

Clark Regional Wastewater District Adopted Budget

2021



"Expanding the Boundaries of Service"

2021 Adopted Budget

Clark Regional Wastewater District
Clark County, Washington

For Fiscal Year
January 1 through December 31, 2021



Adopted by Resolution No. 1800
Dated: December 22, 2020

2021 Clark Regional Wastewater District Adopted Budget



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2021 Clark Regional Wastewater District Adopted Budget



Directory of Officials

RCW 57.12.010 provides for a Board of Commissioners consisting of three members to serve as a governing body for the District. Each Commissioner serves a 6-year term with elections held every two years.

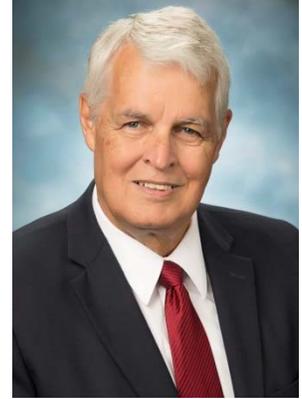
Elected Officials Serving During 2021



President
L. Neil Kimsey
Term: 6 Years
Expiration: December 2025



Vice President
Denny Kiggins
Term: 6 Years
Expiration: December 2023



Secretary
Norm Harker
Term: 6 Years
Expiration: December 2021



General Manager
John M. Peterson, P.E.



Finance Director/Treasurer
Ken Andrews, CPA



Attorney
Eric C. Frimodt

Mailing Addresses:

District Office: PO Box 8979
Vancouver, WA 98668-8979

Attorney: PO Box C-90016
Bellevue, WA 98009-9016

Budget Message

Board of Commissioners

Clark Regional Wastewater District's Customers and Partners:

The District is pleased to present its Adopted Budget for the Fiscal Year 2021 (FY 2021), from January 1 to December 31, 2021. This budget is presented in accordance with the District's financial policies and direction from the Board of Commissioners. The budget document is formatted to provide an overview to help readers better understand the District's FY 2021 Adopted Budget as a financial planning road map. Comparisons in this Budget Message are "budget to budget" from the Board adopted FY 2020 budget to this FY 2021 Adopted Budget, unless otherwise noted.

While not required to prepare a budget under Washington State law, the District chooses to prepare a budget to both plan and track for the District's future operations. A budget is balanced when the sum of estimated sources equals or exceeds the sum of estimated uses. For FY 2021 the District has forecasted a balanced budget in that estimated sources are expected to exceed estimated uses.

Budget Summary

The Adopted Budget for FY 2021 is \$40.8 million for all sources of funds. Sources include \$24.4 million from sewer service charges, \$12.8 million from connection fees, and \$3.6 million from other revenues. Uses of \$40.9 million include \$12.8 million for treatment costs, \$8.1 million for salaries and benefits, \$4.7 million for services, supplies and other expenses, \$2.1 million for debt service and \$13.2 million for capital construction costs and capital purchases.

Total operating and maintenance (O&M) expenditures for FY 2021 are expected to increase by 7.1% primarily due to the increase in sewage treatment costs of 9.9% paid to the Discovery Clean Water Alliance. Salaries and benefits are also budgeted to increase by 5.3%, primarily due to the addition of 1.75 full-time employees (FTE) in 2020, which includes one new limited-term position. Expenses also include an increase of 28.1% for professional services related to capital project management of Alliance projects as the Administrative Lead of the Alliance.

District Sewer Rates

The District's sanitary sewer base rate has increased to \$41.00 per equivalent residential unit (ERU) per month, an increase of 2.5%, for the Central service area in the 2021 Adopted Budget. In addition, the District established a rate of \$54.80 per ERU for the Ridgefield service area. The Ridgefield rate includes the base rate of \$41.00 per month and a \$13.80 per month System

Integration Charge (SIC), an overall \$0.80 decrease per ERU for the Ridgefield service area customers for 2021.

Sources

Sewer service charges: \$24.4 million. Sewer service charges are budgeted to increase \$1.4 million, or 6.1% in 2021. The drivers behind the increase in sewer service charge revenue is the anticipated growth throughout 2021 as well as the increase in rates.

Connection fees: \$12.8 million. The District utilizes a three-tiered System Development Charge (SDC) structure (based on where wastewater flows for treatment). Fees for all three tiers have increased by \$400 per connection in the 2021 Adopted Budget. The District is forecasting a total of 1,920 new paid connections in 2021 which is an increase of 250 from the 2020 budget. The budgeted increase in connection fees coupled with the increase in budgeted new connections, results in an increase in budgeted connection fee revenue over the prior year of 19.8%. SDC revenue is used to fund new capital improvement projects within the District's service areas.

Other revenues: \$3.6 million. Investment interest is budgeted for \$0.6 million, intergovernmental revenues for \$2.0 million, miscellaneous revenues for \$0.8 million and Local Facilities Charge (LFC) reimbursements for \$0.2 million.

Uses

Salaries and benefits: \$8.1 million. Salaries and benefits are budgeted to increase \$0.4 million, or 5.3% in 2021. Salary grades were market adjusted between 1.2-2.4% for the 2021 budget year. Included in the budget is a 3.0% increase in pay on their anniversary date for employees not at the top of their pay grade, with the potential to earn an extra 1.5% increase based on merit. Benefits saw slight increases in medical and dental costs in 2021. Also driving the increase in the salaries and benefits budget is the addition of 1.75 FTEs for a total of 63.25 versus the 61.5 in 2020.

Services, supplies and other expenses: \$4.7 million. Service costs are budgeted at \$1.4 million, supplies at \$0.9 million and other expenses (insurance, utilities, and B&O taxes) for \$2.4 million.

Treatment costs: \$12.8 million. Treatment costs are budgeted 9.4% higher for 2021.

Debt service: \$2.1 million. Debt service (principal and interest) for District-issued 2020 bonds and Public Works Trust Fund loans in 2021 total \$2.1 million.

Construction costs and capital purchases: \$13.2 million. Construction costs are budgeted at \$0.8 million for existing assets restoration and replacement projects/purchases and \$12.4 million for new asset capital improvement projects/purchases.

Outlook

On February 29, 2020, the Governor of the State proclaimed a state of emergency for all counties throughout the State as a result of COVID-19. The Governor's stay-at-home order recognizes wastewater services as an essential service, so the District continues operating largely normally. Although the effects of COVID-19 cannot be predicted with certainty, COVID-19 and related social distancing measures in response to COVID-19 have had an adverse effect on economic activity within Clark County.

By the end of August 2020, the unemployment rate of the County was 9.4%, compared to the State unemployment rate of 8.4%. Major industries in the County include healthcare and social assistance, retail trade, leisure and hospitality, and construction. The District is forecasting new construction to slow and normalize over the next six years.

Clark County and its unincorporated areas have seen year over year population growth of 1.4%. The unincorporated areas are estimated to have grown 14.8% from 2011 to 2020. The county population is anticipated to increase 36.0% overall from the 2010 census count by the year 2035.

Budget Priorities & Direction

The 2021 adopted budget continues to reflect the District's mission "providing customer-focused, professional wastewater services in an environmental and financially responsible manner", and its vision to be "an active partner in Clark County, to support economic development and to manage and protect water resources."

With the anticipated growth in population comes opportunity and challenge for the District. The 2021 adopted budget highlights the following ways in which it seeks to embrace opportunity in the face of these challenges.

Maintain a Stable Rate Structure. The District charges a flat base rate for monthly sewer service charges. The District is able to keep rates relatively low compared to other local agencies largely due to the fact that it does not bill based on consumption. Small inflationary rate increases are budgeted for 2021, driven by increasing operating and capital budget demands. District customers, based on which service area they live in, are billed one of two flat rates per month.

Maintain Existing Assets of the District. As the inventory of sewer system assets within the District's collection system age, it is important that the District maintain these assets

appropriately to keep them in service as long as possible or to replace them when necessary to prevent system failures.

This budget includes \$0.8 million for restoration and replacement funds for the District's current collection system assets. Assets being restored or replaced are identified through a criticality assessment performed by the Engineering and Maintenance departments. Also included in this budget are funds for the replacement of fleet and facility assets. As the District experiences growth, it has been determined necessary to upgrade, maintain or replace assets in our administrative office and operations center.

Position the District for Growth. As of January 1, 2014, the sewer utility customers of the City of Ridgefield (Ridgefield) became customers of the District. The population in Ridgefield at the end of 2020 is estimated to be 10,190. It is anticipated that by 2035 Ridgefield's population will nearly triple. In 2020, the District has budgeted \$0.6 million concentrated on restoring existing and building new infrastructure to sustain this growth. A large part of these funds is allocated to building new pump stations and upgrading existing trunk sewer lines within Ridgefield.

Build up the Districts Organizational Structure. With the addition of the sewer utility customers of the City of Ridgefield in 2014, serving as administrative lead for Discovery Clean Water Alliance (operational since 2015), and becoming Contract Operator of the Ridgefield Treatment Plant and four other Alliance assets, it has become necessary for the District to assess the workload of its departments and evaluate staffing levels needed to continue moving the District forward. The 2021 budget addresses some immediate staffing needs of the District by adding 1.75 FTEs. The positions added include a full-time limited term Project Manager and a .75 FTE increase in a Customer Account Specialist position.

Sincerely,



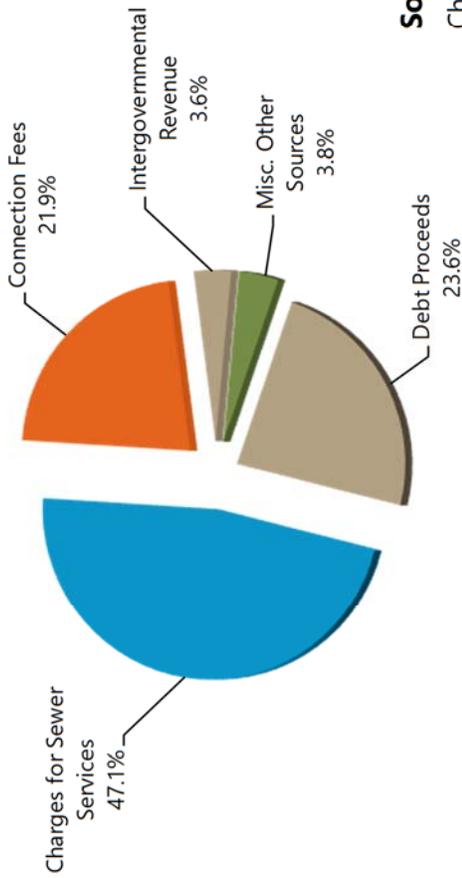
John M. Peterson, P.E.
General Manager



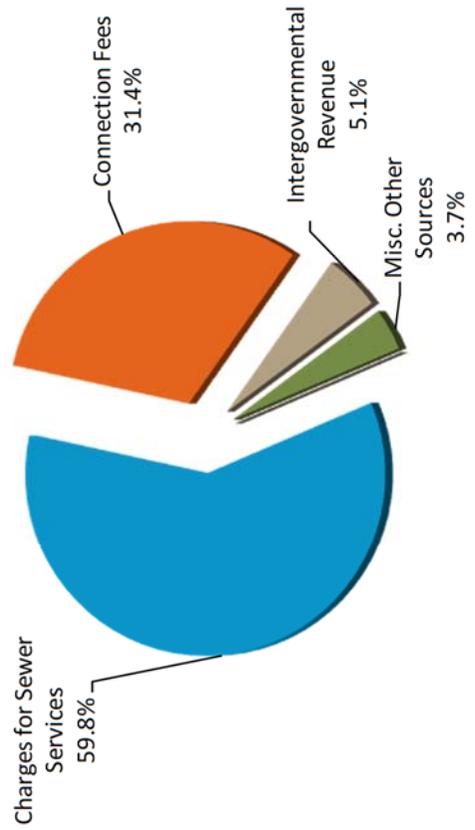
Ken Andrews, CPA
Finance Director/Treasurer

Budget in Brief

2020 Sources



2021 Sources



	2020 Budget	2021 Budget
\$	22,954,897	\$ 24,367,221
Charges for Sewer Services	10,694,400	12,813,900
Connection Fees	1,742,500	2,059,500
Intergovernmental Revenue	1,851,470	1,529,153
Misc. Other Sources	11,500,000	
Total Sources	\$ 48,743,267	\$ 40,769,774

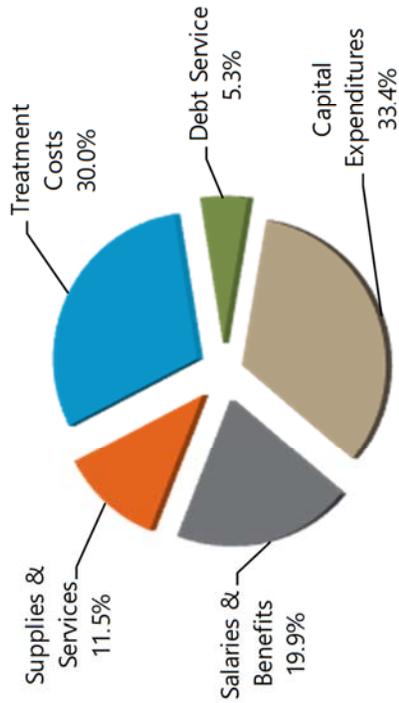
Sources

Charges for Sewer Services
 Connection Fees
 Intergovernmental Revenue
 Misc. Other Sources
 Debt Proceeds

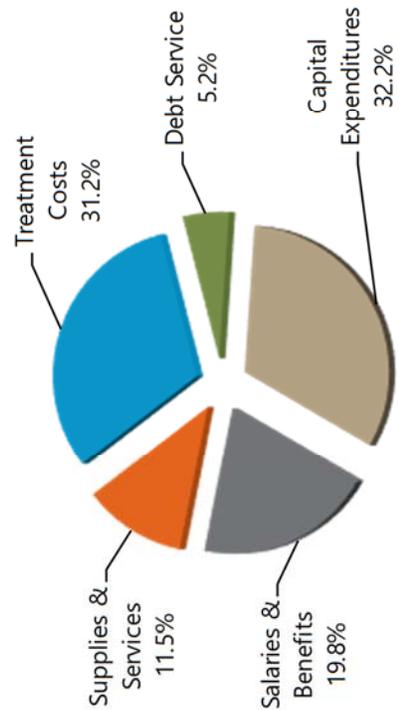
Total Sources

Budget in Brief

2020 Uses



2021 Uses



Uses	2020 Budget	2021 Budget
Salaries & Benefits	\$ 7,732,665	\$ 8,089,570
Supplies & Services	4,456,510	4,709,245
Treatment Costs	11,672,000	12,767,000
Debt Service	2,050,328	2,114,406
Capital Expenditures	12,992,139	13,174,980
Total Uses	\$38,903,642	\$40,855,201

District History

Clark Regional Wastewater District (formerly known as Hazel Dell Sewer District and Clark County Public Sewer District No. 1) has a rich history of service and support for the communities it serves. In 1958, the District was formed to meet the needs of a growing business community that was not served by sewer. The newly formed District provided wastewater treatment and collection for 300 Hazel Dell customers. In the 1970s, through separate interlocal agreements with Clark County and the City of Vancouver, the parties acknowledged the economies of scale for treatment. This allowed the District to focus on collection and transmission, with the County and City providing treatment through their existing plants.

In 1993, the County requested the District to take over all its collection and transmission functions, leaving the County to focus only on treatment at the Salmon Creek Treatment Plant (SCTP). In 1995, the County, the City of Battle Ground and the District entered into a three-way agreement to expand and improve the SCTP. The District and Battle Ground own 100% of the treatment capacity of the plant, with the County providing the facility and operating staff. In 2003, the three partners, under the direction and management of the District, undertook a \$77.0 million dollar capital improvement upgrade of the Salmon Creek Wastewater Management System (SCWMS). The project, completed in 2009, has provided additional treatment capacity for years to come.

In 2009, an initial "Sewer Coalition Planning Study" was completed with participation from twelve Clark County public agencies to explore the potential for improved efficiencies in providing wastewater services to Clark County residents. This study resulted in a county-wide comprehensive sewer plan, detailing transmission and treatment facilities necessary to provide sewer service within the county for the next 50 years.

In 2012, another result of the 2009 study, four partner agencies (Clark Regional Wastewater District, Clark County and the Cities of Ridgefield and Battle Ground) signed a Memorandum of Understanding (MOU) providing an agreement-in-principle for the framework of a new regional partnership. The regional sewer entity, Discovery Clean Water Alliance (Alliance), was formally incorporated in early 2013 by the four member agencies. Alliance transition activities occurred throughout 2013 and 2014. The Alliance became fully operational effective January 1, 2015 with all members, including the District, transferring debt and assets as outlined in the Interlocal Formation Agreement (IFA) to the Alliance. Effective January 1, 2015, the Alliance owns and operates transmission lines, pump stations and treatment plants to provide sewer treatment service to the mid-Clark County region (City of Battle Ground and the District's service areas including City of Ridgefield).

Also, in 2012, the District and the City of Ridgefield (Ridgefield) signed a MOU for transfer of ownership of all of Ridgefield's sewer utility collection system assets, liabilities and all its sewer

utility customers to the District. A final collection system transfer agreement and franchise agreement were finalized and signed by the District and Ridgefield in 2013. As of January 1, 2014, Ridgefield's sewer utility customers became customers of the District.

Following the transfer of assets from the City of Ridgefield to the Alliance, the City continued to operate the Ridgefield Treatment Plant. In late 2017, per the City of Ridgefield's request, the District provided a proposal to the City to take over operations of the plant. In first quarter of 2018, the City accepted the proposal and the Alliance approved the change in operations. The District began official operation of the Ridgefield Treatment Plant on July 1, 2018. On January 1, 2020, the District began operating the Battle Ground Force Main, Salmon Creek Interceptor and Kline Interceptor, all of which are assets owned by the Alliance and previously operated by Clark County.

The District, throughout its history, has responded to the growing and changing needs of its stakeholders including its current and future ratepayers. In 2021, the District is budgeted to grow from 61.5 to 63.25 employees. Including the District's Ridgefield service area, the District maintains over 750 miles of pipe and 77 pump stations throughout the 47 square miles of District service territory.

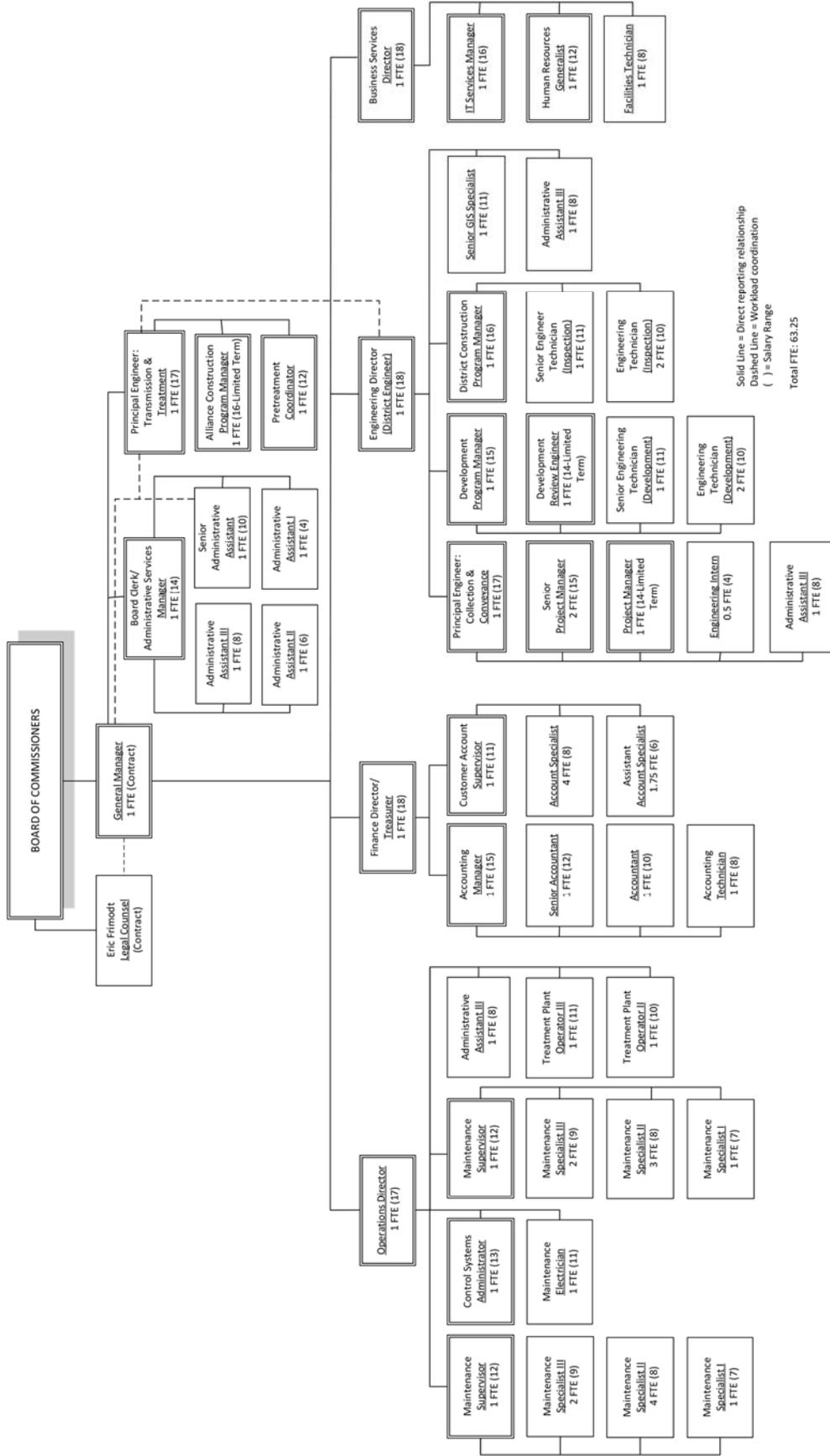
District Organization

Clark Regional Wastewater District is a special purpose District organized under Revised Code of Washington (RCW), Title 57. As a special purpose District, it is chartered to provide sanitary sewer services to unincorporated Clark County, including the City of Ridgefield, and portions of the City of Battle Ground and the City of Vancouver. As a public agency, it has a three-member Board of Commissioners who reside within the District service area and is elected by the ratepayers within those areas to six-year terms. The General Manager, hired by the Board of Commissioners, is the District's administrator and manages the 63.25 FTEs within Maintenance, Finance, Administration, Engineering and Business Services departments.

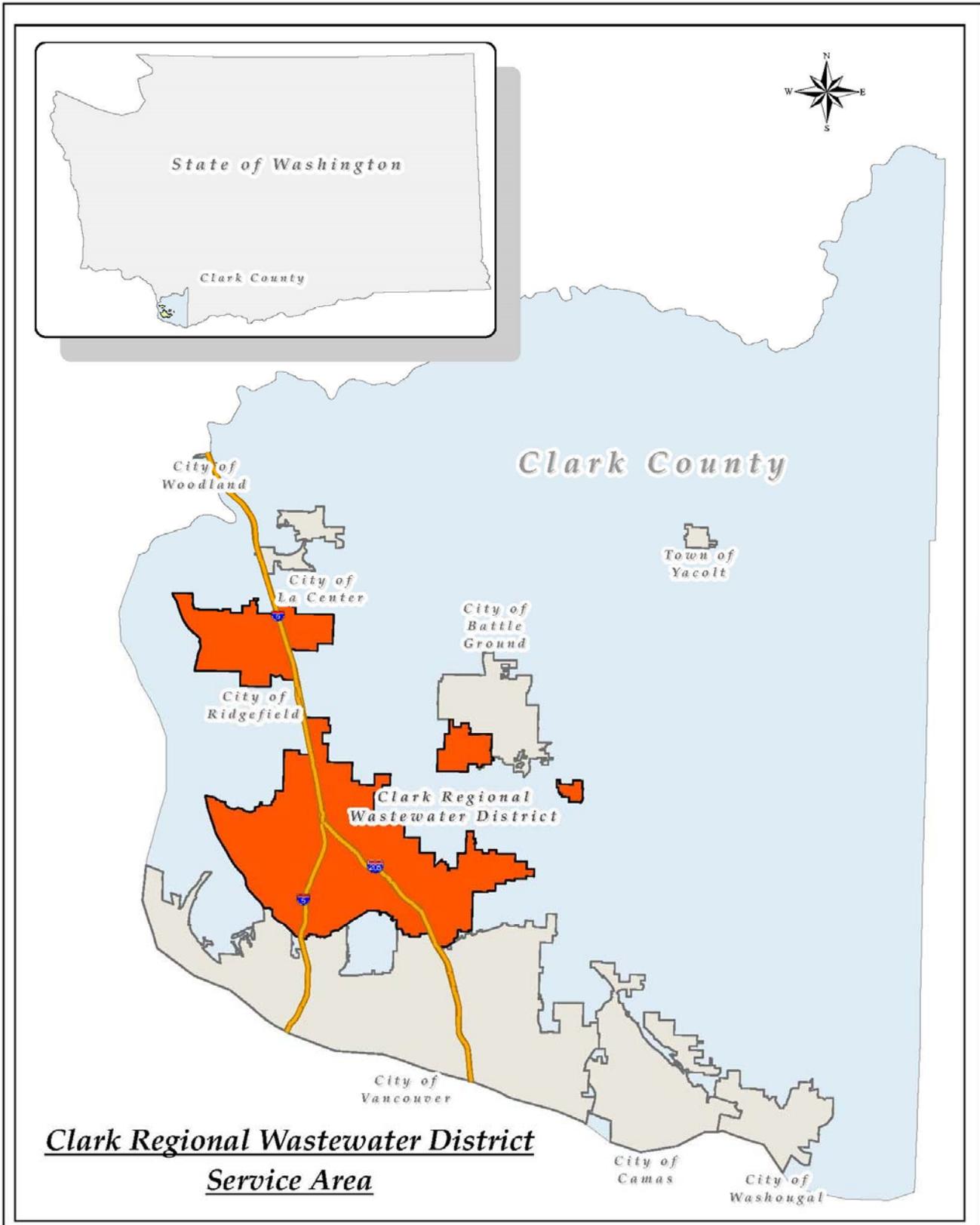
Our Ratepayers and Stakeholders

The District provides services to people living in unincorporated Clark County and the City of Ridgefield. The District provides sewer services and receives monthly rates from approximately 35,500 customers, including the Ridgefield service area customers. The District's customer base is comprised of both residential and commercial customers. The District anticipates their customer base to grow to approximately 36,500 by the end of FY 2021. In addition, the District provides wastewater industry leadership, engineering expertise and, in many cases, maintenance field support to the smaller cities within Clark County.

Organizational Chart



District Service Area Map



District Departments and Services

Operations Department

The Operations department is staffed with twenty-one (21) skilled full-time employees providing many services for the District including:

- Underground Collection System Condition Assessments
- Pipeline Maintenance and Preservation Programs
- Pump Station Maintenance
- Septic Tank Effluent Pumping (STEP) System Maintenance
- Treatment Plant Operations
- Fleet Management
- Risk Mitigation
- Asset Optimization
- Engineering Assistance

Underground Collection System Condition Assessments. Operations staff performs Closed Circuit Television (CCTV) inspections of pipelines and manholes to provide condition assessments of the District owned collection system. The condition assessment drives several of the maintenance and engineering programs, including pipeline assessment and maintenance scheduling frequency, repair and refurbishment budgets, development of emergency response plans, identification of capacity issues and long-term capital replacement programs. The Operations staff also partners with our customers in a diagnostic and advisory role dealing with various condition issues within customer-owned assets.

Pipeline Maintenance and Preservation Programs. The District owns and maintains approximately 101 miles of pressure mains. The total pipe inventory as of January 1, 2021 is just over 750 miles, including service laterals, ranging from 4-inches to 36-inches in diameter. Routine maintenance of these lines consists of periodically scheduled High Velocity Cleaning (HVC) using water, and CCTV inspections. CCTV inspections use specialized video equipment to inspect the inside of pipes for identifying defects or problematic lines. Defects are scored based on severity, prioritized for repair and used for the overall system condition assessment. Problematic lines that have potentially higher levels of grease and debris build up are assigned accelerated HVC frequencies to mitigate problems in those areas. The Operations department has a Grounds, Equipment and Maintenance (GEM) agreement with regional agencies to provide occasional CCTV inspection, condition assessment and line cleaning services for other local government agencies in Clark County.

Pump Station Maintenance. Operations staff operates and maintains 77 sewer-pumping stations. Maintaining the pressurized discharge piping systems, known as force mains, is part of the Pump Station Maintenance Program. Current maintenance procedures include detailed tasks that are performed on a weekly, monthly, semi-annual and annual basis to maximize the useful life of the pump station assets. Operations staff also manages chemical injection systems and air treatment systems designed to treat odorous and corrosive gasses that generate in wastewater systems as part of the Pump Station Maintenance Program.

Septic Tank Effluent Pumping (STEP) System Maintenance. The Operations staff maintains the continuous service of 892 individual STEP systems. These STEP systems are located in the satellite areas of Meadow Glade, Hockinson, Van Ridge and South Ridge, as well as throughout the Ridgefield service area. The STEP systems are individual pumping systems that typically pump from a single residence or tax lot into a public force main. STEP systems are typically required in areas with flat topography and high ground water tables that would prevent traditional gravity sewer system installation. The Operations department is responsible for inspecting new STEP systems constructed in these areas, as well as ongoing maintenance and repairs of the existing STEP systems.

Treatment Plant Operations. As of July 1, 2018, the District became Contract Operator of the Ridgefield Treatment Plant. The treatment plant is a Conventional Activated Sludge plant rated at 0.7 million gallons per day (MGD) that receives average flows of roughly 0.3 MGD, or 300,000 gallons per day. Treatment plant processes are a combination of mechanical and biological actions that remove organic and inorganic materials from the flow stream. The finished products of the wastewater treatment process are water cleaned to purity exceeding acceptable limits monitored by the Washington State Department of Ecology (DOE) and the U.S. Environmental Protection Agency (EPA), and sludge that is transferred to the Salmon Creek Wastewater Treatment Facility for processing into Class 'B' biosolids suitable for land application by the DOE and EPA standards. The treatment plant also utilizes the District Supervisory Control and Data Acquisition (SCADA) system for process monitoring and automated operations which prevent the need for 24-hours per day staffing requirements. The plant maintenance programs are managed within Lucity, a computerized Maintenance Management System (MMS).

Fleet Management. The District outsources the repair and periodic maintenance of District vehicles and equipment. Fleet management responsibilities performed by the Operations department include managing the fleet washing contract, vehicle service schedule coordination, vehicle and equipment procurement and surplus, and performing minor maintenance activities related to passenger vehicles, pickups and small construction and safety equipment. The Operations staff manages the routine maintenance schedules of all fleet vehicles owned by the District.

Risk Mitigation. Risk mitigation is a central function of the Operations department. All the condition assessment and maintenance functions described previously are forms of risk mitigation. Another risk mitigation tool is the department's SCADA system. This automated system monitors the pump stations 24-hours per day and alerts staff of any potential risk associated with equipment failure. The system allows for proactive responses to small issues before they become large issues that require immediate reactive response.

Another risk mitigation tool is the District's Utility Locate Program. Mandated by state law, the 8-1-1 service for "Call Before You Dig" initiates a utility locate ticket prompting dispatch of Operations staff to mark the location of District underground assets. This program is preventive in nature because communicating the location of infrastructure helps prevent service outages that occur when these assets are disturbed by excavators. The District performs over 10,000 utility locates per year.

Asset Management. The Operations department utilizes Lucy for public works, to schedule preventive and corrective work and manage asset lifecycle costs. Lucy is integrated with other District systems including the Geographic Information System (GIS) for infrastructure mapping, the SCADA system, and the CCTV inspection management software. The Operations department is utilizing Lucy's Mobile application which allows staff to receive locate tickets, access work orders or equipment details, access GIS maps and enter inspection data from the field on a tablet or other mobile device without returning to the office for data entry. Mobile access creates efficiencies in staff productivity, fuel use and vehicle wear, and with increased accuracy due to real-time data capture. All maintenance functions are or will be scheduled and documented in Lucy including facilities maintenance, collection system maintenance, wastewater treatment plant maintenance and fleet maintenance.

Engineering Assistance. The Operations staff provides support to the District's Engineering department by performing various field verification techniques to confirm locations of existing underground assets, providing pipeline inspection data from the CCTV inspections to aid in identifying sewer lines that are in need of capitalized repair or replacement, assisting with plan review of new pump station and piping system designs and working with Engineering to establish District construction standards.

Finance Department

The Finance department, with a staff of eleven and three-quarters (11.75) dedicated, full-time employees, provides a wide range of services for the District, under the direction of a licensed certified public accountant. These services include but are not limited to the following:

- Customer Service
- Permits
- Accounting
- Treasury Management
- Budget/Forecasting
- Discovery Clean Water Alliance Administrative Lead Services

Customer Service. As a customer-focused utility, Finance considers customer service an ongoing improvement process. We continue to evaluate how to improve and enhance our levels of service while providing the same quality of service to our customers that we would expect as customers. The District anticipates managing close to 35,000 telephone calls, and processing close to 221,000 billing statements, and receipting over 1,000 walk-in payments. In addition, the District will continue to manage approximately 200 high-resource customers monthly.

Permits. In addition to utility billing customer service responsibilities, the Finance department is responsible for issuing sewer permits. Finance is on track to issue close to 1,300 permits in 2020, which is about 100 more than the number of permits issued in 2019.

Accounting. The department maintains the financial records of the District in compliance with state and federal regulations. The financial statements of the District are audited annually by the Washington State Auditor's Office (SAO) for adherence to Generally Accepted Accounting Principles (GAAP). For the last 38 years, SAO has had no findings to include in their Auditor's report. In addition to maintaining the financial records and preparing the statements for audit, core accounting functions provided by Finance include payroll, accounts payable, project accounting, accounts receivable, contract receivables, preparing the budget, and maintaining the general ledger. Various reports, such as the Comprehensive Annual Financial Report (CAFR), Board reports, management reports and other audit and bond compliance statements are prepared monthly, quarterly and annually. The District has been awarded the Certificate of Achievement for Excellence in Financial Reporting for the last 32 years and strives to continue to provide financial information for District stakeholders that are transparent, informative and relevant.

Treasury Management. The primary responsibility and goal of the treasury function is to ensure the financial resources of the District are safeguarded and the District's cash reserves are

invested in a safe and prudent manner. To accomplish this, the District issues and/or defeases debt, in an effort to provide the lowest financing costs to our ratepayers. In addition, the assets and cash transactions are secured by evaluating and enhancing internal controls and improving business processes, like the recording of assessments, liens and the satisfaction thereof.

Budget/Forecasting. The District utilizes a six-year revenue and expense forecast and the assumptions used in the preparation of the forecast to ensure adequate revenues are available for necessary operational and capital expenditures. The budget is a piece of the six-year forecast in that it is developed from the compiled information and considers the needs of each department to develop an operating budget. Budget preparation also necessitates internal coordination and facilitation of the capital plan information with Engineering, specifically to determine how future projects will affect the Existing Assets Restoration and Replacement (R&R) account, as well as the New Assets Capital Improvement Projects (CIP) account. The Management team provides valuable input throughout the budget preparation process. The budget is presented to the Board of Commissioners for their review and adoption as the final step.

The District evaluation of current revenue forecasts necessary to adequately fund future capital and R&R needs and keep pace with the increased costs for operational activities has indicated that the 2021 base rates will increase \$1 per month. The District base rates continue to be more affordable and stable than other providers in Clark County and across Western Washington. Throughout the 5-year period from 2015 to current, other providers raised their rates on average \$6+ per month, where the District raised its base rate a total of \$3 per month. This is reflective of the District's efforts to keep costs at or below the rate of inflation.

In recognition of its budgetary efforts, The District received the GFOA Distinguished Budget Awards for its 2020 Adopted Budget. This award is the highest form of recognition in fiscal planning and budgeting nationwide.

Discovery Clean Water Alliance. The District, in conjunction with its partners (Clark County and the Cities of Battle Ground and Ridgefield), formed Discovery Clean Water Alliance under the Joint Municipal Utility Services Act statute in January 2013. The District provides Administrative Lead services for Discovery Clean Water Alliance. The finance department provides financial and treasury services for the Alliance Board of Directors. These services include, but are not limited to, the preparation of the operating and capital budgets, quarterly and annual financial reporting, CAFR development, SAO audit process management, financial policies compliance, debt and investment management, accounts receivable and accounts payable. The District's Finance Director is the appointed Treasurer for the Alliance.

Administration Department

The Administration department, with a staff of six (6) provides executive support to the District Board of Commissioners and is responsible for administering and managing the overall affairs of the District. The department is led by the General Manager, and includes the Board Clerk/Administrative Services Manager, and four (4) Administrative Assistant support staff. The Administration department's core functions include:

- District Management
- Support to the Board of Commissioners
- APWA Accreditation
- Discovery Clean Water Alliance

District Management. The Administration department is active in all of the general management practices and in oversight of all District services and activities. Administrative staff administers and maintains oversight of intergovernmental coordination with partner agencies throughout the community. Specific day-to-day operations of District functions are the responsibility of department Managers. The Managers work closely with Administrative staff in "providing customer-focused, professional wastewater services in an environmentally and financially responsible manner." In addition, public involvement and outreach activities along with the development and implementation of key documents, presentations and initiatives are consistently provided by the Administration department.

Board of Commissioners (Board). Board support is provided by Administrative staff to ensure all applicable laws and regulations for open public meetings are adhered to and ensure effective and efficient due process for all individuals, organizations and businesses that seek to appear before the Board at their regularly scheduled meetings.

APWA Accreditation. The Administration staff is instrumental in facilitating the process of APWA Accreditation. Originally accredited in 2005 and re-accredited in 2009, 2015, and 2020, the District is the first Special Purpose Government to carry the APWA Accreditation in North America. The purpose of the accreditation process is to provide a means of formally verifying and recognizing public works agencies for compliance with the recommended practices set forth in the Public Works Management Practices Manual. The accreditation process is completely voluntary.

Discovery Clean Wastewater Alliance. The District, in conjunction with its partners (Clark County and the Cities of Battle Ground and Ridgefield), formed the Discovery Clean Water Alliance (Alliance) under the Joint Municipal Utility Services Act statute in January 2013. The General Manager and Administrative staff also provide support to the Board of Directors of the Alliance.

These responsibilities include executive and administrative services such as agency coordination, clerk for the Board, public outreach and oversight of the operational committees. The District is also responsible for coordination with the Alliance legal counsel, via contract, and for overseeing the development of the complete administrative framework.

Business Services Department

The Business Services department, with a staff of four (4) full time, highly qualified individuals, is led by the Business Services Director. This department provides the following services for the District:

- Human Resources
- Risk Management
- Succession Planning
- IT Services Management
- Facilities Maintenance

Human Resources (HR). Administration of the HR program includes employment, recruitment, compensation / benefits, employee relations, training and employee development, personnel record management, personnel policy and procedure development, legal compliance and internal consulting. The District offers a very competitive benefits package upon hire. The benefits include Washington State PERS, fully paid medical and dental benefits including vision coverage, paid sick leave, paid vacation, life insurance, medical and dependent care spending accounts, as well as short and long-term disability options. The Board of Commissioners has approved an annual market rate adjustment of 1.2-2.4% for all pay grades for the 2021 budget cycle. Along with the market rate adjustment by pay grade each year, employees are eligible to receive a 3% increase in pay upon a successful performance evaluation and can receive an extra 1.5% based on extraordinary performance, on their anniversary date.

Risk Management (RM). The District's Business Services Director is responsible for risk management for the District. This includes ensuring compliance with all applicable laws, ordinances, policies and guidelines concerning health and safety throughout the District. Also included is administration of risk management program activities, including general liability insurance and claims processing, risk assessment and mitigation strategies and the design, development and implementation of District safety programs and procedures in accordance with Washington Industrial Safety and Health Administration (WISHA) and Occupational Safety and Health Administration (OSHA) standards.

Succession Planning. A priority for the Human Resource Generalist is managing succession planning. With individuals in key positions at or nearing retirement age, the District is focusing

not only on recruitment efforts for these positions, but also career development within the existing staff. This planning is necessary to increase the availability of experienced and capable employees to fill these positions when they become available.

IT Services Management. As the District continues to grow so has the need for dedicated IT Services Management. In-house management of IT Services at the District will support all department's IT needs, starting with basic desktop support, implementation and maintenance of IT applications and processes, all the way up to developing and implementing an IT strategy that aligns with the District's mission statement and goals.

Facility Maintenance. The District's campus supports administration and maintenance activities. These facilities are maintained by the Operations department. Janitorial and landscaping service contracts are overseen, and small upgrade/improvement projects are performed in addition to a variety of other facilities maintenance tasks performed by Operations staff.

Engineering Department

The Engineering department provides full-service engineering services to the District and its customers under the direction of the Engineering Director, a licensed professional engineer and nineteen (19.0) additional full time staff and a half time engineering intern (.5) for a total department size of twenty and a half (20.5). These services include:

- Annexation Process Management
- Development Review
- Capital Facility Planning
- Geographic Information System (GIS)
- Capital Program Management
- Construction Management Services
- Pretreatment Program
- Septic Elimination Program (SEP)
- Discovery Clean Water Alliance

Annexation Process Management. The Engineering department oversees the "annexation" process for the District. Annexation is the formal process by which the District expands its service area, administered in accordance with RCW 57.24. The District is designated the service provider to roughly nine (9) new square miles of urban growth area within the County's 2007 Comprehensive Plan update. Generally expanded via the petition method of annexation, at the request of property owners, the District has annexed approximately 70% of the existing urban growth area through year-end 2020.

Development Review. The Engineering department provides assistance for new development, current customers and existing homes in need of sewer service. In addition, property owners obtain record drawing information for assistance in locating their existing system for connection.

Capital Facility Planning. Planning within the District is a two-part process initiated with long-range planning and followed by sub-basin planning. Long-range basin planning is performed to develop a 20-year General Sewer Plan (GSP) to address the infrastructure needs to support urban incorporation by the County. The District's GSP has recently been updated in conjunction with Clark County's Comprehensive Plan update and in compliance with requirements of the Growth Management Act. The GSP provides a summary of the capital improvement projects and the associated costs for the planning period. More detailed sub-basin planning is performed within the framework of the GSP to identify the means and methods of extending service to individual parcels.

Geographic Information System (GIS). The District maintains a state-of-the-art computer mapping, archiving and analysis system. The GIS platform is used in support of Engineering, Finance and Maintenance functions at the District. The mapping system covers both the District's service areas and is used extensively for support to customer service, planning, design and decision making. GIS is also an integral part of the District's Maintenance Management System (MMS).

Capital Program Management. The District administers an active Capital Program to maintain and expand the sanitary sewer collection system. The Capital Program provides in-house services in support of Restoration and Replacement (R&R) projects and developing and delivering new Capacity/Infrastructure (CIP). District staff directs the overall Capital Program, including prioritizing, planning, budgeting, some design and inspection services, as well as project management. Under a District Project Manager, spot repair projects are designed internally for bid and construction, but most projects are designed by professional engineering consultants for bid and construction. All work is performed under the direction of a licensed professional Engineer. The District utilizes a process that combines GIS analysis with the MMS data to produce an R&R program that identifies sewer pipes that are in the worst condition and likely to cause the greatest environmental harm if failure were to occur. By identifying critical infrastructure that has a higher risk of failure, the District can focus capital expenditures most effectively. The 2021 Capital Program will continue to reflect projects identified by this process.

The annual budget identifies the total expected expenditure for each of the projects contained within the Capital Program. The District maintains an ongoing detailed Six-year Capital Program, with an annual Capital Program coming out of that detailed plan for the Board's review and approval.

Construction Management Services. The District utilizes in-house construction management services to manage both capital and development related construction projects. Construction management of District projects includes but is not limited to administering construction contracts, procuring outside resources, establishing communication protocols, negotiating construction change orders, monitoring expenditures, as well as managing and coordinating District project staff.

Pretreatment Program. The District operates the state-mandated Industrial Pretreatment Program for the Salmon Creek Wastewater Management System, implementing national pretreatment standards necessary to protect receiving treatment systems. The District operates the program within the unincorporated areas of Clark County, including an area in which the District discharges into the City of Vancouver's Westside Treatment Plant, within the City of Ridgefield and, by interlocal agreement, within the City of Battle Ground. This includes comprehensive pretreatment responsibility within the District system of sewers, as well as compliance sampling at the Salmon Creek Treatment Plant and pretreatment review in the Cities of Battle Ground and Ridgefield. The District conducts pretreatment surveys, monitors and inspects permitted industrial facilities, and administers a Fats, Oils, and Grease (FOG) program. Pretreatment activities are documented in an annual report in accordance with NPDES permit requirements.

Septic Elimination Program (SEP). Supporting the District's vision of partnerships to protect water resources in the District's service area, the District maintains a formally established Septic Elimination Program (SEP) which extends sewer service to residential homes within the District. The District also continues to work closely with the Clark County Public Health Department to provide sewer service for customers who are faced with the removal of their failing septic systems through other Local Facilities programs (i.e. Customer Generated Infrastructure and District Installed Infrastructure).

Discovery Clean Water Alliance. The Engineering department provides capital program management support and construction program management services for the Alliance. Capital program management support services include capital plan development, capital plan delivery, regional asset development review, regional asset wastewater volume and quality management and regulatory compliance management, as well as other non-listed Engineering support services.

GFOA Distinguished Budget Presentation Award



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Clark Regional Wastewater District
Washington**

For the Fiscal Year Beginning

January 1, 2020

Christopher P. Morill

Executive Director

District Mission, Vision and Values



Mission

Providing customer-focused, professional wastewater services in an environmentally and financially responsible manner.

Vision

An active partner in Clark County, to support economic development and to manage and protect water resources.

Values

The District is committed to provide a high level of service to its customers and the community. The District fulfills this commitment through its staff, a team of innovative, talented, high-performing individuals who work together seeking to make a difference and keeping the customer first.

Steewardship of the environmental and financial resources entrusted to the District

Employees who are talented and motivated professionals that work together in a spirit of cooperation

Responsibility, integrity and fairness in every decision, every interaction and in every challenge we undertake

Valued Partner involved and active within our communities

Innovation & Learning, creating an environment of personal and professional growth

Communication that is active, open, honest and timely

Efficient & Effective Solutions that are reliable, consistent and meet the needs of our communities

Strategic Planning

The District strives to make each year an integral step in fulfilling its Mission and Vision. By adhering to its Values, the District continues to put the needs of its customers and community first; so much so that some in the community have recognized this as unexpected and fresh for a public agency. For the District, it is consistent with our vision of being an integrated community partner.

The District's strategic plan establishes five core focus areas, referred to as our strategic planning objectives. More information and a copy of the District's complete strategic plan may be found at <http://www.crwwd.com/about/planning.html>. The strategic planning objectives are:

Planning - Establish the future direction of the District; its purpose and vision in support of its stakeholders' needs.

Partnership - Strengthening existing and building new partnerships with our local public agencies.

Outreach - Enhancing public awareness and education of the District and its services.

Culture - Instilling the Mission, Vision and Values into the culture of the District.

Effectiveness - Improving the core business processes to allow the District to efficiently and effectively meet the current and future needs of its stakeholders.

For each of the strategic objectives the District establishes and pursues realistic and timely goals and initiatives that are designed to propel the organization forward to accomplishing its Vision. Annually, these goals are reviewed and updated in a multi-year context, looking both retrospectively and prospectively. The goals are adopted by the Board of Commissioners as the General Manager/Organizational Goals for the year. The General Manager assigns the goals, within each department, but more specifically to individual Managers. Likewise, individual goals are then formally integrated into each Manager's annual performance management program. This process maintains focus across the entire organization on the strategic initiatives and most important priorities.

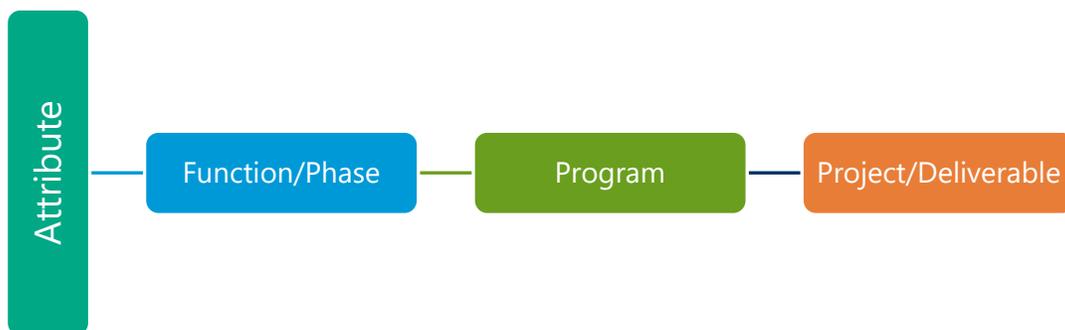
Fiscal Year 2021 Goals and Objectives

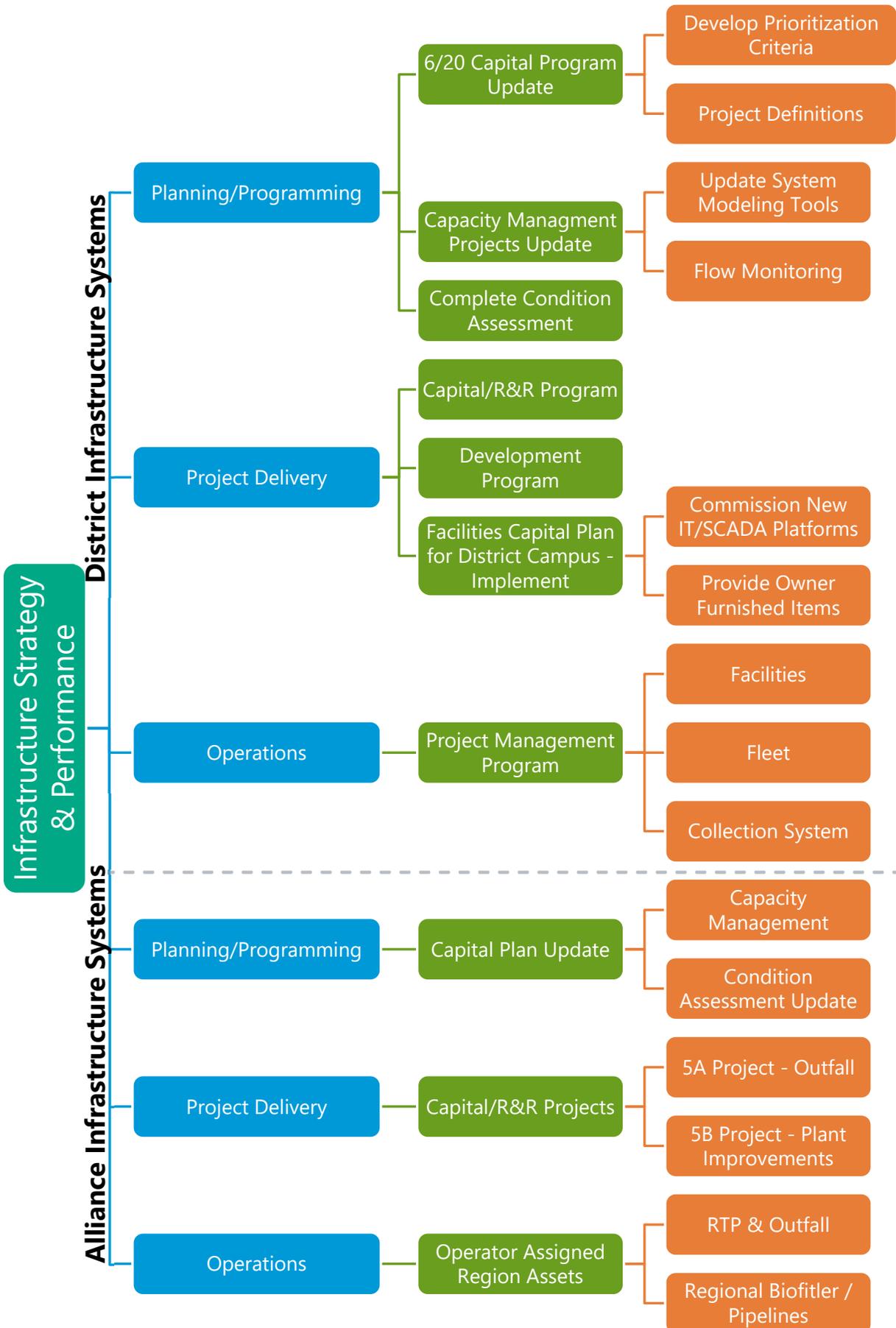
Goal Structure

Annually, organizational goals are developed to guide the District forward. The goals are categorized within each of the five (5) strategic planning objective areas and the ten (10) attributes of effectively managed utilities. For any one year, the emphasis may lie more heavily in one of the particular objectives (e.g., Effectiveness vs. Outreach). The intent is to continue growing in all areas while allowing the organization to be dynamic and responsive to the environment, including social, political, and economic factors. More specifically, to always be responsive to the policy direction of the Board of Commissioners. The Effective Utility Management model will be used to inform future strategic planning efforts at the District.

The District has been successful each year in more efficiently and effectively delivering services to the community. This is accomplished in part by focusing not only externally, on the community, but also internally on the work being done. In recent years, the District's goals have been concentrated on planning and partnerships objectives, with a significant external focus. This has resulted in important long-term benefit to the District and its customers through such initiatives as the formation of the Discovery Clean Water Alliance, and the transfer of the Ridgefield Collection System to the District.

For 2021, the bulk of the organizational goals have a strategic objective of Effectiveness. The attributes of this objective assist the District in designing goals that provide infrastructure strategy and performance, operational optimization through efficiency initiatives, product quality, and water resource sustainability by enhanced pretreatment and septic elimination programs, and other benefits that add value to District stakeholders. This focus is appropriate so that adequate time, energy, and resources are devoted to ensuring the success of project delivery, program development, and continued expansion of organizational roles.





2021 Clark Regional Wastewater District Adopted Budget

Campus Capital Program - \$4,720,000

Discussion. The Operations Center (District Campus) has served the District extremely well over the past twenty years. During that time, the District has accommodated a significant increase in its customer base and services, including incorporating the City of Ridgefield’s collections system and customers and providing executive, finance, and engineering services for the Discovery Clean Water Alliance (Alliance). The campus is currently at capacity in terms of space, and some building support systems are in need of replacement.

The Campus Capital Program includes developing the design, permitting, and construction of a new 8,420 square-foot Operations Center and an 8,015 square-foot covered storage and decant facility, and remodel the existing administration and maintenance buildings. Work includes additional employee parking areas. Total project costs are estimated at \$13.3 million.

Budget impacts for 2021 include:

DESCRIPTION	ACCOUNT	EXPENSE CATEGORY	BUDGET IMPACT
Construction/Project Support	CIP	Capital Construction Costs	\$ 4,720,000
Janitorial and Grounds	O&M	Contract Services - Office	25,000
Utilities and Supplies	O&M	Other Expenses	7,000

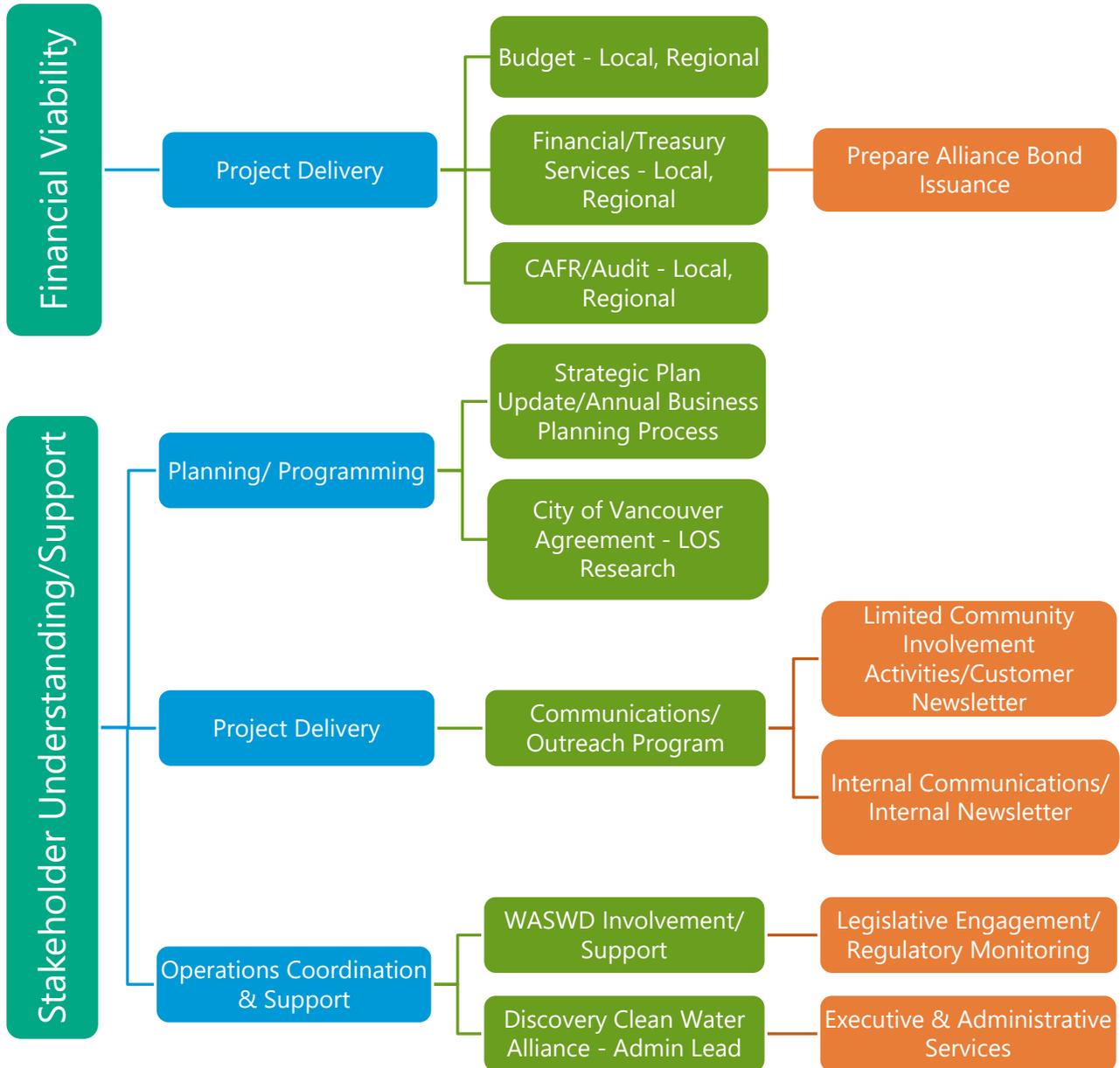
Discovery Clean Water Alliance Contract Operator - \$857,500

Discussion. The District is contractor operator of the Ridgefield Treatment Plant (RTP), Kline Interceptor - Regional Biofilter (RB), Battle Ground Force Main (BGM), Salmon Creek Interceptor and Kline Interceptor, all Alliance regional assets.

Budget Implications. Operating costs for the five regional assets operated by the District include personnel, supplies, services, utilities, maintenance and repairs.

Budget impacts for 2021 include:

DESCRIPTION	ACCOUNT	EXPENSE CATEGORY	BUDGET IMPACT
Personnel Costs	O&M	Salaries and Benefits	\$ 493,700
Sludge Hauling and Treatment	O&M	Other - Regional Asset Expense	105,000
Maintenance and Repair	O&M	Other - Regional Asset Expense	117,300
Other	O&M	Other - Regional Asset Expense	141,500



Discovery Clean Water Alliance (Administrative Lead) - \$1,197,500

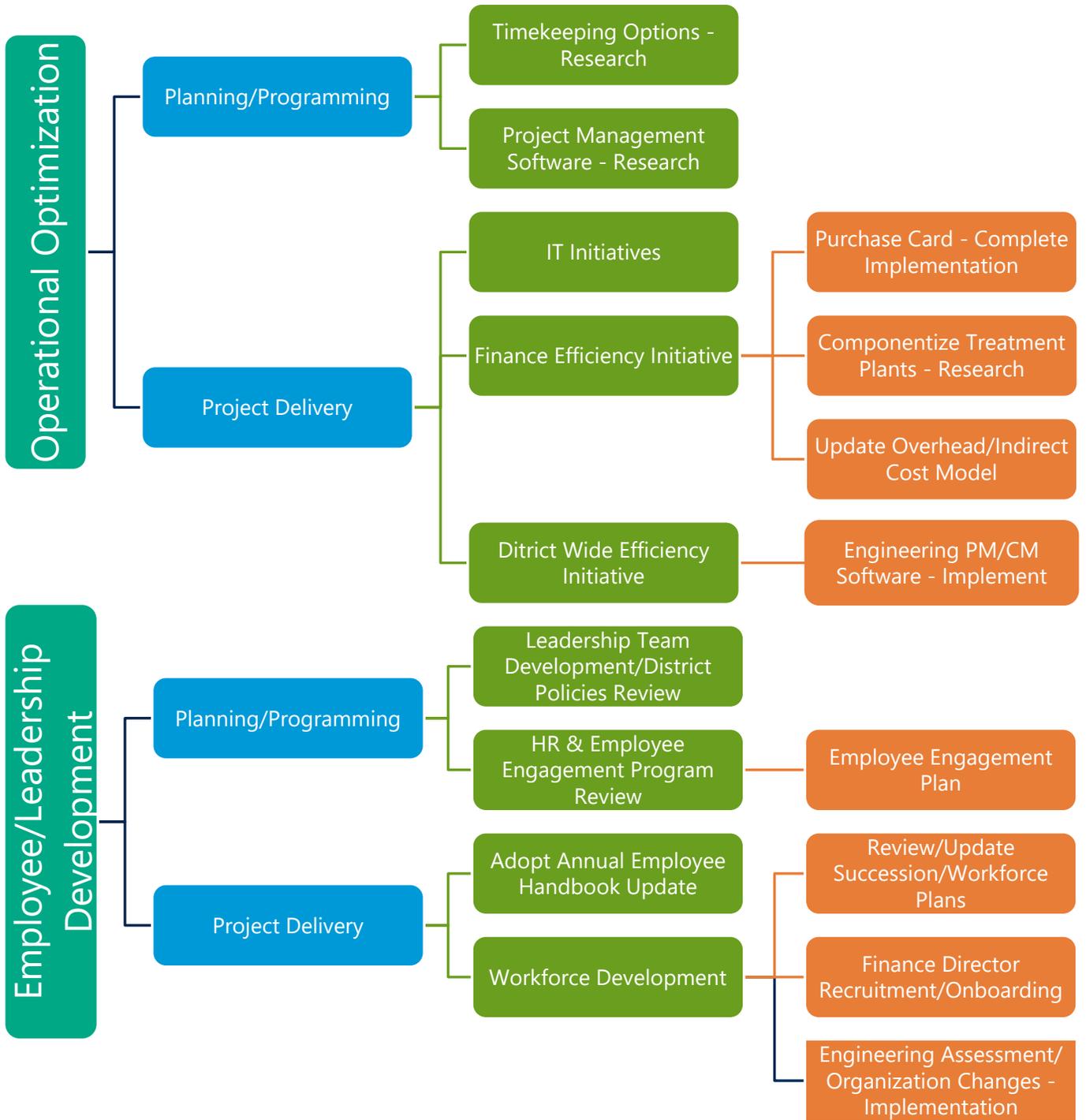
Discussion. This goal encapsulates the District’s continued participation and leadership in the administration of the Discovery Clean Water Alliance (Alliance). The District operates as the Administrative Lead, via contract with the Alliance Board of Directors. These lead services include capital program management, financial and treasury services, and administrative services. Detail on services provided under this contract see District Departments and Services on page 13.

Budget Implications. For FY 2021, the District will be providing the following major services for the Alliance that impacts the District budget:

- Capital Program Support and Regulatory Compliance for the Salmon Creek Treatment Plant (SCTP) Phase 5 Expansion and Columbia River Outfall projects
- Financial and Treasury Services will provide preparation of the annual Comprehensive Annual Financial Report (CAFR), budget monitoring and reporting, and debt issuance to fund the Capital Program

Budget impacts for 2021 include:

DESCRIPTION	ACCOUNT	EXPENSE CATEGORY	BUDGET IMPACT
Personnel Costs	O&M	Salaries and Benefits	\$ 579,500
Personnel Costs – Project Management	O&M	Salaries and Benefits	188,500
Capital Plan and Capital Program Support	O&M	Professional Services - Alliance	230,000
Existing and Emerging Regulatory Support	O&M	Professional Services - Alliance	95,000
Operator Engineering Support	O&M	Professional Services - Alliance	40,000
Asset Management Program Support	O&M	Professional Services - Alliance	25,000
Public Engagement	O&M	Professional Services - Alliance	21,000
Miscellaneous	O&M	Miscellaneous - Alliance	18,500



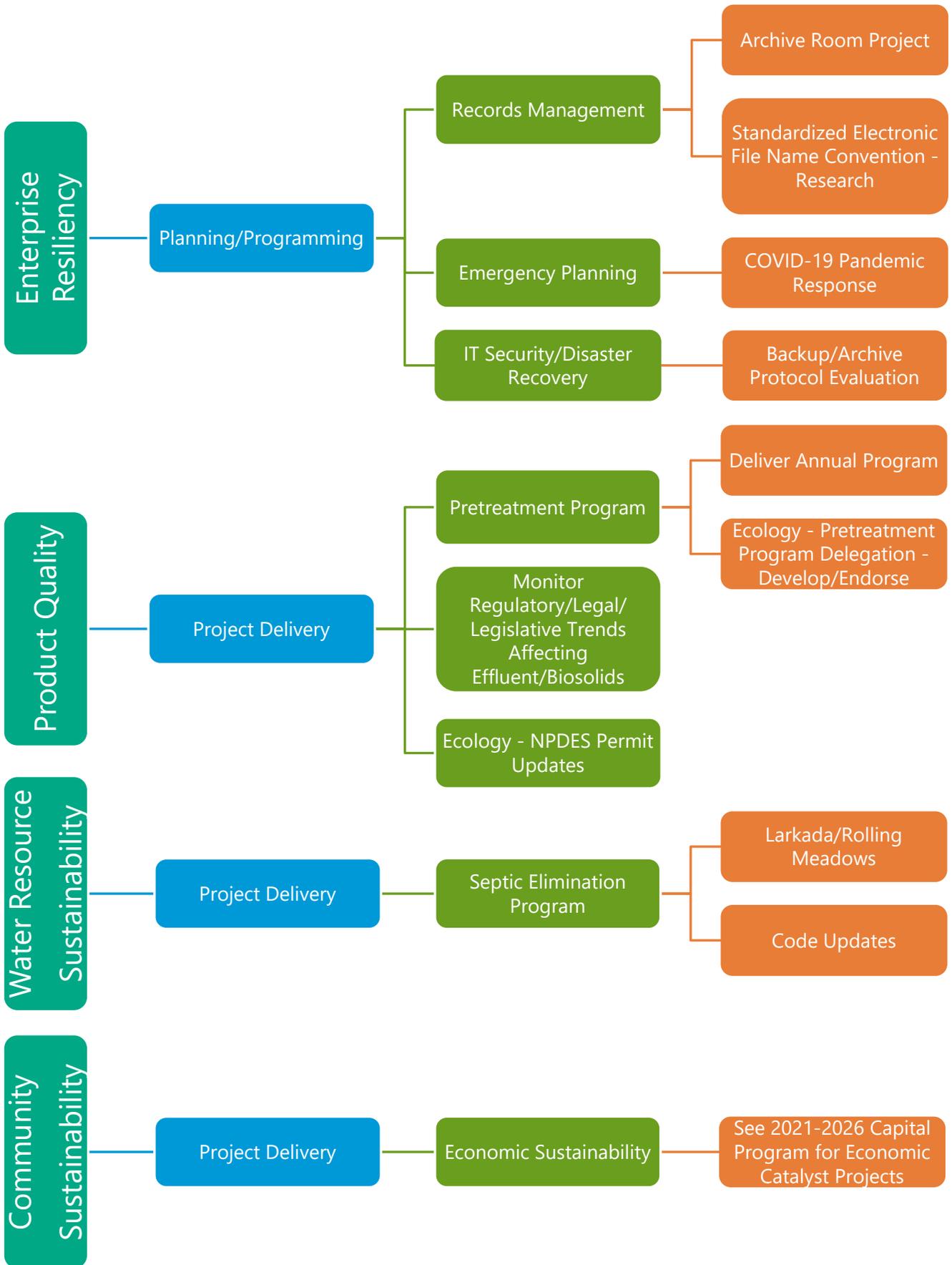
Project/Construction Management Software Implementation - \$30,000

Discussion. The District is seeking to optimize project management processes from project inception through construction. The budget will provide consultant support to select and implement a project management software. The software will streamline workflows across departments.

Budget Implications.

DESCRIPTION	ACCOUNT	EXPENSE CATEGORY	BUDGET IMPACT
Project Support	O&M	Professional Services - Engineering	\$ 30,000

2021 Clark Regional Wastewater District Adopted Budget



Capital Program – Economic Catalyst Projects

Discussion. The District is committed to providing a wastewater system that will serve the next generation of customers and the next generation of jobs that are vital to the health of our community. Wastewater service plays a critical role in protecting public and environmental health, but also in helping our community reach its economic potential. We collaborate and work with partners to identify areas of economic significance which need wastewater infrastructure. The District makes strategic infrastructure investment in projects which act as a catalyst in these areas, removing barriers and stimulating economic development.

Budget Implications. Economic catalyst projects for 2021 include:

DESCRIPTION	ACCOUNT	EXPENSE CATEGORY	BUDGET IMPACT
NE 20 th Avenue Trunk Upgrade	CIP	Capital Construction Costs	\$ 5,085,000
Legacy Pump Station and Force Main	CIP	Capital Construction Costs	2,100,000
South Junction Trunk Upgrade	CIP	Capital Construction Costs	1,560,000
Neil Kimsey Pump Station Pump Additions	CIP	Capital Construction Costs	1,470,000
Neil Kimsey Force Main Upgrade	CIP	Capital Construction Costs	400,000

Operating Budget Policy

The budget is an essential element of the financial planning, control and evaluation process for governments and businesses. In its most general sense, the budget is a framework that reflects the planned financial operation of an entity for a given period.

The District formally budgets revenues and expenditures for a one-year period. The District prepares a balanced budget, meaning that revenues equal or exceed expenditures. The formal annual budget is prepared, and budget decisions are made, in the context of a six-year revenue and expenditure forecast. The District’s Finance department is responsible for preparing the annual budget and six-year forecast with significant input and direction from the four (4) other departments.

In budgeting for expenditures, the District prioritizes maintaining existing levels of sewer service before making the decision to expand and provide new services. Additionally, the District prepares a zero-based budget. Rather than incrementally increasing expenditures the District critically examines past spending patterns to budget for future expenditures. The District maintains long-term equipment and infrastructure replacement schedules. This helps stabilize costs to avoid any unexpected expenditures and helps to avoid deterioration of District equipment and infrastructure.

The District elects to use the modified accrual basis of accounting for budgeting purposes. In general, revenues are budgeted if they are measurable and available to finance expenditures for the budget period. Sources from rates are available as they are collectible within 30 days of the end of the fiscal year. Expenditures are budgeted when the related liability is incurred.

The District uses the full accrual basis of accounting for financial reporting purposes. Some distinct differences between modified accrual and full accrual include:

Transaction	BUDGET ACCOUNTING	FINANCIAL REPORTING
	Modified Accrual Basis	Full Accrual Basis
Capital expenditures	Expenditure when liability is incurred	Capital asset when liability is incurred
Depreciation	Not recorded	Operating expense
Debt proceeds	Other financing source when received	Increase in liabilities when received
Debt principal payments	Expenditure when paid	Reduction in liability when paid
Donated infrastructure	Not recorded	Capital contribution revenue

The District monitors account activity regularly and presents quarterly budget to actual financial reports to the Board, on a modified accrual basis, to ensure expenditures do not exceed the adopted budget.

As a special purpose district, Clark Regional Wastewater District operates as an enterprise fund. The District maintains one fund with various accounts (sub-funds) used to segregate restricted assets, if any, and complies with bond covenants and other District resolutions. In 2021, the District will operate with the following accounts (sub-funds):

- Operations & Maintenance (O & M)
- Alliance Reserves
- Unemployment Reserve
- Debt Service
- Debt Service Reserve
- Existing Assets Restoration & Replacement (R & R)
- New Assets Capital Improvement Projects (CIP)

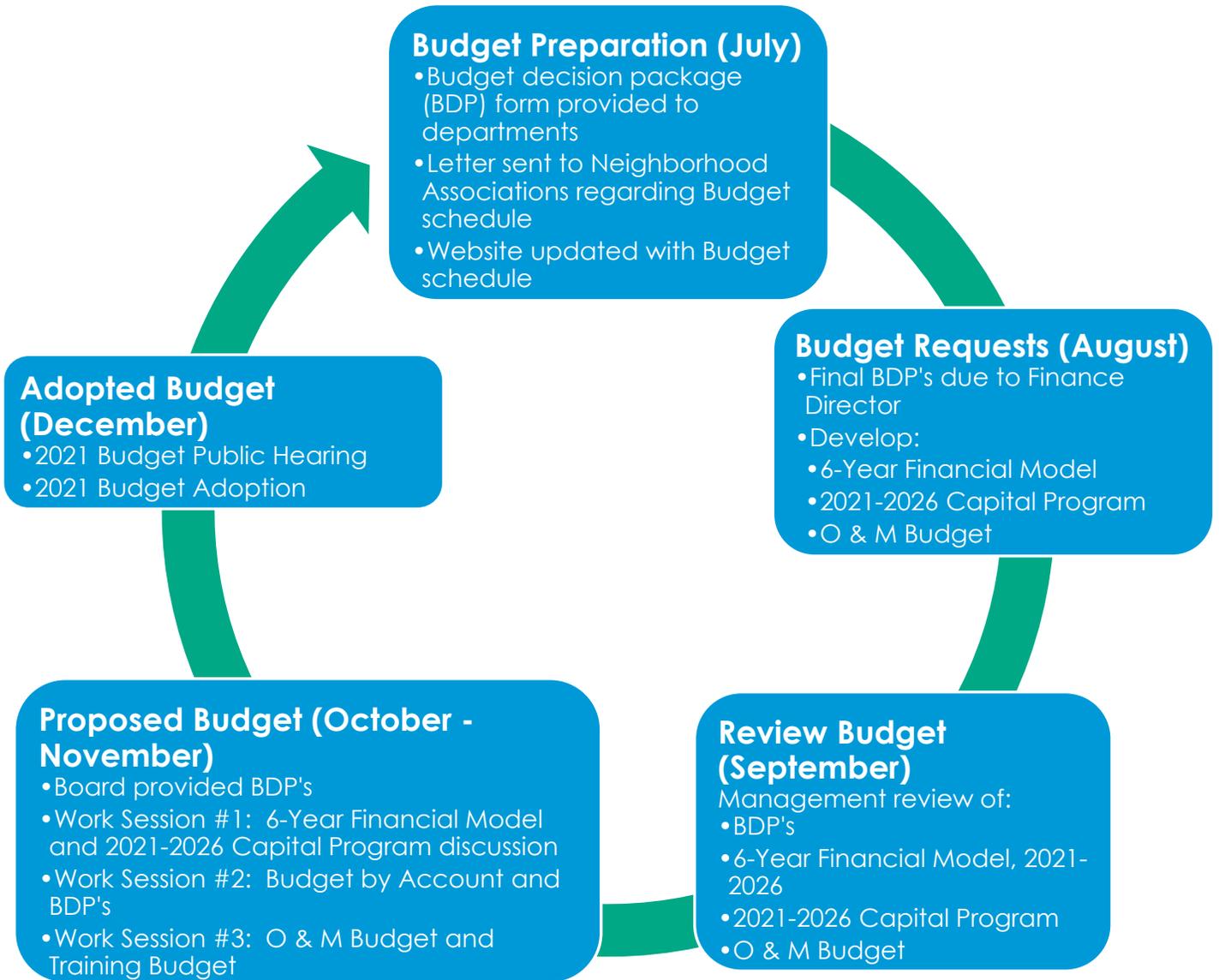
The nature of the operations of an enterprise fund are financed and accounted for so the demand for services determines the appropriate level of resources to be applied. Increased demand for sewer services causes a higher level of resources to be applied and determines the rates that are used in recovering that level of service. Thus, as in private sector accounting, flexible budgets typically are better for enterprise funds for planning, control and evaluation purposes than are fixed line item budgets.

When formally adopted, the expense estimates of flexible budgets typically are not viewed as appropriations but as approved plans. Budgetary control and evaluation are affected by comparing actual interim and annual revenues and expenditures with planned revenues and expenditures at the actual level of activity for the period. With that in mind, the operating budget can be considered moderately flexible and will be monitored to determine consistency with the level of service required by system growth.

As the District Service Areas and customer base continues to grow, so does the requirement to manage sound practices and fiscal policies as they relate to debt. The District's debt management is governed by a separate debt policy adopted by the Board of Commissioners. The District will fund the current portion of long-term liabilities in order to avoid accumulating an unmanageable liability.

It is critical that the District continues its prudent financial management by establishing sound fiscal policies to include the review of its rates and the structure of those rates through studies and analysis. The District uses a combination of consultants and internal analysis to develop its rates and policies. The District reviews its fiscal policies on an ongoing basis, as well as the appropriate amount of funding for the restoration and replacement of its assets. In order to maintain the quality and continually enhance the presentation of the District's budget document, the District is committed to submitting for the Government Finance Officers Association's Distinguished Budget Presentation Award on an annual basis.

Budget Calendar



Description of Accounts

Account	Description
Operations and Maintenance	Provides for the daily routine operational needs of the District
Alliance Reserves	Reserves set aside to fund future District Reserve obligations with Discovery Clean Water Alliance
Unemployment Reserve	Funds set aside to cover potential unemployment claims against the District
Debt Service	Holds restricted amounts for principal and interest payments on debt
Debt Service Reserve	Reserves equal to one year of debt service for all District debt
Existing Assets R&R	Funds restoration and replacement of existing District infrastructure
New Assets CIP	Funds future new District infrastructure needs

2021 Budget Overview

ACCOUNTS	OPERATIONS			DEBT		CAPITAL			TOTAL
	Operations & Maintenance	Alliance Reserves	Unemployment Reserve	Debt Service	Debt Service Reserve	Existing Assets R & R	New Assets CIP	All Accounts	
BEGINNING BALANCES	\$ 18,605,881	\$ 3,732,480	\$ 20,540	\$ 794,678	\$ 2,050,328	\$ 9,719,619	\$ 12,768,687	\$ 47,692,213	
SOURCES									
Rates	24,400,284							24,400,284	
Senior Low-Income Discount Program	(33,063)							(33,063)	
SDC Connection Fees							12,813,900	12,813,900	
LFC Reimbursements							175,000	175,000	
Investment Interest	232,574	46,656	257	9,933	25,629	121,495	159,609	596,153	
Intergovernmental Revenues	2,059,500							2,059,500	
Other Miscellaneous Revenue	758,000							758,000	
Subtotal Sources	27,417,295	46,656	257	9,933	25,629	121,495	13,148,509	40,769,774	
TRANSFERS									
Transfer Debt Service	(1,294,906)			2,114,406			(819,500)	-	
Transfer Debt Service Reserve	(38,449)				38,449			-	
Transfer B&O Tax	192,209						(192,209)	-	
Transfer Existing Assets R & R	(1,958,178)					1,958,178		-	
Transfer Unemployment Reserve	257		(257)					-	
Transfer Alliance Reserves	38,976	(38,976)						-	
Subtotal Transfers	(3,060,092)	(38,976)	(257)	2,114,406	38,449	1,958,178	(1,011,709)	-	
USES									
Debt Service				(2,114,406)				(2,114,406)	
Operating Expenses	(25,565,815)							(25,565,815)	
Capital Construction Costs / Purchases						(799,292)	(12,375,688)	(13,174,980)	
Subtotal Uses	(25,565,815)	-	-	(2,114,406)	-	(799,292)	(12,375,688)	(40,855,201)	
ENDING BALANCES	\$ 17,397,270	\$ 3,740,160	\$ 20,540	\$ 804,611	\$ 2,114,406	\$ 11,000,000	\$ 12,529,800	\$ 47,606,786	

Operations and Maintenance Account

The Operations and Maintenance (O & M) account provides for the daily routine needs to financially sustain effective delivery of District core functions. The District's policy for account reserves is to maintain a minimum of 120 days of current year budgeted operating expenses. For Fiscal Year 2021 this is approximately \$8.5 million.

Operations and Maintenance Account

I. Sources and Uses

Sources

The general O & M account is primarily funded from monthly wastewater service charges. Additional funding into this account is from intergovernmental revenues, contract receivables, penalties, inspections, permit fees and investment income from account reserves.

The District charges a fixed base rate of \$41.00 per Equivalent Residential Unit (ERU) per month for wastewater services, an increase of \$1.00 over 2020 rates. An ERU is equal to one home that is connected to the sewer system.

In addition to the fixed base rate, customers in the Ridgefield service area are charged a System Integration Charge (SIC). In 2021, this is \$13.80 per ERU per month, which represents a \$1.80 decrease from the \$15.60 charged in 2020 per ERU per month for Ridgefield service area customers. The SIC represents the District's additional costs of operation, maintenance, repair, replacement and improvement of the Collection System.

Revenues of the O & M account fund all general operating expenses, including but not limited to salaries and wages, employee benefits, supplies, professional services, contractual services, other expenses and treatment costs.

Uses

Operational expenses, such as salaries, benefits and treatment costs are the primary uses of funds in the O & M account representing 21.6%, 10.1% and 49.9% of the budget, respectively. O & M expenses in the aggregate will see a 7.1% increase over 2020 levels. This increase is primarily due to increases to salaries and benefits resulting from a planned increase of one and three quarters (1.75) full-time employees in 2021, as well as an increase in treatment costs paid to the Alliance.

Transfers

Utility rates also provide funding to the R&R account to maintain the \$11.0 million funding reserve limit, the Debt Service and Debt Service Reserves accounts for all debt service requirements and for the Unemployment Reserve account to maintain the required funding level per District policy.

2021 Clark Regional Wastewater District Adopted Budget

II. 2021 Operations and Maintenance Account Revenue Forecast

OPERATIONS & MAINTENANCE	2017 ACTUAL	2018 ACTUAL	2019 ACTUAL	2020 BUDGET	2021 BUDGET
BEGINNING ACCOUNT BALANCE	\$ 19,321,087	\$ 21,592,246	\$ 23,286,691	\$ 20,966,612	\$ 18,605,881
SOURCES					
Operating Revenue					
Charges for Services	19,779,712	20,255,826	21,193,614	22,978,856	24,400,284
Senior Low-Income Discount Program	(26,104)	(26,351)	(33,527)	(23,959)	(33,063)
Intergovernmental Revenues	643,106	1,047,103	1,488,295	1,742,500	2,059,500
Penalties	145,618	146,221	152,493	140,000	75,000
Permit Fees	173,785	166,170	142,625	140,000	140,000
DEA Fees	108,070	94,775	115,850	161,000	175,750
Ridgefield City Operating Fee	190,351	203,621	224,877	225,000	251,000
Vancouver City Interlocal Fee	16,484	37,768	37,938	40,000	43,000
Other Miscellaneous Revenue	14,815	239,278	499,191	91,500	73,250
Total Operating Revenue	21,045,837	22,164,411	23,821,356	25,494,897	27,184,721
Non-Operating Revenue					
Transfer from New Assets CIP Account (B&O Taxes)	129,775	120,826	158,650	160,416	192,209
Investment Interest	116,946	386,410	566,221	471,749	232,574
Transfer from Alliance Reserves	2,725,106	4,849,269	-	397,993	38,976
Transfer from Debt Service Reserve Account	-	-	1,356,954	-	-
Transfer from Unemployment Reserve Account	-	-	-	8,146	257
Transfer from Existing Assets R&R Account	-	-	-	-	-
Transfer from New Assets CIP Account	-	-	-	-	-
Total Non-Operating Revenue	2,971,827	5,356,505	2,081,825	1,038,304	464,016
USES					
Operating Expenses	(18,014,562)	(19,842,681)	(21,935,285)	(23,861,175)	(25,565,815)
Transfer to Existing Assets R&R Account	(1,720,000)	(3,316,693)	(890,355)	(694,563)	(1,958,178)
Transfer to Unemployment Reserve Account	(1,821)	(1,019)	(1,472)	-	-
Transfer to Alliance Reserves	-	-	(1,788,235)	-	-
Transfer to Debt Service Account	(2,010,121)	(1,990,323)	(3,708,034)	(1,301,452)	(1,294,906)
Transfer to Debt Service Reserve Account	-	(675,755)	-	(712,900)	(38,449)
Total Operating Uses	(21,746,504)	(25,826,471)	(28,323,381)	(26,570,090)	(28,857,348)
ENDING ACCOUNT BALANCE	\$ 21,592,247	\$ 23,286,691	\$ 20,866,491	\$ 20,929,723	\$ 17,397,270

2021 Clark Regional Wastewater District Adopted Budget

III. 2021 Operations and Maintenance Account Expenditure Forecast

OPERATIONS & MAINTENANCE OPERATING EXPENSE DETAILS	2017 ACTUAL	2018 ACTUAL	2019 ACTUAL	2020 BUDGET	2021 BUDGET	2020/2021 BUDGET CHANGE
Salaries & Wages						
Maintenance / Facilities	1,222,563	1,392,124	1,492,459	1,624,860	1,611,853	
Customer Service	342,879	369,279	360,193	406,234	442,275	
Engineering	1,077,536	1,201,747	1,316,082	1,598,052	1,703,790	
Pretreatment	73,503	49,637	80,855	86,774	90,773	
General Administration	1,295,711	1,439,195	1,453,379	1,485,591	1,629,255	
Commissioners	35,208	37,784	37,128	41,064	41,064	
Total Salaries & Wages	4,047,400	4,489,766	4,740,096	5,242,575	5,519,010	5.3%
Employee Benefits						
Pension	463,243	548,556	580,761	666,206	633,544	
Health Insurance	950,465	1,072,851	1,041,380	1,329,443	1,419,925	
Uniforms / Incentives / Other	(66,560)	39,291	139,766	35,593	36,819	
Social Security / Medicare	304,597	338,558	357,281	397,538	419,175	
Labor and Industries	5,488	35,052	28,809	53,904	53,265	
Washington Paid Family Medical Leave	-	-	7,134	7,406	7,832	
Total Employee Benefits	1,657,233	2,034,308	2,155,131	2,490,090	2,570,560	3.2%
Supplies						
Materials / Supplies - Collection System	49,288	48,252	72,234	62,250	76,750	
Materials / Supplies - Pump Stations	176,148	218,052	163,981	225,000	205,000	
Office Supplies - General	111,520	138,315	101,648	157,650	145,850	
IT Hardware / Software	87,877	103,061	120,585	164,500	202,405	
Maintenance & Facilities Supplies	18,205	22,178	20,088	23,000	30,500	
Small Equipment / Tools - Maintenance	60,048	41,160	42,208	80,500	111,300	
Transportation Expense - Fuel	58,991	71,556	68,124	80,000	75,000	
Transportation Expense - Repair / Maintenance	7,337	5,680	826	8,000	9,000	
Safety Supplies	23,928	16,132	26,365	22,500	29,500	
Total Supplies	593,342	664,386	616,059	823,400	885,305	7.5%
Professional Services						
Professional Services - Alliance	385,009	301,706	307,189	325,500	417,000	
Professional Services - Engineering / Operations	49,537	106,356	70,293	113,000	115,000	
Professional Services - Pretreatment	-	11,978	40,045	25,000	10,000	
Professional Services - Auditor	24,147	21,446	25,599	27,000	26,000	
Professional Services - Legal	124,494	18,750	122,602	147,500	162,500	
Professional Services - Compensation	6,350	167,547	17,173	40,000	25,000	
Professional Services - Communications	19,057	29,802	25,475	33,000	30,000	
Professional Services - Computer / IT	70,547	84,339	9,591	12,000	15,000	
Professional Services - Consultant	55,123	30,912	27,963	45,000	36,000	
Professional Services - Temporary	17,350	23,404	195,691	234,500	162,000	
Total Professional Services	751,614	796,240	841,621	1,002,500	998,500	-0.4%
Contractual Services						
Contract Services - Operations	12,480	14,632	3,483	17,500	14,500	
Contract Equipment Rental	3,508	1,392	670	3,000	5,000	
Contract Service - Maintenance / Repair Lines	23,407	50,708	22,370	47,500	52,500	
Contract Service - Equipment	14,218	8,593	15,129	19,250	25,500	
Contract Service - Vehicles	75,269	66,582	36,702	68,200	63,000	
Contract Service - Office / Building Equipment	123,892	180,568	168,537	212,250	253,750	
Total Contract Services	252,774	322,475	246,891	367,700	414,250	12.7%
Other Expenses						
Insurance - Pool	161,388	165,432	157,423	184,500	211,500	
Education / Travel Employees	82,408	104,278	89,514	146,015	119,270	
Education / Travel Commissioners	15,240	15,459	15,584	21,755	13,580	
Dues / Memberships / Subscriptions	33,173	31,220	42,695	40,440	43,340	
Postage	83,086	84,718	76,994	76,700	84,200	
Telephone / Web Services	72,419	73,090	76,951	87,550	86,350	
Utilities - Pump Stations	119,967	123,135	107,308	132,000	137,000	
Utilities - Admin / Shop	36,803	42,968	35,349	40,000	41,500	
Damage Claims	4,084	3,721	5,230	5,000	5,000	
Advertising	4,573	9,921	9,942	7,500	7,500	
Public Relations	15,849	11,993	8,762	27,000	26,000	
Miscellaneous General Administration	142,120	217,408	173,789	275,450	278,150	
Ridgefield City Operating Fee	188,855	204,314	224,519	225,000	251,000	
Vancouver City Interlocal Fee	10,723	37,069	39,877	40,000	43,000	
Business and Occupation (B&O) Taxes	462,283	515,010	525,047	543,000	580,000	
Alliance Miscellaneous	9,464	10,240	11,280	13,500	12,500	
Regional Asset Expenses	-	201,688	57,110	372,500	391,300	
Government Services / Impact Fees	70,997	72,257	17,102	25,000	80,000	
Total Other Expenses	1,513,432	1,923,921	1,674,476	2,262,910	2,411,190	6.6%
Sub-total Operating Costs	8,815,795	10,231,096	10,274,274	12,189,175	12,798,815	5.0%
Treatment Costs						
Sewage Treatment - Alliance	8,516,033	9,087,008	11,099,983	11,100,000	12,195,000	
Sewage Treatment - Vancouver	612,196	454,154	490,046	498,000	503,000	
Sewage Treatment - Battle Ground	70,538	70,423	70,982	74,000	69,000	
Total Treatment Costs	9,198,767	9,611,585	11,661,011	11,672,000	12,767,000	9.4%
TOTAL OPERATING EXPENSES	\$ 18,014,562	\$ 19,842,681	\$ 21,935,285	\$ 23,861,175	\$ 25,565,815	7.1%

IV. Budget Narrative – Operations and Maintenance Account

Revenues

Charges for Services: \$24,367,221

Charges for Services are reported here, net of reduced rates associated with the District's Senior Low-Income Discount Program. The 2021 budget reflects a forecast of 1,920 new ERUs for the year based upon prior year growth patterns and anticipated construction. The additional ERUs have been included in the budgeted utility service revenue projections.

Monthly charges for services are divided into three sources - residential, multi-family residential and commercial:

- Residential includes all single-family residential homes and condominiums
- Multi-family residential includes all apartments and mobile home parks
- Commercial includes all businesses and industries, including schools

For 2021, the District's customer base will increase to approximately 35,500 accounts serving an estimated 50,500 ERUs. This increase will have a ripple effect with the net result being additional inspections, maintenance and customer service calls, as well as treatment costs.

Intergovernmental Revenues: \$2,059,500

The District will continue to act as Administrative Lead to the Alliance and invoice the Alliance monthly for these contracted services. Effective January 1, 2020, the District began operating three additional Regional Assets and will continue to be the Contract Operator of the Ridgefield Treatment Plant and Regional Biofilter.

Penalties: \$75,000

These represent penalties assessed on past due utility balances. The District's past due balances are budgeted to decrease substantially in 2021 due to restrictions on assessing penalties on past due accounts by Washington Governor Jay Inslee in response to the economic effects of the COVID-19 pandemic.

Fees: \$315,750

Developer Extension Agreement (DEA), permits, tap and inspection fee activity, along with development, is expected to increase from 2020 levels, resulting in a revenue projection increase for the 2021 budget.

Ridgefield City Operating Fee: \$251,000

As compensation for the collection system, the District pays the City of Ridgefield a City Operating Fee equal to 10% of sewer service charges (rates) that are collected from collection system customers. The District has the right to recover the City Operating Fee from collection system customers per the Collection System Transfer Agreement with the City of Ridgefield. The 2021 budget anticipates the revenues for the Ridgefield City Operating Fee to increase from the 2020 budget due to continued growth in the City of Ridgefield.

Vancouver City Interlocal Fee: \$43,000

As of September 1, 2017, the City of Vancouver annexed a portion of the District service area into the City. Under the Coordination of Services Agreement with the City of Vancouver, the District retains customers in the annexation area. As compensation for the collection system, the District pays the City of Vancouver a City Interlocal Fee equal to 6% of sewer service charges (rates) that are collected from collection system customers. The District has the right to recover the City Interlocal Fee from collection system customers per the Coordination of Services Agreement. The 2021 budget anticipates the revenues for the City of Vancouver Interlocal Fee to increase from the 2020 budget due to continued growth in the City of Vancouver.

Expenses

Salaries and Wages: \$5,519,010

The District Board of Commissioners has approved an annual market adjustment by pay grade of 1.2-2.4% for the 2021 budget cycle. Along with the market adjustment by pay grade each year, employees not at the top of their range receive a 3% increase in pay and can receive an extra approximate 1.5% increase based on performance on their anniversary date. The 2021 budget depicts related costs for sixty-three and one quarter (63.25) employees and three (3) Commissioners, an increase of 1.75 full-time employees over the 2020 budget. Salaries and wages will increase overall by 5.3% when compared to the 2020 budget. Since the District is the Administrative Lead and Contract Operator for five Alliance Regional Assets, a portion of total District staff salaries will be invoiced to the Alliance during 2021. Included in the budgeted salary amount are the Commissioners' salaries.

Commissioner salaries include a stipend that represents reimbursement for their attendance at all regular District Board or business meetings. In 2021, the District is budgeting for the Commissioners' salaries based on the full amount available to be paid (\$41,064) per statute, including \$350 per month for the Secretary of the Board. Effective in 1992, Washington State law allows for the payment of medical benefits to elected Commissioners. All three Commissioners are eligible for and receive this benefit.

Employee Benefits: \$2,570,560

Overall, benefits for 2021 are expected to be 3.2% higher than in the 2020 budget.

Pension. The Washington Public Employee Retirement System (PERS) pension rate paid by employers is 12.97% from January through June 2021, which is a slight increase from the previous employer rate of 12.86%. On July 1, 2021, rates are scheduled to decrease to 10.25%.

Uniforms, Incentives, Other. The 2021 budgeted uniform costs, the Reward and Recognition program and administration costs for the Flexible Spending Account (FSA) are \$29,319 and \$7,500, respectively. These amounts are slightly higher than those reflected in the 2020 budget.

Health Insurance. Healthcare insurance continues to comprise a large portion of the 2021 benefits budget. The District uses the State of Washington's Healthcare Authority (HCA), as the administrator for two insurance carriers (Kaiser Permanente and Uniform Medical) to provide employee healthcare benefits in 2021. Both carriers negotiate with HCA for statewide benefits. Kaiser Permanente premiums will increase by 3.8% and Uniform Medical premiums will increase by 1.6% in 2021, resulting in an approximate \$90,500 increase in budgeted health insurance expenses when combined with the increase of one and three quarters (1.75) FTEs in 2021. The District currently funds the entire healthcare premium and allows employees who have other adequate medical coverage to opt out of District-paid medical insurance in exchange for a cash payment equal to a single premium for Uniform Medical insurance. This incentive has been beneficial to employees and continues to result in reduced medical insurance premiums paid by the District.

Social Security / Medicare. An additional one and three quarters (1.75) full-time employees and anticipated step increases, performance-based increases, and market adjustments will have a direct effect on payroll taxes, creating an 5.4% increase in FICA and Medicare budgeted for 2021.

Labor and Industries. In 2021, the Washington Department of Labor and Industries insurance rates billed to the District are budgeted to decrease slightly in comparison to prior years' budgets due to lower projected rates.

Supplies: \$885,305

All items of a consumable nature are budgeted as supplies. This includes office supplies, general system repair and maintenance supplies, in-house vehicle repairs, facilities supplies and vehicle fuel. The 2021 supplies budget reflects an 7.5% increase over the

2020 budget. This increase is primarily driven by anticipated IT security enhancements and the need for additional strategic flow monitoring supplies.

Materials / Supplies – Collection System. The 2021 budget anticipates an increase of \$14,500 or 23.3% from the 2020 budget. As the District's collection system continues to expand and development activity levels continue to be elevated, additional supplies are required for maintenance of mains and supplies for activities such as locates.

Materials / Supplies – Pump Stations. Pump Station materials and supplies is budgeted to decrease by \$20,000 or 8.9% from 2020. This decrease is the result of decreased need for carbon filtration at manholes with the completion of the Regional Biofilter, an asset owned by the Alliance, and a reduced need for supplies for generator maintenance at individual pump stations.

Office Supplies – General. General office supplies are expected to decrease by \$11,800 or 7.5%, primarily due to a cost savings for Interactive Voice Response (IVR) due to a change in vendors.

IT Hardware / Software. IT hardware/software costs are budgeted to increase by \$37,900, or 23.0%, in 2021. The primary drivers of this increase are new proposed software licenses, specifically an anti-virus software that is set to renew in 2021 and is on a 3-year renewal cycle.

Maintenance & Facilities Supplies. Budgeted at 32.6% or \$7,500 higher in 2021. This category addresses facility needs and annual maintenance in the shop area. This increase is due largely to additional cleaning supplies needed upon completion of a new Operations building and as a precautionary measure against COVID-19.

Small Equipment / Tools – Maintenance, Transportation Expense – Fuel / Repair / Maintenance. The 2021 budget is anticipated to increase by \$26,800 or 15.9% over the 2020 budgeted amount. This increase is primarily driven by the anticipated purchase of five additional flow meters for more strategic flow monitoring. This category contains the maintenance of existing systems such as Lucity. The Lucity system is used by management to log repairs and determine necessary maintenance for District facilities and fleet vehicles. The District maintains no fuel reserves on campus but purchases fuel from Clark County.

Safety Supplies. Safety supplies are budgeted in 2021 to increase by \$7,000 or 31.1% from 2020 amounts. This increase stems directly from COVID-19 and the increased need for gloves and other safety supplies.

Professional Services: \$998,500

Non-capital professional services provided such as legal counsel, the Washington State Auditor's Office annual audit, information technology support, communication and engineering consulting services are budgeted as professional services. For 2021, the District anticipates a 0.4% decrease in professional services compared to the 2020 budget.

Professional Services – Engineering / Operations. The District is budgeting \$115,000 in the 2021 budget for on-call consulting assistance on various projects, a 1.8% increase from the 2020 budgeted amount. This slight increase is due to the net effect of an increase in contracted support with Flo Analytics for an analysis of project management software along with a decrease in contracted development inspection services.

Professional Services – Pretreatment. The 2021 budget decreased by \$15,000, or 60.0%, from the 2020 budget. In 2019, the District contracted with Gray & Osborne Engineers to develop the plan and framework for a fully delegated Industrial Pretreatment program. The 2021 budget anticipates \$10,000 remaining on the contract, as the framework is expected to be completed and submitted to the Department of Ecology in 2021.

Professional Services – Auditor. The 2021 budget for Washington State Auditor's Office CAFR and Accountability audit services is anticipated to decrease by \$1,000 from the 2020 budget. The 2021 budget anticipates a slight decreased need for support from financial consultants from 2020.

Professional Services – Compensation. The District undertakes an annual market rate study, as well as a compensation study every four years. The District undertook a compensation study in 2020 that will not occur in 2021, yielding a \$15,000 decrease in this budget line from 2020.

Professional Services – Computer / Information Technology (IT). The 2021 budget increased 25.0% or \$3,000 from the 2020 budget due to additional contracted support anticipated to be necessary to connect the new Operations building to the District network.

Professional Services – Consultant. The District is budgeting a 20.0% or \$9,000 decrease in consultant services. This decrease is primarily due to a consulting contract for the various Facilities projects that decreased significantly in 2021. Consultant services also include costs for investment consultants.

Professional Services – Temporary. The District utilizes temporary employees as needed for departmental support when permanent positions are vacant or to address workload fluctuations. The 2021 budget for temporary employee services is anticipated to decrease by \$72,500 as some vacant position have been filled. In 2021, the District is budgeting for one temporary Engineering employees for the full year, one temporary Customer Service employee for the first four months of the year, and one temporary Operations employee for three months of the year.

Contractual Services: \$414,250

Contractual Services includes equipment rentals, maintenance and repairs of lines, equipment repairs, vehicle repairs, office equipment maintenance and building maintenance. The 2021 budget is 12.7% higher than the 2020 budget.

Contract Services – Maintenance / Repair Lines. The District anticipates contracted line maintenance to increase by 10.5% in 2021, due primarily to costs associated with additional utility locates as the District service area expands.

Contract Services – Equipment / Vehicles. Budgeted to increase by 1.2% as compared to the 2020 budget. This increase is primarily due to a small increase in generator repairs in 2021. The District contracts with Clark County and other local service providers for vehicle and equipment maintenance. Equipment rentals usually occur in inclement weather when power failures occur. It is anticipated such events and costs in 2021 will be similar to historical events for the District.

Contract Services – Office / Building Equipment. Contract maintenance costs for 2021 are budgeted to increase by 19.6% compared with 2020 budgeted amounts. This increase is driven by the addition of high-traffic pump stations to the current landscaping contract, along with an increased contract for janitorial services with the addition of a new Operations building and for enhanced cleaning due to COVID-19. Contract Services for office and building equipment include copier and printer maintenance, heating system maintenance and annual fire inspection costs, all of which remained relatively flat between the 2020 and 2021 budgets.

Other Expenses: \$2,411,190

Overall, other expenses will increase \$148,280, or 6.6%, in the 2021 budget. This increase is attributed the anticipation of a contested election in 2021. Another significant increase will occur in state Business and Occupation taxes, as rates are increasing in 2021.

Insurance - Pool. Insurance costs in 2021 are expected to increase by 14.6% as compared to 2020 primarily due to an increase in rates from the Pool as property re-insurance rates increase.

Telephone / Web Services. Included in 2021 are budgeted amounts for local and long-distance phone, cell phone and pager service and after-hours' call center costs, as well as web services like web hosting, web filters and email spam filters. The 2021 budget decreases slightly by \$1,200, or 1.4%, from 2020 as costs normalize after a larger investment in 2020.

Utilities – Pump Stations. Included in 2021 are budgeted amounts for twenty-four hour Supervisory Control and Data Acquisition (SCADA) monitoring, electrical costs for all pump stations, including natural gas and water. The SCADA system continues to provide value in an overall reduction of power and phone costs. SCADA is being used to monitor all District pump stations. The 2021 budget anticipates an increase of 3.8% over 2020 as additional pump stations come online.

Miscellaneous General Administration. Bank service charges, credit card processing fees, remittance processing by lockbox payment providers, employee physicals, pretreatment sampling costs and bad debt are all included in this 2021 budget item. The 2021 budget anticipates expenses will increase by 1.0% from the 2020 budgeted amount.

Ridgefield City Operating Fee. As compensation for the collection system, the District pays the City of Ridgefield a City Operating Fee equal to 10.0% of sewer service charges (rates) that are collected from collection system customers. The District has the right to recover the City Operating Fee from collection system customers per the Collection System Transfer Agreement with the City of Ridgefield. The 2021 budget anticipates an increase of 11.6%, or \$26,000, due to the continued growth in the City of Ridgefield.

Vancouver City Interlocal Fee. As of September 1, 2017, the City of Vancouver annexed a portion of the District service area into the City. Under the Coordination of Services Agreement with the City of Vancouver, the District retains customers in the annexation area. As compensation for the collection system, the District pays the City of Vancouver a City Interlocal Fee equal to 6.0% of sewer service charges (rates) that are collected from collection system customers. The District has the right to recover the City Interlocal Fee from collection system customers per the Coordination of Services Agreement. The 2021 budget anticipates an increase of 7.5%, or \$3,000, due to continued growth in the City of Vancouver.

Government Services / Impact Fees. The 2021 budget will reflect a 220.0% or \$55,000 increase from the 2020 budget to cover potential election costs during an election year.

Treatment Costs: \$12,767,000

The Alliance became operational on January 1, 2015 and now owns and operates the Salmon Creek Treatment Plant (SCTP), as well as the Ridgefield Treatment Plant (RTP). In 2021, the District will continue to contract with the City of Vancouver, City of Battle Ground and the Alliance for costs related to sewage treatment.

City of Battle Ground Treatment. The District pays the City of Battle Ground for pass through usage of their holding facility for Hockinson and Meadow Glade customers. For 2021, this cost is budgeted at \$69,000. These flows are included in the 88.3% of District flows treated by the Alliance at the Salmon Creek Treatment Plant.

City of Vancouver Treatment. The City of Vancouver treats approximate 7.6% of the District customers' wastewater, at a budgeted cost of \$503,000, an increase of 1.0% from 2020. In 2010, the District and the City of Vancouver initiated a coordination of services agreement, which reduced the rate per million gallons delivered to a wholesale, versus a retail rate. The new rate was recalibrated again for 2021.

Discovery Clean Water Alliance (Alliance). Alliance expenses budgeted at \$12,195,000 in 2021 will treat approximately 92.4% of the District's wastewater treatment flow. The Alliance owns and operates two wastewater treatment facilities. The SCTP will treat approximately 88.3% of the District's flow and the RTP will treat approximately 4.1%. The District's portion of the O&M, Debt Service and the R&R expenses of the 2021 Salmon Creek and Ridgefield Treatment Plants recognized as increase of \$1,095,000 or 9.9%.

Transfer to Existing Assets Replacement and Restoration Account: \$1,958,178

The District has a policy to fund and accumulate a reserve that will be used to pay for future restoration and replacement of existing sewer infrastructure and other depreciable assets. The 2020 targeted reserve is \$11.0 million. For 2020, rates will provide budgeted funding of \$2.0 million for the Existing Assets R&R account, to maintain the \$11.0 million maximum threshold.

Transfer to Debt Service Account: \$1,294,906

A portion of the rates is also transferred to the Debt Service account to accumulate funds to pay principal and interest on all debt obligations due in 2021.

Alliance Reserves Account

The Alliance reserves account was established at fiscal year-end 2013 to set aside the District's estimated pro rata share of reserve requirements as establishment in the Interlocal Formation Agreement (IFA) for Discovery Clean Water Alliance, dated September 27, 2012. The IFA requires that the Alliance maintain reserves that ultimately the Member agencies are responsible to fund, for Operations and Maintenance, Rate Stabilization, Debt Service Reserves, Restoration and Replacement and Capital Improvement Projects.

Alliance Reserves Account

I. Revenue Sources and Uses

This account maintains reserves for the Alliance Operations and Maintenance, Rate Stabilization, Restoration and Replacement and Debt Service Reserve accounts. Reserve totals for 2021 have been calculated at \$3.7 million to meet the required minimum amounts. Interest will continue to be earned on these reserves throughout 2021. A transfer to other funds is anticipated for this account in 2021.

II. 2021 Alliance Reserves Account

ALLIANCE RESERVES	2017 ACTUAL	2018 ACTUAL	2019 ACTUAL	2020 BUDGET	2021 BUDGET
BEGINNING ACCOUNT BALANCE	\$ 4,158,959	\$ 4,191,764	\$ 4,121,865	\$ 4,039,582	\$ 3,732,480
<u>SOURCES</u>					
Investment Interest	35,798	73,909	122,838	90,891	46,656
Transfer from Other Funds	-	-	-	-	-
Total Sources	35,798	73,909	122,838	90,891	46,656
<u>USES</u>					
Transfer to Other Funds	(2,993)	(143,808)	(186,085)	(397,993)	(38,976)
Total Uses	(2,993)	(143,808)	(186,085)	(397,993)	(38,976)
ENDING ACCOUNT BALANCE	\$ 4,191,764	\$ 4,121,865	\$ 4,058,618	\$ 3,732,480	\$ 3,740,160

III. Budget Narrative – Alliance Reserves Account

Sources

Investment interest of \$46,656 is budgeted for 2021.

Uses

The reserve requirement for the operations of the Alliance increased slightly in 2021. Therefore, a transfer from the Alliance Reserves account to the Operations and Maintenance account of \$38,976 is budgeted in 2021.

Unemployment Reserve Account

The Unemployment Reserve account was established as required by Washington State Law for a reimbursable employer. The District is self-insured against unemployment claims and has set aside funds to cover the actual cost of unemployment insurance for employees terminated from the District. The reserve requirement is \$20,540.

Unemployment Reserve Account

I. Sources and Uses

Funds from the O & M account will be transferred into the Unemployment Reserve account to ensure that the District is properly reserving the required funds to cover one unemployment claim for the budget year. Claims, if they occur, are then paid from this account.

II. 2021 Unemployment Reserve Account

UNEMPLOYMENT RESERVE	2017 ACTUAL	2018 ACTUAL	2019 ACTUAL	2020 BUDGET	2021 BUDGET
BEGINNING ACCOUNT BALANCE	\$ 22,950	\$ 24,955	\$ 26,190	\$ 28,055	\$ 20,540
SOURCES					
Transfer from O & M Account	1,775	747	1,243	-	-
Investment Interest	230	488	622	631	257
Total Sources	2,005	1,235	1,865	631	257
USES					
Unemployment Payments	-	-	-	-	-
Transfer to Other Funds	-	-	-	(8,146)	(257)
Total Uses	-	-	-	(8,146)	(257)
ENDING ACCOUNT BALANCE	\$ 24,955	\$ 26,190	\$ 28,055	\$ 20,540	\$ 20,540

III. Budget Narrative – Unemployment Reserve Account

Sources

Budgeted revenue for 2021 is investment interest on account reserves of \$257.

Uses

The required funds to cover one unemployment claim for a year has remained the same in 2021. Therefore for 2021, \$257 in transfers to the O & M Account is budgeted.

The District budget does not assume that unemployment claims will be filed during 2021.

Debt Service Account

The Debt Service account holds restricted amounts for the principal and interest payments on a Public Works Trust Fund (PWTF) loan to expand the Ridgefield collection system, two PWTF loans to construct the Discovery Corridor Wastewater Transmission System (DCWTS) and the 2020 revenue bonds.

Debt Service Account

I. Sources and Uses

Funds from the O & M and CIP accounts will be transferred into the Debt Service account and restricted by Board policy for the 2021 principal and interest payments on the outstanding bond and loans. Investment income will be earned on all account reserves during 2021.

II. 2021 Debt Service Account (Bond Fund) Annual Forecast

DEBT SERVICE	2017 ACTUAL	2018 ACTUAL	2019 ACTUAL	2020 BUDGET	2021 BUDGET
BEGINNING ACCOUNT BALANCE	\$ 752,050	\$ 757,067	\$ 765,655	\$ 777,191	\$ 794,678
SOURCES					
Investment Interest	5,915	13,821	21,579	17,487	9,933
Transfers from Other Funds	2,010,121	1,990,323	3,708,034	2,050,328	2,114,406
Total Sources	2,016,036	2,004,144	3,729,613	2,067,815	2,124,339
USES					
Debt Service Payments	(1,921,089)	(1,914,542)	(3,648,770)	(2,050,328)	(2,114,406)
Transfers to Other Funds	(89,930)	(81,014)	(66,656)	-	-
Total Uses	(2,011,019)	(1,995,556)	(3,715,426)	(2,050,328)	(2,114,406)
ENDING ACCOUNT BALANCE	\$ 757,067	\$ 765,655	\$ 779,842	\$ 794,678	\$ 804,611

III. Budget Narrative – Debt Service Account (Bond Fund)

Sources

Budgeted revenues for 2021 include interest on account reserves of \$9,933. In addition, this account will receive \$2,114,406 in transfers from Other Funds.

Uses

Debt service payments of \$2,114,406 are the only budgeted use of Debt Service account funds in 2021.

Debt Service Reserve Account

The Debt Service Reserve account was established to maintain a reserve, equal to one year of debt service for all debt held by the District.

Debt Service Reserve Account

I. Sources and Uses

This reserve account includes debt service reserves for all 2021 bond and loan payments that the District is directly obligated to pay.

II. 2021 Debt Service Reserve Account

DEBT SERVICE RESERVE	2017 ACTUAL	2018 ACTUAL	2019 ACTUAL	2020 BUDGET	2021 BUDGET
BEGINNING ACCOUNT BALANCE	\$ 1,908,375	\$ 1,910,560	\$ 2,606,038	\$ 1,307,998	\$ 2,050,328
SOURCES					
Transfer from O & M Account	-	675,755	-	712,900	38,449
Investment Interest	6,299	38,340	58,510	29,430	25,629
Total Sources	6,299	714,095	58,510	742,330	64,078
USES					
Transfer to Other Funds	(4,114)	(18,617)	(1,356,954)	-	-
Total Uses	(4,114)	(18,617)	(1,356,954)	-	-
ENDING ACCOUNT BALANCE	\$ 1,910,560	\$ 2,606,038	\$ 1,307,594	\$ 2,050,328	\$ 2,114,406

III. Budget Narrative – Debt Service Reserve Account

Sources

Budgeted revenues for 2021 are investment interest on account reserves of \$25,629. There is a planned transfer of \$38,449 from O & M rates in this account for 2021.

Uses

There are no budgeted uses from this account in 2021.

Existing Assets

R & R

Account

The Existing Assets Restoration and Replacement (R&R) account was established for the purpose of restoration and replacement of the sewer system network and other existing depreciable assets of the District. The depreciation of existing utility plant-in-service and equipment, together with increasing capital costs, creates a substantial future liability for system restoration and replacements. Current rates are set to include all costs of service, including reserving funds for infrastructure and other fixed asset restoration and replacement. The R&R account is used to accumulate reserves and, together with investment earnings, restore and replace utility plant-in-service and other depreciable equipment. The reserve requirement equals \$11.0 million at the end of 2021.

Existing Assets Restoration and Replacement Account

I. Sources and Uses

As existing infrastructure and other depreciable equipment is restored or replaced, the District will continue to fund from rates. The ending account balance represents the \$11.0 million maximum reserve funding level. R&R reserves will earn investment interest during the year on all unexpended funds.

R&R reserves will pay for all capital assets that are restored or replaced during the year. This will include restoration and replacement of collection or transmission lines and replacement of other depreciable assets.

II. 2021 Existing Assets Restoration and Replacement Account Annual Forecast

	2017	2018	2019	2020	2021
EXISTING ASSETS R & R	ACTUAL	ACTUAL	ACTUAL	BUDGET	BUDGET
BEGINNING ACCOUNT BALANCE	\$ 11,010,008	\$ 10,936,559	\$ 10,973,952	\$ 11,000,000	\$ 9,719,619
SOURCES					
Transfer from O & M Account	1,720,000	3,316,693	1,399,818	694,563	1,958,178
Investment Interest	72,105	215,622	383,768	247,500	121,495
Debt Proceeds	-	-	-	2,504,700	-
Total Sources	1,792,105	3,532,315	1,783,586	3,446,763	2,079,673
USES					
Transfers to Other Funds	(115,841)	(195,776)	-	(163,105)	-
Capital Projects Central Service Area	(1,124,006)	(3,033,030)	(1,222,370)	(1,779,451)	(676,072)
Capital Projects Ridgefield Service Area	(64,565)	(8,271)	(56,699)	(244,388)	(64,220)
Capital Purchases	(561,142)	(257,845)	(324,968)	(35,500)	(59,000)
Total Uses	(1,865,554)	(3,494,922)	(1,604,037)	(2,222,444)	(799,292)
ENDING ACCOUNT BALANCE	\$ 10,936,559	\$ 10,973,952	\$ 11,153,501	\$ 12,224,319	\$ 11,000,000

III. Budget Narrative – Existing Assets Restoration and Replacement Account

Sources

Budgeted sources include a \$1,958,178 transfer of rates from the O & M account and investment interest on account reserves of \$121,495.

Uses

Budgeted uses include \$799,292 to be expended on repair and replacement projects throughout 2021.

New Assets CIP Account

The New Assets Capital Improvement Projects (CIP) account is used to fund future infrastructure needs for residents in the District's service area currently not receiving service. The District's General Sewer Plan updates and Clark County's Growth Management Act updates, a planning process which occurs every six years, establishes a funding structure that allows the District to meet demands associated with changing growth patterns in our service areas. The minimum reserve requirement for the CIP account is \$4.86 million at the end of 2021.

New Assets CIP Account

I. Sources and Uses

The System Development Charge (SDC) is the primary funding source for the CIP account and the Capital Improvement Projects in the 2021 budget. SDCs are paid as new connections hook up to the District’s sewer collection system. SDCs are charged on a tiered system (depending on where sewer flows for treatment) for 2021 as follows:

Tier	Treatment Plant	SDC
Tier 1	City of Vancouver - Westside Treatment Plant	\$ 2,920
Tier 2	Alliance - Salmon Creek Treatment Plant	5,908
Tier 3	Alliance - Ridgefield Service Area	8,750

SDC charges, investment interest and local facility charges received in the 2021 will fund new construction of trunk lines, pump stations and force mains budgeted for the year. Capital projects reflect the demands placed on the system based on growth and development within the District’s Central and Ridgefield service areas. The District expends CIP funds where development and growth is occurring, and coordinates capital construction projects in conjunction with County Road Projects for additional cost savings.

II. 2021 New Assets CIP Account

NEW ASSETS CIP	2017 ACTUAL	2018 ACTUAL	2019 ACTUAL	2020 BUDGET	2021 BUDGET
BEGINNING ACCOUNT BALANCE	\$ 3,000,329	\$ 2,983,217	\$ 2,710,549	\$ 2,056,992	\$ 12,768,687
SOURCES					
SDC Connection Fees	8,681,635	10,041,060	9,921,986	10,694,400	12,813,900
Investment Interest	21,630	85,491	59,112	46,282	159,609
LFC Reimbursements	178,144	104,910	311,047	150,000	175,000
Debt Proceeds	-	-	-	8,995,300	-
Transfers from Other Funds	-	-	1,531,742	-	-
Total Sources	8,881,409	10,231,461	11,823,887	19,885,982	13,148,509
USES					
Debt Service	-	-	-	-	-
Transfers to O & M Account (B&O Taxes)	(129,775)	(120,826)	(158,650)	(160,416)	(192,209)
Transfers to Other Funds	(2,512,182)	(4,409,782)	-	(585,771)	(819,500)
Capital Projects Central Service Area	(3,817,387)	(3,522,036)	(8,188,609)	(7,193,072)	(11,516,868)
Capital Projects Ridgefield Service Area	(2,439,178)	(2,268,600)	(4,073,417)	(3,699,728)	(508,820)
Capital Purchases	-	(182,885)	(82,290)	(40,000)	(350,000)
Total Uses	(8,898,522)	(10,504,129)	(12,502,966)	(11,678,987)	(13,387,397)
ENDING ACCOUNT BALANCE	\$ 2,983,216	\$ 2,710,549	\$ 2,031,470	\$ 10,263,987	\$ 12,529,800

III. Budget Narrative – New Assets CIP Account

Sources

The 2021 budget anticipates the CIP account will see \$12,813,900 in revenue derived from 1,920 paid SDCs, budgeted to be collected during 2021. This represents a \$2,119,500 or 19.8% revenue increase from the 2020 budget, driven by SDC growth and an average 8.3% increase in SDC charges.

Investment interest for 2021 is projected to be \$159,609, an increase compared to 2020 budgeted interest income due to a higher proportional account balance.

Uses

The CIP account will transfer \$192,209 for Business and Occupation tax to the O & M account based upon 2021 anticipated SDC connection revenues. The funds will be restricted to pay the related tax when the annual Department of Revenue report is filed with the State of Washington.

Budgeted capital improvement project expenditures in the 2021 budget total \$12,375,688.

The District will continue to closely monitor developer activities and coordinate construction, when economically beneficial, with Clark County road projects to assist us in our estimates of future growth and future uses of capital improvement dollars.

Historical Budget Summary

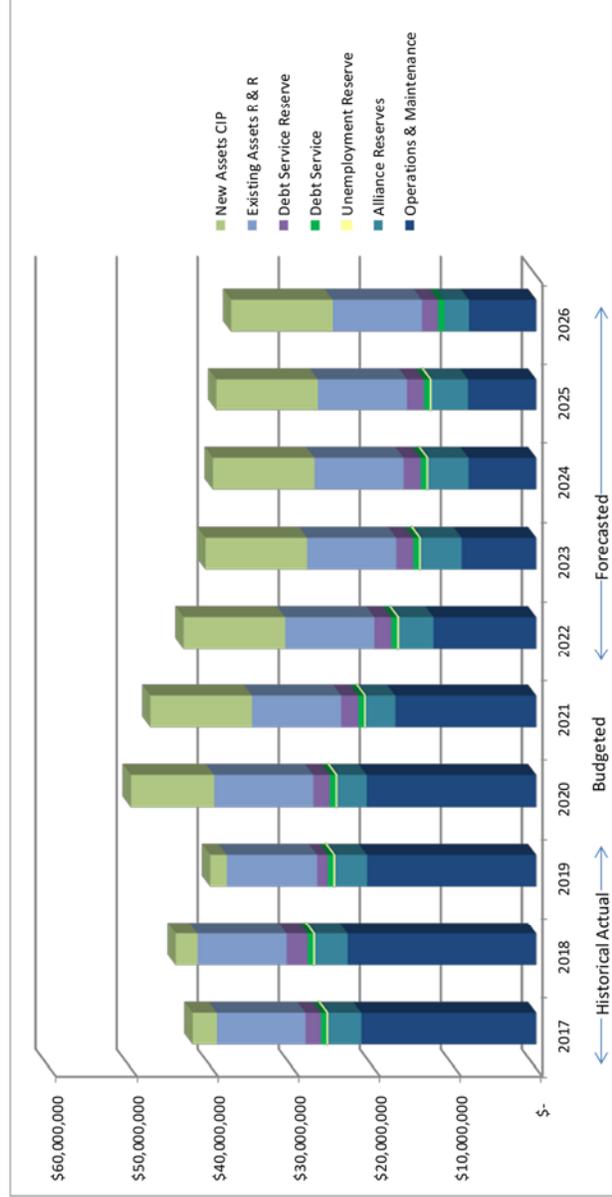
ALL ACCOUNTS	2017		2018		2019		2020		2021	
	ACTUAL		ACTUAL		ACTUAL		BUDGET		BUDGET	
BEGINNING BALANCES	\$	40,173,758	\$	42,396,368	\$	44,490,940	\$	40,176,430	\$	47,692,213
SOURCES										
Rates		19,753,608		20,229,475		21,160,087		22,954,897		24,367,221
SDC Connection Fees		8,681,635		10,041,060		9,921,986		10,694,400		12,813,900
LFC Reimbursements		178,144		104,910		311,047		150,000		175,000
Investment Interest		258,923		814,081		1,212,650		903,970		596,153
Intergovernmental Revenues		643,106		1,047,103		1,488,295		1,742,500		2,059,500
Debt Proceeds*		-		-		-		11,500,000		-
Other Miscellaneous Revenue		649,123		887,833		1,172,974		797,500		758,000
Subtotal Sources		30,164,539		33,124,462		35,267,039		48,743,267		40,769,774
USES										
Debt Service		(1,921,089)		(1,914,542)		(3,648,770)		(2,050,328)		(2,114,406)
Operating Expenses										
Salaries / Benefits		(5,704,633)		(6,524,074)		(6,895,227)		(7,732,665)		(8,089,570)
Supplies		(593,342)		(664,386)		(616,059)		(823,400)		(885,305)
Services (Professional / Contractual)		(1,004,388)		(1,118,715)		(1,088,512)		(1,370,200)		(1,412,750)
Other		(1,513,432)		(1,923,921)		(1,674,476)		(2,262,910)		(2,411,190)
Treatment		(9,198,767)		(9,611,585)		(11,661,011)		(11,672,000)		(12,767,000)
Capital Construction Costs/Purchases		(8,006,278)		(9,272,667)		(13,948,353)		(12,992,139)		(13,174,980)
Subtotal Uses		(27,941,929)		(31,029,890)		(39,532,408)		(38,903,642)		(40,855,201)
ENDING BALANCES	\$	42,396,368	\$	44,490,940	\$	40,225,571	\$	50,016,055	\$	47,606,786

Projected Budget Summary

ALL ACCOUNTS	2022		2023		2024		2025		2026	
	PROJECTED	PROJECTED								
BEGINNING BALANCES	\$	47,606,786	\$	43,515,755	\$	40,816,028	\$	39,892,885	\$	39,478,991
SOURCES										
Rates		25,749,110		26,683,042		27,566,214		28,427,595		29,298,872
SDC Connection Fees		8,963,200		8,484,054		7,470,280		7,619,686		7,772,079
LFC Reimbursements		179,375		184,756		190,299		196,959		203,853
Investment Interest		357,051		217,579		204,080		199,464		197,395
Intergovernmental Revenues		2,059,875		2,152,269		2,152,682		2,284,616		2,285,072
Other Miscellaneous Revenue		851,950		877,509		903,834		935,468		968,209
Subtotal Sources		38,160,561		38,599,209		38,487,389		39,663,788		40,725,480
USES										
Debt Service		(2,107,860)		(2,099,564)		(2,091,018)		(2,086,723)		(1,997,444)
Operating Expenses										
Salaries / Benefits		(8,272,922)		(8,713,301)		(8,987,142)		(9,593,504)		(10,104,985)
Supplies		(897,438)		(924,361)		(952,092)		(985,415)		(1,019,904)
Services (Professional / Contractual)		(1,396,069)		(1,437,951)		(1,376,026)		(1,424,187)		(1,474,034)
Other		(2,413,970)		(2,486,389)		(2,560,981)		(2,650,615)		(2,743,386)
Treatment		(12,786,273)		(13,984,060)		(14,004,502)		(15,348,290)		(15,373,504)
Capital Construction Costs/Purchases		(14,377,060)		(11,653,310)		(9,438,771)		(7,988,948)		(9,822,533)
Subtotal Uses		(42,251,592)		(41,298,936)		(39,410,532)		(40,077,682)		(42,535,790)
ENDING BALANCES	\$	43,515,755	\$	40,816,028	\$	39,892,885	\$	39,478,991	\$	37,668,681

2021 Fund Balance Summary

Account	HISTORICAL ACTUAL			BUDGETED			FORECASTED			
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Operations & Maintenance	\$ 21,592,247	\$ 23,286,691	\$ 20,866,491	\$ 20,929,723	\$ 17,397,270	\$ 12,689,936	\$ 9,210,537	\$ 8,380,420	\$ 8,429,317	\$ 8,322,926
Alliance Reserves	4,191,764	4,121,865	4,058,618	3,732,480	3,740,160	4,363,008	5,150,976	5,066,496	4,608,000	2,991,360
Unemployment Reserve	24,955	26,190	28,055	20,540	20,540	20,540	20,540	20,540	20,540	20,540
Debt Service	757,067	765,655	779,842	794,678	804,611	804,611	804,611	804,611	804,611	804,611
Debt Service Reserve	1,910,560	2,606,038	1,307,594	2,050,328	2,114,406	2,107,860	2,099,564	2,091,018	2,086,723	1,997,444
Existing Assets R & R	10,936,559	10,973,952	11,153,501	12,224,319	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000
New Assets CIP	2,983,217	2,710,549	2,031,470	10,263,987	12,529,800	12,529,800	12,529,800	12,529,800	12,529,800	12,529,800
TOTAL ACCOUNTS	\$ 42,396,368	\$ 44,490,940	\$ 40,225,571	\$ 50,016,055	\$ 47,606,786	\$ 43,515,755	\$ 40,816,028	\$ 39,892,885	\$ 39,478,991	\$ 37,666,681



2021-2026 Six-Year Capital Program

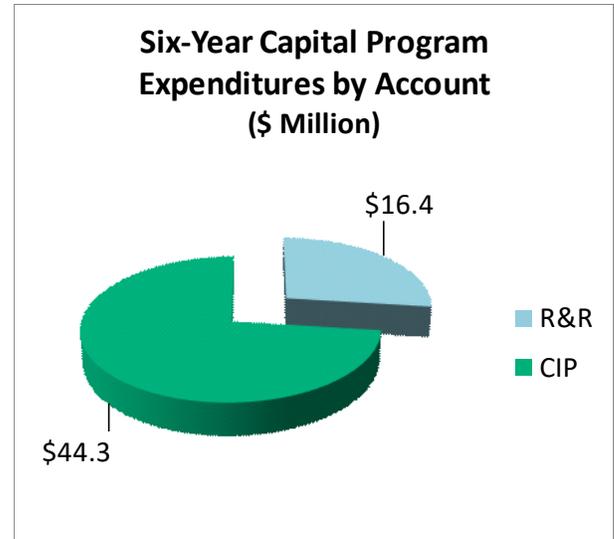
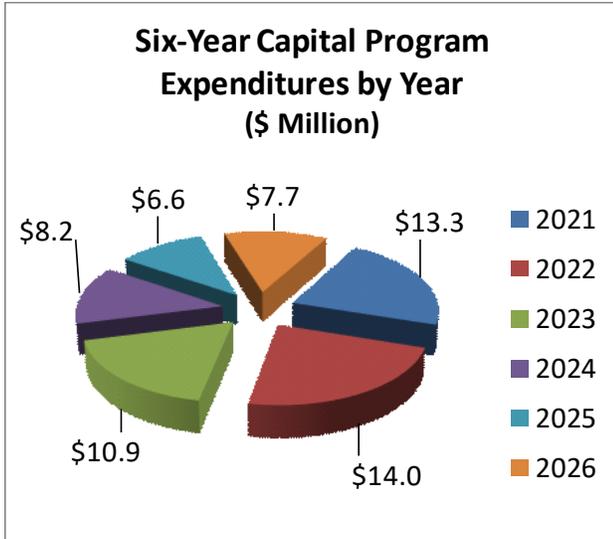
Clark Regional Wastewater District's (District) overall budget for 2021 is comprised of the Operating Budget and Capital Budget. The 2021 Capital Budget represents both the District's Existing Assets Restoration and Replacement account (R&R) and its New Assets Capital Improvement Project account (CIP). The CIP account represents the current year's costs necessary to construct or purchase new assets, including general facilities such as pump stations and trunk sewers, local collection systems and fleet and facilities. The CIP account also accommodates reimbursing private development when they build District capital improvements. The R&R account provides for the restoration or replacement of existing assets, once again, including general facilities such as trunk sewers and pump stations, local collection systems (e.g. 8-inch sewers) and fleet and facilities.

The District annually prepares and adopts a six-year capital program. The FY 2021 capital budget is based upon the first year of the 2021-2026 Six-Year Capital Program. These projects and purchases are all developed and scheduled out on the District's 2021-2026 Six-Year Capital Program. Although the District budgets on an annual basis, it is not unusual for capital project commitments to span multiple years. As identified within the R&R account, CIP account and Account Balance summary on pages 63, 65 and 70, respectively, the District has ensured sufficient rates and charges to support the 2021-2026 Six-Year Capital Program while maintaining a healthy account balance.

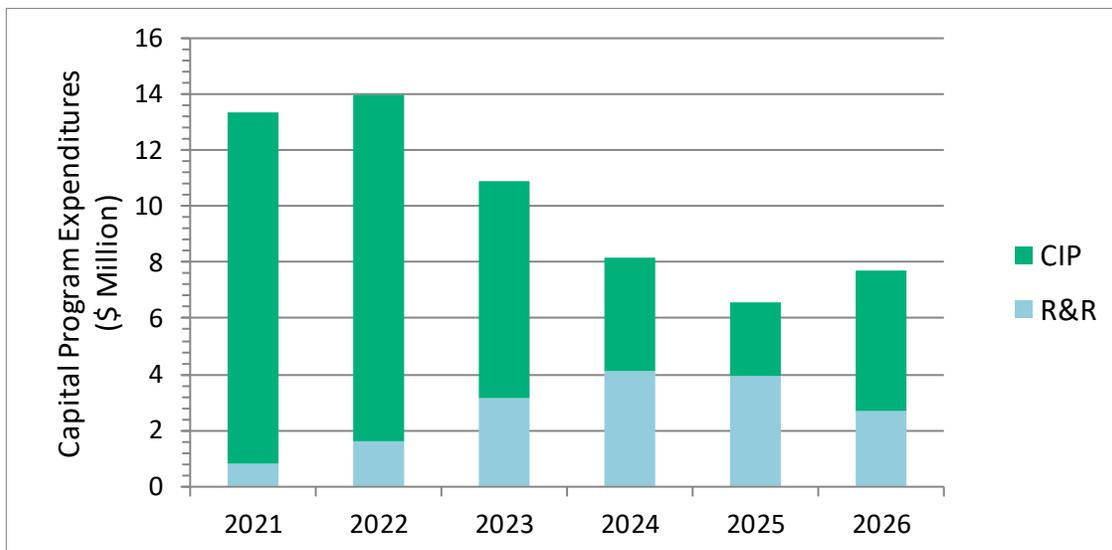
The six-year program is based on the District's 20-Year Capital Plan. The projects identified in the Six-Year Capital Program are those needed to ensure the District's ability to meet the long-term level-of-service requirements. Continuous planning is an integral part to this process and enables the District to monitor system capacities, forecast future demands, adapt with changing regulatory requirements, and prioritize capital projects to meet these demands and predict financial resource requirements.

Over the 2021 to 2026 capital program period, 2021 through 2022 are the most capital-intensive years. The budget forecasts to deliver 45.0% of the six-year capital expenditures in 2021 through 2022. The FY 2021 through 2022 capital budgets total \$27.3 million out of the six-year program of \$60.7 million. Over the six-year program, \$16.4 million is planned for R&R expenditures and \$44.3 million is planned CIP expenditures. The District maintains the required minimum debt coverage ratios of 1.25%.

2021 Clark Regional Wastewater District Adopted Budget



Annual capital expenditures over the six-year period average around \$10.1 million with a minimum of \$6.6 million in 2025 and a maximum of \$14.0 million in 2022.



The tables on pages 73-74 identify all capital projects or purchases anticipated for 2021 through 2026 for the District’s Central service area and Ridgefield service area. This includes 15 specific R&R projects and budgeted amounts for 13 R&R programs, 34 CIP projects or programs, four (4) vehicles and four (4) other program to purchase or replace equipment or office furnishings.

Approximately 750 miles of pipe and 77 pump stations currently exist in the District’s system. The 2021-2026 Capital Program represents about nine (9) miles of additional gravity and pressure sewers, seven (7) new pump stations, the removal of two (2) pump stations, and upgrading 11 pump stations.

2021 Clark Regional Wastewater District Adopted Budget

Capital Program 2021-2026

Existing Assets Restoration & Replacement

Central Service Area Restoration and Replacement Project Account	Six-Year Program	2021	2022	2023	2024	2025	2026
Restoration and Replacement - Gravity							
Spot Repair Program	\$810,000	\$120,000	\$120,000	\$120,000	\$150,000	\$150,000	\$150,000
Pavement Repair and Manhole Adjustment Program	\$600,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Main Lining Program	\$450,000	\$60,000	\$60,000	\$60,000	\$90,000	\$90,000	\$90,000
Lateral Lining Program	\$600,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
I&I Program	\$100,000	\$0	\$0	\$0	\$50,000	\$0	\$50,000
Main Repair Program	\$320,000	\$0	\$80,000	\$0	\$80,000	\$80,000	\$80,000
Access Manhole Program	\$200,000	\$0	\$0	\$0	\$100,000	\$0	\$100,000
Cougar Canyon Stabilization	\$1,095,000	\$220,000	\$875,000	\$0	\$0	\$0	\$0
NE Hazel Dell Avenue (NE 78th St to NE Anderson Rd)	\$2,670,000	\$0	\$0	\$380,000	\$2,290,000	\$0	\$0
NW 94th Street (NW 17th Avenue to NW 10th Avenue)	\$1,580,000	\$0	\$0	\$0	\$280,000	\$1,300,000	\$0
NW 15th Avenue and NW 17th Avenue (NW 94th St)	\$1,460,000	\$0	\$0	\$0	\$0	\$260,000	\$1,200,000
NE 78th Street (NE 6th Avenue to NE 30th Ave)	\$130,000	\$0	\$0	\$0	\$0	\$0	\$130,000
NE Minnehaha Street (NE 10th Ave to NE 14th Ct)	\$180,000	\$0	\$0	\$0	\$0	\$0	\$180,000
Restoration and Replacement - Gravity Totals	\$10,195,000	\$600,000	\$1,335,000	\$760,000	\$3,240,000	\$2,080,000	\$2,180,000
Restoration and Replacement - Pump Stations and Force Mains							
Pump Station and Force Main Program	\$300,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
SCADA and Telemetry Upgrade Program	\$80,000	\$10,000	\$10,000	\$15,000	\$15,000	\$15,000	\$15,000
Cathodic Protection Replacement	\$60,000	\$0	\$0	\$0	\$60,000	\$0	\$0
Buckman Gardens Pump Station Removal	\$600,000	\$0	\$0	\$50,000	\$60,000	\$490,000	\$0
Knoll Ridge West Pump Station Replacement	\$1,090,000	\$0	\$10,000	\$1,080,000	\$0	\$0	\$0
Knoll Ridge South Pump Station Replacement	\$610,000	\$0	\$10,000	\$600,000	\$0	\$0	\$0
Mill Creek Pump Station Restoration	\$220,000	\$0	\$0	\$20,000	\$200,000	\$0	\$0
Oro-Vega Pump Station Replacement	\$870,000	\$0	\$0	\$0	\$10,000	\$860,000	\$0
Plantation Pump Station Replacement	\$305,000	\$0	\$0	\$0	\$25,000	\$0	\$280,000
Restoration and Replacement - Pump Station and Force Main Totals	\$4,135,000	\$60,000	\$80,000	\$1,815,000	\$420,000	\$1,415,000	\$345,000
Restoration and Replacement - Fleet and Facilities							
Campus Restoration and Replacement Program	\$240,000	\$25,000	\$35,000	\$75,000	\$35,000	\$25,000	\$45,000
Tools & Equipment Replacement Allowance	\$60,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Internet Technology and Office Equipment Replacement Allowance	\$195,500	\$49,000	\$36,000	\$17,000	\$9,000	\$29,000	\$55,500
Fleet Replacements	\$695,000	\$0	\$45,000	\$425,000	\$0	\$225,000	\$0
Restoration and Replacement - Fleet and Facilities Totals	\$1,190,500	\$84,000	\$126,000	\$527,000	\$54,000	\$289,000	\$110,500
TOTAL CENTRAL SERVICE AREA R&R	\$15,520,500	\$744,000	\$1,541,000	\$3,102,000	\$3,714,000	\$3,784,000	\$2,635,500
Ridgefield Service Area							
Restoration and Replacement Account	Six-Year Program	2021	2022	2023	2024	2025	2026
Restoration and Replacement - Gravity							
Ridgefield Spot Repair Program	\$150,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Ridgefield I&I Program	\$60,000	\$0	\$20,000	\$0	\$20,000	\$0	\$20,000
Restoration and Replacement - Gravity Totals	\$210,000	\$25,000	\$45,000	\$25,000	\$45,000	\$25,000	\$45,000
Restoration and Replacement - Pump Stations and Force Mains							
Ridgefield Pump Station and Force Main Program	\$240,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
Abrams Park Pump Station Replacement	\$295,000	\$0	\$0	\$10,000	\$285,000	\$0	\$0
Taverner Force Main Access Structures	\$110,000	\$0	\$0	\$0	\$10,000	\$100,000	\$0
Restoration and Replacement - Pump Station Totals	\$645,000	\$40,000	\$40,000	\$50,000	\$335,000	\$140,000	\$40,000
TOTAL RIDGEFIELD SERVICE AREA R&R	\$855,000	\$65,000	\$85,000	\$75,000	\$380,000	\$165,000	\$85,000
TOTAL RESTORATION AND REPLACEMENT	\$16,375,500	\$809,000	\$1,626,000	\$3,177,000	\$4,094,000	\$3,949,000	\$2,720,500

2021 Clark Regional Wastewater District Adopted Budget

Capital Program 2021-2026

New Assets Capital Improvement Projects

Central Service Area Capital Improvement Project Account	Six-Year Program	2021	2022	2023	2024	2025	2026
CIP - General Facilities Projects (Trunks, Pump Stations, Force Mains)							
Design Manual Allowance	\$25,000	\$10,000	\$10,000	\$5,000	\$0	\$0	\$0
Union Road Pump Station Upgrade	\$24,000	\$8,000	\$8,000	\$8,000	\$0	\$0	\$0
Whipple Creek North Pump Station Upgrade	\$1,175,000	\$105,000	\$1,070,000	\$0	\$0	\$0	\$0
Schuller Force Main Upgrade	\$525,000	\$0	\$10,000	\$515,000	\$0	\$0	\$0
NE 20th Avenue Trunk	\$5,085,000	\$600,000	\$4,485,000	\$0	\$0	\$0	\$0
Mt Vista Trunk Upgrade	\$393,000	\$40,000	\$23,000	\$330,000	\$0	\$0	\$0
NE 99th Street Trenchless Sewer	\$2,400,000	\$2,400,000	\$0	\$0	\$0	\$0	\$0
Legacy Pump Station and Force Main Upgrade	\$2,100,000	\$100,000	\$270,000	\$1,730,000	\$0	\$0	\$0
Neil Kimsey Pump Station Pump Additions	\$1,470,000	\$0	\$0	\$260,000	\$1,210,000	\$0	\$0
Whipple Creek South Pump Station B and Force Main	\$250,000	\$0	\$0	\$0	\$0	\$0	\$250,000
Neil Kimsey Force Main Upgrade	\$400,000	\$0	\$0	\$0	\$0	\$0	\$400,000
NE 10th Avenue Culvert CRP (NE 149th St to NE 154th St)	\$120,000	\$40,000	\$80,000	\$0	\$0	\$0	\$0
NE 99th Street CRP (94th Ave - SR 503)	\$1,808,000	\$8,000	\$900,000	\$900,000	\$0	\$0	\$0
NE 179th Street and NE 50th Avenue Intersection Improvement	\$80,000	\$10,000	\$10,000	\$10,000	\$50,000	\$0	\$0
NE 179th Street and NE 29th Avenue Intersection Improvement	\$80,000	\$10,000	\$10,000	\$10,000	\$50,000	\$0	\$0
NE 179th Street CRP (NE Delfel Road - NE 15th Ave)	\$1,730,000	\$10,000	\$10,000	\$20,000	\$20,000	\$20,000	\$1,650,000
General Facilities Totals	\$17,665,000	\$3,341,000	\$6,886,000	\$3,788,000	\$1,330,000	\$20,000	\$2,300,000
CIP - District Installed Infrastructure (Extending Local Collection)							
Curtin Creek Gravity Trunk	\$930,000	\$0	\$0	\$430,000	\$500,000	\$0	\$0
District Installed Infrastructure Totals	\$930,000	\$0	\$0	\$430,000	\$500,000	\$0	\$0
CIP - Septic Elimination Program							
Septic Project Allowance	\$1,200,000	\$0	\$0	\$0	\$400,000	\$400,000	\$400,000
Larkada/Rolling Meadows SEP	\$670,000	\$20,000	\$0	\$650,000	\$0	\$0	\$0
Septic Elimination Program Totals	\$1,870,000	\$20,000	\$0	\$650,000	\$400,000	\$400,000	\$400,000
CIP - Developer Reimbursement							
Developer Reimbursement Project Allowance	\$2,700,000	\$100,000	\$250,000	\$250,000	\$700,000	\$700,000	\$700,000
District Installed Laterals Allowance	\$120,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Whipple Creek West Pump Station and Force Main	\$1,600,000	\$0	\$100,000	\$1,500,000	\$0	\$0	\$0
Pleasant Valley North Pump Station C	\$1,260,000	\$1,260,000	\$0	\$0	\$0	\$0	\$0
Pleasant Valley North Pump Station D	\$2,200,000	\$2,200,000	\$0	\$0	\$0	\$0	\$0
Whipple Creek Trunk (Killian Commercial)	\$350,000	\$0	\$350,000	\$0	\$0	\$0	\$0
Developer Reimbursement Totals	\$8,230,000	\$3,580,000	\$720,000	\$1,770,000	\$720,000	\$720,000	\$720,000
CIP - Fleet and Facilities							
Campus Capital Program	\$6,590,000	\$4,720,000	\$1,870,000	\$0	\$0	\$0	\$0
Tools & Equipment Allowance	\$150,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Internet Technology and Office Equipment Allowance	\$60,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Fleet	\$315,000	\$315,000	\$0	\$0	\$0	\$0	\$0
Fleet & Facilities Totals	\$7,115,000	\$5,070,000	\$1,905,000	\$35,000	\$35,000	\$35,000	\$35,000
TOTAL CENTRAL SERVICE AREA CIP	\$35,810,000	\$12,011,000	\$9,511,000	\$6,673,000	\$2,985,000	\$1,175,000	\$3,455,000
Ridgefield Service Area							
Capital Improvement Project Account							
CIP - General Facilities Projects (Trunks, Pump Stations, Force Mains)							
South Junction Trunk Upgrade	\$1,560,000	\$260,000	\$1,300,000	\$0	\$0	\$0	\$0
Pioneer Canyon Force Main Connection	\$490,000	\$0	\$0	\$0	\$90,000	\$400,000	\$0
Royle Road Pump Station Pump Addition	\$345,000	\$0	\$0	\$0	\$0	\$60,000	\$285,000
Gee Creek Plateau Pump Station	\$250,000	\$0	\$0	\$0	\$0	\$0	\$250,000
General Facilities Totals	\$2,645,000	\$260,000	\$1,300,000	\$0	\$90,000	\$460,000	\$535,000
CIP - Developer Reimbursement							
Ridgefield Developer Reimbursement Project Allowance	\$3,150,000	\$50,000	\$50,000	\$50,000	\$1,000,000	\$1,000,000	\$1,000,000
Ridgefield District Installed Laterals Allowance	\$30,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Carty Road Pump Station	\$1,700,000	\$200,000	\$1,500,000	\$0	\$0	\$0	\$0
Walker-Roher Pump Station	\$1,000,000	\$0	\$0	\$1,000,000	\$0	\$0	\$0
Developer Reimbursement Totals	\$5,880,000	\$255,000	\$1,555,000	\$1,055,000	\$1,005,000	\$1,005,000	\$1,005,000
TOTAL RIDGEFIELD SERVICE AREA CIP	\$8,525,000	\$515,000	\$2,855,000	\$1,055,000	\$1,095,000	\$1,465,000	\$1,540,000
TOTAL CAPITAL IMPROVEMENT PROJECTS	\$44,335,000	\$12,526,000	\$12,366,000	\$7,728,000	\$4,080,000	\$2,640,000	\$4,995,000
SIX-YEAR PROGRAM TOTAL	\$60,710,500	\$13,335,000	\$13,992,000	\$10,905,000	\$8,174,000	\$6,589,000	\$7,715,500

Capital Plan 2021-2026

Central Service Area Existing Assets – Project Summaries

Restoration and Replacement - Gravity

Spot Repair Program

Cost: \$810,000

Scope: This is an annual program for maintaining reliable service by restoring and replacing localized “hot spot” areas in sewer infrastructure. Projects are identified via closed circuit television (CCTV) inspections, cleaning records and customer reports. Projects generally include lateral repair, manhole repair, and facility abandonment.

Basis: Condition

Pavement Repair and Manhole Adjustment Program

Cost: \$600,000

Scope: This is an annual program for repairing pavement and adjusting manhole frames and covers. Pavement repairs are to address trench settlement, complete final restoration on District led repair projects, and/or address other pavement needs that may arise due to a sewer project.

Basis: Condition

Main Lining Program

Cost: \$450,000

Scope: This is an annual program for maintaining reliable service by repairing mainlines that have been identified as maintenance “hot spots”. Repairs are conducted using trenchless methods to address structural issues and re-occurring maintenance issues. Projects identified via closed circuit television (CCTV) inspection, maintenance monitoring and cleaning records. Projects include CIPP installation for mainlines.

Basis: Condition



Lateral Lining Program

Cost: \$600,000

Scope: This is an annual program for maintaining reliable service by trenchlessly repairing laterals that have been identified as maintenance "hot spots". Repairs address structural defects and re-occurring maintenance issues. Projects identified via CCTV inspection, maintenance monitoring and cleaning records. Projects include CIPP installation for laterals.

Basis: Condition

Infiltration and Inflow (I & I) Program

Cost: \$100,000

Scope: This is a biennial program for maintaining reliable service by removing sources of infiltration and inflow from the collection system. Projects are identified via CCTV inspection and maintenance reports of excessive I&I in manholes. Projects include pipe and manhole grouting, coating, and repair.

Basis: Capacity

Main Repair Program

Cost: \$320,000

Scope: Biennial program for maintaining reliable service by repairing mainlines that have been identified as maintenance "hot spots". These sewers have bellies or sags and therefore warrant open-cut repair methods. Projects identified via CCTV inspection and maintenance monitoring and cleaning records. Projects include open-cut mainline repair.

Basis: Condition



Access Manhole Program

Cost: \$200,000

Scope: This is a biennial program to create access to existing pipelines for on-going maintenance. Projects identified during attempts to retrieve CCTV inspection and attempts to conduct maintenance monitoring activities. Projects include new manhole installation.

Basis: Condition

Cougar Canyon Stabilization

Cost: \$1,095,000

Scope: Conduct an assessment of existing pipelines located along Cougar Canyon Creek. Survey the location of the existing pipe and the location of the stream bank, including the bottom elevation of the channel. Develop and execute a plan to protect the existing pipe.

Basis: Condition

NE Hazel Dell Avenue (NE 78th St to NE Anderson Rd)

Cost: \$2,670,000

Scope: Replace 2,900 feet of 8-inch gravity main in NE Hazel Dell Avenue. These pipes were originally identified by Operations staff as having sags and were originally part of the Hazel Dell Avenue South Project that went to 95% design in 2012 but was not constructed. These pipes were identified again during the General Sewer Plan update as having elevated condition scores due to pipe deficiencies and will be repaired to increase reliability and reduce maintenance.

Basis: Condition

NW 94th Street (NW 17th Avenue to NW 10th Avenue)

Cost: \$1,580,000

Scope: Replace 1,820 feet of 10-inch gravity trunk in NW 94th Street and four gravity mains on side streets. These pipes were identified during the General Sewer Plan update as having elevated condition scores due to pipe deficiencies and will be repaired to increase reliability and reduce maintenance.

Basis: Condition

NW 15th Avenue and NW 17th Avenue (NW 94th Street)

Cost: \$1,460,000

Scope: Replace sections of gravity main in NW 17th Avenue, NW 15th Avenue, and NW 98th Street. These pipes were identified during the General Sewer Plan update as having elevated condition scores due to pipe deficiencies and will be repaired to increase reliability and reduce maintenance.

Basis: Condition

NE 78th Street Trunk (NE 6th Avenue to NE 30th Avenue)

Cost: \$130,000

Scope: Replace gravity sewers in NE 78th Street between existing sanitary manholes 14-761 and 14-769. In addition, replace gravity sewers in NE 25th Avenue, NE 30th Avenue, and an existing sewer easement just west of NE Highway 99. These pipes were identified during the General Sewer Plan update as having elevated condition scores due to pipe deficiencies and will be repaired to increase reliability and reduce maintenance.

Basis: Condition



NE Minnehaha Street (NE 10th Avenue to NE 14th Court)

Cost: \$180,000

Scope: Replace sections of gravity main in and adjacent to NE Minnehaha Street, generally between NE 10th Avenue and NE 14th Court. These pipes were identified during the General Sewer Plan update as having elevated condition scores due to pipe deficiencies and will be repaired to increase reliability and reduce maintenance.

Basis: Condition

Restoration and Replacement – Pump Stations & Force Mains

Pump Station and Force Main Program

Cost: \$300,000

Scope: This program allowance provides for annual pump, mechanical and electrical repairs and replacements over \$5,000. Projects are identified by District staff.

Basis: Condition

SCADA and Telemetry Upgrade Program

Cost: \$80,000

Scope: Upgrade equipment to standardize maintenance and maintain reliable sewer service.

Basis: Condition



Cathodic Protection Replacement

Cost: \$60,000

Scope: This project will conduct a corrosion evaluation of existing steel-can drywells and develop a plan to protect the drywells. Pump stations with steel-can drywells include Knoll Ridge West, Pleasant Valley, Ora-Vega, Minnehaha and Green Meadows. Ora-Vega and Knoll Ridge West are scheduled for repairs under separate contracts.

Basis: Condition

Buckman Gardens Pump Station Removal

Cost: \$600,000

Scope: This project constructs 1,300 feet of 8-inch gravity sewer from NE 97th Street to NE 94th Street in order to abandon the Buckman Garden I Pump Station. Easements are required.

Basis: Condition

Knoll Ridge West Pump Station Replacement

Cost: \$1,090,000

Scope: This project will construct a new wetwell, valve vault, valves, piping and other appurtenances. The project will also reconstruct 96 feet of existing gravity sewer.

Basis: Condition

Knoll Ridge South Pump Station Replacement

Cost: \$610,000

Scope: This project will construct a new wetwell, valve vault, valves, piping and other appurtenances.

Basis: Condition

Mill Creek Pump Station Restoration

Cost: \$220,000

Scope: Update existing pump station site and facilities to increase reliability and monitoring capabilities. Site improvements include a new concrete slab and flood wall to prevent Mill Creek floodwaters from entering the pump station. Facility updates include lining the wet well, install piping for emergency bypass pumping using portable surface-mounted pumps and installing a new valve vault with a flow meter.

Basis: Condition

Oro-Vega Pump Station Replacement

Cost: \$870,000

Scope: This project upgrades the existing pump station with installing new top slab on the wetwell, new vaults, and associated force main, a new generator, electrical and control equipment and a new shelter.

Basis: Condition

Plantation Pump Station

Cost: \$305,000

Scope: Replace the existing submersible pump station with a new grinder package pump station. Install a new smaller diameter 2-inch HDPE force main inside the existing force main. Connect to adjacent gravity line.

Basis: Condition



Restoration and Replacement – Fleet and Facilities

Restoration and Replacement Program

Cost: \$240,000

Scope: This program allowance provides for restoration and replacement of critical components of the existing District office campus, including as-needed repairs, pavement maintenance, parking striping and replacing the shared use driveway after the campus work is complete.

Basis: Condition



Tools & Equipment Replacement

Cost: \$60,000

Scope: Replace or upgrade operational tools and equipment including odor control equipment and other miscellaneous tools.

Basis: Condition

Internet Technology and Office Equipment Replacement

Cost: \$195,500

Scope: Replace or upgrade system servers and related infrastructure. Replace office printers, copiers, plotters, and other office machines.

Basis: Condition

Operations Vehicle Replacements

Cost: \$695,000

Scope: Replace operations vehicles as required by the District vehicle and equipment replacement policy. These include the electrician's van (2022), the Aquatech HVC truck (2023), and the Tanker Truck (2025).

Basis: Condition

Ridgefield Service Area Existing Assets – Project Summaries

Restoration and Replacement - Gravity



Ridgefield Spot Repair Program

Cost: \$150,000

Scope: This program allowance provides for minor repair and replacement projects, typically under \$35,000. The program includes lateral repairs.

Basis: Condition

Ridgefield Infiltration and Inflow (I & I) Program

Cost: \$60,000

Scope: This program allowance provides for minor repair and replacement projects, typically under \$35,000. Geared towards removing sources of infiltration and inflow.

Basis: Capacity

Restoration and Replacement – Pump Stations & Force Mains

Ridgefield Pump Station and Force Main Program

Cost: \$240,000

Scope: This program allowance provides for annual pump, mechanical and electrical repairs, and replacements over \$5,000. Projects are identified by District staff.

Basis: Condition

Abrams Park Pump Station Replacement

Cost: \$295,000

Scope: Replace the existing pump station with a new submersible pump station for reliability and to decrease maintenance costs.

Basis: Condition

Taverner Force Main Access Structures

Cost: \$110,000

Scope: Install two to three points of access to the force main currently serving Osprey, Cassini, Taverner 1, and Taverner 2. Access structures, isolation valves, and locate stations will be located near 90-degree bends for periodic cleaning and maintenance.

Basis: Condition

Central Service Area New Assets – Project Summaries

General Facilities Projects (Trunks, Pump Stations, Force Mains)

Design Manual Allowance

Cost: \$25,000

Scope: The allowance will accommodate incremental revisions to the design manual on a yearly basis to distribute the update effort.

Basis: Planning

Union Road Pump Station Upgrade

Cost: \$24,000

Scope: Continue to have Clark County staff assist in the fulfillment of Clark County permit requirements.

Basis: Capacity

Whipple Creek North Pump Station Upgrade

Cost: \$1,175,000

Scope: Increase capacity at the Whipple Creek North Pump Station from the current rated capacity of 358 gpm to serve the added flow coming from directing the Fairground Pump Station to Whipple Creek North Pump Station as part of the NE 179th Street CRP. The 2036 hydraulic load to the Whipple Creek North Pump Station is estimated to be 950 gpm.

Basis: Capacity

Schuller Force Main Upgrade

Cost: \$525,000

Scope: Upsize the existing force main to increase firm pump capacity at the Schuller Pump Station to serve the Schuller Mini-Basin.

Basis: Capacity

NE 20th Avenue Trunk

Cost: \$5,085,000

Scope: Upgrade the NE 20th Avenue Trunk sewer between NE 155th Street and NE 139th Street to accommodate additional flow from Ridgefield and growth in the Central Service Area.

Basis: Capacity





Mt Vista Trunk Upgrade

Cost: \$393,000

Scope: Development in the Pleasant Valley North sewer basin will deliver added hydraulic loading on the Mt Vista Trunk. This project will reduce surcharging in the lower reaches of the trunk.

Basis: Capacity

NE 99th Street Trenchless Sewer

Cost: \$2,400,000

Scope: Connect existing service in Brush Prairie to the Glenwood Pump Station along the NE 99th Street corridor through the Clark County Leichner Landfill site. This project includes 1,000 feet of the deepest section of gravity sewer from the NE 99th Street CRP and is to be constructed ahead of the CRP in summer of 2021.

Basis: Extending Service

Legacy Pump Station and Force Main Upgrade

Cost: \$2,100,000

Scope: The upgrade for the existing pump station will include new pumps and motors, a new emergency generator and a potential upgrade to the electrical service. The force main upgrade will install a second 16-inch force main and connect to the gravity system at NE 129th Street.

Basis: Capacity

Neil Kimsey Pump Station Pump Additions

Cost: \$1,470,000

Scope: Install third and fourth 160 hp pumps and upgrade electrical components and controls.

Basis: Capacity

Whipple Creek South Pump Station B and Force Main

Cost: \$250,000

Scope: Provide new pump station and force main to serve the western portion of Whipple Creek South Mini-Basin.

Basis: Extending Service

Neil Kimsey Force Main Upgrade

Cost: \$400,000

Scope: Increase capacity of the Neil Kimsey Pump Station system by constructing 17,040 feet of 22-inch force main to accommodate the additional flows resulting from the redirection of flows from Ridgefield.

Basis: Capacity

NE 10th Avenue Culvert CRP (NE 149th Street to NE 154th Street)

Cost: \$120,000

Scope: Install approximately 600 feet of 3-inch diameter force main from the north side of the creek crossing to an existing manhole near NE 154th Street. Install approximately 350 feet of 2-inch force main on the south side of the culvert to serve an existing house.

Basis: Extending Service

NE 99th Street CRP (NE 94th Avenue – SR 503)

Cost: \$1,808,000

Scope: This project extends service in conjunction with a County Road Project along NE 99th Street from NE 94th Avenue to SR 503 (NE 117th Avenue). The project consists of 2,800 feet of gravity line and extending side sewers and local collection mains as needed to serve adjacent parcels. The project allows for the abandonment of Country Meadows Pump Station.

Basis: Extending Service

NE 179th Street and NE 50th Avenue Intersection Improvement

Cost: \$80,000

Scope: This project is to construct a gravity sewer in NE 179th Street to provide service in support of commercial and industrial development.

Basis: Extending Service



NE 179th Street and NE 29th Avenue Intersection Improvement

Cost: \$80,000

Scope: This project is to construct a gravity sewer in NE 179th Street to provide service in support of commercial and industrial development.

Basis: Extending Service

NE 179th Street CRP (NE Delfel Road – NE 15th Avenue)

Cost: \$1,730,000

Scope: This project extends service in conjunction with a County Road Project along NE 179th Street from the Fairgrounds Pump Station through the NE 179th Street Interchange with I-5. The project consists of 900 feet of gravity trunk and allows for the abandonment of the Fairgrounds Pump Station.

Basis: Extending Service

District Installed Infrastructure (DII)

Curtin Creek Gravity Trunk

Cost: \$930,000

Scope: This project extends service north of NE 119th Street from the new Curtin Creek Pump Station west to NE 72nd Avenue. The project consists of 2,000 feet of 8-inch gravity main to serve the Fire Station and adjacent parcels along NE 72nd Avenue.

Basis: Extending Service

Septic Elimination Program (SEP)

Septic Project Allowance

Cost: \$1,200,000

Scope: The District invests approximately \$400,000 in the Septic Elimination Program on an annual basis. New projects will be identified for future years.

Basis: Septic Elimination

Larkada/Rolling Meadows SEP

Cost: \$670,000

Scope: Assist neighborhood south of NW 108th Street, north of NW 105th Street, and between NW 23rd Avenue and NW 21st Avenue by making public sanitary sewer available. The project consists of 1,950 feet of 8-inch gravity main and 26 – 4-inch gravity laterals.

Basis: Septic Elimination



Developer Reimbursement

Developer Reimbursement Project Allowance

Cost: \$2,700,000

Scope: This allowance provides for future developer reimbursements to construct pump stations, force mains and trunk sewers in the Central service area in accordance with the General Sewer Plan.

Basis: Extending Service

District Installed Laterals Allowance

Cost: \$120,000

Scope: This allowance provides for side sewers to be constructed in the Central Service Area in conjunction with private development projects.

Basis: Extending Service

Whipple Creek West Pump Station and Force Main

Cost: \$1,600,000

Scope: Install a new pump station to serve the northern area of the Whipple Creek West basin and collect flow from Whipple Creek Place pump station and the 149th Street pump station. This facility will be located north of the intersection of NW 11th Avenue and NW 149th Street. Install a 4-inch force main from the pump station south along NW 11th Avenue.

Basis: Extending Service



Pleasant Valley North Pump Station C

Cost: \$1,260,000

Scope: Install a new pump station in the vicinity of NE 50th Avenue and NE 174th Street. Install a force main in a southerly direction along NE 50th Avenue.

Basis: Extending Service

Pleasant Valley North Pump Station D

Cost: \$2,200,000

Scope: This project constructs 2,400 feet of 4-inch force main to new pump station and force main to serve the northern portion of Pleasant Valley North Mini-Basin.

Basis: Extending Service

Whipple Creek Trunk (Killian Commercial)

Cost: \$350,000

Scope: This project constructs about 1,500 feet of 18-inch gravity trunk on NE 179th Street from east of NE 15th Avenue to NE Union Road just east of the I-5 junction. The project is scheduled to be constructed in conjunction with commercial development east of the NE 179th Street/Interstate 5 interchange.

Basis: Extending Service

Fleet & Facilities – New Capital Purchases



Campus Capital Program

Cost: \$6,590,000

Scope: The Campus Capital Program includes developing a comprehensive 20-year Facilities Capital Plan for the District Campus and the design, permitting, and construction to implement that plan. The initial work will expand the campus facilities. Ongoing work to repair and replace aged facilities is included in the Campus Restoration and Replacement Program.

Basis: Operational Optimization

Tools & Equipment

Cost: \$150,000

Scope: Replace or upgrade operational tools and equipment including odor control equipment and other miscellaneous tools.

Basis: Operational Optimization

Internet Technology and Office Equipment

Cost: \$60,000

Scope: Procure system servers, computers, peripherals, services, office printers, copiers, plotters, and other office machines.

Basis: Operational Optimization

Fleet

Cost: \$315,000

Scope: Obtain vehicles and equipment for effective delivery of services. Purchase of a TV truck (2021).

Basis: Operational Optimization

Ridgefield Service Area New Assets – Project Summaries

General Facilities Projects (Trunks, Pump Stations, Force Mains)

South Junction Trunk Upgrade

Cost: \$1,560,000

Scope: Upgrade existing 8-inch gravity main to 10-inch gravity trunk to match the rest of the trunk service to the southern portion of the Ridgefield Junction to provide increased capacity to serve the southern portion of the Ridgefield Junction in support of economic development and jobs creation.

Basis: Capacity

Pioneer Canyon Force Main Connection

Cost: \$490,000

Scope: Increase pump station capacity by connecting to an existing force main to convey all Ridgefield flows through the DCWTS system to the Salmon Creek Treatment Plant.

Basis: Capacity

Royle Road Pump Station Pump Addition

Cost: \$345,000

Scope: Increase pump station capacity to 1,390 gpm by installing third 70 HP pump and associated electrical and control appurtenances to accommodate the additional flows from development in the sewer basin.

Basis: Capacity



Gee Creek Plateau Pump Station

Cost: \$250,000

Scope: Construct a pump station and 4,600 feet of 12-inch force main to allow for the decommissioning of the Ridgefield Treatment Plant.

Basis: Capacity

Developer Reimbursement

Developer Reimbursement Project Allowance

Cost: \$3,150,000

Scope: This allowance provides for future developer reimbursements to construct pump stations, force mains and trunk sewers in the Ridgefield service area in accordance with the General Sewer Plan.

Basis: Extending Service



District Installed Laterals Allowance

Cost: \$30,000

Scope: This allowance provides for side sewers to be constructed in conjunction with private development projects.

Basis: Extending Service

Carty Road Pump Station

Cost: \$1,700,000

Scope: Install pump station and force main to extend service to proposed residential developments along NW Carty Road.

Basis: Extending Service

Walker-Roher Pump Station

Cost: \$1,000,000

Scope: This project includes developer reimbursement for a pump station and force main along N 10th Street in association with the proposed Ridgefield West residential subdivision.

Basis: Extending Service

Appendix 1 – Financial Policies

Clark Regional Wastewater District is governed by an elected board that consists of three commissioners. The Board of Commissioners has provided direction and framework in several key areas by establishing guiding policies. The following policies shape District operations, cash reserve requirements and how funds are to be utilized for District expenses. The District's fiscal policies, as mirrored in its rate model, require segregation of the District's accounts based on their revenue sources and internally restricted uses.

Revenue Sufficiency

- The District will establish sewer rates sufficient on an annual basis to meet all utility cash requirements including operating expenses, debt service, rate-funded capital costs and additions to reserves. Changes in rate levels should be gradual and uniform to the extent costs can be projected.
- The District will impose a connection charge, also known as a System Development Charge (SDC), on new development to reflect an appropriate capital investment by new customers commensurate with system costs, including future improvements that serve such growth.

Expenditures Policies

- The District will maintain expenditure categories according to state statute and administrative regulation.
- The District's operating budget will not use one-time revenues to support ongoing expenditures.
- The District will avoid budgetary procedures that balance current expenditures at the expense of meeting future years' expenses, such as postponing necessary expenditures, accruing future years' revenues or rolling over short-term debt.
- The District will pay for all current operating expenditures with current operating revenues. Long-term debt will not be used for funding current operating expenditures.
- The District will consider technological and capital investment programs which are cost-effective, and which will reduce operating costs as high funding priorities.

Long-Term Financial Planning

In conjunction with the annual budget, a Six-Year Capital Program will be developed and updated annually. The Six-Year Capital Program and the annual budget will both be

prepared within the framework of the 20-year Comprehensive General Sewer Plan (GSP). The GSP is updated periodically and is designed to provide a readily accessible and easy to understand infrastructure plan that is based on practical planning assumptions.

Accounting, Auditing and Financial Reporting

- The District shall maintain accounting records and report on the financial condition and results of operations in accordance with Generally Accepted Accounting Principles as promulgated by the Governmental Accounting Standards Board.
- The District shall have an independent financial audit performed annually by the Washington State Auditor's Office in accordance with Generally Accepted Auditing Standards and Washington State statutes.
- The District operates under the accrual basis of accounting as required by Generally Accepted Accounting Principles.

Funding and Reserves Policies

Operations and Maintenance:

Funding: Sewer service rates

Reserves: A minimum balance of 120 days of operating expenses is maintained

Alliance Reserve:

Funding: Sewer service rates

Reserves: Funds set aside to fund future District Reserve obligations with the Discovery Clean Water Alliance in compliance with Alliance Interlocal Formation Agreement framework

Unemployment Reserve:

Funding: Sewer service rates

Reserves: Maximum claim amount if one staff member started collecting unemployment and maintains funding at a level that equates to that one claim for the maximum period

Debt Service:

Funding: Sewer service rates

Reserves: No reserve fund held here (separate Debt Service Reserve account). Holds funds to timely pay debt service as it becomes due

Debt Service Reserve:

Funding: Sewer service rates

Reserves: One years' debt service requirement on all District debt

Existing Assets Replacement and Restoration (R&R):

Funding: Sewer service rates

Reserves: 200% of annual depreciation expense or \$11.0 million, whichever is greater

New Assets Capital Improvement Projects (CIP):

Funding: System Development Charges

Reserves: 25% of the annual CIP budget or \$3.0 million, whichever is greater

Capital Assets Policy

The District operates under a separately adopted Capital Assets Policy, adopted by the Board of Commissioners on August 28, 2018 through Resolution #1729. The Capital Assets Policy will be reviewed and modified periodically to ensure that it continues to meet the financial objectives of the District and continues to serve the best interest of the District and its stakeholders.

Investment Policy

The District operates under a separately adopted Investment Policy, adopted by the Board of Commissioners on August 28, 2018 through Resolution #1730. The District's policy is to invest funds in a manner that will, in order of priority, 1) preserve the safety of principle in the District's investment portfolio, 2) remain sufficiently liquid to enable the District to meet all reasonably anticipated operating requirements and 3) provide the District with investment yields attaining a market rate of return. The Board adopted Investment Policy will be reviewed and modified periodically to ensure that it continues to meet the financial objectives of the District and continues to serve the best interest of the District and its stakeholders.

Debt Policy

The District operates under a separately adopted Debt Policy, adopted by the Board of Commissioners on October 10, 2017 through Resolution #1701.

- The District intends to issue and defease debt when rates are favorable in order to provide the lowest capital costs to ratepayers.
- Debt shall only be issued for capital projects. Through effective budgeting the District maintains sufficient financial resources to cover ongoing operational expenses.

- The District shall strive to maintain the highest credit rating possible.
- The District will undertake to provide continuing disclosure as required by the Securities and Exchange Commission.
- All debt covenants shall be closely monitored to ensure compliance with terms.

The Board adopted Debt Policy will be reviewed and modified periodically to ensure that it continues to meet the financial objectives of the District and continues to serve the best interest of the District and its stakeholders.

Purchasing Policy

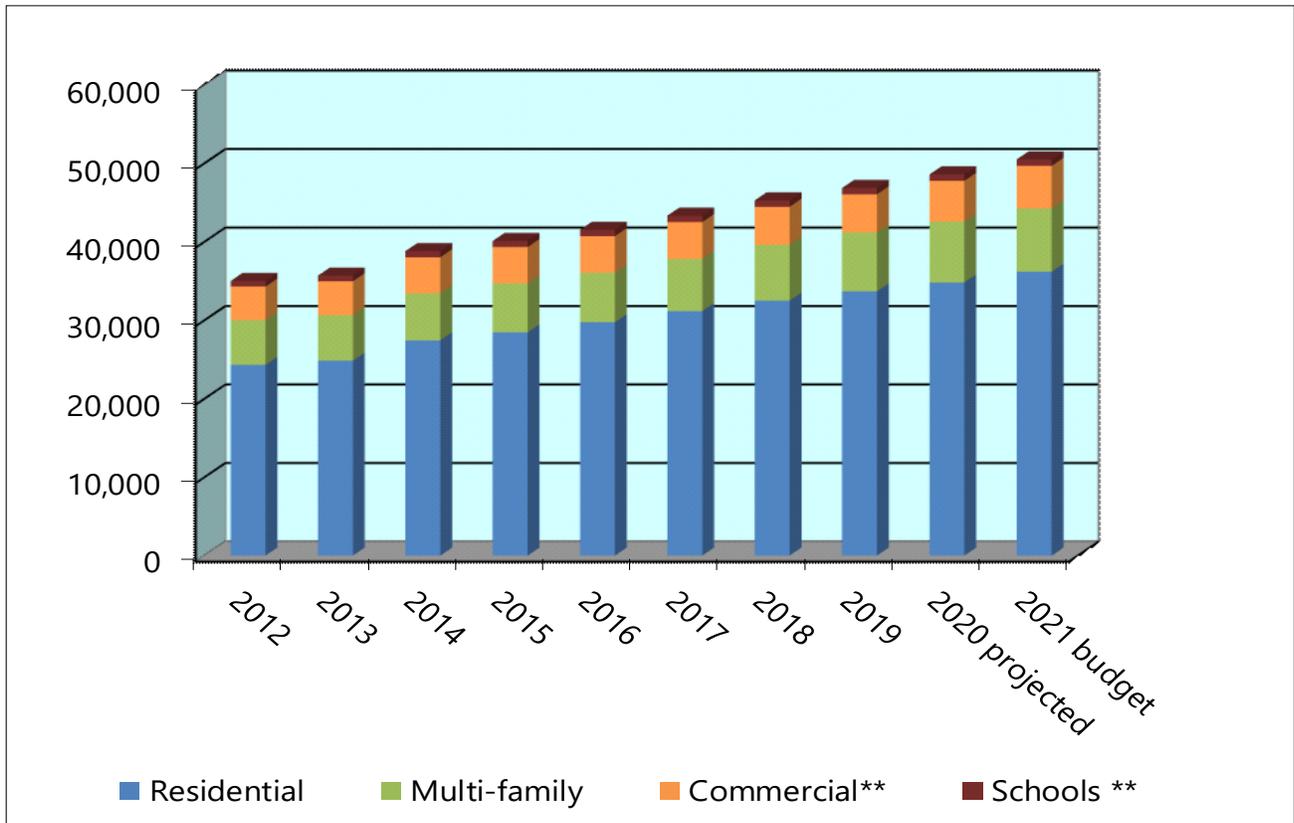
The District operates under a separately adopted Purchasing Policy, adopted by the Board of Commissioners on August 28, 2018 through Resolution #1728. The Board adopted Purchasing Policy will be reviewed and modified periodically to ensure that it continues to meet the financial objectives of the District and continues to serve the best interest of the District and its stakeholders.

Reimbursable Business Expense and Travel Advance Policy

The District operates under a separately adopted Reimbursable Business Expense and Travel Advance Policy, adopted by the Board of Commissioners on February 23, 2016 through Resolution #1659. The Board adopted Travel Reimbursement Policy will be reviewed and modified periodically to ensure that it continues to meet the financial objectives of the District and continues to serve the best interest of the District and its stakeholders.

Appendix 2 – Equivalent Residential Units*

Year	Residential	Multi-family	Commercial**	Schools **	Total
2012	24,307	5,709	4,265	717	34,998
2013	24,839	5,792	4,325	717	35,673
2014	27,432	6,000	4,582	777	38,791
2015	28,453	6,234	4,624	778	40,089
2016	29,738	6,322	4,647	801	41,508
2017	31,157	6,655	4,691	812	43,315
2018	32,506	7,086	4,851	823	45,266
2019	33,673	7,507	4,851	823	46,994
2020 projected	34,804	7,759	5,186	823	48,572
2021 budget	36,179	8,066	5,424	823	50,492



Note

* The District's customer base by equivalent residential unit (ERU) per single-family dwelling.

** Elementary, middle and high schools are billed at a 32 students per ERU rate calculation. Commercial customers and colleges are billed at a 10 employees or students per ERU rate calculation. As of 2019, Washington State University Vancouver campus is billed on consumption instead of student headcount.

Appendix 3 – Service and Connection Charges

Year	Central	Ridgefield	Regional	General	System Development Charge		
	Monthly Service	Monthly Service	Facilities Charge	Facilities Charge	VTP	SCTP	RFTP
2012	34.00		4,444	1,898			
2013	35.00				1,720	4,708	
2014	36.00	55.00			1,720	4,708	7,550
2015	37.00	55.80			1,720	4,708	7,550
2016	38.00	56.50			1,720	4,708	7,550
2017	38.00	55.70			1,720	4,708	7,550
2018	38.00	55.00			1,720	4,708	7,550
2019	39.00	55.60			2,120	5,108	7,950
2020	40.00	55.60			2,520	5,508	8,350
2021	41.00	54.80			2,920	5,908	8,750

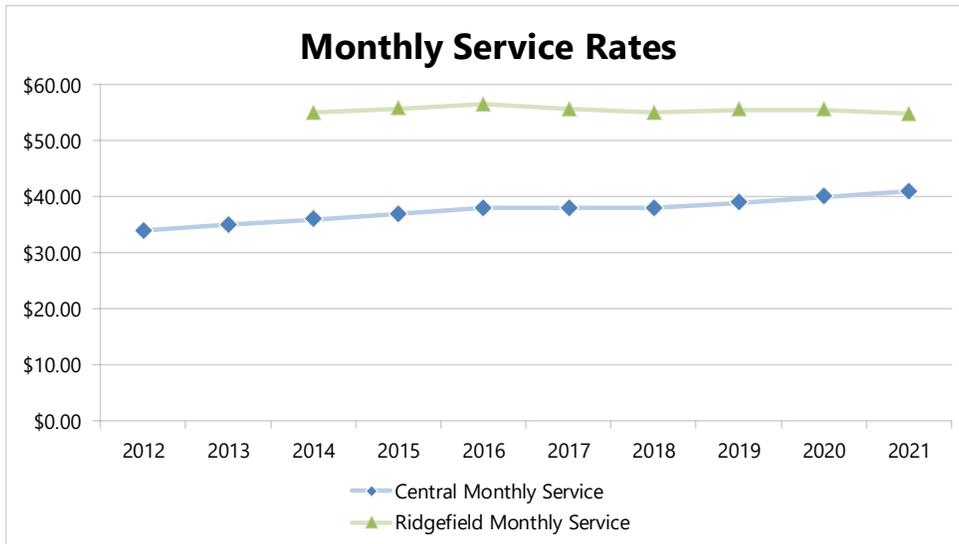
Note

In 2012, the District's Regional Facility Charge and General Facility Charge were repealed and replaced with a single System Development Charge, based on a tiered system, in an effort to support economic development within the District service area. The revenue from this charge will be used for new infrastructure and capital projects.

In 2012, a four year base rate increase of \$1 per month each year (2013-2016) was approved by the District's Board of Commissioners. These rate increases were determined necessary to adjust to inflationary costs for goods, services, fuel, labor and Restoration & Replacement costs.

Effective January 1, 2014, the City of Ridgefield's collection system was transferred to the District. Ridgefield's monthly service charge consists of a base rate equal to the District's Central service area plus a system integration charge.

In 2018, a four year base rate increase of \$1 per month each year (2019-2022) was approved by the District's Board of Commissioners. This rate increase is deemed necessary to adjust to inflationary costs for goods, services, fuel, labor and rising treatment costs. The District Board of Commissioners also approved a three year fee increase of \$400 each year (2019-2021) to the System Development Charge for each tier to fund new capital infrastructure projects.



Appendix 4 – Where Does My Money Go?

Central Service Area \$41.00

Capital Expenditures
\$13.27

Treatment Costs
\$12.72

Salaries & Benefits
\$8.15

Supplies & Services
\$4.74



Debt Service
\$2.13

Ridgefield Service Area \$54.80

System Integration Charge
\$13.80

Capital Expenditures
\$13.27

Treatment Costs
\$12.72

Salaries & Benefits
\$8.15

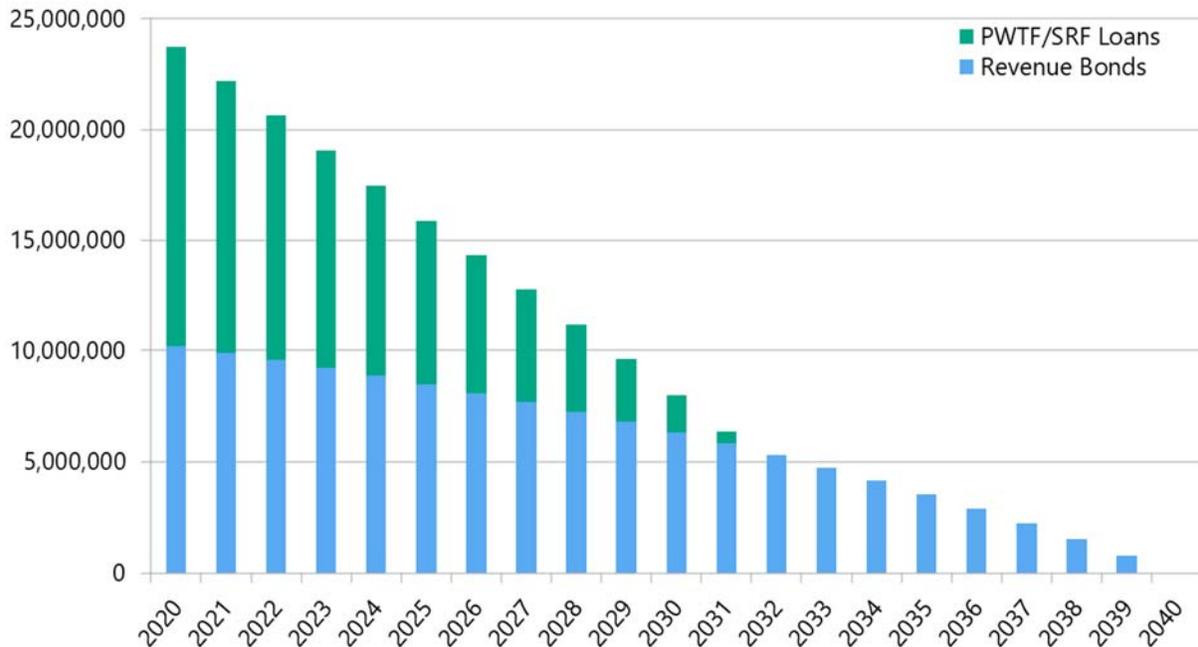
Supplies & Services
\$4.74



Debt Service
\$2.13

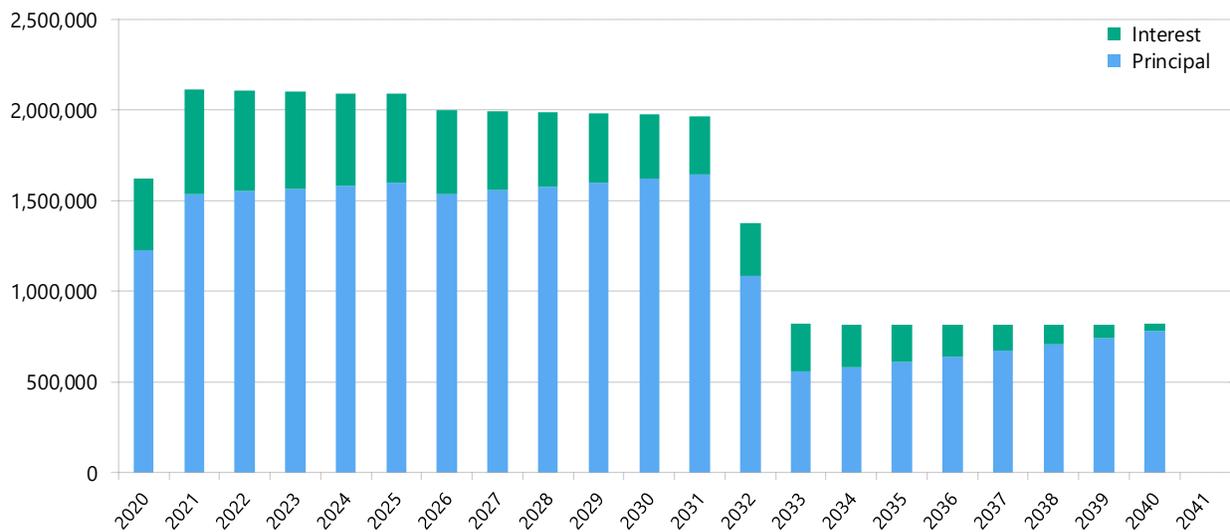
Appendix 5 – Outstanding Debt/Loans by Type

Year	Revenue	PWTF/SRF	Total
	Bonds	Loans	
2020	10,190,000	13,528,774	23,718,774
2021	9,880,000	12,303,612	22,183,612
2022	9,555,000	11,078,449	20,633,449
2023	9,215,000	9,853,287	19,068,287
2024	8,860,000	8,628,124	17,488,124
2025	8,485,000	7,402,962	15,887,962
2026	8,090,000	6,261,783	14,351,783
2027	7,675,000	5,120,604	12,795,604
2028	7,240,000	3,979,426	11,219,426
2029	6,785,000	2,838,247	9,623,247
2030	6,305,000	1,697,068	8,002,068
2031	5,805,000	555,889	6,360,889
2032	5,280,000	-	5,280,000
2033	4,725,000	-	4,725,000
2034	4,145,000	-	4,145,000
2035	3,535,000	-	3,535,000
2036	2,895,000	-	2,895,000
2037	2,225,000	-	2,225,000
2038	1,520,000	-	1,520,000
2039	780,000	-	780,000
2040	-	-	-



Appendix 6 – Debt/Loans Repayment Schedule

Year	Principal	Interest	Total
2020	1,225,162	394,727	1,619,890
2021	1,535,162	579,243	2,114,406
2022	1,550,162	557,198	2,107,360
2023	1,565,162	534,402	2,099,564
2024	1,580,162	510,856	2,091,019
2025	1,600,162	486,561	2,086,723
2026	1,536,179	461,265	1,997,444
2027	1,556,179	435,809	1,991,988
2028	1,576,179	409,353	1,985,532
2029	1,596,179	381,897	1,978,076
2030	1,621,179	353,441	1,974,620
2031	1,641,179	323,734	1,964,913
2032	1,080,889	293,029	1,373,919
2033	555,000	264,000	819,000
2034	580,000	236,250	816,250
2035	610,000	207,250	817,250
2036	640,000	176,750	816,750
2037	670,000	144,750	814,750
2038	705,000	111,250	816,250
2039	740,000	76,000	816,000
2040	780,000	39,000	819,000
2041	-	-	-
	<u>\$ 24,943,937</u>	<u>\$ 6,976,766</u>	<u>\$ 31,920,703</u>



In 2020, the District issued \$10.19 million of revenue bonds to fund capital improvements included in the Facilities Capital Plan for the District Campus project.

Appendix 7 – Limitation of Indebtedness

Limitation of indebtedness applies to general obligation debt only. Clark Regional Wastewater District (District) has never issued general obligation debt. However, the District still diligently monitors debt through the below noted Bond Coverage Ratio and Operating Expense and Debt Principle Coverage Analysis. If the District ever issued general obligation debt, RCW 57.20.110 and 120 specifies a general obligation limitation of indebtedness of 0.5% of the value of the taxable property within its boundaries, in addition to the constitutional debt limitations. The District's assessed value is \$19,297,981,331 which calculates to a legal debt limit of \$96,489,907. The District's total debt outstanding as of 12/31/2020 is \$23,718,774

	BOND COVERAGE RATIO				
	Actual 2017	Actual 2018	Actual 2019	Budget 2020	Budget 2021
Operating Revenues					
Charges for Services	\$ 19,443,672	\$ 20,307,186	\$ 21,657,362	\$ 22,954,897	\$ 24,367,222
Other Operating Revenues	819,731	1,174,741	1,325,177	1,663,000	1,619,500
Total Operating Revenue	20,263,403	21,481,927	22,982,539	24,617,897	25,986,722
Operating Expenses					
Salaries, Wages and Benefits	5,539,415	5,878,424	6,388,854	7,732,665	8,089,570
Sewerage Treatment	9,198,767	9,611,585	11,661,011	11,672,000	12,767,000
Other Operating Expenses*	3,629,411	4,078,910	3,951,193	4,456,510	4,709,245
Total Operating Expenses	18,367,593	19,568,919	22,001,058	23,861,175	25,565,815
Net Operating Income					
Non-Operating Income					
Interest Income	301,509	849,485	1,240,450	903,970	596,153
Other non-operating revenues	785,426	598,802	873,342	805,000	1,198,000
Gain/loss on disposal of capital assets	(1,033,913)	(228,256)	290	-	-
Interest Expense	(155,553)	(138,329)	(119,554)	(366,691)	(579,243)
Other non-operating expense	(394,473)	(211,947)	(368,469)	-	-
Total Non-Operating Income	(497,004)	869,755	1,626,059	1,342,279	1,214,910
Capital Contributions (Cash)**	8,796,825	10,082,833	10,814,312	10,844,400	12,988,900
Net Revenue Available For Debt Service***	10,351,184	13,003,925	13,541,406	13,310,092	15,203,960
Debt service on issued bonds	(600,000)	(600,000)	(600,000)	(748,876)	(819,500)
Debt service on junior lien obligations	(1,321,089)	(1,314,543)	(1,307,998)	(1,301,452)	(1,294,906)
Net Revenue Available for Other Purposes	8,430,095	11,089,382	11,633,408	11,259,764	13,089,554
1.25 Coverage Ratio Test					
Parity Bond Debt Service Coverage Ratio	17.25	21.67	22.57	17.77	18.55
Debt Service Coverage Ratio On All System Obligations	5.39	6.79	7.10	6.49	7.19

Notes:

- * Excludes depreciation
- ** Includes System Development Charges (SDCs) and Local Facility Charges (LFCs). Excludes donated capital facilities.
- *** Excludes interest expense

Appendix 8 – Employees (FTEs) by Function

Year	Operations	Finance	Administration	Engineering	Business Services	Total
2012	17.00	8.00	7.50	11.00	-	43.50
2013	17.00	10.00	9.50	11.00	-	47.50
2014	19.00	10.00	8.50	11.50	-	49.00
2015	19.00	10.00	9.00	12.50	-	50.50
2016	18.00	10.00	10.00	12.50	-	50.50
2017	18.00	11.00	11.00	13.50	-	53.50
2018	18.00	11.00	9.00	13.50	4.00	55.50
2019	20.00	11.00	9.00	14.50	4.00	58.50
2020	21.00	11.00	9.00	16.50	4.00	61.50
2021	21.00	11.75	6.00	20.50	4.00	63.25

Operations staff manages all collection, transmission and pump station maintenance, as well as operations of the Ridgefield Treatment Plant.

Finance provides customer service, utility billing, accounting and treasury services.

Administration includes executive management, APWA Accreditation, Board and Alliance support.

Engineering staff provides development, local and regional facilities capital program management, as well as inspection and pretreatment services.

Business Services includes Human Resources, Risk Management, IT network support and Facilities.

Note

In 2014, the budget was increased by a net 1.5 FTE for a total budgeted 49 FTE. The District increased the Maintenance staff by 2 FTE to accommodate increased workload for operating Ridgefield's collection system as of January 2014. Also included in the 2014 budget is .5 FTE for an Engineering Intern, the first for the District in what was later established as the Norman J. Harker Engineering Program.

In 2015, the budget increased by a net 1.5 FTE. Administration added one Administrative Assistant III (1 FTE) to replace the Administrative Assistant I (.5 FTE). In addition, the District budgeted to hire a Senior Project Manager (1 FTE) to manage the delivery of capital projects.

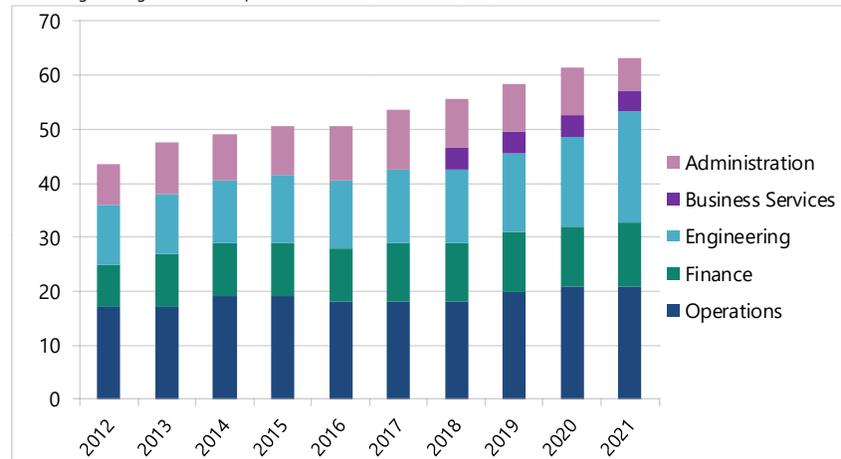
In 2017, the budget increased by 3 FTEs. The District added the positions of Assistant Engineering Technician, Accounting Technician and Administrative Assistant I.

In 2018, the budget increased by 2 FTEs. A Construction Manager was added in the Engineering Department, and an Information Technology Services Manager was added in the newly formed Business Services Department.

In 2019, the budget increased by 3 FTEs. The District added 2 Wastewater Treatment Plant Operators when they assumed the role of Contract Operator of the Ridgefield Wastewater Treatment Plant on July 1, 2018. The District also added the position of Alliance Capital Program Manager in the Engineering Department.

In 2020, the budget increased by 3 FTEs. The District added a Maintenance Specialist I in the Operations Department and a Development Review Engineer and Alliance Construction Program Manager in the Engineering Department.

In 2021, the budget increased by 1.75 FTEs. The District added a .75 FTE to the Customer Account Team and added a limited-term Senior Project Manager (1 FTE). Three Administrative employees were assigned to different departments, two to Engineering and one to Operations.



Appendix 9 – Salary Range and Positions

Salary Grades			FTEs	Operations	Finance	Administration	Engineering	Business Services
11,087	20	14,495						
10,266	19	13,421	1			General Manager*		
9,505	18	12,427	1 1 1		Finance Director/Treasurer		Engineering Director	Business Services Director
8,801	17	11,506	1 1 1	Operations Director			District Principal Engineer Alliance Principal Engineer	
8,149	16	10,654	1 1 1				District Construction Program Manager Alliance Construction Program Manager	IT Services Manager
7,546	15	9,865	1 2 1		Accounting Manager		Senior Project Manager Development Program Manager	
6,987	14	9,134	1 1 1			Board Clerk/ Administrative Services Manager	Project Manager Development Review Engineer	
6,469	13	8,458	1	Control Systems Administrator				
5,990	12	7,831	2 1 1 1	Maintenance Supervisor	Senior Accountant		Pretreatment Coordinator	Human Resources Generalist
5,546	11	7,251	1 1 1 2 1	Treatment Plant Operator 3 Maintenance Electrician	Customer Account Supervisor		Senior Engineer Technician Senior GIS Specialist	
5,136	10	6,714	1 1 1 4	Treatment Plant Operator 2	Accountant	Sr. Administrative Assistant	Engineering Technician	
4,755	9	6,217	4	Maintenance Specialist 3				
4,403	8	5,756	7 1 4 1 1 2 1	Maintenance Specialist 2 Administrative Assistant 3	Account Specialist Accounting Technician	Administrative Assistant 3	Administrative Assistant 3	Facilities Technician
4,077	7	5,330	2	Maintenance Specialist 1				
3,775	6	4,935	1.75 1		Assistant Account Specialist	Administrative Assistant 2		
3,495	5	4,569						
3,236	4	4,231	1 0.5			Administrative Assistant 1	Engineering Intern	
Total Budgeted FTEs			63.25	21.00	11.75	6.00	20.50	4.00
Total Commissioners			3					
Note								
The 2021 budget reflects a 1.2 - 2.4% market adjustment to salary grades with an average market adjustment of 2.0% from the prior year.								
* Contract Employee								

Appendix 10 – Demographics Statistics

Year	Clark County			
	Unincorporated Population*	Per Capita Income **	Total Personal Income	Unemployment ***
2011	204,610	39,527	8,087,619,470	13.0%
2012	205,885	41,893	8,625,140,305	10.2%
2013	207,710	41,852	8,693,078,920	10.0%
2014	210,140	44,620	9,376,446,800	8.0%
2015	214,585	46,686	10,018,115,310	7.3%
2016	218,750	48,692	10,651,375,000	6.6%
2017	223,160	50,766	11,328,940,560	6.0%
2018	222,420	53,423	11,882,343,660	5.5%
2019	226,890	55,073	12,495,621,669	5.5%
2020	230,100	56,775	13,063,915,756	4.6%

Note

Demographic information is from the following sources:

* Washington State Office of Financial Management

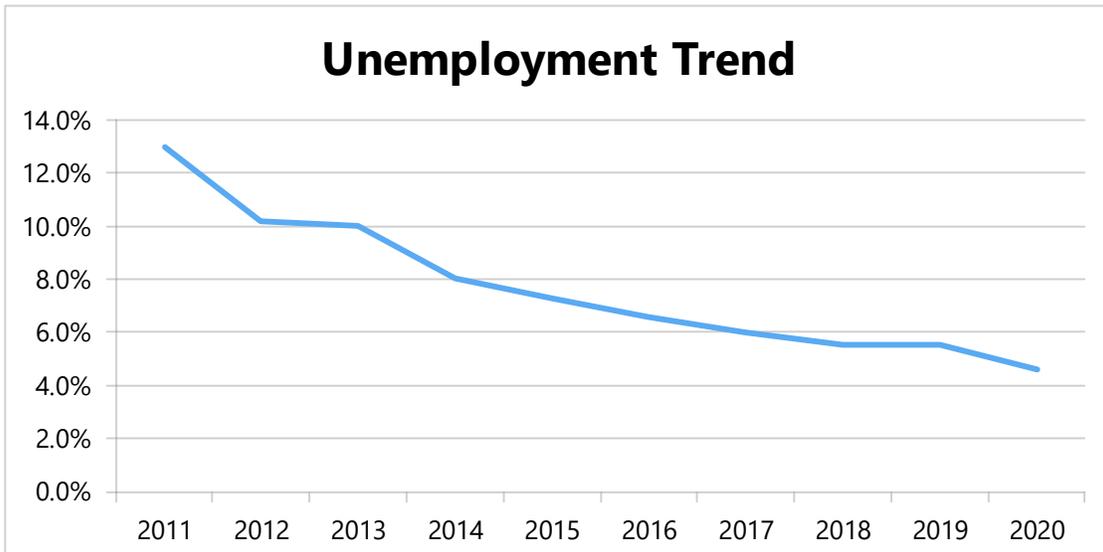
** Federal Reserve Economic Data

2018 and 2019 were inflated by 3.1% to arrive at the 2019 and 2020 numbers, respectively, as 2019 and 2020 data is not available at time of budget adoption. The 3.1% represents the average increase per year from 2009 to 2018.

*** Federal Reserve Economic Data

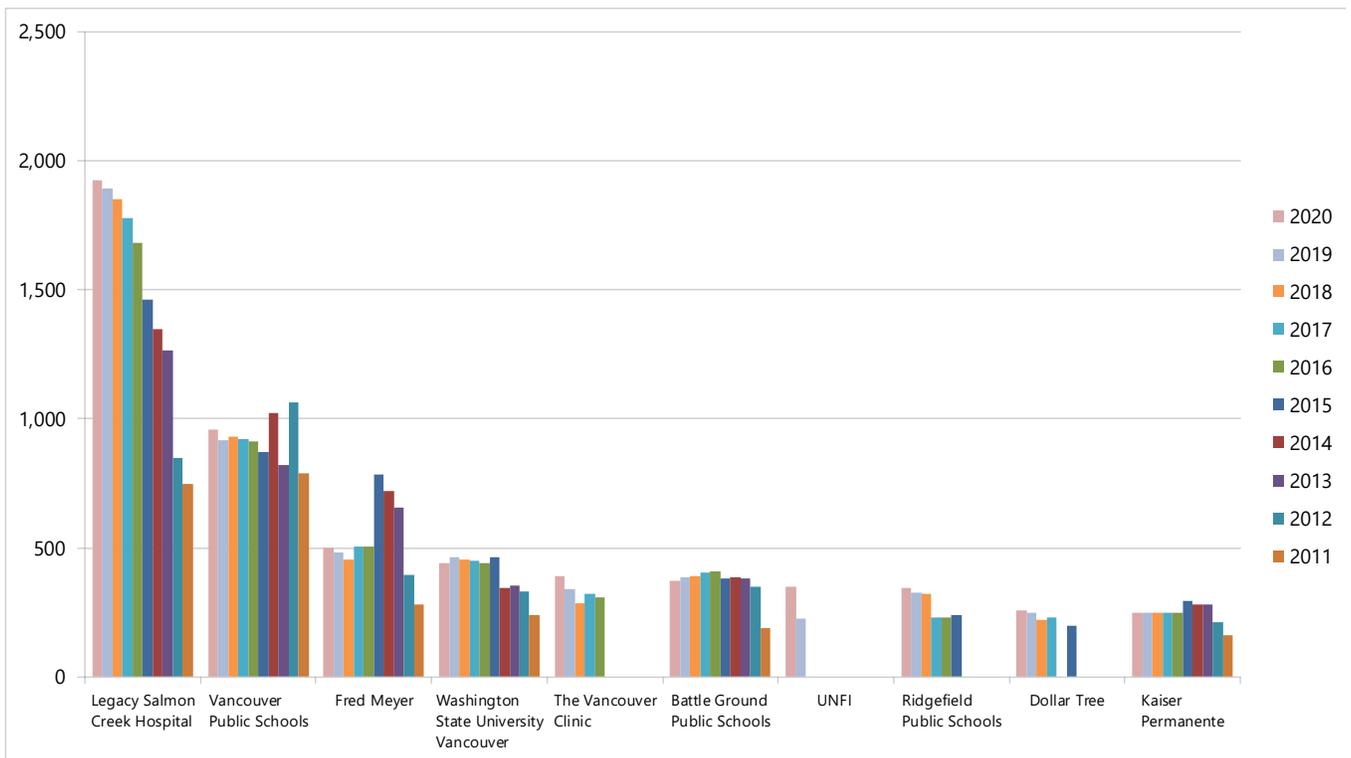
Unemployment numbers are reported as of January 1 each year. For 2020, this is before the COVID-19 restrictions and shut downs took place.

District demographics would be expected to closely follow overall Clark County.



Appendix 11 – Employees for Ten Principal Employers

Customer	Number of Employees									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Legacy Salmon Creek Hospital	1,924	1,890	1,852	1,778	1,680	1,460	1,349	1,263	850	749
Vancouver Public Schools	960	917	929	922	914	872	1,020	819	1,065	790
Fred Meyer	500	482	455	505	507	785	720	655	394	283
Washington State University Vancouver	441	463	453	449	443	466	346	353	333	238
The Vancouver Clinic	392	339	287	324	308	-	-	-	-	-
Battle Ground Public Schools	374	386	390	404	409	383	385	380	348	191
UNFI	350	224	-	-	-	-	-	-	-	-
Ridgefield Public Schools	346	325	324	232	230	241	-	-	-	-
Dollar Tree	260	249	222	229	-	200	-	-	-	-
Kaiser Permanente	247	247	250	250	250	295	283	281	210	160
Safeway	-	237	237	304	276	316	287	277	255	271
Wal-Mart	-	-	-	-	210	197	-	196	200	-
Home Depot	-	-	-	-	-	-	200	-	-	-
Hockinson Public Schools	-	-	-	-	-	-	206	167	142	126
Evergreen Public Schools	-	-	-	-	-	-	201	174	178	133
Target	-	-	-	-	-	-	-	-	-	122
Total	5,794	5,759	5,399	5,397	5,227	5,215	4,997	4,565	3,975	3,063



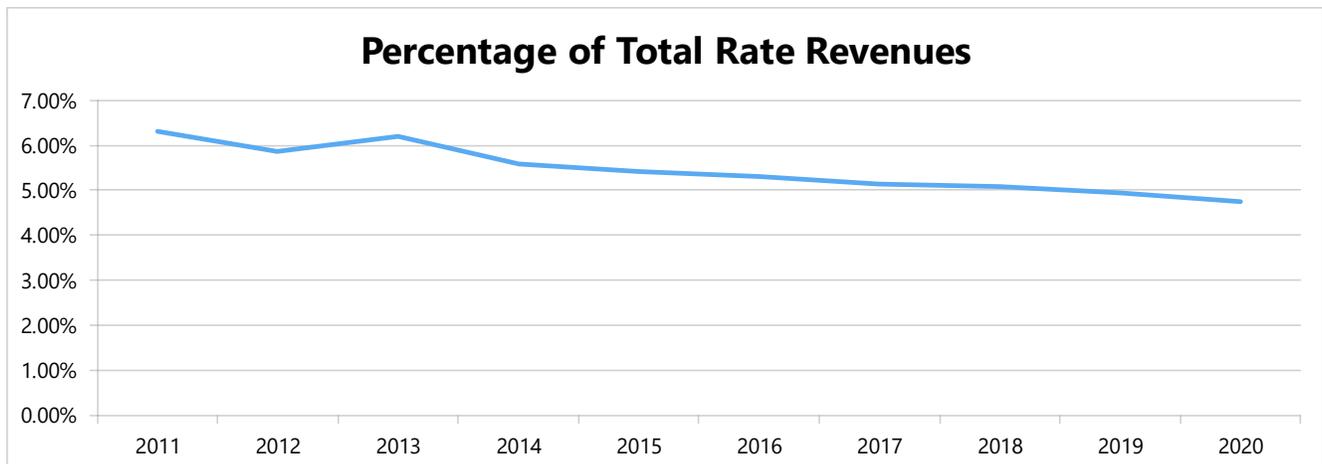
Appendix 12 – Ten Largest Customers Current and Ten Fiscal Years Ago

Customer	2020*			2011		
	Rate Revenues	Rank	Percentage of Total Rate Revenues	Rate Revenues	Rank	Percentage of Total Rate Revenues
Salmon Creek Estate Condominiums	\$ 135,360	1	0.59%	115,056	2	0.84%
Highland Crossing LLC	127,968	2	0.56%	-		-
Highland Hills Apartments	123,792	3	0.54%	105,223	3	0.77%
Prairie View Association	108,960	4	0.47%	92,616	4	0.68%
Vancouver Public Schools	108,848	5	0.47%	124,694	1	0.92%
Alderbrook LLC	105,312	6	0.46%	-		-
Parklane Apartments	100,320	7	0.44%	85,272	5	0.63%
Reflections at the Park**	94,320	8	0.41%	80,172	6	0.59%
Rock Creek Commons, LLC	93,120	9	0.41%	-		-
Acerio Ridgefield	90,281	10	0.39%	-		-
Bridge Creek Apartments***	-		-	68,952	7	0.51%
Crystal Creek Apartments	-		-	67,728	8	0.50%
Willow Pointe Apartments	-		-	63,240	9	0.46%
Legacy Salmon Creek Hospital	-		-	57,759	10	0.42%
Subtotal (ten largest)	1,088,281		4.74%	860,712		6.32%
Balance from other customers	21,866,616		95.26%	12,760,702		93.68%
Total	\$ 22,954,897		100.00%	\$ 13,621,414		100.00%

* Budgeted rate revenues for the 2020 year

** Formerly Prairie Park Apartments

*** Formerly Discovery Park Apartments



Appendix 13 – Glossary

Accounts

An allocation of liquid resources that is segregated for the purpose of carrying out a specific purpose or activity.

Accrual Basis of Accounting

A basis of accounting in which transactions are recognized when they occur, as opposed to being recognized when the actual cash changes hands.

Adopted Budget

The final budget approved by the Board of Commissioners.

Alliance Reserves Account

Reserves set aside to fund future District reserves obligations with Discovery Clean Water Alliance.

Balanced Budget

A budget in which revenues equals or exceeds expenditures.

Beginning Account Balance

The residual account balance representing unused funds brought forward from the previous financial year.

Budget

An estimate of revenues and expenditures for a period of time into the future.

Capital Expenditure

An expenditure used to acquire or construct a tangible asset with a cost greater than \$5,000 and a useful life of greater than one (1) year.

Debt Limit

The maximum amount of gross or net debt which is legally permitted per state law.

Debt Service

The principal and interest due and payable on outstanding revenue bonds and loans.

Debt Service Account

An account used to hold restricted amounts for the principal and interest payments on the 2012 sewer revenue bonds and PWTF loans.

Debt Service Reserve Account

Reserves set aside to fund principal and interest payments on all District-issued debt for one (1) year if sufficient funds were not generated from rates to cover all these debt obligations.

Defeasance

The legal release of a debtor from being the primary obligor under the debt, either by the courts or by the creditor.

Deficit

The excess of expenditures over revenues during an accounting period; or, in the case of proprietary funds, the excess of expenses over revenues during an accounting period.

Depreciation

The allocation of the cost of a capital asset to future periods benefited by the asset.

Discovery Corridor Wastewater Transmission System

A District owned system constructed along the I-5 corridor, which allows for the transmission of wastewater from the Ridgefield service area to be treated at the Salmon Creek Treatment Plant.

Equivalent Residential Unit (ERU)

An ERU is 200 gallons per day per single-family dwelling.

Enterprise Fund

Proprietary fund type used to report an activity for which a fee is charged to external users for goods or services.

Existing Assets Replacement and Restoration (R&R) Account

An account funded through sewer utility rates and investment interest for infrastructure and other fixed asset restoration and replacement.

Expenses

Under the accrual basis of accounting an expense account records the cost of goods or services received without consideration of whether cash was expended or not.

Fiscal Year

Any period of twelve (12) months that is designated as the operating year for accounting and budgeting purposes. The District's fiscal year is from January 1 through December 31 per Washington state statute.

Full Time Equivalent (FTEs)

The hours worked by one employee on a full-time basis. On an annual basis, an FTE is considered to be 2,080 hours.

Generally Accepted Accounting Principles (GAAP)

Standards formulated by the Governmental Accounting Standards Board that set the guidelines used for accounting and reporting for government entities.

Intergovernmental Revenues

Revenues received by the District from other governments for providing services.

Interlocal Agreement

A written contract between two or more government entities.

Liquid Resources

Resources that are in the form of cash; or convertible to cash within 20 working days.

Memorandum of Understanding

Agreement between two or more parties used to establish official partnerships.

Modified Accrual Basis of Accounting

Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within 30 days of the end of the budget year to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

New Assets Capital Improvement Projects Account (CIP)

An account that is used to fund future infrastructure needs of residents of the District's Service Areas who are not currently receiving service.

Operations and Maintenance (O&M) Account

An account that provides for the daily routine needs of the District. This account is used to financially sustain effective delivery of District core functions.

Proprietary Fund

A business-like fund of a state or local government that provides goods or services for a fee. An enterprise fund is one type of proprietary fund.

Public Works Trust Fund (PWTF)

A fund overseen by the state of Washington Department of Ecology that is used to loan state monies to local governments for infrastructure projects.

Reserve

Assets that are segregated for future use or for a specific purpose.

Resources/Sources (financial)

Total amounts available to fund expenditures.

Revenue

Rates and charges received by the District used to fund general operations, debt service, and capital construction projects.

Ridgefield Treatment Plant

A treatment plant facility owned by Discovery Clean Water Alliance. Beginning July 1, 2018, the District is contract operator of this plant.

Salmon Creek Treatment Plant (SCTP)

A treatment plant facility owned by Discovery Clean Water Alliance with 100% capacity owned by the City of Battle Ground and the District. The majority of the District's collected sewage is transmitted to the SCTP for treatment.

Salmon Creek Wastewater Management System (SCWMS)

The Salmon Creek Wastewater Management System consists of the SCTP and its related transmission facilities.

Septic Elimination Program (SEP)

A program created to help protect and enhance the quality of water resources and reduce environmental health problems caused by failing or improperly functioning septic systems.

Special Purpose District

An independent governmental unit that exists separately from a general-purpose government.

State Revolving Fund (SRF)

A fund administered by the state of Washington that provides low-interest loans for investment in water and sewer sanitation infrastructure.

System Development Charges (SDC)

Charges to customers used to pay for future capital improvements. Replacement for the general facility charges.

Treatment Costs

Costs the District pays to Discovery Clean Water Alliance, City of Vancouver and City of Battle Ground for the treatment of sewage that the District collects and transmits to the treatment plants.

Unemployment Reserve Account

Funds set aside to cover potential unemployment claims that the district may be liable for.

Utility Local Improvement District (ULID)

A district formed by a local government for the purpose of levying special benefit assessments against property specially benefited by improvements relating to the district.

Wastewater District

A special purpose district that provides sanitary sewer services.