



2019
DRAFT
Operating Revenue & Expenses,
Debt and Capital Budgetary
Guidelines
(Monthly Rate @ \$86.00)

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SCHEDULE 1

2019 Budget Cash Flows	2018 Budget	2019 Budget	Source
OPERATING CASH FLOWS			
	Amount	Amount	
1. START OF YEAR OPERATING CASH	\$3,881,942	\$3,046,424	
2. (+) TOTAL OPERATING REVENUES	\$13,383,256	\$13,596,985	Schedule 2 Line 9
3. (+) INTEREST INCOME ON RESERVED/RESTRICTED FUNDS (1)	\$250,000	\$91,402	
4. (+) ULIDs #13 Assessment Revenue (2)	\$4,000	\$4,000	
5. (+) 2014 BAB TAX CREDITS	\$634,463	\$619,906	
6. (-) TOTAL DISTRICT DEBT PAYMENTS	(\$8,888,990)	(\$8,699,780)	Schedule 3 Line 20
7. NET OPERATING CASH AVAILABLE FOR O&M EXPENSES	\$9,264,671	\$8,658,937	
8. PROJECTED O&M EXPENSES	(\$6,218,247)	(\$6,564,376)	Schedule 4 Line 134
9. NET OPERATING REVENUE / END OF YEAR REVENUE	\$3,046,424	\$2,094,561	
10. START OF YEAR RATE STABILIZATION FUND	\$8,378,784	\$8,378,784	
11. (-) NET OPERATING REVENUE SHORTFALL	\$0	\$0	
12. END OF YEAR RATE STABILIZATION FUND	\$8,378,784	\$8,378,784	
CAPITAL CASH FLOWS			
13. START OF YEAR CAPITAL CASH	\$10,018,936	\$13,593,697	
14. (+) PROJECTED CONNECTION CHARGES	\$2,187,500	\$1,170,000	Assumes 130 New CF pd
15. (+) INTEREST INCOME ON CONNECTION FEES (1)	\$170,000	\$59,051	Interest on CF \$'s only
16. (+) LS 17 REIMBURSEMENT (HAWKSBEARD) SWI PH II BASIN CHARGE & FORFIETED REIMBURSABLES	\$312,425		
17. (+) NEW DEBT	\$0	\$0	
18. (-) TOTAL ADJUSTED CAPITAL COSTS	(\$5,686,688)	(\$7,982,000)	Schedule 5 Line 18
19. END OF YEAR CAPITAL RESERVES	\$7,002,172	\$6,840,748	
OTHER CASH			
20. RESTRICTED BY BOND/LOAN COVENANTS	\$5,857,455	\$5,857,455	

Notes

- (1) The District's weighted average return on funds in both the County and State pools is 2.1575%.
- (2) Revenue from ULID assessments are based on the calculated straight line amounts to be collected annually based on outstanding balances, interest rates, and remaining years.

SCHEDULE 2

2019 PROJECTED OPERATING REVENUES	NO. OF CUSTOMERS (ERUS)	RATE	2018 Budget	2019 Budget
1. DISTRICT RATE REVENUE	13,105	\$86.00	\$ 13,248,282	\$ 13,524,360
2. PERMIT FEES			37,500	37,500
3. INTEREST CHARGES ON LATE SEWER FEES			18,709	10,000
4. LATE FEES & PENALTIES			144,866	100,000
5. OTHER SEWER REVENUES			8,297	50
6. RENTAL INCOME-VERNON BUSINESS CENTER			25,602	25,075
7. TOTAL PROJECTED OPERATING REVENUE			\$ 13,483,256	\$ 13,696,985
8. LESS DISTRICT NEW DELINQUENCY COSTS (1)			(100,000)	(100,000)
9. TOTAL PROJECTED WORKING REVENUE			\$ 13,383,256	\$ 13,596,985

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	2018 Budget	2019 Budget
1. 2010 A Bonds	\$ 2,815,847	\$ 2,802,426
2. 2008 City LTGO	\$ 139,400	\$ 134,800
3. STP1 Design PW98-791-PRE-106	\$ 17,237	\$ -
4. STP1 Const PW00-691-033	\$ 164,862	\$ 163,262
5. City 2002 Cap Imp PW02-691-029	\$ 87,833	\$ 87,405
6. Lundeen PW02-691-030	\$ 222,354	\$ 221,269
7. STP2 Design PW05-691-PRE-107	\$ 54,737	\$ 54,474
8. STP2 Design PW05-691-PRE-133	\$ 55,497	\$ 55,230
9. STP2 Design PW05-691-PRE-137	\$ 61,053	\$ 60,000
10. STP2 Design PR08-951-054	\$ 55,526	\$ 55,263
11. STP2 Const PW06-962-020	\$ 427,969	\$ 425,921
12. STP2 Const PW07-962-013	\$ 414,755	\$ 412,780
13. STP2 Const PC08-951-023	\$ 333,417	\$ 331,908
14. STP2 Const PC08-951-024	\$ 333,417	\$ 331,908
15. STP2 Const L0800014	\$ 1,076,628	\$ 1,076,628
16. STP2 Const L0900004	\$ 1,853,857	\$ 1,853,867
17. STP2 Const L1100012	\$ 362,237	\$ 362,237
18. STP2 Const L15xxxxx	\$ 270,403	\$ 270,403
19. Vernon Business Center (1)	\$ 141,962	
TOTAL	\$ 8,888,990	\$ 8,699,780
SUMMARY OF DISTRICT DEBT PAYMENTS	2018 Budget	2019 Budget
20. TOTAL DEBT PAYMENTS	\$ 8,888,990	\$ 8,699,780

Notes

(1) The Vernon Business Center was paid off in 2018.

SCHEDULE 3b Five Year Debt Payments

DEBT PRINCIPAL AND INTEREST OBLIGATIONS	2020	2021	2022	2023	2024
1. 2010 A Bonds	\$ 2,788,857	\$ 2,772,441	\$ 2,748,967	\$ 2,728,362	\$ 2,705,320
2. 2008 City LTGO	\$ 135,200	\$ 140,400	\$ 135,200	\$ -	\$ -
3. STP1 Const PW00-691-033	\$ 161,661	\$ -	\$ -	\$ -	\$ -
4. City 2002 Cap Imp PW02-691-029	\$ 86,977	\$ 86,548	\$ 86,120	\$ -	\$ -
5. Lundeen PW02-691-030	\$ 220,195	\$ 219,100	\$ 218,015	\$ -	\$ -
6. STP2 Design PW05-691-PRE-107	\$ 54,211	\$ 53,947	\$ 53,684	\$ 53,421	\$ 53,158
7. STP2 Design PW05-691-PRE-133	\$ 54,963	\$ 54,697	\$ 54,430	\$ 54,163	\$ 53,896
8. STP2 Design PW05-691-PRE-137	\$ 58,947	\$ 57,895	\$ 56,842	\$ 55,789	\$ 54,737
9. STP2 Design PR08-951-054	\$ 55,000	\$ 54,737	\$ 54,474	\$ 54,211	\$ 53,947
10. STP2 Const PW06-962-020	\$ 423,873	\$ 421,826	\$ 419,778	\$ 417,730	\$ 415,683
11. STP2 Const PW07-962-013	\$ 410,805	\$ 408,830	\$ 406,855	\$ 404,880	\$ 402,905
12. STP2 Const PC08-951-023	\$ 330,399	\$ 328,891	\$ 327,382	\$ 325,873	\$ 324,365
13. STP2 Const PC08-951-024	\$ 330,399	\$ 328,891	\$ 327,382	\$ 325,873	\$ 324,365
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
TOTAL	\$ 8,674,622	\$ 8,491,336	\$ 8,452,263	\$ 7,983,437	\$ 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
2029 Total Debt Payment Amount	\$6,774,141

SCHEDULE 4

LAKE STEVENS SEWER DISTRICT ADMINISTRATION EXPENSE RECAP FOR 2019 BUDGET

GL Acct #	DESCRIPTION	2018 Budget	Actual Through Sept 2018	Estimated to End of Year	2019 Budget	2019 Incr (Decr) from 2018
OFFICE & ADMIN EXPENSES						
1.	508-10 ADMIN MEDICARE PR TAX	10,100	6,480	8,641	9,800	(300)
2.	508-11 ADMIN FICA PR TAX	45,100	27,602	36,803	43,900	(1,200)
3.	508-50 MERCHANT SERVICES FEE	8,686	7,144	9,525	10,000	1,314
4.	623-05 DIST UTILITIES OFFICE	6,909	4,057	5,409	7,254	345
5.	903-00 CUSTOMER RECORDS & COLLECTION	90,000	62,113	82,818	88,000	(2,000)
6.	903-01 LIEN FILING EXPENSE	1,000	70	93	250	(750)
7.	903-02 FORECLOSURE EXPENSE	2,500	0	0	2,500	0
8.	920-00 ADMIN REGULAR SALARIES	657,400	439,780	586,374	657,900	500
9.	920-01 ADMIN COMP TIME PAYOUT	7,400	4,068	5,424	7,600	200
10.	920-02 ADMIN HOLIDAY PAYOUT	5,000	1,245	1,660	4,900	(100)
11.	920-03 ADMIN VACATION PAYOUT	4,900	178	237	5,000	100
12.	920-04 ADMIN CERTIFICATION PAY	0	0	0	0	0
13.	920-30 COMMISSIONERS SALARIES	19,500	12,590	16,787	28,000	8,500
14.	921-00 ADMINISTRATIVE SUPPLIES	25,001	16,520	22,027	23,000	(2,001)
15.	921-02 ELECTION COSTS	0	0	0	25,000	25,000
16.	921-03 COMPUTER MAINTENANCE EXPENSE	55,334	27,917	37,223	60,000	4,666
17.	921-04 OFFICE FURNITURE & EQUIPMENT	12,000	6,825	9,100	12,000	0
18.	921-05 ADV/PROMOTION/PUBLIC EDUC	2,500	1,142	1,522	2,000	(500)
19.	921-06 ADMIN COMPUTER SOFTWARE MAINT	19,000	14,525	19,366	19,950	950
20.	921-10 ADMIN VEHICLE EXPENSE	1,500	0	0	2,500	1,000
21.	921-12 ADMIN CONF/TRAVEL/MILAGE/MEALS	20,000	6,755	9,006	23,000	3,000
22.	921-16 DUES CERTS & SUBSCRIPTIONS	35,000	22,693	30,257	34,000	(1,000)
23.	921-20 ADMIN TRAINING/SCHOOLING	5,000	555	740	5,000	0
24.	921-31 ADMIN SAFETY	3,100	2,554	3,406	2,500	(600)
25.	926-00 ADMIN L&I PR TAX	3,100	1,263	1,684	3,200	100
26.	926-30 ADMIN MEDICAL INSURANCE	175,500	116,360	155,147	185,600	10,100
27.	926-40 ADMIN PERS	84,700	56,433	75,243	83,300	(1,400)
28.	930-00 MISC GENERAL EXPENSE	50	(39)	(52)	50	0
29.	930-30 DIST TELEPHONE VBC	9,716	6,776	9,035	10,200	484
30.	930-34 ADMIN CELLULAR PHONE	720	488	651	756	36
31.	931-00 OFFICE RENT	0	0	0	0	0
32.	932-00 VBC FACILITY MAINTENANCE	25,000	24,985	33,313	25,000	0
33.	933-00 CASH OVER AND SHORT	0	(20)	(26)	0	0
ADMINISTRATION EXPENSES TOTAL		1,335,717	871,059	1,161,412	1,382,160	46,444
						3.48%
TAXES & INSURANCE						
34.	508-00 EXCISE TAX (1)	297,412	224,532	299,376	300,000	2,588
35.	508-30 PROPERTY TAX & FIRE DISTRICT FEE	13,000	4,036	5,381	14,000	1,000
36.	508-40 OPERATING LICENSES & PERMITS	40,000	29,988	39,985	36,000	(4,000)
37.	924-00 DIST - PROPERTY INSURANCE	179,201	140,046	186,728	188,000	8,799
TAXES & INSURANCE TOTAL		529,613	398,603	531,470	538,000	8,387
						1.58%
ADVISOR EXPENSE						
38.	923-11 STATE AUDITOR	24,500	12,366	16,488	20,000	(4,500)
39.	923-12 CPA	10,000	0	0	10,000	0
40.	923-13 HUMAN RESOURCES	3,000	405	540	5,000	2,000
41.	923-14 FINANCIAL	2,000	0	0	0	(2,000)
42.	923-20 LEGAL	86,000	58,290	77,720	71,000	(15,000)
43.	923-30 ENGINEERS	46,800	30,561	40,748	46,800	0
44.	923-40 OUTSIDE HELP	34,000	1,937	2,582	3,000	(31,000)
ADVISOR EXPENSES TOTAL		206,300	103,559	138,079	155,800	(50,500)
						-24.48%

SCHEDULE 4 (Continued)

LAKE STEVENS SEWER DISTRICT FIELD OPERATIONS EXPENSE RECAP FOR 2019 BUDGET

GL Acct #	DESCRIPTION	2018 Budget	Actual Through Sept 2018	Estimated to End of Year	2019 Budget	2019 Incr (Decr) from 2018
FIELD MAINTENANCE & OPERATION						
45.	508-12 FIELD MEDICARE PR TAX	12,600	8,880	11,840	13,800	1,200
46.	508-13 FIELD FICA PR TAX	56,100	37,969	50,625	61,700	5,600
47.	613-00 DIST MAINTENANCE OF LINES	40,000	20,642	27,522	40,000	0
48.	613-02 DIST MANHOLE ADJUSTMENTS	7,000	1,079	1,438	7,000	0
49.	623-00 DIST UTILITIES OTHER LS	55,650	43,614	58,152	58,433	2,783
50.	623-01 DIST UTILITIES LS 5	6,300	4,185	5,579	6,615	315
51.	623-03 DIST UTILITIES LS 12	21,473	13,398	17,864	22,546	1,074
52.	623-04 CITY UTILITIES OTHER LS	12,600	10,490	13,987	13,230	630
53.	623-06 DIST UTILITIES LS 15	37,800	25,982	34,643	39,690	1,890
54.	623-07 CITY UTILITIES LS 1	15,750	9,532	12,710	16,538	788
55.	623-08 CITY UTILITIES LS 8	23,100	13,025	17,366	24,255	1,155
56.	623-09 DIST UTILITIES LS 17	9,450	6,658	8,877	9,923	473
57.	623-10 DIST UTILITIES FIELD MNT BLDG	14,700	7,273	9,697	15,435	735
58.	626-00 DIST OTHER LS MAINTENANCE	25,000	11,067	14,756	20,000	(5,000)
59.	626-01 DIST LS 5 MAINTENANCE	1,500	235	313	1,500	0
60.	626-02 DIST LS 12 MAINTENANCE	7,500	6,343	8,457	9,000	1,500
61.	626-03 DIST LS 15 MAINTENANCE	5,000	2,811	3,749	5,000	0
62.	626-04 CITY OTHER LS MAINTENANCE	12,500	6,908	9,211	12,500	0
63.	626-05 CITY LS 1 MAINTENANCE	5,500	5,034	6,712	7,500	2,000
64.	626-06 CITY LS 8 MAINTENANCE	5,000	5,166	6,888	7,500	2,500
65.	626-07 DIST LS 17 MAINTENANCE	4,500	3,940	5,254	6,000	1,500
66.	626-10 FIELD BLDG MAINTENANCE	2,000	1,437	1,916	3,000	1,000
67.	640-00 FIELD REGULAR SALARIES	793,000	546,323	728,431	877,300	84,300
68.	640-01 FIELD COMP TIME PAYOUT	64,100	41,879	55,839	66,200	2,100
69.	640-02 FIELD HOLIDAY PAYOUT	5,200	1,731	2,308	5,200	0
70.	640-03 FIELD VACATION PAYOUT	0	178	237	0	0
71.	640-04 FIELD CERTIFICATION PAY	20,000	14,200	18,933	20,400	400
72.	641-05 ODOR CONTROL	50,000	16,838	22,451	40,000	(10,000)
73.	643-00 MAINT/COLL TOOLS & SUPPLIES	23,000	13,351	17,801	23,000	0
74.	921-07 FIELD ADMIN SUPPLIES & EQUIP	8,000	1,442	1,922	5,000	(3,000)
75.	921-08 FIELD COMPUTER SOFTWARE MAINT	14,000	12,719	16,958	17,000	3,000
76.	921-09 FIELD VEHICLE EQUIPMENT	15,000	1,742	2,322	19,500	4,500
77.	921-11 FIELD VEHICLE EXPENSE	25,000	26,097	34,797	25,000	0
78.	921-13 FIELD CONF/TRAVEL/MILAGE/MEALS	7,000	971	1,295	5,500	(1,500)
79.	921-21 FIELD TRAINING/SCHOOLING	15,000	5,897	7,862	15,000	0
80.	921-30 FIELD SAFETY	17,000	10,931	14,575	17,000	0
81.	926-01 FIELD L&I PR TAX	23,400	11,444	15,259	28,900	5,500
82.	926-31 FIELD MEDICAL INSURANCE	229,300	149,326	199,102	300,000	70,700
83.	926-42 FIELD PERS	111,700	75,995	101,327	125,800	14,100
84.	930-10 DIST TELEPHONE FIELD MNT BLDG	3,332	2,325	3,100	3,499	167
85.	930-38 FIELD CELLULAR PHONE	7,350	5,550	7,399	7,718	368
86.	931-10 FACILITY RENT PUD BUILDING	37,748	26,160	34,880	39,635	1,887
FIELD M&O TOTAL		1,850,152	1,210,766	1,614,355	2,042,815	192,663
						10.41%

SCHEDULE 4 (Continued)

LAKE STEVENS SEWER DISTRICT PLANT OPERATIONS EXPENSE RECAP FOR 2019 BUDGET

GL Acct # DESCRIPTION	2018 Budget	Actual Through Sept 2018	Estimated to End of Year	2019 Budget	2019 Incr (Decr) from 2018
PLANT MAINTENANCE & OPERATION					
87. 508-14 PLANT MEDICARE PR TAX	11,000	7,482	9,977	11,800	800
88. 508-15 PLANT FICA PR TAX	49,100	31,994	42,658	52,500	3,400
89. 623-02 UTILITIES OLD TREATMENT PLANT	7,184	5,565	7,420	7,500	316
90. 640-50 PLANT REGULAR SALARIES	679,800	457,866	610,487	719,100	39,300
91. 640-51 PLANT COMP TIME PAYOUT	61,500	37,083	49,444	72,300	10,800
92. 640-52 PLANT HOLIDAY PAYOUT	7,500	5,557	7,409	8,000	500
93. 640-53 PLANT VACATION PAYOUT	6,400	6,341	8,455	7,800	1,400
94. 640-54 PLANT CERTIFICATION PAY	15,000	10,800	14,400	16,200	1,200
95. 652-00 MAINTENANCE OLD PLANT	2,000	1,529	2,039	2,100	100
96. 801-01 PLANT ELECTRICITY	495,600	291,823	389,097	520,380	24,780
97. 801-02 PLANT NATURAL GAS	19,950	10,017	13,355	19,950	0
98. 801-03 PLANT WATER	2,205	2,054	2,739	2,315	110
99. 801-04 PLANT GARBAGE	7,884	4,788	6,384	8,278	394
100. 802-01 POLYMERS	70,000	47,790	63,720	80,000	10,000
101. 802-02 SODIUM HYDROXIDE	180,000	119,350	159,133	170,000	(10,000)
102. 802-03 SODIUM HYPOCHLORITE	24,000	48,217	64,289	30,000	6,000
103. 802-04 CITRIC ACID	13,500	0	0	13,500	0
104. 803-01 BIOSOLIDS HAULING/DISPOSAL	120,000	81,399	108,532	120,000	0
105. 803-02 BIOSOLIDS ANALYSIS	3,200	2,660	3,547	3,600	400
106. 804-01 MAJOR EQUIPMENT	15,600	11,387	15,182	15,600	0
107. 804-02 PLANT MAINT & OPER SUPPLIES	70,000	33,642	44,856	70,000	0
108. 805-02 PLANT TELEPHONE	5,831	3,842	5,122	6,123	292
109. 805-03 PLANT INTERNET	3,500	2,625	3,500	3,675	175
110. 805-04 PLANT TELEMETRY	3,500	2,615	3,486	3,675	175
111. 805-05 PLANT CELLULAR PHONE	2,800	2,018	2,691	2,940	140
112. 806-01 ER PORTAL SOFTWARE SUPPORT	3,700	0	0	3,700	0
113. 806-02 LEVERAGE SN SOFTWARE SUPPORT	9,000	0	0	9,000	0
114. 806-04 WIN 911 ALARM SOFTWARE SUPPORT	495	495	495	495	0
115. 806-06 ZENON 24/7 SOFTWARE SUPPORT	5,370	4,770	6,360	5,370	0
116. 807-01 MILLIPORE (LAB DI WTR SYSTEM)	7,500	4,791	6,387	7,500	0
117. 807-02 REAL CHEM (WTR HEATING SYSTEM)	1,500	0	0	1,500	0
118. 807-04 JANITORIAL	1,000	52	69	1,000	0
119. 807-05 OTHER SERVICES	17,947	17,127	22,835	18,000	53
120. 808-01 LABORATORY SUPPLIES	28,000	14,077	18,769	28,000	0
121. 808-02 LABORATORY QA/QC SAMPLES	1,600	1,088	1,450	1,600	0
122. 808-03 LABORATORY ACCREDITATION	1,000	1,388	1,851	1,400	400
123. 808-04 LABORATORY OUTSIDE ANALYSIS	8,000	1,610	2,147	8,000	0
124. 809-01 PLANT SAFETY	5,500	3,296	4,395	7,000	1,500
125. 809-02 PLANT CONF/TRAVEL/MILAGE/MEALS	3,000	2,128	2,837	3,000	0
126. 809-03 PLANT TRAINING & SCHOOLING	3,000	1,332	1,776	3,000	0
127. 809-04 PLANT OTHER ADMIN SUPPLIES	1,500	576	768	1,500	0
128. 809-05 PLANT VEHICLE EXPENSE	2,500	3,430	4,573	2,500	0
129. 926-02 PLANT L&I PR TAX	18,500	8,322	11,096	22,000	3,500
130. 926-32 PLANT MEDICAL INSURANCE	188,800	126,304	168,405	233,000	44,200
131. 926-43 PLANT PERS	96,500	64,689	86,252	105,700	9,200
PLANT M&O TOTAL	2,281,466	1,483,914	1,978,388	2,430,601	149,136
					6.54%

SCHEDULE 4 (Continued)

LAKE STEVENS SEWER DISTRICT OTDER RATE EXPENSE RECAP FOR 2019 BUDGET

GL Acct # DESCRIPTION	2018 Budget	Actual Through Sept 2018	Estimated to End of Year	2019 Budget	2019 Incr (Decr) from 2018
<u>OTHER RATE EXPENSES</u>					
132. 508-41 CITY - FRANCHISE FEE	0	0	0	0	0
133. 508-42 CITY - OPERATING FEE (2)	15,000	11,250.00	15,000	15,000	0
TOTAL OTHER RATE EXPENSES	15,000	11,250	15,000	15,000	15,000 0.00%
134. TOTAL O&M	\$ 6,218,247	\$ 4,079,151	\$ 5,438,703	\$ 6,564,376	\$ 361,129 5.57%
135. SCK, VACA, HOL & COMP TIME LIABILITY	370,000	405,841	405,841	405,841	35,841

Notes

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- (1) 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.
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- (2) This amount is to be specified by the joint utility committee.

SCHEDULE 5

2019 COMPREHENSIVE PLAN PROJECTS	Prior Year(s) Budget	2018 Budget	2019 Budget
1. LS 1C Upgrade / LS 6 Derating			
2. LS 17 Upgrade & Force Main Reroute to SWI (C2-A2 & C2-B)	\$547,775.83	\$450,000.00	\$50,000.00
3. WWTF LEAP Upgrade (WWTF LEAP)	\$321,742.00		
4. LS 1 Decommission (G4)			\$116,000.00
5. Regional Lift Station	\$7,771.00		\$6,200,000.00
6. WWTP II-B - resotation of old site (WWTP)	\$13,912.00		
Subtotal	\$891,200.83	\$450,000.00	\$6,366,000.00
2019 DETAILED CAPITAL PROJECTS	Prior Year(s) Budget	2018 Budget	2019 Budget
1. Infiltration & Inflow Study			
2. Office Remodel	\$10,000.00		
3. City of Lake Stevens Downtown Plan	\$40,000.00		
4. Norton Corrosion - Cathodic Protection Study (City LS #1, #2, #3, #6 & #8)	\$15,000.00		
5. Biosolids Removal	\$150,000.00		\$1,000,000.00
6. Amendments (Feasibility Annexation and Rate Study Update)	\$50,000.00		
7. Lift Station #8 VFDs	\$20,000.00		
8. HVAC Units at Vernon Business Center	\$25,000.00		
9. Decant Facility for Treatment Plant - Design and Business Case			\$110,000.00
10. Replacement Truck F-550 Equivalent Body w/small crane	\$86,000.00	\$138,688.44	\$86,000.00
11. 2017 Misc Capital Projects	\$100,000.00		
12. Collection System Pipe Repairs (annual amount)	\$300,000.00	\$270,000.00	\$270,000.00
13. LS 17 Upgrade & Force Main (comp plan 450K budget 630K)	\$180,000.00		
14. Nourse Callow Road Oversizing			
15. City Lift Station VFD's		\$20,000.00	
16. Paving VBC North Parking Lot			\$150,000.00
17.			
Subtotal	\$976,000.00	\$428,688.44	\$1,616,000.00
18. TOTAL CAPITAL COSTS	\$1,867,200.83	\$878,688.44	\$7,982,000.00

12/10/2018

150 New ERU's per year

130 New Connection Fees per year

Rates	\$86.00	\$86.00	\$90.00	\$90.00	\$95.00	\$95.00	\$95.00
% Rate Increase	0.00%	0.00%	4.65%	0.00%	5.56%	0.00%	0.00%

Operational Summary	2018 Mid-Year	2019	2020	2021	2022	2023	2024
Start of Year Cash	\$ 3,881,942	\$ 3,046,424	\$ 2,094,560	\$ 1,604,663	\$ 1,100,422	\$ 1,261,462	\$ 1,727,947
(+) Total Operating Revenues	\$ 13,387,256	\$ 13,600,985	\$ 14,352,025	\$ 14,514,025	\$ 15,489,325	\$ 15,660,325	\$ 15,831,325
(-) Total Operating Expenses	\$ (6,218,247)	\$ (6,564,376)	\$ (6,856,805)	\$ (7,159,408)	\$ (7,489,446)	\$ (7,804,080)	\$ (8,179,276)
(+) Investment Interest	\$ 250,000	\$ 91,402	\$ 83,787	\$ 41,894	\$ 41,894	\$ 41,894	\$ 41,894
Net Operating Revenue	\$ 11,300,951	\$ 10,174,435	\$ 9,673,567	\$ 9,001,174	\$ 9,142,196	\$ 9,159,601	\$ 9,421,890
(-) Debt Payments	\$ (8,888,990)	\$ (8,699,780)	\$ (8,674,612)	\$ (8,491,336)	\$ (8,452,263)	\$ (7,983,437)	\$ (7,951,509)
(+) BAB Credit	\$ 634,463	\$ 619,906	\$ 605,709	\$ 590,584	\$ 571,530	\$ 551,782	\$ 531,240
Total Debt Payment	\$ (8,254,528)	\$ (8,079,875)	\$ (8,068,903)	\$ (7,900,752)	\$ (7,880,733)	\$ (7,431,654)	\$ (7,420,269)

End of Year Operating Reserve	\$ 3,046,424	\$ 2,094,560	\$ 1,604,663	\$ 1,100,422	\$ 1,261,462	\$ 1,727,947	\$ 2,001,621
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Start of Year Rate Stabilization Fund Balance	\$ 8,378,784	\$ 8,378,784	\$ 8,378,784	\$ 8,378,784	\$ 8,378,784	\$ 8,378,784	\$ 8,378,784
(-) Debt Payment Shortage	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
End of Year Rate Stabilization Fund Balance	\$ 8,378,784	\$ 8,378,784	\$ 8,378,784	\$ 8,378,784	\$ 8,378,784	\$ 8,378,784	\$ 8,378,784

Refinance BAB's?

Capital Summary	2018 Mid-Year	2019	2020	2021	2022	2023	2024
Start of Year Capital Reserve	\$ 10,018,936	\$ 13,638,337	\$ 6,885,388	\$ 177,815	\$ 604,704	\$ 1,062,728	\$ 392,041
(+) Total Capital Revenues	\$ 2,499,925	\$ 1,170,000	\$ 1,209,000	\$ 1,209,000	\$ 1,209,000	\$ 1,209,000	\$ 1,209,000
(+) Investment Interest	\$ 170,000	\$ 59,051	\$ 34,427	\$ 889	\$ 3,024	\$ 5,314	\$ 1,960
(-) Total Capital Expenses	\$ (450,000)	\$ (6,366,000)	\$ (7,681,000)	\$ (513,000)	\$ (484,000)	\$ (1,615,000)	\$ (5,096,000)
(-) Total Capital Expenses - Other	\$ (428,688)	\$ (1,616,000)	\$ (270,000)	\$ (270,000)	\$ (270,000)	\$ (270,000)	\$ (270,000)
End of Year Capital Reserve	\$ 11,810,172	\$ 6,885,388	\$ 177,815	\$ 604,704	\$ 1,062,728	\$ 392,041	\$ (3,762,999)

Debt Service Coverage	1.34	1.24	1.18	1.13	1.15	1.22	1.25
Debt Service Coverage incl Rate Stabilization Fund	2.29	2.20	2.15	2.12	2.14	2.27	2.31

12/10/2018

150 New ERU's per year

130 New Connection Fees per year

Operating Revenues	2018 Mid-Year	2019	2020	2021	2022	2023	2024
Rental Income - Vernon Business	\$ 25,602	\$ 25,075	\$ 25,075	\$ 25,075	\$ 25,075	\$ 25,075	\$ 25,075
District Rate Revenue	\$ 13,248,282	\$ 13,524,360	\$ 14,315,400	\$ 14,477,400	\$ 15,452,700	\$ 15,623,700	\$ 15,794,700
Late fees & penalties	\$ 163,575	\$ 110,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000
Other	\$ 8,297	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50
Permit Fees	\$ 37,500	\$ 37,500	\$ 32,500	\$ 32,500	\$ 32,500	\$ 32,500	\$ 32,500
ULID 13	\$ 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)
Revenues Total	\$ 13,387,256	\$ 13,600,985	\$ 14,352,025	\$ 14,514,025	\$ 15,489,325	\$ 15,660,325	\$ 15,831,325

Operating Expenditures	2018 Mid-Year	2019	2020	2021	2022	2023	2024
Admin Salaires & Benefits	\$ 1,012,700	\$ 1,029,200	\$ 1,064,500	\$ 1,122,100	\$ 1,172,100	\$ 1,229,500	\$ 1,289,200
Admin Operating	\$ 323,017	\$ 352,960	\$ 362,843	\$ 373,002	\$ 383,447	\$ 394,183	\$ 405,220
Taxes & Insurance	\$ 529,613	\$ 538,000	\$ 553,064	\$ 568,550	\$ 584,469	\$ 600,834	\$ 617,658
Advisors	\$ 206,300	\$ 155,800	\$ 160,162	\$ 164,647	\$ 169,257	\$ 173,996	\$ 178,868
Field Salaries & Benefits	\$ 1,315,400	\$ 1,499,300	\$ 1,607,000	\$ 1,694,700	\$ 1,812,400	\$ 1,906,800	\$ 2,043,700
Field Operating	\$ 534,752	\$ 543,515	\$ 558,733	\$ 574,378	\$ 590,461	\$ 606,993	\$ 623,989
Plant Salaries & Benefits	\$ 1,134,100	\$ 1,248,400	\$ 1,320,200	\$ 1,397,700	\$ 1,478,000	\$ 1,556,500	\$ 1,648,400
Plant Operating	\$ 1,147,366	\$ 1,182,201	\$ 1,215,303	\$ 1,249,331	\$ 1,284,312	\$ 1,320,273	\$ 1,357,241
Operating Fee to City	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
<i>Membrane Replacement (Replace 8-10) Est</i>							
Total O&M Expenses	\$ 6,218,247	\$ 6,564,376	\$ 6,856,805	\$ 7,159,408	\$ 7,489,446	\$ 7,804,080	\$ 8,179,276

Debt Payments - Includes interest	2018 Mid-Year	2019	2020	2021	2022	2023	2024
2010A Bond (BAB)	\$ 2,815,847	\$ 2,802,426	\$ 2,788,857	\$ 2,772,441	\$ 2,748,967	\$ 2,728,362	\$ 2,705,320
LS - Sewer Portion 2008 Refunding Bond (City)	\$ 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
STP2 Const L0900004	\$ 1,853,857	\$ 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
SRF L150112	\$ 270,403	\$ 270,403	\$ 270,403	\$ 270,403	\$ 270,403	\$ 270,403	\$ 270,403
PWTF PW98-791-PRE-106 (STP1 Design)	\$ 17,237						
PWTF PW00-691-033 (STP1 Const)	\$ 164,862	\$ 163,262	\$ 161,661				
PWTF PW02-691-029 (City)	\$ 87,833	\$ 87,405	\$ 86,977	\$ 86,548	\$ 86,120		
PWTF PW02-691-030 (Lundeen)	\$ 222,354	\$ 221,269	\$ 220,185	\$ 219,100	\$ 218,015		
PWTF PW05-691-PRE-107 (STP2 Design)	\$ 54,737	\$ 54,474	\$ 54,211	\$ 53,947	\$ 53,684	\$ 53,421	\$ 53,158
PWTF PW05-691-PRE-133 (STP2 Design)	\$ 55,497	\$ 55,230	\$ 54,963	\$ 54,697	\$ 54,430	\$ 54,163	\$ 53,896
PWTF PW05-691-PRE-137 (City)	\$ 61,053	\$ 60,000	\$ 58,947	\$ 57,895	\$ 56,842	\$ 55,789	\$ 54,737
PWTF PR08-951-054 (STP2 Design)	\$ 55,526	\$ 55,263	\$ 55,000	\$ 54,737	\$ 54,474	\$ 54,211	\$ 53,947
PWTF PW06-962-020 (City)	\$ 427,969	\$ 425,921	\$ 423,873	\$ 421,826	\$ 419,778	\$ 417,730	\$ 415,683
PWTF PW07-962-013 (STP2 Const)	\$ 414,755	\$ 412,780	\$ 410,805	\$ 408,830	\$ 406,855	\$ 404,880	\$ 402,905
PWTF PC08-951-023 (City)	\$ 333,417	\$ 331,908	\$ 330,399	\$ 328,891	\$ 327,382	\$ 325,873	\$ 324,365
PWTF PC08-951-024 (STP2 Const)	\$ 333,417	\$ 331,908	\$ 330,399	\$ 328,891	\$ 327,382	\$ 325,873	\$ 324,365
VERNON BUSINESS CENTER	\$ 141,962	\$ -	\$ -				
Total Debt Payments	\$ 8,888,990	\$ 8,699,780	\$ 8,674,612	\$ 8,491,336	\$ 8,452,263	\$ 7,983,437	\$ 7,951,509
2010A Bond (BAB Credit)	\$ (634,463)	\$ (619,906)	\$ (605,709)	\$ (590,584)	\$ (571,530)	\$ (551,782)	\$ (531,240)

12/10/2018

150 New ERU's per year

130 New Connection Fees per year

Capital Revenues	2018 Mid-Year	2019	2020	2021	2022	2023	2024
Connection Charges	\$ 2,187,500	\$ 1,209,000	\$ 1,209,000	\$ 1,209,000	\$ 1,209,000	\$ 1,209,000	\$ 1,209,000
SWI Basin Fee	\$ 213,730						
LS 17 (Hawksbeard)	\$ 98,695						
Revenues Total	\$ 2,499,925	\$ 1,209,000	\$ 1,209,000	\$ 1,209,000	\$ 1,209,000	\$ 1,209,000	\$ 1,209,000

Capital Expenses (Paid from Conn Fees or Debt)	2018 Mid-Year	2019	2020	2021	2022	2023	2024
WWTP II-B - resotration of old site (WWTP)			\$ 1,651,000.00				
WWTP Phase III (WWTF III)							
WWTP Membrane Replacement (MBR)							\$ 3,041,000.00
LS 17 Upgrade & Force Main Reroute to SWI (C2-A2 & C2-B)	\$ 450,000.00	\$ 50,000.00					
WWTF LEAPmbr Upgrade (WWTF LEAP)							
LS 1 Decommission (G4)		\$ 116,000.00					
Regional Lift Station (B7-A1 LS & FM)		\$ 6,200,000.00					
LS1 C rehabilitation (E1-B)			\$ 630,000.00				
LS 2C Upgrade (E2-A)			\$ 5,400,000.00				
LS Rehabilitation (Lift Sta)					\$ 484,000.00		
New Gravity Line - Industrial Area (D6-A)				\$ 303,000.00			
LS Rehabilitation (Lift Sta)						\$ 989,000.00	
LS 5C Decommission (E4-A)						\$ 365,000.00	
LS Rehabilitation (Lift Sta)							\$ 807,000.00
Comprehensive Plan Update (Comp)				\$ 160,000.00			
WWTF Engineering Report (EnRpt)				\$ 50,000.00			
LS 3 & 4 Derating & Force Mains Sliplining (D3-A)						\$ 261,000.00	
LS Rehabilitation (Lift Sta)							\$ 1,248,000.00
Total Capital Expenses	\$ 450,000.00	\$ 6,366,000.00	\$ 7,681,000.00	\$ 513,000.00	\$ 484,000.00	\$1,615,000.00	\$ 5,096,000.00

Capital Expenses - Other	2018 Mid-Year	2019	2020	2021	2022	2023	2024
Old Plant Biosolids Final Removal		\$ 1,000,000.00					
Decant Facility Treatment Plant - Design & Business Case		\$ 110,000.00					
Replacement Truck F-550 Equivalent Body w/small crane	\$ 138,688.44	\$ 86,000.00					
City Lift Station VFD's	\$ 20,000.00						
Paving VBC North Parking Lot		\$ 150,000.00					
Other & Collection System Pipe Repairs (annual amount)	\$ 270,000.00	\$ 270,000.00	\$ 270,000.00	\$ 270,000.00	\$ 270,000.00	\$ 270,000.00	\$ 270,000.00
Total Capital Expenses - Other	\$ 428,688.44	\$ 1,616,000.00	\$ 270,000.00	\$ 270,000.00	\$ 270,000.00	\$ 270,000.00	\$ 270,000.00