY PROJ	WATER RESOURCES	2017-18 PROP (ver1)	2017-18 RECOM (ver2)	2017-18 FINAL (ver3)
BEGINNING BALANCE							
145,158	189,591	81,816	90,854	Undesignated Balance	134,115	79,528	54,971
				Capital Reserve			
				Operating Reserve		54,587	55,404
				2018-19 Transfer to Capital Reserve			23,740
145,158	189,591	81,816	90,854	TOTAL BEGINNING BALANCE	134,115	134,115	134,115
REVENUE							
137,268	139,576	136,081	135,986	User Fees	137,040	137,040	137,040
28,535	31,920	30,000	24,742	Excess Usage Charges	24,000	24,000	24,000
50,807	48,675	21,368	21,319	Debt Service Surcharges	21,519	21,519	21,519
108,690	105,498	119,326	123,140	Sanitary District IGA ¹ Service Charge	128,211	128,211	147,651
345	334	250	482	Interest	600	600	600
1,396	1,550	1,400	2,886	Miscellaneous			
			1,400	Meter Hookup Fee	1,400	1,400	1,400
				Sale of Truck			2,500
486	810	648	648	Cannon View Park	680	680	680
327,527	328,364	309,074	310,602	TOTAL REVENUE	313,450	313,450	335,390
472,685	517,955	390,889	401,456	TOTAL RESOURCES	447,565	447,565	469,505

Received	Water District Accounts	Base Rate	
99%	286	\$121.00	137,040
		Debt Svc Rate	
	286	\$19.00	21,519
		Total Rate	\$140.00

1/ Intergovernmental Agreement

**ARCH CAPE WATER DISTRICT
FY 2017-18 FINAL BUDGET
GENERAL FUND**

2014-15 ACTUAL	2015-16 ACTUAL	2016-17 ADOPTED	2016-17 EOY PROJ	WATER REQUIREMENTS	2017-18 PROP (ver1)	2017-18 RECOM (ver2)	2017-18 FINAL (ver3)
PERSONNEL SERVICES							
61,833	66,390	67,364	68,581	Manager	71,324	71,324	71,324
40,837	38,449	49,000	47,794	Operator	50,960	50,960	50,960
7,854	8,020	8,902	8,903	FICA	9,731	9,731	9,731
9,384	9,582	10,636	10,637	PERS	11,626	11,626	11,626
32,017	29,414	31,202	26,682	Medical Insurance	34,378	34,378	34,378
3,839	3,567	3,725	3,094	Worker's Compensation	3,156	3,156	3,156
155,765	155,423	170,828	165,691	TOTAL Personnel Services	181,175	181,175	181,175
MATERIALS & SERVICES							
26,784	26,784	27,186	26,784	Administrative Services	27,588	27,588	27,588
537	1,321	2,000	1,296	Temporary Help	8,000	8,000	8,000
280	764	650	432	Clothing Allowance	650	650	650
405	765	2,000	2,580	Education	2,000	2,000	2,000
412	0	2,000	1,427	Travel	2,000	2,000	2,000
1,120	1,029	1,000	920	Office Supplies	1,200	1,200	1,200
1,198	1,126	1,320	1,148	Postage	1,320	1,320	1,320
5,229	3,161	6,000	3,907	Vehicle	6,000	6,000	5,000
3,000	3,225	3,467	3,300	Sanitary District Facilities Use Charges	3,467	3,467	3,467
480	500	500	500	Payroll Service	525	525	525
4,289	5,434	5,543	5,583	Liability Insurance	5,862	5,862	5,862
220	399	1,000	837	Licenses	1,000	1,000	1,000
13,702	17,517	11,000	13,891	Maintenance	20,000	15,000	15,900
3,820	6,324	5,000	4,944	Chemicals	5,000	5,000	5,000
0	0	0	0	Watershed	0	0	5,000
892	697	875	776	Dues / Taxes	875	875	875
3,891	2,971	5,000	1,848	Professional Services	5,000	5,000	5,000
2,230	2,180	2,800	2,180	Auditing	2,660	2,660	2,660
1,732	310	2,500	450	Legal Services	2,500	2,500	2,500
12	1,220	700	786	Notices	700	700	700
11,881	9,101	13,000	7,290	Utilities	10,000	10,000	10,000
82,114	84,826	93,540	80,879	TOTAL MATERIALS & SERVICES	106,347	101,347	106,247
CAPITAL OUTLAY							
				Replacement Pickup Truck		40,000	40,000
				Water Purification Unit		5,000	5,000
0	0	0	0	TOTAL CAPITAL OUTLAYS	0	45,000	45,000
237,879	240,249	264,369	246,569	TOTAL OPERATING EXPENSES	287,522	327,522	332,422

**ARCH CAPE WATER DISTRICT
FY 2017-18 FINAL BUDGET
GENERAL FUND**

DEBT SERVICE							
29,531	24,722			Flex-lease Loan : Reservoir			
	151,319			Water Tank Loan Pre-Payment			
20,772	20,772	20,772	20,772	IFA Water Plant Upgrade	20,772	20,772	20,772
50,303	196,812	20,772	20,772	TOTAL DEBT SERVICE	20,772	20,772	20,772
288,182	437,062	285,141	267,341	TOTAL GENENERAL FUND EXPENDITURES	308,294	348,294	353,194
TRANSFER TO CAPITAL FUND							
CONTINGENCY & ENDING BALANCE							
CONTINGENCY							
		35,000		CONTINGENCY	29,000	43,000	38,000
		20,000	20,000	Replacement Truck	20,000		
				Other reserve			
				Operating Reserve		54,587	55,404
				2018-19 Transfer to Capital Reserve			22,907
184,502	80,893	50,749	114,115	Undesignated	90,271	1,684	0
184,502	80,893	70,749	134,115	TOTAL UNAPPROPRIATED BALANCE	110,271	56,271	78,311
184,502	80,893	105,749	134,115	TOT CONTINGENCY & UNAPPROPRIATED BAL.	139,271	99,271	116,311
472,685	517,955	390,889	401,456	TOTAL REQUIREMENTS	447,565	447,565	469,505
0	0	0	0	RESOURCES UNDER/(OVER) REQUIREMENTS	0	0	0

15% of
Oper Exp

**ARCH CAPE WATER DISTRICT
FY 2017-18 FINAL BUDGET
GENERAL FUND**

2016-17 ADOPTED	2016-17 EOY PROJ	WATER REQ : CHARGE TO SD	2017-18 PROP (ver1)	2017-18 RECOM (ver2)	2017-18 FINAL (ver3)	2017-18 FINAL (ver3)			
PERSONNEL SERVICES									
67,364	68,581	Manager	71,324	71,324	71,324	71,324			
49,000	47,794	Operator	50,960	50,960	50,960	50,960			
8,902	8,903	FICA	9,731	9,731	9,731	9,731			
10,636	10,637	PERS	11,626	11,626	11,626	11,626			
31,202	26,682	Medical Insurance	34,378	34,378	34,378	34,378			
3,725	3,094	Worker's Comp	3,156	3,156	3,156	3,156			
170,828	165,691	TOTAL Personnel Services	181,175	181,175	181,175	181,175	56%	101,458	% Charged 0.56
MATERIALS & SERVICES									
27,186	26,784	Administrative Services	27,588	27,588	27,588	27,588	54%	14,898	
2,000	1,296	Temporary Help	8,000	8,000	8,000	8,000	56%	4,480	
650	432	Clothing Allowance	650	650	650	650	56%	364	
2,000	2,580	Education	2,000	2,000	2,000	2,000	56%	1,120	
2,000	1,427	Travel	2,000	2,000	2,000	2,000	56%	1,120	
1,000	920	Office Supplies	1,200	1,200	1,200	1,200	56%	672	
1,320	1,148	Postage	1,320	1,320	1,320	1,320	56%	739	
6,000	3,907	Vehicle	6,000	6,000	5,000	5,000	56%	2,800	
3,467	3,300	Sanitary District Facilities Use Charges	3,467	3,467	3,467	3,467			
500	500	Payroll Service	525	525	525	525			
5,543	5,583	Liability Insurance	5,862	5,862	5,862	5,862			
1,000	837	Licenses	1,000	1,000	1,000	1,000			
11,000	13,891	Maintenance	20,000	15,000	15,900	15,900			
5,000	4,944	Chemicals	5,000	5,000	5,000	5,000			
0	0	Watershed	0	0	5,000	5,000			
875	776	Dues / Taxes	875	875	875	875			
5,000	1,848	Professional Services	5,000	5,000	5,000	5,000			
2,800	2,180	Auditing	2,660	2,660	2,660	2,660			
2,500	450	Legal Services	2,500	2,500	2,500	2,500			
700	786	Notices	700	700	700	700			
13,000	7,290	Utilities	10,000	10,000	10,000	10,000			
93,540	80,879	TOTAL MATERIALS & SERVICES	106,347	101,347	106,247	47,758		26,193	Blended % Charged 0.5484
CAPITAL OUTLAY									
		Replacement Pickup Truck		40,000	40,000				
		Water Purification Unit		5,000	5,000				
0	0	TOTAL CAPITAL OUTLAYS	0	45,000	45,000			127,651	
264,369	246,569	TOTAL OPERATING EXPENSES	287,522	327,522	332,422				

**ARCH CAPE WATER DISTRICT
FY 2017-18 FINAL BUDGET
GENERAL FUND**

DEBT SERVICE					
0		Flex-lease Loan : Reservoir	0	0	0
0		Water Tank Loan Pre-Payment	0	0	0
20,772	20,772	IFA Water Plant Upgrade	20,772	20,772	20,772
20,772	20,772	TOTAL DEBT SERVICE	20,772	20,772	20,772
285,141	267,341	TOTAL GENENERAL FUND EXPENDITURES	308,294	348,294	353,194
TRANSFER TO CAPITAL FUND					
0	0		0	0	0
CONTINGENCY & ENDING BALANCE					
CONTINGENCY					
35,000	0	CONTINGENCY	29,000	43,000	38,000
UNAPPROPRIATED BALANCE					
20,000	20,000	Replacement Truck	20,000	0	0
0	0	Other reserve	0	0	0
0	0	Operating Reserve	0	54,587	55,404
0	0	2018-19 Transfer to Capital Reserve	0	0	22,907
50,749	114,115	Undesignated	90,271	1,684	0
70,749	134,115	TOTAL UNAPPROPRIATED BALANCE	110,271	56,271	78,311
105,749	134,115	TOT CONTINGENCY & UNAPPROPRIATED BAL.	139,271	99,271	116,311
390,889	401,456	TOTAL REQUIREMENTS	447,565	447,565	469,505
0	0	RESOURCES UNDER/(OVER) REQUIREMENTS	0	0	0

<u>Admin Services Split</u>	<u>% of Tot Accts</u>	
WD Accounts - Est	287	0.46
SD Accounts - Est	336	0.54
	<u>623</u>	

15% of

**ARCH CAPE WATER DISTRICT
FY 2017-18 FINAL BUDGET
CAPITAL FUND**

2014-15 ACTUAL	2015-16 ACTUAL	2016-17 ADOPTED	2016-17 EOY PROJ	WATER RESOURCES	2017-18 PROP (ver1)	2017-18 RECOM (ver2)	2017-18 FINAL (ver3)
21,486	21,486	33,649	33,649	Undesignated Balance	50,292	50,292	50,292
				Project Reserve			
				Debt Service Reserve			
21,486	21,486	33,649	33,649	TOTAL BEGINNING BALANCE	50,292	50,292	50,292
REVENUE							
	16,033	10,162	16,643	Loan Proceeds	10,162	10,162	10,162
				SDC Revenue			
				Other			
				Interest on Investments			
				Miscellaneous			
0	16,033	10,162	16,643	TOTAL REVENUE	10,162	10,162	10,162
TRANSFER FROM GENERAL FUND							
0	0	0	0		0	0	0
21,486	37,519	43,811	50,292	TOTAL RESOURCES	60,454	60,454	60,454

**ARCH CAPE WATER DISTRICT
FY 2017-18 FINAL BUDGET
CAPITAL FUND**

2014-15 ACTUAL	2015-16 ACTUAL	2016-17 ADOPTED	2016-17 EOY PROJ	WATER REQUIREMENTS	2017-18 PROP (ver1)	2017-18 RECOM (ver2)	2017-18 FINAL (ver3)
CAPITAL OUTLAY							
	3,870	15,380		Water Source Assessment New Service Other			
0	3,870	15,380	0	TOTAL CAPITAL	0	0	0
CONTINGENCY & ENDING BALANCE							
CONTINGENCY							
21,486		28,431	50,292	CONTINGENCY	60,454	60,454	60,454
UNAPPROPRIATED BALANCE							
				Project Reserve			
	33,649			Project Reserve			
				Undesignated		0	
0	33,649	0	0	TOTAL UNAPPROPRIATED BALANCE	0	0	0
21,486	33,649	28,431	50,292	TOTAL CONTING. & UNAPP. BALANCE	60,454	60,454	60,454
21,486	37,519	43,811	50,292	TOTAL REQUIREMENTS	60,454	60,454	60,454
0	0	0	0	RESOURCES UNDER/(OVER) REQUIREMENTS	0	0	0

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

KEY ASSUMPTIONS:

- 2 Hookups per year
- Expense allocation: Blended 55.5% Sanitary
- Expense growth: 2% growing to 4%
- Rates adjusted to retain approximately 1/6th Op Ex on hand
- Contingency set at 15% of Operating Expenses
- No loans for capital projects
- Receive \$20K for truck from SD Gen Fund with IGA payments
- Inclusion of \$5K watershed expense
- Transfer from Gen Fund to Capital Fund:
 - \$37K : 2018-19
- Capital Outlay
 - \$45K : 2017-18
- User rates adjusted for Op Ex needs and Capital Expenses
 - Rate increased to \$148 : 2018-19
 - Rate increased to \$152 : 2021-22
 - Rate increased to \$171 : 2024-25

EXPECTED FUTURE CAPITAL FUND EXPENDITURE:

- \$80K Second Water Source : 2018-19
- \$20K Storage Planning / Preliminary Design : 2025-26
- \$70K Membrane Replacement : 2025-26
- \$280K South Reservoir Construction : 2027-28
(Includes \$40K Grant)
- \$80K Membrane Replacement : 2034-35

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

WATER DISTRICT - GENERAL FUND										
ASSUMPTIONS	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
SD IGA % : PERSONNEL + ALLOC			55.5%	55.5%	55.5%	55.5%	55.5%	55.5%	55.5%	55.5%
GENERAL INFLATION			2.0%	2.5%	2.5%	2.5%	2.5%	3.0%	3.0%	3.0%
CONTINGENCY			Assume 15% of operating expenditures is budgeted after 2016-17; assume 20% of that amount							
HOOKUPS	282	286	288	290	292	294	296	298	300	302
Change in Hookups		2	2	2	2	2	2	2	2	2
System Development Charge		5,081	5,081	5,081	5,081	5,081	5,081	5,081	5,081	5,081
Excess usage Charge % of User Fees*		18.2%	17.5%	17.5%	17.5%	17.5%	17.5%	17.5%	17.5%	17.5%
WD Quarterly User Rates		140	140	148	148	148	152	152	152	171
<i>Usage charges</i>		121	121	129	129	129	133	133	133	152
<i>Debt service surcharges</i>		19	19	19	19	19	19	19	19	19
Annual increase - Total				5.7%			2.7%			12.5%
Annual increase - Usage chg. Only				6.6%			3.1%			14.3%
	Act	EOY PROJ	PROJECTED							
RESOURCES	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
BEGINNING BALANCE	189,591	90,854	134,115	116,311	105,336	123,057	138,633	155,441	169,230	179,866
REVENUE										
USER FEES	139,576	135,986	137,040	148,144	149,165	150,187	155,897	156,951	158,004	181,780
EXCESS USAGE CHARGES	31,920	24,742	24,000	25,925	26,104	26,283	27,282	27,466	27,651	31,811
FEE SURCHARGE FOR DEBT	48,675	21,319	21,519	22,040	22,192	22,344	22,496	22,648	22,800	22,952
SD IGA REVENUE	105,498	123,140	147,651	125,794	128,939	132,163	135,467	139,531	143,717	148,028
DEBT PROCEEDS										
SALE OF TRUCK			2,500							
OTHER	2,695	5,416	2,681	2,400	2,400	2,400	2,400	2,400	2,400	2,400
TOTAL REVENUE	328,364	310,603	335,390	324,303	328,800	333,376	343,542	348,996	354,571	386,971
TOTAL RESOURCES	517,955	401,457	469,505	440,614	434,136	456,433	482,175	504,437	523,801	566,837

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

REQUIREMENTS	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
EXPENDITURES										
PERSONNEL										
SALARY/WAGE	122,442	135,915	143,641	147,232	150,913	154,686	158,553	163,309	168,209	173,255
BENEFITS	32,981	29,776	37,534	38,472	39,434	40,420	41,431	42,673	43,954	45,272
TOTAL PERSONNEL	155,423	165,691	181,175	185,704	190,347	195,106	199,983	205,983	212,162	218,527
MATERIALS & SERVICES										
ALLOCABLE EXPENSES	34,950	38,494	47,758	40,952	41,976	43,025	44,101	45,424	46,787	48,190
SD FACILITIES USE	3,225	3,300	3,467	3,000	3,000	3,000	3,000	3,000	3,000	3,000
WATERSHED			5,000							
MAINTENANCE & CHEMICALS	23,840	18,835	20,900	18,000	18,000	18,000	20,000	20,000	20,000	20,000
UTILITIES	9,101	7,290	10,000	10,250	10,506	10,769	11,038	11,369	11,710	12,062
GEN'L & ADMINISTRATIVE	13,711	12,960	19,122	19,600	20,090	20,592	21,107	21,740	22,393	23,064
TOTAL MATERIALS & SERVICES	84,827	80,879	106,247	91,802	93,572	95,386	99,246	101,533	103,889	106,316
CONTINGENCY			38,000	41,626	42,588	43,574	44,884	46,127	47,408	48,726
CONTINGENCY (amt. spent @ 15%/yr)					6,388	6,536	6,733	6,919	7,111	7,309
CAPITAL OUTLAY			45,000							
TOTAL OPERATING EXPENDITURES	240,250	246,570	332,422	277,506	290,307	297,028	305,962	314,435	323,163	332,152
TRANSFER TO CAPITAL FUND				37,000						
DEBT SERVICE	196,812	20,772	20,772	20,772	20,772	20,772	20,772	20,772	20,772	20,772
CONTINGENCY & ENDING BALANCE										
CONTINGENCY			38,000	41,626	42,588	43,574	44,884	46,127	47,408	48,726
DESIGNATED RESERVES		20,000	78,311	46,251	47,320	48,415	49,872	51,253	52,675	54,141
UNDESIGNATED		114,115	0	17,459	33,149	46,644	60,685	71,849	79,783	111,046
CONT. + RESERVES + UNDESIGNATED	277,706	134,115	116,311	105,336	123,057	138,633	155,441	169,230	179,866	213,913
ENDING BALANCE	277,706	134,115	116,311	105,336	123,057	138,633	155,441	169,230	179,866	213,913
TOTAL REQUIREMENTS	714,768	401,456	469,505	440,614	434,136	456,433	482,175	504,437	523,801	566,837
REVENUE OVER/(UNDER) EXPENSE	88,115	64,033	2,968	46,797	38,493	36,348	37,580	34,560	31,408	54,819
RESOURCES OVER/(UNDER) REQ.										
LIQUIDITY REQ'MENT: 1/6 OP EXP		41,095	47,904	46,251	47,320	48,415	49,872	51,253	52,675	54,141
ENDING BALANCE MINUS LIQUIDITY REQ.		93,020	68,408	59,085	75,737	90,218	105,570	117,977	127,191	159,773
ENDING BALANCE (Capital)	33,649	45,211	55,373	22,535	32,697	42,859	53,021	63,183	73,345	83,507

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

WATER DISTRICT - CAPITAL FUND												
	EOY PROJ											
RESOURCES	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
BEGINNING BALANCE*	21,486	33,649	45,211	55,373	22,535	32,697	42,859	53,021	63,183	73,345	83,507	3,669
REVENUE												
SDC REVENUE	16,033	11,562	10,162	10,162	10,162	10,162	10,162	10,162	10,162	10,162	10,162	10,162
TOTAL REVENUE	16,033	11,562	10,162	10,162	10,162	10,162	10,162	10,162	10,162	10,162	10,162	10,162
TRANSFER FROM GENERAL FUND	0	0	0	37,000	0	0	0	0	0	0	0	0
TOTAL RESOURCES	37,519	45,211	55,373	102,535	32,697	42,859	53,021	63,183	73,345	83,507	93,669	13,831
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
EXPENDITURES												
WATER SOURCE ASSESSMENT	3,870											
MEMBRANE REPLACEMENT												70,000
SECOND WATER SOURCE				80,000								
STORAGE PLNG : PRELIM DESIGN												20,000
TRUCK												
SOUTH RESERVOIR												
OTHER												
TOTAL EXPENDITURES	3,870	0	0	80,000	0	0	0	0	0	0	90,000	0
ENDING BALANCE*	33,649	45,211	55,373	22,535	32,697	42,859	53,021	63,183	73,345	83,507	3,669	13,831
TOTAL REQUIREMENTS	37,519	45,211	55,373	102,535	32,697	42,859	53,021	63,183	73,345	83,507	93,669	13,831

**ARCH CAPE SANITARY DISTRICT
FY 2017-18 FINAL BUDGET
GENERAL FUND**

2014-15 ACTUAL	2015-16 ACTUAL	2016-17 ADOPTED	2016-17 EOY PROJ	SANITARY RESOURCES	2017-18 PROP (ver1)	2017-18 RECOM (ver2)	2017-18 FINAL (ver3)
BEGINNING BALANCE							
240,290	281,414	278,983	353,438	Undesignated Balance	362,217	311,579	308,214
				Capital Reserve			
		21,300		Operating Reserve		41,635	45,000
				Bonded Debt Reserve		9,003	9,003
240,290	281,414	300,283	353,438	TOTAL BEGINNING BALANCE	362,217	362,217	362,217
REVENUE							
201,348	206,925	230,139	226,098	User Fees	232,206	232,206	232,206
23,063	32,226	24,000	18,266	Excess Usage Charges	15,000	15,000	15,000
51,783	54,161	54,228	53,890	Debt Service Surcharges	53,890	53,890	53,890
3,000	3,225	3,467	3,300	WD Facilities Use Charges	3,300	3,300	3,300
155,289	142,955	134,600	132,378	Property Tax Receipts	134,600	134,600	144,600
1,120	1,531	800	2,764	Interest	2,764	2,764	2,764
9,654			149	Miscellaneous			
445,257	441,023	447,235	436,845	TOTAL REVENUE	441,760	441,760	451,760
685,547	722,437	747,518	790,283	TOTAL RESOURCES	803,977	803,977	813,977

Received	Sanitary District Accounts	Base Rate	
99%	337	\$174.00	232,206
		Debt Srvc Rate	
	337	\$41.00	54,715
	Total Rate	\$215.00	

**ARCH CAPE SANITARY DISTRICT
FY 2017-18 FINAL BUDGET
GENERAL FUND**

2014-15 ACTUAL	2015-16 ACTUAL	2016-17 ADOPTED	2016-17 EOY PROJ	SANITARY REQUIREMENTS	2017-18 PROP (ver1)	2017-18 RECOM (ver2)	2017-18 FINAL (ver3)
EXPENDITURES							
PERSONNEL SERVICES							
0	0	0	0	TOTAL Personnel Services	0	0	0
MATERIALS & SERVICES							
108,690	105,498	119,326	123,140	Water District IGA ¹ Charges	128,211	128,211	147,651
10,797	10,269	11,000	10,657	Liability Insurance	11,550	11,550	11,550
2,516	2,260	2,300	2,678	Licenses	2,800	2,800	2,800
32,052	14,612	30,000	30,020	Maintenance	30,000	30,000	30,000
5,518	4,124	5,000	4,671	Chemicals	5,500	5,500	5,500
0	0	1,000	1,000	Inflow & Infiltration	10,000	10,000	10,000
914	1,114	1,100	991	Dues / Taxes	1,100	1,100	1,100
7,365	6,145	6,000	4,710	Professional Services	6,000	6,000	6,000
0	0	0	0	Emergency Sanitation	0	0	750
3,330	3,280	2,800	2,180	Auditing	2,450	2,450	2,450
1,007	820	2,500	1,500	Legal Services	2,500	2,500	2,500
95	382	700	600	Notices	700	700	700
48,303	43,683	49,000	46,669	Utilities	49,000	49,000	49,000
220,587	192,187	230,726	228,816	TOTAL MATERIALS & SERVICES	249,811	249,811	270,001
220,587	192,187	230,726	228,816	TOTAL OPERATING EXPENSES	249,811	249,811	270,001
DEBT SERVICE							
15,783	16,010	15,948	15,948	DEQ - Irrigation Site Loan	15,885	15,885	15,885
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	USDA Plant Upgrade	144,600	144,600	144,600
19,383	19,383	19,383	19,383	IFA Loan/Grant - Facility Improvement	19,383	19,383	19,383
199,085	199,312	199,250	199,250	TOTAL DEBT SERVICE	199,187	199,187	199,187
419,672	391,500	429,976	428,066	TOTAL GENERAL FUND EXPENDITURES	448,998	448,998	469,188

**ARCH CAPE SANITARY DISTRICT
FY 2017-18 FINAL BUDGET
GENERAL FUND**

TRANSFER TO CAPITAL FUND							
CONTINGENCY & ENDING BALANCE							
CONTINGENCY							
		45,000	45,000	CONTINGENCY	25,000	37,000	37,000
UNAPPROPRIATED BALANCE							
		20,000	20,000	Reserve for Truck Replacement	20,000		
				Mixer reserve			
		5,000	5,000	Actuator reserve	5,000	5,000	5,000
		15,256	15,256	ODEQ Irrigation Site Loan#11432 reserve	15,256	15,256	15,256
				Operating Reserve		41,635	45,000
				Bonded Debt Reserve		9,003	9,003
				Other reserve			
265,875	330,937	232,285	276,961	Undesignated	289,723	247,085	233,530
265,875	330,937	272,541	317,217	TOTAL UNAPPROPRIATED BALANCE	329,979	317,979	307,789
265,875	330,937	317,541	362,217	TOT CONTINGENCY & UNAPPROPRIATED BAL.	354,979	354,979	344,789
685,547	722,437	747,518	790,283	TOTAL REQUIREMENTS	803,977	803,977	813,977
0	0	0	0	RESOURCES UNDER/(OVER) REQUIREMENTS	0	0	0

15% of
Oper Exp

1/ Intergovernmental Agreement plus \$20K to the Water District for a new truck

**ARCH CAPE SANITARY DISTRICT
FY 2017-18 FINAL BUDGET
CAPITAL FUND**

2014-15 ACTUAL	2015-16 ACTUAL	2016-17 ADOPTED	2016-17 EOY PROJ	SD CAPITAL RESOURCES	2017-18 PROP (ver1)	2017-18 RECOM (ver2)	2017-18 FINAL (ver3)
BEGINNING BALANCE							
29,236	38,630	61,088	61,088	Undesignated Balance Project Reserve Debt Service Reserve	76,280	76,280	76,280
29,236	38,630	61,088	61,088	TOTAL BEGINNING BALANCE	76,280	76,280	76,280
REVENUE							
244,265	22,458	15,192	15,192	Loan Proceeds Bond Proceeds SDC Revenue Other Interest on Investments Miscellaneous	15,192	15,192	15,192
244,265	22,458	15,192	15,192	TOTAL REVENUE	15,192	15,192	15,192
TRANSFER FROM GENERAL FUND							
0	0	0	0		0	0	0
273,501	61,088	76,280	76,280	TOTAL RESOURCES	91,472	91,472	91,472

**ARCH CAPE SANITARY DISTRICT
FY 2017-18 FINAL BUDGET
CAPITAL FUND**

2014-15 ACTUAL	2015-16 ACTUAL	2016-17 ADOPTED	2016-17 EOY PROJ	SANITARY CAPITAL REQUIREMENTS	2017-18 PROP (ver1)	2017-18 RECOM (ver2)	2017-18 FINAL (ver3)
EXPENDITURES							
CAPITAL OUTLAY							
249,031				Inflow & Infiltration			
				SMU			
				New Service			
				Other			
249,031	0	0	0	TOTAL CAPITAL	0	0	0
CONTINGENCY & ENDING BALANCE							
CONTINGENCY							
0	0	76,280	76,280	CONTINGENCY	91,472	91,472	91,472
UNAPPROPRIATED BALANCE							
				Project Reserve			
				Project Reserve			
24,470	61,088			Undesignated			
24,470	61,088	0	0	TOTAL UNAPPROPRIATED BALANCE	0	0	0
24,470	61,088	76,280	76,280	TOT CONTINGENCY & UNAPPROPRIATED BAL.	91,472	91,472	91,472
273,501	61,088	76,280	76,280	TOTAL REQUIREMENTS	91,472	91,472	91,472
0	0	0	0	RESOURCES UNDER/(OVER) REQUIREMENTS	0	0	0

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

KEY ASSUMPTIONS:

- 2 Hookups per year
- Expense allocation: Blended 55.5% Sanitary
- Expense growth: 2% growing to 4%
- Rates adjusted to retain approximately 1/6th Op Ex on hand
- Inclusion of \$20K to WD with IGA payments
- Contingency set at 15% of Operating Expenses
- Payoff of Irrigation loan : 2023-24 & reduction of debt service from \$41 to \$32 per quarter in the billing rate
- Transfer from Gen Fund to Capital Fund:
 - \$296K : 2019-20
 - \$60K : 2022-23
- Imposition of Tax : 2017-18 : \$147,551
- User rates adjusted for Op Ex needs and Capital Expenses
 - Rate increased to \$225 : 2018-19
 - Rate increased to \$236 : 2021-22

EXPECTED FUTURE CAPITAL FUND EXPENDITURE:

- \$16K SCADA Upgrade : 2019-20
- \$60K Web Lift Station Upgrade : 2019-20
- \$335K Phase One Membrane : 2019-20
- \$110K Phase Two Membrane : 2022-23

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

SANITARY DISTRICT - GENERAL FUND

ASSUMPTIONS	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
GENERAL INFLATION			2.0%	2.5%	2.5%	2.5%	2.5%	3.0%	3.0%	3.0%	4.0%	4.0%
CONTINGENCY			15% of expenditures is budgeted; assume 20% of that amount is spent per year									
HOOKUPS		336	338	340	342	344	346	348	350	352	354	356
Change in Hookups		2	2	2	2	2	2	2	2	2	2	2
System Development Charge		7,596	7,596	7,596	7,596	7,596	7,596	7,596	7,596	7,596	7,596	7,596
Excess usage Charge % of User Fees		8.1%	6.4%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
SD Quarterly User Rates		215	215	225	225	225	236	236	236	236	236	236
<i>Usage charges</i>		174	174	184	184	184	195	195	204	204	204	204
<i>Debt service surcharges</i>		41	41	41	41	41	41	41	32	32	32	32
Annual increase - Total				4.7%			5%					
Annual increase - Usage chg. Only				5.7%			6%		5%			
	Act	EOY PROJ	PROJECTED									
RESOURCES	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
BEGINNING BALANCE	281,414	353,438	362,217	324,790	355,062	79,245	94,727	121,792	82,609	110,549	131,837	143,330
REVENUE												
USER FEES	206,925	226,098	232,206	250,240	251,712	253,184	269,880	271,440	285,600	287,232	288,864	290,496
EXCESS USAGE CHARGES	32,226	18,266	15,000	20,019	20,137	20,255	21,590	21,715	22,848	22,979	23,109	23,240
FEE SURCHARGE FOR DEBT	54,161	53,890	53,890	54,587	54,587	54,587	54,587	54,587	38,703	38,703	38,703	38,703
PROPERTY TAX RECEIPTS	142,955	132,378	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600
OTHER	4,756	6,213	6,064	6,216	6,371	6,530	6,694	6,894	7,101	7,314	7,607	7,911
TOTAL REVENUE	441,023	436,845	451,760	475,662	477,407	479,156	497,351	499,237	498,852	500,828	502,883	504,950
ADDITIONAL DEBT/GRANTS												
Membrane Replacement												
TOTAL ADDITIONAL DEBT												
TOTAL RESOURCES	722,437	790,283	813,978	800,452	832,468	558,401	592,078	621,028	581,461	611,377	634,719	648,279

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

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
EXPENDITURES												
MATERIALS & SVCS												
WD IGA CHARGES	105,498	123,140	167,651	125,794	128,939	132,163	135,467	139,531	143,717	148,028	153,949	160,107
MAINTENANCE & CHEMICALS	18,736	34,691	35,500	36,388	37,297	38,230	39,185	40,361	41,572	42,819	44,532	46,313
UTILITIES	43,683	46,669	49,000	50,225	51,481	52,768	54,087	55,709	57,381	59,102	61,466	63,925
GEN'L & ADMINISTRATIVE	24,270	24,317	37,850	33,796	34,641	35,507	36,395	37,487	38,611	39,770	41,360	43,015
TOTAL M&S	192,187	228,816	290,001	246,203	252,358	258,667	265,134	273,088	281,280	289,719	301,308	313,360
DEBT SERVICE	54,713	54,650	54,587	54,587	54,587	54,587	54,587	54,587	38,703	38,703	38,703	38,703
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		45,000	37,000	36,930	37,854	38,800	39,770	40,963	42,192	43,458	45,196	47,004
CONTINGENCY (amt. spent @ 15%/yr)					5,678	5,820	5,966	6,144	6,329	6,519	6,779	7,051
TOTAL OPERATING EXPENDITURES	391,500	428,066	489,188	445,390	457,223	463,674	470,286	478,419	470,912	479,540	491,390	503,713
TRANSFER TO CAPITAL FUND					296,000			60,000				
CONTINGENCY		45,000	37,000	36,930	37,854	38,800	39,770	40,963	42,192	43,458	45,196	47,004
DESIGNATED RESERVES		25,256	74,259	20,256	20,256	20,256	20,256	20,256	5,000	5,000	5,000	5,000
UNDESIGNATED		291,961	213,531	297,875	21,136	35,671	61,766	21,390	63,357	83,379	93,133	92,562
CONTING. + ENDING BALANCE	330,937	362,217	324,790	355,062	79,245	94,727	121,792	82,609	110,549	131,837	143,330	144,566
TOTAL REQUIREMENTS	722,437	790,283	813,978	800,452	832,468	558,401	592,078	621,028	581,461	611,377	634,719	648,279
REVENUE OVER/(UNDER) EXPENSE	49,523	8,779	(37,427)	30,272	20,184	15,482	27,065	20,817	27,940	21,287	11,493	1,236
RESOURCES OVER/(UNDER) REQ.												
LIQUIDITY REQ'MENT: 1/6 OP EXP		71,344	81,531	74,232	76,204	77,279	78,381	79,737	78,485	79,923	81,898	83,952
ENDING BALANCE MINUS LIQUIDITY REQ.		290,873	243,258	280,830	3,041	17,448	43,411	2,873	32,064	51,913	61,431	60,614
ENDING BALANCE (Capital)	61,088	76,280	91,472	106,664	6,856	22,048	37,240	2,432	17,624	32,816	48,008	63,200

LRFP Blended Rates :

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Water Qtrly Rate	140	140	148	148	148	152	152	152	171	171	171
Sanitary Qtrly Rate	215	215	225	225	225	236	236	236	236	236	236
Water Rate % Chg			6%			3%			13%		
Sanitary Rate % Chg			5%			5%					
Water Qtrly Rate : Annual \$	\$ 560	\$ 560	\$ 592	\$ 592	\$ 592	\$ 608	\$ 608	\$ 608	\$ 684	\$ 684	\$ 684
Sanitary Qtrly Rate : Annual \$	\$ 860	\$ 860	\$ 900	\$ 900	\$ 900	\$ 944	\$ 944	\$ 944	\$ 944	\$ 944	\$ 944
Total Yearly Utility Cost	\$ 1,420	\$ 1,420	\$ 1,492	\$ 1,492	\$ 1,492	\$ 1,552	\$ 1,552	\$ 1,552	\$ 1,628	\$ 1,628	\$ 1,628
Total Annual % Chg			5%			4%			5%		

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

SANITARY DISTRICT - CAPITAL FUND												
	Act	EOY PROJ	PROJECTED									
RESOURCES	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
BEGINNING BALANCE	38,630	61,088	76,280	91,472	106,664	6,856	22,048	37,240	2,432	17,624	32,816	48,008
REVENUE												
SDC REVENUE	22,458	15,192	15,192	15,192	15,192	15,192	15,192	15,192	15,192	15,192	15,192	15,192
TOTAL REVENUE	22,458	15,192	15,192	15,192	15,192	15,192	15,192	15,192	15,192	15,192	15,192	15,192
TRANSFER FROM GENERAL FUND					296,000			60,000				
TOTAL RESOURCES	61,088	76,280	91,472	106,664	417,856	22,048	37,240	112,432	17,624	32,816	48,008	63,200
REQUIREMENTS												
EXPENDITURES												
Membrane Replacement					335,000			110,000				
SCADA Upgrade					16,000							
Webb Station Upgrade					60,000							
TOTAL EXPENDITURES					411,000			110,000				
ENDING BALANCE	61,088	76,280	91,472	106,664	6,856	22,048	37,240	2,432	17,624	32,816	48,008	63,200
TOTAL REQUIREMENTS	61,088	76,280	91,472	106,664	417,856	22,048	37,240	112,432	17,624	32,816	48,008	63,200
REVENUE OVER/(UNDER) EXPENDS	22,458	15,192	15,192	15,192	(395,808)	15,192	15,192	(94,808)	15,192	15,192	15,192	15,192

SANITARY DISTRICT - G.O. DEBT SVC												
	Act	EOY PROJ	PROJECTED									
RESOURCES	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
BEGINNING BALANCE	22,824	21,199	9,003	9,003	9,003	9,003	9,003	9,003	9,003	9,003	9,003	9,003
TAX IMPOSED	144,818	134,600	147,551	147,551	147,551	147,551	147,551	147,551	147,551	147,551	147,551	147,551
REVENUE												
PROPERTY TAX RECEIPTS	142,975	132,404	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600
TOTAL REVENUE	142,975	132,404	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600
TOTAL RESOURCES	165,799	153,603	153,603	153,603	153,603	153,603	153,603	153,603	153,603	153,603	153,603	153,603
REQUIREMENTS												
EXPENDITURES	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600
ENDING BALANCE	21,199	9,003	9,003	9,003	9,003	9,003	9,003	9,003	9,003	9,003	9,003	9,003
TOTAL REQUIREMENTS	165,799	153,603	153,603	153,603	153,603	153,603	153,603	153,603	153,603	153,603	153,603	153,603