



2018
DRAFT
Budget Guidelines
(Monthly Rate @ \$86.00)

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SCHEDULE 1

2018 Budget Cash Flows	2017 Budget	2018 Budget	Source
OPERATING CASH FLOWS			
	Amount	Amount	
1. START OF YEAR OPERATING CASH (1)	\$705,200	\$930,423	
2. (+) TOTAL OPERATING REVENUES	\$13,218,847	\$13,243,118	Schedule 2 Line 9
3. (+) INTEREST INCOME ON RESERVED/RESTRICTED FUNDS (2)	\$163,896	\$41,894	
4. (+) ULIDs #13 Assessment Revenue (3)	\$5,000	\$4,000	
5. (+) 2014 BAB TAX CREDITS	\$641,902	\$632,425	
6. (-) TOTAL DISTRICT DEBT PAYMENTS	(\$8,691,162)	(\$8,809,104)	Schedule 3 Line 20
7. NET OPERATING CASH AVAILABLE FOR O&M EXPENSES	\$6,043,684	\$6,042,756	
8. PROJECTED O&M EXPENSES	(\$5,753,691)	(\$6,125,188)	Schedule 4 Line 144
9. NET OPERATING REVENUE	\$289,993	(\$82,432)	
10. START OF YEAR RATE STABILIZATION FUND	\$8,378,784	\$8,378,784	
11. (-) NET OPERATING REVENUE SHORTFALL	\$289,993	(\$82,432)	
12. END OF YEAR RATE STABILIZATION FUND	\$8,668,777	\$8,296,352	
CAPITAL CASH FLOWS			
13. START OF YEAR CAPITAL CASH (4)	\$7,538,135	\$10,018,936	
14. (+) PROJECTED CONNECTION CHARGES	\$1,105,000	\$1,170,000	Assumes 130 New CF pd
15. (+) INTEREST INCOME ON CONNECTION FEES (2)	\$53,518	\$37,403	Interest on CF \$'s only
16. (+) NEW DEBT	\$0	\$0	
17. (-) TOTAL ADJUSTED CAPITAL COSTS	(\$1,962,000)	(\$6,189,000)	Schedule 5 Line 29
18. END OF YEAR CAPITAL RESERVES	\$6,734,653	\$5,037,339	
OTHER CASH			
19. RESTRICTED BY BOND/LOAN COVENANTS	\$5,587,052	\$5,857,455	

Notes

- (1) The Start of Year Operating Cash balance is estimated as of 9/30/2017
- (2) The District's weighted average return on funds in both the County and State pools is 0.855%.
- (3) Revenue from ULID assessments and interest payments are based on the calculated straight line amounts to be collected annually based on outstanding balances, interest rates, and remaining years.
- (4) The Start of Year Capital Cash balance and the New treatment Plant Projects Cash are estimated as of 9/30/2016

SCHEDULE 2

2016 PROJECTED OPERATING REVENUES	NO. OF CUSTOMERS (ERUS)	RATE	2017 Budget	2018 Budget
1. DISTRICT RATE REVENUE	12,799	\$86.00	\$ 13,074,694	\$ 13,208,568
2. PERMIT FEES			32,500	32,500
3. INTEREST CHARGES ON LATE SEWER FEES			19,866	7,500
4. LATE FEES & PENALTIES			161,172	67,500
5. OTHER SEWER REVENUES			61	50
6. RENTAL INCOME-VERNON BUSINESS CENTER			30,554	27,000
7. TOTAL PROJECTED OPERATING REVENUE			\$ 13,318,847	\$ 13,343,118
8. LESS DISTRICT NEW DELINQUENCY COSTS (1)			(100,000)	(100,000)
9. TOTAL PROJECTED WORKING REVENUE			\$ 13,218,847	\$ 13,243,118

Notes

(1) This is based off of a ten year history of the net change in outstanding delinquency balance.

SCHEDULE 3

DEBT PRINCIPAL AND INTEREST OBLIGATIONS	2017 Budget	2018 Budget
1. 2010 A Bonds	\$ 2,826,301	\$ 2,815,847
2. 2008 City LTGO	\$ 134,025	\$ 139,400
3. STP1 Design PW98-791-PRE-106	\$ 17,408	\$ 17,237
4. STP1 Const PW00-691-033	\$ 166,463	\$ 164,862
5. City 2002 Cap Imp PW02-691-029	\$ 88,262	\$ 87,833
6. Lundeen PW02-691-030	\$ 223,439	\$ 222,354
7. STP2 Design PW05-691-PRE-107	\$ 55,000	\$ 54,737
8. STP2 Design PW05-691-PRE-133	\$ 55,764	\$ 55,497
9. STP2 Design PW05-691-PRE-137	\$ 62,105	\$ 61,053
10. STP2 Design PR08-951-054	\$ 55,789	\$ 55,526
11. STP2 Const PW06-962-020	\$ 430,016	\$ 427,969
12. STP2 Const PW07-962-013	\$ 416,730	\$ 414,755
13. STP2 Const PC08-951-023	\$ 334,925	\$ 333,417
14. STP2 Const PC08-951-024	\$ 334,925	\$ 333,417
15. STP2 Const L0800014	\$ 1,076,628	\$ 1,076,628
16. STP2 Const L0900004	\$ 1,853,867	\$ 1,853,857
17. STP2 Const L1100012	\$ 362,237	\$ 362,237
18. STP2 Const L15xxxxx	\$ 135,201	\$ 270,403
19. Vernon Business Center (1)	\$ 62,076	\$ 62,076
TOTAL	\$ 8,691,162	\$ 8,809,104
SUMMARY OF DISTRICT DEBT PAYMENTS	2017 Budget	2018 Budget
20 TOTAL DEBT PAYMENTS	\$ 8,691,162	\$ 8,809,104

Notes

(1) This is the annual payment for the Vernon Business Center as specified in the loan agreement.

**SCHEDULE 3b
Five Year Debt Payments**

DEBT PRINCIPAL AND INTEREST OBLIGATIONS	2019	2020	2021	2022	2023
1. 2010 A Bonds	\$ 2,802,426	\$ 2,788,857	\$ 2,772,441	\$ 2,748,967	\$ 2,728,362
2. 2008 City LTGO	\$ 134,800	\$ 135,200	\$ 140,400	\$ 135,200	\$ -
3. STP1 Const PW00-691-033	\$ 163,262	\$ 161,661	\$ -	\$ -	\$ -
4. City 2002 Cap Imp PW02-691-029	\$ 87,405	\$ 86,977	\$ 86,548	\$ 86,120	
5. Lundeen PW02-691-030	\$ 221,269	\$ 220,185	\$ 219,100	\$ 218,015	
6. STP2 Design PW05-691-PRE-107	\$ 54,474	\$ 54,211	\$ 53,947	\$ 53,684	\$ 53,421
7. STP2 Design PW05-691-PRE-133	\$ 55,230	\$ 54,963	\$ 54,697	\$ 54,430	\$ 54,163
8. STP2 Design PW05-691-PRE-137	\$ 60,000	\$ 58,947	\$ 57,895	\$ 56,842	\$ 55,789
9. STP2 Design PR08-951-054	\$ 55,263	\$ 55,000	\$ 54,737	\$ 54,474	\$ 54,211
10. STP2 Const PW06-962-020	\$ 425,921	\$ 423,873	\$ 421,826	\$ 419,778	\$ 417,730
11. STP2 Const PW07-962-013	\$ 412,780	\$ 410,805	\$ 408,830	\$ 406,855	\$ 404,880
12. STP2 Const PC08-951-023	\$ 331,908	\$ 330,399	\$ 328,891	\$ 327,382	\$ 325,873
13. STP2 Const PC08-951-024	\$ 331,908	\$ 330,399	\$ 328,891	\$ 327,382	\$ 325,873
14. STP2 Const L0800014	\$ 1,076,628	\$ 1,076,628	\$ 1,076,628	\$ 1,076,628	\$ 1,076,628
15. STP2 Const L0900004	\$ 1,853,867	\$ 1,853,867	\$ 1,853,867	\$ 1,853,867	\$ 1,853,867
16. STP2 Const L1100012	\$ 362,237	\$ 362,237	\$ 362,237	\$ 362,237	\$ 362,237
17. SRF Old Plant Rehab L150112	\$ 270,403	\$ 270,403	\$ 270,403	\$ 270,403	\$ 270,403
18. Vernon Business Center	\$ 62,076	\$ 24,242	\$ -	\$ -	\$ -
TOTAL	\$ 8,761,857	\$ 8,698,854	\$ 8,491,335	\$ 8,452,263	\$ 7,983,437

2024 Total Debt Payment Amount	\$7,951,509
2025 Total Debt Payment Amount	\$7,922,145
2026 Total Debt Payment Amount	\$7,731,414
2027 Total Debt Payment Amount	\$7,288,101
2028 Total Debt Payment Amount	\$6,858,088

SCHEDULE 4

LAKE STEVENS SEWER DISTRICT
ADMINISTRATION EXPENSE RECAP FOR 2018 BUDGET

GL Acct #	DESCRIPTION	2017 Budget	Actual Through Sept 2017	Estimated to End of Year	2018 Budget	2018 Incr (Decr) from 2017
OFFICE & ADMIN EXPENSES						
1.	508-10 ADMIN MEDICARE PR TAX	9,400	6,569	8,758	10,200	800
2.	508-11 ADMIN FICA PR TAX	42,100	27,981	37,307	45,400	3,300
3.	508-50 MERCHANT SERVICES FEE	4,377	4,173	5,564	6,000	1,623
4.	623-05 DIST UTILITIES OFFICE	6,580	4,726	6,302	6,909	329
5.	903-00 CUSTOMER RECORDS & COLLECTION	93,637	64,392	85,857	90,000	(3,637)
6.	903-01 LIEN FILING EXPENSE	1,500	744	992	1,500	0
7.	903-02 FORECLOSURE EXPENSE	5,000	0	0	5,000	0
8.	920-00 ADMIN REGULAR SALARIES	605,900	450,996	601,328	639,460	33,560
9.	920-01 ADMIN COMP TIME PAYOUT	6,900	958	1,277	7,400	500
10.	920-02 ADMIN HOLIDAY PAYOUT	4,700	1,746	2,328	5,000	300
11.	920-03 ADMIN VACATION PAYOUT	4,700	2,014	2,685	4,900	200
12.	920-04 ADMIN CERTIFICATION PAY	0	0	0	0	0
13.	920-20 ADMIN SAL CLEARING (1)	0	0	0	0	0
14.	920-30 COMMISSIONERS SALARIES	24,500	12,768	17,024	41,040	16,540
15.	921-00 ADMINISTRATIVE SUPPLIES	15,998	12,320	16,427	17,500	1,502
16.	921-02 ELECTION COSTS	9,000	18,541	24,721	25,000	16,000
17.	921-03 COMPUTER MAINTENANCE EXPENSE	30,280	22,855	30,473	35,000	4,720
18.	921-04 OFFICE FURNITURE & EQUIPMENT	8,500	9,062	12,082	12,000	3,500
19.	921-05 ADV/PROMOTION/PUBLIC EDUC	2,714	1,228	1,637	4,000	1,286
20.	921-06 ADMIN COMPUTER SOFTWARE MAINT	17,000	13,315	17,753	19,000	2,000
21.	921-10 ADMIN VEHICLE EXPENSE	2,300	2,177	2,902	2,500	200
22.	921-12 ADMIN CONF/TRAVEL/MILAGE/MEALS	12,000	9,069	12,092	20,000	8,000
23.	921-16 DUES CERTS & SUBSCRIPTIONS	35,000	18,744	24,992	35,000	0
24.	921-20 ADMIN TRAINING/SCHOOLING	6,500	3,197	4,262	6,500	0
25.	921-31 ADMIN SAFETY	300	1,547	2,062	2,000	1,700
26.	926-00 ADMIN L&I PR TAX	2,900	(369)	(492)	3,100	200
27.	926-30 ADMIN MEDICAL INSURANCE	157,000	116,641	155,521	174,500	17,500
28.	926-40 ADMIN PERS	73,400	52,803	70,404	77,500	4,100
29.	930-00 MISC GENERAL EXPENSE	50	0	0	50	0
30.	930-30 DIST TELEPHONE VBC	9,600	7,063	9,417	9,600	0
31.	930-34 ADMIN CELLULAR PHONE	1,440	1,037	1,383	2,100	660
32.	931-00 OFFICE RENT	0	0	0	0	0
33.	932-00 VBC FACILITY MAINTENANCE	25,000	16,304	21,739	25,000	0
34.	933-00 CASH OVER AND SHORT	0	0	0	0	0
ADMINISTRATION EXPENSES TOTAL		1,218,276	866,296	1,155,061	1,308,159	89,883 7.38%
TAXES & INSURANCE						
35.	508-00 EXCISE TAX (2)	281,850	188,171	250,894	297,412	15,562
36.	508-30 PROPERTY TAX & FIRE DISTRICT FEE	11,500	3,391	4,522	13,000	1,500
37.	508-40 OPERATING LICENSES & PERMITS	51,000	15,776	21,035	40,000	(11,000)
38.	924-00 DIST - PROPERTY INSURANCE	170,518	122,707	163,609	118,000	(52,518)
TAXES & INSURANCE TOTAL		514,868	330,045	440,060	468,412	(46,456) -9.02%
ADVISOR EXPENSE						
39.	923-11 STATE AUDITOR	20,000	17,944	23,925	23,000	3,000
40.	923-12 CPA	10,000	0	0	10,000	0
41.	923-13 HUMAN RESOURCES	3,000	329	438	3,000	0
42.	923-14 FINANCIAL	2,000	0	0	0	(2,000)
43.	923-20 LEGAL	81,000	58,913	78,550	56,000	(25,000)
44.	923-30 ENGINEERS	36,000	34,854	46,473	46,800	10,800
45.	923-40 OUTSIDE HELP	32,500	854	1,138	32,500	0
ADVISOR EXPENSES TOTAL		184,500	112,893	150,524	171,300	(13,200) -7.15%

SCHEDULE 4 (Continued)

**LAKE STEVENS SEWER DISTRICT
FIELD OPERATIONS EXPENSE RECAP FOR 2018 BUDGET**

GL Acct #	DESCRIPTION	2017 Budget	Actual Through Sept 2017	Estimated to End of Year	2018 Budget	2018 Incr (Decr) from 2017
FIELD MAINTENANCE & OPERATION						
46.	508-12 FIELD MEDICARE PR TAX	11,400	8,470	11,293	13,500	2,100
47.	508-13 FIELD FICA PR TAX	50,900	36,216	48,288	60,300	9,400
48.	613-00 DIST MAINTENANCE OF LINES	40,000	18,640	24,853	40,000	0
49.	613-02 DIST MANHOLE ADJUSTMENTS	14,000	53	71	10,000	(4,000)
50.	623-00 DIST UTILITIES OTHER LS	53,000	39,200	52,267	55,650	2,650
51.	623-01 DIST UTILITIES LS 5	6,000	3,862	5,149	6,300	300
52.	623-03 DIST UTILITIES LS 12	20,450	12,268	16,358	21,473	1,023
53.	623-04 CITY UTILITIES OTHER LS	12,000	8,563	11,418	12,600	600
54.	623-06 DIST UTILITIES LS 15	36,000	24,269	32,358	37,800	1,800
55.	623-07 CITY UTILITIES LS 1	15,000	10,447	13,930	15,750	750
56.	623-08 CITY UTILITIES LS 8	22,000	15,995	21,327	23,100	1,100
57.	623-09 DIST UTILITIES LS 17	9,000	8,306	11,074	9,450	450
58.	623-10 DIST UTILITIES FIELD MNT BLDG	14,000	7,612	10,150	14,700	700
59.	626-00 DIST OTHER LS MAINTENANCE	30,000	16,058	21,410	25,000	(5,000)
60.	626-01 DIST LS 5 MAINTENANCE	2,000	648	864	1,500	(500)
61.	626-02 DIST LS 12 MAINTENANCE	6,000	3,527	4,703	5,500	(500)
62.	626-03 DIST LS 15 MAINTENANCE	3,000	1,530	2,041	2,500	(500)
63.	626-04 CITY OTHER LS MAINTENANCE	10,000	8,413	11,217	12,500	2,500
64.	626-05 CITY LS 1 MAINTENANCE	7,500	2,624	3,499	5,500	(2,000)
65.	626-06 CITY LS 8 MAINTENANCE	7,500	753	1,004	5,000	(2,500)
66.	626-07 DIST LS 17 MAINTENANCE	6,250	2,133	2,844	4,500	(1,750)
67.	626-10 FIELD BLDG MAINTENANCE	2,000	1,334	1,779	2,000	0
68.	640-00 FIELD REGULAR SALARIES	718,600	525,612	700,815	819,100	100,500
69.	640-01 FIELD COMP TIME PAYOUT	59,100	34,474	45,966	64,400	5,300
70.	640-02 FIELD HOLIDAY PAYOUT	4,800	1,891	2,521	5,100	300
71.	640-03 FIELD VACATION PAYOUT	0	2,014	2,685	0	0
72.	640-04 FIELD CERTIFICATION PAY	17,200	12,200	16,267	20,400	3,200
73.	640-20 FIELD SALARY CLEARING ACCT (1)	0	0	0	0	0
74.	641-05 ODOR CONTROL	30,000	16,212	21,616	65,000	35,000
75.	643-00 MAINT/COLL TOOLS & SUPPLIES	19,000	14,438	19,250	22,500	3,500
76.	921-07 FIELD ADMIN SUPPLIES & EQUIP	7,000	3,153	4,203	8,000	1,000
77.	921-08 FIELD COMPUTER SOFTWARE MAINT	10,000	7,647	10,195	13,000	3,000
78.	921-09 FIELD VEHICLE EQUIPMENT	15,000	13,141	17,521	15,000	0
79.	921-11 FIELD VEHICLE EXPENSE	25,000	16,075	21,434	25,000	0
80.	921-13 FIELD CONF/TRAVEL/MILAGE/MEALS	7,500	852	1,136	8,500	1,000
81.	921-21 FIELD TRAINING/SCHOOLING	8,000	2,961	3,948	15,000	7,000
82.	921-30 FIELD SAFETY	12,000	12,066	16,087	17,000	5,000
83.	926-01 FIELD L&I PR TAX	24,200	859	1,146	30,100	5,900
84.	926-31 FIELD MEDICAL INSURANCE	193,300	142,481	189,974	283,800	90,500
85.	926-42 FIELD PERS	93,400	66,238	88,317	112,800	19,400
86.	930-10 DIST TELEPHONE FIELD MNT BLDG	3,173	2,309	3,078	3,332	159
87.	930-31 DIST TELEPHONE LS 5	260	260	346	273	13
88.	930-33 DIST TELEPHONE OTHER LS	10,892	10,892	14,523	11,437	545
89.	930-35 DIST TELEPHONE LS 12	239	239	319	251	12
90.	930-36 DIST TELEPHONE LS 15	171	171	227	180	9
91.	930-37 CITY TELEPHONE ALL LS'S	144	144	193	151	7
92.	930-38 FIELD CELLULAR PHONE	7,000	5,654	7,539	7,350	350
93.	931-10 FACILITY RENT PUD BUILDING	35,950	25,350	33,800	37,748	1,798
FIELD M&O TOTAL		1,679,929	1,148,252	1,531,003	1,970,043	290,114 17.27%

SCHEDULE 4 (Continued)

**LAKE STEVENS SEWER DISTRICT
PLANT OPERATIONS EXPENSE RECAP FOR 2018 BUDGET**

GL Acct #	DESCRIPTION	2017 Budget	Actual Through Sept 2017	Estimated to End of Year	2018 Budget	2018 Incr (Decr) from 2017
PLANT MAINTENANCE & OPERATION						
94.	508-14 PLANT MEDICARE PR TAX	10,200	7,664	10,219	10,600	400
95.	508-15 PLANT FICA PR TAX	45,600	32,770	43,694	47,600	2,000
96.	623-02 UTILITIES OLD TREATMENT PLANT	6,842	5,332	7,109	7,184	342
97.	640-50 PLANT REGULAR SALARIES	628,500	467,643	623,524	656,500	28,000
98.	640-51 PLANT COMP TIME PAYOUT	58,700	39,448	52,597	60,900	2,200
99.	640-52 PLANT HOLIDAY PAYOUT	7,100	5,371	7,161	7,400	300
100.	640-53 PLANT VACATION PAYOUT	6,300	6,665	8,886	6,400	100
101.	640-54 PLANT CERTIFICATION PAY	14,400	10,650	14,200	16,800	2,400
102.	641-00 CHEMICALS OLD PLANT	0	0	0	0	0
103.	652-00 MAINTENANCE OLD PLANT	3,000	502	669	2,000	(1,000)
104.	801-01 PLANT ELECTRICITY	472,000	307,992	410,656	495,600	23,600
105.	801-02 PLANT NATURAL GAS	19,000	13,600	18,133	19,950	950
106.	801-03 PLANT WATER	2,100	1,543	2,057	2,205	105
107.	801-04 PLANT GARBAGE	7,509	4,716	6,287	7,884	375
108.	802-01 POLYMERS	70,000	50,512	67,350	70,000	0
109.	802-02 SODIUM HYDROXIDE	110,000	110,144	146,859	130,000	20,000
110.	802-03 SODIUM HYPOCHLORITE	24,000	12,003	16,004	24,000	0
111.	802-04 CITRIC ACID	13,500	11,089	14,786	13,500	0
112.	803-01 BIOSOLIDS HAULING/DISPOSAL	105,000	93,976	125,302	130,000	25,000
113.	803-02 BIOSOLIDS ANALYSIS	3,500	2,318	3,091	3,500	0
114.	804-01 MAJOR EQUIPMENT	5,500	4,050	5,400	6,000	500
115.	804-02 PLANT MAINT & OPER SUPPLIES	60,800	20,412	27,216	35,000	(25,800)
116.	805-02 PLANT TELEPHONE	5,553	3,781	5,042	5,831	278
117.	805-03 PLANT INTERNET	2,676	1,907	2,543	2,810	134
118.	805-04 PLANT TELEMETRY	2,465	2,568	3,424	2,589	123
119.	805-05 PLANT CELLULAR PHONE	2,787	2,681	3,575	2,926	139
120.	806-01 ER PORTAL SOFTWARE SUPPORT	3,700	0	0	3,700	0
121.	806-02 LEVERAGE SN SOFTWARE SUPPORT	10,000	8,399	11,199	10,000	0
122.	806-04 WIN 911 ALARM SOFTWARE SUPPORT	395	495	660	495	100
123.	806-05 RS VIEW HMI SOFTWARE SUPPORT	0	0	0	0	0
124.	806-06 ZENON 24/7 SOFTWARE SUPPORT	5,000	4,770	6,360	5,000	0
125.	807-01 MILLIPORE (LAB DI WTR SYSTEM)	3,500	3,365	4,486	3,500	0
126.	807-02 REAL CHEM (WTR HEATING SYSTEM)	1,500	0	0	1,500	0
127.	807-03 CINTAS	2,500	990	1,320	0	(2,500)
128.	807-04 JANITORIAL	3,250	1,294	1,725	2,000	(1,250)
129.	807-05 OTHER SERVICES	30,000	8,744	11,659	20,000	(10,000)
130.	808-01 LABORATORY SUPPLIES	28,000	16,732	22,310	28,000	0
131.	808-02 LABORATORY QA/QC SAMPLES	1,600	777	1,037	1,600	0
132.	808-03 LABORATORY ACCREDITATION	1,000	920	1,227	1,000	0
133.	808-04 LABORATORY OUTSIDE ANALYSIS	4,000	6,840	9,120	12,000	8,000
134.	809-01 PLANT SAFETY	5,000	3,988	5,317	5,500	500
135.	809-02 PLANT CONF/TRAVEL/MILAGE/MEALS	4,500	1,192	1,589	4,500	0
136.	809-03 PLANT TRAINING & SCHOOLING	10,000	2,084	2,779	5,000	(5,000)
137.	809-04 PLANT OTHER ADMIN SUPPLIES	3,100	465	620	1,500	(1,600)
138.	809-05 PLANT VEHICLE EXPENSE	2,000	1,672	2,229	2,500	500
139.	926-02 PLANT L&I PR TAX	18,600	(3,341)	(4,455)	20,100	1,500
140.	926-32 PLANT MEDICAL INSURANCE	170,200	126,527	168,703	189,100	18,900
141.	926-43 PLANT PERS	84,200	60,710	80,947	88,100	3,900
PLANT M&O TOTAL		2,079,077	1,465,960	1,954,613	2,172,274	93,197 4.48%

SCHEDULE 4 (Continued)

**LAKE STEVENS SEWER DISTRICT
OTDER RATE EXPENSE RECAP FOR 2018 BUDGET**

GL Acct #	DESCRIPTION	2017 Budget	Actual Through Sept 2017	Estimated to End of Year	2018 Budget	2018 Incr (Decr) from 2017
OTHER RATE EXPENSES						
142. 508-41	CITY - FRANCHISE FEE		0	0		0
143. 508-42	CITY - OPERATING FEE (3)	77,040	26,250.03	35,000	35,000	(42,040)
	TOTAL OTHER RATE EXPENSES	77,040	26,250	35,000	35,000	77,040 -54.57%
144.	TOTAL O&M	\$5,753,691	\$3,949,696	\$5,266,261	\$6,125,188	371,497 6.46%
145.	SCK, VACA, DOL & COMP TIME LIABILITY	351,862	351,662	398,245	398,245	46,383

Notes

- (1) This is an administrative fee on developer billing, pull as you go connection fees and foreclosure fees (its actually a revenue) for staff time and to be conservative, this number is projected at \$0.
- (2) Excise tax expense is based on 2.1 percent times the total revenue as shown in Schedule 2 and 1.5% applied to GFC income from summary page.
- (3) This amount is to be specified by the joint utility committee.

SCHEDULE 5

2018 COMPREHENSIVE PLAN PROJECTS		Prior Year(s) Budget	2017 Budget	2018 Budget
1.	LS 1C Upgrade / LS 6 Derating	\$155,000.00		
2.	LS 17 Upgrade & Force Main Reroute to SWI (C2-A2 & C2-B)		\$450,000.00	
3.	WWTF LEAPmbr Upgrade (WWTF LEAP)		\$116,000.00	
4.	LS 1 Decommission (G4)		\$280,000.00	
5.	Regional Lift Station			\$2,830,000.00
6.	LS1 C rehabilitation (E1-B)			\$630,000.00
7.	LS 2C Upgrade (E2-A)			\$820,000.00
8.	LS Rehabilitation (Lift Sta)			\$484,000.00
9.	Subtotal	\$155,000.00	\$846,000.00	\$4,764,000.00
2017 DETAILED CAPITAL PROJECTS		Prior Year(s) Budget	2017 Budget	2018 Budget
10.	Infiltration & Inflow Study			
11.	Office Remodel	\$10,000.00		
12.	City of Lake Stevens Downtown Plan	\$40,000.00		
13.	Norton Corrosion - Cathodic Protection Study (City LS #1, #2, #3, #6 & #8)	\$15,000.00		
14.	Biosolids Removal		\$150,000.00	
15.	Amendments (Feasibility Annexation and Rate Study Update)		\$50,000.00	
16.	SCADA Systems at remaining Lift Stations		\$70,000.00	
17.	Replacement Vehicle for WWTP Division		\$25,000.00	
18.	Lift Station #8 VFDs		\$20,000.00	
19.	HVAC Units at Vernon Business Center		\$25,000.00	
20.	Decant Facility for Treatment Plant - Design and Business Case		\$110,000.00	
21.	Replacement Truck F-550 Equivalent Body w/small crane		\$86,000.00	
22.	2017 Misc Capital Projects		\$100,000.00	\$100,000.00
23.	Collection System Pipe Repairs (annual amount)		\$300,000.00	\$300,000.00
24.	LS 17 Upgrade & Force Main (comp plan 450K budget 630K)		\$180,000.00	
25.	LS 17 Upgrade (to be paid for w/Hawksbeard Conn Fees)		\$0.00	
26.	Nourse Callow Road Oversizing			\$855,000.00
27.	City Lift Station VFD's			\$20,000.00
28.	Paving VBC North Parking Lot			\$150,000.00
	Subtotal	\$65,000.00	\$1,116,000.00	\$1,425,000.00
29.	TOTAL CAPITAL COSTS	\$220,000.00	\$1,962,000.00	\$6,189,000.00

11/6/2017 130 New ERU's per year 130 New Connection Fees per year

Rates	\$86.00	\$86.00	\$86.00	\$86.00	\$90.00	\$90.00	\$92.00	\$92.00	\$94.00	\$94.00	\$96.00	\$96.00
% Rate Increase	3.61%	0.00%	0.00%	0.00%	4.65%	0.00%	2.22%	0.00%	2.17%	0.00%	2.13%	0.00%
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Operational Summary												
Start of Year Cash	\$ 705,200	\$ 930,423	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 22,635	\$ 0	\$ 0
(+) Total Operating Revenues	\$ 13,223,847	\$ 13,247,118	\$ 13,381,278	\$ 13,515,438	\$ 14,282,670	\$ 14,390,570	\$ 14,853,746	\$ 14,997,266	\$ 15,465,802	\$ 15,667,714	\$ 16,001,026	\$ 16,001,026
(-) Total Operating Expenses	\$ (5,753,691)	\$ (6,125,188)	\$ (6,417,811)	\$ (6,659,248)	\$ (6,900,956)	\$ (7,180,391)	\$ (7,446,315)	\$ (7,757,787)	\$ (8,054,271)	\$ (8,405,733)	\$ (8,727,952)	\$ (9,063,147)
(+) Investment Interest	\$ 163,896	\$ 41,894	\$ 41,482	\$ 35,797	\$ 29,791	\$ 27,345	\$ 24,129	\$ 24,128	\$ 23,345	\$ 23,345	\$ 13,666	\$ 5,973
Net Operating Revenue	\$ 8,339,252	\$ 8,094,247	\$ 7,004,948	\$ 6,891,986	\$ 7,411,505	\$ 7,237,523	\$ 7,431,560	\$ 7,263,607	\$ 7,434,875	\$ 7,307,961	\$ 7,286,740	\$ 6,943,852
(-) Debt Payments	\$ (8,691,162)	\$ (8,809,104)	\$ (8,761,856)	\$ (8,698,854)	\$ (8,491,336)	\$ (8,452,263)	\$ (7,983,437)	\$ (7,951,509)	\$ (7,922,145)	\$ (9,731,414)	\$ (9,288,101)	\$ (8,858,088)
(+) BAB Credit	\$ 641,902	\$ 632,425	\$ 619,906	\$ 605,709	\$ 590,584	\$ 571,530	\$ 551,782	\$ 531,240	\$ 509,904	\$ 487,675	\$ 462,756	\$ 436,769
Total Debt Payment	\$ (8,049,259)	\$ (8,176,680)	\$ (8,141,951)	\$ (8,093,145)	\$ (7,900,752)	\$ (7,880,733)	\$ (7,431,654)	\$ (7,420,269)	\$ (7,412,241)	\$ (9,243,740)	\$ (8,825,345)	\$ (8,421,318)
End of Year Operating Reserve	\$ 289,993	\$ (82,433)	\$ (1,137,002)	\$ (1,201,159)	\$ (489,247)	\$ (643,210)	\$ (94)	\$ (156,662)	\$ 22,635	\$ (1,935,779)	\$ (1,538,605)	\$ (1,477,466)
Start of Year Rate Stabilization Fund Balance	\$ 8,378,784	\$ 8,378,784	\$ 8,296,351	\$ 7,159,349	\$ 5,958,190	\$ 5,468,944	\$ 4,825,734	\$ 4,825,640	\$ 4,668,978	\$ 4,668,978	\$ 2,733,199	\$ 1,194,594
(-) Debt Payment Shortage	\$ 0	\$ (82,433)	\$ (1,137,002)	\$ (1,201,159)	\$ (489,247)	\$ (643,210)	\$ (94)	\$ (156,662)	\$ 0	\$ (1,935,779)	\$ (1,538,605)	\$ (1,477,466)
End of Year Rate Stabilization Fund Balance	\$ 8,378,784	\$ 8,296,351	\$ 7,159,349	\$ 5,958,190	\$ 5,468,944	\$ 4,825,734	\$ 4,825,640	\$ 4,668,978	\$ 4,668,978	\$ 2,733,199	\$ 1,194,594	\$ (282,872)
Refinance BAB's?												
Capital Summary												
Start of Year Capital Reserve	\$ 7,538,135	\$ 10,018,936	\$ 5,037,339	\$ 5,568,526	\$ 2,632,368	\$ 3,322,530	\$ 4,226,143	\$ 4,873,274	\$ 1,495,640	\$ (28,983,882)	\$ (29,554,801)	\$ (29,636,801)
(+) Total Capital Revenues	\$ 1,105,000	\$ 1,170,000	\$ 1,209,000	\$ 1,248,000	\$ 1,287,000	\$ 1,287,000	\$ 1,287,000	\$ 1,287,000	\$ 1,287,000	\$ 1,287,000	\$ 1,287,000	\$ 1,287,000
(+) Investment Interest	\$ 53,518	\$ 37,403	\$ 25,187	\$ 27,843	\$ 13,162	\$ 16,613	\$ 21,131	\$ 24,366	\$ 7,478	\$ (144,919)		
(-) Total Capital Expenses	\$ (846,000)	\$ (4,764,000)	\$ (303,000)	\$ (3,812,000)	\$ (210,000)	\$ 0	\$ (261,000)	\$ (4,289,000)	\$ (31,374,000)	\$ (1,313,000)	\$ (959,000)	\$ (630,000)
(-) Total Capital Expenses - Other	\$ (1,116,000)	\$ (1,425,000)	\$ (400,000)	\$ (400,000)	\$ (400,000)	\$ (400,000)	\$ (400,000)	\$ (400,000)	\$ (400,000)	\$ (400,000)	\$ (410,000)	\$ (420,250)
End of Year Capital Reserve	\$ 6,734,653	\$ 5,037,339	\$ 5,568,526	\$ 2,632,368	\$ 3,322,530	\$ 4,226,143	\$ 4,873,274	\$ 1,495,640	\$ (28,983,882)	\$ (29,554,801)	\$ (29,636,801)	\$ (29,400,051)
Debt Service Coverage	1.03	0.99	0.87	0.86	0.94	0.92	1.00	0.98	1.00	0.80	0.83	0.83
Debt Service Coverage incl Rate Stabilization Fund	2.00	1.93	1.69	1.55	1.59	1.49	1.60	1.57	1.59	1.08	0.96	0.80

Operating Revenues												
Rental Income - Vernon Business	\$ 30,554	\$ 27,000	\$ 27,000	\$ 27,000	\$ 27,000	\$ 27,000	\$ 27,000	\$ 27,000	\$ 27,000	\$ 27,000	\$ 27,000	\$ 27,000
District Rate Revenue	\$ 13,074,694	\$ 13,208,568	\$ 13,342,728	\$ 13,476,888	\$ 14,244,120	\$ 14,384,520	\$ 14,847,696	\$ 14,991,216	\$ 15,463,752	\$ 15,665,664	\$ 15,998,976	\$ 15,998,976
Late fees & penalties	\$ 181,038	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000
Other	\$ 61	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50
Permit Fees	\$ 32,500	\$ 32,500	\$ 32,500	\$ 32,500	\$ 32,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ULID 13	\$ 5,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000				
New Delinquency Costs	\$ (100,000)	\$ (100,000)	\$ (100,000)	\$ (100,000)	\$ (100,000)	\$ (100,000)	\$ (100,000)	\$ (100,000)	\$ (100,000)	\$ (100,000)	\$ (100,000)	\$ (100,000)
Revenues Total	\$ 13,223,847	\$ 13,247,118	\$ 13,381,278	\$ 13,515,438	\$ 14,282,670	\$ 14,390,570	\$ 14,853,746	\$ 14,997,266	\$ 15,465,802	\$ 15,667,714	\$ 16,001,026	\$ 16,001,026

Operating Expenditures												
Admin Salaires & Benefits	\$ 931,500	\$ 1,008,500	\$ 1,062,200	\$ 1,075,300	\$ 1,122,400	\$ 1,172,400	\$ 1,225,100	\$ 1,280,200	\$ 1,339,500	\$ 1,404,900	\$ 1,468,121	\$ 1,534,186
Admin Operating	\$ 801,644	\$ 768,071	\$ 789,577	\$ 811,685	\$ 834,412	\$ 857,776	\$ 881,794	\$ 906,484	\$ 931,865	\$ 957,958	\$ 984,780	\$ 1,012,354
Advisors	\$ 184,500	\$ 171,300	\$ 176,096	\$ 181,027	\$ 186,096	\$ 191,307	\$ 196,663	\$ 202,170	\$ 207,830	\$ 213,650	\$ 219,632	\$ 225,782
Field Salaries & Benefits	\$ 1,172,900	\$ 1,409,500	\$ 1,509,600	\$ 1,604,600	\$ 1,665,400	\$ 1,753,700	\$ 1,821,500	\$ 1,923,000	\$ 2,002,600	\$ 2,115,900	\$ 2,211,116	\$ 2,310,616
Field Operating	\$ 507,029	\$ 560,543	\$ 576,238	\$ 592,373	\$ 608,959	\$ 626,010	\$ 643,538	\$ 661,558	\$ 680,081	\$ 699,123	\$ 718,699	\$ 738,822
Plant Salaries & Benefits	\$ 1,043,800	\$ 1,103,500	\$ 1,170,400	\$ 1,229,800	\$ 1,287,600	\$ 1,350,600	\$ 1,415,700	\$ 1,488,000	\$ 1,560,700	\$ 1,646,200	\$ 1,720,279	\$ 1,797,692
Plant Operating	\$ 1,035,277	\$ 1,068,774	\$ 1,098,700	\$ 1,129,463	\$ 1,161,088	\$ 1,193,599	\$ 1,227,019	\$ 1,261,376	\$ 1,296,695	\$ 1,333,002	\$ 1,370,326	\$ 1,408,695
Operating Fee to City	\$ 77,040	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000
New Employe + Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Membrane Replacement (Replace 8-10) Est</i>												
Total O&M Expenses	\$ 5,753,691	\$ 6,125,188	\$ 6,417,811	\$ 6,659,248	\$ 6,900,956	\$ 7,180,391	\$ 7,446,315	\$ 7,757,787	\$ 8,054,271	\$ 8,405,733	\$ 8,727,952	\$ 9,063,147

11/6/2017 130 New ERU's per year 130 New Connection Fees per year

Rates	\$86.00	\$86.00	\$86.00	\$86.00	\$90.00	\$90.00	\$92.00	\$92.00	\$94.00	\$94.00	\$96.00	\$96.00
% Rate Increase	3.61%	0.00%	0.00%	0.00%	4.65%	0.00%	2.22%	0.00%	2.17%	0.00%	2.13%	0.00%
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Debt Payments - Includes interest												
2010A Bond (BAB)	\$ 2,826,301	\$ 2,815,847	\$ 2,802,426	\$ 2,788,857	\$ 2,772,441	\$ 2,748,967	\$ 2,728,362	\$ 2,705,320	\$ 2,684,841	\$ 2,661,622	\$ 2,635,152	\$ 2,605,399
LS - Sewer Portion 2008 Refunding Bond (City)	\$ 134,025	\$ 139,400	\$ 134,800	\$ 135,200	\$ 140,400	\$ 135,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
STP2 Const L0800014	\$ 1,076,628	\$ 1,076,628	\$ 1,076,628	\$ 1,076,628	\$ 1,076,628	\$ 1,076,628	\$ 1,076,628	\$ 1,076,628	\$ 1,076,628	\$ 1,076,628	\$ 1,076,628	\$ 1,076,628
STP2 Const L0900004	\$ 1,853,867	\$ 1,853,867	\$ 1,853,867	\$ 1,853,867	\$ 1,853,867	\$ 1,853,867	\$ 1,853,867	\$ 1,853,867	\$ 1,853,867	\$ 1,853,867	\$ 1,853,867	\$ 1,853,867
STP2 Const L1100012	\$ 362,237	\$ 362,237	\$ 362,237	\$ 362,237	\$ 362,237	\$ 362,237	\$ 362,237	\$ 362,237	\$ 362,237	\$ 362,237	\$ 362,237	\$ 362,237
SRF L 4.025.000	\$ 135,201	\$ 270,403	\$ 270,403	\$ 270,403	\$ 270,403	\$ 270,403	\$ 270,403	\$ 270,403	\$ 270,403	\$ 270,403	\$ 270,403	\$ 270,403
PWTF PW98-791-PRE-106 (STP1 Design)	\$ 17,408	\$ 17,237	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PWTF PW00-691-033 (STP1 Const)	\$ 166,463	\$ 164,862	\$ 163,262	\$ 161,661	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PWTF PW02-691-029 (City)	\$ 88,262	\$ 87,833	\$ 87,405	\$ 86,977	\$ 86,548	\$ 86,120	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PWTF PW02-691-030 (Lundeen)	\$ 223,439	\$ 222,354	\$ 221,269	\$ 220,185	\$ 219,100	\$ 218,015	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PWTF PW05-691-PRE-107 (STP2 Design)	\$ 55,000	\$ 54,737	\$ 54,474	\$ 54,211	\$ 53,947	\$ 53,684	\$ 53,421	\$ 53,158	\$ 52,895	\$ -	\$ -	\$ -
PWTF PW05-691-PRE-133 (STP2 Design)	\$ 55,764	\$ 55,497	\$ 55,230	\$ 54,963	\$ 54,697	\$ 54,430	\$ 54,163	\$ 53,896	\$ 53,629	\$ -	\$ -	\$ -
PWTF PW05-691-PRE-137 (City)	\$ 62,105	\$ 61,053	\$ 60,000	\$ 58,947	\$ 57,895	\$ 56,842	\$ 55,789	\$ 54,737	\$ 53,684	\$ -	\$ -	\$ -
PWTF PR08-951-054 (STP2 Design)	\$ 55,789	\$ 55,526	\$ 55,263	\$ 55,000	\$ 54,737	\$ 54,474	\$ 54,211	\$ 53,947	\$ 53,684	\$ 53,421	\$ 53,158	\$ 52,895
PWTF PW06-962-020 (City)	\$ 430,016	\$ 427,969	\$ 425,921	\$ 423,873	\$ 421,826	\$ 419,778	\$ 417,730	\$ 415,683	\$ 413,635	\$ 411,587	\$ -	\$ -
PWTF PW07-962-013 (STP2 Const)	\$ 416,730	\$ 414,755	\$ 412,780	\$ 410,805	\$ 408,830	\$ 406,855	\$ 404,880	\$ 402,905	\$ 400,930	\$ 398,955	\$ 396,980	\$ -
PWTF PC08-951-023 (City)	\$ 334,925	\$ 333,417	\$ 331,908	\$ 330,399	\$ 328,891	\$ 327,382	\$ 325,873	\$ 324,365	\$ 322,856	\$ 321,347	\$ 319,839	\$ 318,330
PWTF PC08-951-024 (STP2 Const)	\$ 334,925	\$ 333,417	\$ 331,908	\$ 330,399	\$ 328,891	\$ 327,382	\$ 325,873	\$ 324,365	\$ 322,856	\$ 321,347	\$ 319,839	\$ 318,330
WWTP Phase III Debt										\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
VERNON BUSINESS CENTER	\$ 62,076	\$ 62,076	\$ 62,076	\$ 24,242	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Debt Payments	\$ 8,691,162	\$ 8,809,104	\$ 8,761,856	\$ 8,698,854	\$ 8,491,336	\$ 8,452,263	\$ 7,983,437	\$ 7,951,509	\$ 7,922,145	\$ 9,731,414	\$ 9,288,101	\$ 8,858,088
2010A Bond (BAB Credit)	\$ (641,902)	\$ (632,425)	\$ (619,906)	\$ (605,709)	\$ (590,584)	\$ (571,530)	\$ (551,782)	\$ (531,240)	\$ (509,904)	\$ (487,675)	\$ (462,756)	\$ (436,769)
Capital Revenues												
Connection Charges	\$ 1,105,000	\$ 1,170,000	\$ 1,209,000	\$ 1,248,000	\$ 1,287,000	\$ 1,287,000	\$ 1,287,000	\$ 1,287,000	\$ 1,287,000	\$ 1,287,000	\$ 1,287,000	\$ 1,287,000
New Loan Funds												
Revenues Total	\$ 1,105,000	\$ 1,170,000	\$ 1,209,000	\$ 1,248,000	\$ 1,287,000	\$ 1,287,000	\$ 1,287,000	\$ 1,287,000	\$ 1,287,000	\$ 1,287,000	\$ 1,287,000	\$ 1,287,000
Capital Expenses (Paid from Conn Fees or Debt)												
WWTP II-B - resotration of old site (WWTP)				\$ 1,651,000								
WWTP Phase III (WWTF III)									\$ 31,374,000			
WWTP Membrane Replacement (MBR)								\$ 3,041,000				
LS 17 Upgrade & Force Main Reroute to SWI (C2-A2 & C2-B)	\$ 450,000											
WWTF LEAPmbr Upgrade (WWTF LEAP)	\$ 280,000											
LS 1 Decommission (G4)	\$ 116,000											
Regional Lift Station (B7-A1 LS & FM)		\$ 2,830,000										
LS1 C rehabilitation (E1-B)		\$ 630,000										
LS 2C Upgrade (E2-A)		\$ 820,000										
LS Rehabilitation (Lift Sta)		\$ 484,000										
New Gravity Line - Industrial Area (D6-A)			\$ 303,000									
LS Rehabilitation (Lift Sta)				\$ 989,000								
LS 5C Decommission (E4-A)				\$ 365,000								
LS Rehabilitation (Lift Sta)				\$ 807,000								
Comprehensive Plan Update (Comp)					\$ 160,000							
WWTF Engineering Report (EnRpt)					\$ 50,000							
LS 3 & 4 Derating & Force Mains Sliplining (D3-A)							\$ 261,000					
LS Rehabilitation (Lift Sta)								\$ 1,248,000				
LS Rehabilitation (Lift Sta)										\$ 1,059,000		
Downstream of Rhodora Heights Road (B8-B)										\$ 254,000		
Vernon Rd West @ VRD (F1-A)											\$ 959,000	
LS Rehabilitation (Lift Sta)												\$ 630,000
Total Capital Expenses	\$ 846,000	\$ 4,764,000	\$ 303,000	\$ 3,812,000	\$ 210,000	\$ -	\$ 261,000	\$ 4,289,000	\$ 31,374,000	\$ 1,313,000	\$ 959,000	\$ 630,000

11/6/2017 130 New ERU's per year 130 New Connection Fees per year

Rates	\$86.00	\$86.00	\$86.00	\$86.00	\$90.00	\$90.00	\$92.00	\$92.00	\$94.00	\$94.00	\$96.00	\$96.00
% Rate Increase	3.61%	0.00%	0.00%	0.00%	4.65%	0.00%	2.22%	0.00%	2.17%	0.00%	2.13%	0.00%
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028

Capital Expenses - Other												
Old Plant Biosolids	\$ 150,000											
Amendments (Feasibility Annexation & Rate Study Update)	\$ 50,000											
Upgrade SCADA System	\$ 70,000											
Replacement Vehicle for WWTP Division	\$ 25,000											
Lift Station #8 VFDs	\$ 20,000											
HVAC Units at Vernon Business Center	\$ 25,000											
Decant Facility Treatment Plant - Design & Business Case	\$ 110,000											
Replacement Truck F-550 Equivalent w/small crane (Collections)	\$ 86,000											
LS 17 Upgrade & Force Main (budget 630K Comp Plan 450K)	\$ 180,000											
Nourse Callow Road Oversizing		\$ 855,000										
City Lift Station VFD's		\$ 20,000										
Paving VBC North Parking Lot		\$ 150,000										
Other & Collection System Pipe Repairs (annual amount)	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 410,000	\$ 420,250
Total Capital Expenses - Other	\$ 1,116,000	\$ 1,425,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 410,000	\$ 420,250

11/6/2017 179 New ERU's per year 179 New Connection Fees per year

Rates	\$86.00	\$86.00	\$86.00	\$86.00	\$90.00	\$90.00	\$92.00	\$92.00	\$94.00	\$94.00	\$96.00	\$96.00
% Rate Increase	3.61%	0.00%	0.00%	0.00%	4.65%	0.00%	2.22%	0.00%	2.17%	0.00%	2.13%	0.00%
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Operational Summary												
Start of Year Cash	\$ 705,200	\$ 930,423	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 275,541	\$ 447,165	\$ 860,886	\$ 0	\$ 0
(+) Total Operating Revenues	\$ 13,223,847	\$ 13,297,686	\$ 13,482,414	\$ 13,667,142	\$ 14,494,350	\$ 14,655,170	\$ 15,178,322	\$ 15,375,938	\$ 15,907,978	\$ 16,109,890	\$ 16,658,818	\$ 16,865,026
(-) Total Operating Expenses	\$ (5,753,691)	\$ (6,170,188)	\$ (6,464,071)	\$ (6,706,804)	\$ (6,949,843)	\$ (7,230,647)	\$ (7,497,977)	\$ (7,810,896)	\$ (8,108,868)	\$ (8,461,858)	\$ (8,785,649)	\$ (9,122,459)
(+) Investment Interest	\$ 163,896	\$ 41,894	\$ 41,510	\$ 36,099	\$ 30,616	\$ 28,987	\$ 26,851	\$ 26,851	\$ 26,851	\$ 26,851	\$ 23,311	\$ 18,667
Net Operating Revenue	\$ 8,339,252	\$ 8,099,815	\$ 7,059,852	\$ 6,996,437	\$ 7,575,123	\$ 7,453,510	\$ 7,707,196	\$ 7,867,434	\$ 8,273,127	\$ 8,535,769	\$ 7,896,481	\$ 7,761,234
(-) Debt Payments	\$ (8,691,162)	\$ (8,809,104)	\$ (8,761,856)	\$ (8,698,854)	\$ (8,491,336)	\$ (8,452,263)	\$ (7,983,437)	\$ (7,951,509)	\$ (7,922,145)	\$ (9,731,414)	\$ (9,288,101)	\$ (8,858,088)
(+) BAB Credit	\$ 641,902	\$ 632,425	\$ 619,906	\$ 605,709	\$ 590,584	\$ 571,530	\$ 551,782	\$ 531,240	\$ 509,904	\$ 487,675	\$ 462,756	\$ 436,769
Total Debt Payment	\$ (8,049,259)	\$ (8,176,680)	\$ (8,141,951)	\$ (8,093,145)	\$ (7,900,752)	\$ (7,880,733)	\$ (7,431,654)	\$ (7,420,269)	\$ (7,412,241)	\$ (9,243,740)	\$ (8,825,345)	\$ (8,421,318)
End of Year Operating Reserve	\$ 289,993	\$ (76,865)	\$ (1,082,098)	\$ (1,096,708)	\$ (325,629)	\$ (427,223)	\$ 275,541	\$ 447,165	\$ 860,886	\$ (707,970)	\$ (928,864)	\$ (660,084)
Start of Year Rate Stabilization Fund Balance	\$ 8,378,784	\$ 8,378,784	\$ 8,301,919	\$ 7,219,821	\$ 6,123,113	\$ 5,797,484	\$ 5,370,262	\$ 5,370,262	\$ 5,370,262	\$ 5,370,262	\$ 4,662,291	\$ 3,733,427
(-) Debt Payment Shortage	\$ 0	\$ (76,865)	\$ (1,082,098)	\$ (1,096,708)	\$ (325,629)	\$ (427,223)	\$ 0	\$ 0	\$ 0	\$ (707,970)	\$ (928,864)	\$ (660,084)
End of Year Rate Stabilization Fund Balance	\$ 8,378,784	\$ 8,301,919	\$ 7,219,821	\$ 6,123,113	\$ 5,797,484	\$ 5,370,262	\$ 5,370,262	\$ 5,370,262	\$ 5,370,262	\$ 4,662,291	\$ 3,733,427	\$ 3,073,344
Refinance BAB's?												
Capital Summary												
Start of Year Capital Reserve	\$ 7,538,135	\$ 10,018,936	\$ 5,478,339	\$ 6,467,431	\$ 4,006,168	\$ 5,188,299	\$ 6,586,340	\$ 7,730,372	\$ 4,852,124	\$ (25,125,516)	\$ (25,192,043)	\$ (24,788,943)
(+) Total Capital Revenues	\$ 1,105,000	\$ 1,611,000	\$ 1,664,700	\$ 1,718,400	\$ 1,772,100	\$ 1,772,100	\$ 1,772,100	\$ 1,772,100	\$ 1,772,100	\$ 1,772,100	\$ 1,772,100	\$ 1,772,100
(+) Investment Interest	\$ 53,518	\$ 37,403	\$ 27,392	\$ 32,337	\$ 20,031	\$ 25,941	\$ 32,932	\$ 38,652	\$ 24,261	\$ (125,628)		
(-) Total Capital Expenses	\$ (396,000)	\$ (4,764,000)	\$ (303,000)	\$ (3,812,000)	\$ (210,000)	\$ 0	\$ (261,000)	\$ (4,289,000)	\$ (31,374,000)	\$ (1,313,000)	\$ (959,000)	\$ (630,000)
(-) Total Capital Expenses - Other	\$ (1,116,000)	\$ (1,425,000)	\$ (400,000)	\$ (400,000)	\$ (400,000)	\$ (400,000)	\$ (400,000)	\$ (400,000)	\$ (400,000)	\$ (400,000)	\$ (410,000)	\$ (420,250)
End of Year Capital Reserve	\$ 7,184,653	\$ 5,478,339	\$ 6,467,431	\$ 4,006,168	\$ 5,188,299	\$ 6,586,340	\$ 7,730,372	\$ 4,852,124	\$ (25,125,516)	\$ (25,192,043)	\$ (24,788,943)	\$ (24,067,093)
Debt Service Coverage	1.03	0.99	0.88	0.87	0.96	0.95	1.03	1.06	1.11	0.93	0.90	0.93
Debt Service Coverage incl Rate Stabilization Fund	2.00	1.93	1.70	1.58	1.64	1.58	1.71	1.73	1.79	1.41	1.30	1.27

Operating Revenues												
Rental Income - Vernon Business	\$ 30,554	\$ 27,000	\$ 27,000	\$ 27,000	\$ 27,000	\$ 27,000	\$ 27,000	\$ 27,000	\$ 27,000	\$ 27,000	\$ 27,000	\$ 27,000
District Rate Revenue	\$ 13,074,694	\$ 13,259,136	\$ 13,443,864	\$ 13,628,592	\$ 14,455,800	\$ 14,649,120	\$ 15,172,272	\$ 15,369,888	\$ 15,905,928	\$ 16,107,840	\$ 16,656,768	\$ 16,862,976
Late fees & penalties	\$ 181,038	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000
Other	\$ 61	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50
Permit Fees	\$ 32,500	\$ 32,500	\$ 32,500	\$ 32,500	\$ 32,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ULID 13	\$ 5,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000				
New Delinquency Costs	\$ (100,000)	\$ (100,000)	\$ (100,000)	\$ (100,000)	\$ (100,000)	\$ (100,000)	\$ (100,000)	\$ (100,000)	\$ (100,000)	\$ (100,000)	\$ (100,000)	\$ (100,000)
Revenues Total	\$ 13,223,847	\$ 13,297,686	\$ 13,482,414	\$ 13,667,142	\$ 14,494,350	\$ 14,655,170	\$ 15,178,322	\$ 15,375,938	\$ 15,907,978	\$ 16,109,890	\$ 16,658,818	\$ 16,865,026
Operating Expenditures												
Admin Salaires & Benefits	\$ 931,500	\$ 1,008,500	\$ 1,062,200	\$ 1,075,300	\$ 1,122,400	\$ 1,172,400	\$ 1,225,100	\$ 1,280,200	\$ 1,339,500	\$ 1,404,900	\$ 1,468,121	\$ 1,534,186
Admin Operating	\$ 801,644	\$ 768,071	\$ 789,577	\$ 811,685	\$ 834,412	\$ 857,776	\$ 881,794	\$ 906,484	\$ 931,865	\$ 957,958	\$ 984,780	\$ 1,012,354
Advisors	\$ 184,500	\$ 171,300	\$ 176,096	\$ 181,027	\$ 186,096	\$ 191,307	\$ 196,663	\$ 202,170	\$ 207,830	\$ 213,650	\$ 219,632	\$ 225,782
Field Salaries & Benefits	\$ 1,172,900	\$ 1,409,500	\$ 1,509,600	\$ 1,604,600	\$ 1,665,400	\$ 1,753,700	\$ 1,821,500	\$ 1,923,000	\$ 2,002,600	\$ 2,115,900	\$ 2,211,116	\$ 2,310,616
Field Operating	\$ 507,029	\$ 605,543	\$ 622,498	\$ 639,928	\$ 657,846	\$ 676,266	\$ 695,201	\$ 714,667	\$ 734,678	\$ 755,249	\$ 776,396	\$ 798,135
Plant Salaries & Benefits	\$ 1,043,800	\$ 1,103,500	\$ 1,170,400	\$ 1,229,800	\$ 1,287,600	\$ 1,350,600	\$ 1,415,700	\$ 1,488,000	\$ 1,560,700	\$ 1,646,200	\$ 1,720,279	\$ 1,797,692
Plant Operating	\$ 1,035,277	\$ 1,068,774	\$ 1,098,700	\$ 1,129,463	\$ 1,161,088	\$ 1,193,599	\$ 1,227,019	\$ 1,261,376	\$ 1,296,695	\$ 1,333,002	\$ 1,370,326	\$ 1,408,695
Operating Fee to City	\$ 77,040	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000
New Employe + Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Membrane Replacement (Replace 8-10) Est</i>												
Total O&M Expenses	\$ 5,753,691	\$ 6,170,188	\$ 6,464,071	\$ 6,706,804	\$ 6,949,843	\$ 7,230,647	\$ 7,497,977	\$ 7,810,896	\$ 8,108,868	\$ 8,461,858	\$ 8,785,649	\$ 9,122,459

Rates	\$86.00	\$86.00	\$86.00	\$86.00	\$90.00	\$90.00	\$92.00	\$92.00	\$94.00	\$94.00	\$96.00	\$96.00
% Rate Increase	3.61%	0.00%	0.00%	0.00%	4.65%	0.00%	2.22%	0.00%	2.17%	0.00%	2.13%	0.00%
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Debt Payments - Includes interest												
2010A Bond (BAB)	\$ 2,826,301	\$ 2,815,847	\$ 2,802,426	\$ 2,788,857	\$ 2,772,441	\$ 2,748,967	\$ 2,728,362	\$ 2,705,320	\$ 2,684,841	\$ 2,661,622	\$ 2,635,152	\$ 2,605,399
LS - Sewer Portion 2008 Refunding Bond (City)	\$ 134,025	\$ 139,400	\$ 134,800	\$ 135,200	\$ 140,400	\$ 135,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
STP2 Const L0800014	\$ 1,076,628	\$ 1,076,628	\$ 1,076,628	\$ 1,076,628	\$ 1,076,628	\$ 1,076,628	\$ 1,076,628	\$ 1,076,628	\$ 1,076,628	\$ 1,076,628	\$ 1,076,628	\$ 1,076,628
STP2 Const L0900004	\$ 1,853,867	\$ 1,853,867	\$ 1,853,867	\$ 1,853,867	\$ 1,853,867	\$ 1,853,867	\$ 1,853,867	\$ 1,853,867	\$ 1,853,867	\$ 1,853,867	\$ 1,853,867	\$ 1,853,867
STP2 Const L1100012	\$ 362,237	\$ 362,237	\$ 362,237	\$ 362,237	\$ 362,237	\$ 362,237	\$ 362,237	\$ 362,237	\$ 362,237	\$ 362,237	\$ 362,237	\$ 362,237
SRF L 4.025.000	\$ 135,201	\$ 270,403	\$ 270,403	\$ 270,403	\$ 270,403	\$ 270,403	\$ 270,403	\$ 270,403	\$ 270,403	\$ 270,403	\$ 270,403	\$ 270,403
PWTF PW98-791-PRE-106 (STP1 Design)	\$ 17,408	\$ 17,237	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PWTF PW00-691-033 (STP1 Const)	\$ 166,463	\$ 164,862	\$ 163,262	\$ 161,661	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PWTF PW02-691-029 (City)	\$ 88,262	\$ 87,833	\$ 87,405	\$ 86,977	\$ 86,548	\$ 86,120	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PWTF PW02-691-030 (Lundeen)	\$ 223,439	\$ 222,354	\$ 221,269	\$ 220,185	\$ 219,100	\$ 218,015	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PWTF PW05-691-PRE-107 (STP2 Design)	\$ 55,000	\$ 54,737	\$ 54,474	\$ 54,211	\$ 53,947	\$ 53,684	\$ 53,421	\$ 53,158	\$ 52,895	\$ -	\$ -	\$ -
PWTF PW05-691-PRE-133 (STP2 Design)	\$ 55,764	\$ 55,497	\$ 55,230	\$ 54,963	\$ 54,697	\$ 54,430	\$ 54,163	\$ 53,896	\$ 53,629	\$ -	\$ -	\$ -
PWTF PW05-691-PRE-137 (City)	\$ 62,105	\$ 61,053	\$ 60,000	\$ 58,947	\$ 57,895	\$ 56,842	\$ 55,789	\$ 54,737	\$ 53,684	\$ -	\$ -	\$ -
PWTF PR08-951-054 (STP2 Design)	\$ 55,789	\$ 55,526	\$ 55,263	\$ 55,000	\$ 54,737	\$ 54,474	\$ 54,211	\$ 53,947	\$ 53,684	\$ 53,421	\$ 53,158	\$ 52,895
PWTF PW06-962-020 (City)	\$ 430,016	\$ 427,969	\$ 425,921	\$ 423,873	\$ 421,826	\$ 419,778	\$ 417,730	\$ 415,683	\$ 413,635	\$ 411,587	\$ -	\$ -
PWTF PW07-962-013 (STP2 Const)	\$ 416,730	\$ 414,755	\$ 412,780	\$ 410,805	\$ 408,830	\$ 406,855	\$ 404,880	\$ 402,905	\$ 400,930	\$ 398,955	\$ 396,980	\$ -
PWTF PC08-951-023 (City)	\$ 334,925	\$ 333,417	\$ 331,908	\$ 330,399	\$ 328,891	\$ 327,382	\$ 325,873	\$ 324,365	\$ 322,856	\$ 321,347	\$ 319,839	\$ 318,330
PWTF PC08-951-024 (STP2 Const)	\$ 334,925	\$ 333,417	\$ 331,908	\$ 330,399	\$ 328,891	\$ 327,382	\$ 325,873	\$ 324,365	\$ 322,856	\$ 321,347	\$ 319,839	\$ 318,330
WWTP Phase III Debt										\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
VERNON BUSINESS CENTER	\$ 62,076	\$ 62,076	\$ 62,076	\$ 24,242	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Debt Payments	\$ 8,691,162	\$ 8,809,104	\$ 8,761,856	\$ 8,698,854	\$ 8,491,336	\$ 8,452,263	\$ 7,983,437	\$ 7,951,509	\$ 7,922,145	\$ 9,731,414	\$ 9,288,101	\$ 8,858,088
2010A Bond (BAB Credit)	\$ (641,902)	\$ (632,425)	\$ (619,906)	\$ (605,709)	\$ (590,584)	\$ (571,530)	\$ (551,782)	\$ (531,240)	\$ (509,904)	\$ (487,675)	\$ (462,756)	\$ (436,769)
Capital Revenues												
Connection Charges	\$ 1,105,000	\$ 1,611,000	\$ 1,664,700	\$ 1,718,400	\$ 1,772,100	\$ 1,772,100	\$ 1,772,100	\$ 1,772,100	\$ 1,772,100	\$ 1,772,100	\$ 1,772,100	\$ 1,772,100
New Loan Funds												
Revenues Total	\$ 1,105,000	\$ 1,611,000	\$ 1,664,700	\$ 1,718,400	\$ 1,772,100	\$ 1,772,100	\$ 1,772,100	\$ 1,772,100	\$ 1,772,100	\$ 1,772,100	\$ 1,772,100	\$ 1,772,100
Capital Expenses (Paid from Conn Fees or Debt)												
WWTP II-B - resotration of old site (WWTP)				\$ 1,651,000								
WWTP Phase III (WWTF III)									\$ 31,374,000			
WWTP Membrane Replacement (MBR)								\$ 3,041,000				
LS 17 Upgrade & Force Main Reroute to SWI (C2-A2 & C2-B)												
WWTF LEAPmbr Upgrade (WWTF LEAP)	\$ 280,000											
LS 1 Decommission (G4)	\$ 116,000											
Regional Lift Station (B7-A1 LS & FM)		\$ 2,830,000										
LS1 C rehabilitation (E1-B)		\$ 630,000										
LS 2C Upgrade (E2-A)		\$ 820,000										
LS Rehabilitation (Lift Sta)		\$ 484,000										
New Gravity Line - Industrial Area (D6-A)			\$ 303,000									
LS Rehabilitation (Lift Sta)				\$ 989,000								
LS 5C Decommission (E4-A)				\$ 365,000								
LS Rehabilitation (Lift Sta)				\$ 807,000								
Comprehensive Plan Update (Comp)					\$ 160,000							
WWTF Engineering Report (EnRpt)					\$ 50,000							
LS 3 & 4 Derating & Force Mains Sliplining (D3-A)							\$ 261,000					
LS Rehabilitation (Lift Sta)								\$ 1,248,000				
LS Rehabilitation (Lift Sta)									\$ 1,059,000			
Downstream of Rhodora Heights Road (B8-B)									\$ 254,000			
Vernon Rd West @ VRD (F1-A)										\$ 959,000		
LS Rehabilitation (Lift Sta)											\$ 630,000	
Total Capital Expenses	\$ 396,000	\$ 4,764,000	\$ 303,000	\$ 3,812,000	\$ 210,000	\$ -	\$ 261,000	\$ 4,289,000	\$ 31,374,000	\$ 1,313,000	\$ 959,000	\$ 630,000

11/6/2017 179 New ERU's per year 179 New Connection Fees per year

Rates	\$86.00	\$86.00	\$86.00	\$86.00	\$90.00	\$90.00	\$92.00	\$92.00	\$94.00	\$94.00	\$96.00	\$96.00
% Rate Increase	3.61%	0.00%	0.00%	0.00%	4.65%	0.00%	2.22%	0.00%	2.17%	0.00%	2.13%	0.00%
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028

Capital Expenses - Other												
Old Plant Biosolids	\$	150,000										
Amendments (Feasibility Annexation & Rate Study Update)	\$	50,000										
Upgrade SCADA System	\$	70,000										
Replacement Vehicle for WWTP Division	\$	25,000										
Lift Station #8 VFDs	\$	20,000										
HVAC Units at Vernon Business Center	\$	25,000										
Decant Facility Treatment Plant - Design & Business Case	\$	110,000										
Replacement Truck F-550 Equivalent w/small crane (Collections)	\$	86,000										
LS 17 Upgrade & Force Main (budget 630K Comp Plan 450K)	\$	180,000										
Nourse Callow Road Oversizing			\$	855,000								
City Lift Station VFD's			\$	20,000								
Paving VBC North Parking Lot			\$	150,000								
Other & Collection System Pipe Repairs (annual amount)	\$	400,000	\$	400,000	\$	400,000	\$	400,000	\$	400,000	\$	400,000
Total Capital Expenses - Other	\$	1,116,000	\$	1,425,000	\$	400,000	\$	400,000	\$	400,000	\$	420,250