



## **APPROVED BUDGET**

**FISCAL YEAR 2021-2022**

**April 28, 2021**



**TABLE OF CONTENTS**

**Introduction**

Budget Message ..... 1  
Budget Committee ..... 2  
Budget Calendar ..... 3  
Mission, Vision, and Values ..... 4  
Sunrise at a Glance ..... 5

**Overview**

Highlights of Past Year (FY 2020-21) ..... 8  
Plans for Upcoming Year (FY 2021-22) ..... 8  
Significant Elements in This Year’s Budget ..... 9  
Summary of Approved Budget for FY 2021-22 (By Fund) ..... 10  
Summary of Transfers for Approved Budget FY 2021-22 ..... 10  
Summary of Approved Budget for FY 2021-22 (All Funds) ..... 11

**General Fund (Details)**

General Fund Resources ..... 13  
    Water Sales ..... 13  
    Other Operating (Revenue) ..... 13  
    Other Non-Operating (Revenue) ..... 13  
General Fund Requirements ..... 14  
    Personnel Services ..... 15  
    Materials & Services ..... 16  
    Capital Outlay ..... 18  
    Transfers and Other Requirements ..... 18  
    Special Notes ..... 19  
    Summary of Capital Projects ..... 21

**Other Funds**

Construction (SDC) Fund..... 26

Reserve Fund ..... 27

Revenue Bond Reserve Fund..... 28

Summary of Capital Outlay for Construction (SDC) Fund ..... 29

Summary of Capital Outlay for Reserve) Fund ..... 30

**Additional Information**

Repayment Schedule for Revenue Bond(s) ..... 32

Debt Savings by Refinancing 2014 Revenue Bonds ..... 32

Interfund Loan Detail..... 33

Schedule of Water Rates and Service Charges ..... 34

Schedule of SDC Charges ..... 36

**Appendices**

General Fund Resources – LB-20 ..... 38

General Fund Detailed Requirements – LB-31 ..... 39

Construction (SDC) Fund – LB-10 ..... 40

Reserve Fund – LB-10..... 41

Revenue Bond Redemption Fund – LB-35 and LB-36 ..... 42

Glossary of Terms..... 43



## FY 2021-22 BUDGET MESSAGE

Dear Members of the Budget Committee:

Thank you for your participation in the Sunrise Water Authority's FY 2021-22 Budget process. It has been an incredible year. I open my comments with a huge thanks to our staff. Luckily, our staff has in large part been able to avoid infection and remains safely at work via remote procedures. Prior to the pandemic, the organization had been preparing for a major disaster by working towards a model that would allow for continuity of operations in a remote setting. Those efforts proved invaluable during the early stages of the emergency, wherein Sunrise was ready for the challenge long before many of our neighboring cities or special districts. I am proud of staff, their resiliency, and their diligence in continuing to serve our customers throughout this difficult time. It really makes me proud to be in charge of such an effective group of people.

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. To that end, we are in the middle of design and planned construction of a new administrative and field operations facility off SE 172<sup>nd</sup> Avenue.

Our future success is also forged in a commitment to our financial strength while providing high levels of service in a rapidly changing world. Fortunately, the Board has taken a number of important steps that have allowed us to begin executing a unique "pay as you go" strategy with regards to infrastructure financing. The plan allows us to self-fund infrastructure improvements through cash reserves, thus saving the ratepayers millions of dollars in undesired interest charges normally associated with traditional bond financing. To date, we have constructed more than \$16 million of self-funded infrastructure and are preparing to expand this effort over the next decade.

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.

A handwritten signature in black ink, appearing to read "Wade Hathhorn", with a stylized flourish at the end.

Wade Hathhorn  
General Manager

# **BUDGET COMMITTEE**

## **Elected Members**

Chris Hawes, Chair

Andy Coate, Vice-Chair

Kevin Bailey, Secretary

Gary Barth

Kevin O'Meara

Zone 3 - Open

Zone 6 - Open

## **Appointed Members**

Markley Drake

Michael Morrow

Peter Kreft

Diana Helm

Rebecca Brown

Open Position

Open Position

## **General Manager**

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

## **Budget Officer and Finance Director**

Denise E. Bergstrom, CPA

## **Registered Office**

10602 SE 129<sup>th</sup> Avenue

Happy Valley, Oregon 97086

Tel: 503-761-0220

Fax: 503-761-7406

[www.sunrisewater.com](http://www.sunrisewater.com)

**Budget Calendar  
FY 2021-2022**

February 24: Appoint Budget Officer and Approve Calendar

April 28: Budget Committee Meeting (approve proposed budget\*)

May 5: (Optional) 2<sup>nd</sup> Budget Committee Meeting\*\*

May 26: Public Hearing: Adopt Approved\* FY2021-22 Budget

\*Subject to Proposed NCCWC FY2021-22 Budget

\*\*2<sup>nd</sup> 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.

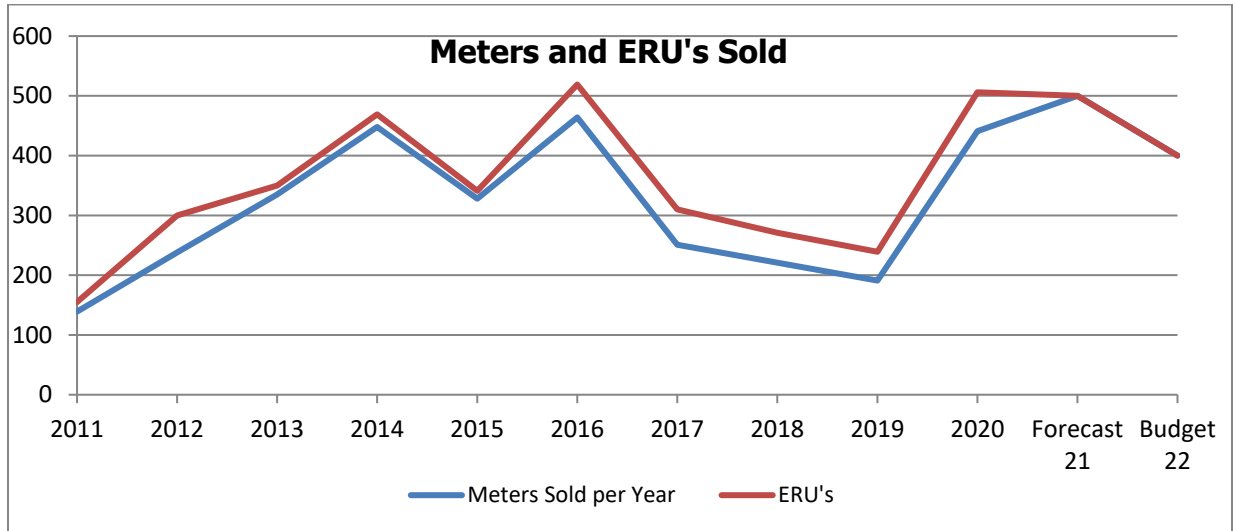
That service territory covers approximately 22 square miles ranging from the northeast corner of Clackamas County, west along the I-205 corridor, south along the state Highway 212/224 corridor, and east into the former city of Damascus. Our customers largely reside within the city of Happy Valley and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

### **OUR CUSTOMER BASE**

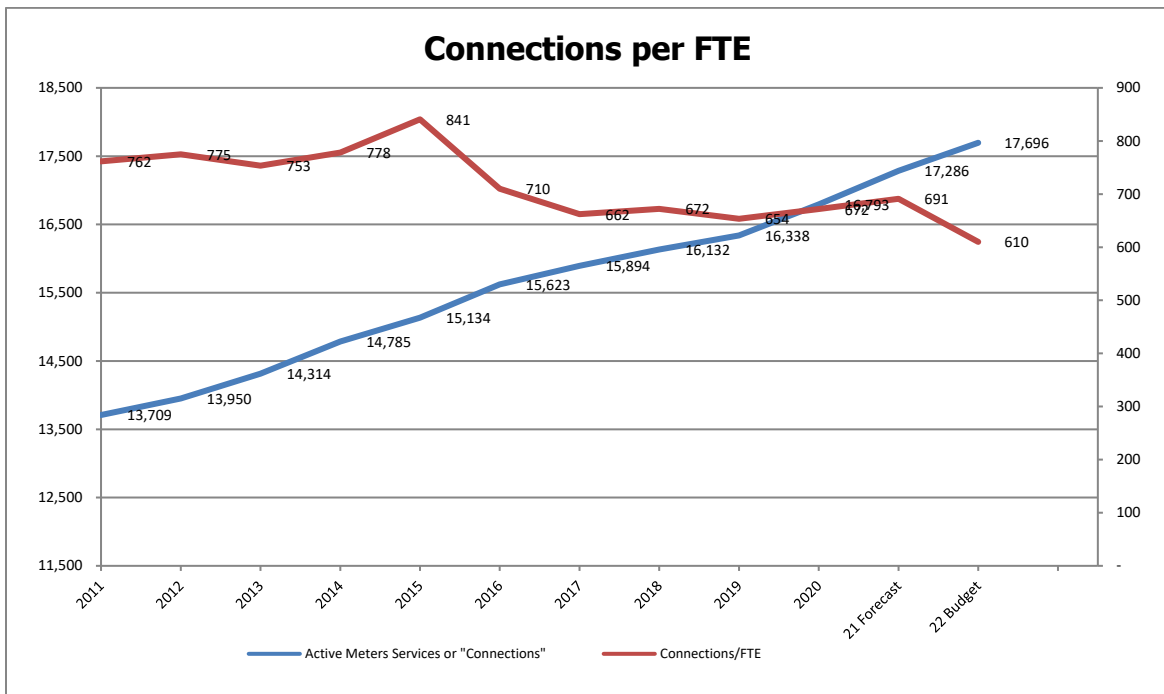
Sunrise serves a population of nearly 50,000 through approximately 17,000 metered connections, comprised mostly of residential and light commercial customers. Our principal customer base includes medical institutions, apartment complexes and other multi-family units, small businesses, schools, shopping 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 506 new ERUs, while similar numbers are projected for this year as we've grown by 375 ERUs through March 2021. By the end of 2021, the total number of ERUs (in service) is forecast to exceed 19,000. The short-term market anticipates a similar expansion of the local housing market. Accordingly, our budget for FY 2021-22 includes a projection of 400 new ERUs.

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 almost 18,000 budgeted 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.



## **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.

Yet, our strengths are in our staff and our finances, along with our continued commitment to serving our customers. Today, the agency continues to grow and as it does it has positioned itself in a unique position of self-finance its planned infrastructure, both in terms of new facilities designed to serve the added customers as well as the renewal and replacement of aging infrastructure. This is being accomplished through a series of interfund loans and repayments between the General Fund and the Construction (SDC) Fund. The end goal is to reduce, even eliminate, the need for future bond (debt) financing related to our infrastructure capital plans. 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. The Board also continues to make revisions to its rates to allow the agency to remain on top of its on-going operational needs, as well as supporting important replacements of key infrastructure.

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

## **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, 14 reservoirs (totaling 21.6 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).

# FY2021-22 Budget Overview

## HIGHLIGHTS OF PAST YEAR (FY 2020-21)

**Some of the highlights of the past fiscal year (2020-21) are as follows:**

- Completion of new 3 million gallon (Zone 6) reservoir (off SE Verlie Street)
- Preparation of architectural and construction plans for the new office facility
- Receipt of Business Oregon Special Public Works Fund loan of \$10,000,000 for construction of administration building
- Water master plan (on-going)
- Board approved rate increase for FY2021-22
- Applied for the Government Finance Association “Certificate of Achievement for Excellence in Financial Reporting” for fiscal year 2019-2020
- Continued key labor and resource sharing with Clackamas River Water (CRW) through the Clackamas Regional Water Supply Commission (CRWSC)

## PLANS FOR UPCOMING YEAR (FY 2021-22)

**During the 2021-22 fiscal year, the Board and Staff will focus efforts on:**

- Break ground on construction of the new office and field operations facility
- Site new ASR well
- Prepare electrical safety plan phase 2 and address required facility improvements
- Hire or replace staff in key positions
- Implement rate adjustments adopted by Board
- Address required federal security plans for system integrity and resilience (disaster recovery)
- Review cloud storage and digital data recovery plan
- Execute key infrastructure renewal and replacement projects

## **SIGNIFICANT ELEMENTS IN THIS YEAR'S BUDGET**

The significant elements of the proposed budget for FY 2021-22 are as follows:

### **General Fund**

- Annual general fund resources are set at \$11.7M based on projected water sales and other operating revenue, as well as non-operating revenue (including notable interest income).
- New accounts include approximately 400 equivalent residential units (ERUs).
- Personnel Services are budgeted at \$3.6M, covering 29 FTEs along with a 5% pool for merit adjustment and bonuses.
- Materials and Services are budgeted at \$5.4 million, including key maintenance and repair activities.
- Capital Expenditures overall are just under \$16.9M, with the majority of this spending on the completion of the administration building (\$15M) supported by a \$10M low-interest loan from the State of Oregon's Special Public Works Fund (SPWF).
- An overall contingency of \$1.5M has been included for the purpose of additional capital projects and M&S. This amount is \$500,000 less than in prior year. These contingent funds can only be spent by formal board authorization through separate resolution.

### **Construction (SDC) Fund**

- The cash discounted System Development Charge (SDC) including published installation is currently \$10,703 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 400 new ERUs provides \$4.12M (including administration fees and discounted installation) in related revenue. The restricted portion of this money, \$4M, 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 and to repay the construction loan from the General Fund. The total repayment of \$9.2M will use cash on hand from FY20-21 SDC fees in addition to the forecast revenue in the FY21-22 budget. After the repayment, the ending interfund loan balance forecast is \$6.9M.

### **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 \$220,000.
- The budget includes \$160,000 of capital for new dump truck and water system equipment; and the same \$65,000 in Materials and Services for IT equipment and tools. Contingency has dropped to \$30,000 this year.

## 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 \$1,535,000 in principal and \$159,200 in interest, totaling \$1,694,200. This debt service will be formally retired in FY2023-24.

### Summary of Approved Budget for Fiscal Year 2021-22 (By Fund)

	General Fund	Construction (SDC) Fund	Reserve Fund	Revenue Bond Reserve Fund	Total
<b>Resources:</b>					
Water Sales	11,030,000				11,030,000
Other Operating	478,000	3,984,800	220,000		4,682,800
Non-Operating	150,000	22,000	4,000	16,000	192,000
SPWF Loan	10,000,000				10,000,000
Loan Payment	9,160,458				9,160,458
Transfers In from Other Funds		2,269,200		1,694,200	3,963,400
<b>Total Resources</b>	<b>30,818,458</b>	<b>6,276,000</b>	<b>224,000</b>	<b>1,710,200</b>	<b>39,028,658</b>
<b>Requirements:</b>					
Personnel Services	3,565,000				3,565,000
Materials & Services	5,379,000		65,000		5,444,000
Capital Outlay	16,940,000	575,000	160,000		17,675,000
Debt Service		9,160,458		1,694,200	10,854,658
Transfer to Other Funds	2,269,200	1,694,200			3,963,400
Contingency	1,500,000		30,000		1,530,000
<b>Total Requirements</b>	<b>29,653,200</b>	<b>11,429,658</b>	<b>255,000</b>	<b>1,694,200</b>	<b>43,032,058</b>
Excess (Deficiency) of					
Revenue over Requirements	1,165,258	(5,153,658)	(31,000)	16,000	(4,003,400)
Beginning Fund Balance	13,600,000	5,961,000	609,000	1,761,000	21,931,000
<b>Ending Fund Balance</b>	<b>14,765,258</b>	<b>807,342</b>	<b>578,000</b>	<b>1,777,000</b>	<b>17,927,600</b>

### Summary of Transfers for Approved Budget FY 2021-22

	Transfers In	Transfers Out
General Fund	\$ -	\$ 2,269,200
Construction (SDC) Fund	2,269,200	1,694,200
Revenue Bond Reserve Fund	1,694,200	-
	<b>\$ 3,963,400</b>	<b>\$ 3,963,400</b>

This somewhat complicated array of transfers between funds (shown above) is created to separately track any new interfund loans between the General Fund and Construction Fund, as well as the annual payment to the Revenue Bond Reserve Fund. 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 for construction of approximately \$.6M to the Construction (SDC) Fund, along with a new interfund loan for the bond payment of approximately \$1.7M. The repayment of nearly \$9.2M to the General Fund is shown in the Debt Service Requirement line of the Construction (SDC) Fund while the receipt of the is shown in the Loan Payment line of the General Fund.

**Summary of Approved Budget for FY 2021-22 (All Funds)**

<b>Resources</b>	<b>FY 19-20 Actual</b>	<b>FY20-21 Forecast</b>	<b>FY 20-21 Adopted Budget</b>	<b>FY 21-22 Approved Budget</b>	<b>% Change from FY 20- 21 Adopted</b>
Beginning Fund Balance	\$ 17,558,644	\$ 19,169,757	\$ 17,920,000	\$ 21,931,000	22.4%
Water Sales	9,911,932	10,300,000	10,500,000	11,030,000	5.0%
System Development Charges	4,824,748	5,035,000	1,042,900	4,121,800	295.2%
Other Operating Resources	323,064	362,000	435,000	561,000	29.0%
Grants/SPWF Loan	-	-	-	10,000,000	N/A
Loan Payment from SDC Fund	-	6,139,120	6,139,120	9,160,458	49.2%
Interest & Non Operating	618,340	437,896	510,000	192,000	-62.4%
Transfers from Other Funds	6,407,074	4,996,800	4,996,800	3,963,400	-20.7%
<b>Total Resources</b>	<b>\$ 39,643,802</b>	<b>\$ 46,440,572</b>	<b>\$ 41,543,820</b>	<b>\$ 60,959,658</b>	<b>46.7%</b>

<b>Requirements</b>	<b>FY 19-20 Actual</b>	<b>FY20-21 Forecast</b>	<b>FY 20-21 Adopted Budget</b>	<b>FY 21-22 Approved Budget</b>	<b>% Change from FY 20- 21 Adopted</b>
Personnel Services	\$ 2,966,436	\$ 3,377,000	\$ 3,688,000	\$ 3,565,000	-3.3%
Materials & Services	4,167,905	4,926,000	4,837,000	5,444,000	12.5%
Capital Outlay	3,943,830	3,407,000	4,725,000	17,675,000	274.1%
Debt Service	1,788,800	7,837,520	7,837,520	10,854,658	38.5%
Special Payments	1,200,000	-	-	-	N/A
Transfer to Other Funds	6,407,074	4,996,800	4,996,800	3,963,400	-20.7%
Contingency	-	-	2,100,000	1,530,000	-27.1%
Unappropriated Ending Fund	19,169,757	21,896,252	13,359,500	17,927,600	34.2%
<b>Total Requirements</b>	<b>\$ 39,643,802</b>	<b>\$ 46,440,572</b>	<b>\$ 41,543,820</b>	<b>\$ 60,959,658</b>	<b>46.7%</b>

# **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 \$11,658,000 for FY 2021-22. This year, the net working capital begins more than \$3.5 million above last year at 13,600,000. Adding to the projected water sales of \$11,130,000 are a \$10,000,000 loan from Business Oregon’s Special Public Works Fund (SPWF) and \$9,160,458 repayment of an interfund loan to the Construction (SDC) Fund, bringing the total resources for FY2021-22 to \$44,418,458. A summary of the total resources is outlined in the table below:

### Summary of Resources

General Fund	Actual 2018-19	Actual 2019-20	Budget 2020-21	Approved 2021-22	Dollar Change	Percent Change
<b>RESOURCES</b>						
Beginning Fund Balance						
Net Working Capital	\$ 19,057,315	\$ 12,855,437	\$ 10,015,000	\$ 13,600,000	\$ 3,585,000	35.8%
Water Sales	10,384,184	9,986,079	10,600,000	11,130,000	530,000	5.0%
Water Discounts	(124,108)	(74,147)	(100,000)	(100,000)		
Other Operating	546,836	944,941	510,000	478,000	(32,000)	-6.3%
Non-Operating	448,612	448,612	280,000	150,000	(130,000)	-46.4%
SPWF Loan	-	-	-	10,000,000	10,000,000	N/A
Interfund Loan	-	-	6,139,120	9,160,458	3,021,338	49.2%
Transfers						N/A
<b>TOTAL RESOURCES</b>	<b>\$ 30,312,839</b>	<b>\$ 24,160,922</b>	<b>\$ 27,444,120</b>	<b>\$ 44,418,458</b>	<b>\$ 16,974,338</b>	<b>61.9%</b>

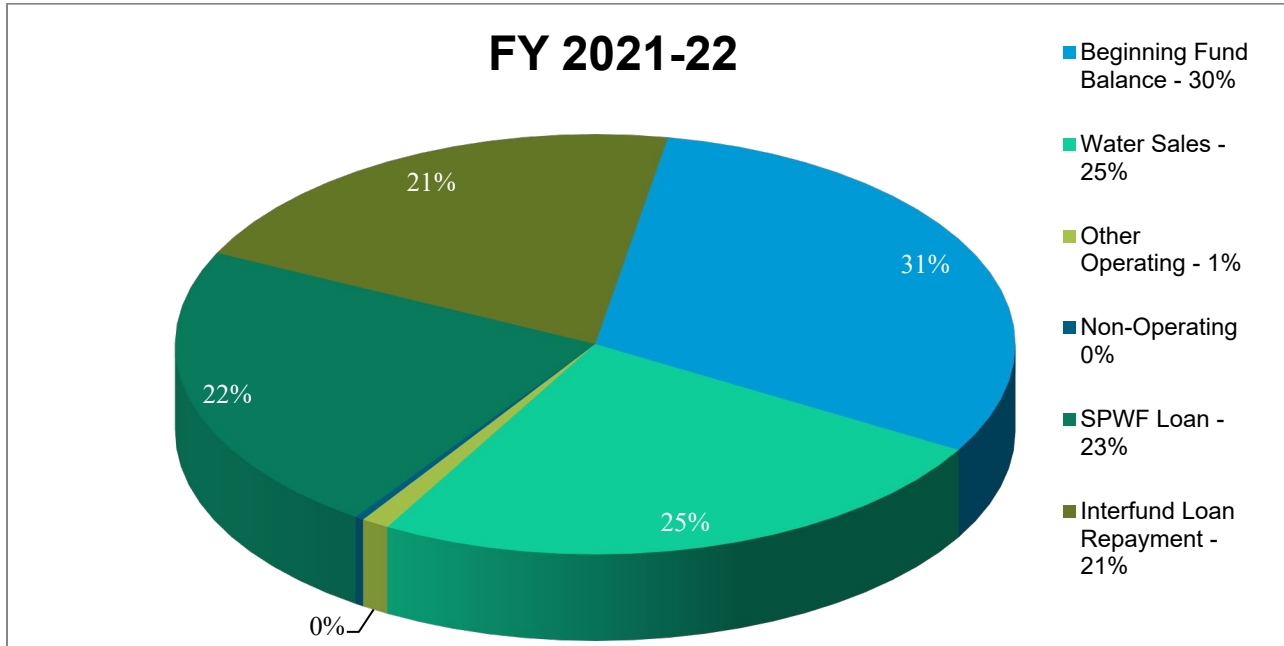
**Water Sales:** The principal form of revenue comes from water sales, including a monthly fixed service charge and variable consumptive use. Consumption revenue often depends on summer time demand, which in turn is driven by the number of “hot” days. This revenue has a history of volatility up to 15% in a given year. A rate hearing was held April 21, 2021 to approve the first water rate and service charge increase since FY2017-18. The proposed budget includes a 5% revenue increase related to the implementation of these new rates and the continuing growth in our customer base. The latter is based on a conservative estimate of projected revenues related to water sales.

**Other Operating (Revenue):** These other 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 is decreased due to the dropping interest rate paid on cash deposited in the State of Oregon’s Local Government Investment Pool.

**Interfund Loan (Revenue):** Is increasing due to significant collections of SDC revenue allowing repayment of previous borrowing.

## Breakdown of General Fund Resources



### GENERAL FUND REQUIREMENTS

With operating expenses for Personnel and Materials and Services set at \$8,944,000 and a capital budget of \$16,940,000, total planned expenditures are \$25,884,000. The requirements also include a contingency of \$1,500,000, along with a transfer to the Construction (SDC) Fund in the form of a new interfund loan of \$2,269,200, leaving an ending fund balance of \$14,765,258 – this is about \$1.2M higher than the beginning fund balance (owed to the \$9.2M loan payment from the Construction Fund). The total requirements of \$44,418,458 are summarized below:

#### Summary of Requirements

General Fund	Actual 2018-19	Actual 2019-20	Budget 2020-21	Approved 2021-22	Dollar Change	Percent Change
<b>REQUIREMENTS</b>						
Personnel Services	\$ 2,680,867	\$ 2,966,436	\$ 3,688,000	\$ 3,565,000	\$ (123,000)	-3.3%
Materials & Services	4,171,588	4,131,644	4,772,000	5,379,000	607,000	12.7%
Capital Outlay	9,267,622	1,070,270	2,975,000	16,940,000	13,965,000	469.4%
Transfers to Other Funds	1,450,000	4,618,274	3,298,400	2,269,200	(1,029,200)	-31.2%
Contingency	-	-	2,000,000	1,500,000	(500,000)	-25.0%
PERS Side Account		1,200,000	-			
Unappropriated Ending Fund Balance	12,855,437	9,596,971	10,710,720	14,765,258	4,054,538	37.9%
<b>TOTAL REQUIREMENTS</b>	<b>\$ 30,425,514</b>	<b>\$ 23,583,595</b>	<b>\$ 27,444,120</b>	<b>\$ 44,418,458</b>	<b>\$ 16,974,338</b>	<b>61.9%</b>

**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 2018-19	Actual 2019-20	Budget 2020-21	Approved 2021-22	Dollar Change	Percent Change
Administration	\$ 354,956	\$ 437,160	\$ 450,000	\$ 387,000	\$ (63,000)	-14.0%
Technical Services	511,350	479,444	739,000	658,000	(81,000)	-11.0%
Field Operations	483,296	535,334	667,000	805,000	138,000	20.7%
Business Operations	457,885	540,945	503,000	500,000	(3,000)	-0.6%
Other Salaries & Wages	11,860	12,361	13,000	15,000	2,000	15.4%
Subtotal Salary & Wages	1,819,347	1,819,347	2,372,000	2,365,000	(7,000)	-0.3%
Taxes & Benefits	861,520	961,192	1,316,000	1,200,000	(116,000)	-8.8%
<b>TOTAL PERSONNEL SERVICES</b>	<b>\$ 2,680,867</b>	<b>\$ 2,780,539</b>	<b>\$ 3,688,000</b>	<b>\$ 3,565,000</b>	<b>\$ (123,000)</b>	<b>-3.3%</b>

- Salaries and Wages are budgeted for 29 full time equivalents (FTEs). This is the same number as last year.
- Payroll resources have been re-allocated among the four functional areas: Administration (3 FTEs), Business Operations (7 FTEs), Field Operations (12 FTEs), and Technical Services (7 FTEs).
- Last year, staff forgo merit increases (and bonuses) in turn for Sunrise paying their 6% contribution to the PERS Individual Account (IAP).
- A pool of 5 percent has been set aside for current year salary (merit) increases and bonus.
- Sunrise's contribution to PERS decreased by approximately 10% mostly related to the PERS Employer Rate Relief achieved from the Side Account investment made in December 2019.
  - Sunrise's contribution to PERS is 9.49% (instead of prior year 17.94%) and OPSRP 8.2% (instead of prior year 17.91%).
- Other benefit increases net against this savings for an 8.8% decrease in taxes & benefits.
- The overall budget decrease of 3.3% is a combination of the 8.8% benefit decrease and the .3% salary decrease.
- Employee benefits include medical/dental/vision, disability, and life insurance benefits; boot and logo apparel allowances for approved employees; and worker's compensation insurance.
- Employees contribute 1.5 percent of their salary toward the benefit costs.

**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 2018-19	Actual 2019-20	Budget 2020-21	Approved 2021-22	Dollar Change	Percent Change
Water Purchases	\$ 1,810,975	\$ 1,795,271	\$ 2,000,000	\$ 2,270,000	\$ 270,000	13.5%
Electricity & Natural Gas	453,280	417,842	462,000	530,000	68,000	14.7%
System & Equipment Maintenance					-	
Infrastructure Abandonment	326,774	8,453	-	-	-	
Infrastructure Maintenance	284,500	481,302	735,000	757,000	22,000	3.0%
Equipment Maintenance	101,349	74,067	88,000	91,000	3,000	3.4%
System Contract Services	109,647	90,299	93,000	96,000	3,000	3.2%
Subtotal System & Equip Maint	822,270	654,121	916,000	944,000	28,000	3.1%
Professional Services	95,144	132,592	128,000	132,000	4,000	3.1%
Contract Services		5,300	-	200,000	200,000	100.0%
Office Expenses						
Property Insurance	68,030	70,297	75,000	77,000	2,000	2.7%
Merchant, Bank & Fees	131,029	172,411	172,000	177,000	5,000	2.9%
Billing and IT Services	156,550	211,965	233,000	240,000	7,000	3.0%
Supplies and Postage	136,025	120,108	121,000	125,000	4,000	3.3%
Building & Shop Maintenance	21,119	30,517	37,000	38,000	1,000	2.7%
Safety & Community	22,050	9,680	72,000	74,000	2,000	2.8%
Subtotal Office Expense	534,803	614,978	710,000	731,000	21,000	3.0%
Education, Training and Dues	120,301	123,272	183,000	188,000	5,000	2.7%
Board of Commissioners	6,769	5,557	16,000	16,000	-	0.0%
HV ROW Fee	216,401	252,946	220,000	227,000	7,000	3.2%
CRWSC	111,645	129,765	137,000	141,000	4,000	2.9%
<b>TOTAL MATERIALS &amp; SERVICES</b>	<b>\$ 4,171,588</b>	<b>\$ 4,131,644</b>	<b>\$ 4,772,000</b>	<b>\$ 5,379,000</b>	<b>\$ 607,000</b>	<b>12.7%</b>

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

- Water Purchases:** Water is purchased from two primary sources: North Clackamas County Water Commission (NCCWC) and Clackamas River Water (CRW). This year's purchases from the NCCWC are up 20% over prior year mostly due to demand in the late summer of 2020, while purchases from CRW remain steady under a fixed volume contract. The continued growth in customer base is expected to increase projected demand. In addition, next year a 3% cost increase is forecast by the NCCWC and CRW, resulting in an overall projected increase in water purchase cost of 13.5%.
- Electricity & Natural Gas:** includes all utility costs for pump stations, generators, wells, office, and other facilities. As our demand for water increases, so does our need for electricity. Hence, utility purchases are expected to increase by a 10% increase in demand, along with a 4.6% PGE rate increase announced February 26, 2021.
- System & Equipment Maintenance:** includes maintenance related items for water distribution infrastructure, field equipment, and vehicles. The expenditures here have increased over the past couple of years, largely owed to increased replacement of meters and expanded maintenance for hydrants, valves, and other equipment.

- **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:** This year \$200,000 has been added in support of consulting services for use in engineering and administrative services.
- **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 \$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 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 FY2021-22 is budgeted at \$16,940,000. A general summary of those planned expenditures is outlined below:

CAPITAL OUTLAY	Actual 2018-19	Actual 2019-20	Budget 2020-21	Approved 2021-22	Dollar Change	Percent Change
System Improvements					-	N/A
Improvements	\$ 6,517,389	\$ -	\$ -	\$ -	-	N/A
Repair and Replacement	1,610,733	761,830	1,125,000	1,545,000	420,000	37.3%
Studies and Other	11,243	788	185,000	185,000	-	0.0%
Buildings	18,297	164,471	1,515,000	15,000,000	13,485,000	890.1%
Meters/ServicesHydrants	205,692	143,182	150,000	210,000	60,000	40.0%
Land	904,269	-	-	-	-	N/A
Tools & Equipment	-	-	-	-	-	N/A
<b>TOTAL CAPITAL OUTLAY</b>	<b>\$ 9,267,622</b>	<b>\$ 1,070,271</b>	<b>\$ 2,975,000</b>	<b>\$ 16,940,000</b>	<b>\$ 13,965,000</b>	<b>469.4%</b>

This year's capital budget includes a \$15,000,000 appropriation for the construction of a new administrative and field operations facility on property owned by Sunrise located off SE 172<sup>nd</sup> Avenue (and SE Armstrong Circle). In addition, there are \$1,545,000 of planned renewal and replacements projects, along with \$185,000 of new studies and \$210,000 for 400 new services and 5 new hydrants. Detailed descriptions of the Capital Projects are included at the end of this section.

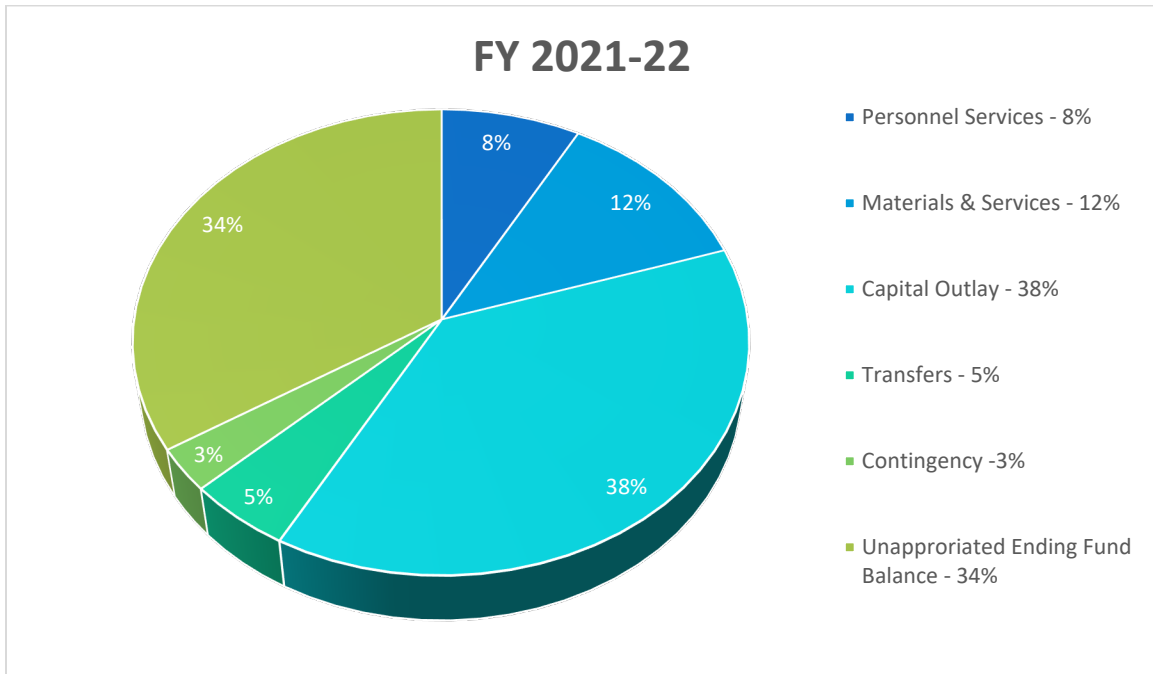
**Transfers and Other Requirements:** Other requirements include transfers, contingency and unappropriated ending fund balance.

OTHER REQUIREMENTS	Actual 2018-19	Actual 2019-20	Budget 2020-21	Approved 2021-22	Dollar Change	Percent Change
Special Payments	\$ -	\$ 1,200,000	\$ -	\$ -	\$ -	N/A
Transfer (out)						
To SDC (Construction) Fund	1,450,000	4,618,274	3,298,400	2,269,200	(1,029,200)	-31.2%
Contingency	-	-	2,000,000	1,500,000	(500,000)	-25.0%
Unappropriated Ending Fund Balance	12,855,437	9,596,971	10,710,720	14,765,258	4,054,538	37.9%
<b>TOTAL OTHER REQUIREMENTS</b>	<b>\$ 14,305,437</b>	<b>\$ 15,415,245</b>	<b>\$ 16,009,120</b>	<b>\$ 18,534,458</b>	<b>\$ 2,525,338</b>	<b>15.8%</b>

- **Transfers:** to the SDC (Construction) Fund totaling approximately \$2.3M are composed of two parts: \$.6M to pay for on-going capacity increases with our Class 50 ductile iron replacement projects 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 - \$1,000,000**  
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:** Several years ago, Sunrise made a management decision to increase its cash reserves in order to pay for planned SDC eligible capital, exclusive of future debt

service – invoking what is referred to as a “pay as you go” strategy. The idea is to avoid paying millions of dollars in future interest charges from rates. The tactical aspect of this approach leads to a series of interfund loans from the General Fund to the Construction (SDC) Fund, with subsequent repayment. A summary of those transactions is listed below:

- 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, 152<sup>nd</sup> Avenue Reservoir and several other lesser projects.
- 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 recorded to the reimbursement component as partial payment of the annual debt service.
- FY2019-20, a third series of loans was recorded composed of \$2.9M in improvements and \$1.79M to reimbursements.
- FY2020-21, a fourth series of loans is pending totaling \$3.3M composed of \$1.6M in improvement and \$1.7M in reimbursement. A \$6.1M repayment was also recorded for the first and second series of loans.
- FY2021-22, a fifth series of loans will be issued totaling \$2.3M composed of \$.6M 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. A repayment of \$9.2M is also planned to repay all loans earlier than FY 2019-2020. The remaining balance owed to the General Fund is just under \$6.9M, as summarized below:

Interfund Loans to Construction (SDC) Fund			
	Reimbursements	Improvement	Total
Balance from Prior Year	\$ 3,937,200	\$ 9,895,205	\$ 13,832,405
Advances	1,694,200	575,000	2,269,200
Repayments	(2,738,800)	(6,421,658)	\$ (9,160,458)
<b>BALANCE DUE</b>	<b>\$ 2,892,600</b>	<b>\$ 4,048,547</b>	<b>\$ 6,941,147</b>

- **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 \$1.7 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 1.59 (minimum required is 1.0 without SDCs) and with SDC revenue included this ratio increases to 3.94 (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 - \$1,545,000

#### Mather Road Pump Station Rehabilitation

Recommended repairs will be scoped, designed, and installed to the Mather Road pump station. This work will include an overhaul of the electrical and control systems, including new motorized control center (MCC) and electrical panels, along with the replacement of pump and motor(s) and the addition of variable frequency drive(s) and a 300-kW back-up natural gas generator.

<b>FY 2021-22 Budget</b>	<b>\$500,000</b>
SDC Eligible:	<b>0%</b>

#### Class 50 Ductile Iron Replacement SE Mt. Scott Blvd.

Replace 1,500 feet of 12-inch ductile iron Class 50 pipe along SE Mt. Scott Blvd. between SE 29<sup>th</sup> and SE Greiner. This pipeline segment has observed evidence of advanced corrosion and needs replaced. Work to include design (consultant), bid and construction.

Project Estimate	\$500,000
SDC Eligible:	<b>40%</b>
<b>FY2021-22 Budget</b>	<b>\$300,000</b>

#### Pipeline Extension and Replacement SE High Ridge Ct. and SE Dogwood Ln.

Install approximately 1,150 feet of 8-inch ductile iron main. This project will: (1) create an important connection between SE High Ridge Ct. and SE Dogwood Ln., allowing for improved area fire service and (2) replace a deteriorated section of cast iron pipe. Cost sharing on the project is being negotiated with private development. Work to include design, bid and construction.

Project Estimate	\$250,000
SDC Eligible:	<b>50%</b>
<b>FY2021-22 Budget</b>	<b>\$125,000</b>

**Class 50 Ductile Iron Replacement SE 118<sup>th</sup> Drive.**

Replace 600 feet of 8-inch ductile iron Class 50 pipe along SE 118<sup>th</sup> Drive. This pipeline has evidence of advanced corrosion and needs replaced. Work to include design (consultant), bid and construction.

**FY 2021-22 Budget \$250,000**  
SDC Eligible: **0%**

**Rehabilitate Electrical System at Well 2W**

Design and install electrical system upgrades at Well 2W. This is the existing ASR well that resides in a subgrade vault that was flooded a few years ago.

**FY2021-22 Budget \$250,000**  
SDC Eligible: **0%**

**Replace Poly Services on SE Menser Ct**

These are 1970 vintage poly water services that have been prone to leaking and maintenance issues. The service lines for 14 homes will be replaced with new copper services.

**FY2021-22 Budget \$35,000**  
SDC Eligible: **0%**

**Sunridge Pneumatic Pressure Zone Rehabilitation**

This pneumatic booster pump 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 Forecast \$30,000  
**FY 2021-22 Budget \$50,000**  
Total \$80,000  
SDC Eligible: **0%**

**Replace Back-Up Power at Elevated Tank**

The 35-kW natural gas generator at the Elevated Tank needs replaced and related controls upgraded. Work includes scoping, limited design and installation.

**FY2021-22 Budget \$35,000**  
SDC Eligible: **0%**

## Studies and Other Improvements - \$185,000

### Electrical Safety Study (Phase 2)

The second phase of a study is being conducted on the 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 to include the remaining 12 sites. This is not eligible for SDC improvement funds.

FY 2019-20 Actual	\$ 25,507
FY 2020-21 Forecast	\$ 75,000
<b>FY 2021-22 Budget</b>	<b><u>\$150,000</u></b>
Total budget	\$250,000
SDC Eligible:	0%

### Sunridge 2 Tank Repair Study

The 1-million gallon concrete tank built in 1970 has a crack halfway up the structure, preventing full operation. A study will be conducted to assess the feasibility and options for repair.

<b>FY 2021-22</b>	<b>\$35,000</b>
SDC Eligible:	0%

## Buildings - \$15,000,000

### Administrative and Operations Building Property

Plans are underway to build a new office and operations facility off SE 172<sup>nd</sup> Avenue (agency owned property). Land use and partition work done in 2017-18. Design and construction documents are in process. Construction scheduled from July 2021 through September 2022.

Budget:	
FY 2017-18 Actual	\$ 80,922
FY 2018-19 Actual	\$ 13,330
FY 2019-20 Actual	\$ 105,748
FY 2020-21 Forecast	\$ 1,500,000
<b>FY 2021-22 Budget</b>	<b><u>\$15,000,000</u></b>
FY 2022-23 Forecast	<u>\$ 300,000</u>
Total budget	\$17,000,000
SDC Eligible:	0%

## Meters and Hydrants - \$210,000

### New Services

Meters and service equipment for estimated 400 new (ERU) connections.

<b>FY2020-21 Budget</b>	<b>\$160,000</b>
SDC Eligible:	0%

### Hydrant Program

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

<b>Budget FY2020-21</b>	<b>\$50,000</b>
SDC Eligible:	0%

## Contingency Projects - \$1,000,000

### 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.

FY2020-21Actual	\$0
<b>FY2021-22 Budget</b>	<b>\$500,000</b>
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.

FY2020-21Actual	\$0
<b>FY2021-22 Budget</b>	<b>\$500,000</b>
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 2018-19	Actual 2019-20	Budget 2020-21	Approved 2021-22	Dollar change	Percent Change
<b>RESOURCES</b>						
Beginning Fund Balance						
Reimbursement	\$ 278,055	\$ 449,102	\$ 1,050,000	\$ 1,858,000	808,000	N/A
Improvement	480,230	2,084,666	4,500,000	4,103,000	(397,000)	N/A
System Development Charges						
Reimbursement	514,532	1,124,826	235,300	968,400	733,100	311.6%
Improvement	1,575,930	3,501,217	732,600	3,016,400	2,283,800	311.7%
Interest Earning	21,821	79,154	-	22,000	22,000	N/A
Transfers In						
Transfers from General Fund to Reimbursement	1,450,000	1,788,800	1,698,400	1,694,200	(4,200)	-0.2%
Transfers from General Fund to Improvement	-	2,829,474	1,600,000	575,000	(1,025,000)	-64.1%
<b>TOTAL RESOURCES</b>	<b>\$ 4,320,568</b>	<b>\$ 11,857,239</b>	<b>\$ 9,816,300</b>	<b>\$ 12,237,000</b>	<b>\$ 2,420,700</b>	<b>24.7%</b>
<b>REQUIREMENTS</b>						
Capital Outlay						
Reimbursement			-	-	-	N/A
Improvement			1,600,000	575,000	(1,025,000)	-64.1%
Debt Payment						
Reimbursement	-	-	1,000,000	2,738,800	1,738,800	N/A
Improvement	-	-	5,139,120	6,421,658	1,282,538	N/A
Transfers to Other Funds						N/A
Transfer to Rev Bond Reserve	-	-	-	-	-	N/A
Reimbursement	1,786,800	1,786,800	1,698,400	1,694,200	(4,200)	-0.2%
Improvement			-	-	-	N/A
Contingency			-	425,000	425,000	N/A
Reserve for Future Expenditures						N/A
Reimbursement	449,102	449,102	285,300	109,600	(175,700)	-61.6%
Improvement	2,084,666	2,084,666	93,480	272,742	179,262	191.8%
<b>TOTAL REQUIREMENTS</b>	<b>\$ 4,320,568</b>	<b>\$ 4,320,568</b>	<b>\$ 9,816,300</b>	<b>\$ 12,237,000</b>	<b>\$ 2,420,700</b>	<b>24.7%</b>

- Resources:** include SDC revenue for 400 new meters (ERUs) – totaling \$3.98M of which about 24% is reimbursable fee and 76% improvement fee; also includes two transfers in from the General Fund - \$1.69M as reimbursable fee for the purpose of paying the annual debt service and \$.6M as improvement fee for new capital. Note: Due to this year’s strong meter sales, the estimate of 400 new meters (ERUs) in this year’s budget is matched to the expense of 400 new meters this year instead of being

purposefully conservative and equating to 50% of the annual debt service as we usually budget.

- **Capital Outlay:** \$.6M for new projects. A summary of those projects is provided at the end of this section.
- **Debt Payment:** \$9.2M to the General Fund to repay existing interfund loans.
- **Transfers:** \$1.69M to the Revenue Bond Reserve Fund (to pay the annual debt service).

### Reserve Fund

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. 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.

Reserve Fund	Actual 2018-19	Actual 2019-20	Budget 2020-21	Approved 2021-22	Dollar change	Percent Change
<b>RESOURCES</b>						
Beginning Fund Balance	\$ 612,177	\$ 612,177	\$ 615,000	\$ 609,000	\$ (6,000)	-1.0%
Lease Revenue	185,448	185,448	190,000	220,000	30,000	15.8%
Interest	9,462	9,462	10,000	4,000	(6,000)	-60.0%
Miscellaneous	-	-	-	-	-	N/A
<b>TOTAL RESOURCES</b>	<b>807,087</b>	<b>807,087</b>	<b>815,000</b>	<b>833,000</b>	<b>18,000</b>	<b>2.2%</b>
<b>REQUIREMENTS</b>						
<b>Materials &amp; Services</b>						
IT and Office Equipment	-	-	55,000	55,000	-	0.0%
Tools & Equipment	-	-	10,000	10,000	-	0.0%
<b>Total Materials &amp; Services</b>	<b>-</b>	<b>-</b>	<b>65,000</b>	<b>65,000</b>	<b>-</b>	<b>N/A</b>
<b>Capital Outlay</b>						
Vehicle Replacement	\$ 344,704	\$ 344,704	\$ 197,000	\$ 80,000	\$(117,000)	-59.4%
IT and Office Equipment	-	-	-	-	-	N/A
Tools & Equipment	-	-	-	80,000	80,000	N/A
Water System Equipment	-	-	-	-	-	N/A
<b>Total Capital Outlay</b>	<b>344,704</b>	<b>344,704</b>	<b>197,000</b>	<b>160,000</b>	<b>(37,000)</b>	<b>-18.8%</b>
Contingency			53,000	30,000	(23,000)	-43.4%
Reserve for Future Expenditures	462,383	462,383	500,000	578,000	78,000	15.6%
<b>TOTAL REQUIREMENTS</b>	<b>807,087</b>	<b>807,087</b>	<b>815,000</b>	<b>833,000</b>	<b>18,000</b>	<b>2.2%</b>

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

- **Materials & Services:** includes \$55,000 for replacement of computers, field tablets or servers; \$10,000 for Tools is for items needed by field operations.
- **Capital:** includes \$80,000 to replace the small dump truck and \$80,000 for water system equipment.
- **Contingency:** A contingency of \$30,000 is included in this year's budget. The amount has been reduced from prior year's \$100,000 contingency since only 15% of fund balance can be accessed without a supplemental budget. Contingency 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 2018-19	Actual 2019-20	Budget 2020-21	Approved 2021-22	Dollar change	Percent Change
<b>RESOURCES</b>						
Beginning Fund Balance	\$ 1,663,850	\$ 1,663,850	\$ 1,740,000	\$ 1,761,000	\$ 21,000	1.2%
Interest Earnings	43,206	43,206	30,000	16,000	\$ (14,000)	-46.7%
Transfer From Construction (SDC) Fund	1,786,800	1,786,800	1,698,400	1,694,200	\$ (4,200)	-0.2%
<b>TOTAL RESOURCES</b>	<b>\$ 3,493,856</b>	<b>\$ 3,493,856</b>	<b>\$ 3,468,400</b>	<b>\$ 3,471,200</b>	<b>\$ 2,800</b>	<b>0.1%</b>
<b>REQUIREMENTS</b>						
Debt Service						
Prinicipal						
Series 2014	\$ 1,450,000	\$ 1,450,000	\$ 1,480,000	\$ 1,535,000	\$ 55,000	3.7%
Interest						
Series 2014	336,800	336,800	218,400	159,200	\$ (59,200)	-27.1%
Transfers to Other Funds						
Unappropriated Fund Balance	1,707,056	1,707,056	1,770,000	1,777,000	\$ 7,000	0.4%
<b>TOTAL REQUIREMENTS</b>	<b>\$ 3,493,856</b>	<b>\$ 3,493,856</b>	<b>\$ 3,468,400</b>	<b>\$ 3,471,200</b>	<b>\$ 2,800</b>	<b>0.1%</b>

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) - \$575,000

#### 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 and beginning the pre-design of a new well and related system components.

FY 2021-22 Forecast	\$ 0
<b>FY 2021-22 Budget</b>	<b>\$ 250,000</b>
FY Future Budget	<u>\$ 750,000</u>
Total budget	\$1,000,000
SDC Eligible:	<b>100%</b>

#### Class 50 Ductile Iron Replacement SE Mt. Scott Blvd.

Replace 1,500 feet of 12-inch ductile iron Class 50 pipe along SE Mt. Scott Blvd. between SE 29<sup>th</sup> and SE Greiner. This pipeline segment has observed evidence of advanced corrosion and needs replaced. Work to include design (consultant), bid and construction.

FY 2021-22 Budget	\$500,000
SDC Eligible:	<b>40%</b>
<b>SDC Fund FY2021-22 Budget</b>	<b>\$200,000</b>

#### Pipeline Extension and Replacement SE High Ridge Ct. and SE Dogwood Ln.

Install approximately 1,150 feet of 8-inch ductile iron main. This project will: (1) create an important connection between SE High Ridge Ct. and SE Dogwood Ln., allowing for improved area fire service and looping and (2) replace a deteriorated section of cast iron pipe along SE Dogwood Lane. Cost sharing on the project is being negotiated with private development. Work to include design, bid and construction.

FY 2021-22 Budget	\$250,000
SDC Eligible:	<b>50%</b>
<b>SDC Fund FY2021-22 Budget</b>	<b>\$125,000</b>

# Summary of Capital Outlay for Reserve Funds

## Tools & Equipment - \$80,000

### 175 kW Portable Generator

Plan is to find and purchase a used 175kW portable generator for emergency preparedness.

**FY2021-22 Budget**    **\$60,000**  
SDC Eligible:            **0%**

### Inverters

To purchase and install up to 6 new inverters.

**FY2021-22 Budget**    **\$20,000**  
SDC Eligible:            **0%**

## Vehicles - \$80,000

### Dump Truck

Plan is to purchase a new dump truck to enable retirement of our small dump truck.

**FY2021-22 Budget**    **\$80,000**  
SDC Eligible:            **0%**

## **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
<b>2021-22</b>	<b>1,535,000</b>	<b>159,200</b>	<b>1,694,200</b>
2022-23	1,595,000	97,800	1,692,800
2023-24	850,000	17,000	867,000
<b>TOTALS</b>	<b>\$ 8,420,000</b>	<b>\$ 1,108,000</b>	<b>\$ 9,528,000</b>

### 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
<b>Total</b>	<b>\$ 20,056,758</b>	<b>\$ 17,785,368</b>	<b>\$ 2,271,390</b>

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						
		Loan Due Date	Reimbursement	Improvement	Annual Total	Running Total
Advance	FY 2007-2008			\$ 366,456	\$ 366,456	\$ 366,456
Advance	FY 2008-2009			225,000	225,000	591,456
Advance	FY 2009-2010			1,495,387	1,495,387	2,086,843
Advance	FY 2010-2011			1,375,396	1,375,396	3,462,239
Advance	FY 2011-2012			414,300	414,300	3,876,539
Advance	FY 2012-2013			350,000	350,000	4,226,539
Repay	FY 2016-2017			(1,000,000)	(1,000,000)	3,226,539
Repay	FY 2017-2018			(3,226,539)	(3,226,539)	-
Advance	FY 2017-2018			3,139,120	3,139,120	3,139,120
Repay	FY 2020-2021			(3,139,120)	(3,139,120)	-
Advance	FY 2018-2019	2029	1,450,000	7,421,658	8,871,658	8,871,658
Repay	FY 2020-2021		(1,000,000)	(2,000,000)	(3,000,000)	5,871,658
Repay	FY21-22 Budget		(450,000)	(5,421,658)	(5,871,658)	-
Advance	FY 2019-2020	2030	1,788,800	2,873,547	4,662,347	4,662,347
Repay	FY21-22 Budget		(1,788,800)	(1,000,000)	(2,788,800)	1,873,547
Advance	FY20-21 Pending	2031	1,698,400	1,600,000	3,298,400	5,171,947
Advance	FY21-22 Budget		1,694,200	575,000	2,269,200	7,441,147
Repay	FY21-22 Budget		(500,000)	-	(500,000)	6,941,147
<b>BALANCE DUE GENERAL FUND</b>			<b>\$ 2,892,600</b>	<b>\$ 4,048,547</b>		<b>\$ 6,941,147</b>

## SCHEDULE OF RATES AND CHARGES

**Implemented 6-30-17**

### Residential

Frequency	Meter Size	Service Charge	Tier I \$1.75	Tier II \$2.50	Tier III \$2.80	Tier IV \$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 \$2.35	Tier II \$2.60	Tier III \$2.85	Tier IV \$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.

# SCHEDULE OF RATES AND CHARGES

**Implemented 7-1-21**

## Residential

Existing Rates		Proposed Rates	
Tier (Units)	Rate/Unit	Tier (Units)	Rate/Unit
0-4	\$1.75	0-10	\$2.50
5-10	\$2.50	11-20	\$3.00
11-16	\$2.80	21+	\$3.50
17+	\$3.20		

\*1 Unit of Water = 100 cubic feet or 748 gallons

It's been three years since our last increase. These changes will only add \$3 per month to the average monthly bill (10 units). After this initial adjustment, future increases will be limited to not more than 5% annually on both the service charge and water rates from the start of 2022 through 2024.

\*Monthly service charge based on AWWA ERU equivalency.

## Non-residential

### Non-residential Water Rates

Meter Size	Existing Rates				Proposed Rates		
	Tier 1	Tier 2	Tier 3	Tier 4	Tier 1	Tier 2	Tier 3
	\$2.35	\$2.60	\$2.85	\$3.20	\$2.50	\$3.00	\$3.50
5/8"	0-15	16-30	31-45	46+	0-20	21-40	41+
1"	0-38	39-75	76-11	114+	0-50	51-100	101+
2"	0-120	121-240	241-360	361+	0-160	161-320	321+
4"	0-375	376-750	751-1125	1126+	0-500	501-1000	1001+
6"	0-750	751-1500	1501-2250	2251+	0-1000	1001-2000	2001+
8"	0-1200	1201-2400	2401-3600	3601+	0-1600	1601-3200	3201+

\*The numbers listed under the "Tier" columns represents the units of water by each meter size.  
 \*\*1 unit of water = 100 cubic feet or 748 gallons

It's been three years since our last increase. After this initial adjustment, future increases will be limited to not more than 5% annually on both the service charge and water rates from the start of 2022 through 2024.

Adopted April 21, 2021;  
 Formalized by Resolution #2021-03

**SYSTEM DEVELOPMENT CHARGES****CREDIT CARD****AS OF FEBRUARY 15, 2021****PLUS****STANDARD METER INSTALLATION CHARGES****AS OF FEBRUARY 15, 2021**

METER SIZE	INSTALL CHARGE	ERU	REIMBURSEMENT CHARGE	IMPROVEMENT CHARGE	Admin Fee	TOTAL	GALLONS PER MINUTE
5/8 x 3/4	\$700	1.0	\$2,494	\$7,766	\$43	\$11,003	15-20
Full 3/4"	\$700	1.5	\$3,741	\$11,648	\$65	\$16,154	30
1"	\$800	2.5	\$6,235	\$19,414	\$108	\$26,557	50
1 1/2"	\$800	5.0	\$12,470	\$38,830	\$215	\$52,315	100
2"	\$1,000	8.0	\$19,952	\$62,128	\$344	\$83,424	160
3"	\$2,400	15.0	\$37,410	\$116,490	\$645	\$156,945	
4"	\$3,000	25.0	\$62,350	\$194,150	\$1,075	\$260,575	
6" *		50.0	\$124,700	\$388,300	\$2,150		
8" *		80.0	\$199,520	\$621,280	\$3,440		
10" *		115.0	\$286,810	\$893,090	\$4,945		

**SYSTEM DEVELOPMENT CHARGES****with CASH DISCOUNT****AS OF FEBRUARY 15, 2021****PLUS****STANDARD METER INSTALLATION CHARGES****AS OF FEBRUARY 15, 2021**

METER SIZE	INSTALL CHARGE	ERU	REIMBURSEMENT CHARGE	IMPROVEMENT CHARGE	Admin Fee	TOTAL	GALLONS PER MINUTE
5/8 x 3/4	\$700	1.0	\$2,421	\$7,539	\$43	\$10,703	15-20
Full 3/4"	\$700	1.5	\$3,631	\$11,308	\$65	\$15,704	30
1"	\$800	2.5	\$6,052	\$18,847	\$108	\$25,807	50
1 1/2"	\$800	5.0	\$12,105	\$37,695	\$215	\$50,815	100
2"	\$1,000	8.0	\$19,368	\$60,312	\$344	\$81,024	160
3"	\$2,300	15.0	\$36,315	\$113,085	\$645	\$152,345	
4"	\$2,900	25.0	\$60,525	\$188,475	\$1,075	\$252,975	
6" *		50.0	\$121,050	\$376,950	\$2,150		
8" *		80.0	\$193,680	\$603,120	\$3,440		
10" *		115.0	\$278,415	\$866,985	\$4,945		



# APPENDICES

**GENERAL FUND RESOURCES  
LB 20**

HISTORIAL DATA (ANNUAL)			BUDGET FOR 2021-22		
FY 2018-19	FY 2019-20	FY 2020-21	RESOURCE DESCRIPTION	PROPOSED	APPROVED
ACTUAL	ACTUAL	BUDGET			
			<b>BEGINNING FUND BALANCE:</b>		
\$ 19,057,315	\$ 12,855,437	\$ 10,015,000	Net Working Capital (Budget)	\$ 13,600,000	\$ 13,600,000
			Reserved for Future Capital		
			<b>OTHER RESOURCES:</b>		
10,260,076	9,911,932	10,500,000	Water Sales	11,030,000	11,030,000
218,595	198,705	75,000	Service Installs	137,000	137,000
37,984	17,863	50,000	System Extension	17,000	17,000
44,234	37,295	40,000	Collections Fees	40,000	40,000
217,870	212,386	220,000	Pass Through ( Right of Way Fee)	234,000	234,000
168,421	55,520	125,000	Miscellaneous - Operating	50,000	50,000
<b>\$ 10,947,180</b>	<b>\$ 10,433,701</b>	<b>\$ 11,010,000</b>	Subtotal - Operating resources	<b>\$ 11,508,000</b>	<b>\$ 11,508,000</b>
53,918	51,711	50,000	Service Contracts	60,000	60,000
378,534	212,411	230,000	Earnings from Investments	90,000	90,000
-	-	6,139,120	Loan Payment from SDC Fund	9,160,458	9,160,458
-	-	-	SPWF Loan	10,000,000	10,000,000
16,160	30,335	-	Miscellaneous - Non-Operating	-	-
<b>\$ 448,612</b>	<b>\$ 294,457</b>	<b>\$ 6,419,120</b>	Subtotal - Non operating resources	<b>\$ 19,310,458</b>	<b>\$ 19,310,458</b>
-	-	-	Transfers In	-	-
<b>\$ 30,453,107</b>	<b>\$ 23,583,595</b>	<b>\$ 27,444,120</b>	<b>TOTAL RESOURCES</b>	<b>\$ 44,418,458</b>	<b>\$ 44,418,458</b>

**GENERAL FUND DETAILED REQUIREMENTS  
LB-31**

HISTORICAL DATA (ANNUAL)			Description of Resources and Requirements	BUDGET FOR 2021-22	
FY 2018-19 ACTUAL	FY 2019-20 ACTUAL	FY 2020-21 BUDGET		PROPOSED	APPROVED
<b>Personnel Services:</b>					
\$ 1,819,347	\$ 2,005,244	\$ 2,372,000	Salaries	\$ 2,365,000	\$ 2,365,000
889,114	961,192	1,316,000	Benefits and taxes	1,200,000	1,200,000
<b>\$ 2,708,461</b>	<b>\$ 2,966,436</b>	<b>\$ 3,688,000</b>	<b>PERSONNEL SERVICES TOTAL</b>	<b>\$ 3,565,000</b>	<b>\$ 3,565,000</b>
<b>Materials &amp; Services:</b>					
1,810,974	1,795,271	2,000,000	Water Purchases	2,270,000	2,270,000
453,280	417,842	462,000	Electricity & Natural Gas	530,000	530,000
822,270	654,121	916,000	System & Equipment Maintenance	944,000	944,000
95,144	132,592	128,000	Professional Services	132,000	132,000
-	5,300	-	Contract Services	200,000	200,000
534,803	614,978	710,000	Office Expense	731,000	731,000
120,301	123,272	183,000	Education, Training and Dues	188,000	188,000
6,769	5,557	16,000	Board of Commissioners	16,000	16,000
216,401	252,946	220,000	HV ROW Fee	227,000	227,000
111,645	129,765	137,000	CRWSC	141,000	141,000
<b>\$ 4,171,587</b>	<b>\$ 4,131,644</b>	<b>\$ 4,772,000</b>	<b>MATERIALS &amp; SERVICES TOTAL</b>	<b>\$ 5,379,000</b>	<b>\$ 5,379,000</b>
<b>Capital Outlay:</b>					
8,122,923	762,618	1,310,000	System Improvements	1,730,000	1,730,000
13,330	164,471	1,515,000	Buildings	15,000,000	15,000,000
205,692	143,182	150,000	Meters/Services/Hydrants	210,000	210,000
1,519	-	-	Office Equipment	-	-
909,235	-	-	Land	-	-
14,923	-	-	Tools & Equipment	-	-
<b>\$ 9,267,622</b>	<b>\$ 1,070,271</b>	<b>\$ 2,975,000</b>	<b>CAPITAL OUTLAY TOTAL</b>	<b>\$ 16,940,000</b>	<b>\$ 16,940,000</b>
<b>\$ 16,147,670</b>	<b>\$ 8,168,351</b>	<b>\$ 11,435,000</b>	<b>DEPARTMENT TOTALS</b>	<b>\$ 25,884,000</b>	<b>\$ 25,884,000</b>
<b>Special Payments, Transfers &amp; Contingency:</b>					
-	1,200,000	-	Special Payments	-	-
1,450,000	4,618,274	3,298,400	To SDC (Construction) Fund	2,269,200	2,269,200
-	-	-	Other Transfers	-	-
-	-	2,000,000	General Operating Contingency	1,500,000	1,500,000
<b>\$ 1,450,000</b>	<b>\$ 5,818,274</b>	<b>\$ 5,298,400</b>	<b>TRANSFERS &amp; CONTINGENCY TOTAL</b>	<b>\$ 3,769,200</b>	<b>\$ 3,769,200</b>
12,855,437	9,596,971	10,710,720	Unappropriated Fund Balance	14,765,258	14,765,258
<b>\$ 30,453,107</b>	<b>\$ 23,583,596</b>	<b>\$ 27,444,120</b>	<b>TOTAL GENERAL FUND BUDGET</b>	<b>\$ 44,418,458</b>	<b>\$ 44,418,458</b>

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

HISTORICAL DATA (ANNUAL)			Description of Resources and Requirements	BUDGET FOR 2021-22	
FY 18-19 ACTUAL	FY 19-20 ACTUAL	FY 20-21 BUDGET		PROPOSED	APPROVED
<b>RESOURCES</b>					
<b>Beginning Fund Balance:</b>					
\$ 278,055	\$ 449,102	\$ 1,050,000	Reimbursement	\$ 1,858,000	\$ 1,858,000
480,230	2,084,666	4,500,000	Improvement	4,103,000	4,103,000
<b>System Development Charges:</b>					
514,532	1,124,826	235,300	Reimbursement	968,400	968,400
1,575,930	3,501,217	732,600	Improvement	3,016,400	3,016,400
\$ 2,090,462	\$ 4,626,043	\$ 967,900	System Development Charges Total	\$ 3,984,800	\$ 3,984,800
21,821	79,154	-	<b>Earnings from investments:</b>	22,000	22,000
			- Reimbursement	-	-
			- Improvement	-	-
\$ 21,821	\$ 79,154	\$ -	Earnings from investments Total	\$ 22,000	\$ 22,000
<b>Transfer In:</b>					
			- From General Fund	-	-
1,450,000	1,788,800	1,698,400	To Reimbursement	1,694,200	1,694,200
-	2,829,474	1,600,000	To Improvement	575,000	575,000
4,320,568	11,857,239	9,816,300	<b>Resources Without Taxes</b>	12,237,000	12,237,000
<b>\$ 4,320,568</b>	<b>\$ 11,857,239</b>	<b>\$ 9,816,300</b>	<b>TOTAL RESOURCES</b>	<b>\$ 12,237,000</b>	<b>\$ 12,237,000</b>
<b>REQUIREMENTS</b>					
<b>Capital Outlay:</b>					
\$ -	\$ -	\$ -	Reimbursement	\$ -	\$ -
-	2,829,474	1,600,000	Improvement	575,000	575,000
\$ -	\$ 2,829,474	\$ 1,600,000	<b>Capital Outlay Total</b>	\$ 575,000	\$ 575,000
<b>Debt Service:</b>					
-	-	1,000,000	Reimbursement	2,738,800	2,738,800
-	-	5,139,120	Improvement	6,421,658	6,421,658
\$ 3,226,539	\$ -	\$ 6,139,120	<b>Debt Service Total</b>	\$ 9,160,458	\$ 9,160,458
<b>Transfers Out:</b>					
-	-	-	- Transfer to General Fund	-	-
-	-	-	- Transfer to Bond Debt Redemption Fund	-	-
1,786,800	1,788,800	1,698,400	Reimbursement	1,694,200	1,694,200
-	-	-	Improvement	-	-
\$ 1,786,800	\$ 1,788,800	\$ 1,698,400	<b>Transfers Out Total</b>	\$ 1,694,200	\$ 1,694,200
<b>Contingency:</b>					
-	-	-	- Reimbursement	-	-
-	-	-	- Improvement	425,000	425,000
\$ 3,226,539	\$ -	\$ -	<b>Transfers Out Total</b>	\$ 425,000	\$ 425,000
(692,771)	7,238,965	378,780	Reserved Future Expenditures	382,342	382,342
<b>\$ 4,320,568</b>	<b>\$ 11,857,239</b>	<b>\$ 9,816,300</b>	<b>TOTAL REQUIREMENTS</b>	<b>\$ 12,237,000</b>	<b>\$ 12,237,000</b>

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

HISTORIAL DATA (ANNUAL)			Description of Resources and Requirements	BUDGET FOR 2021-22	
FY 18-19 ACTUAL	FY 19-20 ACTUAL	FY 20-21 BUDGET		PROPOSED	APPROVED
<b>RESOURCES</b>					
BEGINNING FUND BALANCE:					
\$ 612,177	\$ 462,383	\$ 615,000	Cash on hand (cash basis):	\$ 609,000	\$ 609,000
185,448	199,546	190,000	Lease Revenue	220,000	220,000
-	-	-	Miscellaneous	-	-
9,462	7,561	10,000	Earnings from investments	4,000	4,000
<u>\$ 807,087</u>	<u>\$ 669,490</u>	<u>\$ 815,000</u>	Resources Without Taxes	<u>\$ 833,000</u>	<u>\$ 833,000</u>
<b>\$ 807,087</b>	<b>\$ 669,490</b>	<b>\$ 815,000</b>	<b>TOTAL RESOURCES</b>	<b>\$ 833,000</b>	<b>\$ 833,000</b>
<b>REQUIREMENTS</b>					
<b>Materials &amp; Services:</b>					
\$ -	\$ 22,404	\$ 55,000	IT and Office Equipment	\$ 55,000	\$ 55,000
-	13,857	10,000	Tools & Equipment	10,000	10,000
<b>\$ -</b>	<b>\$ 36,261</b>	<b>\$ 65,000</b>	<b>Capital Outlay Total</b>	<b>\$ 65,000</b>	<b>\$ 65,000</b>
<b>Capital Outlay:</b>					
\$ 344,704	\$ 37,508	\$ 197,000	Vehicle Replacement	\$ 80,000	\$ 80,000
-	6,578	-	IT and Office Equipment	-	-
-	-	-	Tools & Equipment	80,000	80,000
-	-	-	Water System Equipment	-	-
<u>\$ 344,704</u>	<u>\$ 44,086</u>	<u>\$ 197,000</u>	<b>Capital Outlay Total</b>	<u>\$ 160,000</u>	<u>\$ 160,000</u>
<b>Transfers:</b>					
\$ -	\$ -	\$ -	- Transfers to General Fund	\$ -	\$ -
<b>Contingency:</b>					
-	-	53,000	Contingency	30,000	30,000
<b>\$ -</b>	<b>\$ -</b>	<b>\$ 53,000</b>	<b>Capital Outlay Total</b>	<b>\$ 30,000</b>	<b>\$ 30,000</b>
<u>\$ 462,383</u>	<u>\$ 589,143</u>	<u>\$ 500,000</u>	Reserved for Future Expenditures	<u>\$ 578,000</u>	<u>\$ 578,000</u>
<b>\$ 807,087</b>	<b>\$ 669,490</b>	<b>\$ 815,000</b>	<b>TOTAL REQUIREMENTS</b>	<b>\$ 833,000</b>	<b>\$ 833,000</b>

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

HISTORICAL DATA (ANNUAL)			Description of Resources and Requirements	BUDGET FOR 2021-2022	
FY 18-19 ACTUAL	FY 19-20 ACTUAL	FY 20-21 BUDGET		PROPOSED	APPROVED
<b>RESOURCES:</b>					
BEGINNING FUND BALANCE:					
\$ 1,663,850	\$ 1,707,056	\$ 1,740,000	Cash on hand (cash basis)	\$ 1,761,000	\$ 1,761,000
43,206	37,622	30,000	Interest	16,000	16,000
-	-	-	- Bond Proceeds, from refunding	-	-
1,786,800	1,788,800	1,698,400	Transfer From Construction (SDC) Fund	1,694,200	1,694,200
-	-	-	- Bond proceeds from Refunding	-	-
<b>\$ 3,493,856</b>	<b>\$ 3,533,478</b>	<b>\$ 3,468,400</b>	Resources Without Taxes	<b>\$ 3,471,200</b>	<b>\$ 3,471,200</b>
<b>\$ 3,493,856</b>	<b>\$ 3,533,478</b>	<b>\$ 3,468,400</b>	<b>TOTAL RESOURCES</b>	<b>\$ 3,471,200</b>	<b>\$ 3,471,200</b>
<b>REQUIREMENTS:</b>					
1,450,000	1,510,000	1,480,000	Principal	1,535,000	1,535,000
336,800	278,800	218,400	Interest	159,200	159,200
-	-	-	- Retired refunded debt	-	-
-	-	-	- Transfer to General Fund	-	-
1,707,056	1,744,678	1,770,000	Unappropriated and Reserved	1,777,000	1,777,000
<b>\$ 3,493,856</b>	<b>\$ 3,533,478</b>	<b>\$ 3,468,400</b>	<b>TOTAL REQUIREMENTS</b>	<b>\$ 3,471,200</b>	<b>\$ 3,471,200</b>

**SUPPLEMENT LB-36**

HISTORICAL DATA (ANNUAL)			Schedule of Payments	BUDGET FOR 2021-2022	
FY 18-19 ACTUAL	FY 19-20 ACTUAL	FY 20-21 BUDGET		PROPOSED	APPROVED
<b>BOND PRINCIPAL PAYMENTS</b>					
Issue Date - Payment Date					
\$ 1,450,000	\$ 1,510,000	\$ 1,480,000	Series 2014 3/17	\$ 1,535,000	\$ 1,535,000
-	-	-	1999 11/1/09	-	-
1,450,000	1,510,000	1,480,000	<b>Total Principal Payments</b>	1,535,000	1,535,000
<b>BOND INTEREST PAYMENTS</b>					
336,800	278,800	218,400	Series 2014 10/16 & 3/17	159,200	159,200
336,800	278,800	218,400	<b>Total Interest Payments</b>	159,200	159,200
<b>TRANSFERS</b>					
-	-	-	- Transfer to General Fund	-	-
<b>UNAPPROPRIATED ENDING FUND</b>					
1,707,056	1,744,678	1,770,000	Unappropriated Fund Balance	1,777,000	1,777,000
<b>\$ 3,493,856</b>	<b>\$ 3,533,478</b>	<b>\$ 3,468,400</b>	<b>TOTAL REQUIREMENTS</b>	<b>\$ 3,471,200</b>	<b>\$ 3,471,200</b>

# Glossary of Common Abbreviations

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

## Organizational Abbreviations

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

## Programs and Other Abbreviations

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

# Glossary (continued)

## Programs and Other Abbreviations (continued)

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