Budget Function

- Determine District Needs
- Set Financial Priorities
- Maintain Accountability
Vision

• To be an outstanding regional leader and innovative utility provider.
Mission

• To provide our customers with high-quality water services at an affordable price.
Core Values

• Quality
• Environmental Stewardship
• Financial Prudence
Objectives

• Pursue state & federal funding for capital projects
• Maintaining fiscal objectives
• Rate adjustments follow CIP & financial plan
• Address deferred maintenance
• Reflect strategic plan
Department Goals

• Building & network security with workplace safety

• Improve knowledge & efficiency of new software programs

• Physical & network system reliability

• Pipe replacement program

• Community outreach

• Recruiting & retaining employees
Fiscal Management Targets

1. **Revenue Fund Ending Balance**
   - Target: 2½ months O&M + Depreciation ($3.955 million in 2019)
   - Projected: $3.970 million

2. **Net Liquidity**
   - Target: 180 days O&M expenses
   - Projected: 301 days
Fiscal Management Targets

3. **Debt Service Coverage**
   - Target: Minimum 1.25; Planning target 2.0
   - Projected: 13.4 bonded debt; 4.47 total debt

4. **Capital Projects**
   - Goal capital replacement = depreciation of $5.3 million in 2019
   - Projected: Capital budget $16.8 million
Budgeted Cash Inflows - $33.7 M

- **Water Sales**, $24.8
- System Development Fees, $1.6
- Other Capital Contributions, $0.9
- Other Revenue*, $1.3
- Debt Proceeds, $5.1

* Includes interest income, plant installations, LUD receipts, miscellaneous non-operating income & special revenue (pipe replacement)
Budgeted Cash Outflows - $37.0 M

- Operating Expenses, $14.6
- Debt Service, $3.3
- Major Capital, $17.7
- Department Capital, $1.3
Major Capital Projects - $16.8 M

- Mountain View Consolidation, $1.7
- Annual & Mandated Pipe Replacement, $1.3
- Best Road Pipeline, $2.5
- 18th, Division, Fir & Laventure St, $1.4
- Other, $1.0
- Raw Water PS Pump Analysis (RH2), $1.7
- Transmission Line, Judy - Phase 2 $4.0
- McLean Road Pipeline, $3.2
Typical Residential Bill

<table>
<thead>
<tr>
<th>Year</th>
<th>Bill</th>
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<tbody>
<tr>
<td>2013</td>
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<td>$103</td>
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<td>2019</td>
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</tbody>
</table>
What Does Your Bill Pay For?

Based on a residential bimonthly bill of $112 using 6 ccf per month.

Cost Breakout

- Capital Projects, $36.11
- Debt Service, $12.36
- Operating Costs, $63.41

- Capital Surcharge $4.00
- Tier 2 $30.36
- Tier 1 $19.26
- Base $58.26

Based on a residential bimonthly bill of $112 using 6 ccf per month.
Questions?