



ADOPTED BUDGET

FISCAL YEAR 2020-2021

April 22, 2020

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FY 2020-21 BUDGET MESSAGE

Dear Members of the Budget Committee:

Thank you for your participation in the Sunrise Water Authority's FY 2020-21 Budget process. This agency has been pursuing a strategic plan that is focused on creating a sustainable utility – one that is suited to meet the present and future demands of its customers and adaptable in meeting both the short and long-term challenges ahead. The cornerstone of that plan is created in a strong financial position, allowing for a proper balance in annual revenue for operations, long-term debt repayment, renewal and replacement of infrastructure (depreciation), on-going maintenance, and required reserves.

Several years ago, the Board of Commissioners began a strategy to advance the financial integrity of the organization through rates and charges designed to meet projected revenue requirements, while improving the alignment between the fixed and variable cost of operations. These steps have created cash reserves that allow for the internal financing of capital projects, while ensuring proper coverage for operations and maintenance. Moreover, the agency will retire its remaining long-term debt in a few years and find itself in a position of financial strength beyond comparative measure since its formation nearly 20 years ago.

That said, there are several important challenges ahead. Our customer base continues to grow and with that comes the need for additional infrastructure. The agency also faces mounting demands for renewal and replacement of key facilities, while improving resiliency to earthquakes, climate change and other natural hazards. Moreover, advances in technology are requiring broader access to data and information amid growing concerns over cybersecurity. Recruitment, training and retention of skilled personnel are key elements at a time in which the industry is preparing for its largest workforce reduction. Notwithstanding, the future will require this agency to grow, both in staff and resources. Success will demand continued financial strength while providing high levels of service in a rapidly changing world.

In all this, we are guided by our mission to provide a safe and reliable supply of water in an efficient, customer-focused organization, under a vision of a balanced and sustainable agency. The path forward is founded on a commitment to excellence in serving our customers. Together, we can meet those challenges - both today and in the future.

Wade Hathhorn
General Manager

BUDGET COMMITTEE

Elected Members

Chris Hawes, Chair

Andy Coate, Vice-Chair

Kevin Bailey, Secretary

Wayne Barstow

Gary Barth

Kevin O'Meara

Appointed Members

Markley Drake

Michael Morrow

Peter Kreft

Jason Rice

Diana Helm

Rebecca Brown

Open Position

General Manager

Wade E. Hathhorn, PhD., P.E.

Budget Officer and Finance Director

Denise E. Bergstrom, CPA

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**Budget Calendar - Approved
FY 2020-2021**

February 26: Appoint Budget Officer and Approve Calendar

March 25: Appoint Budget Committee

April 22: Budget Committee Meeting (approve proposed budget*)

May 6: (Optional) 2nd Budget Committee Meeting**

May 27: Public Hearing: Adopt Approved* FY2020-21 Budget

*Subject to Proposed NCCWC FY2020-21 Budget (NCCWC Budget Committee met on March 26, 2020 and approved a proposed budget).

**2nd Budget Committee Meeting only needed if major changes are made to proposed budget



Our Mission: Provide a safe, reliable supply of water from an efficient, customer focused organization.

Sunrise Water Authority's mission guides what we do every day. This represents the core function of our business and directs our day to day activities. It also places the focus squarely on our customers who deserve a quality product delivered from an efficient public agency.

Our Vision: Create a sustainable agency founded on excellence.

The vision of our agency, however, goes well beyond our core function. We believe in striving for excellence in all that we do. And to do that we look to create a sustainable utility – one that is operationally and financially stable today and able to adapt to the many challenges of the future.

Our Values: Integrity, Excellence, Accountability, Transparency, and Community

Yet, we remain mindful of the values that guide our actions as an organization and our daily activities.

- ✓ Integrity – Doing the right thing for the right reason
- ✓ Excellence – Continuously striving for improvement
- ✓ Accountability – Responsible for our actions
- ✓ Transparency – Being open to review and input
- ✓ Community – Recognizing service beyond ourselves

SUNRISE AT A GLANCE



WHO IS SUNRISE WATER AUTHORITY

Sunrise Water Authority is a publicly owned utility organized as a water authority under the provision of Oregon Revised Statutes Chapter 450. Formed by the merger of the Mt. Scott Water District and Damascus Water District, in partnership with the City of Happy Valley, the agency is governed by an elected Board of Commissioners that represent seven approximately equally populated zones across its service territory.

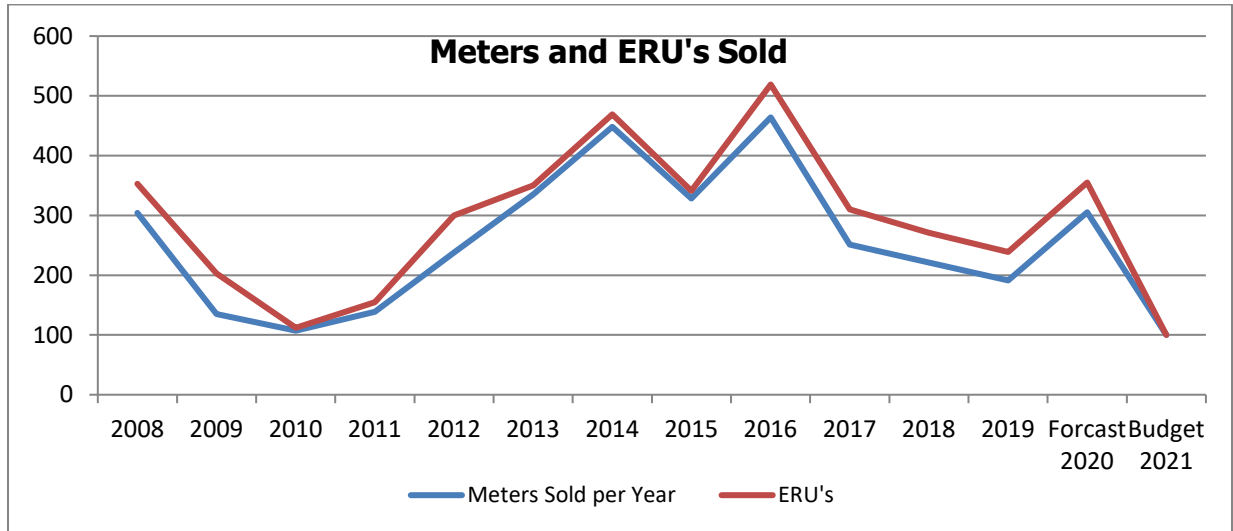
That service territory covers approximately 22 square miles ranging from the northeast corner of Clackamas County, west along the I-205 corridor, south along the state Highway 212/224 corridor, and east into the former city of Damascus. Our customers largely reside within the city of Happy Valley and the Damascus area, along with portions of the surrounding unincorporated areas of the county.

OUR CUSTOMER BASE

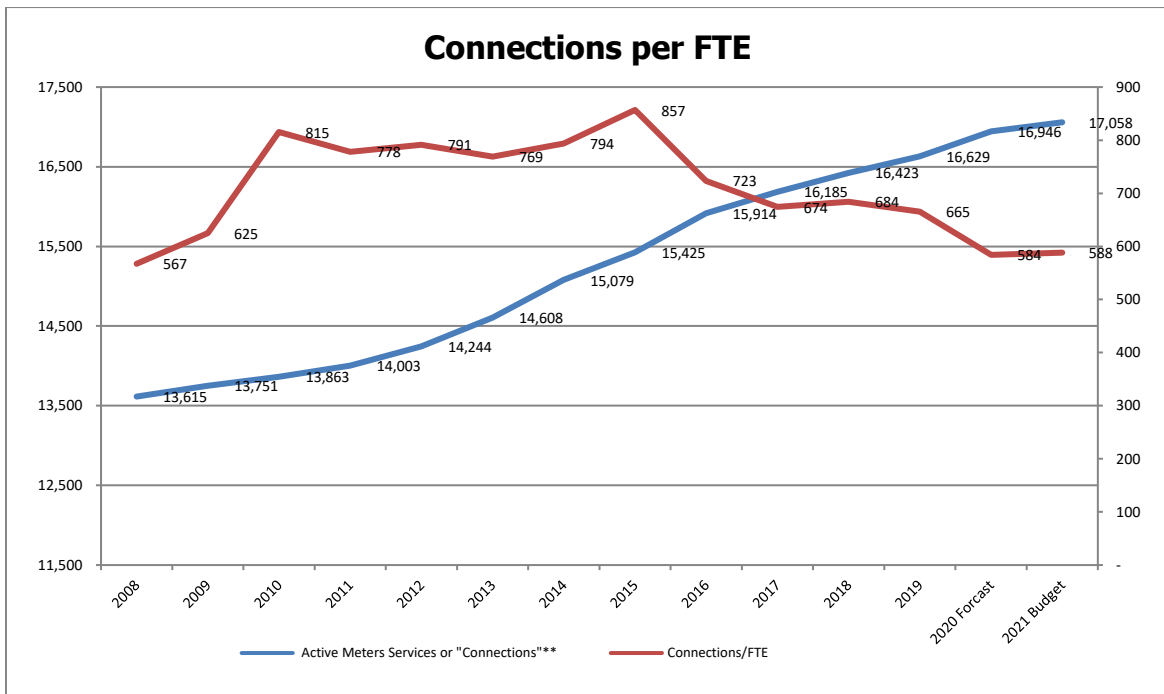
Sunrise serves a population of nearly 50,000 through approximately 16,500 metered connections, comprised mostly of residential and light commercial customers. Our principal customer base includes medical institutions, apartment complexes and other multi-family units, small businesses, schools, shopping complexes, and the many neighborhoods that make up the communities we serve.

The next 5 to 10 years are expected to bring significant growth to the areas in and around the city of Happy Valley. Long-term projections estimate 300-400 new connections each year. In fiscal year 2016, 464 new services were installed, while in 2017 through 2019 the average fell to 270 new ERUs annually. Fiscal year 2020 saw meter sales grow to 343 new ERUs through February, prior to the recent world-wide pandemic crisis. By the end of 2020, the total number of ERUs (in service) is forecast to exceed 18,000. This next year (2021) brings uncertainty in the housing market. Accordingly, we have returned to a conservative annual budget estimate of 100 new ERUs as revenue, while covering costs (requirements) for up to 300 new services.

A historic summary of the number of meters (and ERUs) sold is shown in the chart below.



As a baseline measure of overall effectiveness, we have historically tracked the number of connections per total staff. This year's budget includes 29 full-time equivalent (or FTE) positions for 16,500 connections. The following chart demonstrates the relationship of FTEs to system connections over the past ten years. Our management benchmark is 500 to 600 connections per FTE to allow for effective coverage of our operational goals.



OUR INFRASTRUCTURE

The water Sunrise serves comes primarily from the Clackamas River and is supplemented by local groundwater wells. Sunrise is a key stakeholder in the North Clackamas County Water Commission (NCCWC), which owns and operates a treatment plant located along the Clackamas River. The NCCWC serves wholesale water to Sunrise, Oak Lodge Water Services District and the City of Gladstone. Sunrise also buys wholesale water from Clackamas River Water (CRW), who in turn owns and operates its own plant on the Clackamas River. In 2013, Sunrise and CRW formed a separate entity, called the Clackamas Regional Water Supply Commission (CRWSC), to allow for greater use of underutilized resources between the two agencies, including personnel, equipment and infrastructure.

Delivery of water within Sunrise is achieved through a series of 16 pump stations, 15 reservoirs (totaling 23.6 million gallons of storage) and nearly 250 miles of pipeline, some of which dates as far back as the 1940s. Notwithstanding, much of our infrastructure was built after 1970 and in fact a lot of it has been brought into service since 1990. Hence, a lot of our system is relatively new but there are important aged facilities that are in need of renewal and replacement. We are also discovering areas vulnerable to excessive underground corrosion leading to significantly reduced expected life for some pipes (as referenced by a series of Class 50 ductile iron main repairs).

SUNRISE TODAY

Sunrise is striving to create a sustainable utility, both operationally and financially. Our greatest challenges include the growth we face, along with the need to maintain service levels as our infrastructure ages and expands. In many ways, those are the same challenges that led to the formation of the agency itself back in 2001.

In 2012, Sunrise took important steps to increase its rates and begin a path toward financial sustainability following the “housing crash” of 2009. This rate increase allowed the agency to relieve the immediate financial burden of its long-term debt while it began to focus on slowly building cash reserves and its operational capacity. Shortly thereafter, the housing market began to recover and by 2014 system development charges (new connection fees) had returned to levels sufficient to meet the annual debt service. In 2014, Sunrise also took advantage of a favorable bond market and refinanced its long-term debt under reduced interest rates, allowing it to shorten the original repayment period – and save nearly \$2 million in overall debt repayment.

In 2015, rates were again revised for a three-year period to keep pace with the growing cost of operations and also realign revenue with the fixed and variable cost of operation – the latter has reduced the agency’s financial vulnerability to recent trends in declining annual water demand. The new rates also allowed the agency to preserve the cash reserves it had created over the past couple of years and prevent erosion of its financial and operational stability. The latest rate revision ended in 2017. A proposal to increase water rates starting in 2020 has been put on hold in the wake of the on-going national health crisis.

Several years ago, Sunrise also took the annual revenue from cell tower leases and directed it to fund vehicle and equipment replacements under a separate “Reserve Fund” – thus reducing the budget demand from rates under the General Fund. This fund continues to experience ample reserves.

Today, the agency continues to grow and as it does the money collected from system development charges remains sufficient to pay the annual debt service. In 2017, Sunrise completed a revision to its SDC rate, matching its charge to a 20-year, \$90 million capital plan. This plan is expected to serve an additional 10,000 connections by 2035.

With this growth also comes the need for new infrastructure. This year’s budget has \$4.8 million of planned capital expenditures. The majority of this spending is being allocated to the completion of a new 3-million-gallon reservoir, rehabilitation of pump stations and planned construction of a new administrative building. We are also planning to expand the renewal and replacement of key assets, including the rebuilding of several sections of corroded ductile iron mains, and replacing cast-iron pipe segments serving key infrastructure.

In constructing major facilities designed to serve future customers, resources from the sale of new meters (SDCs) often lags the requirements to keep pace with construction. Hence, adequate funds (SDCs) may not be available at the time of construction to pay for those projects. Traditionally, the “financing gap” is solved by issuing revenue bonds. These bonds, however, come with substantial interest charges on the associated long-term debt. Alternatively, the Board of Commissioners has deliberately established a financial strategy to “pay as you go” based on internal borrowing and repayment between the General Fund and the Construction (SDC) Fund, whereby avoiding the unwanted interest charges associated with traditional bond debt. This approach, however, requires significant “cash reserves” to be established in the General Fund and then “loaned” to the Construction (SDC) Fund to pay for SDC eligible projects through a process referred to as interfund loans. The caveat here is that these loans must be repaid within a 10-year period or go uncollected. Moreover, as the money is borrowed from the General Fund, it must be recorded by purpose in the Construction (SDC) Fund as belonging to either the appropriate “improvement” or “reimbursement” component (as defined by the SDCs themselves). Procedurally, this process requires a series of intricate “transfers” between the General Fund and the Construction (SDC) Fund to properly issue and retire the associated internal financing.

In the end, the entirety of the Board’s financial strategy places Sunrise in a uniquely key position to better manage its future and make the most of its financial resource, both in terms of its rates and its system development charges (SDCs).

FY2020-21 Budget Overview

HIGHLIGHTS OF PAST YEAR (FY 2019-20)

Some of the highlights of the past fiscal year (2019-20) are as follows:

- On-going construction of a new 3 million gallon (Zone 6) reservoir (off SE Verlie Street).
- Partnering with Clackamas River Water (CRW) in the construction of a 6 million gallon reservoir (off SE 152nd Avenue).
- Rezoning and partitioning of our property off SE172nd; began preliminary architectural site plans and permitting for new administrative building and operations facility at that location.
- Design and construction of several important cast iron and Class 50 ductile iron pipe replacement projects (improved resiliency).
- Moved all customers to monthly billing.
- Applied for the Government Finance Association “Certificate of Achievement for Excellence in Financial Reporting” for fiscal year 2018-2019 (sixth year in a row).
- Continued key labor and resource sharing with Clackamas River Water (CRW) through the Clackamas Regional Water Supply Commission (CRWSC).

PLANS FOR UPCOMING YEAR (FY 2020-21)

During the 2020-21 fiscal year, the Board and Staff will focus efforts on:

- Complete the two on-going reservoir construction projects.
- Continue preparing architectural and construction plans for the new office facility.
- Site new ASR well.
- Prepare water master plan and address future financial/revenue (rate) requirements.
- Prepare electrical safety plan and address required facility improvements.
- Hire/replace key staff in Engineering and Technical Services (2 FTE) and Field Operations (2 FTEs).
- Assess future revenue requirements, cash reserves and rates.
- Address required federal security plans for system integrity and resilience (disaster recovery).
- Complete cloud storage and digital data recovery plan.

SIGNIFICANT ELEMENTS IN THIS YEAR'S BUDGET

The significant elements of the proposed budget for FY 2020-21 are as follows:

General Fund

- Annual resources are set at \$11.3M based on projected water sales and other operating revenue, as well as non-operating revenue (including notable interest income).
- New accounts include approximately 100 equivalent residential units (ERUs).
- Personnel Services are budgeted at \$3.69M, covering 29 FTEs along with a 5% pool for merit adjustment and bonuses.
- Retirement (employer) contributions for PERS and OPSRP are 17.94% and 17.91%, respectively. These rates are similar to the prior year.
- Materials and Services are budgeted at \$4.84M. This amount is about \$0.2M less than last year, owed in large part to additional system maintenance programs being placed in contingency.
- Capital Expenditures overall are just over \$4.7M, with the majority of this spending on the completion of the reservoir 11 project (\$1.3M) with monies from the SDC (Construction) Fund and several key replacement projects, studies and phased design and construction of a new admin/ops facility (totaling \$3M) from the General Fund.
- An overall contingency of \$2.1M has been included, with \$2M being allocated to the General Fund for the purpose of additional capital projects and M&S. There is also an additional \$0.1M of contingency in the Reserve Fund. These contingent funds can only be spent by formal board authorization through separate resolution.

Construction (SDC) Fund

- The cash discounted System Development Charge (SDC) is currently \$10,420 for a standard 5/8" by 3/4" meter (1 ERU). It will increase next January based on the Engineering News Record (ENR) construction index.
- Assuming an all cash discount, the budgeted 100 new ERUs provides \$1.04M (including estimated installation and administration fees) in related revenue. The restricted portion of this money, \$.97M, will be used (by transfer) to help pay down the loan from the general fund for the annual debt service owed by the Revenue Bond Redemption Fund in FY18-19, and to repay the construction loan from the General Fund of \$3.1M from FY17-18 and a portion of the FY18-19 construction loan from the General Fund

Reserve Fund

- This fund obtains revenue from cell tower leases and is used to purchase vehicles, computers and other approved equipment; revenue for this year is estimated at \$190,000.
- The budget includes \$150,000 of capital for two new service vehicles; \$55,000 in Materials and Services for IT equipment; and \$10,000 for tools, along with the stated contingency of \$100,000.

Revenue Bond Reserve Fund

- This fund pays the annual debt service on the outstanding revenue bonds and is required to maintain a balance of approximately one year of additional debt service over the life of the bond.
- This year's payment is comprised of \$1,480,000 in principal and \$218,400 in interest, totaling \$1,698,400. This debt service will be formally retired in FY2023-24.

Summary of Adopted Budget for Fiscal Year 2020-21 (By Fund)

	General Fund	Construction (SDC) Fund	Reserve Fund	Revenue Bond Reserve Fund	Total
Resources:					
Water Sales	10,500,000				10,500,000
Other Operating	510,000	967,900			1,477,900
Non-Operating	280,000		200,000	30,000	510,000
Loan Payment	6,139,120				6,139,120
Transfers In from Other Funds		3,298,400		1,698,400	4,996,800
Total Resources	17,429,120	4,266,300	200,000	1,728,400	23,623,820
Requirements:					
Personnel Services	3,688,000				3,688,000
Materials & Services	4,772,000		65,000		4,837,000
Capital Outlay	2,975,000	1,600,000	150,000		4,725,000
Debt Service		6,139,120		1,698,400	7,837,520
Transfer to Other Funds	3,298,400	1,698,400			4,996,800
Contingency	2,000,000		100,000		2,100,000
Total Requirements	16,733,400	9,437,520	315,000	1,698,400	28,184,320
Excess (Deficiency) of					
Revenue over Requirements	695,720	(5,171,220)	(115,000)	30,000	(4,560,500)
Beginning Fund Balance	10,015,000	5,550,000	615,000	1,740,000	17,920,000
Ending Fund Balance	10,710,720	378,780	500,000	1,770,000	13,359,500

Summary of Transfers for Adopted Budget FY 2020-21

	Transfers In	Transfers Out
General Fund	\$ -	\$ 3,248,400
Constuction (SDC) Fund	3,248,400	1,698,400
Revenue Bond Reserve Fund	1,698,400	-
	\$ 4,946,800	\$ 4,946,800

This somewhat complicated array of transfers between funds (shown above) is created to separately track any new interfund loans or repayments between the General Fund and Construction Fund, as well as the annual payment to the Revenue Bond Reserve Fund. While behind the scenes proper recording is made of the appropriate use of either "reimbursable" or "improvement" fee components of the SDCs. The numbers shown here reflect a new interfund loan of approximately \$3.25M to the Construction (SDC) Fund, along with a repayment of nearly

\$6.14M to the General Fund. In addition, there is a payment of the annual debt service to the Revenue Bond Reserve Fund from the Construction (SDC) Fund.

A summary of the Adopted Budget for FY2020-21 (All Funds) is show below:

Summary of Adopted Budget for FY 2020-21 (All Funds)

Resources	FY 18-19 Actual	FY19-20 Forecast	FY 19-20 Adopted Budget	FY 20-21 Adopted Budget	% Change from FY 19- 20 Adopted
Beginning Fund Balance	\$ 22,091,627	\$ 17,558,644	\$ 16,300,000	\$ 17,920,000	9.9%
Water Sales	10,260,076	10,170,000	9,900,000	10,500,000	6.1%
System Development Charges	2,309,057	3,630,000	1,789,600	967,900	-45.9%
Other Operating Resources	653,957	480,000	510,000	510,000	0.0%
Loan Payment from SDC Fund	-	-	-	6,139,120	N/A
Interest & Non Operating	523,101	380,000	495,000	510,000	3.0%
Transfers from Other Funds	3,236,800	6,300,000	8,087,600	4,996,800	-38.2%
Total Resources	\$ 39,074,618	\$ 38,518,644	\$ 37,082,200	\$ 41,543,820	12.0%

Requirements	FY 18-19 Actual	FY19-20 Forecast	FY 19-20 Adopted Budget	FY 20-21 Adopted Budget	% Change from FY 19- 20 Adopted
Personnel Services	\$ 2,708,461	\$ 3,220,000	\$ 3,375,000	\$ 3,688,000	9.3%
Materials & Services	4,171,587	4,590,000	5,002,000	4,837,000	-3.3%
Capital Outlay	9,612,326	3,500,000	7,465,000	4,725,000	-36.7%
Debt Service	1,786,800	1,786,800	1,788,800	7,837,520	338.1%
Special Payments	-	1,200,000	1,200,000	-	N/A
Transfer to Other Funds	3,236,800	6,300,000	8,087,600	4,996,800	-38.2%
Contingency	-	-	1,600,000	2,100,000	31.3%
Unappropriated Ending Fund	17,558,644	17,921,844	8,563,800	13,359,500	56.0%
Total Requirements	\$ 39,074,618	\$ 38,518,644	\$ 37,082,200	\$ 41,543,820	12.0%

GENERAL FUND

(Details)

GENERAL FUND RESOURCES

The primary resources include revenue collected from Water Sales, along with Other Operating and Non-Operating fees and charges (including service installations, collection fees, interest earning, and service contracts), totaling \$11,290,000 for FY 2020-21. A \$6.14M repayment of a series of prior interfund loans to the Construction (SDC) Fund is also included. Adding just over \$10M in net working capital (as cash) brings the total resources for FY2019-20 to \$27,444,120. A summary of the total resources is outlined in the table below:

Summary of Resources

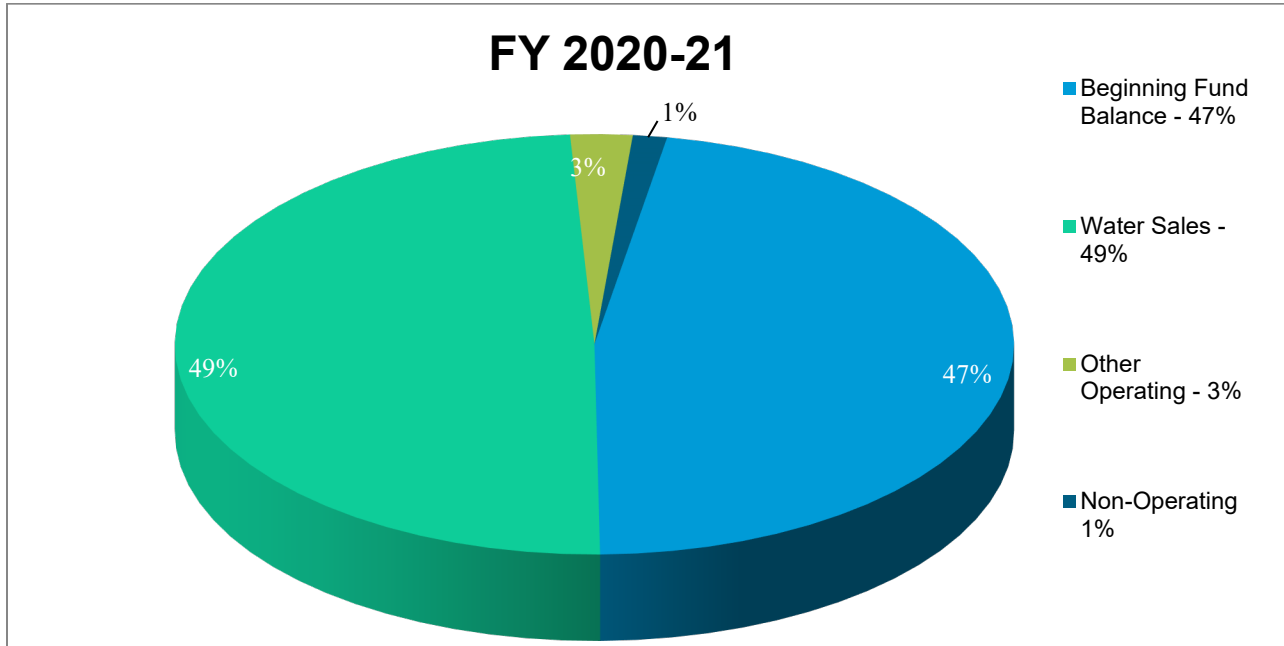
General Fund	Actual 2017-18	Actual 2018-19	Budget 2019-20	Adopted 2020-21	Dollar Change	Percent Change
RESOURCES						
Beginning Fund Balance						
Net Working Capital	\$ 15,216,159	\$ 19,057,315	\$ 14,200,000	\$ 10,015,000	\$ (4,185,000)	-29.5%
Water Sales	9,885,476	10,260,076	9,900,000	10,500,000	600,000	6.1%
Other Operating	531,640	687,104	510,000	510,000	-	0.0%
Non-Operating	281,850	448,612	280,000	280,000	-	0.0%
Grant Funding	-	-	-	-	-	N/A
Loan Payment	3,226,539	-	-	6,139,120	6,139,120	N/A
Transfers	-	-	-	-	-	N/A
TOTAL RESOURCES	\$ 29,141,664	\$ 30,453,107	\$ 24,890,000	\$ 27,444,120	\$ 2,554,120	10.3%

Water Sales: The principal form of revenue comes from two main components: a fixed service charge and variable consumptive use. FY2017-18 ended a three-year increase in the monthly service charge and the proposed budget is expected to remain similar to last year. Consumption revenue often depends on summer time demand, which in turn is driven by the number of “hot” days. A conservative assumption is normally applied to the estimated annual revenue forecast so as to underreport available resources within the budget. Revenue for the current year is on track to meet or slightly exceed the FY2019-20 Budget estimate. The increase assumed for FY2020-21 is reflective of the addition of new customers in the current year. The revenue estimate for next year, however, does not account for a potential rate increase recently proposed by the Board in January 2020. The associated public hearing (to be held in March) was postponed due to the on-going health crisis. The Board will be examining its decision to change rates later this year.

Other Operating (Revenue): These revenues are primarily associated with new meter installations, along with collection fees and system extensions. It also includes a 5% surcharge on all bills issued to customers within the city of Happy Valley (as a Right of Way fee). This fee is simply “passed through” as an equivalent Material and Services expense.

Non-Operating (Revenue): Is primarily sourced from interagency service contracts (with NCCWC and CRWSC), interest earnings, and any other minor sources of revenue. The projected revenue here is dramatically increased due to significant interest income being received from cash reserves in the State of Oregon’s Local Government Investment Pool.

Breakdown of General Fund Resources



GENERAL FUND REQUIREMENTS

With operating expenses for Personnel and Materials and Services set at \$8,460,000 and a capital budget of \$3,025,000, total planned expenditures are \$11,485,000 - this is \$195,000 more than the forecasted Operating and Non-Operating revenues of \$11,290,000. The requirements also include a \$2,000,000 contingency, along with a transfer to the Construction (SDC) Fund in the form of a new interfund loan of \$3,248,400, leaving an ending fund balance of \$10,610,720 – this is about \$0.5M higher than the beginning fund balance (owed to the \$6.14 transfer in from the Construction Fund). The total requirements of \$27,444,120 are summarized below:

Summary of Requirements

General Fund	Actual 2017-18	Actual 2018-19	Budget 2019-20	Adopted 2020-21	Dollar Change	Percent Change
REQUIREMENTS						
Personnel Services	\$ 2,472,910	\$ 2,680,867	\$ 3,375,000	\$ 3,688,000	\$ 313,000	9.3%
Materials & Services	3,766,152	4,171,588	4,952,000	4,772,000	(180,000)	-3.6%
Capital Outlay	3,845,285	9,267,622	2,920,000	3,025,000	105,000	3.6%
Transfers to Other Funds	-	1,450,000	6,298,800	3,248,400	(3,050,400)	-48.4%
Contingency	-	-	1,500,000	2,000,000	500,000	33.3%
Unappropriated Ending Fund Balance	19,057,317	12,855,437	5,844,200	10,710,720	4,866,520	83.3%
TOTAL REQUIREMENTS	\$ 29,141,664	\$ 30,425,514	\$ 24,890,000	\$ 27,444,120	\$ 2,554,120	10.3%

Personnel Services: Includes salaries and wages; employee benefits, such as medical, dental, and vision coverage; Oregon Public Employees Retirement System (PERS); employer paid payroll taxes and worker's compensation insurance.

PERSONNEL SERVICES	Actual 2017-18	Actual 2018-19	Budget 2019-20	Adopted 2020-21	Dollar Change	Percent Change
Administration	\$ 318,611	\$ 354,956	\$ 423,000	\$ 450,000	\$ 27,000	6.4%
Technical Services	383,608	511,350	602,000	739,000	137,000	22.8%
Field Operations	437,950	483,296	654,000	667,000	13,000	2.0%
Business Operations	554,126	457,885	506,000	503,000	(3,000)	-0.6%
Other Salaries & Wages	1,305	11,860	13,000	13,000	-	0.0%
Subtotal Salary & Wages	1,695,600	1,819,347	2,198,000	2,372,000	174,000	7.9%
Taxes & Benefits	777,310	889,114	1,177,000	1,316,000	139,000	11.8%
TOTAL PERSONNEL SERVI	\$ 2,472,910	\$ 2,708,461	\$ 3,375,000	\$ 3,688,000	\$ 313,000	9.3%

- Salaries and Wages are budgeted for 29 full time equivalents (FTEs) within four functional areas: Administration (4 FTEs), Business Operations (7 FTEs), Field Operations (10 FTEs), and Technical Services (8 FTEs). In total, these numbers are the same FTE as last year, although 4 of the positions are unfilled.
- The unfilled positions include field utility workers (2 FTEs) our planning engineer (1 FTE) and our customer/service bookkeeper position (1 FTE) that has been moved to a meter technical services position.
- The movement of staff out of Field Ops and into Technical Services and Business Operations along with an increased cost estimate for both unfilled and temporarily filled positions in Technology Services and Admin, lend to a small percent change in Field Ops and a large percent change in the Technical Services area.
- A pool of 5 percent has been set aside for current year salary (merit) increases and bonuses. The total wage increase of 7.9 percent includes a 2.9 percent increase from reclassifying overtime and on-call wages out of benefits and into wages.
- The overall budget increase of 9.3% is a combination of the 17% medical benefits cost increase and the 5% salary (merit) pool increase along with the new increase for the unfilled technical services position and the increase in the records management admin position when it was filled.
- Employee benefits include medical/dental/vision, disability, and life insurance benefits; and boot and logo apparel allowances provided to employees.
- Employees contribute 1.5 percent of their salary toward the benefit costs.
- PERS retirement accounts for the SWA portion of PERS (17.94%) and OPSRP (17.91%) retirement plans.
- Payroll Taxes and Worker's Compensation Insurance – account for the employer paid portions of the payroll taxes and the worker's compensation taxes.

Materials & Services: Includes major operating elements for system and facilities maintenance, water purchases, electricity, insurance, general administration, office supplies, and other support services and resource sharing of labor and other services through the CRWSC. An outline of the Materials and Services budget is shown in the following table:

MATERIALS & SERVICES	Actual 2017-18	Actual 2018-19	Budget 2019-20	Adopted 2020-21	Dollar Change	Percent Change
Water Purchases	\$ 1,575,037	\$ 1,810,974	\$ 2,000,000	\$ 2,000,000	\$ -	0.0%
Electricity & Natural Gas	443,945	453,280	508,000	462,000	(46,000)	-9.1%
System & Equipment Maintenance					-	
Infrastructure Abandonment	103,557	326,774	320,000	-	(320,000)	-100.0%
Infrastructure Maintenance	349,739	284,500	431,000	735,000	304,000	70.5%
Equipment Maintenance	65,018	101,349	100,000	88,000	(12,000)	-12.0%
System Contract Services	35,723	109,647	154,000	93,000	(61,000)	-39.6%
Subtotal System & Equip Maint	554,037	822,270	1,005,000	916,000	(89,000)	-8.9%
Professional Services	98,704	95,144	79,000	128,000	49,000	62.0%
Contract Services						
Office Expenses						
Property Insurance	65,902	68,030	70,000	75,000	5,000	7.1%
Merchant, Bank & Fees	116,183	131,029	173,000	172,000	(1,000)	-0.6%
Billing and IT Services	128,299	156,550	239,000	233,000	(6,000)	-2.5%
Supplies and Postage	137,897	136,025	173,000	121,000	(52,000)	-30.1%
Building & Shop Maintenance	33,092	21,119	41,000	37,000	(4,000)	-9.8%
Safety & Community	32,944	22,050	66,000	72,000	6,000	9.1%
Subtotal Office Expense	514,317	534,803	762,000	710,000	(52,000)	-6.8%
Education, Training and Dues	117,500	120,301	180,000	183,000	3,000	1.7%
Board of Commissioners	18,361	6,769	16,000	16,000	-	0.0%
HV ROW Fee	201,218	216,401	245,000	220,000	(25,000)	-10.2%
CRWSC	217,193	111,645	157,000	137,000	(20,000)	-12.7%
TOTAL MATERIALS & SERVICES	\$ 3,740,312	\$ 4,171,587	\$ 4,952,000	\$ 4,772,000	\$ (180,000)	-4%

Brief descriptions for each of the main elements in the M&S category are provided below:

- **Water Purchases:** wholesale water is purchased from the NCCWC and CRW. This year's projection excludes any anticipated "annual true up" revenue from the NCCWC (normally around \$130,000). The NCCWC's budget eliminated that element last year in lieu of retaining future reserves to repair its treatment plant.
- **Electricity & Natural Gas:** includes all utility costs for pump stations, generators, wells, office, and other facilities. Natural gas prices remain low and usage did not increase as expected. The reduction is more in line with experience.
- **System & Equipment Maintenance:** includes maintenance related items for water distribution infrastructure, field equipment, and vehicles.
 - Infrastructure Maintenance has greatly expanded for additional hydrant, valve and meter maintenance;
- **Professional Services:** includes legal counsel, external audit and professional consulting services. Annual funding for legal services and CAD (drafting) remains unchanged but a small increase was added to audit services.

- **Contracted Services:** has been mostly eliminated in the current year as a stand-alone category. These expenses were moved to Office Expense, System Maintenance Expense, or Professional Service for more appropriate assignment.
- **Office Expenses** include property insurance, merchant and bank fees, billing, information technology (IT) costs, postage and supplies, building and shop maintenance, community outreach and safety supplies.
 - Office and Shop Maintenance includes security, garbage service, janitorial, carpet cleaning, shredding and maintenance and repair of buildings and grounds.
 - Safety & Community Outreach includes a new \$25,000 subsidy for our low-income program along with \$30,000 for outreach with Direct Mailers that was in last year's budget, but not used.
- **Education, Training and Dues** now include the consolidation of this category and a separate Dues category included in last year's budget. The two different kinds of dues include participation in professional organizations (e.g. AWWA, GFOA) and regional organizations of special interest, like the Regional Water Providers Consortium and Clackamas River Water Providers (CRWP).
 - Education and Training funding for staff training and development is set at 2.5% of payroll – this is a best practice target.
 - Dues include fees for participation in 13 different professional and regional programs. Most dues are calculated on a sliding scale based on customers served or water consumed. Our largest participation costs are approximately \$50,000 to CRWP and \$30,000 to the Regional Water Providers Consortium.
- **Board of Commissioners:** includes costs for attending conferences, trainings and other authorized events (exclusive of payroll costs).
- **Happy Valley Right of Way (ROW) Fee** is a special assessment (5% surcharge) required by the City for all customers receiving service within the city. This fee appears both as an equivalently booked revenue and expense (i.e. pass through). There is no direct budgetary impact.
- **CRWSC** costs includes costs for interagency sharing of labor, goods, and services from Clackamas River Water. Sunrise pays for assistance with payroll and financial services, SCADA and IT support, water quality sampling and testing, emergency planning, and other items.

Capital Outlay: The Capital Outlay for FY2020-21 is budgeted at \$3,025,000. A general summary of those planned expenditures is outlined below:

CAPITAL OUTLAY	Actual 2017-18	Actual 2018-19	Budget 2019-20	Adopted 2020-21	Dollar Change	Percent Change
System Improvements	\$3,249,328				\$0	N/A
Improvements		6,512,423	-	-	-	N/A
Repair and Replacement		1,610,500	1,510,000	1,125,000	(385,000)	-25.5%
Studies and Other		1,519	430,000	185,000	(245,000)	-57.0%
Buildings	78,930	13,330	525,000	1,515,000	990,000	188.6%
Meters/ServicesHydrants	485,521	205,692	455,000	150,000	(305,000)	-67.0%
Land	26,936	909,235	-	-	-	N/A
Tools & Equipment	4,570	14,923	-	-	-	N/A
TOTAL CAPITAL OUTLAY	\$ 3,845,285	\$ 9,267,622	\$ 2,920,000	\$ 2,975,000	\$ 55,000	1.9%

A brief summary of the planned capital projects includes:

- Repair of seven (7) major pump stations (electrical safety) and replacement of the pneumatic pump system at Sunridge.
- Completion of the Water System Master Plan, along with studies for a second phase of electrical safety repairs and possible repair of the Sunridge Reservoir.
- Design of the new administrative and field operations facility off SE 172nd Avenue.
- 300 new meters (ERUs) and 5 new hydrants.

Detailed descriptions of the Capital Projects are included at the end of this section.

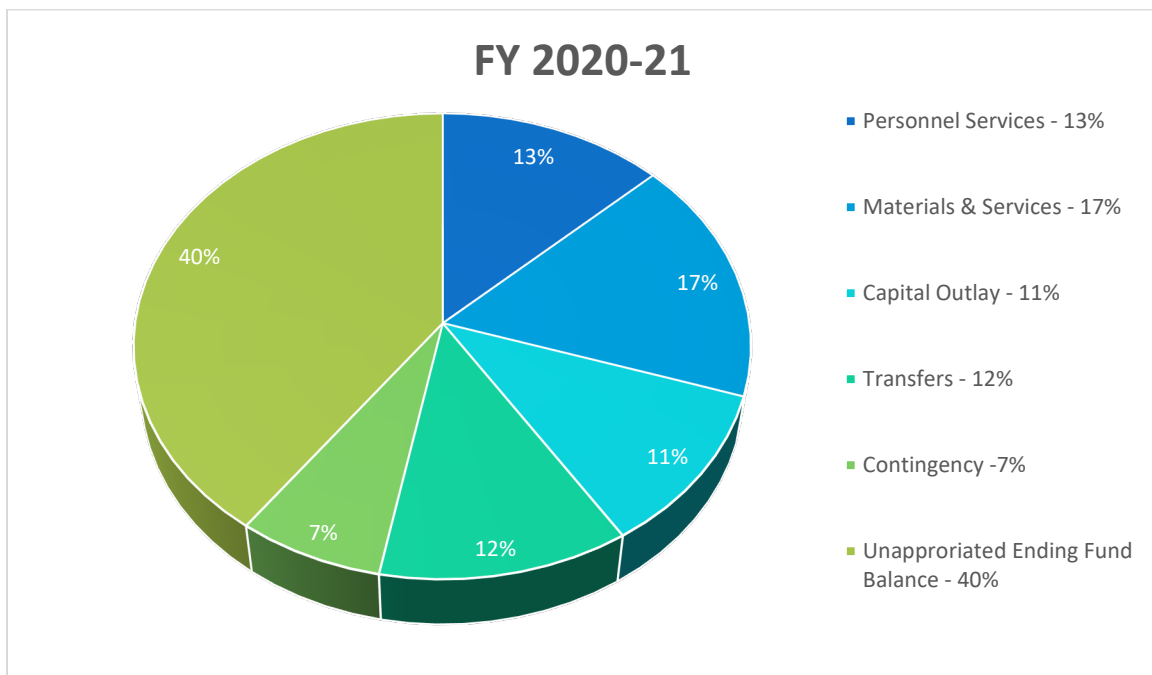
Transfers and Other Requirements: Other requirements are transfers, contingency and unappropriated ending fund balance.

OTHER REQUIREMENTS	Actual 2017-18	Actual 2018-19	Budget 2019-20	Adopted 2020-21	Dollar Change	Percent Change
Special Payments	\$ -	\$ -	\$ 1,200,000	\$ -	\$ (1,200,000)	-100.0%
Transfer (out)						
To SDC (Construction) Fund	-	1,450,000	6,298,800	3,298,400	(3,000,400)	-47.6%
Contingency		-	1,500,000	2,000,000	500,000	33.3%
Unappropriated Ending Fund Balance	19,057,317	12,855,437	4,644,200	10,710,720	6,066,520	130.6%
TOTAL OTHER REQUIREMENTS	\$ 19,057,317	\$ 14,305,437	\$ 13,643,000	\$ 16,009,120	\$ 2,366,120	17.3%

- **Transfers:** to the SDC (Construction) Fund totaling approximately \$3.2M are composed of two parts: \$1.5M to pay for on-going reservoir and well projects (as improvements) and \$1.7M to pay the annual debt service (as reimbursements).

- **Contingency:** In order to reduce non-transparent “bloat” in the budget, sufficient funds are set aside as “contingency” for responding to additional or unplanned requirements. These monies, however, may not be spent without formal Board authorization (by Resolution). This year’s contingency is composed of two main elements:
 - **Capital Projects - \$1,500,000**
 To replace failing pipelines, upsize new mains, provide looping or other major facilities (and equipment), as well as conduct additional studies toward future improvements or repairs.
 - **General Operating Expenses - \$500,000**
 To provide funding support for additional or unplanned operating expenses (i.e. Personnel and Materials & Services); common expenses might include additional meter replacements, system maintenance, and expanded funding for various on-call maintenance or construction contracts.
- **Ending Fund Balance:** The unappropriated ending fund balance is actually cash reserves and is part of the agency’s strategy to finance its entire operations (including capital) without obtaining outside long-term debt.

Breakdown of General Fund Requirements



Special Notes: There are a couple of items associated with the General Fund budget of note:

- Interfund Loans:** In FY2017-18, after repaying all previous loans from the General Fund, an interfund loan of \$3.1M was recorded to the improvement components for constructing Reservoir 11, 152nd Avenue Reservoir and several other lesser projects. In FY2018-19, a second series of improvement loans were recorded totaling \$7.4M to cover the on-going construction costs of the two major reservoir projects, emergency power at Pump Station 15, and land for siting a future Reservoir 12. In that same year, a \$1.45M loan was also recorded to the reimbursement component as partial payment of the annual debt service. In FY2019-20, a third series of loans will be recorded composed of \$1M in improvements and \$1.79M to reimbursements. Then in FY2020-21, a fourth series of loans will be issued totaling \$3.25M composed of \$1.55M in improvement and \$1.7M in reimbursement – the former for the SDC eligible improvement fee projects outlined in this budget, while the latter is to pay for the annual debt service in this year’s budget. In addition, a repayment of \$6.1M to the General Fund is planned to pay for a portion of the first and second series of prior loans, bringing the totaled owed to the General Fund of just under \$11.9M (summarized below):

Interfund Loans to Construction (SDC) Fund			
	Reimbursements	Improvement	Total
Balance from Prior Year	\$ 3,238,800	\$ 11,550,113	\$ 14,788,913
Advances	1,698,400	1,600,000	3,298,400
Repayments	(1,000,000)	(5,139,120)	\$ (6,139,120)
BALANCE DUE	\$ 3,937,200	\$ 8,010,993	\$ 11,948,193

- Debt Service (Ratio) Requirements:** A final piece to the annual budget entails our existing revenue bonds, originally issued in 2004 and 2005. When the 20-year bonds were refinanced in 2014, the annual debt service schedule from 2005 was preserved but the period of repayment was shortened by about two years (based on the reduced interest charges) saving \$1.9M. This year the annual debt service of those bonds is \$1.79 million. Though we have less than three years of repayment remaining, those bonds require sufficient revenues (water rates) each year to cover the complete cost of operation (personnel and materials and services) plus the annual debt service. Careful examination of these numbers reveals projected revenue that covers operating costs and debt service with a projected debt service ratio close to 1.8 (minimum required is 1.0 without SDCs) and with SDC revenue included this ratio increases to 2.4 (minimum of 1.25 required with SDCs). The great news is that this on-going debt service will be fully retired by the end of FY2023-24.

Summary of Capital Projects in General Fund

Repair and Replacements - \$1,125,000

Pump Station Rehabilitation

The first phase of an on-going study into the “electrical safety” upgrades at all our pump stations and wells is expected to be completed in the spring of 2020. This work will recommend a number of repairs and upgrades to about one-third of the total number of targeted facilities. An estimate of the first round of those repairs is included herein.

FY2020-21 Budget	\$1,000,000
SDC Eligible:	0%

Sunridge Pneumatic Pressure Zone Rehabilitation

This pneumatic system serving homes around the Sunridge Reservoir needs to be replaced. This project would add back-up generation and replace the existing 45 year old pumps, motors, and pneumatic tank.

FY2020-21 Budget	\$125,000
SDC Eligible:	0%

Studies and Other Improvements - \$185,000

Sunridge 2 Tank Repair Study

The 1-million gallon concrete tank built in 1970 has a circumferential crack halfway up the structure. This prevents the tank from operating at full capacity. This project will study the feasibility and options for repairing the tank and restoring full operating capacity.

FY2020-21 Budget	\$35,000
SDC Eligible:	0%

Electrical Safety Study

An on-going assessment is being made of the adequacy and condition of the electrical systems at all our pump stations and wells, focused on required safety improvements. This is an extension of the first phase of this investigation. This is not eligible for SDC improvement funds.

FY 2019-20 Forecast	\$100,000
FY 2020-21 Budget	<u>\$150,000</u>
Total budget	\$250,000
SDC Eligible:	0%

Buildings - \$1,515,000

Administrative and Operations Building Property

Plans are underway to build a new office and operations facility off SE 172nd Avenue (agency owned property). Land use and partition work done in 2017-18. Next steps are to hire an architect and prepare construction plans.

Budget:	
FY 2017-18 Actual	\$ 80,922
FY 2018-19 Actual	\$ 13,330
FY 2019-20 Forecast	\$ 105,748
FY 2020-21 Budget	<u>\$1,500,000</u>
FY 2021-22 Budget	<u>\$7,000,000</u>
Total budget	\$8,700,000
SDC Eligible:	0%

Pump Station on Mather Road

Plans are underway to replace the roof on the Mather Pump Station.

FY 2020-21 Budget	\$15,000
SDC Eligible:	0%

Meters and Hydrants - \$150,000

New Services

Meters and service equipment for estimated 300 new (ERU) connections.

FY2020-21 Budget	\$100,000
SDC Eligible:	0%

Hydrant Program

The hydrant program will continue with the replacement or installation of 5 new hydrants.

Budget FY2020-21	\$50,000
SDC Eligible:	0%

Contingency Projects - \$1,500,000

Main Replacements

The 20-year capital plan identifies the replacement of various old and vulnerable mains that are part of critical (key) infrastructure or have a repeated record of failure (i.e. main breaks), including old cast iron or corroded Class 50 pipes. This is a contingent placeholder for replacement projects of this kind, subject to Board approval.

Budget FY2020-21	\$1,000,000
SDC Eligible:	0%

Other Projects and Studies

Provide support for additional infrastructure projects or related studies; including upgrades for the Gramor well, corrosion study for a Class 50 transmission main (Pipeline C), non-potable system master plan, infrastructure resilience and security study and other pipeline repair and replacement projects.

Budget FY2020-21	\$500,000
SDC Eligible:	TBD

OTHER FUNDS

Construction (SDC) Fund

The Construction (SDC) Fund is used to account for system development charges (SDCs). SDCs are collected on new service connections and are used to pay for capital expenditures as established by statute. The SDC is made up of two parts: a “reimbursable” fee and an “improvement” fee. The reimbursement fee is collected for use of existing infrastructure by new customers and can be used to pay for the repair and replacement of existing infrastructure or expansion of capacity by new infrastructure. The improvement fee portion, however, can only be used for capital projects that increase system capacity to serve new customers (e.g. added transmission, pumping or storage), while both components can be used to pay debt service on an existing construction loan.

Construction (SDC) Fund						
	Actual 2017-18	Actual 2018-19	Budget 2019-20	Adopted 2020-21	Dollar change	Percent Change
RESOURCES						
Beginning Fund Balance						
Reimbursement	\$ 1,501,633	\$ 278,055	\$ -	\$ 1,050,000	1,050,000	N/A
Improvement	1,897,758	480,230	-	4,500,000	4,500,000	N/A
System Development Charges						
Reimbursement	392,734	514,532	435,200	235,300	(199,900)	-45.9%
Improvement	1,958,106	1,575,930	1,354,400	732,600	(621,800)	-45.9%
Interest Earning	11,793	21,821	-	-	-	N/A
Transfers In						
Transfers from General Fund to						
Reimbursement	-	1,450,000	1,788,800	1,698,400	(90,400)	-5.1%
Transfers from General Fund to						
Improvement	-	-	4,510,000	1,600,000	(2,910,000)	-64.5%
TOTAL RESOURCES	\$ 5,762,024	\$ 4,320,568	\$ 8,088,400	\$ 9,816,300	\$ 1,727,900	21.4%
REQUIREMENTS						
Capital Outlay						
Reimbursement	-	-	-	-	-	N/A
Improvement	-	-	4,510,000	1,600,000	(2,910,000)	-64.5%
Debt Payment						
Reimbursement	75,510	-	-	1,000,000	1,000,000	N/A
Improvement	3,151,029	-	-	5,139,120	5,139,120	N/A
Transfers to Other Funds						
Transfer to Rev Bond Reserve	11,149	-	-	-	-	N/A
Reimbursement	1,569,951	1,786,800	1,788,800	1,698,400	(90,400)	-5.1%
Improvement	196,100	-	-	-	-	N/A
Reserve for Future Expenditures	643	-	-	-	-	N/A
Reimbursement	248,906	449,102	435,200	285,300	(149,900)	-34.4%
Improvement	508,736	2,084,666	1,354,400	93,480	(1,260,920)	-93.1%
TOTAL REQUIREMENTS	\$ 5,762,024	\$ 4,320,568	\$ 8,088,400	\$ 9,816,300	\$ 1,727,900	21.4%

- **Resources:** include SDC revenue for 100 new meters (ERUs) – totaling \$1.79M of which about 24% is reimbursable fee and 76% improvement fee; also includes two

transfers in from the General Fund - \$1.78M as reimbursable fee for the purpose of paying the annual debt service and \$1.6M as improvement fee for new capital. Note: the estimate of 100 new meters (ERUs) is purposefully conservative and equates to 50% of the annual debt service.

- **Capital Outlay:** \$1.6M for new projects. A summary of those projects is provided at the end of this section.
- **Debt Payment:** \$6.14M to the General Fund to repay existing interfund loans.
- **Transfers:** \$1.78M to the Revenue Bond Reserve Fund (to pay the annual debt service).

Reserve Fund

The Reserve Fund receives revenue from cell tower lease agreements and interest earnings on the fund balance. The Reserve Fund purchases capital outlay of vehicles, computers, and office equipment. The Reserve Fund was created through Board resolution during FY2012-13.

Reserve Fund	Actual 2017-18	Actual 2018-19	Budget 2019-20	Adopted 2020-21	Dollar change	Percent Change
RESOURCES						
Beginning Fund Balance	\$ 641,169	\$ 612,177	\$ 400,000	\$ 615,000	\$ 215,000	53.8%
Lease Revenue	173,546	185,448	175,000	190,000	15,000	8.6%
Interest	9,624	9,462	10,000	10,000	-	0.0%
Miscellaneous	-	-	-	-	-	N/A
TOTAL RESOURCES	824,339	807,087	585,000	815,000	230,000	39.3%
REQUIREMENTS						
Materials & Services						
IT and Office Equipment	-	-	40,000	55,000	15,000	37.5%
Tools & Equipment	-	-	10,000	10,000	-	0.0%
Total Materials & Services	-	-	50,000	65,000	15,000	N/A
Capital Outlay						
Vehicle Replacement	\$ 181,034	\$ 344,704	\$ 45,000	\$ 150,000	\$ 105,000	233.3%
IT and Office Equipment	31,128	-	-	-	-	N/A
Water System Equipment	-	-	-	-	-	N/A
Total Capital Outlay	212,162	344,704	45,000	150,000	105,000	233.3%
Contingency	-	-	90,000	100,000	10,000	11.1%
Reserve for Future Expenditures	612,177	462,383	400,000	500,000	100,000	25.0%
TOTAL REQUIREMENTS	824,339	807,087	585,000	815,000	230,000	39.3%

- **Resources:** Lease revenue is anticipated to remain at a level similar to prior years. Interest earnings increase as the interest rates have risen during the past year.

- **Materials & Services:** includes \$40,000 for replacement of computers and field tablets; \$15,000 for a new server; for Tools includes \$10,000 for items needed by field operations.
- **Capital:** includes \$150,000 to replace the 2001 service truck and purchase a second similarly equipped service vehicle.
- **Contingency:** A contingency of \$100,000 is included in this year's budget in the event of a special or unplanned need. This money may not be spent without formal Board authorization (by Resolution).

Revenue Bond Reserve Fund

The Revenue Bond Reserve Fund is used to pay the debt service of the water revenue bonds. These issuances were refunded in July 2014 into a single Series 2014 issuance, leading to \$1.9 million in net savings over the life of the original series of bonds.

Revenue Bond Reserve Fund						
	Actual 2017-18	Actual 2018-19	Budget 2019-20	Adopted 2020-21	Dollar change	Percent Change
RESOURCES						
Beginning Fund Balance	\$ 1,633,452	\$ 1,663,850	\$ 1,700,000	\$ 1,740,000	\$ 40,000	2.4%
Interest Earnings	30,398	43,206	30,000	30,000	\$ -	0.0%
Transfer From Construction (SDC) Fund	1,777,200	1,786,800	1,788,800	1,698,400	\$ (90,400)	-5.1%
TOTAL RESOURCES	\$ 3,441,050	\$ 3,493,856	\$ 3,518,800	\$ 3,468,400	\$ (50,400)	-1.4%
REQUIREMENTS						
Debt Service						
Prinicipal						
Series 2014	\$ 1,385,000	\$ 1,450,000	\$ 1,510,000	\$ 1,480,000	\$ (30,000)	-2.0%
Interest						
Series 2014	392,200	336,800	278,800	218,400	\$ (60,400)	-21.7%
Transfers to Other Funds						
Unappropriated Fund Balance	1,663,850	1,707,056	1,730,000	1,770,000	\$ 40,000	2.3%
TOTAL REQUIREMENTS	\$ 3,441,050	\$ 3,493,856	\$ 3,518,800	\$ 3,468,400	\$ (50,400)	-1.4%

The 2014 series requires a reserve balance of approximately the final bonded debt payment due September 2025. The payment schedule for the Series 2014 bonded debt is shown in the Other Information section of this document.

The 2014 series includes coverage covenants for the benefit of bond holders. The Authority shall charge rates and fees when combined with other allowable gross revenues that are adequate to cover the annual debt service payment. This budget meets the coverage covenant requirements.

Summary of Capital Outlay for Construction (SDC) Funds

Improvements (SDC Eligible Projects) - \$1,600,000

Reservoir Number 11

Complete the design and construction of a new 3 million gallon reservoir off SE Verlie Street serving Zone 6 (610 feet). Design was done in 2016-17 and 2017-18. Construction started in FY2018-19 and will be completed this year:

FY 2016-17 Actual	\$ 130,000
FY 2017-18 Actual	\$ 1,289,739
FY 2018-19 Actual	\$ 4,762,156
FY 2019-20 Forecast	\$ 720,000
FY 2020-21 Budget	<u>\$ 1,300,000</u>
Total budget:	\$ 8,201,895
SDC Eligible:	100%

Design and Cost Estimate for New ASR Well

The 20-year capital plan calls for the addition of up to four new aquifer storage and recovery (ASR) wells. These wells are part of integrated plan to supplement emergency and planned curtailment supply options. This work would be used to hire a consultant to assist in the siting, design and cost estimate for a new ASR well.

FY 2020-21 Budget	\$ 200,000
FY 2021-22 Budget	<u>\$ 800,000</u>
Total budget	\$1,000,000
SDC Eligible:	100%

Backup Generation Pump Station 15

Funds to purchase and install a 350 kW back-up power (natural gas) generator for Pump Station 15 (serves Reservoir 10) were authorized and spent in FY2018-19. Additional costs may arise in adding noise abatement (sound wall) for this facility.

FY 2018-19 Actual	\$ 256,929
FY 2020-21 Budget	<u>\$ 50,000</u>
Total Budget	\$ 306,929
SDC Eligible:	100%

Water System Master Plan

The water system master plan studies our delivery of water into key areas of improvement and is mandated by the department of health.

FY 2018-19 Actual	\$ 8,215
FY 2019-20 Forecast	\$ 31,785
FY 2020-21 Budget	<u>\$ 50,000</u>
Total budget	\$ 90,000
SDC Eligible:	TBD

ADDITIONAL INFORMATION

REPAYMENT SCHEDULE FOR REVENUE BONDS Series 2014

Fiscal Year	Water Revenue Series 2014		Total Debt Service Payment
	Principle	Interest	
2018-19	1,450,000	336,800	1,786,800
2019-20	1,510,000	278,800	1,788,800
2020-21	1,480,000	218,400	1,698,400
2021-22	1,535,000	159,200	1,694,200
2022-23	1,595,000	97,800	1,692,800
2023-24	850,000	17,000	867,000
TOTALS	\$ 8,420,000	\$ 1,108,000	\$ 9,528,000

Debt Savings by Refinancing Series 2014 Revenue Bonds

Fiscal Year	Prior Debt Service Total	Series 2014 Bonds Payment	Total Debt Service Savings
2015	\$ 2,167,013	\$ 2,164,768	\$ 2,245
2016	2,160,938	2,160,400	\$ 538
2017	2,159,574	2,155,000	\$ 4,574
2018	1,781,004	1,777,200	\$ 3,804
2019	1,788,463	1,786,800	\$ 1,663
2020	1,789,415	1,788,800	\$ 615
2021	1,697,525	1,698,400	\$ (875)
2022	1,695,325	1,694,200	\$ 1,125
2023	1,692,638	1,692,800	\$ (162)
2024	1,696,238	867,000	\$ 829,238
2025	905,875	-	\$ 905,875
2026	522,750	-	\$ 522,750
Total	\$ 20,056,758	\$ 17,785,368	\$ 2,271,390

Note: The total debt savings shown does not include all costs associated with the refinancing. Total net savings was about \$1.9 million.

INTERFUND LOAN
for REVENUE BOND PAYMENT and
(SDC) CONSTRUCTION COSTS

Construction (SDC) Fund Interfund Loan				
		Reimbursements	Improvement	Running Total
Advances				
	FY 2007-2008		\$ 366,456	\$ 366,456
	FY 2008-2009		225,000	591,456
	FY 2009-2010		1,495,387	2,086,843
	FY 2010-2011		1,375,396	3,462,239
	FY 2011-2012		414,300	3,876,539
	FY 2012-2013		350,000	4,226,539
Repayments				
	FY 2016-2017		\$ (1,000,000)	\$ 3,226,539
	FY 2017-2018		(3,226,539)	\$ -
Advances				
	FY17-18 Actual	-	3,139,120	3,139,120
	FY18-19 Actual	1,450,000	7,421,658	12,010,778
	FY19-20 Pending	1,788,800	989,335	14,788,913
	FY20-21 Budget	1,698,400	1,600,000	15,309,178
Repayments				
	FY20-21 Budget	\$ (1,000,000)	\$ (5,139,120)	\$ 10,170,058
BALANCE DUE GENERAL FUND		\$ 3,937,200	\$ 8,010,993	\$ 11,948,193

SCHEDULE OF EXISTING RATES AND CHARGES

Implemented 6-30-17

Residential

Frequency	Meter Size	Service Charge	Tier I	Tier II	Tier III	Tier IV
			\$1.75	\$2.50	\$2.80	\$3.20
Bi-Monthly	All*	\$36.00	0-8	9-20	21-32	33+
Monthly	All*	\$18.00	0-4	5-10	11-16	17+

*All classified residential accounts (includes 5/8 x 3/4, 3/4, and 1" meters)

Resolution #2015-07 adopted June 24, 2015.

Non-Residential

Monthly Non-Residential Rates

Meter Size	Service Charge*	Tier I	Tier II	Tier III	Tier IV
		\$2.35	\$2.60	\$2.85	\$3.20
5/8"	\$ 18	0-15	16-30	31-45	46+
1"	\$ 45	38	75	113	>113
1-1/2"	\$ 90	75	150	225	>225
2"	\$ 144	120	240	360	>360
3"	\$ 270	225	450	675	>675
4"	\$ 450	375	750	1,125	>1,125
6"	\$ 900	750	1,500	2,250	>2,250
8"	\$1,440	1,200	2,400	3,600	>3,600
10"	\$2,070	1,725	3,450	5,175	>5,175

*Monthly service charge based on AWWA ERU equivalency.

Resolution #2015-07 adopted June 24, 2015.

SYSTEM DEVELOPMENT CHARGES**CREDIT CARD****AS OF FEBRUARY 1, 2020****PLUS****STANDARD METER INSTALLATION CHARGES****AS OF FEBRUARY 1, 2020**

METER SIZE	INSTALL CHARGE	ERU	REIMBURSEMENT CHARGE	IMPROVEMENT CHARGE	Admin Fee	TOTAL	GALLONS PER MINUTE
5/8 x 3/4	\$700	1.0	\$2,353	\$7,326	\$41	\$10,420	15-20
Full 3/4"	\$700	1.5	\$3,529	\$10,989	\$61	\$15,279	30
1"	\$800	2.5	\$5,882	\$18,315	\$102	\$25,099	50
1 1/2"	\$800	5.0	\$11,765	\$36,630	\$205	\$49,400	100
2"	\$1,000	8.0	\$18,824	\$58,608	\$328	\$78,760	160
3"	\$2,400	15.0	\$35,295	\$109,890	\$615	\$148,200	
4"	\$3,000	25.0	\$58,825	\$183,150	\$1,025	\$246,000	
6" *		50.0	\$117,650	\$366,300			
8" *		80.0	\$188,240	\$586,080			
10" *		115.0	\$270,595	\$842,490			

SYSTEM DEVELOPMENT CHARGES**with CASH DISCOUNT****AS OF FEBRUARY 1, 2020****PLUS****STANDARD METER INSTALLATION CHARGES****AS OF FEBRUARY 1, 2020**

METER SIZE	INSTALL CHARGE	ERU	REIMBURSEMENT CHARGE	IMPROVEMENT CHARGE	Admin Fee	TOTAL	GALLONS PER MINUTE
5/8 x 3/4	\$700	1.0	\$2,284	\$7,111	\$41	\$10,136	15-20
Full 3/4"	\$700	1.5	\$3,426	\$10,666	\$61	\$14,853	30
1"	\$800	2.5	\$5,710	\$17,777	\$102	\$24,389	50
1 1/2"	\$800	5.0	\$11,420	\$35,555	\$205	\$47,980	100
2"	\$1,000	8.0	\$18,272	\$56,888	\$328	\$76,488	160
3"	\$2,300	15.0	\$34,260	\$106,665	\$615	\$143,840	
4"	\$2,900	25.0	\$57,100	\$177,775	\$1,025	\$238,800	
6" *		50.0	\$114,200	\$355,550	\$2,050		
8" *		80.0	\$182,720	\$568,880	\$3,280		
10" *		115.0	\$262,660	\$817,765	\$4,715		

APPENDICES

**GENERAL FUND RESOURCES
LB 20**

HISTORIAL DATA (ANNUAL)			BUDGET FOR 2020-21			
FY 2017-18 ACTUAL	FY 2018-19 ACTUAL	FY 2019-20 BUDGET	RESOURCE DESCRIPTION	PROPOSED	APPROVED	INCREASE (DECREASE)
			BEGINNING FUND BALANCE:			
\$ 15,216,159	\$ 19,057,315	\$ 14,200,000	Net Working Capital (Budget) Reserved for Future Capital	\$ 10,015,000	\$ 10,015,000	\$ -
			OTHER RESOURCES:			
9,885,476	10,260,076	9,900,000	Water Sales	10,500,000	10,500,000	-
167,186	218,595	125,000	Service Installs	75,000	75,000	-
34,264	37,984	-	System Extension	50,000	50,000	-
44,107	44,234	40,000	Collections Fees	40,000	40,000	-
207,768	217,870	245,000	Pass Through (Right of Way Fee)	220,000	220,000	-
29,952	168,421	100,000	Miscellaneous - Operating	125,000	125,000	-
<u>\$ 10,368,753</u>	<u>\$ 10,947,180</u>	<u>\$ 10,410,000</u>	Subtotal - Operating resources	<u>\$ 11,010,000</u>	<u>\$ 11,010,000</u>	<u>\$ -</u>
54,083	53,918	20,000	Service Contracts	50,000	50,000	-
276,130	378,534	260,000	Earnings from Investments	230,000	230,000	-
3,226,539	-	-	Loan Payment from SDC Fund	6,139,120	6,139,120	-
-	16,160	-	Miscellaneous - Non-Operating	-	-	-
<u>\$ 3,556,752</u>	<u>\$ 448,612</u>	<u>\$ 280,000</u>	Subtotal - Non operating resources	<u>\$ 6,419,120</u>	<u>\$ 6,419,120</u>	<u>\$ -</u>
-	-	-	Transfers In	-	-	-
\$ 29,141,664	\$ 30,453,107	\$ 24,890,000	TOTAL RESOURCES	\$ 27,444,120	\$ 27,444,120	\$ -

**GENERAL FUND DETAILED REQUIREMENTS
LB-31**

HISTORICAL DATA (ANNUAL)			Description of	BUDGET FOR 2020-21		
FY 2017-18 ACTUAL	FY 2018-19 ACTUAL	FY 2019-20 BUDGET		Resources and Requirements	PROPOSED	APPROVED
Personnel Services:						
\$ 1,695,600	\$ 1,819,347	\$ 2,198,000	Salaries	\$ 2,372,000	\$ 2,372,000	\$ -
777,310	889,114	1,177,000	Benefits and taxes	1,316,000	1,316,000	-
\$ 2,472,910	\$ 2,708,461	\$ 3,375,000	PERSONNEL SERVICES TOTAL	\$ 3,688,000	\$ 3,688,000	\$ -
Materials & Services:						
1,575,037	1,810,974	2,000,000	Water Purchases	2,000,000	2,000,000	-
443,945	453,280	508,000	Electricity & Natural Gas	462,000	462,000	-
579,877	822,270	1,005,000	System & Equipment Maintenance	916,000	916,000	-
98,704	95,144	79,000	Professional Services	128,000	128,000	-
-	-	-	Contract Services	-	-	-
514,317	534,803	762,000	Office Expense	710,000	710,000	-
117,500	120,301	180,000	Education, Training and Dues	183,000	183,000	-
18,361	6,769	16,000	Board of Commissioners	16,000	16,000	-
201,218	216,401	245,000	HV ROW Fee	220,000	220,000	-
217,193	111,645	157,000	CRWSC	137,000	137,000	-
\$ 3,766,152	\$ 4,171,587	\$ 4,952,000	MATERIALS & SERVICES TOTAL	\$ 4,772,000	\$ 4,772,000	\$ -
Capital Outlay:						
3,249,328	8,122,923	1,940,000	System Improvements	1,360,000	1,310,000	(50,000)
78,930	13,330	525,000	Buildings	1,515,000	1,515,000	-
485,521	205,692	455,000	Meters/Services/Hydrants	150,000	150,000	-
4,570	1,519	-	Office Equipment	-	-	-
26,936	909,235	-	Land	-	-	-
-	14,923	-	Tools & Equipment	-	-	-
\$ 3,845,285	\$ 9,267,622	\$ 2,920,000	CAPITAL OUTLAY TOTAL	\$ 3,025,000	\$ 2,975,000	\$ (50,000)
\$ 10,084,347	\$ 16,147,670	\$ 11,247,000	DEPARTMENT TOTALS	\$ 11,485,000	\$ 11,435,000	\$ (50,000)
Special Payments, Transfers & Contingency:						
-	-	1,200,000	Special Payments			
-	1,450,000	6,298,800	To SDC (Construction) Fund	3,248,400	3,298,400	50,000
-	-	-	Other Transfers			
-	-	1,500,000	General Operating Contingency	2,000,000	2,000,000	-
\$ -	\$ 1,450,000	\$ 8,998,800	TRANSFERS & CONTINGENCY TOT	\$ 5,248,400	\$ 5,298,400	\$ 50,000
19,057,317	12,855,437	4,644,200	Unappropriated Fund Balance	10,710,720	10,710,720	-
\$ 29,141,664	\$ 30,453,107	\$ 24,890,000	TOTAL GENERAL FUND BUDGET	\$ 27,444,120	\$ 27,444,120	\$ -

**CONSTRUCTION (SDC) FUND
RESERVE FUND - LB 10
RESOURCES AND REQUIREMENTS**

HISTORICAL DATA (ANNUAL)			Description of Resources and Requirements	BUDGET FOR 2020-21		INCREASE (DECREASE)
FY 17-18 ACTUAL	FY 18-19 ACTUAL	FY 19-20 BUDGET		PROPOSED	APPROVED	
RESOURCES						
Beginning Fund Balance:						
\$ 1,501,633	\$ 278,055	\$ -	Reimbursement	\$ 1,050,000	\$ 1,050,000	\$ -
1,897,758	480,230	-	Improvement	4,500,000	4,500,000	-
System Development Charges:						
392,734	514,532	435,200	Reimbursement	235,300	235,300	-
1,958,106	1,575,930	1,354,400	Improvement	732,600	732,600	-
\$ 2,350,840	\$ 2,090,462	\$ 1,789,600	System Development Charges Total	\$ 967,900	\$ 967,900	-
11,793	21,821	-	Earnings from investments:	-	-	-
			- Reimbursement	-	-	-
			- Improvement	-	-	-
\$ 11,793	\$ 21,821	\$ -	Earnings from investments Total	\$ -	\$ -	\$ -
Transfer In:						
-	-	-	- From General Fund	-	-	-
	1,450,000	1,788,800	To Reimbursement	1,698,400	1,698,400	-
-	-	4,510,000	To Improvement	1,550,000	1,600,000	50,000
5,762,024	4,320,568	8,088,400	Resources Without Taxes	9,766,300	9,816,300	50,000
\$ 5,762,024	\$ 4,320,568	\$ 8,088,400	TOTAL RESOURCES	\$ 9,766,300	\$ 9,816,300	\$ 50,000
REQUIREMENTS						
Capital Outlay:						
\$ -	\$ -	\$ -	Reimbursement	\$ -	\$ -	\$ -
		4,510,000	Improvement	1,550,000	1,600,000	50,000
\$ -	\$ -	\$ 4,510,000	Capital Outlay Total	\$ 1,550,000	\$ 1,600,000	\$ 50,000
Debt Service:						
75,510	75,510	-	Reimbursement	1,000,000	1,000,000	-
3,151,029	3,151,029	-	Improvement	5,139,120	5,139,120	-
\$ 3,226,539	\$ 3,226,539	\$ -	Transfers Out Total	\$ 6,139,120	\$ 6,139,120	\$ -
Transfers Out:						
-	-	-	- Transfer to General Fund	-	-	-
11,149	11,149	-	- Transfer to Bond Debt Redemption Fund	-	-	-
1,569,951	1,569,951	1,788,800	Reimbursement	1,698,400	1,698,400	-
196,100	196,100	-	Improvement	-	-	-
\$ 1,777,200	\$ 1,777,200	\$ 1,788,800	Transfers Out Total	\$ 1,698,400	\$ 1,698,400	\$ -
758,285	(683,171)	1,789,600	Reserved Future Expenditures	378,780	378,780	-
\$ 5,762,024	\$ 4,320,568	\$ 8,088,400	TOTAL REQUIREMENTS	\$ 9,766,300	\$ 9,816,300	\$ 50,000

**RESERVE FUND
SPECIAL REVENUE FUND - LB 10
RESOURCES AND REQUIREMENTS**

HISTORIAL DATA (ANNUAL)			Description of Resources and Requirements	BUDGET FOR 2020-21		
FY 17-18 ACTUAL	FY 18-19 ACTUAL	FY 20-21 BUDGET		PROPOSED	APPROVED	INCREASE (DECREASE)
RESOURCES						
BEGINNING FUND BALANCE:						
\$ 649,888	\$ 612,177	\$ 400,000	Cash on hand (cash basis):	\$ 615,000	\$ 615,000	\$ -
173,546	185,448	175,000	Lease Revenue	190,000	190,000	-
-	-	-	Miscellaneous	-	-	-
9,624	9,462	10,000	Earnings from investments	10,000	10,000	-
\$ 833,058	\$ 807,087	\$ 585,000	Resources Without Taxes	\$ 815,000	\$ 815,000	\$ -
\$ 833,058	\$ 807,087	\$ 585,000	TOTAL RESOURCES	\$ 815,000	\$ 815,000	\$ -
REQUIREMENTS						
Materials & Services:						
\$ -	\$ -	\$ 40,000	IT and Office Equipment	\$ 55,000	\$ 55,000	\$ -
-	-	10,000	Tools & Equipment	10,000	10,000	-
\$ -	\$ -	\$ 50,000	Capital Outlay Total	\$ 65,000	\$ 65,000	\$ -
Capital Outlay:						
\$ 181,034	\$ 344,704	\$ 45,000	Vehicle Replacement	\$ 150,000	\$ 150,000	\$ -
31,128	-	-	IT and Office Equipment	-	-	-
-	-	-	System Improvements	-	-	-
-	-	-	Tools & Equipment	-	-	-
\$ 212,162	\$ 344,704	\$ 45,000	Capital Outlay Total	\$ 150,000	\$ 150,000	\$ -
Transfers:						
\$ -	\$ -	\$ -	- Transfers to General Fund	\$ -	\$ -	\$ -
Contingency:						
-	-	100,000	Contingency	100,000	100,000	-
\$ -	\$ -	\$ 100,000	Capital Outlay Total	\$ 100,000	\$ 100,000	\$ -
\$ 612,177	\$ 462,383	\$ 400,000	Reserved for Future Expenditures	\$ 500,000	\$ 500,000	\$ -
\$ 824,339	\$ 807,087	\$ 595,000	TOTAL REQUIREMENTS	\$ 815,000	\$ 815,000	\$ -

**REVENUE BOND RESERVE FUND
BONDED DEBT - LB 35
RESOURCES AND REQUIREMENTS**

HISTORICAL DATA (ANNUAL)			Description of Resources and Requirements	BUDGET FOR 2020-2021		INCREASE (DECREASE)
FY 17-18 ACTUAL	FY 18-19 ACTUAL	FY 19-20 BUDGET		PROPOSED	APPROVED	
RESOURCES:						
BEGINNING FUND BALANCE:						
\$ 1,620,879	\$ 1,663,850	\$ 1,700,000	Cash on hand (cash basis)	\$ 1,740,000	\$ 1,740,000	\$ -
16,200	43,206	30,000	Interest	30,000	30,000	-
-	-	-	- Bond Proceeds, from refunding	-	-	-
1,777,200	1,786,800	1,788,800	Transfer From Construction (SDC) Fund	1,698,400	1,698,400	-
-	-	-	- Bond proceeds from Refunding	-	-	-
\$ 3,414,279	\$ 3,493,856	\$ 3,518,800	Resources Without Taxes	\$ 3,468,400	\$ 3,468,400	\$ -
\$ 3,414,279	\$ 3,493,856	\$ 3,518,800	TOTAL RESOURCES	\$ 3,468,400	\$ 3,468,400	\$ -
REQUIREMENTS:						
1,385,000	1,450,000	1,510,000	Principal	1,480,000	1,480,000	-
392,200	336,800	278,800	Interest	218,400	218,400	-
-	-	-	- Retired refunded debt	-	-	-
-	-	-	- Transfer to General Fund	-	-	-
1,637,079	1,707,056	1,730,000	Unappropriated and Reserved	1,770,000	1,770,000	-
\$ 3,414,279	\$ 3,493,856	\$ 3,518,800	TOTAL REQUIREMENTS	\$ 3,468,400	\$ 3,468,400	\$ -

SUPPLEMENT LB-36

HISTORICAL DATA (ANNUAL)			Schedule of Payments	BUDGET FOR 2020-2021		INCREASE (DECREASE)
FY 17-18 ACTUAL	FY 18-19 ACTUAL	FY 19-20 BUDGET		PROPOSED	APPROVED	
BOND PRINCIPAL PAYMENTS						
Issue Date - Payment Date						
\$ 1,385,000	\$ 1,450,000	\$ 1,510,000	Series 2014 3/17	\$ 1,480,000	\$ 1,480,000	\$ -
-	-	-	1999 11/1/09	-	-	-
1,385,000	1,450,000	1,510,000	Total Principal Payments	1,480,000	1,480,000	-
BOND INTEREST PAYMENTS						
392,200	336,800	278,800	Series 2014 10/16 & 3/17	218,400	218,400	-
392,200	336,800	278,800	Total Interest Payments	218,400	218,400	-
TRANSFERS						
-	-	-	- Transfer to General Fund	-	-	-
UNAPPROPRIATED ENDING FUND						
1,637,079	1,707,056	1,730,000	Unappropriated Fund Balance	1,770,000	1,770,000	-
\$ 3,414,279	\$ 3,493,856	\$ 3,518,800	TOTAL REQUIREMENTS	\$ 3,468,400	\$ 3,468,400	\$ -

Glossary of Common Abbreviations

Listed below are some commonly used abbreviations. For additional abbreviations, visit: <http://www.allianceforwaterefficiency.org/Glossary.aspx>

Organizational Abbreviations

AWWA	American Water Works Association
Consortium	Regional Water Providers Consortium (RWPC)
CRBC	Clackamas River Basin Council
CRW	Clackamas River Water
CRWP	Clackamas River Water Providers
CRWSC	Clackamas Regional Water Supply Commission
GASB	Government Accounting Standards Board
GFOA	Government Finance Officers Association
NCCWC	North Clackamas County Water Commission
ODOT	Oregon Department of Transportation
OLWS	Oak Lodge Water Services District
RWPC	Regional Water Providers Consortium
SFWB	South Fork Water Board
SDAO	Special Districts Association of Oregon
SWA	Sunrise Water Authority
WRD	Oregon Water Resources Department

Programs and Other Abbreviations

ADD	Average Day Demand
ASR	Aquifer Storage and Recovery
CCF	100 Cubic Feet
CCI	Construction Cost Index
CCR	Consumer Confidence Report
CIP	Capital Improvement Plan
Connections	Water Service and Fire Standby Meters
ENR	Engineering News Record
ERP	Enterprise Resource Planning
ERU	Equivalent Residential Unit
FTE	Full-Time Equivalent Employee
GIS	Geographic Information System

Glossary (continued)

Programs and Other Abbreviations (continued)

HV ROW	Happy Valley Right of Way
HWY	Highway
IT	Information Technology
LGIP	Local Government Investment Pool
M&S	Materials and Supplies
MCL	Maximum Contaminant Level
MG/MGD	Million Gallons/Million Gallons Per Day
MOU	Memorandum of Understanding
NSF	Non-Sufficient Funds
OPSRP	Oregon Public Service Retirement Plan
ORMS	Oregon Records Management Solution
ORS 190	Statute giving authority for agreements between units of government
PDD	Peak Day Demand
PERS	Public Employee Retirement System
Purple Pipe	Non-Potable Water
SCADA	System Control and Data Acquisition
SDC	System Development Charge
SDWA	Safe Drinking Water Act (Federal)
TMO	Time, Materials and Overhead



RESOLUTION 2020-05

A RESOLUTION ADOPTING FY2020-21 BUDGET AND
AUTHORIZING APPROPRIATIONS

WHEREAS, pursuant to the requirements of ORS Chapter 294, the Board of Commissioners for Sunrise Water Authority is required to adopt the budget and make appropriations for the 2019-20 annual period; and,

WHEREAS, on April 22, 2020, following public notice and meetings thereon, the duly appointed and authorized Budget Committee approved the annual budget proposed for the 2020-21 period, on file at the Authority’s office, and recommended adoption by the Board of Commissioners; and,

WHEREAS, on May 27, 2020, the Board of Commissioners held the Budget Hearing following public notice thereon as required by ORS 294.453.

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF SUNRISE WATER AUTHORITY THAT:

Section 1: The Board of Commissioners of Sunrise Water Authority hereby adopts the annual budget as approved by the Budget Committee for FY 2020-2021 in the total sum of \$28,184,320 now on file at the Authority’s office as required by ORS 294.556.

Section 2: That the amounts for the fiscal year beginning July 1, 2020 and for the purposes shown below are hereby appropriated as follows:

GENERAL FUND

Appropriations:

Personnel Services	\$ 3,688,000
Materials & Services	4,772,000
Capital Outlay	2,975,000
Interfund Transfers	3,298,400
Operating Contingency	<u>2,000,000</u>
Appropriation Total (General Fund)	\$ 16,733,400

(Continued on next page)

CONSTRUCTION (SDC) FUND

Appropriation:	
Capital Outlay	\$1,600,000
Debt Service	\$6,139,120
Interfund Transfers	<u>\$1,698,400</u>
Appropriation Total (Construction (SDC) Fund)	\$9,437,520

RESERVE FUND

Appropriation:	
Materials & Services	\$ 65,000
Capital Outlay	\$150,000
Contingency	<u>\$100,000</u>
Appropriation Total (Reserve Fund)	\$315,000

REVENUE BOND RESERVE FUND

Appropriation:	
Debt Service	\$1,698,400

2019-2020 TOTAL APPROPRIATIONS \$28,184,320

Unappropriated Ending Fund and Reserved for Future Expenditures	<u>\$13,359,500</u>
Total Budget	\$ 28,184,320

Section 3: The General Manager or his designee shall file with Clackamas County and Oregon Department of Revenue information as required by ORS 294.458.

Approval of resolution moved by _____ and seconded by _____.

Adopted by the Board of Commissioners of the Sunrise Water Authority this 22nd day of May 2019, by the following vote:

Ayes _____, Nays _____.

SUNRISE WATER AUTHORITY

Chris Hawes, Chair

Kevin Bailey, Secretary



RESOLUTION 2020-06

A RESOLUTION AUTHORIZING A SERIES OF LOANS IN THE CONSTRUCTION (SDC) FUND TO REIMBURSE THE GENERAL FUND

WHEREAS, the Authority has incurred, or intends to incur, expenditures relating to planned capital improvements (the “Projects”) totaling \$1,600,000 eligible for funding by Improvements Fees collected in the SDC (Construction) Fund; and

WHEREAS, the Authority intends to incur expenditures relating to Bond Debt Payments totaling \$1,698,400 eligible for funding by Reimbursement Fees collected in the SDC (Construction) Fund; and

WHEREAS, sufficient resources may not be available in the Construction (SDC) Fund to meet the desired requirements thus requiring a loan (or series of loans) to be authorized from the General Fund, as allowed under ORS 294.468; and

WHEREAS, the Board of Commissioners desires to periodically repay the General Fund for those loans to the Construction (SDC) Fund; and

THEREFORE BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE SUNRISE WATER AUTHORITY THAT:

1. The following loans at 0% interest shall be authorized from the General Fund to the Construction (SDC) Fund during FY2020-21:

Loan 1: For various Water System Improvements eligible for funding by SDC Improvement Fees as authorized in the Capital portion of the FY2020-21 Construction (SDC) Fund Budget and paid through transfers from the General Fund (and for the amounts shown) as:

Reservoir 11	\$1,300,000
ASR Well	\$200,000
Generator PS 15	\$50,000
<u>Water System Master Plan</u>	<u>\$50,000</u>
Subtotal (as budgeted)	\$1,600,000

Loan 2: For Bond Debt Payments eligible for funding by SDC Reimbursement Fees as authorized in the Debt Service portion of the FY2020-21 Revenue Bond Reserve Fund Budget and paid through transfers from the General Fund (and for the amounts shown) as:

<u>Principle/Interest</u>	<u>\$1,698,400</u>
Subtotal (as budgeted)	\$1,698,400

2. The effective date of this action shall be on July 1, 2020 for the Fiscal Year 2020-21.

An accounting of the actual funds spent on these projects and debt payments (or any other projects or activities) taken up during FY2020-21 will be made after the FY2020-21 books are closed. As of June 30, 2021, the interfund loan will be recorded and reported to the Board of Commissioners along with the accounting of the annual activity within the SDC fund.

GENERAL FUND

Loan receivable from the Construction (SDC) Fund 20-21	\$1,698,400
Loan receivable from the Construction (SDC) Fund 20-21	\$1,600,000*

CONSTRUCTION (SDC) FUND

Loan repayment to General Fund	\$1,698,400
Loan repayment to General Fund	\$1,600,000*

*Subject to actual from FY20-21 audit

Approval of resolution moved by _____ and seconded by _____.

Adopted by the Board of Commissioners of the Sunrise Water Authority this **27th day of May 2020**, by the following vote:

Ayes _____, Nays _____.

SUNRISE WATER AUTHORITY

Chris Hawes, Chair

Kevin Bailey, Secretary