

Clark Regional Wastewater District **Adopted Budget**

2026



"Expanding the Boundaries of Service"

2026 Adopted Budget

Clark Regional Wastewater District
Clark County, Washington

For Fiscal Year
January 1 through December 31, 2026



Adopted by Resolution No. **XXXX**
Dated: December 23, 2025

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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 Served During 2025



President
Norm Harker
Term: 6 Years
Expiration: December 2027



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



Secretary
Denny Kiggins
Term: 6 Years
Expiration: December 2029



General Manager
John M. Peterson, P.E.



Finance Director/Treasurer
David Logan



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 Fiscal Year 2026 (FY 2026), covering the period from January 1 through December 31, 2026. This budget has been prepared in accordance with the District's financial policies and direction from the Board of Commissioners. The document is organized to provide a clear overview of the FY 2026 Adopted Budget and to serve as a practical financial planning guide. Unless otherwise noted, comparisons in this Budget Message reflect a "budget to budget" review of the Board-adopted FY 2025 Budget versus the FY 2026 Adopted Budget.

Although Washington State law does not require the District to prepare a budget, the District chooses to do so as part of its commitment to professional business planning. Preparing a formal budget enhances transparency and helps ensure the delivery of fiscally responsible and equitable service to the community. A budget is considered balanced when estimated sources meet or exceed estimated uses. For FY 2026, the District projects that available sources—combined with a planned use of fund balance—will equal total estimated uses.

Budget Summary

The Adopted Budget for FY 2026 is \$66.9 million for all sources and uses of funds. Sources include \$32.7 million from sewer service charges, \$12.3 million from connection fees, and \$21.9 million from other revenues. Uses include \$16.6 million for treatment costs, \$16.0 million for salaries and benefits, \$12.1 million for services, supplies and other expenses, \$2.5 million for debt service, and \$19.7 million for capital construction costs and capital purchases.

Total operating and maintenance (O&M) expenditures for FY 2026 are expected to increase by 3.2%. Salaries and benefits are budgeted to increase by 4.9% due to increases in the salary schedule reflecting labor cost trends.

District Sewer Rates

The District's sanitary sewer base rate has increased to \$48.00 per equivalent residential unit (ERU) per month, an increase of 3.2% for the Central service area in the 2026 Adopted Budget. In addition, the District established a rate of \$56.00 per ERU for the Ridgefield service area. The Ridgefield rate includes the base rate of \$48.00 per month and an \$8.00 per month System Integration Charge (SIC), an overall \$0.90 increase per ERU for the Ridgefield service area customers for 2026.

Sources

Sewer service charges: \$32.7 million. Sewer service charges are budgeted to increase \$1.4 million, or 4.5%, in 2026. The drivers behind the increase in sewer service charge revenue are the anticipated growth throughout 2026 and the increase in rates.

Connection fees: \$12.3 million. The District utilizes a four-tiered System Development Charge (SDC) structure (based on where wastewater flows for treatment). SDC revenue is used to fund new capital improvement projects within the District's service areas. The District is forecasting 1,260 new paid connections in 2026, a decrease of 334 compared to the 2025 budget. As a result, the 2026 budget includes a 21.0% reduction in budgeted connection fee revenue, driven by the lower number of projected new connections, even with a scheduled rate increase for 2026.

Other revenues: \$21.9 million. Investment interest is budgeted for \$2.4 million, intergovernmental revenues for \$8.5 million, miscellaneous revenues for \$1.0 million, debt proceeds for \$9.8 million, and Local Facilities Charge (LFC) reimbursements for \$0.2 million.

Uses

Salaries and benefits: \$16.0 million. Salaries and benefits are budgeted to increase by \$0.7 million, or 4.9%, in 2026. This increase is driven by a Board-approved cost-of-living increase in salaries of 3.0% for the 2026 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 increases in medical and dental costs in 2026.

Services, supplies and other expenses: \$12.1 million. Service costs are budgeted at \$2.6 million, supplies at \$2.1 million, and other expenses (insurance, utilities, and B&O taxes) at \$7.4 million.

Treatment costs: \$16.6 million. Treatment costs budgeted for 2026 are consistent with costs for treatment in 2025.

Debt service: \$2.5 million. Debt service (principal and interest) for District-issued 2020 bonds and Public Works Board loans in 2026 totals \$2.5 million.

Construction costs and capital purchases: \$19.6 million. Construction costs are budgeted at \$4.7 million for existing assets restoration and replacement projects/purchases and \$14.9 million for new asset capital improvement projects/purchases.

Outlook

Clark County continues to show strong economic growth following the COVID-19 pandemic, though development activity has begun to moderate. As an essential service provider, the District maintained normal operations throughout the pandemic and remains well-positioned to support the community's ongoing needs.

By the end of August 2025, the County's unemployment rate was 4.8%, equal to the State unemployment rate. Major industries in the County include healthcare and social assistance, retail trade, leisure and hospitality, and construction. The District forecasts new construction to slow and normalize over the next few years.

Clark County and its unincorporated areas have seen year-over-year population growth of 1.0%. The unincorporated areas are estimated to have grown 14.6% from 2015 to 2025. The County's population is anticipated to increase by 44.0% from the 2010 census count by 2035.

Budget Priorities & Direction

The 2026 Adopted Budget reflects the District's mission to provide customer-focused, professional wastewater services in an environmentally and financially responsible way, as well as its vision to serve "an active partner in Clark County, to support economic development and to manage and protect water resources."

With anticipated population growth, the District faces both new opportunities and new challenges. The 2026 Adopted Budget outlines how the District plans to proactively address these pressures.

Maintain a Stable Rate Structure. The District continues to use a flat base rate for monthly sewer service charges. For 2026, modest inflationary increases are included to meet rising operating and capital needs. Customers are billed one of two flat monthly rates, depending on their service area.

Maintain Existing Assets of the District. As 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 replace them when necessary to prevent system failures.

This budget includes \$4.7 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 Operations 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.

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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. Ridgefield continues to grow rapidly, with an annual growth rate of approximately 10.0% and a current population of about 16,290. By 2035, its population is expected to be nearly triple its 2010 level. To support this growth, the District has budgeted \$3.1 million in 2026 to both restore existing infrastructure and construct new facilities. A significant portion of these funds are dedicated to building new pump stations and upgrading existing trunk sewer lines within Ridgefield.

Sustaining District's Organizational Structure. Since adding the City of Ridgefield's sewer utility customers in 2014, serving as Administrative Lead for the Discovery Clean Water Alliance (operational since 2015), and becoming the Contract Operator for the Ridgefield Treatment Plant, Salmon Creek Treatment Plant, and eight other Alliance assets, the District has continued to assess the efficiency and quality of its infrastructure. Staffing levels and workloads are regularly evaluated to ensure operations remain safe, sustainable, and high-performing.

Sincerely,



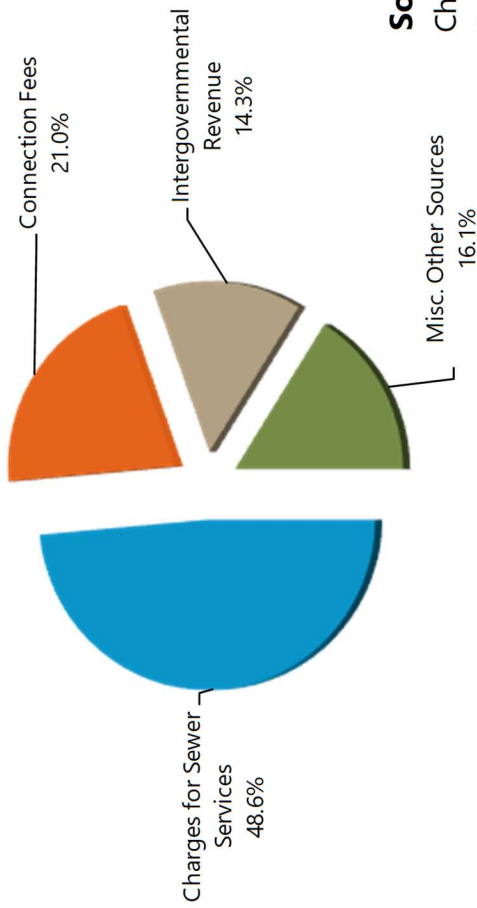
John M. Peterson, P.E.
General Manager



David Logan
Finance Director/Treasurer

Budget in Brief

2025 Sources

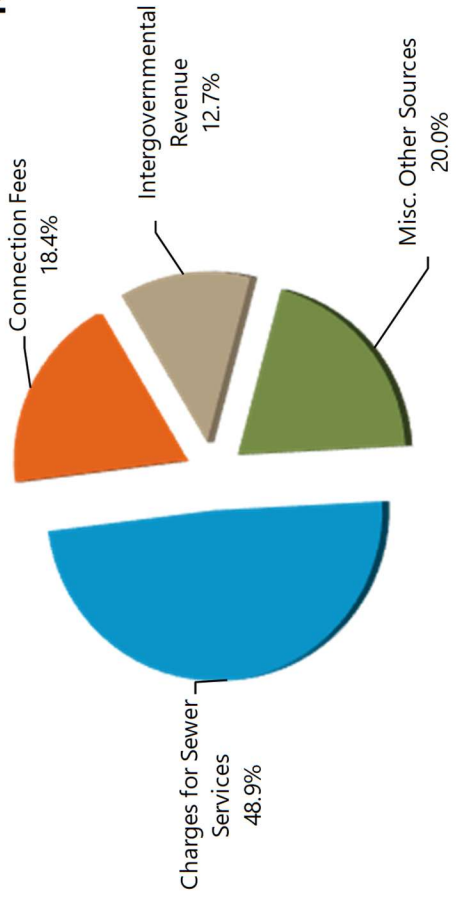


Sources

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

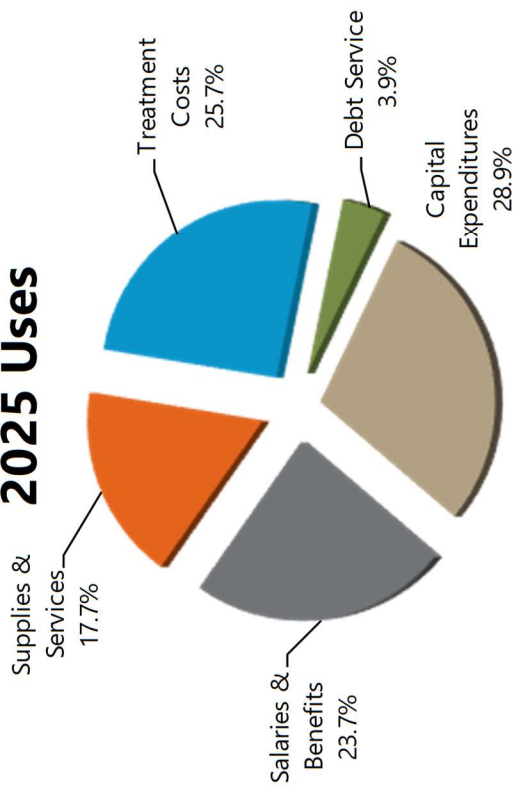
	2025	2026
Budget	Budget	Budget
\$	\$	\$
31,289,984	32,692,771	
13,515,217	12,325,253	
9,230,742	8,488,430	
10,359,250	13,382,416	
\$64,395,193	\$66,888,870	

2026 Sources

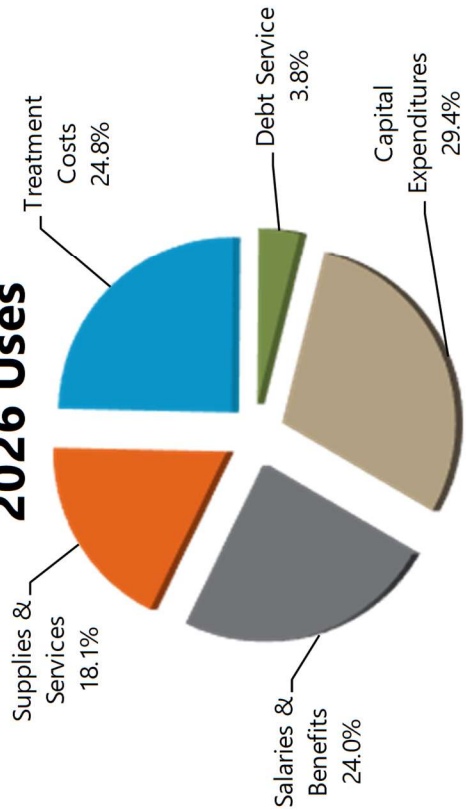


Budget in Brief

2025 Uses



2026 Uses



Uses	2025 Budget	2026 Budget
Salaries & Benefits	\$ 15,268,534	\$ 16,011,990
Supplies & Services	11,405,085	12,062,081
Treatment Costs	16,557,217	16,560,600
Debt Service	2,528,917	2,540,695
Capital Expenditures	18,618,250	19,649,455
Total Uses	\$64,378,003	\$66,824,821

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 that the District take over all its collection and transmission functions, allowing the County to focus solely 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 plant's treatment capacity, with the County providing the facility and operating staff. In 2003, under the direction and management of the District, the three partners undertook a \$77.0 million capital improvement project to upgrade the Salmon Creek Wastewater Management System (SCWMS). The project, completed in 2009, provided additional treatment capacity for years to come.

In 2009, an initial "Sewer Coalition Planning Study" was completed, with participation from 12 Clark County public agencies, to explore the potential for improved efficiency 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, as 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 an MOU for the transfer of ownership of all of Ridgefield's sewer utility collection system assets and 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 District customers.

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. 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 Klineline Interceptor, all of which are assets owned by the Alliance and previously operated by Clark County. The District leveraged its existing mobilization within its service area to operate these assets, while County staff dedicated their time to SCTP operations during a large plant expansion.

In mid-2021, Clark County requested an early termination of its contractual obligation to operate the Salmon Creek Treatment Plant from the Alliance. The District, already involved in treatment plant operations, prepared a proposal to take over the treatment plant's operations. On October 1, 2021, the Alliance Board of Directors provided direction to terminate the County contract early, and the District began operations at the plant on July 1, 2022.

The District has responded throughout its history to the evolving needs of its stakeholders, including its current and future ratepayers. In 2026, the District is budgeted to have 97 employees. Including the District's Ridgefield service area, the District maintains over 883 miles of pipe and 77 pump stations throughout the 49 square miles of District service territory.

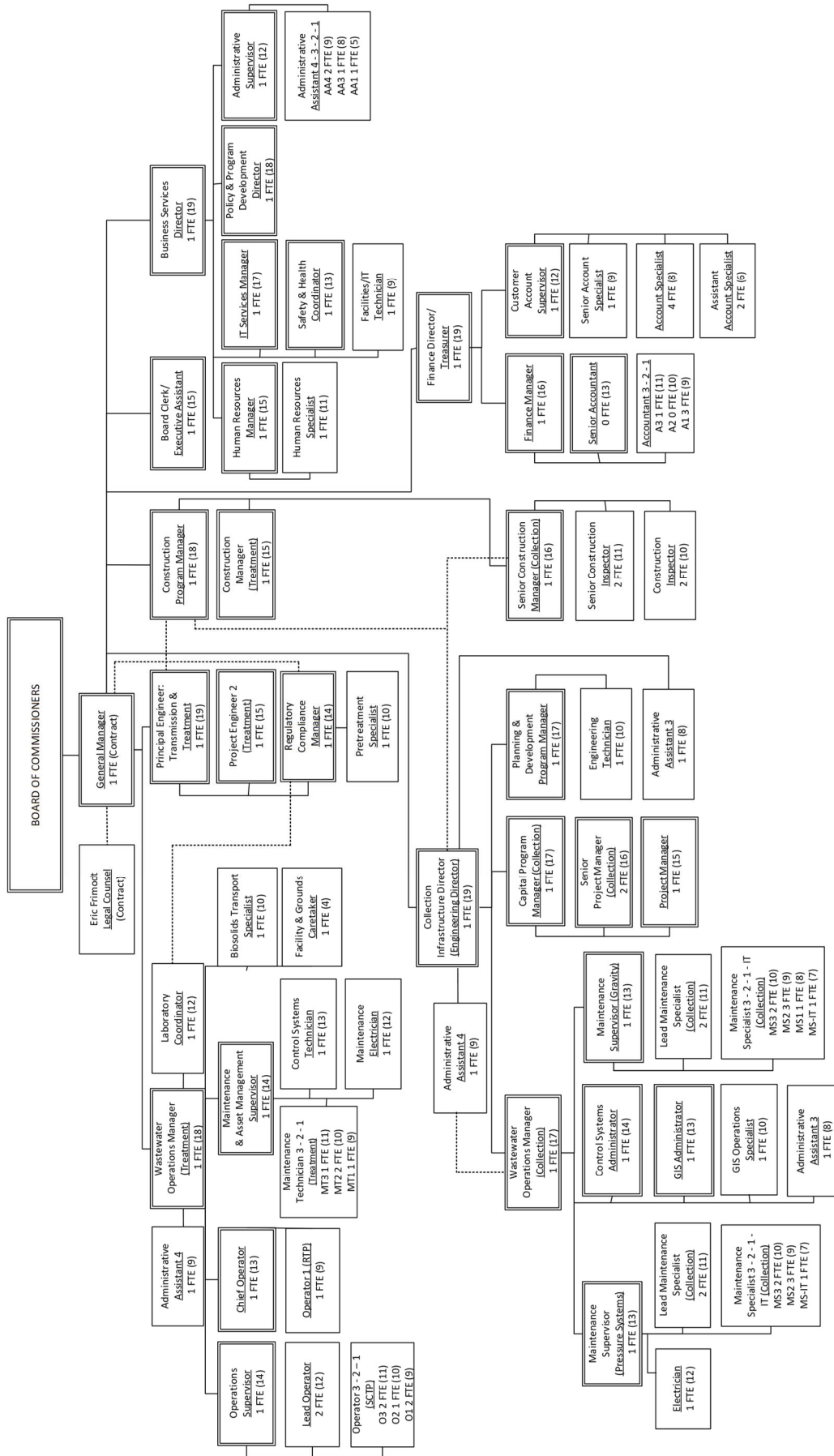
District Organization

Clark Regional Wastewater District is a special-purpose district organized under the 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 are elected by the ratepayers within those areas to six-year terms. The General Manager, hired by the Board of Commissioners, serves as the District's administrator and manages the 97 FTEs across the Collection Infrastructure, Engineering, Wastewater Operations, Construction, Finance, and Administration/Business Services departments.

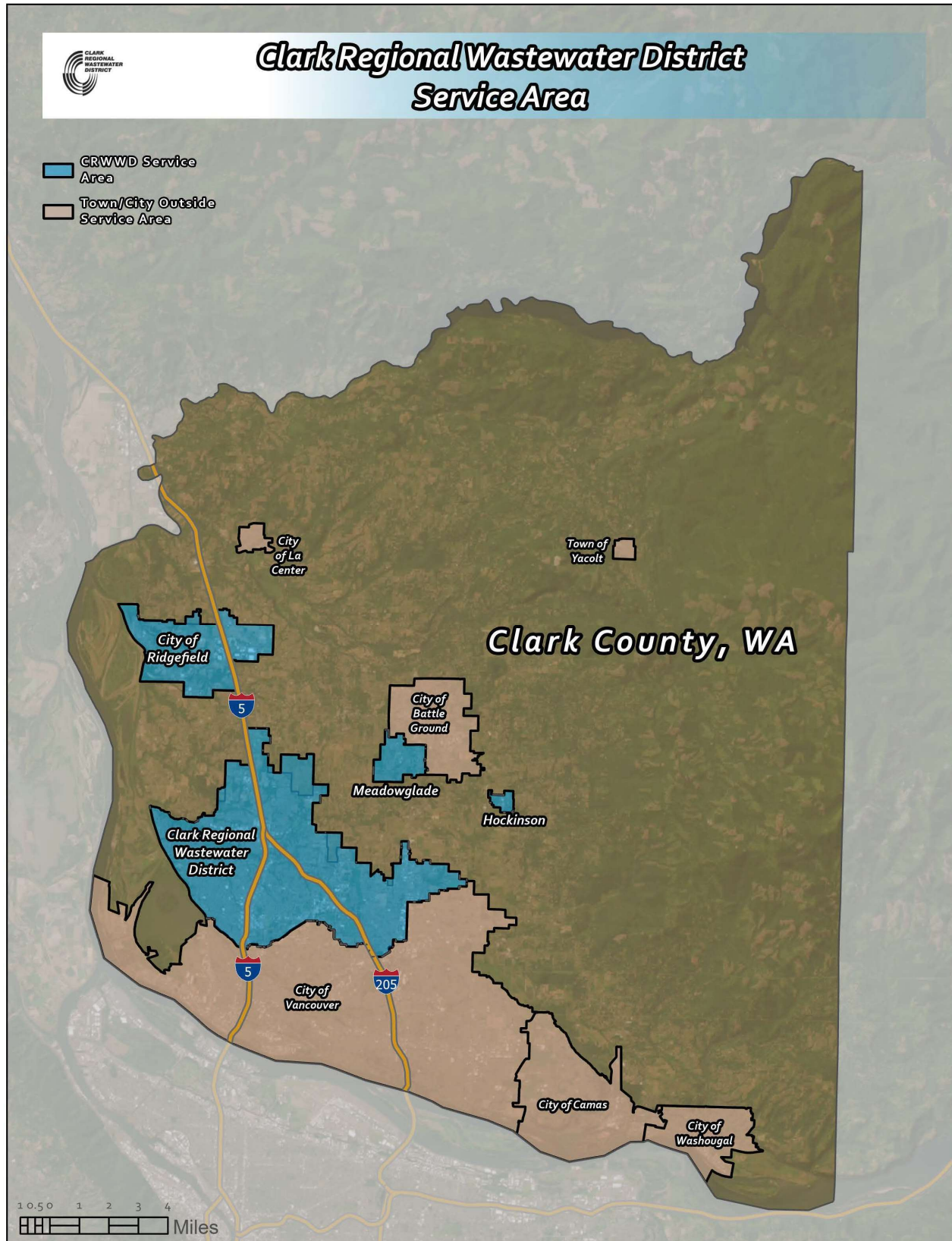
Our Ratepayers and Stakeholders

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 41,400 active accounts, including customers in the Ridgefield service area. The District's customer base comprises both residential and commercial customers, and the District anticipates it will grow to approximately 42,500 by the end of FY 2026. 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, Services and Performance Measures

Collection Infrastructure

The Collection Infrastructure Department consists of the Operations and Engineering workgroups.

Operations Department

The Operations department is staffed with twenty-five (25) 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
- Fleet Management
- Risk Mitigation
- Asset Optimization
- Engineering Assistance
- Geographic Information System (GIS)

Underground Collection System Condition Assessments. Operations staff perform Closed Circuit Television (CCTV) inspections of pipelines and manholes to support condition assessments of the District-owned collection system. CCTV inspections use specialized video equipment to inspect the inside of pipes to identify defects or problematic lines. Defects are scored based on severity, providing an overall system condition. The entire collection system is inspected on a regular cycle, with known problem areas inspected more frequently. The condition assessment drives prioritization of capital, restoration, and replacement projects, as well as maintenance and repairs.

Pipeline Maintenance and Preservation Programs. The District owns and maintains approximately 121 miles of pressure mains. As of January 1, 2026, the total pipe inventory (including service laterals) is 883 miles, ranging in diameter from 4 to 36 inches. Routine maintenance of these lines consists of scheduled CCTV inspections, followed by High-Velocity Cleaning (HVC) as needed. Problematic lines with potentially higher grease levels, roots, and/or debris build-up are assigned accelerated cleaning frequencies. The Operations department is party to the Grounds, Equipment and Maintenance (GEM) agreement with regional agencies to share resources, such as occasional CCTV inspection, line cleaning, and other services as needed.

Pump Station Maintenance. Operations staff operate and maintain 77 sewer pump stations and four motor-operated valves (MOVs). Maintaining the pressurized discharge piping systems, known as force mains, is part of the Pump Station Maintenance Program. Current maintenance procedures include detailed tasks performed weekly, monthly, semi-annually, and annually to maximize the useful life of the pump station assets. Operations staff also manage chemical injection systems and air treatment systems designed to treat odorous and corrosive gases that form 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 897 individual STEP systems. These STEP systems are located in the satellite areas of Meadow Glade, Hockinson, Van Ridge, and South Ridge, as well as a few systems in 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 may be required in areas with flat topography and high groundwater levels that would prevent the installation of traditional gravity sewer systems. The Operations department is responsible for inspecting new STEP systems constructed in these areas and for ongoing maintenance and repairs of the existing STEP systems.

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, coordinating vehicle service schedules, procuring and managing vehicles and equipment, handling surplus, and performing minor maintenance on passenger vehicles, pickups, and small construction and safety equipment. The Operations staff manages the routine maintenance schedules for all District-owned fleet vehicles.

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 (Supervisory Control and Data Acquisition) system. This automated system monitors the pump stations 24 hours a day and alerts staff to potential risks associated with equipment failure. The system allows for proactive responses to minor issues before they become significant 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 the 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 approximately 11,000 utility locates per year.

Asset Management. The Operations department utilizes CentralSquare Enterprise Asset Management (EAM) for public works to schedule preventive and corrective work and manage

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asset lifecycle costs. EAM 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 uses EAM's mobile application, which allows staff to access work orders, equipment details, GIS maps, and inspection data from the field on a tablet or other mobile device without returning to the office for data entry. Mobile access increases staff productivity, reduces fuel use and vehicle wear, and improves accuracy through real-time data capture. All maintenance functions are scheduled and documented in EAM, including facilities, collection system, and fleet maintenance.

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

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 the District's service areas and provides extensive support for customer service, planning, design, and decision-making. GIS is also integral to the District's Maintenance Management System (MMS).

Performance Measures

Performance Objectives and Measures	Target	Actual 2021	Actual 2022	Actual 2023	Actual 2024	Estimated 2025	Planned 2026
1) Responsible stewardship of public resources by protecting infrastructure to ensure system reliability							
Percentage of total inspectable pipe inspected over six (6) year period	100%	80%	89%	100%	95%	90%	92%
Percentage of responses to applicable locate requests	100%	100%	100%	100%	100%	100%	100%
Number of controllable pump station overflows	0	0	0	0	0	1	0

NA = data not available

Engineering Department

The Engineering department provides engineering services for the District and its customers under the management of the Collection Infrastructure Director (Engineering Director), a licensed Professional Engineer. The Director is assisted by ten (10) additional full-time staff. These services include:

- Annexation Process Management
- Development Program
- Capital Facility Planning
- Capital Program Management
- Septic Elimination Program (SEP)

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 the designated service provider to roughly forty-seven (47) square miles of urban growth area. Generally expanded via the petition method of annexation, at the request of property owners.

Development Program. The Engineering department assists new project developers, current customers, and existing homeowners in need of sewer service while ensuring compliance with District standards. Services include preliminary application utility reviews, engineering design coordination, reviews, permitting, and construction management. Development services include coordinating and managing developer reimbursement projects such as pump stations, trunk lines, main oversizing, and district laterals. Latecomer Agreements and Local Facilities Charges are processed by the Engineering department, and property owners may obtain record drawing information to assist in locating their existing system for connection.

Capital Facility Planning. Planning within the District is a two-part process: long-range planning, followed by sub-basin planning. Long-range basin planning is conducted to develop a 20-year General Sewer Plan (GSP) to address infrastructure needs supporting the County's urban incorporation. The District's current GSP was adopted in 2017 in conjunction with Clark County's Comprehensive Plan update and in compliance with the 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 conducted within the GSP framework to identify the means and methods for extending service to individual parcels. The next GSP update is currently underway to align with the County's Comprehensive Plan update, scheduled for completion in December 2027.

Capital Program Management. The District updates its 10-year Capital Improvement Program (CIP) annually, which identifies and funds priority projects related to system capacity, expansion, and restoration and replacement (R&R) of existing infrastructure. The CIP is reviewed and approved by the District Board of Commissioners as a part of the annual budget process. The CIP considers system capacity analysis, infrastructure condition assessments, and associated upgrades, as well as anticipated future development. District staff directs the overall Capital Program, including prioritization, planning, budgeting, limited design, and 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

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construction. All work is performed under the direction of a licensed Professional Engineer. The District uses GIS analysis of asset data to assess the system's condition and develop an R&R program that prioritizes projects to address the highest-risk problem areas. By identifying critical infrastructure with a higher risk of failure, the District can focus capital expenditures most effectively. The 2026 Capital Program will continue to reflect projects identified by this process.

Septic Elimination Program (SEP). Supporting the District's vision of partnerships to protect water resources in the District's service area, the District maintains an established Septic Elimination Program (SEP) that extends sewer service to residential properties within the District and offers a financial incentive for connecting properties. The program includes over 40 projects, prioritized according to established ranking criteria. The District has recently secured state and federal grant funds for two Septic Elimination Projects, which will significantly reduce homeowners' costs to connect to public sewer. The District anticipates continuing to seek funding for SEP projects with the goal of eliminating septic systems in the urban area.

Performance Measures

Performance Objectives and Measures	Target	Actual 2021	Actual 2022	Actual 2023	Actual 2024	Planned 2025	Planned 2026
1) Establish the future direction of the District; its purpose and vision in support of its stakeholders' needs							
Percentage of annual District sponsored capital budget delivered (excludes developer projects)	80%	96%	66%	71%	40%	80%	80%
Actual to forecast ERU growth	90-110%	105%	101%	80%	78%	90-110%	90-110%
2) Communication that is open, honest and timely							
Percentage of utility reviews completed within 14 days	80%	86%	94%	93%	94%	85%	90%
Percentage of plan reviews completed within 14 days	95%	77%	95%	95%	95%	95%	95%

NA = data not available

Wastewater Operations Treatment

The Wastewater Operations Department is a combined effort of two (2) treatment facilities, the Ridgefield Treatment Plant and the Salmon Creek Treatment Plant. The treatment plants have twenty-two (22) full-time employees who control and monitor the primary operations of the plants 24 hours a day and provide these services:

- Ridgefield Treatment Plant Operations
- Salmon Creek Treatment Plant Operations

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Ridgefield Treatment Plant Operations. As of July 1, 2018, the District became the 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 (Ecology) and the U.S. Environmental Protection Agency (EPA), and sludge that is transferred to the Salmon Creek Wastewater Treatment Facility, and Three Rivers Regional Wastewater Facility for processing into Class' B' biosolids suitable for land application by Ecology and EPA standards. The treatment plant also utilizes the District Supervisory Control and Data Acquisition (SCADA) system for process monitoring and automated operations, which prevents the need for 24-hour per day staffing requirements. The plant maintenance programs are managed using a computerized Maintenance Management System (MMS).

Salmon Creek Treatment Plant Operations. As of July 1, 2022, the District became the Contract Operator of the Salmon Creek Treatment Plant. The treatment plant is a Conventional Activated Sludge plant, rated at 17.5 MGD, that receives average flows of roughly 9.0 MGD, or 9,000,000 gallons per day. Treatment plant processes are a combination of mechanical-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 and the U.S. EPA, and sludge that is processed into Class' B' biosolids suitable for land application by Ecology and EPA standards. The treatment plant also utilizes a SCADA system for process monitoring and automated operations, which prevents the need for 24-hour per day staffing requirements. Plant operations data is managed in Hach WIMS, an operational database that simplifies reporting. Plant maintenance programs are managed using a computerized Maintenance Management System (MMS).

Performance Measures

Performance Objectives and Measures	Target	Actual 2021	Actual 2022	Actual 2023	Actual 2024	Estimated 2025	Planned 2026
1) Responsible stewardship of public resources by protecting infrastructure to ensure system reliability							
Permit Compliance	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Effluent BOD	<30 mg/l	8.4	6.7	6.1	6.4	10	10
Effluent TSS	<30 mg/l	7.9	7.2	7.2	7.3	10	10
Total Ammonia	<18.7 mg/l	4.8	3.2	2.6	3.4	8	NA
Effluent Fecal Coliform	<200cl/100ml	40.3	31	18.6	20.5	30	50
Percentage removal of BOD	85%	97%	98%	98%	98%	97%	97%
Percentage removal of TSS	85%	97%	98%	98%	97%	97%	97%

NA = data not available

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Transmission & Treatment Engineering

The Transmission and Treatment Department is staffed by four (4) full-time employees who provide regulatory compliance, pretreatment, and engineering services for the Discovery Clean Water Alliance on behalf of the District. Services include, but are not limited to:

- Discovery Clean Water Alliance – Regulatory Compliance Program
- Discovery Clean Water Alliance – Engineering

Regulatory Compliance Program. The District oversees regulatory compliance for the Alliance's assets, supports treatment plant operations, and administers a fully delegated Industrial Pretreatment Program. Program responsibilities include permitting, business surveying, plan review, compliance monitoring and enforcement activities, and reporting in accordance with regulatory and permit requirements. The District also administers a Fats, Oils, and Grease (FOG) program for the Alliance as part of the Industrial Pretreatment Program.

Discovery Clean Water Alliance - Engineering. The District provides capital program management services for the Alliance. Capital program management support services include capital plan development, asset management, capital plan delivery, regional asset development review, regional asset wastewater volume and quality management, engineering support for operations, and other non-listed Engineering support services.

Performance Measures

Performance Objectives and Measures	Target	Actual 2021	Actual 2022	Actual 2023	Estimated 2024	Planned 2025	Planned 2026
1) Establish the future direction of the District; its purpose and vision in support of its stakeholders' needs							
Percentage of annual District sponsored capital budget delivered (excludes developer projects)	80%	96%	66%	71%	80%	81%	104%
2) Program meets or exceeds regulatory requirements							
Percentage of regulatory reports submitted on time	N/A	N/A	N/A	N/A	N/A	100%	
Percentage of industrial users in compliance with reporting requirements	N/A	N/A	N/A	N/A	N/A	100%	
Percentage of required pretreatment inspections and sampling completed	N/A	N/A	N/A	N/A	N/A	100%	
3) Responsible stewardship of public resources by protecting infrastructure to ensure system reliability							
Percentage of FOG Users monitored annually	N/A	N/A	N/A	N/A	N/A	95%	
Percentage of FOG Users in compliance	N/A	N/A	N/A	N/A	N/A	85%	

N/A = data not available

Construction Management

The Construction Management Department provides many services that support the District's day-to-day operations and the long-term stability of its core functionality with seven (7) exceptional full-time employees. The Construction Management Department includes:

- Construction
 - Program Manager – 1 FTE
 - Collections (1 – Construction Manager / 4 – Inspectors)
 - Alliance (1 – Construction Manager)

Construction. The District utilizes in-house inspection and Construction Managers to oversee and manage District Collections, Development, and Alliance construction projects. Construction Management of District projects involves complete turnkey delivery of projects from pre-bid services through closeout. These activities include, but are not limited to, administering construction contracts, managing contractors and consultants, procuring materials outside of construction contracts, establishing & managing communication, managing project costs and schedules, and coordinating with District Engineering and Operations staff, as needed.

Performance Measures

Performance Objectives and Measures	Target	Estimated 2023	Estimated 2024	Planned 2025	Planned 2026	Planned 2027
CONSTRUCTION (new stand-alone program)						
Deliver Capital / R&R Projects under Board-approved budget (projects greater than \$350k).	100%	100%	100%	100%	100%	100%
Deliver projects with no outstanding warranty issues or unresolved deficiencies.	85% - 100%	90%	90%	90%	100%	100%
Develop and oversee Construction Management Plan for future Alliance Projects	100%	100%	90%	75%	90%	100%

NA = data not available

Finance

The Finance department, with a staff of fourteen (14) dedicated, full-time employees, provides a wide range of services for the District. These services include, but are not limited to the following:

- Customer Service
- Permits
- Accounting

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- 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 maintaining the same quality of service for our customers that we would expect if we were customers. The District anticipates managing approximately 30,000 telephone calls, processing nearly 190,000 billing statements, and manually receipting over 5,500 payments. In addition, the District will continue to manage approximately 280 high-resource customers monthly.

Permits. In addition to utility billing and customer service responsibilities, the Finance department is responsible for issuing sewer permits. Finance is on track to issue close to 900 permits in 2025, down from approximately 1,450 in 2024.

Accounting. The department maintains the District's financial records in compliance with state and federal regulations. The District's financial statements are audited annually by the Washington State Auditor's Office (SAO) for adherence to Generally Accepted Accounting Principles (GAAP). For the last 43 years, SAO has had no findings to include in its Auditor's report. In addition to maintaining financial records and preparing audit statements, core accounting functions provided by Finance include payroll, accounts payable, project accounting, accounts receivable, contract receivables, budget preparation, and general ledger maintenance. Various reports, such as the Annual Comprehensive Financial Report, Board reports, management reports and other audit and bond compliance statements, are prepared monthly, semi-annually, and annually. The District has been awarded the Certificate of Achievement for Excellence in Financial Reporting for the last 37 years and strives to continue providing transparent, informative, and relevant financial information for District stakeholders.

Treasury Management. The primary responsibility and goal of the treasury function is to ensure the District's financial resources are safeguarded and the District's cash reserves are invested safely and prudently. To accomplish this, the District issues and/or defeasances of debt issuances 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 recording assessments, liens, and the satisfaction thereof.

Budget/Forecasting. The District utilizes a ten-year revenue and expense forecast and the assumptions used in preparing the forecast to ensure adequate revenues are available for necessary operational and capital expenditures. The budget is a piece of the ten-year forecast in that it is developed from compiled information and the anticipated 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

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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 through multiple work sessions for review and adoption as the final step in December.

The District's evaluation of current revenue forecasts necessary to adequately fund future capital and R&R needs and keep pace with increased costs for operational activities indicates that the 2026 base rates will increase by \$1.50 per month. The District's base rates remain more affordable and stable than those of other providers in Clark County and across Western Washington. Throughout the nine-year period from 2016 to 2025, other regional providers raised their rates on average by \$20.00+ per month, whereas the District raised its base rate a total of \$8.50 per month. This reflects 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 Award for its 2025 Adopted Budget. This award is the highest recognition in fiscal planning and budgeting nationwide. The District has been awarded the Distinguished Budget Award for the last 10 years and strives to continue providing transparent, informative, and relevant financial information for District stakeholders.

Discovery Clean Water Alliance. In conjunction with its partners (Clark County and the Cities of Battle Ground and Ridgefield), the District formed the Discovery Clean Water Alliance under the Joint Municipal Utility Services Act statute in January 2013. The District provides Administrative Lead services for the 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 Comprehensive Financial Report, Annual Comprehensive Financial Report 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.

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Performance Measures

Performance Objectives and Measures	Target	Actual 2021	Actual 2022	Actual 2023	Actual 2024	Planned 2025	Planned 2026
1) Responsible stewardship of public funds and fiscal accountability to the public							
The District Annual Comprehensive Financial Report (ACFR) receives an Unqualified Opinion from the Washington State Auditor's Office	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Government Finance Officer Association (GFOA) Certificate of Achievement of Excellence in Financial Reporting awarded to the District	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Percentage of Operating Budget Over/Under spent	+/- 5.0%	-0.5%	1.9%	-0.5%	-3.4%	0.0%	0.0%
2) Transparent communication with stakeholders regarding objectives, goals, and planned spending							
The Government Finance Officer Association (GFOA) Distinguished Budget awarded to the District	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Administration/Business Services

The Administration/Business Services department, with a staff of fourteen (14) full-time employees, is responsible for administering and managing the overall affairs of the District, including Human Resources, Facilities, Health and Safety, and IT services, and providing executive support to the District Board of Commissioners. The General Manager leads the department and includes the Board Clerk/Executive Assistant, Business Services Director, Policy & Program Development Director, IT Services Manager, HR Manager, HR Specialist, Safety & Health Coordinator, Facilities/IT Technician, Administrative Services Supervisor, and four (4) Administrative Assistant support staff. The department's core functions include:

- District Management
- Support to the Board of Commissioners
- APWA Accreditation
- Discovery Clean Water Alliance
- Public Records
- Human Resources
- Succession Planning
- IT Services Management
- Health and Safety
- Facility Maintenance
- Risk Management

District Management. The Administration/Business Services department is active in all general management practices and oversees all District services and activities. Administrative staff administer and maintain 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, the Administration department consistently provides public involvement and outreach activities, along with the development and implementation of key documents, presentations, and initiatives.

Board of Commissioners (Board). Board support is provided by the Board Clerk/Executive Assistant to ensure compliance with all applicable laws and regulations governing open public meetings and to ensure effective and efficient due process for all individuals, organizations, and businesses that seek to appear before the Board at its regularly scheduled meetings.

APWA Accreditation. The Board Clerk/Executive Assistant, with support from Administrative staff, is instrumental in facilitating the APWA Accreditation process. Initially accredited in 2005 and re-accredited in 2009, 2015, 2020, and 2023, the District is the first Special Purpose Government to carry the APWA Accreditation in North America. The accreditation process provides a means to formally verify and recognize public works agencies for compliance with the recommended practices outlined in the Public Works Management Practices Manual. The accreditation process is entirely voluntary.

Discovery Clean Wastewater Alliance. In conjunction with its partners (Clark County and the Cities of Battle Ground and Ridgefield), the District formed the Discovery Clean Water Alliance (Alliance) under the Joint Municipal Utility Services Act statute in January 2013. The General Manager, Administrative Supervisor, and Administrative staff also provide support to the Alliance Board of Directors. These responsibilities include executive and administrative services, such as agency coordination, serving as the Board clerk, public outreach, and oversight of the operational committees. The District is also responsible for coordinating with the Alliance's legal counsel under contract and for overseeing the development of the complete administrative framework.

Public Records. The Board Clerk/Executive Assistant serves as the District Public Records Officer. Within five business days of receipt of a request, the Public Records Officer will acknowledge and fulfill or provide a reasonable plan for fulfilling the request.

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, dental, and vision coverage, paid sick leave, paid

vacation, life insurance, medical and dependent care spending accounts, and short- and long-term disability options. The Board of Commissioners has approved an annual market rate adjustment of 3.0% for all pay grades for the 2026 budget cycle. In addition to the market-rate adjustment by pay grade each year, employees are eligible to receive a 3.0% increase in pay upon a successful performance evaluation. Employees already at the top of their salary range can receive an additional 1.5% on their anniversary date for extraordinary performance.

Succession Planning. A priority of Human Resources 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 on career development for 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 District IT Services will support all departments' IT needs, ranging from basic desktop support to the implementation and maintenance of IT applications and processes, to IT security, and up to developing and implementing an IT strategy that aligns with the District's mission statement and goals.

Health and Safety. Development and implementation of District Health and Safety Programs and procedures in accordance with Washington State Department of Labor & Industries (L&I) and Occupational Safety and Health Administration (OSHA) standards. Responsible for driving performance improvement and strengthening the safety culture of the District. Identify systemic Environmental, Health & Safety (EHS) gaps, develop corrective measures, and implement solutions necessary to sustain compliance with governing standards and District programs. Provide day-to-day oversight of the overall health and safety program and responsible for ensuring all District staff are up to date on all necessary training. Works closely with Human Resources and Risk Management to support those endeavors.

Facility Maintenance. The District's campus serves as the headquarters for the District's administrative and maintenance activities. The Facilities team manages facilities maintenance for the District Campus and District Pump Stations. This program also assists the Discovery Clean Water Alliance with maintenance of Alliance Regional Assets. This group oversees janitorial, landscaping, HVAC, general building, and utility service contracts. General daily maintenance and upgrade/improvement projects are performed in addition to a variety of other facilities maintenance tasks performed by the in-house IT/Facilities Technician.

Risk Management (RM). The Business Services Director is responsible for risk management. This includes ensuring compliance with all applicable laws, ordinances, policies, and guidelines impacting the District. Also included are the administration of risk management program activities,

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including general liability insurance and claims processing, risk assessment, and mitigation strategies

Performance Measures

Performance Objectives and Measures	Target	Actual 2021	Actual 2022	Actual 2023	Actual 2024	Estimated 2025	Planned 2026
1) Open and timely communication with Stakeholders							
Percentage of public records requests responded to within five (5) business days	100%	100%	100%	100%	100%	100%	100%
Percentage of District Board meeting minutes available online to the public within 72 hours of Board adoption	100%	100%	100%	100%	100%	100%	100%
2) Operating policies and procedures meet national industry standards							
American Public Works Association (APWA) accredited agency	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3) Professional and motivated workforce							
Percentage of new hires getting a favorable performance rating	100.0%	100.0%	100.0%	100.0%	99.0%	100.0%	100%
Percentage of employees obtaining a "successful" or higher performance rating	> 95.0%	97.0%	96.7%	> 95.0%	> 96.5%	> 95.0%	> 95.0%
Employee turnover rate	< 10.0%	8.4%	6.2%	< 10.0%	< 10.0%	< 10.0%	< 10.0%
4) Responsible stewardship of public resources through IT security awareness							
Employee phishing test pass rate	> 98.0%	98.6%	97.6%	> 99.0%	> 98.0%	> 99.0%	> 99.0%
5) Health and Safety							
Zero lost-time incidents for all District employees	0	NA	NA	2	0	1	0
Provide necessary Safety training too all field and office staff.	85% - 100%	NA	NA	50%	75%	90%	95%
6) Facilities							
Maintain critical mechanical / electrical assets with high level monitoring & implementation program.	90%	NA	NA	75%	85%	95%	95%
Deliver program projects as scheduled and under budget.	80%	NA	NA	50%	65%	80%	80%

NA = data not available

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 01, 2025

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 providing 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.

Safe and healthy workplace for all employees

Employees who are talented and motivated professionals that work together in a spirit of cooperation and with respect for all individuals

Responsibility, integrity and fairness in managing the environmental and financial resources entrusted to the District

Valued partner involved and active within our community

Innovation and learning, creating an environment of personal and professional growth

Communication that is active, open, honest and timely

Efficient and effective solutions that meet the needs of our customers and our community

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. 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.

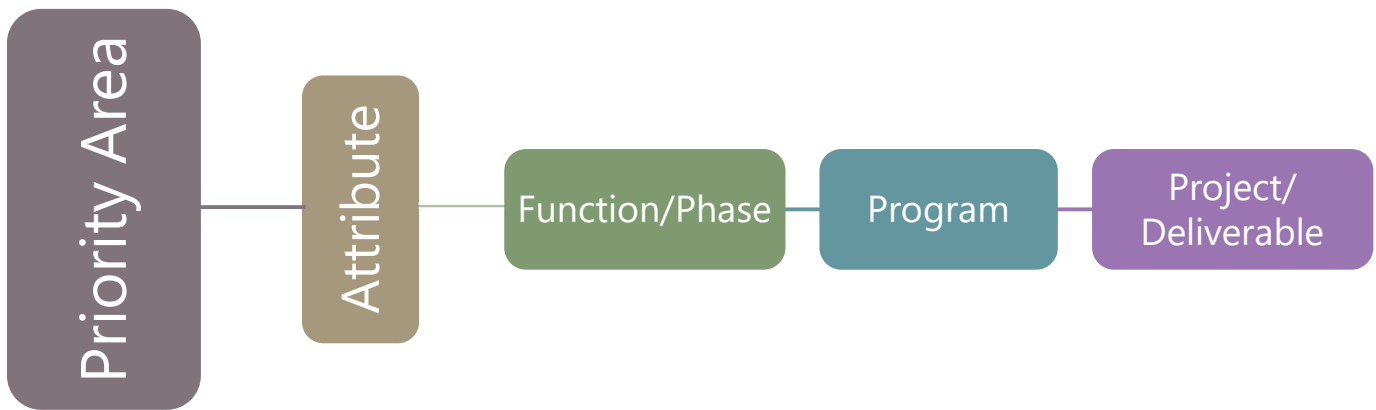
Fiscal Year 2026 Goals and Objectives

Goal Structure

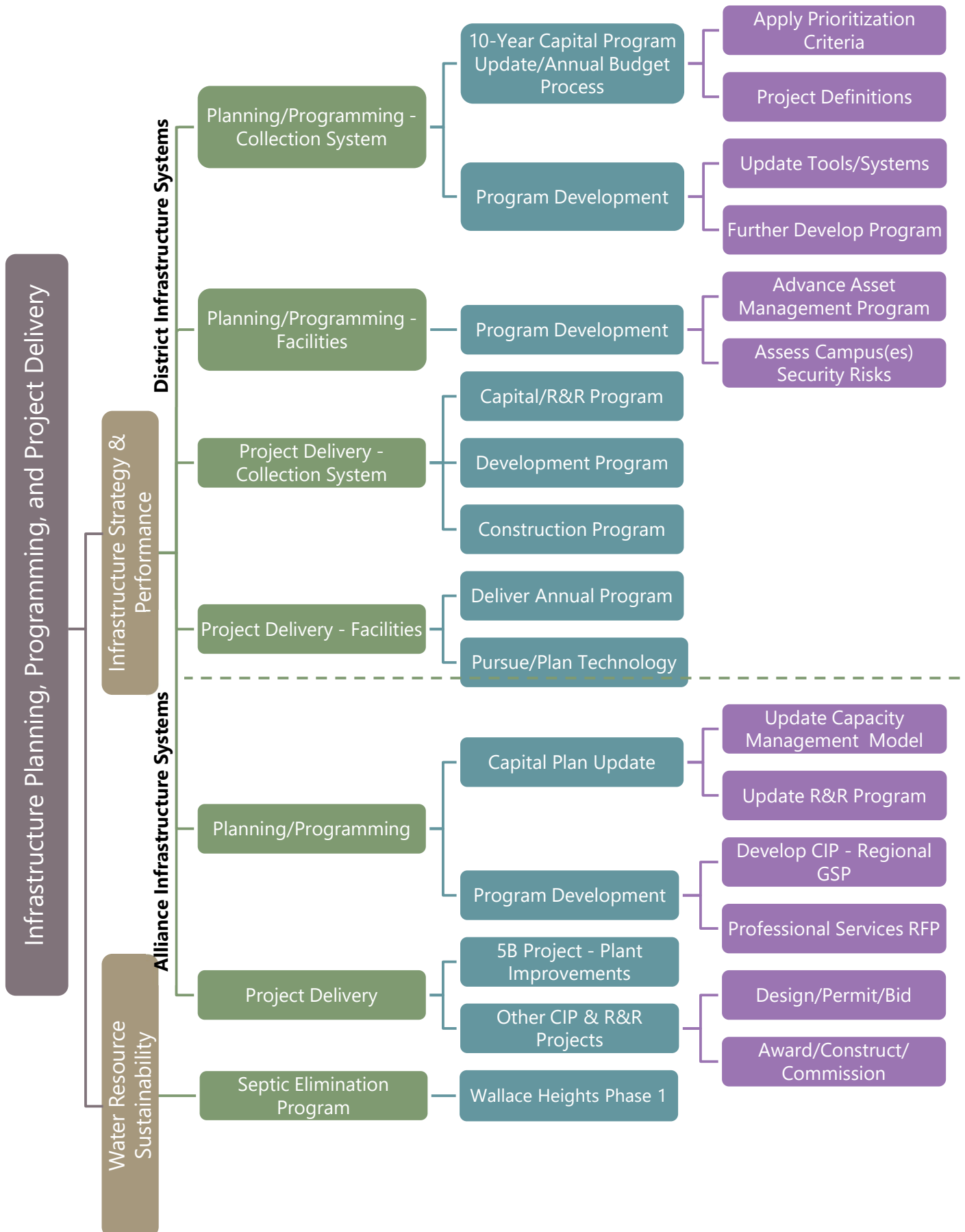
Annually, organizational goals are developed to guide the District forward. The goals are categorized within each of the five (5) strategic planning objective areas and the ten (10) attributes of effectively managed utilities. For any one year, the emphasis may lie more heavily on one of the particular 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 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 partnership objectives, with a significant external focus. This has resulted in important long-term benefits 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 2026, 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.



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District Infrastructure Capital Program - \$19,649,455

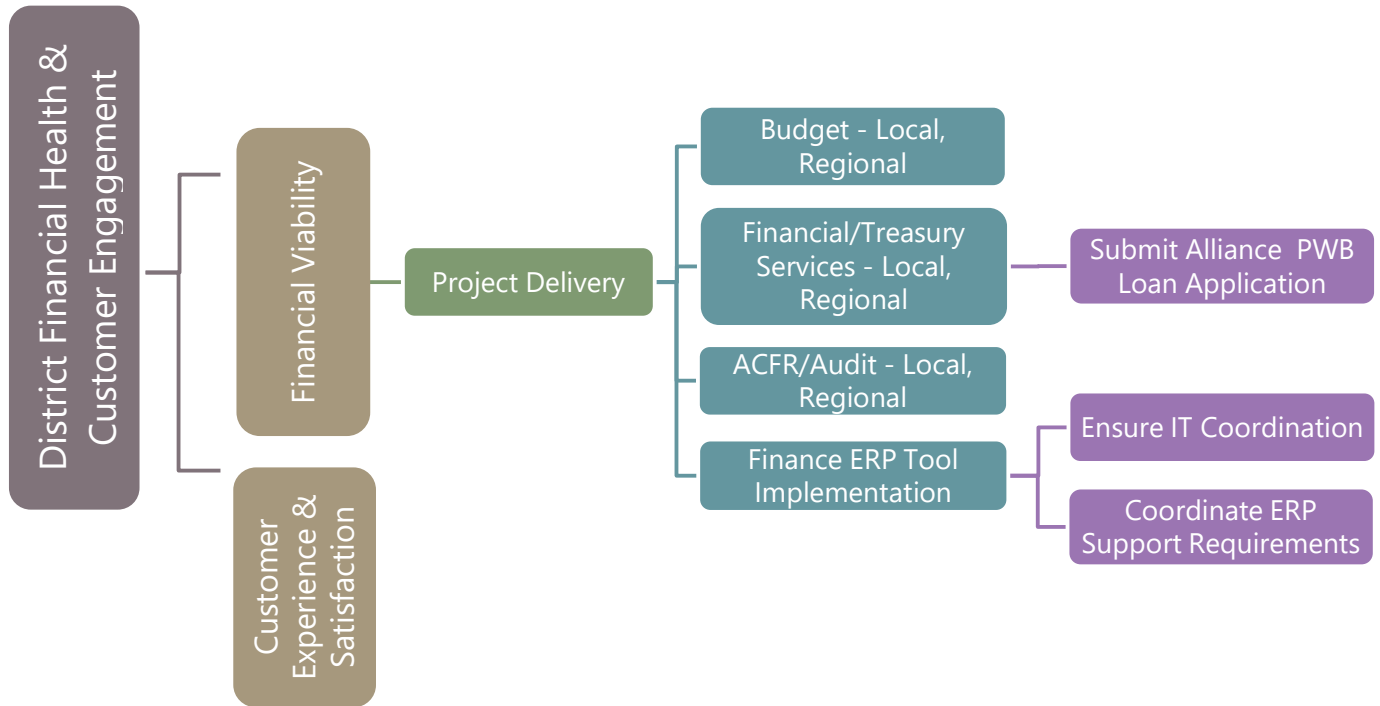
Discussion. District Capital Planning is a two-part process initiated with long-range basin planning and followed by sub-basin planning. Long-range basin planning is performed to develop a 20-year General Sewer Plan (GSP) to address the infrastructure needs to support urban incorporation by the County. District Engineering staff prepare a 10-year Capital Program that is updated annually in conjunction with the budget process.

Budget Implications. The District Capital Program does not have any Operating budget implications.

Budget impacts for 2026 include:

DESCRIPTION	ACCOUNT	EXPENSE CATEGORY	BUDGET IMPACT
Central Service Area	CIP	Capital Expenditures	\$ 11,925,500
Ridgefield Service Area	CIP	Capital Expenditures	3,026,000
Central Service Area	R&R	Capital Expenditures	2,681,750
Ridgefield Service Area	R&R	Capital Expenditures	68,000
Fleet & Facilities	R&R	Capital Expenditures	1,948,205

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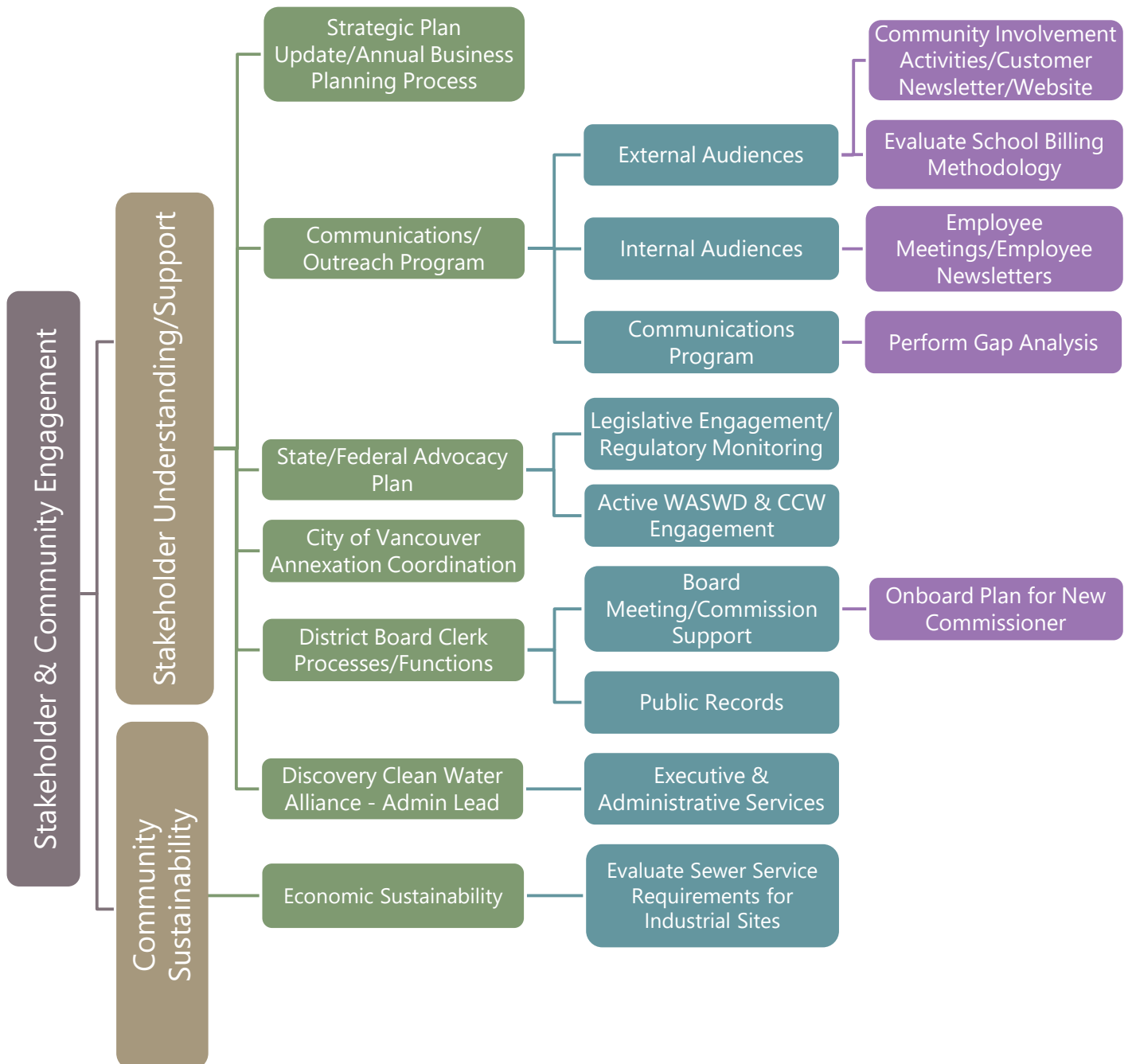


Enterprise Resource Planning (ERP) System Implementation - \$636,000

Discussion. The District's 2026 financial viability initiative includes the implementation of an Enterprise Resource Planning (ERP) system that will create efficiencies and improve program effectiveness in all areas related to financial management. The current financial reporting software provider has indicated that the on-premises solution that the District currently utilizes will eventually no longer be supported and is encouraging clients to migrate to their cloud solution. In 2026, the District plans to begin implementation of the new system.

Budget Implications. Budget impacts for 2026 include:

DESCRIPTION	ACCOUNT	EXPENSE CATEGORY	BUDGET IMPACT
Overtime	O&M	Salaries & Benefits	\$ 25,000
Software Licensing Fees	O&M	IT Hardware / Software	105,000
Project Support - GIS Integration	O&M	Professional Services - Consultant	40,000
Project Support - Finance	O&M	Professional Services - Consultant	40,000
Implementation Costs	CIP	Capital Expenditures	426,000



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Discovery Clean Water Alliance (Administrative Lead) - \$1,780,300

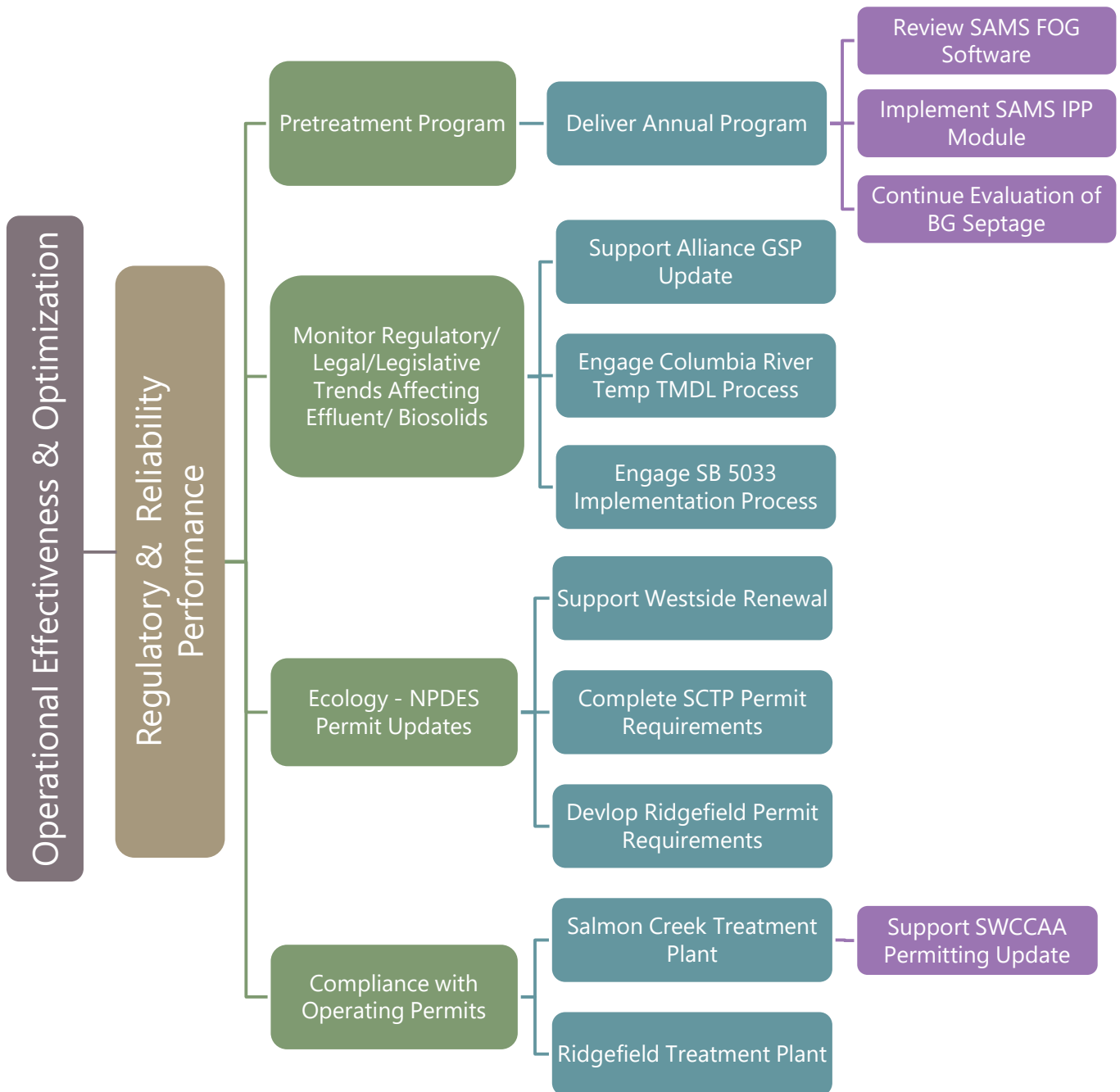
Discussion. This goal encapsulates the District's continued participation and leadership in the administration of the Discovery Clean Water Alliance (Alliance). The District operates as the Administrative Lead via contract with the Alliance Board of Directors. These lead services include capital program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

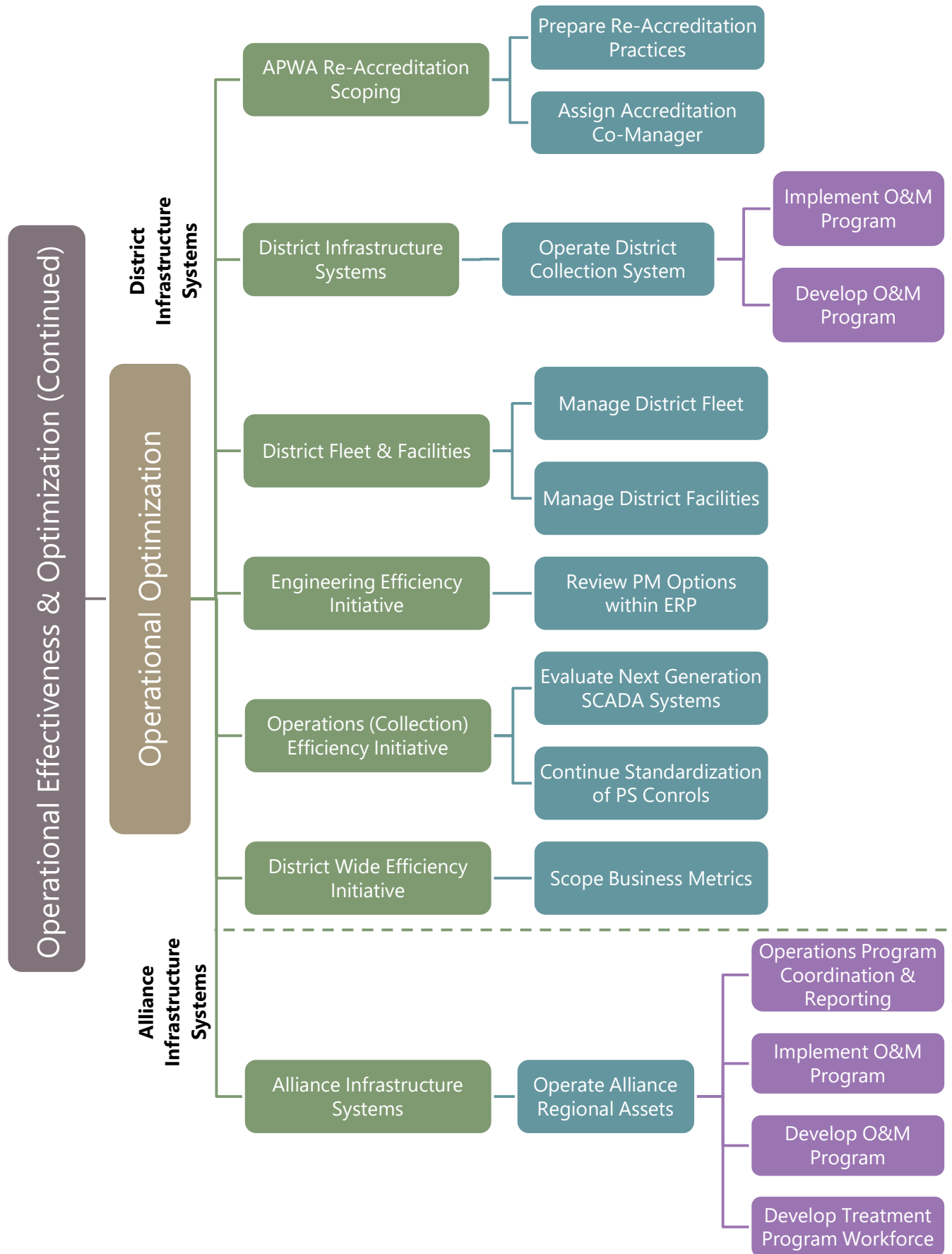
Budget Implications. For FY 2026, the District will be providing the following major services for the Alliance that impact the District budget:

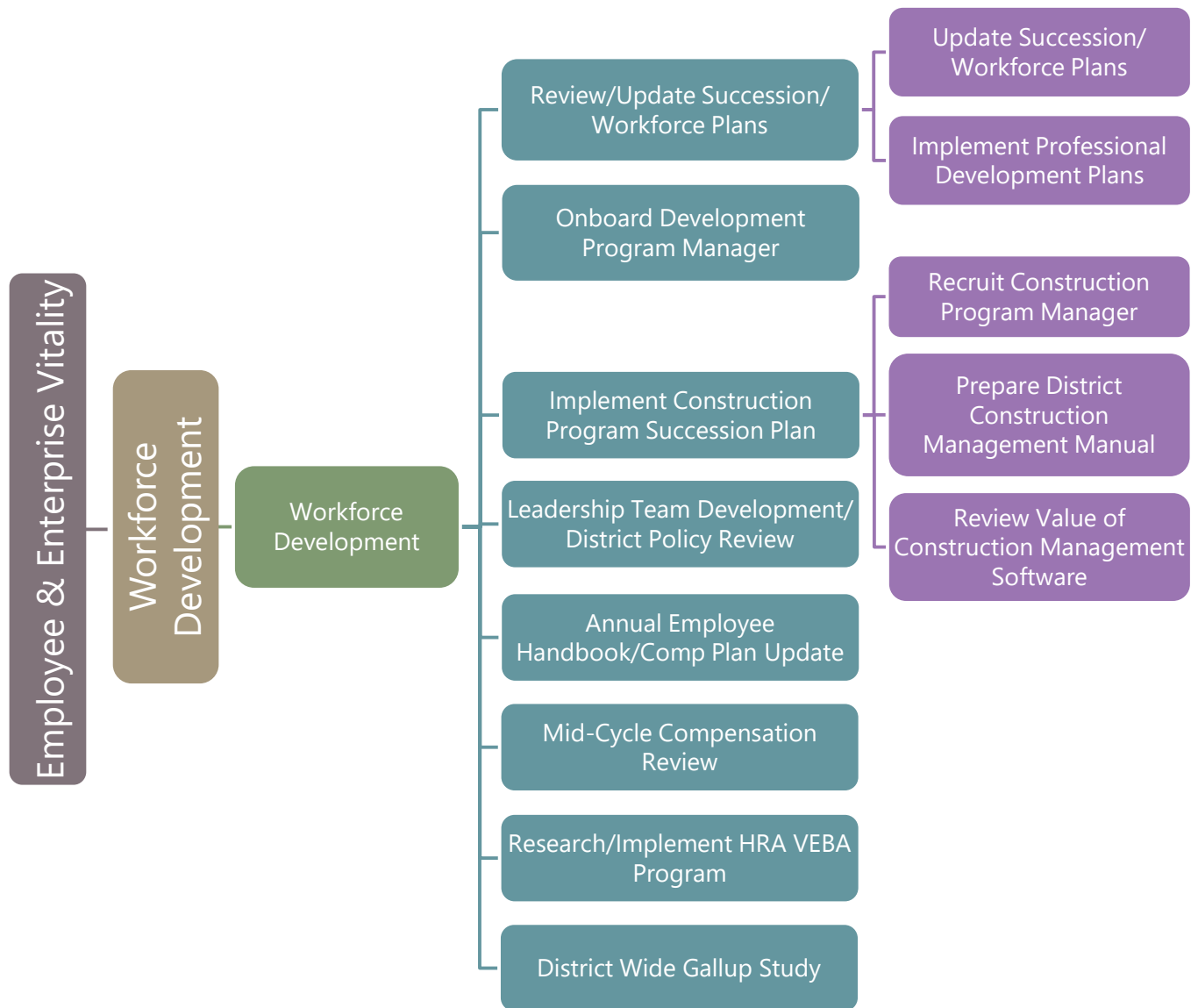
- Capital Program Support and Regulatory Compliance Management.
- Financial and Treasury Services will provide preparation of the Annual Comprehensive Financial Report (ACFR), budget monitoring and reporting.

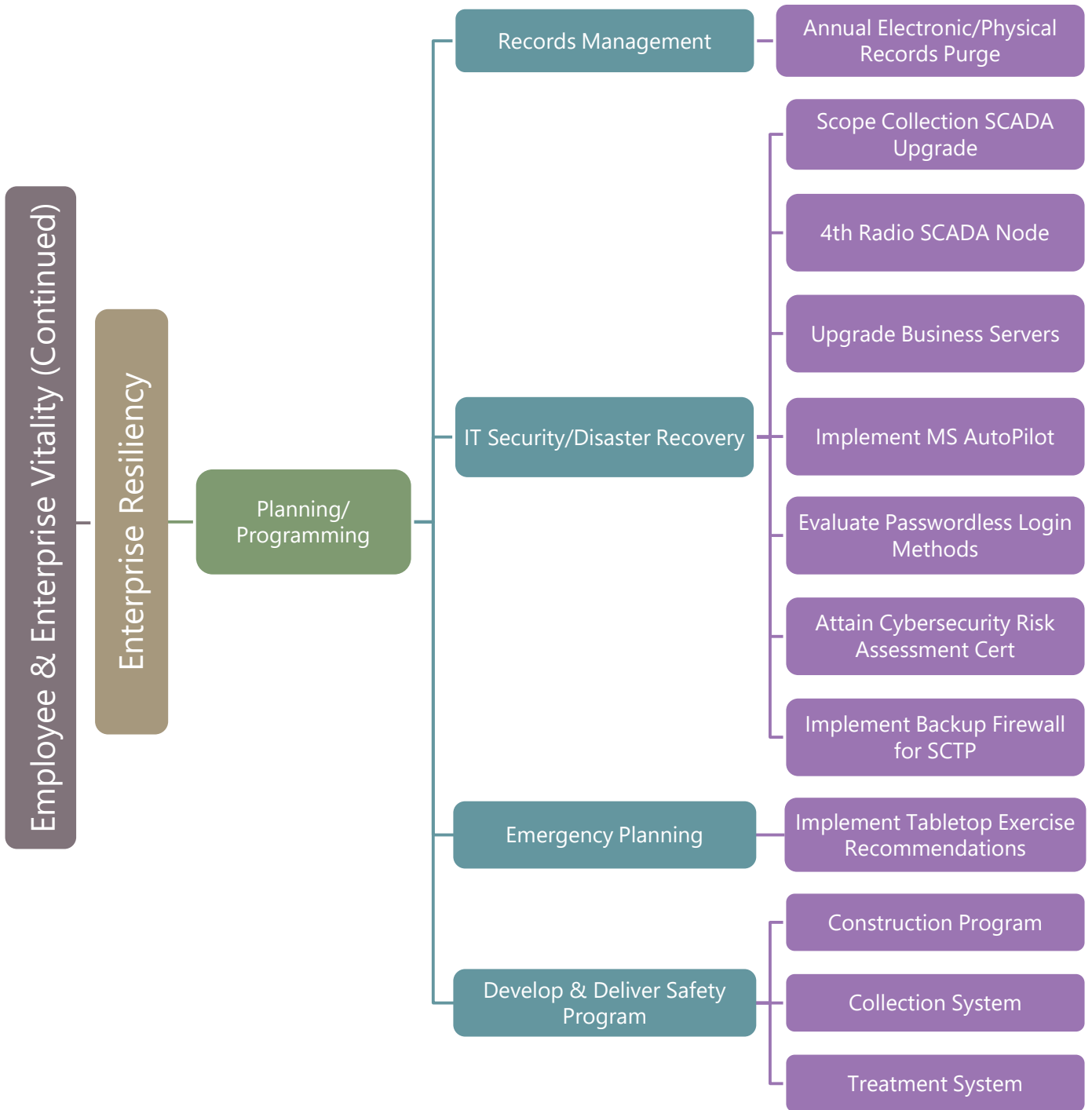
Budget impacts for 2026 include:

DESCRIPTION	ACCOUNT	EXPENSE CATEGORY	BUDGET IMPACT
Personnel Costs	O&M	Salaries & Benefits	\$ 1,216,500
Professional Services	O&M	Other - Regional Asset Expense	557,000
Other	O&M	Other - Regional Asset Expense	6,800









Workforce Development – Mid-Cycle Compensation Study - \$25,000

Discussion. The District seeks to update its compensation and benefits study to maintain total rewards alignment with prevailing market conditions (external equity) and enhance its ability to attract, retain, and motivate highly qualified employees. Accordingly, the District performs compensation studies every 4 years, with abbreviated mid-cycle studies at the midpoint of full study. A mid-cycle compensation study will be conducted with engagement from the employee committee and the management team.

Objectives of the study:

- Ensure salary ranges for select positions reflect relative organizational value/risk, complexity, supervisory responsibilities, and educational/competency requirements (internal equity).
- Provide specific recommendations regarding appropriate modifications to the District's compensation and benefits policies, practices and offerings to accurately reflect prevailing market conditions consistent with the District's mission, vision, and values.

Budget Implications. Budget impacts for 2026 include:

DESCRIPTION	ACCOUNT	EXPENSE CATEGORY	BUDGET IMPACT
Project Support	O&M	Professional Services - Compensation	\$ 25,000

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 an entity's planned financial operations 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 ten-year revenue and expenditure forecast. The District's Finance department is responsible for preparing the annual budget and ten-year forecast with significant input and direction from the six 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, it critically examines past spending patterns to budget for future expenditures. The District maintains long-term equipment and infrastructure replacement schedules. This helps stabilize costs, avoid unexpected expenses, and prevent deterioration of District equipment and infrastructure, which are imperative to providing the services needed to maintain a healthy community.

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:

	BUDGET ACCOUNTING	FINANCIAL REPORTING
Transaction	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 sources, 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 regularly monitors account activity and presents a semi-annual budget-to-actual financial report to the Board on a modified accrual basis to ensure expenditures do not exceed the adopted budget.

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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 any restricted assets, and it complies with bond covenants and other District resolutions. In 2026, 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)

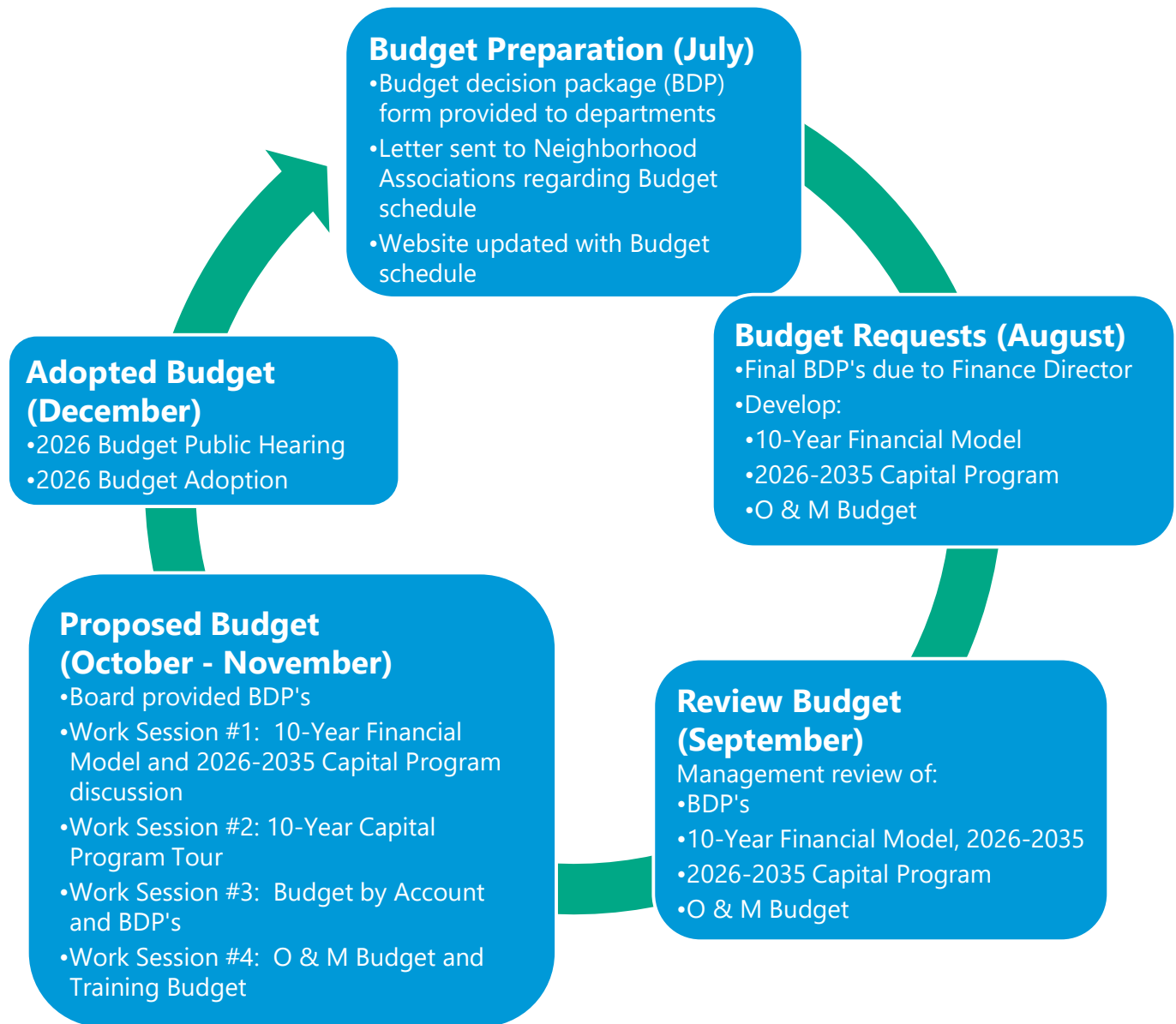
The nature of the operations of an enterprise fund is financed and accounted for, so the demand for services determines the appropriate level of resources to be applied. Increased demand for sewer services causes a higher level of resources to be applied and determines the rates used to recover that level of service. Thus, as in private sector accounting, flexible budgets are typically better for enterprise funds for planning, control, and evaluation purposes than 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's service areas and customer base continue to grow, so does the requirement to manage sound debt practices and fiscal policies. 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 to avoid accumulating an unmanageable liability.

The District must continue its prudent financial management by establishing sound fiscal policies, including reviewing 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. 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 annually.

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
Pre-Funded Debt Service	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

2026 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	
BEGINNING BALANCES	\$ 27,882,138	\$ 2,192,950	\$ 28,054	\$ 909,223	\$ 2,528,917	\$ 6,832,913	\$ 19,672,428	\$ 60,046,623
SOURCES								
Rates	32,726,634	-	-	-	-	-	-	32,726,634
Senior Low-Income Discount Program	(33,863)	-	-	-	-	-	-	(33,863)
SDC Connection Fees	-	-	-	-	-	-	12,325,253	12,325,253
LFC Reimbursements	-	-	-	-	-	-	200,000	200,000
Investment Interest	1,115,286	87,718	1,122	36,369	101,157	273,317	786,897	2,401,866
Intergovernmental Revenues	8,488,430	-	-	-	-	-	-	8,488,430
Other Miscellaneous Revenue	1,046,000	-	-	-	-	-	-	1,046,000
Debt Proceeds / Grant Funding	-	-	-	-	-	-	9,734,550	9,734,550
Subtotal Sources	43,342,487	87,718	1,122	36,369	101,157	273,317	23,046,700	66,888,870
TRANSFERS								
Transfer Debt Service	(1,727,830)	-	-	2,540,695	-	-	(812,865)	-
Transfer Debt Service Reserve	89,379	-	-	-	(89,379)	-	-	-
Transfer B&O Tax	215,692	-	-	-	-	-	(215,692)	-
Transfer Existing Assets R & R	(4,716,934)	-	-	-	-	4,716,934	-	-
Transfer Unemployment Reserve	(776)	-	776	-	-	-	-	-
Transfer Alliance Reserves	922,871	(922,871)	-	-	-	-	-	-
Subtotal Transfers	(5,217,598)	(922,871)	776	2,540,695	(89,379)	4,716,934	(1,028,557)	-
USES								
Debt Service	-	-	-	(2,540,695)	-	-	-	(2,540,695)
Operating Expenses	(44,634,671)	-	-	-	-	-	-	(44,634,671)
Capital Construction Costs / Purchases						(4,697,955)	(14,951,500)	(19,649,455)
Subtotal Uses	(44,634,671)	-	-	(2,540,695)	-	(4,697,955)	(14,951,500)	(66,824,821)
ENDING BALANCES	\$ 21,372,356	\$ 1,357,797	\$ 29,952	\$ 945,592	\$ 2,540,695	\$ 7,125,209	\$ 26,739,071	\$ 60,110,672

Operations and Maintenance Account

The Operations and Maintenance (O & M) account supports the ongoing financial needs required to ensure the efficient delivery of the District's essential services. The District's policy for account reserves is to maintain a minimum of 150 days of current year budgeted operating expenses. For Fiscal Year 2026, this is approximately \$18.6 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 \$48.00 per Equivalent Residential Unit (ERU) per month for wastewater services, an increase of \$1.50 over 2025 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 2026, this is \$8.00 per ERU per month, representing a \$0.60 decrease from the \$8.60 charged in 2025 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 25.9%, 10.0%, and 37.1% of the budget, respectively. O & M expenses in the aggregate will see a 3.2% increase over 2025 levels. This increase is primarily due to one-time and recurring costs associated with the new ERP Implementation project.

Transfers

Utility rates also provide funding to the R&R account to maintain the \$7.1 million funding reserve limit, the Debt Service account for annual PWB loans and debt service payments, Debt Service Reserves, and Unemployment Reserve accounts to maintain the required funding level per District policy.

2026 Clark Regional Wastewater District Adopted Budget

2026 Operations and Maintenance Account Revenue Forecast

OPERATIONS & MAINTENANCE	2022 ACTUAL	2023 ACTUAL	2024 ACTUAL	2025 BUDGET	2026 BUDGET
BEGINNING ACCOUNT BALANCE	\$ 19,296,224	\$ 16,051,496	\$ 15,413,912	\$ 31,337,894	\$ 27,882,138
<u>SOURCES</u>					
Operating Revenue					
Charges for Services	23,129,354	28,605,163	33,371,831	31,323,847	32,726,634
Senior Low-Income Discount Program	(35,792)	(37,335)	(37,335)	(33,863)	(33,863)
Intergovernmental Revenues	4,207,338	4,460,658	7,376,807	9,230,742	8,488,430
Penalties	195,709	191,200	202,669	126,000	200,000
Permit Fees	116,710	131,035	107,160	90,000	100,000
DEA Fees	150,149	115,426	108,280	51,000	121,000
Ridgefield City Operating Fee	359,907	382,746	406,344	425,000	460,000
Vancouver City Interlocal Fee	45,751	48,118	49,373	50,000	55,000
Battle Ground Excise Tax	11,809	12,238	12,588	12,000	15,000
Other Miscellaneous Revenue	3,970,162	642,496	10,673	75,649	95,000
Total Operating Revenue	32,151,097	34,551,745	41,608,390	41,350,375	42,227,201
Non-Operating Revenue					
Transfer from New Assets CIP Account (B&O Taxes)	154,880	193,944	250,932	236,516	215,692
Investment Interest*	(237,322)	570,770	320,083	1,566,894	1,115,286
Transfer from Alliance Reserves	-	3,347,234	120,725	111,800	922,871
Transfer from Debt Service Reserve Account	28,190	28,870	124,022	(333,348)	89,379
Transfer from Unemployment Reserve Account	-	-	1,429	-	-
Transfer from New Assets CIP Account	-	-	481,109	-	-
Total Non-Operating Revenue	(54,252)	4,140,818	1,298,300	1,581,862	2,343,228
<u>USES</u>					
Operating Expenses	(29,053,463)	(40,331,998)	(39,449,581)	(43,230,836)	(44,634,671)
Transfer to Existing Assets R&R Account	(3,258,415)	(2,438,967)	(5,766,190)	(3,669,354)	(4,716,934)
Transfer to Unemployment Reserve Account	(3,409)	(1,578)	-	(781)	(776)
Transfer to Alliance Reserves	(1,709,798)	-	-	-	-
Transfer to Debt Service Account	(1,288,360)	(1,017,214)	(1,650,854)	(1,715,427)	(1,727,830)
Transfer to Debt Service Reserve Account	-	-	-	-	-
Transfer to New Assets CIP Account	-	4,459,610	-	-	-
Total Operating Uses	(35,313,445)	(39,330,147)	(46,866,625)	(48,616,398)	(51,080,211)
ENDING ACCOUNT BALANCE	\$ 16,079,624	\$ 15,413,912	\$ 11,453,977	\$ 25,653,733	\$ 21,372,356

*Investment interest includes interest received and unrealized gains and losses from changes in the fair market value of investments

2026 Clark Regional Wastewater District Adopted Budget

II. 2026 Operations and Maintenance Account Expenditure Forecast

OPERATIONS & MAINTENANCE	2022	2023	2024	2025	2026	2025/2026
OPERATING EXPENSE DETAILS	ACTUALS	ACTUALS	ACTUALS	BUDGET	BUDGET	BUDGET CHANGE
Salaries & Wages						
Business Services	1,268,186	1,436,737	1,951,456	1,702,224	1,792,010	
Construction/Engineering	1,945,504	2,339,961	2,045,638	2,719,332	2,667,380	
Finance	967,017	1,025,053	1,059,109	1,268,494	1,384,324	
Operations	1,847,871	1,864,781	2,240,870	2,835,514	3,197,256	
Treatment Plant Operations	436,071	2,872,345	3,039,571	2,349,137	2,475,061	
Commissioners	37,958	36,456	32,357	54,768	54,768	
Total Salaries & Wages	6,502,607	9,575,333	10,369,001	10,929,469	11,570,799	5.9%
Employee Benefits						
Pension	265,467	922,249	885,706	833,896	824,092	
Health Insurance / LTD	1,663,627	2,197,717	2,326,492	2,588,530	2,591,268	
Uniforms / Incentives / Other	170,641	186,311	528,492	41,045	43,866	
Social Security / Medicare	545,401	698,562	749,523	786,297	885,166	
Labor and Industries	793	45,288	60,915	67,450	68,637	
Washington Paid Family Medical Leave	11,528	20,167	19,620	21,847	28,162	
Total Employee Benefits	2,657,457	4,070,294	4,570,748	4,339,065	4,441,191	2.4%
Supplies						
Materials / Supplies - Collection System	168,043	504,977	563,527	199,500	177,500	
Materials / Supplies - Pump Stations	214,523	174,215	142,428	472,000	519,000	
Office Supplies - General	169,780	101,432	107,143	198,223	130,800	
IT Hardware / Software	319,017	66,024	149,182	701,900	874,297	
Maintenance & Facilities Supplies	41,263	72,781	66,446	30,000	40,000	
Small Equipment / Tools - Maintenance	134,955	341,312	164,782	238,000	183,500	
Transportation Expense - Fuel /Repair/Maint.	110,583	110,367	98,681	130,000	140,000	
Safety Supplies	67,794	81,668	50,350	67,180	68,450	
Total Supplies	1,225,958	1,452,776	1,342,539	2,036,803	2,133,547	4.7%
Professional Services						
Professional Services - Alliance	18,112	1,005,664	942,520	541,500	557,000	
Professional Services - Eng. / Operations	224,250	205,239	329,209	280,000	408,000	
Professional Services - Pretreatment	4,219	-	-	-	-	
Professional Services - Auditor	33,875	48,082	54,136	52,000	75,000	
Professional Services - Legal	123,087	138,427	190,636	197,500	211,150	
Professional Services - HR/Compensation	11,027	10,795	74,366	20,000	25,000	
Professional Services - Communications	19,084	24,574	56,794	60,000	50,000	
Professional Services - Computer / IT	3,075	30,057	12,345	15,288	16,000	
Professional Services - Consultant / Advocacy	142,275	19,988	90,134	96,920	111,100	
Professional Services - Temporary	15,004	48,899	58,014	202,240	91,269	
Total Professional Services	594,008	1,531,725	1,808,154	1,465,448	1,544,519	5.4%
Contractual Services						
Contract Services - Finance	-	95,388	307,407	165,500	232,000	
Contract Services - Operations	9,572	11,151	19,068	15,000	19,000	
Contract Equipment Rental	1,722	148,295	29,727	10,000	12,000	
Contract Service - Maintenance / Repair Lines	82,183	138,637	92,966	150,000	150,000	
Contract Service - Equipment	574	11,302	15,823	125,000	125,000	
Contract Service - Vehicles	97,248	87,797	87,275	110,000	120,000	
Contract Service - Office / Bldg. Equip.	365,977	371,346	340,004	412,291	415,350	
Contract Service - Benefits	-	-	-	2,500	1,100	
Total Contract Services	557,276	863,916	892,270	990,291	1,074,450	8.5%
Other Expenses						
Insurance - Pool	264,360	319,974	586,716	673,900	707,595	
Education / Travel	135,304	185,741	162,199	332,398	400,149	
Dues / Memberships / Subscriptions	92,172	66,731	92,009	76,110	82,525	
Postage	99,964	103,734	12,395	114,600	14,500	
Telephone / Web Services	165,300	499,194	495,414	224,800	242,700	
Utilities - Pump Stations / Admin / Shop	232,998	220,436	248,041	269,984	273,125	
Damage Claims	5,952	6,134	22,913	25,000	25,000	
Advertising	12,869	20,501	30,901	12,500	21,500	
Public Relations	10,332	-	-	9,500	5,000	
Miscellaneous General Administration	303,369	600,566	813,346	449,465	443,975	
Ridgefield City Operating Fee	370,303	382,062	434,071	425,000	460,000	
City of Vancouver Interlocal Fee	43,256	50,902	49,489	50,000	55,000	
Battle Ground Excise Tax	11,413	12,576	12,128	12,000	15,000	
Business & Occupation (B&O) Taxes	1,240,507	729,997	791,718	780,000	870,000	
Alliance Insurance / Utilities / Public Rel. / Misc.	422,048	-	1,587	16,800	13,800	
Regional Asset Expenses	1,970,792	1,554,453	1,686,301	3,350,486	3,634,696	
Government Services / Impact Fees	31,333	71,868	19,965	90,000	45,000	
Total Other Expenses	5,412,272	4,824,869	5,459,193	6,912,543	7,309,565	5.7%
Treatment Costs						
Sewage Treatment - Alliance	11,541,456	14,364,069	14,364,069	15,925,447	15,925,447	
Sewage Treatment - Vancouver	493,524	576,642	559,394	546,770	545,153	
Sewage Treatment - Battle Ground	68,907	76,557	84,213	85,000	90,000	
Total Treatment Costs	12,103,887	15,017,268	15,007,676	16,557,217	16,560,600	0.0%
TOTAL OPERATING EXPENSES	\$ 29,053,465	\$ 37,336,181	\$ 39,449,581	\$ 43,230,836	\$ 44,634,671	3.2%

III. Budget Narrative – Operations and Maintenance Account

Revenues

Charges for Services: \$32,692,771

Charges for Services are reported here, net of reduced rates associated with the District's Senior Low-Income Discount Program. The 2026 budget reflects a forecast of 1,260 new ERUs 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 2026, the District's customer base will increase to approximately 42,500 accounts, serving an estimated 58,090 ERUs. This increase will have a ripple effect, with the net result being additional inspections, maintenance, customer service calls, and treatment costs.

Intergovernmental Revenues: \$8,488,430

The District will continue to act as Administrative Lead to the Alliance and invoice the Alliance monthly for these contracted services. Additionally, the District will continue to serve as the Contract Operator for all ten Regional Assets owned by the Alliance.

Penalties: \$200,000

These represent penalties assessed on past-due utility balances. Penalties budgeted for 2026 are expected to increase from the 2025 budget.

Fees: \$100,000

Developer Extension Agreement (DEA), permits, tap, inspection fee activity, and development are expected to increase from 2025 levels, resulting in a revenue projection increase for the 2026 budget.

Ridgefield City Operating Fee: \$460,000

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) 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 2026 budget anticipates the revenues for the Ridgefield City Operating Fee to increase from the 2025 budget due to continued growth in the City of Ridgefield.

Vancouver City Interlocal Fee: \$55,000

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 6.0% 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 2026 budget anticipates the revenues for the City of Vancouver Interlocal Fee to increase slightly from the 2025 budget.

Battle Ground Excise Tax: \$15,000

As of September 1, 2021, the District began to remit an Excise Tax to the City of Battle Ground. Under the City of Battle Ground's City Code 3.32.010, the City has the authority to collect a revenue tax on the total gross revenues the District collects from customers within the City limits. The rate the City collects is set by resolution of the City Council and may be adjusted from time to time. For a utility providing sewer service within the City limits, Resolution No. 20-04 sets the revenue tax rate at 12%. The District has the right to recover the Excise Tax from collection system customers. The 2026 budget anticipates the revenues for the City of Battle Ground Excise Tax to slightly increase from 2025.

Expenses

Salaries and Wages: \$11,570,799

The District Board of Commissioners has approved an annual market adjustment by pay grade of 3.0% for the 2026 budget cycle. Along with the market adjustment by pay grade each year, employees not at the top of their range receive a 3.0% increase in pay and can receive an extra 1.5% increase based on performance on their anniversary date. The 2026 budget depicts related costs for ninety-seven (97) employees and three (3) Commissioners. Salaries and wages will increase overall by 5.9% when compared to the 2025 budget. Since the District is the Administrative Lead and Contract Operator for all ten Alliance Regional Assets, a portion of the total District staff salaries will be invoiced to the Alliance during 2026. 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 2026, the District is budgeting for the Commissioners' salaries based on the full amount available to be paid (\$54,768) 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: \$4,441,191

Overall, benefits for 2026 are expected to be 2.4% higher than in the 2025 budget.

Pension. The Washington Public Employee Retirement System (PERS) pension rate paid by employers is 5.58% through December 31, 2026. This is a decrease from the 2025 rate of 9.03%. This decrease is due to the reduction of costs required to amortize employee benefit improvements advised by actuarial valuation results based on economic assumptions and asset value.

Uniforms, Incentives, Other. The 2026 budgeted uniform costs and the Reward and Recognition program are \$43,866. This amount is a 6.9% increase from that reflected in the 2025 budget.

Health Insurance. Healthcare insurance continues to comprise a large portion of the 2026 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 2026. Both carriers negotiate with HCA for statewide benefits. Kaiser Permanente will increase by 12.6%, and Uniform Medical premiums will increase by 7.7% in 2026, resulting in an approximate \$2,738 increase in budgeted health insurance expenses. This amount is a combined 0.1% increase from 2025. The overall increase is lower than anticipated due to new employees hired in 2025 opting for lower than anticipated rates of coverage. 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. The anticipated step increases, performance-based increases, and market adjustments will directly affect payroll taxes, creating a 12.6% increase in FICA and Medicare budgeted for 2026.

Labor and Industries. In 2026, the Washington Department of Labor and Industries insurance rates billed to the District are budgeted to increase slightly in comparison to prior years' budgets.

Supplies: \$2,133,547

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 2026 supplies budget reflects a 4.7% increase over the 2025 budget. This increase is primarily due to increased IT telecommunication needs required to support the ERP Implementation project and an increase in programmed pump station repairs.

Materials / Supplies – Collection System. Collection system materials and supplies are anticipated to increase from the 2025 budget. As the District's collection system continues to expand and development activity levels continue to be elevated, additional supplies are required for the maintenance of mains and supplies for activities such as air valves and the increased costs of equipment maintenance and repair.

Materials / Supplies – Pump Stations. Pump Station materials and supplies are budgeted to increase by \$47,000 or 10.0% from 2025. The increase is the result of increased programmed pump station repairs.

Office Supplies – General. General office supplies are expected to decrease by \$67,423, or 34.0%, in 2026. This decrease is primarily a result of the reclassification of costs to Contract Services.

IT Hardware / Software. IT hardware/software costs are budgeted to increase by \$172,397, or 24.6%, in 2026. The primary drivers of this increase are additional costs from the implementation of the new ERP System and overlapping annual fees on the new and old ERP systems.

Maintenance & Facilities Supplies. Budgeted at 33.3% or \$10,000 higher in 2026. This category addresses facility needs and annual maintenance in the shop area.

Small Equipment / Tools – Maintenance, Transportation Expense – Fuel / Repair / Maintenance. The 2026 budget is anticipated to decrease by \$44,500, or 15.2% under the 2025 budgeted amount. The decrease is due to the one-time purchase of CCTV equipment and accessories in 2025. The District maintains no fuel reserves on campus but purchases fuel from Clark County.

Professional Services: \$1,544,519

Non-capital professional services, 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 2026, the District anticipates a 5.4% increase in professional services compared to the 2025 budget. This is largely due

to the increased need for additional accounting consultant support throughout the ERP Implementation Project.

Professional Services – Alliance. The 2026 budget anticipates an increase of \$15,500 or 2.9% from the 2025 budget for professional services the District engages in on behalf of the Alliance.

Professional Services – Engineering / Operations. The District is budgeting \$408,000 in the 2026 budget for on-call consulting assistance on various projects, a \$128,000 increase from the 2025 budgeted amount of \$280,000. This increase is due to the one-time support of the ERP conversion and post-GSP updates and support.

Professional Services – Auditor. The 2026 budget for the Washington State Auditor's Office Annual Comprehensive Financial Report (ACFR) and Accountability audit services is anticipated to increase by \$23,000 from the 2025 budget. The increase is due to the additional consultant support needed for ACFR preparations to support staff during the ERP conversion.

Professional Services – Compensation. The District undertakes an annual market rate study, as well as a compensation study every four years. The District last undertook a full compensation study in 2024 and will undertake an abbreviated study in 2026. The 2026 budget increased by \$5,000 from the 2025 budget. Professional Human Resources consulting services for a full range of employment-related services are included in this budget, including but not limited to compliance, compensation, policy development, and employee relations.

Professional Services – Consultant / Advocacy. The District is budgeting a \$14,180 increase in consultant services. This is primarily due to a one-time outreach program gap analysis consultant support and Actuary report support for the annual ACFR.

Professional Services – Temporary. The District utilizes temporary employees for departmental support when permanent positions are vacant or to address workload fluctuations. The 2026 budget for temporary employee services is anticipated to decrease by \$110,971 or 54.9% as the need for one-time support decreases.

Contractual Services: \$1,074,450

Contractual Services include equipment rentals, maintenance and repairs of lines, equipment repairs, vehicle repairs, office equipment maintenance, and building maintenance. The 2026 budget is 8.5% higher than the 2025 budget.

Contract Services – Finance. The District's Finance Department engages contracted services for banking and credit card processing. The 2026 budget for finance contract services represents an increase of \$66,500 or 40.2%, primarily as a result of reclassified services.

Contract Services – Equipment / Vehicles. Budgeted to increase by \$10,000 or 9.1% as compared to the 2025 budget. 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. Generator and vehicle repair and maintenance is anticipated to increase in 2026.

Other Expenses: \$7,309,565

Overall, other expenses will increase by \$397,022, or 5.7%, compared to 2025 budgeted amounts. This increase is attributed to the anticipated cost of having the Salmon Creek Treatment Plant digester cleaned, expected to be completed in 2026.

Insurance - Pool. Insurance costs in 2026 are expected to increase by \$33,695 or 5.0% compared to 2025, primarily due to increased rates from the Pool as property re-insurance rates continue to increase.

Telephone / Web Services. Included in 2026 are budgeted amounts for local and long-distance phone, cell phone, and pager service, after-hours call center costs, and web services such as web hosting, web filters, and email spam filters. The 2026 budget increased by \$17,900, or 8.0%, from 2025 as telephone and web service support needs have increased.

Utilities – Pump Stations / Admin Bldg. / Shop. Included in 2026 are budgeted amounts for twenty-four-hour Supervisory Control and Data Acquisition (SCADA) monitoring and electrical costs for all pump stations, including natural gas and water. The SCADA system continues to provide value through reduced overall power and phone costs. SCADA is being used to monitor all District pump stations. The 2026 budget is anticipated to increase by \$3,141 or 1.2% from the 2025 budget.

Miscellaneous General Administration. Employee physicals, pretreatment sampling costs, credit card fees, IVR fees, and bad debt are all included in this 2026 budget item. The 2026 budget anticipates expenses will decrease by \$5,490 or 1.2% from the 2025 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 2026 budget anticipates an increase of \$35,000 or 8.2% due to the continued high 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 2026 budget anticipates an increase of \$5,000, or 10.0%, over the 2025 budget.

Battle Ground Excise Tax. As of September 1, 2021, the District began to remit an Excise Tax to the City of Battle Ground. Under the City of Battle Ground's City Code 3.32.010, the City has the authority to collect a revenue tax on the total gross revenues the District collects from customers within the City limits. The rate the City collects is set by resolution of the City Council and may be adjusted from time to time. For a utility providing sewer service within the City limits, Resolution No. 20-04 sets the revenue tax rate at 12%. The District has the right to recover the Excise Tax from collection system customers. The 2026 budget anticipates an increase of \$3,000, or 25.0%, over the 2025 budget.

Regional Asset Expenses. The 2026 budget reflects an increase of \$284,210, or 8.5%, from the 2025 budget. This increase is due to a one-time digester cleaning planned for 2026.

Government Services / Impact Fees. The 2026 budget will reflect a \$45,000 or 50.0% decrease from the 2025 budget. This decrease is entirely due to the reduction of election fees to the 2026 budget, as 2026 is not an election year.

Treatment Costs: \$16,560,600

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 2026, the District will continue to contract with the City of Vancouver, the 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 2026, this cost is budgeted at \$90,000, an increase of 5.9% from 2025. These flows are included in the 86.5% of District flows treated by the Alliance at the Salmon Creek Treatment Plant.

City of Vancouver Treatment. The City of Vancouver treats approximately 10.6% of the District customers' wastewater at a budgeted cost of \$545,153, a decrease of 0.3% from 2025. 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 2026.

Discovery Clean Water Alliance (Alliance). Alliance expenses budgeted at \$15,925,447 in 2026 will treat approximately 89.4% of the District's wastewater treatment flow. The Alliance owns and operates two wastewater treatment facilities. The SCTP will treat approximately 86.5% of the District's flow, and the RTP will treat approximately 2.9%. The District's portion of the O&M, Debt Service, and the R&R expenses of the 2026 Salmon Creek and Ridgefield Treatment Plants are anticipated to stay consistent with that of the 2025 budget.

Transfer to Existing Assets Replacement and Restoration Account: \$4,716,934

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 2026 targeted reserve is \$7.1 million. For 2026, rates will provide budgeted funding of \$4.7 million for the Existing Assets R&R account to maintain the \$7.1 million maximum threshold.

Transfer to Debt Service Account: \$1,727,830

A portion of the rates is also transferred to the Debt Service account to accumulate funds to pay principal and interest on debt obligations due in 2026.

Alliance Reserves Account

The District has established an Alliance Reserve Account to maintain adequate contingency reserves equal to the City of Battle Ground's share of the Alliance's debt service for the following year on debt-funded assets that mutually benefit both the District and the City. For Fiscal Year 2026, this is approximately \$1.4 million. Though not a legal requirement, the District elects to maintain this level of reserves as a prudent financial practice.

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 2026 have been calculated at \$1.4 million to meet the required minimum amounts. Interest will continue to be earned on these reserves throughout 2026. A transfer from other funds is not anticipated for this account in 2026.

II. 2026 Alliance Reserves Account

ALLIANCE RESERVES	2022 ACTUAL	2023 ACTUAL	2024 ACTUAL	2025 BUDGET	2026 BUDGET
BEGINNING ACCOUNT BALANCE	\$ 3,677,084	\$ 5,301,774	\$ 2,146,185	\$ 2,195,000	\$ 2,192,950
SOURCES					
Investment Interest*	(85,108)	191,645	110,274	109,750	87,718
Transfer from Other Funds	1,709,798	-	-	-	-
Total Sources	1,624,690	191,645	110,274	109,750	87,718
USES					
Transfer to Other Funds	-	(3,347,234)	(120,725)	(111,800)	(922,871)
Total Uses	-	(3,347,234)	(120,725)	(111,800)	(922,871)
ENDING ACCOUNT BALANCE	\$ 5,301,774	\$ 2,146,185	\$ 2,135,734	\$ 2,192,950	\$ 1,357,797

*Investment interest includes interest received and unrealized gains and losses from changes in the fair market value of investments

III. Budget Narrative – Alliance Reserves Account

Sources

Investment interest of \$87,718 is budgeted for 2026.

Uses

The reserve requirement for the operations of the Alliance decreased in 2026. Therefore, a transfer from the Alliance Reserves account to the Operations and Maintenance account of \$922,871 is budgeted for 2026.

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 \$29,952.

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 properly reserves the required funds to cover one unemployment claim for the budget year. Claims, if they occur, are then paid from this account.

II. 2026 Unemployment Reserve Account

	2022	2023	2024	2025	2026
UNEMPLOYMENT RESERVE	ACTUAL	ACTUAL	ACTUAL	BUDGET	BUDGET
BEGINNING ACCOUNT BALANCE	\$ 19,812	\$ 23,221	\$ 24,877	\$ 25,974	\$ 28,054
SOURCES					
Transfer from O & M Account	3,409	1,578	-	781	776
Investment Interest*	-	78	10	1,299	1,122
Total Sources	3,409	1,656	10	2,080	1,898
USES					
Unemployment Payments	-	-	-	-	-
Transfer to Other Funds	-	-	(1,429)	-	-
Total Uses	-	-	(1,429)	-	-
ENDING ACCOUNT BALANCE	\$ 23,221	\$ 24,877	\$ 23,458	\$ 28,054	\$ 29,952

*Investment interest includes interest received and unrealized gains and losses from changes in the fair market value of investments

III. Budget Narrative – Unemployment Reserve Account

Sources

Budgeted revenue for 2026 is investment interest on account reserves of \$1,122. The required funds to cover one unemployment claim for a year have increased in 2026. In 2026, a \$776 transfer from the O & M Account is budgeted to accommodate the increase.

Uses

There are no budgeted uses from this account in 2026.

Debt Service Account

The Debt Service account holds restricted amounts for the principal and interest payments on a Public Works Board (PWB) loan to expand the Ridgefield collection system, two PWB loans to construct the Discovery Corridor Wastewater Transmission System (DCWTS), and the 2020 revenue bonds. This account is not required by District policy.

2026 Clark Regional Wastewater District Adopted Budget

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 2026 principal and interest payments on the outstanding bond and loans. Investment income will be earned on all account reserves during 2026.

II. 2026 Debt Service Account (Bond Fund) Annual Forecast

	2022	2023	2024	2025	2026
DEBT SERVICE	ACTUAL	ACTUAL	ACTUAL	BUDGET	BUDGET
BEGINNING ACCOUNT BALANCE	\$ 1,246,890	\$ 1,184,654	\$ 1,373,839	\$ 865,927	\$ 909,223
<u>SOURCES</u>					
Investment Interest*	(62,235)	189,185	91,539	43,296	36,369
Transfers from Other Funds	2,107,360	2,209,183	2,905,807	2,528,917	2,540,695
Total Sources	2,045,125	2,398,368	2,997,346	2,572,213	2,577,064
<u>USES</u>					
Debt Service Payments	(2,107,361)	(2,209,183)	(2,091,020)	(2,528,917)	(2,540,695)
Transfers to Other Funds	-	-	-	-	-
Total Uses	(2,107,361)	(2,209,183)	(2,091,020)	(2,528,917)	(2,540,695)
ENDING ACCOUNT BALANCE	\$ 1,184,654	\$ 1,373,839	\$ 2,280,165	\$ 909,223	\$ 945,592

*Investment interest includes interest received and unrealized gains and losses from changes in the fair market value of investments.

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

Sources

Budgeted revenues for 2026 include interest on account reserves of \$36,369. In addition, this account will receive \$2,540,695 in transfers from Other Funds.

Uses

Debt service payments of \$2,540,695 are the only budgeted use of Debt Service account funds in 2026.

Pre-Funded Debt Service Account

The Pre-Funded Debt Service account was established to maintain a reserve equal to one year of debt service for all debt held by the District. For Fiscal Year 2026, this is approximately \$2.5 million. This reserve is mandated by District policy, though it is not legally required.

2026 Clark Regional Wastewater District Adopted Budget

Pre-Funded Debt Service Account

I. Sources and Uses

This reserve account includes pre-funded debt service for all 2026 bond and loan payments that the District is directly obligated to pay.

II. 2026 Debt Service Reserve Account

DEBT SERVICE RESERVE	2022 ACTUAL	2023 ACTUAL	2024 ACTUAL	2025 BUDGET	2026 BUDGET
BEGINNING ACCOUNT BALANCE	\$ 2,115,480	\$ 2,049,861	\$ 2,111,437	\$ 2,091,018	\$ 2,528,917
SOURCES					
Transfer from O & M Account	-	-	-	333,348	-
Investment Interest*	(37,429)	90,446	109,931	104,551	101,157
Total Sources	(37,429)	90,446	109,931	437,899	101,157
USES					
Transfer to Other Funds	(28,190)	(28,870)	(124,022)	-	(89,379)
Total Uses	(28,190)	(28,870)	(124,022)	-	(89,379)
ENDING ACCOUNT BALANCE	\$ 2,049,861	\$ 2,111,437	\$ 2,097,346	\$ 2,528,917	\$ 2,540,695

*Investment interest includes interest received and unrealized gains and losses from changes in the fair market value of investments

III. Budget Narrative – Debt Service Reserve Account

Sources

Budgeted sources include investment interest on account reserves of \$101,157.

Uses

The reserve account includes a transfer to the O & M rates account of \$89,379 for 2026.

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 the greater of 100% of annual depreciation or 2.0% of gross capital asset value, which is \$7.1 million at the end of 2026.

2026 Clark Regional Wastewater District Adopted Budget

Existing Assets Restoration and Replacement Account

I. Sources and Uses

As existing infrastructure and other depreciable equipment are restored or replaced, the District will continue to fund from rates. The ending account balance represents the \$7.1 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. 2026 Existing Assets Restoration and Replacement Account Annual Forecast

EXISTING ASSETS R & R	2022 ACTUAL	2023 ACTUAL	2024 ACTUAL	2025 BUDGET	2026 BUDGET
BEGINNING ACCOUNT BALANCE	\$ 11,190,570	\$ 11,546,001	\$ 11,189,971	\$ 6,832,913	\$ 6,832,913
SOURCES					
Transfer from O & M Account	3,258,415	2,438,967	5,766,190	3,669,354	4,716,934
Investment Interest*	38,880	480,126	462,011	341,646	273,317
Transfer from Other Funds	-	-	-	-	-
Total Sources	3,297,295	2,919,093	6,228,201	4,011,000	4,990,251
USES					
Transfers to Debt Service	-	-	-	-	-
Capital Projects Central Service Area	(2,845,610)	(248,925)	(795,687)	(1,887,000)	(2,681,750)
Capital Projects Ridgefield Service Area	(96,254)	(94,229)	(1,101,541)	(289,000)	(68,000)
Capital Purchases	-	(345,397)	(1,379,037)	(1,835,000)	(1,948,205)
Transfer to Other Funds	-	(2,586,572)	(396,669)	-	-
Total Uses	(2,941,864)	(3,275,123)	(3,672,934)	(4,011,000)	(4,697,955)
ENDING ACCOUNT BALANCE	\$ 11,546,001	\$ 11,189,971	\$ 13,745,238	\$ 6,832,913	\$ 7,125,209

*Investment interest includes interest received and unrealized gains and losses from changes in the fair market value of investments

III. Budget Narrative – Existing Assets Restoration and Replacement Account

Sources

Budgeted sources include a \$4,716,934 transfer of rates from the O & M account and investment interest on account reserves of \$273,317.

Uses

Budgeted uses include \$4,697,955 to be expended on repair and replacement projects throughout 2026.

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 that occurs every six years, establish 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 50.0% of the lowest year of CIP expenditures in the ten-year Capital Program. For Fiscal Year 2026, this is approximately \$2.1 million.

2026 Clark Regional Wastewater District Adopted Budget

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 2026 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 2026 as follows:

Tier	Treatment Plant	SDC
Tier 1	City of Vancouver - Westside Treatment Plant	\$ 3,827
Tier 2	Alliance - Salmon Creek Treatment Plant	7,744
Tier 3	Alliance - Ridgefield Service Area	11,468
Tier 4	Urban Holding Area	11,468

SDC charges, investment interest, and local facility charges received in 2026 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 are occurring and coordinates capital construction projects in conjunction with County Road Projects for additional cost savings.

II. 2026 New Assets CIP Account

NEW ASSETS CIP	2022 ACTUAL	2023 ACTUAL	2024 ACTUAL	2025 BUDGET	2026 BUDGET
BEGINNING ACCOUNT BALANCE	\$ 21,699,311	\$ 25,808,874	\$ 21,380,412	\$ 14,452,302	\$ 19,672,428
SOURCES					
SDC Connection Fees	10,094,733	10,797,740	11,000,200	13,515,217	12,325,253
Investment Interest*	(154,760)	948,209	946,712	722,615	786,897
LFC Reimbursements	334,177	422,590	591,571	160,000	200,000
Debt Proceeds / Grant Funding	-	-	776,000	6,479,550	9,734,550
Transfers from Other Funds	-	-	-	-	-
Total Sources	10,274,150	12,168,539	13,314,483	20,877,382	23,046,700
USES					
Transfers to O & M Account (B&O Taxes)	(154,880)	(193,944)	(250,932)	(236,516)	(215,692)
Transfers to Debt Service	(819,000)	(1,082,350)	(440,166)	(813,490)	(812,865)
Transfers to Other Funds	879,370	(1,982,657)	(145,396)	-	-
Capital Projects Central Service Area	(5,768,065)	(10,738,759)	(5,056,927)	(7,620,250)	(11,925,500)
Capital Projects Ridgefield Service Area	(302,013)	(2,599,291)	(1,273,952)	(6,987,000)	(3,026,000)
Capital Purchases	-	-	(335,188)	-	-
Total Uses	(6,164,588)	(16,597,001)	(7,502,561)	(15,657,256)	(15,980,057)
ENDING ACCOUNT BALANCE	\$ 25,808,873	\$ 21,380,412	\$ 27,192,334	\$ 19,672,428	\$ 26,739,071

*Investment interest includes interest received and unrealized gains and losses from changes in the fair market value of investments

III. Budget Narrative – New Assets CIP Account

Sources

The 2026 budget anticipates that the CIP account will receive \$12,325,253 in revenue from 1,260 paid SDCs, to be collected during 2026. This represents a \$1,189,964 or 9.0% revenue decrease from the 2025 budget, driven by a slight downturn in projected development activity.

Investment interest for 2026 is projected at \$786,897, an increase from the 2025 budgeted interest income due to a higher account balance and higher projected interest rates.

Uses

The CIP account will transfer \$215,692 in Business and Occupation tax to the O&M account based on anticipated 2026 SDC connection revenues. The funds will be restricted to pay the related tax when the Department of Revenue report is filed with the State of Washington.

Budgeted capital improvement project expenditures in the 2026 budget total \$14,951,500.

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

Historical Budget Summary

ALL ACCOUNTS	2022	2023	2024	2025	2026
	ACTUAL	ACTUAL	ACTUAL	BUDGET	BUDGET
BEGINNING BALANCES	\$ 57,508,269	\$ 56,438,889	\$ 53,640,633	\$ 57,801,028	\$ 60,046,623
SOURCES					
Rates	23,093,562	27,876,232	33,334,496	31,289,984	32,692,771
SDC Connection Fees	10,094,733	10,797,740	11,000,200	13,515,217	12,325,253
LFC Reimbursements	334,177	422,590	591,571	160,000	200,000
Investment Interest	(537,974)	2,470,459	2,040,560	2,890,051	2,401,865
Intergovernmental Revenues	4,207,338	4,460,658	7,376,807	9,230,742	8,488,430
Other Miscellaneous Revenue	4,822,069	749,345	897,087	829,649	1,046,000
Debt Proceeds / Grant Funding	-	802,042	1,529,831	6,479,550	9,734,550
Subtotal Sources	42,013,905	47,579,066	56,770,552	64,395,193	66,888,869
USES					
Debt Service	(2,107,361)	(2,209,183)	(2,091,020)	(2,528,917)	(2,540,695)
Operating Expenses					
Salaries / Benefits	(10,234,588)	(10,450,984)	(14,839,749)	(15,268,534)	(16,011,990)
Supplies	(1,303,599)	(1,452,776)	(1,592,539)	(2,036,803)	(2,133,547)
Services (Professional / Contractual)	(1,151,278)	(2,395,641)	(2,660,424)	(2,455,739)	(2,618,969)
Other	(6,438,932)	(4,824,869)	(5,349,193)	(6,912,543)	(7,309,565)
Treatment	(12,835,584)	(15,017,268)	(15,007,676)	(16,557,217)	(16,560,600)
Capital Construction Costs/Purchases	(9,011,942)	(14,026,601)	(9,936,332)	(18,618,250)	(19,649,455)
Subtotal Uses	(43,083,284)	(50,377,322)	(51,476,933)	(64,378,003)	(66,824,821)
ENDING BALANCES	\$ 56,438,890	\$ 53,640,633	\$ 58,934,252	\$ 57,818,218	\$ 60,110,671

2026 Clark Regional Wastewater District Adopted Budget

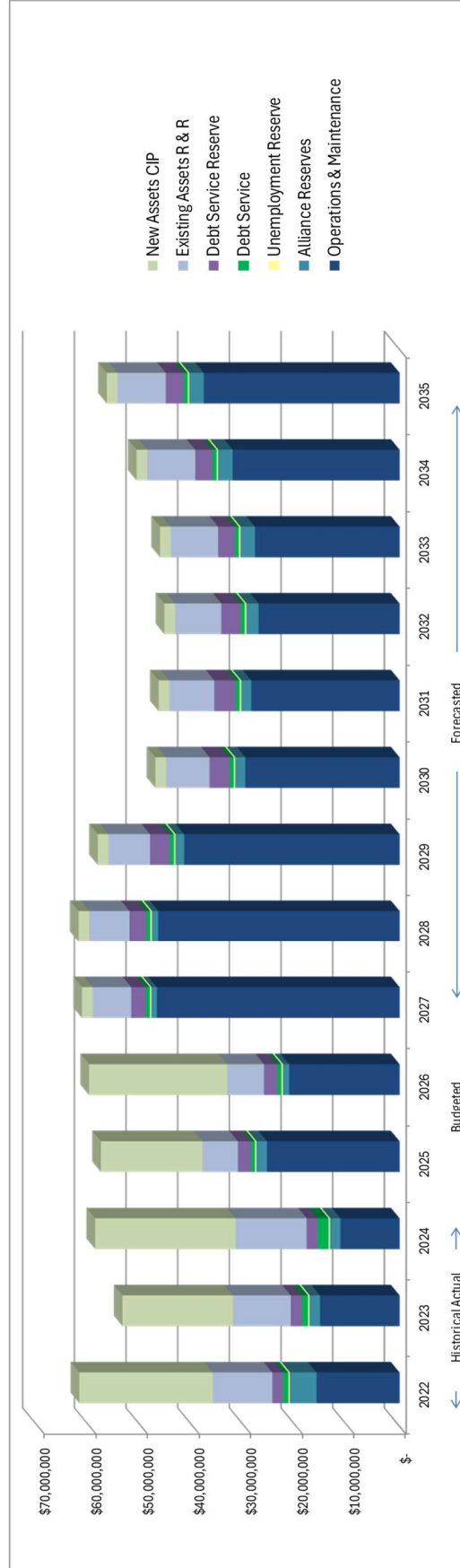
Projected Budget Summary

ALL ACCOUNTS	2027	2028	2029	2030	2031	2032	2033	2034	2035
	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
BEGINNING BALANCES	\$ 60,110,672	\$ 61,484,045	\$ 62,137,995	\$ 58,434,069	\$ 47,261,898	\$ 46,660,621	\$ 45,526,183	\$ 46,374,167	\$ 50,915,768
SOURCES									
Rates	34,842,550	37,232,994	39,584,019	41,820,874	44,091,240	46,407,670	49,161,572	51,983,183	54,872,449
SDC Connection Fees	17,948,259	20,602,382	15,223,636	15,615,985	17,221,524	17,865,754	19,384,343	21,032,012	22,819,734
LFC Reimbursements	207,000	214,245	221,744	229,505	237,537	245,851	254,456	263,362	272,579
Investment Interest	2,404,427	1,844,521	1,864,140	1,753,022	1,417,857	1,399,819	910,524	927,483	1,018,315
Intergovernmental Revenues	9,696,483	9,696,483	10,371,573	10,873,055	12,179,047	12,179,047	12,665,976	12,665,976	13,160,058
Other Miscellaneous Revenue	1,082,610	1,120,501	1,159,719	1,200,309	1,242,320	1,285,801	1,330,804	1,377,382	1,425,591
Debt Proceeds / Grant Funding	7,478,825	2,400,000	9,600,000	1,600,000	6,450,000	4,850,000	1,300,000	-	1,300,000
Subtotal Sources	73,660,154	73,111,126	78,024,831	73,092,750	82,839,525	84,233,942	85,007,675	88,249,398	94,868,726
USES									
Debt Service	(2,786,219)	(3,205,587)	(3,806,285)	(3,858,183)	(4,076,638)	(3,726,175)	(3,206,985)	(3,322,875)	(3,434,677)
Operating Expenses									
Salaries / Benefits	(17,017,779)	(17,922,954)	(19,097,017)	(20,712,210)	(21,916,502)	(23,076,520)	(24,298,390)	(25,997,653)	(27,375,562)
Supplies	(2,088,200)	(2,154,464)	(2,249,821)	(2,294,556)	(2,367,625)	(2,470,016)	(2,529,557)	(2,618,092)	(2,736,635)
Services (Professional / Contractual)	(2,516,053)	(2,644,428)	(2,672,347)	(2,781,041)	(2,861,948)	(3,023,854)	(3,065,053)	(3,187,492)	(3,282,624)
Other	(7,101,938)	(7,313,501)	(7,883,350)	(8,123,404)	(8,186,871)	(8,438,807)	(8,791,814)	(9,343,492)	(9,729,621)
Treatment	(21,161,170)	(21,238,999)	(24,120,320)	(24,165,531)	(25,624,576)	(25,779,427)	(30,578,190)	(30,604,536)	(28,620,680)
Capital Construction Costs/Purchases	(19,615,424)	(17,977,244)	(21,899,617)	(22,329,994)	(18,406,643)	(18,853,580)	(11,689,702)	(8,633,659)	(13,927,449)
Subtotal Uses	(72,286,783)	(72,457,177)	(81,728,757)	(84,264,919)	(83,440,803)	(85,368,379)	(84,159,691)	(83,707,799)	(89,107,248)
ENDING BALANCES	\$ 62,857,416	\$ 62,791,944	\$ 54,730,143	\$ 36,089,729	\$ 46,059,343	\$ 44,391,746	\$ 47,222,151	\$ 55,457,367	\$ 56,677,246

2026 Clark Regional Wastewater District Adopted Budget

2026 Account Balance Summary

Account	HISTORICAL ACTUAL			BUDGETED		FORECASTED								
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Operations & Maintenance	\$ 16,079,624	\$ 15,413,912	\$ 11,453,977	\$ 25,653,733	\$ 21,372,356	\$ 47,004,219	\$ 46,721,836	\$ 41,708,736	\$ 29,872,205	\$ 28,724,167	\$ 27,287,001	\$ 28,006,536	\$ 32,321,430	\$ 37,909,513
Alliance Reserves	5,301,774	2,146,185	2,135,734	2,192,950	1,357,797	1,179,261	1,384,685	1,821,840	2,088,584	2,088,209	2,517,140	2,948,758	2,946,327	2,945,291
Unemployment Reserve	23,221	24,877	23,458	28,054	29,952	29,952	29,952	29,952	29,952	29,952	29,952	29,952	29,952	29,952
Debt Service	1,184,654	1,373,839	2,280,165	909,223	945,592	945,592	945,592	945,592	945,592	945,592	945,592	945,592	945,592	945,592
Debt Service Reserve	2,049,861	2,111,437	2,097,346	2,528,917	2,540,695	2,786,218	3,205,587	3,806,286	3,858,182	4,076,638	3,726,175	3,206,986	3,322,874	3,434,677
Existing Assets R & R	11,546,001	11,189,971	13,745,238	6,832,913	7,125,209	7,477,009	7,788,549	8,059,869	8,405,589	8,734,269	8,958,529	9,174,549	9,287,799	9,350,429
New Assets CIP	25,808,873	21,380,412	27,192,334	19,672,428	26,739,071	2,061,794	2,061,794	2,061,794	2,061,794	2,061,794	2,061,794	2,061,794	2,061,794	2,061,794
TOTAL ACCOUNTS	\$ 56,598,167	\$ 54,366,696	\$ 61,532,603	\$ 57,818,218	\$ 60,540,732	\$ 61,484,045	\$ 62,137,995	\$ 58,434,069	\$ 47,261,898	\$ 46,660,621	\$ 45,526,183	\$ 46,374,167	\$ 50,915,768	\$ 56,677,248



2026-2035 Ten-Year Capital Program

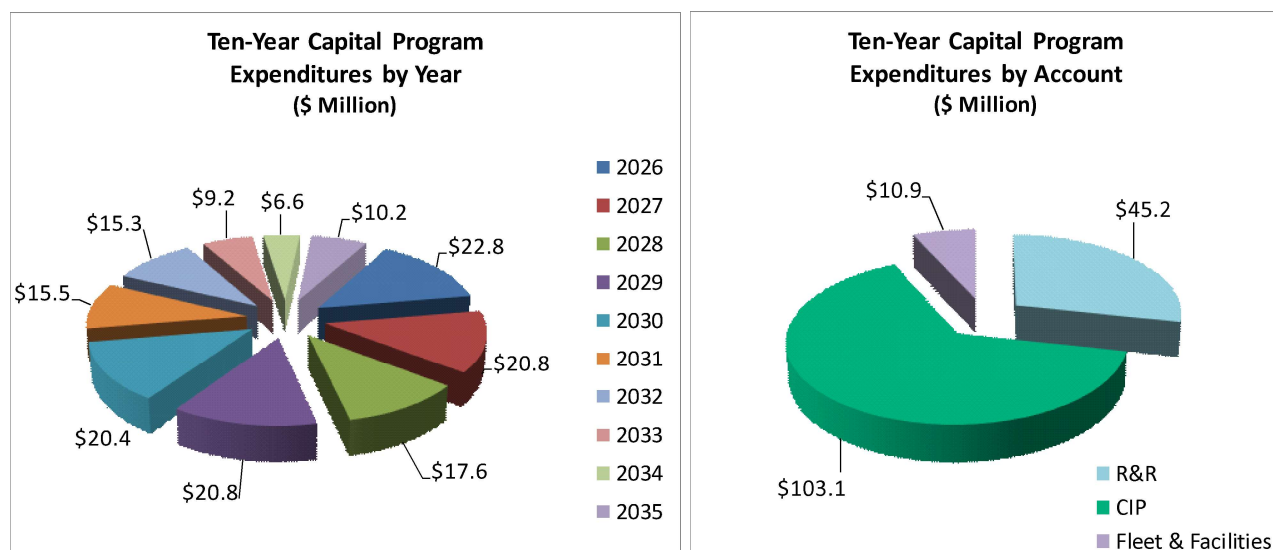
Clark Regional Wastewater District's (District) overall budget for 2026 comprises the Operating Budget and Capital Budget. The 2026 Capital Budget represents the District's Existing Assets Restoration and Replacement account (R&R), New Assets Capital Improvement Project account (CIP), and Fleet and Facilities activities. The CIP account represents the current year's costs 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, 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 ten-year capital program. The FY 2026 capital budget is based upon the first year of the 2026-2035 Ten-Year Capital Program. These projects and purchases are all developed and scheduled out on the District's 2026-2035 Ten-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 in the Adopted Budget by Account section, the District has ensured sufficient rates and charges to support the 2026-2035 Ten-Year Capital Program while maintaining a healthy account balance.

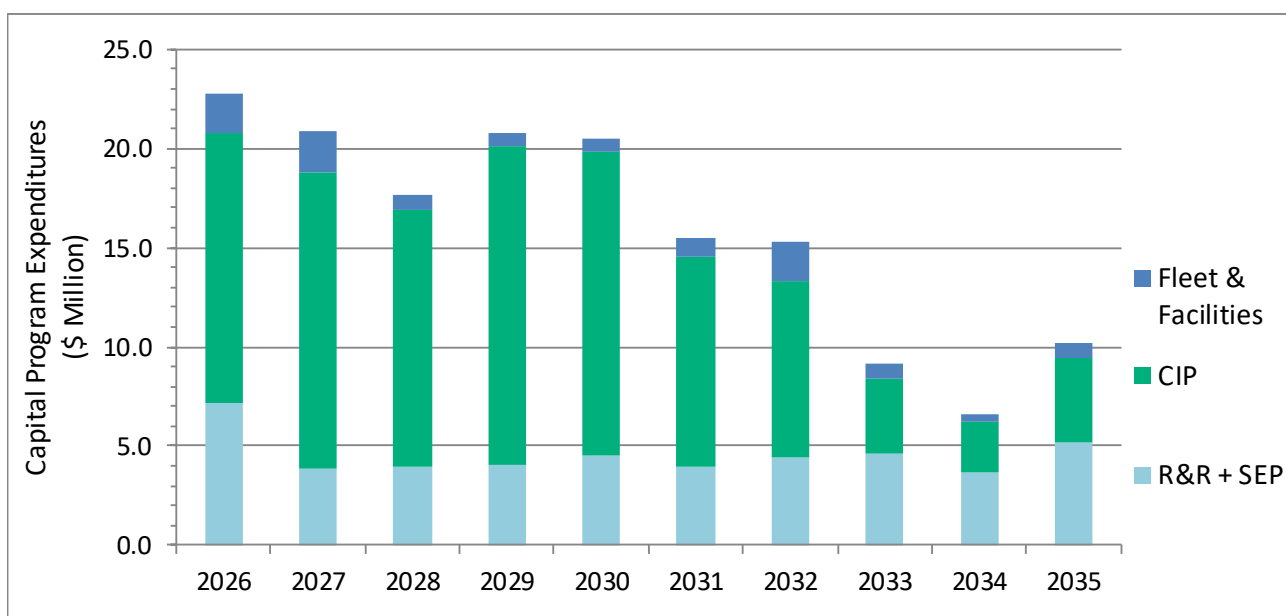
The ten-year program is based on the District's 20-Year Capital Plan. The projects identified in the Ten-Year Capital Program are those needed to ensure the District's ability to meet the long-term level-of-service requirements. Continuous planning is an integral part of this process and enables the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

Over the 2026 to 2035 capital program period, 2026 is the most capital-intensive year. The budget forecasts to deliver 14.3% of the ten-year capital expenditures in 2026. The FY 2026 capital budget total is \$22.8 million out of the ten-year program of \$159.2 million. Over the ten-year program, \$45.2 million is planned for R&R and SEP expenditures, \$103.1 million for CIP expenditures, and \$10.9 million for Fleet and Facilities expenditures. The District maintains the required minimum debt coverage ratio of 1.25%.

2026 Clark Regional Wastewater District Adopted Budget



Annual capital expenditures over the ten years average around \$15.9 million, with a minimum of \$6.6 million in 2034 and a maximum of \$22.8 million in 2026.



The Capital Program tables on the next page identify all capital projects or purchases anticipated for 2026 through 2035 for the District's Central and Ridgefield service areas. This includes thirteen (13) specific R&R projects and budgeted amounts for nine (9) R&R programs, forty-one (41) CIP projects or programs, and nine (9) fleet and facilities projects or programs to purchase or replace equipment and maintain facilities.

The District's system has approximately 880 miles of pipe and 77 pump stations. The 2026-2035 Capital Program represents about 15 miles of additional gravity and pressure sewers, ten (10) new pump stations, the elimination of four (4) pump stations, and the upgrading of ten (10) pump stations.

Capital Program 2026-2035

Existing Assets Restoration and Replacement

Central Service Area	Ten-Year Program	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Septic Elimination, Restoration and Replacement											
Restoration and Replacement											
Central Restoration and Replacement Allowance	\$3,500,000	\$100,000	\$200,000	\$300,000	\$300,000	\$300,000	\$300,000	\$500,000	\$500,000	\$500,000	\$500,000
Pavement Repair and Manhole Adjustment Allowance	\$1,400,000	\$140,000	\$140,000	\$140,000	\$140,000	\$140,000	\$140,000	\$140,000	\$140,000	\$140,000	\$140,000
Gravity Repair Program	\$5,750,000	\$50,000	\$100,000	\$700,000	\$700,000	\$700,000	\$700,000	\$700,000	\$700,000	\$700,000	\$700,000
Access Manhole Program	\$750,000	\$0	\$0	\$250,000	\$0	\$0	\$250,000	\$0	\$0	\$250,000	\$0
Standby Power Program	\$435,000	\$435,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Controls System Replacement Program	\$1,000,000	\$200,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$50,000	\$0	\$0	\$0
Pump Replacement Program	\$700,000	\$150,000	\$150,000	\$150,000	\$150,000	\$100,000	\$0	\$0	\$0	\$0	\$0
Trunk Sewer Assessment	\$450,000	\$150,000	\$300,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Oro-Vega Pump Station Replacement	\$1,390,000	\$1,060,000	\$330,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Plantation Pump Station Replacement	\$500,000	\$500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Mill Creek Pump Station Replacement	\$1,820,000	\$200,000	\$1,100,000	\$500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Green Meadows Pump Station Replacement	\$0	\$0	\$50,000	\$250,000	\$870,000	\$650,000	\$0	\$0	\$0	\$0	\$0
Pleasant Valley Highlands Pump Station Replacement	\$1,805,000	\$0	\$0	\$35,000	\$250,000	\$870,000	\$650,000	\$0	\$0	\$0	\$0
Minnehaha Pump Station Replacement	\$1,820,000	\$0	\$0	\$0	\$50,000	\$250,000	\$870,000	\$650,000	\$0	\$0	\$0
Silver Star Sewer and Pump Station Removal (CIP 2-1709A)	\$1,800,000	\$0	\$0	\$0	\$0	\$0	\$50,000	\$250,000	\$1,050,000	\$450,000	\$0
Bowyer Pump Station Removal (CIP 2-1710B)	\$600,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$70,000	\$530,000	\$0
Buckman Gardens Pump Station Removal (2-1101B)	\$650,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$100,000	\$550,000
Wood Creek Pump Station Replacement	\$1,380,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000	\$250,000	\$1,080,000
Lakeshore Pump Station Replacement	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000
Tenny Creek Pump Station and Trunk Abandonment	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000
Restoration and Replacement Totals	\$27,740,000	\$3,075,000	\$2,520,000	\$2,475,000	\$2,610,000	\$3,160,000	\$3,110,000	\$2,290,000	\$2,510,000	\$2,920,000	\$3,070,000
CIP - Local Agency Partnership											
City of Battle Ground Eaton Road Project	\$920,000	\$20,000	\$450,000	\$450,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Risto Road Meadow Glade Force Main Relocation	\$60,000	\$60,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cougar Creek 3 Enhancement	\$70,000	\$0	\$10,000	\$60,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Local Agency Partnership Totals	\$1,050,000	\$80,000	\$460,000	\$510,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL DISTRICT RESTORATION AND REPLACEMENT	\$28,790,000	\$3,155,000	\$2,980,000	\$2,985,000	\$2,610,000	\$3,160,000	\$3,110,000	\$2,290,000	\$2,510,000	\$2,920,000	\$3,070,000
Ridgefield Service Area											
Restoration and Replacement Account											
Ridgefield Restoration and Replacement Allowance	\$920,000	\$60,000	\$60,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Ridgefield Gravity Repair Program	\$870,000	\$20,000	\$50,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Restoration & Replacement Totals	\$1,790,000	\$80,000	\$110,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
CIP - Local Agency Partnership											
Pioneer to Shobert Lane Utility Replacement	\$260,000	\$0	\$130,000	\$130,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Local Agency Partnership Totals	\$260,000	\$0	\$130,000	\$130,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL RIDGEFIELD RESTORATION AND REPLACEMENT	\$2,050,000	\$80,000	\$240,000	\$330,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
TOTAL RESTORATION AND REPLACEMENT	\$30,840,000	\$3,235,000	\$3,220,000	\$3,315,000	\$2,810,000	\$3,360,000	\$3,310,000	\$2,490,000	\$2,710,000	\$3,120,000	\$3,270,000

Capital Program 2026-2035

Fleet and Facilities

FLEET AND FACILITIES		Ten-Year Program	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Fleet												
	Fleet R&R	\$4,359,805	\$958,805	\$248,000	\$365,000	\$523,000	\$330,000	\$125,000	\$650,000	\$440,000	\$170,000	\$550,000
	Fleet Capital	\$279,000	\$101,000	\$155,000	\$	\$23,000	\$	\$	\$	\$	\$	\$
	Fleet Totals	\$4,638,805	\$1,059,805	\$403,000	\$365,000	\$546,000	\$330,000	\$125,000	\$650,000	\$440,000	\$170,000	\$550,000
Facilities & IT												
	ERP System and Implementation	\$480,000	\$426,000	\$54,000	\$	\$	\$	\$	\$	\$	\$	\$
	Internet Technology and Office Equipment	\$3,124,500	\$2,400	\$1,197,800	\$200,000	\$10,000	\$60,000	\$189,900	\$1,136,400	\$258,000	\$10,000	\$60,000
	Campus Program Allowance	\$440,000	\$35,000	\$35,000	\$40,000	\$40,000	\$45,000	\$45,000	\$50,000	\$50,000	\$50,000	\$50,000
	Building Improvements	\$1,217,500	\$175,000	\$250,000	\$30,000	\$15,000	\$130,000	\$560,000	\$30,000	\$7,500	\$10,000	\$10,000
	Campus Civil & Site Improvements	\$440,000	\$90,000	\$60,000	\$75,000	\$10,000	\$50,000	\$15,000	\$125,000	\$5,000	\$5,000	\$5,000
	Furniture, Fixtures & Equipment	\$147,500	\$7,500	\$15,000	\$10,000	\$15,000	\$10,000	\$10,000	\$20,000	\$20,000	\$20,000	\$20,000
	Pump Station Facilities & Site Work	\$432,500	\$152,500	\$20,000	\$25,000	\$25,000	\$30,000	\$30,000	\$35,000	\$35,000	\$40,000	\$40,000
	Facility Totals	\$6,282,000	\$888,400	\$1,631,800	\$380,000	\$115,000	\$325,000	\$849,900	\$1,396,400	\$375,500	\$135,000	\$185,000
TOTAL FLEET AND FACILITIES		\$10,920,805	\$1,948,205	\$2,034,800	\$745,000	\$661,000	\$655,000	\$974,900	\$2,046,400	\$815,500	\$305,000	\$735,000

Capital Program 2026-2035

New Assets Capital Improvement

Central Service Area	Ten-Year Program	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Capital Improvement Project Account											
CIP - General Facilities Projects (Trunks, Pump Stations, Force Mains)											
General Sewer Plan Update	\$270,000	\$270,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DCWTS Phase 2B	\$5,850,000	\$5,300,000	\$550,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Schuller Force Main Upgrade	\$770,000	\$700,000	\$70,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Radio Node Upgrade	\$270,000	\$270,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Payne Pump Station Redirection	\$870,000	\$50,000	\$50,000	\$240,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Neil Kinsey Force Main Upgrade	\$21,550,000	\$400,000	\$2,200,000	\$1,100,000	\$9,000,000	\$8,850,000	\$0	\$0	\$0	\$0	\$0
Pleasant Valley North Pump Station Upgrade	\$325,000	\$0	\$0	\$0	\$0	\$325,000	\$0	\$0	\$0	\$0	\$0
Legacy Pump Station Phase 3 Upgrade	\$4,400,000	\$0	\$0	\$0	\$300,000	\$400,000	\$1,950,000	\$1,750,000	\$0	\$0	\$0
Mountain View Pump Station Upgrade	\$375,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$375,000	\$0	\$0
Whipple Creek Place PS Elimination	\$1,600,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$200,000	\$200,000	\$1,200,000
General Facilities Totals	\$36,280,000	\$6,990,000	\$3,400,000	\$1,340,000	\$9,300,000	\$9,575,000	\$1,950,000	\$1,750,000	\$575,000	\$200,000	\$1,200,000
CIP - Local Agency Partnership											
Central Local Agency Partnership Allowance	\$3,100,000	\$0	\$100,000	\$100,000	\$100,000	\$400,000	\$400,000	\$500,000	\$500,000	\$500,000	\$500,000
NE 179th Street and NE 29th Avenue Intersection Improvement	\$920,000	\$410,000	\$410,000	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
NE 179th Street CRP (NE 15th Ave - NE 26th Ave)	\$1,040,000	\$10,000	\$10,000	\$510,000	\$510,000	\$0	\$0	\$0	\$0	\$0	\$0
NE 179th Street CRP (NE Dellei Rd - NE 15th Ave)	\$2,470,000	\$10,000	\$20,000	\$1,220,000	\$1,220,000	\$0	\$0	\$0	\$0	\$0	\$0
District Installed Infrastructure Totals	\$7,530,000	\$430,000	\$540,000	\$1,930,000	\$1,830,000	\$400,000	\$400,000	\$500,000	\$500,000	\$500,000	\$500,000
CIP - Developer Reimbursement											
Central Developer Reimbursement Project Allowance	\$3,800,000	\$100,000	\$200,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$500,000	\$500,000	\$500,000
District Installed Laterals Allowance	\$300,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Bowyer Trunk	\$100,000	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pleasant Valley North Pump Station C and Force Main	\$2,000,000	\$2,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Curtin Creek West Pump Station C	\$3,185,000	\$350,000	\$2,835,000	\$172,000	\$64,000	\$0	\$0	\$0	\$0	\$0	\$0
Whipple Creek Trunk	\$300,000	\$0	\$64,000	\$172,000	\$450,000	\$450,000	\$225,000	\$225,000	\$0	\$0	\$0
NE 209th Street Pump Station and Force Main	\$2,250,000	\$0	\$0	\$163,000	\$326,000	\$163,000	\$81,500	\$81,500	\$0	\$0	\$0
NE 209th Street Trunk	\$815,000	\$0	\$0	\$53,000	\$106,000	\$53,000	\$26,500	\$26,500	\$0	\$0	\$0
Neil Kinsey Trunk	\$265,000	\$0	\$0	\$53,000	\$106,000	\$53,000	\$26,500	\$26,500	\$0	\$0	\$0
Packard Creek Pump Station and Force Main	\$4,230,000	\$0	\$0	\$0	\$846,000	\$1,692,000	\$846,000	\$423,000	\$423,000	\$0	\$0
Whipple Creek South Pump Station B and Force Main	\$540,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$540,000	\$540,000
Developer Reimbursement Totals	\$17,785,000	\$2,580,000	\$3,725,000	\$1,268,000	\$2,672,000	\$2,788,000	\$1,609,000	\$1,186,000	\$953,000	\$530,000	\$1,070,000
CIP - Septic Elimination Program											
Septic Project Allowance	\$4,760,000	\$500,000	\$600,000	\$430,000	\$575,000	\$575,000	\$200,000	\$560,000	\$560,000	\$200,000	\$560,000
Wallace Heights SEP	\$3,400,000	\$3,400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Stutz Road SEP	\$1,420,000	\$0	\$0	\$170,000	\$625,000	\$625,000	\$0	\$0	\$0	\$0	\$0
Curtin Creek Phase 2 SEP	\$3,080,000	\$0	\$0	\$0	\$0	\$0	\$400,000	\$1,340,000	\$0	\$0	\$0
Curtin Creek Phase 3 SEP	\$1,740,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$400,000	\$1,340,000
Septic Elimination Program Totals	\$14,400,000	\$3,900,000	\$600,000	\$600,000	\$1,200,000	\$1,200,000	\$600,000	\$1,900,000	\$1,900,000	\$600,000	\$1,900,000
TOTAL DISTRICT CAPITAL IMPROVEMENT	\$75,995,000	\$13,900,000	\$7,669,000	\$5,138,000	\$15,002,000	\$13,963,000	\$4,559,000	\$5,336,000	\$3,928,000	\$1,830,000	\$4,670,000

Capital Program 2026-2035

New Assets Capital Improvement Projects (continued)

Ridgefield Service Area	Ten-Year Program	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
CIP - General Facilities Projects (Trunks, Pump Stations, Force Mains)											
Ge Creek Facilities Upgrade	\$14,700,000	\$800,000	\$6,800,000	\$7,100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Taverner Force Main Redirection	\$150,000	\$0	\$0	\$20,000	\$130,000	\$0	\$0	\$0	\$0	\$0	\$0
Pioneer Canyon Pump Station Phase 3 Upgrade	\$4,650,000	\$0	\$0	\$0	\$350,000	\$400,000	\$2,200,000	\$1,700,000	\$0	\$0	\$0
Marina Pump Station Upgrade and Force Main	\$3,600,000	\$0	\$0	\$0	\$250,000	\$250,000	\$2,000,000	\$1,100,000	\$0	\$0	\$0
Marina Pump Station Trunk	\$2,600,000	\$0	\$0	\$0	\$0	\$0	\$300,000	\$1,300,000	\$1,000,000	\$0	\$0
General Facilities Totals	\$25,700,000	\$800,000	\$6,800,000	\$7,120,000	\$730,000	\$650,000	\$4,500,000	\$4,100,000	\$1,000,000	\$0	\$0
CIP - Local Agency Partnership											
Ridgefield Local Agency Partnership Allowance	\$620,000	\$0	\$20,000	\$50,000	\$50,000	\$50,000	\$50,000	\$100,000	\$100,000	\$100,000	\$100,000
COR S Royle Rd (Hillhurst Rd to 15th St)	\$550,000	\$0	\$0	\$10,000	\$10,000	\$270,000	\$260,000	\$0	\$0	\$0	\$0
Local Agency Partnership Totals	\$1,170,000	\$0	\$20,000	\$60,000	\$60,000	\$320,000	\$310,000	\$100,000	\$100,000	\$100,000	\$100,000
CIP - Developer Reimbursement											
Ridgefield Developer Reimbursement Project Allowance	\$2,150,000	\$50,000	\$100,000	\$200,000	\$200,000	\$200,000	\$200,000	\$300,000	\$300,000	\$300,000	\$300,000
Ridgefield District Installed Laterals Allowance	\$100,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Carty Road Pump Station and Force Main	\$2,600,000	\$2,600,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Heron Ridge Trunk	\$1,454,000	\$230,000	\$918,000	\$306,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Carty Road Trunk	\$300,000	\$0	\$60,000	\$120,000	\$60,000	\$30,000	\$30,000	\$0	\$0	\$0	\$0
Carty Road North Pump Station and Force Main	\$3,060,000	\$0	\$0	\$612,000	\$1,224,000	\$612,000	\$306,000	\$306,000	\$0	\$0	\$0
Ge Creek East Pump Station C and Force Main	\$2,520,000	\$0	\$0	\$0	\$0	\$504,000	\$1,008,000	\$504,000	\$252,000	\$0	\$0
Sebon Trunk	\$725,000	\$0	\$0	\$0	\$0	\$145,000	\$290,000	\$145,000	\$72,500	\$72,500	\$0
Royle Road Pump Station C and Force Main	\$1,701,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$567,000	\$1,134,000
Developer Reimbursement Totals	\$14,610,000	\$2,890,000	\$1,068,000	\$1,246,000	\$1,494,000	\$1,501,000	\$1,844,000	\$1,265,000	\$634,500	\$1,201,500	\$1,444,000
TOTAL RIDGEFIELD CAPITAL IMPROVEMENT	\$41,480,000	\$3,690,000	\$7,908,000	\$8,428,000	\$2,284,000	\$2,471,000	\$6,654,000	\$5,465,000	\$1,734,500	\$1,301,500	\$1,544,000
TOTAL CAPITAL IMPROVEMENT	\$117,475,000	\$17,590,000	\$15,577,000	\$13,566,000	\$17,286,000	\$16,434,000	\$11,213,000	\$10,801,000	\$5,662,500	\$3,131,500	\$6,214,000
TEN-YEAR PROGRAM TOTAL	\$159,235,805	\$22,773,205	\$20,831,800	\$17,626,000	\$20,757,000	\$20,449,000	\$15,497,900	\$15,337,400	\$9,188,000	\$6,556,500	\$10,219,000

Capital Plan 2026-2035

Central Service Area Existing Assets – Project Summaries

Restoration and Replacement – Pump Stations & Force Mains

Central Restoration and Replacement Allowance

Cost: \$3,500,000

Scope: Annual program for unplanned sewer repairs and engineering support on restoration and replacement needs on gravity sewer infrastructure, pump stations, force mains, and other related appurtenances. Projects are identified by District staff or partner agencies.

Basis: Condition

Pavement Repair and Manhole Adjustment Program

Cost: \$1,400,000

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

Gravity Repair Program

Cost: \$5,750,000

Scope: This is an annual program in the outer years of the ten-year program for maintaining reliable service by restoring and replacing localized "hot spot" areas in sewer infrastructure.

Basis: Condition

Access Manhole Program

Cost: \$750,000

Scope: This program includes new manhole installation to create access to existing pipelines for ongoing maintenance. Projects were identified during attempts to retrieve CCTV inspection and attempt to conduct maintenance monitoring activities.

Basis: Condition



Standby Power Program

Cost: \$435,000

Scope: Install permanent emergency power standby generators at critical pump stations with no on-site generator.

Basis: Condition

Controls System Replacement Program

Cost: \$1,000,000

Scope: Procure and replace control systems.

Basis: Condition

Pump Replacement Program

Cost: \$700,000

Scope: Procure Flygt pumps.

Basis: Condition

Trunk Sewer Assessment

Cost: \$450,000

Scope: Identify, inspect, and assess condition of select canyon trunk sewers.

Basis: Condition



Oro-Vega Pump Station Replacement

Cost: \$1,390,000

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

Basis: Condition

Plantation Pump Station Replacement

Cost: \$590,000

Scope: The upgrade will replace the existing submersible pump station with new grinder pumps for reliability and to decrease maintenance costs.

Basis: Condition

Mill Creek Pump Station Replacement

Cost: \$1,800,000

Scope: Confirm pump station location and update facility to increase reliability and monitoring capabilities. Upsize elements of the pump station to accommodate larger pumps.

Basis: Condition

Green Meadows Pump Station Replacement

Cost: \$1,820,000

Scope: Replace the existing pump station to meet current District standards to increase safety and reliability while decreasing maintenance risks/costs.

Basis: Condition



Pleasant Valley Highlands Pump Station Replacement

Cost: \$1,805,000

Scope: Install new wet well with top slab, new vault and associated force main, new electrical and control equipment, new kiosk, and new site paving, fencing, and lighting. Abandon/remove existing structures as needed.

Basis: Condition

Minnehaha Pump Station Replacement

Cost: \$1,820,000

Scope: Replace the existing pump station to meet current District standards to increase safety and reliability while decreasing maintenance risks/costs.

Basis: Condition

Silver Star Sewer and Pump Station Removal

Cost: \$1,800,000

Scope: Install 15-inch gravity trunk sewer from the intersection of NE 86th Street and NE 97th Court and extended it south along NE 98th Avenue and then east along NE 83rd Street to the pump station site. Abandon and remove the interim Silver Star Pump Station and force main.

Basis: Condition

Bowyer Pump Station Removal

Cost: \$600,000

Scope: Confirm gravity sewer needs to direct flow away from the pump station. Abandon and remove the interim Bowyer Pump Station and force main.

Basis: Condition

Buckman Gardens Pump Station Removal

Cost: \$650,000

Scope: Install 8-inch gravity sewer from the intersection of NE 41th Avenue and NE 96th Circle, east to NE 44th Avenue, then south to NE 94th Street and east to the existing Buckman Gardens II Pump Station. Abandon and remove the interim Buckman Gardens Pump Station and force main.

Basis: Condition

Wood Creek Pump Station Replacement

Cost: \$1,380,000

Scope: Replace the existing pump station to meet current District standards to increase safety and reliability while decreasing maintenance risks/costs.

Basis: Condition

Lakeshore Pump Station Replacement

Cost: \$50,000

Scope: Replace the existing pump station to meet current District standards to increase safety and reliability while decreasing maintenance risks/costs.

Basis: Condition

Tenny Creek Pump Station and Trunk Abandonment

Cost: \$50,000

Scope: This project includes an alternative analysis that will focus on reducing the risk of sewer failure and/or sanitary sewer overflows into Tenny Creek.

Basis: Condition



2026 Clark Regional Wastewater District Adopted Budget

Local Agency Partnership

City of Battle Ground Eaton Road Project

Cost: \$920,000

Scope: Relocate existing sewer assets as needed to accommodate the City of Battle Grounds Eaton Road Project.

Basis: Condition



Risto Road Meadow Glade Force Main Relocation

Cost: \$60,000

Scope: Relocate the existing 3-inch force main. Abandon the existing force main in place or remove as necessary.

Basis: Condition

Cougar Creek 3 Enhancement

Cost: \$70,000

Scope: Armor and protect the Cougar Canyon trunk sewer in conjunction with County stream improvements.

Basis: Condition

Ridgefield Service Area Existing Assets – Project Summaries

Restoration and Replacement – Pump Stations & Force Mains

Ridgefield Restoration and Replacement Allowance

Cost: \$920,000

Scope: Annual program for unplanned sewer repairs and engineering support on restoration and replacement needs on gravity sewer infrastructure, pump stations, force mains, and other related appurtenances. Projects are identified by District staff or partner agencies.

Basis: Condition

Ridgefield Gravity Repair Program

Cost: \$870,000

Scope: This is an annual program in the outer years of the ten-year program for maintaining reliable service by restoring and replacing localized "hot spot" areas in sewer infrastructure.

Basis: Condition

2026 Clark Regional Wastewater District Adopted Budget

Local Agency Partnership

Pioneer to Shobert Lane Utility Replacement

Cost: \$260,000

Scope: Replace the existing 6-inch gravity sewer 8-inch gravity sewer. Install manholes for access to side sewers.

Basis: Condition

Fleet and Facilities

Fleet

Fleet R&R

Cost: \$4,359,805

Scope: Replace and purchase new vehicles as needed based on current fleet analysis and business needs.

Basis: Operational Optimization

Fleet Capital

Cost: \$279,000

Scope: Replace and purchase new vehicles as needed based on current fleet analysis and business needs.

Basis: Operational Optimization

Facilities & IT

ERP System and Implementation

Cost: \$480,000

Scope: To procure and implement an Enterprise Resource Planning (ERP) System.

Basis: Operational Optimization

Internet Technology and Office Equipment

Cost: \$3,124,500

Scope: Procure new, replace, maintain, and upgrade systems, servers, computers, peripherals, services, office printers, copiers, plotters, and other office machines.

Basis: Operational Optimization

Campus Program Allowance

Cost: \$440,000

Scope: Allowance for restoration and replacement work for the ongoing maintenance and improvement of the facilities and building systems at the District Campus.

Basis: Operational Optimization

Building Improvements

Cost: \$1,217,500

Scope: Capital work for ongoing improvements of the facilities and building systems at the District Campus.

Basis: Operational Optimization

Campus Civil & Site Improvements

Cost: \$440,000

Scope: Capital work for ongoing improvements of the grounds and site at the District Campus.

Basis: Operational Optimization

Furniture, Fixtures & Equipment

Cost: \$147,500

Scope: Procure new, replace, maintain, and upgrade furniture, fixtures and equipment.

Basis: Operational Optimization

Pump Station Facilities & Site Work

Cost: \$432,500

Scope: Improvements and replacements of various kiosks.

Basis: Operational Optimization

Central Service Area New Assets – Project Summaries

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



General Sewer Plan Update

Cost: \$270,000

Scope: This project will update the District's 2017 General Sewer Plan (GSP) to align with Clark County's Growth Management Plan, which will be updated by June 2025. This project will include updates to the District's hydraulic model.

Basis: Planning

DCWTS Phase 2B

Cost: \$5,850,000

Scope: Upgrade the capacity of the Legacy pump station and force main system by installing a 20-inch force main.

Basis: Capacity

Schuller Force Main Upgrade

Cost: \$770,000

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

Basis: Capacity

Radio Node Upgrade

Cost: \$270,000

Scope: Provide additional radio capacity to support forecasted growth.

Basis: Capacity

Payne Pump Station Redirection

Cost: \$870,000

Scope: Install a new force main in NE 29th Avenue to relieve the Whipple Creek North pump station.

Basis: Capacity

Neil Kimsey Force Main Upgrade

Cost: \$21,550,000

Scope: Increase the 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

Pleasant Valley North Pump Station Upgrade

Cost: \$325,000

Scope: Install new pumps to increase the capacity of the station.

Basis: Capacity

Legacy Pump Station Phase 3 Upgrade

Cost: \$4,400,000

Scope: This project addresses a capacity need by upgrading the Legacy pump station.

Basis: Capacity





Mountain View Pump Station Upgrade

Cost: \$375,000

Scope: Increase capacity at the Mountain View pump station.

Basis: Capacity

Whipple Creek Place Pump Station Elimination

Scope: Divert flow from the NW 149th Street pump station away from the 6" force main shared with Whipple Creek West pump station. Decommission the Whipple Creek Place pump station by installing gravity sewer from the pump station

west to NW 11th Avenue and north to Whipple Creek West pump station.

Basis: Capacity

CIP – Local Agency Partnership

Central Local Agency Partnership Allowance

Cost: \$3,100,000

Scope: Allowance to participate in local agency projects to address sewer needs and reduce impacts to the public.

Basis: Extending Service

NE 179th Street and NE 29th Avenue Intersection Improvement

Cost: \$920,000

Scope: This project is to construct a gravity sewer in NE 179th Street and NE 29th Avenue to provide service in support of commercial and industrial development.

Basis: Extending Service

NE 179th Street CRP (NE 15th Ave - NE 26th Ave)

Cost: \$1,040,000

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 Rd - NE 15th Ave)

Cost: \$2,470,000

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 a gravity trunk and allows for the abandonment of the Fairgrounds pump station.

Basis: Extending Service

Developer Reimbursement

Developer Reimbursement Project Allowance

Cost: \$3,800,000

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

Basis: Extending Service

District Installed Laterals Allowance

Cost: \$300,000

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

Basis: Extending Service

Bowyer Trunk

Cost: \$100,000

Scope: The elimination and abandonment of the Bowyer Pump Station requires the installation of approximately 2,000 LF of 10-inch trunk sewer.

Basis: Extending Service

Pleasant Valley North Pump Station C and Force Main

Cost: \$2,000,000

Scope: Install a new pump station to serve the northeastern portion of the Pleasant Valley North basin. The facility will be located near NE 50th Avenue and NE 174th Street. Install a force main in a northerly direction along NE 50th Avenue to NE 179th Street.

Basis: Extending Service





Curtin Creek West Pump Station C

Cost: \$3,185,000

Scope: Provide a new pump station and force main to serve the eastern portion of Curtin Creek West basin.

Basis: Extending Service

Whipple Creek Trunk

Cost: \$300,000

Scope: This project

constructs about 4,500 feet of 10-inch and 24-inch gravity trunk on NE 179th Street from east of NE 15th Avenue to NE Union Road just east of the I-5 junction and north through the Killian Commercial project.

Basis: Extending Service

NE 209th Street Pump Station and Force Main

Cost: \$2,250,000

Scope: Provide new pump station and 400 feet of 8-inch force main to serve the I-5 Corridor mini-basin.

Basis: Extending Service

NE 209th Trunk

Cost: \$815,000

Scope: Provide a pump station and 400 feet of 8-inch force main along NE 209th Street.

Basis: Extending Service

Neil Kimsey Trunk

Cost: \$265,000

Scope: Convey flow from the future pump station at 209th Street back to the Neil Kimsey Pump Station by installing a 12-inch trunk.

Basis: Extending Service

2026 Clark Regional Wastewater District Adopted Budget

Packard Creek Pump Station and Force Main

Cost: \$4,230,000

Scope: Provide new pump station and force main along NW 179th Street and NW 11th Avenue to serve the northern portions of the Whipple Creek West Mini-Basin by installing 1,900 feet of 8-inch gravity sewer.

Basis: Extending Service

Whipple Creek East Pump Station B and Force Main

Cost: \$540,000

Scope: This project includes developer reimbursement for a pump station and force main along NE 154th St. Forecasted 2036 capacity is 100 gpm and 50-year capacity is approximately 250 gpm.

Basis: Extending Service

CIP – Septic Elimination Program

Septic Project Allowance

Cost: \$4,760,000

Scope: The District invests approximately \$600,000 in the Septic Elimination Program on an annual basis. New projects will be identified for future years.

Basis: Septic Elimination

Wallace Heights

Cost: \$3,400,000

Scope: Assist the neighborhood south of NE 112th Street, north of NE 106th Street between NE Stutz Road and NE 8th Avenue by making public sanitary sewer available. Install an 8-inch gravity main to serve 59 properties.

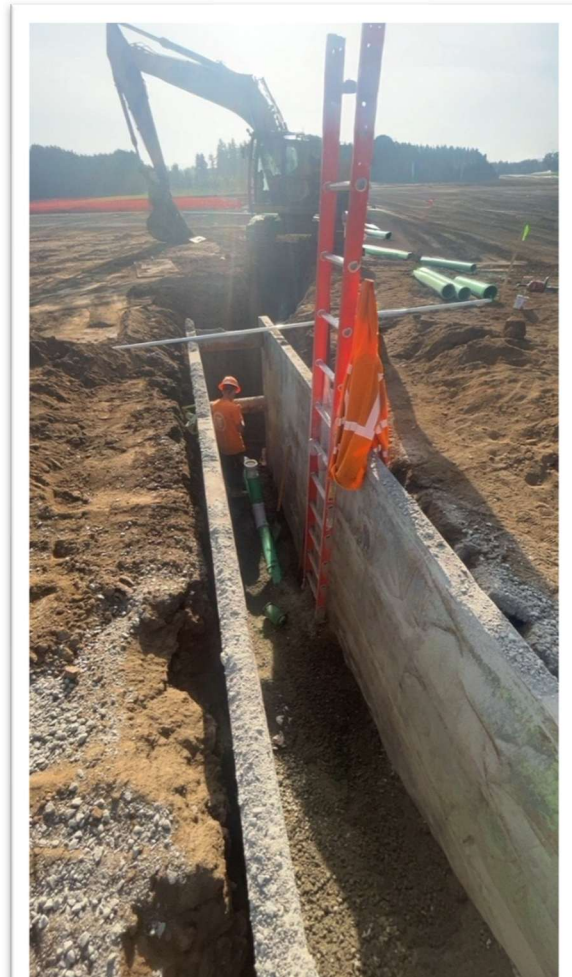
Basis: Septic Elimination

Stutz Road

Cost: \$1,420,000

Scope: Assist neighborhood between NE Stutz Road and NE 112th Street by making public sanitary sewer available. Install 8-inch gravity main to serve 24 properties.

Basis: Septic Elimination



Curtin Creek Phase 2

Cost: \$3,080,000

Scope: Assist neighborhood between NE 102nd Street, NE 94th Avenue, NE 92nd Street, and NE 87th Avenue by making public sanitary sewer available. Install 8-inch gravity main to serve 198 properties.

Basis: Septic Elimination

Curtin Creek Phase 3

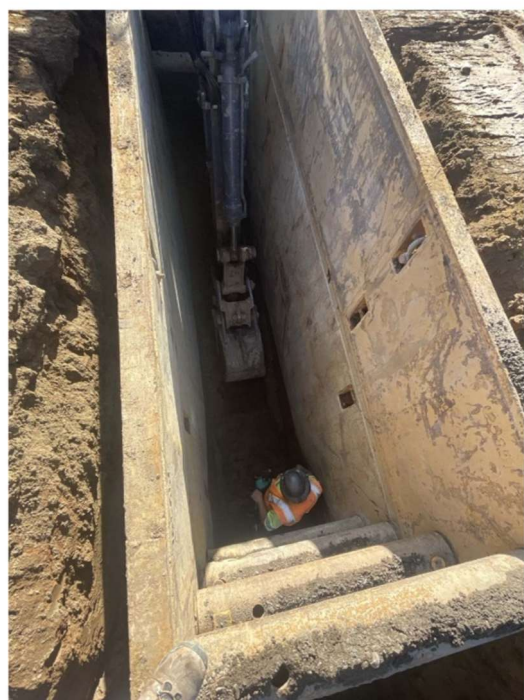
Cost: \$1,740,000

Scope: Assist neighborhood between NE 102nd Street, NE 94th Avenue, NE 92nd Street, and NE 87th Avenue by making public sanitary sewer available. Install 8-inch gravity main to serve 198 properties.

Basis: Septic Elimination

Ridgefield Service Area New Assets – Project Summaries

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



Gee Creek Facilities Upgrade

Cost: \$14,700,000

Scope: Upgrade Gee Creek Meadows Pump Station, construct a new force main to Gee Creek Plateau, construct Gee Creek Plateau Pump Station and force main to tie into the existing 12-inch force mains. System design capacity is 1,500 gpm for Gee Creek Meadows and 1,800 gpm for Gee Creek Plateau.

Basis: Capacity

Taverner Force Main Redirection

Cost: \$150,000

Scope: Redirect the existing force main by installing 30 feet of new 4-inch force main.

Basis: Capacity

Pioneer Canyon Pump Station Phase 3 Upgrade

Cost: \$4,650,000

Scope: Upgrade the Pioneer Canyon pump station to meet projected capacity needs in the Ridgefield Service Area.

Basis: Capacity

2026 Clark Regional Wastewater District Adopted Budget

Marina Pump Station Upgrade and Force Main

Cost: \$3,600,000

Scope: Upgrade the Marina pump station and redirect the existing force main to the Gee Creek Meadows pump station. This project supports decommissioning of the Ridgefield Treatment Plant.

Basis: Capacity



Marina Pump Station Trunk

Cost: \$2,600,000

Scope: Construct trunk sewer from the Ridgefield Treatment Plant to Marina pump station. This project supports decommissioning of the Ridgefield Treatment Plant.

Basis: Capacity

CIP – Local Agency Partnership

Ridgefield Local Agency Partnership Allowance

Cost: \$620,000

Scope: Allowance to participate in local agency projects to address sewer needs and reduce impacts to the public.

Basis: Extending Service

S Royle Rd (Hillhurst Rd to 15th St)

Cost: \$550,000

Scope: Protect and adjust existing sewer infrastructure to accommodate road improvements. Install District laterals where needed.

Basis: Extending Service

Developer Reimbursement

Ridgefield Developer Reimbursement Project Allowance

Cost: \$2,150,000

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

Ridgefield District Installed Laterals Allowance

Cost: \$100,000

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

Basis: Extending Service



Carty Road Pump Station and Force Main

Cost: \$2,600,000

Scope: Install pump station and 3,500 feet of 6-inch force main to extend service to proposed residential developments along NW Carty Road.

Basis: Extending Service

Heron Ridge Trunk

Cost: \$1,454,000

Scope: Provide a new gravity sewer from the Reiman Ridge PUD development, south along N Reiman Road, to the existing sewer trunk in Pioneer Street.

Basis: Extending Service

Carty Road Trunk

Cost: \$300,000

Scope: Install 1,100 feet of 10-inch gravity trunk to convey flow from the central pump stations in the Royle Road mini-basin to a point of connection to the Royle Road trunk.

Basis: Extending Service

Carty Road North Pump Station and Force Main

Cost: \$3,060,000

Scope: Extend service to proposed residential developments by installing a new pump station and force main along NW Carty Road.

Basis: Extending Service

Gee Creek East Pump Station C and Force Main

Cost: \$2,520,000

Scope: Install new pump station and 1,500 feet of 4-inch force main along S 10th Way to serve the Gee Creek East Mini-Basin.

Basis: Extending Service

Seton Trunk

Cost: \$725,000

Scope: This project includes installing 4,000 feet of 10-inch sewer that will flow northwesterly to the Boschma Pump Station.

Basis: Extending Service

Royle Road Pump Station C and Force Main

Cost: \$1,701,000

Scope: This project includes developer reimbursement for a pump station and force main along NW Carty Road. Forecasted 2036 capacity is 50 gpm and 50-year capacity is approximately 100 gpm.

Basis: Extending Service



Appendix 1 – Financial Policies

An elected board of three commissioners governs Clark Regional Wastewater District. The Board has established guiding policies that provide direction and framework in several key areas. The District's fiscal policies, mirrored in its rate model, require segregation of the District's accounts based on their revenue sources and internally restricted uses. The following policies shape District operations, cash reserve requirements, and how funds will be utilized for District expenses.

Revenue Sufficiency

- The District will establish sewer rates sufficient annually 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 statutes and administrative regulations.
- 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 to fund current operating expenditures.
- The District will consider technological and capital investment programs that are cost-effective and will reduce operating costs as high funding priorities.

Long-Term Financial Planning

A Ten-Year Capital Program and the annual budget will be developed and updated. Both will be prepared within the 20-year Comprehensive General Sewer Plan (GSP) framework, updated

periodically, and designed to provide a readily accessible, easy-to-understand infrastructure plan 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 following 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 following 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

District Reserve Policies were adopted by the Board of Commissioners on October 25, 2022, through Resolution #1857 and are summarized below:

Operations and Maintenance:

Funding: Sewer service rates

Reserves: A minimum balance of 150 days of operating expenses is maintained

Alliance Reserve:

Funding: Sewer service rates

Reserves: Funds set aside to fund the District's step-up responsibility per the Alliance Interlocal Formation Agreement in an amount equal to the City of Battle Ground's share of Alliance debt service for the following year.

Unemployment Reserve:

Funding: Sewer service rates

Reserves: Maximum weekly benefit amount paid to one District employee for up to 26 weeks

Debt Service:

Funding: Sewer service rates

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

Debt Service Reserve:

Funding: Sewer service rates

Reserves: One year's debt service requirement on all District bond debt and loans.

Existing Assets Replacement and Restoration (R&R):

Funding: Sewer service rates

Reserves: Greater than 100% of annual depreciation expense or gross capital asset value.

New Assets Capital Improvement Projects (CIP):

Funding: System Development Charges

Reserves: 50% of the lowest year of CIP expenditures in the ten-year Capital Program.

Capital Assets Policy

The District operates under a separately adopted Capital Assets Policy, adopted by the Board of Commissioners on August 9, 2022, through Resolution #1852. The Policy will be reviewed and modified periodically to ensure that it meets the District's financial objectives and serves its and its stakeholders' best interests.

Investment Policy

The District operates under a separately adopted Investment Policy, adopted by the Board of Commissioners on February 14, 2023, through Resolution #1867. 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 meets the District's financial objectives and serves the best interests 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 to provide the lowest capital costs to ratepayers.
- Debt shall only be issued for capital projects. The District maintains sufficient financial resources through effective budgeting 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 meets the District's financial objectives and serves the District's and its stakeholders' best interests.

Purchasing Policy

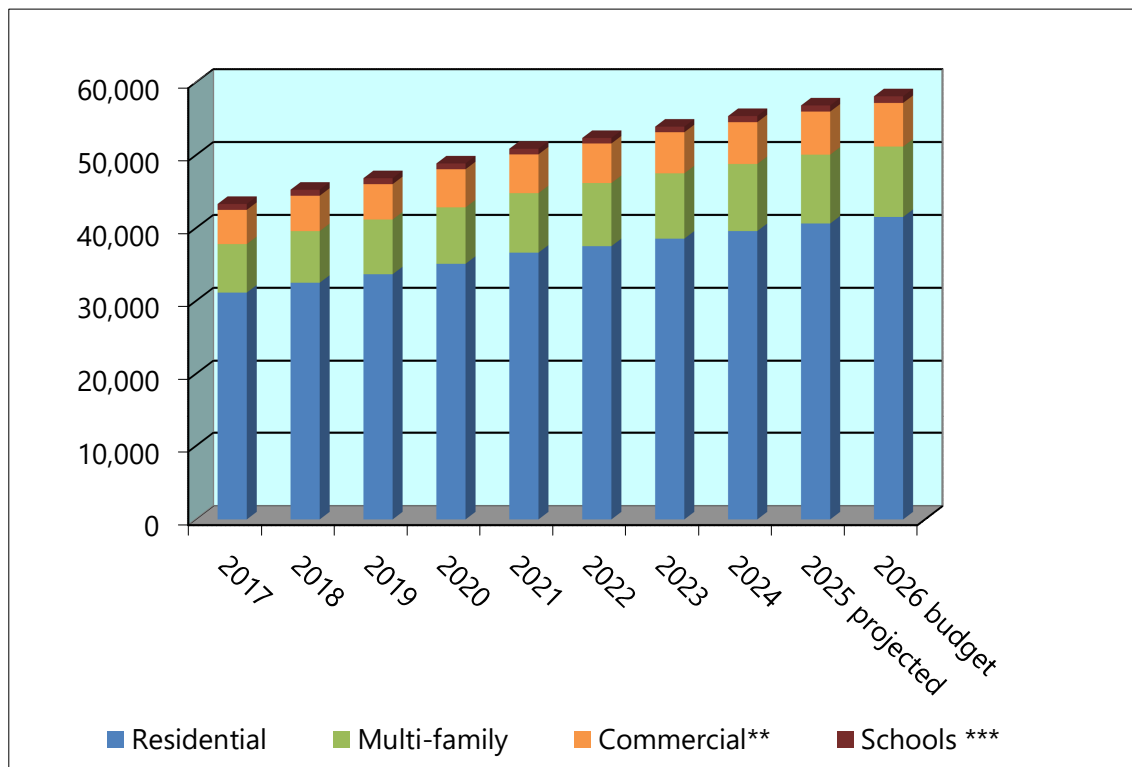
The District operates under a separately adopted Purchasing Policy, adopted by the Board of Commissioners on April 8, 2025, through Resolution #1922. The Board-adopted Purchasing Policy will be reviewed and modified periodically to ensure that it meets the District's financial objectives and serves the District's and its stakeholders' best interests.

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 April 25, 2023, through Resolution #1876. The Board-adopted Travel Reimbursement Policy will be reviewed and modified periodically to ensure that it meets the District's financial objectives and serves the District's and its stakeholders' best interests.

Appendix 2 – Equivalent Residential Units*

Year	Residential	Multi-family	Commercial**	Schools ***	Total
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	46,854
2020	35,105	7,744	5,231	793	48,872
2021	36,635	8,159	5,321	775	50,890
2022	37,526	8,658	5,428	755	52,367
2023	38,557	8,961	5,638	767	53,923
2024	39,595	9,202	5,737	840	55,375
2025 projected	40,636	9,444	5,910	840	56,830
2026 budget	41,537	9,653	5,986	914	58,090



Note:

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

** Commercial customers are billed at a 10 employees per ERU rate calculation.

*** Elementary, middle and high schools are billed at a 32 students per ERU rate calculation. Colleges are billed at a 10 students per ERU rate calculation. As of 2019, Washington State University Vancouver campus is billed on consumption rather than student headcount. Declining school ERUs starting in 2020 due to the COVID-19 pandemic, causing school closures and decreased enrollment.

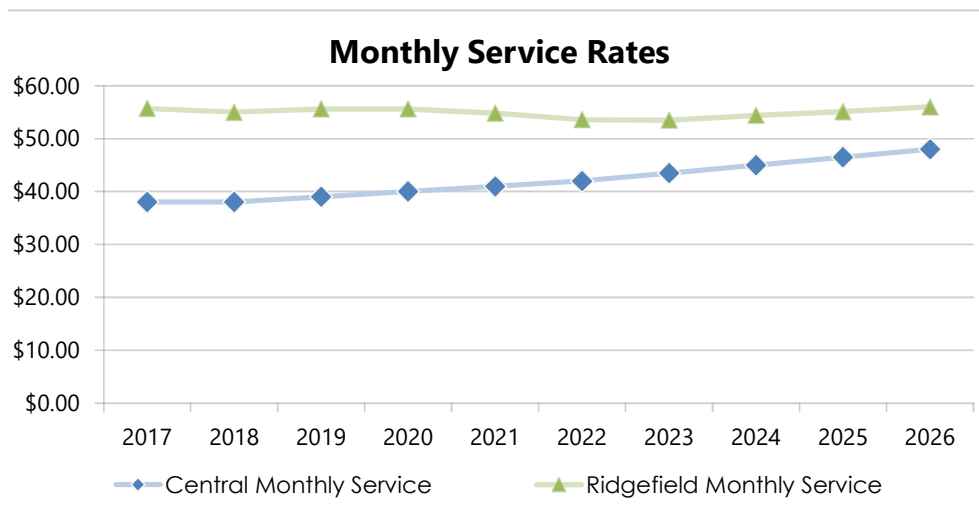
Appendix 3 – Service and Connection Charges

Year	Central Monthly Service	Ridgefield Monthly Service	System Development Charge			
			VTP	SCTP	RFTP	UHA
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	
2022	42.00	53.60	2,920	5,908	8,750	
2023	43.50	53.50	3,154	6,381	9,450	6,381
2024	45.00	54.40	3,374	6,827	10,112	8,600
2025	46.50	55.10	3,611	7,305	10,819	10,819
2026	48.00	56.00	3,827	7,744	11,468	11,468

Note:

In 2018, a four-year base rate increase of \$1.00 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.

In 2023, a four-year base rate increase of \$1.50 per month each year (2023-2026) was approved by the District's Board of Commissioners. This rate increase is deemed necessary to adjust for inflationary costs for goods, services, fuel, labor and rising treatment costs. The District Board of Commissioners also approved a four-year (2023-2026) fee increase to the System Development Charge for each tier to fund new capital infrastructure projects. Additionally, the Board created a fourth tier of System Development Charges in the undeveloped Urban Holding Area.



Appendix 4 – Where Does My Money Go?

Central Service Area \$48.00

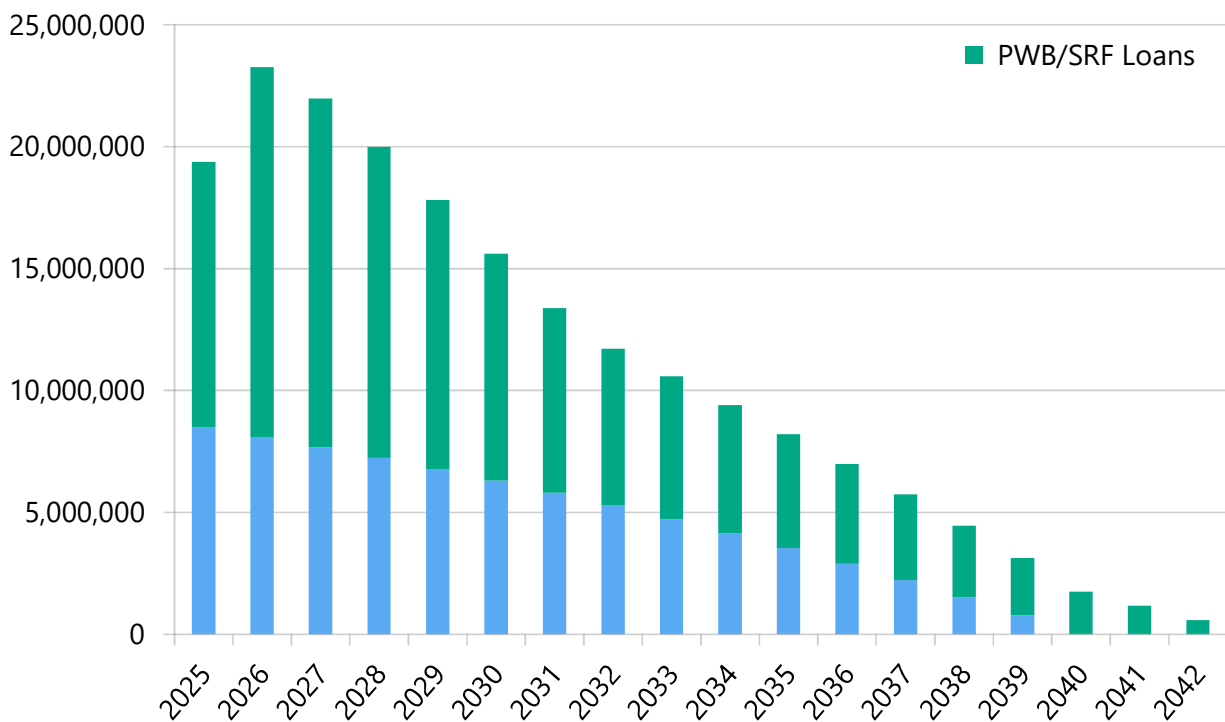


Ridgefield Service Area \$55.80



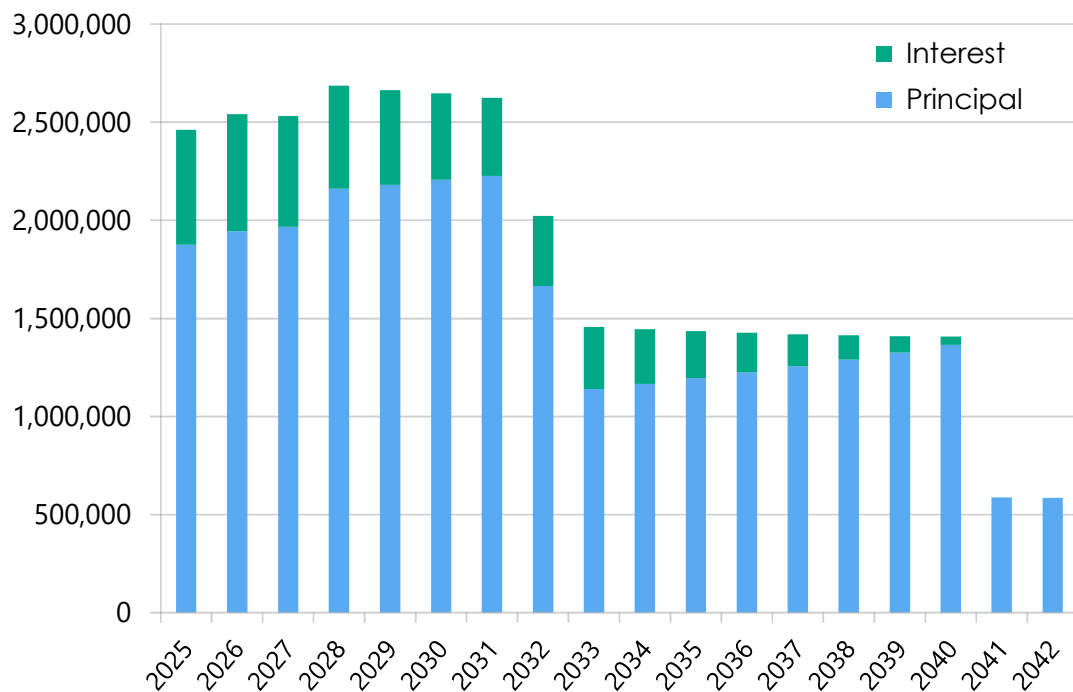
Appendix 5 – Outstanding Debt/Loans by Type

Year	Revenue	PWB/SRF	Total
	Bonds	Loans	
2025	8,485,000	10,899,298	19,384,298
2026	8,090,000	15,181,548	23,271,548
2027	7,675,000	14,311,374	21,986,374
2028	7,240,000	12,758,712	19,998,712
2029	6,785,000	11,032,247	17,817,247
2030	6,305,000	9,305,783	15,610,783
2031	5,805,000	7,579,318	13,384,318
2032	5,280,000	6,438,143	11,718,143
2033	4,725,000	5,852,857	10,577,857
2034	4,145,000	5,267,572	9,412,572
2035	3,535,000	4,682,286	8,217,286
2036	2,895,000	4,097,000	6,992,000
2037	2,225,000	3,511,714	5,736,714
2038	1,520,000	2,926,429	4,446,429
2039	780,000	2,341,143	3,121,143
2040	-	1,755,857	1,755,857
2041	-	1,170,571	1,170,571
2042	-	585,286	585,286
	164,426,286	304,108,133	468,534,419



Appendix 6 – Debt/Loans Repayment Schedule

Year	Principal	Interest	Total
2025	1,876,734	584,098	2,460,832
2026	1,943,998	596,696	2,540,695
2027	1,967,663	563,237	2,530,899
2028	2,161,465	523,668	2,685,133
2029	2,181,465	482,061	2,663,525
2030	2,206,465	440,282	2,646,747
2031	2,226,465	398,104	2,624,568
2032	1,666,175	355,802	2,021,977
2033	1,140,286	316,074	1,456,359
2034	1,165,286	278,547	1,443,833
2035	1,195,286	240,717	1,436,003
2036	1,225,286	202,359	1,427,645
2037	1,255,286	163,500	1,418,785
2038	1,290,286	124,164	1,414,450
2039	1,325,286	84,131	1,409,416
2040	1,365,286	43,426	1,408,712
2041	585,286	1,829	587,115
2042	585,286	369	585,654
	<u>\$ 29,108,978</u>	<u>\$ 5,972,189</u>	<u>\$ 35,081,167</u>



Appendix 7 – Limitation of Indebtedness

The limitation of indebtedness applies only to general obligation debt. Clark Regional Wastewater District (District) has never issued general obligation debt. However, the District still diligently monitors debt through the Bond Coverage Ratio Analysis noted below. Suppose the District ever issued general obligation debt. In that case, RCW 57.20.110 and 120 specify 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 \$31,552,821,817, which calculates to a legal debt limit of \$140,048,185. The District's total debt outstanding as of 12/31/2025 is \$19,384,298.

BOND COVERAGE RATIO					
	Actual 2022	Actual 2023	Actual 2024	Budget 2025	Budget 2026
Operating Revenues					
Charges for Services	\$ 23,093,562	\$ 29,293,892	\$ 33,334,496	\$ 31,289,984	\$ 32,692,771
Other Operating Revenues	9,029,406	6,012,045	8,273,894	7,880,399	9,534,430
Total Operating Revenue	32,122,968	35,305,937	41,608,390	39,170,383	42,227,201
Operating Expenses					
Salaries, Wages and Benefits	9,160,064	13,645,627	14,939,749	15,268,534	16,011,990
Sewage Treatment	12,159,950	15,017,268	15,007,676	16,557,217	16,560,600
Other Operating Expenses*	7,226,655	8,673,286	9,502,156	11,405,085	12,062,081
Total Operating Expenses	28,546,669	37,336,181	39,449,581	43,230,836	44,634,671
Net Operating Income					
Non-Operating Income					
Interest Income	(538,871)	2,625,157	2,040,560	2,890,051	2,401,866
Other non-operating revenues	1,310,292	2,239,820	1,824,424	2,179,992	1,438,680
Gain/loss on disposal of capital assets	(152,326)	-	-	-	-
Interest Expense	(442,477)	(419,618)	(510,857)	(486,561)	(496,492)
Other non-operating expense	(462,815)	(394,674)	(301,054)	-	-
Total Non-Operating Income	(286,197)	4,050,685	3,053,073	4,583,482	3,344,054
Capital Contributions (Cash)**	9,995,703	11,233,542	11,591,771	13,675,217	12,525,253
Net Revenue Available For Debt Service***	13,728,282	13,673,601	17,314,510	14,684,807	13,958,329
Debt service on issued bonds	(819,000)	(340,000)	(355,000)	(818,000)	(819,250)
Debt service on junior lien obligations	(1,288,360)	(1,225,162)	(1,225,163)	(1,268,723)	(1,178,194)
Net Revenue Available for Other Purposes	11,620,921	12,108,439	15,734,347	12,598,084	11,960,885
1.25 Coverage Ratio Test					
Parity Bond Debt Service Coverage Ratio	16.76	40.22	48.77	17.95	17.04
Debt Service Coverage Ratio On All System	6.51	8.74	10.96	7.04	6.99

Note:

* 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	Administration / Business Services	Collection Infrastructure	Finance	Wastewater Operations	Transmission & Treatment	Construction Management	Total
2017	10.00	31.50	11.00		1.00		53.50
2018	12.00	25.50	11.00	2.00	1.00	4.00	55.50
2019	12.00	28.50	11.00	2.00	1.00	4.00	58.50
2020	12.00	29.50	11.00	2.00	3.00	4.00	61.50
2021	10.00	32.50	11.75	2.00	3.00	4.00	63.25
2022	13.00	34.50	12.50	17.00	3.00	8.00	88.00
2023	14.00	33.50	13.00	21.00	3.00	8.00	92.50
2024	12.00	33.50	13.00	21.00	4.00	10.00	93.50
2025	13.00	34.00	14.00	24.00	4.00	10.00	99.00
2026	14.00	36.00	14.00	22.00	4.00	7.00	97.00

Administration/Business Services includes executive management, Human Resources, Policy & Program Development, IT Services, APWA Accreditation, Health & Safety, Facilities, and Board and Alliance support.

Collection Infrastructure staff manages all wastewater collection and provides development, local and regional facilities capital program management.

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

Wastewater Operations staff maintain all ten regional assets owned by the Alliance, including the Ridgefield and Salmon Creek Treatment Plants.

Transmission & Treatment provides Alliance Engineering support, including project management and regulatory compliance.

Construction Management includes Construction Managers and Engineering Technicians.

Note:

In 2019, the budget increased by 3 FTEs. The District added two 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.

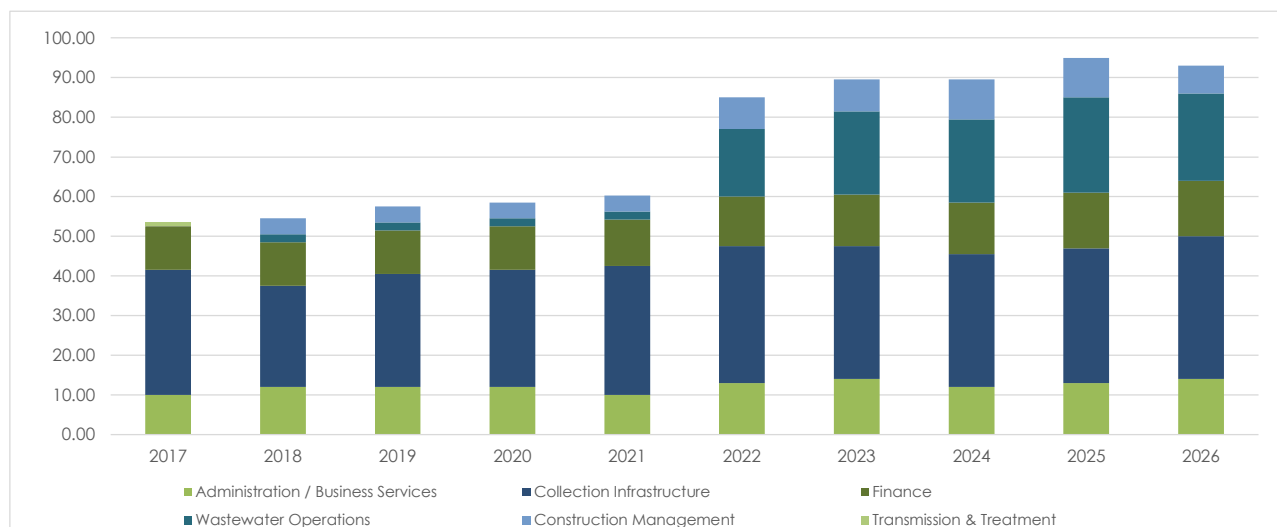
In 2021, the budget increased by 1.75 FTEs. The District added a .75 FTE to the Customer Account Team and added a limited-term Senior Project Manager (1 FTE) to Engineering. Three Administrative employees were assigned to different departments, two to Engineering and one to Operations.

In 2022, the budget increased by 24.75 FTEs, primarily due to 18 FTEs to operate the Salmon Creek Treatment Plant beginning July 1, 2022. The District also added two limited-term Construction Managers and a Project Manager to support the Alliance Capital Program. Also included are an Engineering Technician, a Maintenance Specialist, a Human Resources Associate, and an Administrative Assistant II position to support the increased workload.

In 2023, the budget increased by 4.5 FTEs. The District added two Operators-in-Training to the Operations Department, a Pretreatment Specialist to the Administration Department, a Safety & Health Coordinator to the Business Services Department, and increased an Accounting Technician position from 0.5 to 1.0 FTE.

In 2024, the budget increased by 1 FTE. The District added a Senior Project Manager to the Transmission & Treatment Department. The District restructured their Organization Chart.

In 2025, the budget increased by 6 FTEs. The District added two Maintenance Specialist Positions and a Maintenance Electrician to the Operations Department, a Project Manager to the Collection Infrastructure, a General Manager Support in Administration and an Accountant 1 and Customer Account Technician in Finance. The District decreased by 0.5 FTE, the Engineering Intern from Collection Infrastructure.



Appendix 9 – Salary Range and Positions

Salary Grades			ADMINISTRATION/ BUSINESS SERVICES	COLLECTION INFRASTRUCTURE	FINANCE	WASTEWATER OPERATIONS	TRANSMISSION & TREATMENT	CONSTRUCTION MANAGEMENT
Contract			General Manager*					
15,431	22	20,174						
14,288	21	18,680						
13,230	20	17,296						
12,250	19	16,014	Business Services Director	Collection Infrastructure Director	Finance Director/Treasurer		Principal Engineer	
11,342	18	14,829	Policy & Program Development Director			Wastewater Operations Manager		Construction Program Manager
10,502	17	13,730	IT Services Manager	Wastewater Operations Manager Capital Program Manager Planning & Development Program Manager				
9,724	16	12,713		Senior Project Manager	Finance Manager			Senior Construction Manager
9,004	15	11,771	Board Clerk/Executive Assistant Human Resources	Project Manager			Project Engineer 2	Construction Manager
8,337	14	10,899		Control Systems Administrator		Operations Supervisor Maintenance & Asset Management Supervisor	Regulatory Compliance Manager	
7,720	13	10,092	Safety & Health Coordinator	Maintenance Supervisor GIS Administrator	Senior Accountant	Control Systems Technician Chief Operator		
7,148	12	9,344	Administrative Supervisor	Electrician	Customer Account Supervisor	Laboratory Coordinator Maintenance Electrician Lead Operator		
6,618	11	8,652	Human Resources Specialist	Lead Maintenance Specialist Senior Engineering Technician	Accountant 3	Operator 3 Maintenance Technician 3		Senior Construction Inspector
6,129	10	8,011		Maintenance Specialist 3 GIS Operations Specialist Engineering Technician	Accountant 2	Operator 2 Maintenance Technician 2 Biosolids Transport Specialist	Pretreatment Specialist	Construction Inspector
5,674	9	7,418	Administrative Assistant 4 Facilities/IT Technician	Maintenance Specialist 2 Administrative Assistant 4	Accountant 1 Senior Account Specialist	Operator 1 Maintenance Technician 1 Administrative Assistant 4		
5,254	8	6,868	Administrative Assistant 3	Maintenance Specialist 1 Administrative Assistant 3	Account Specialist	Operator & Maintenance Technician In Training		
4,865	7	6,359		Maintenance Specialist In Training				
4,504	6	5,889			Assistant Account Specialist			
4,170	5	5,453	Administrative Assistant 1					
3,861	4	5,048				Facility & Grounds Caretaker		
Total Budgeted FTEs			14.00	36.00	14.00	22.00	4.00	7.00
Note: Total FTE count for 2026 is 97. In addition to 97 FTEs, the District has a three-member elected Board of Commissioners. The 2026 budget reflects a 3% market adjustment to salary grades. * Contract Employee								

Appendix 10 – Demographics Statistics

Clark County				
Year	Unincorporated Population*	Per Capita Income **	Total Personal Income	Unemployment
2016	218,750	46,969	10,274,468,750	6.1%
2017	223,160	49,014	10,937,964,240	5.9%
2018	222,420	52,229	11,616,774,180	5.1%
2019	226,890	54,919	12,460,571,910	5.3%
2020	233,048	57,827	13,476,466,696	4.3%
2021	236,200	63,923	15,098,612,600	6.8%
2022	237,650	65,522	15,571,303,300	4.4%
2023	240,155	69,318	16,647,064,290	4.9%
2024	243,830	72,921	17,780,368,431	5.2%
2025	245,750	76,712	18,851,883,061	5.2%

Note:

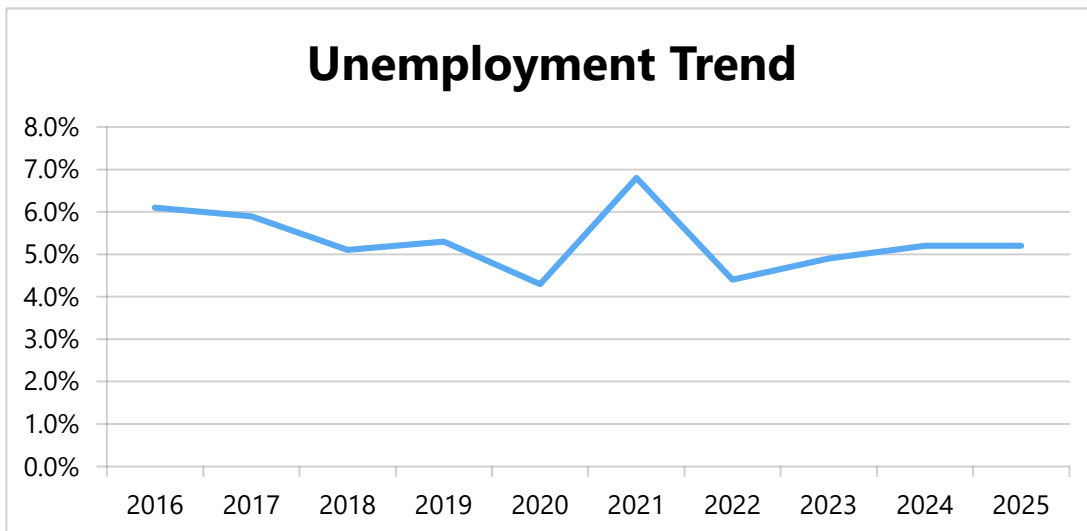
Demographic information is from the following sources:

* Washington State Office of Financial Management

** Federal Reserve Economic Data

2023 was inflated by 5.2% to arrive at the 2024 & 2025 numbers, respectively, as 2024 & 2025 data is not available at time of budget adoption. The 5.2% represents the average increase per year from 2014 to 2023.

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



Appendix 10 (continued) – Race and Ethnicity

Clark County		
<u>Race and Ethnicity*</u>	<u>Percentage of Population</u>	<u>Number of Residents</u>
American Indian and Alaska Native**	1%	6,775
Asian**	6%	30,748
Black or African American**	3%	14,592
Hispanic or Latino**	13%	65,665
Native Hawaiian and Other Pacific Islander**	1%	6,254
Not Hispanic or Latino**	73%	382,524
Two or More Races**	5%	25,536
White**	84%	437,766

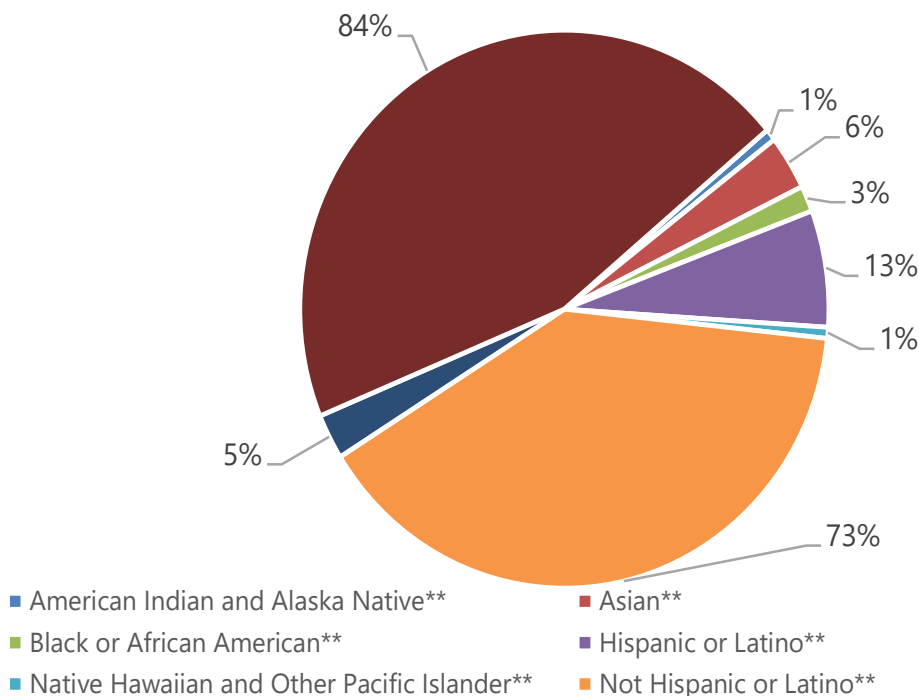
Note:

population can be of any race.

** Due to the lapse of federal funding for 2024, the U.S. Census Bureau did not have data for race and ethnicity in Clark County. Data above represents census from 2023.

Source: U.S. Census Bureau, American Community Survey (ACS) 2023 Decennial Census

Percentage of Population by Race and Ethnicity



Appendix 10 (continued) – Language Spoken at Home

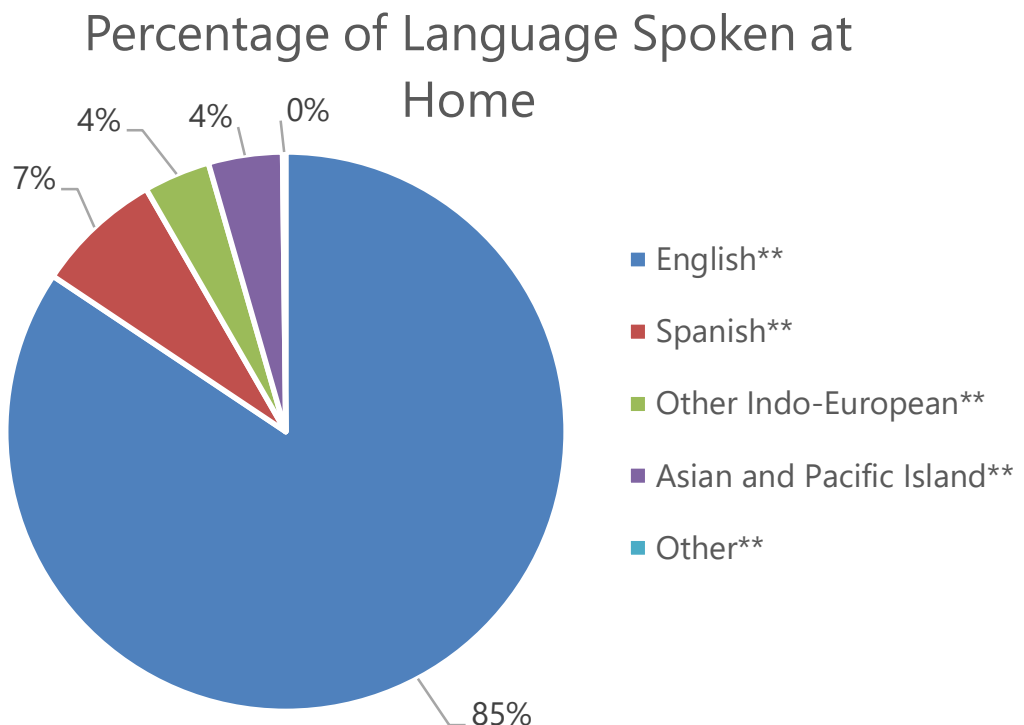
Clark County		
<u>Language Spoken at Home*</u>	<u>Percentage of Population</u>	<u>Number of Residents</u>
English**	84%	415,934
Spanish**	7%	36,019
Other Indo-European**	4%	18,984
Asian and Pacific Island**	4%	21,050
Other**	0%	940

Note:

* The number of residents surveyed were individuals 5 years or older.

** Due to the lapse of federal funding for 2024, the U.S. Census Bureau did not have data for language spoken at home in Clark County. Data above represents census from 2023.

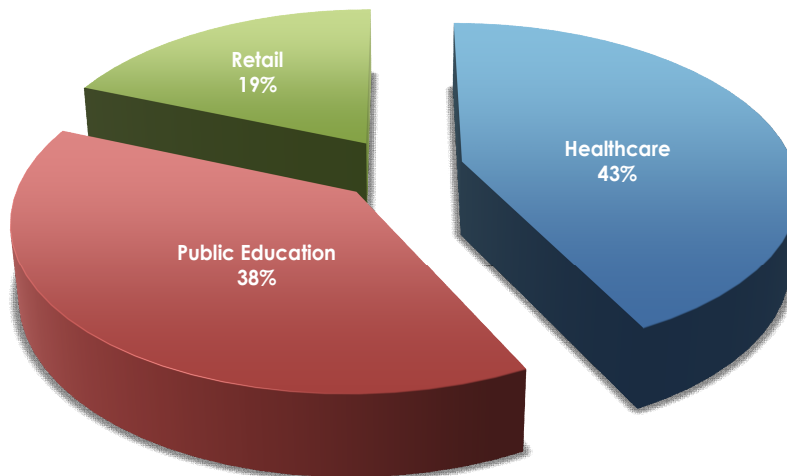
Source: U.S. Census Bureau, 2023 American Community Survey 1-Year Estimates



Appendix 11 – Employees for Ten Principal Employers

Customer	Number of Employees									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Legacy Salmon Creek Hospital	2,108	1,844	1,796	1,587	2,023	1,924	1,890	1,852	1,778	1,680
Vancouver Public Schools	1,231	965	925	1,053	933	960	917	929	922	914
UNFI	654	681	654	-	350	350	224	-	-	-
The Vancouver Clinic	605	613	611	429	382	392	339	287	324	308
Battle Ground Public Schools	533	522	504	509	436	374	386	390	404	409
Ridgefield Public Schools	492	515	503	446	380	346	325	324	232	230
Washington State University Vancouver	456	435	423	418	430	441	463	453	449	443
Fred Meyer	396	238	455	453	495	500	482	455	505	507
Kaiser Permanente	285	267	293	285	263	247	247	250	250	250
The Dollar Tree	269	-	271	260	-	260	249	222	229	-
Total	7,029	6,080	6,435	5,440	5,692	5,794	5,522	5,162	5,093	4,741

2025 Employees for Top Ten Principal Employers



Note

Total employment for CRWWD's service area alone is not collected in US census data nor is calculable as only a portion of unincorporated Clark County; therefore, a calculation of each employer's percentage of total employment is excluded.

Appendix 12 – Ten Largest Customers

Current and Ten Fiscal Years Ago

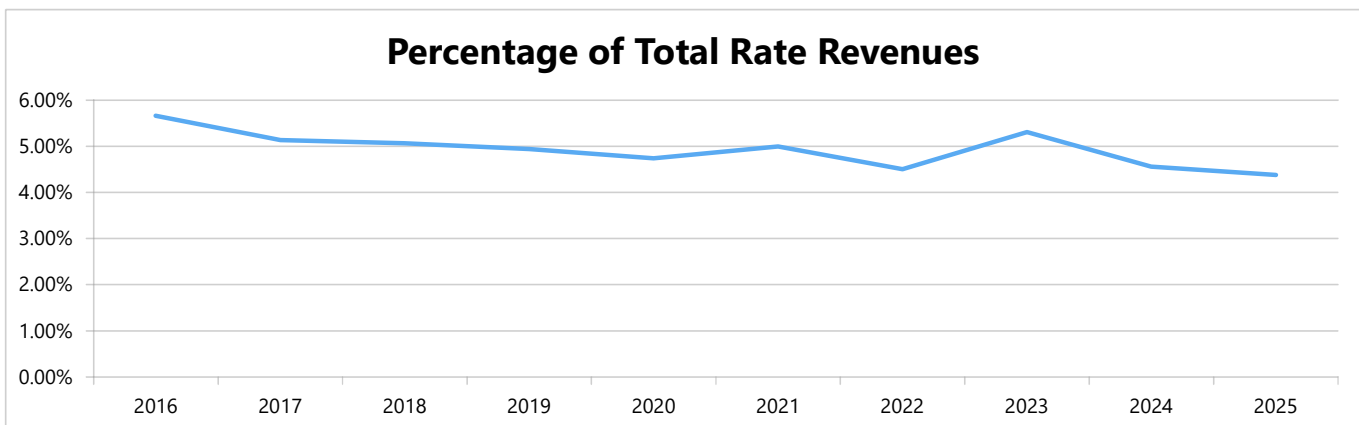
Customer	2025*			2016		
	Rate Revenues	Rank	Percentage of Total Rate Revenues	Rate Revenues	Rank	Percentage of Total Rate Revenues
Acero Ridgefield	\$ 159,349	1	0.51%	\$ -		0.00%
Vancouver Public Schools	157,468	2	0.50%	142,264	1	0.81%
Salmon Creek Estate Condominiums	157,356	3	0.50%	128,592	2	0.73%
Highland Crossing LLC	148,763	4	0.48%	-		0.00%
Highland Hills Apartments	143,908	5	0.46%	117,602	3	0.67%
ACERO 78TH LLC	129,121	6	0.41%	-		0.00%
Prairie View Association	126,666	7	0.40%	103,512	4	0.59%
Alderbrook LLC	122,425	8	0.39%	-		0.00%
Parklane Apartments	116,622	9	0.37%	95,304	5	0.54%
Reflections at the Park**	109,647	10	0.35%	89,604	6	0.51%
Rock Creek Commons, LLC	-		-	87,613	7	0.50%
Bridge Creek Apartments***	-		-	77,064	8	0.44%
Crystal Creek Apartments	-		-	75,696	9	0.43%
North Glen Villas	-		-	74,146	10	0.42%
Subtotal (ten largest)	1,371,325		4.38%	991,397		5.66%
Balance from other customers	29,918,659		95.62%	16,537,739		94.34%
Total	\$ 31,289,984		100.00%	\$ 17,529,136		100.00%

Note

* Budgeted rate revenues for the 2025 year

** Formerly Prairie Park Apartments

*** Formerly Discovery Park Apartments



Appendix 13 – Glossary

Accounts

An allocation of segregated liquid resources to carry 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 Board of Commissioners approved the final budget.

Alliance Reserves Account

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

Balanced Budget

A budget in which revenues equal or exceed expenditures.

Beginning Account Balance

The residual account balance represents unused funds from the previous financial year.

Budget

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

Capital Expenditure

An expenditure used to acquire or construct a tangible asset with a cost greater than \$10,000 and a useful life of greater than one (1) year.

Debt Limit

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

Debt Service

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

Debt Service Account

This is an account used to hold restricted amounts for the principal and interest payments on the 2020 sewer revenue bonds and PWTF loans.

Debt Service Reserve Account

Reserve to fund principal and interest payments on all District-issued debt for one (1) year if sufficient funds are 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 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 was constructed along the I-5 corridor, which allows wastewater to be transmitted 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

A proprietary fund reporting 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 considering whether cash was expended.

Fiscal Year

For accounting and budgeting purposes, any period of twelve (12) months is designated as the operating year. Per Washington state statute, the District's fiscal year is from January 1 through December 31.

Full Time Equivalent (FTEs)

FTE stands for 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)

The Governmental Accounting Standards Board formulated standards that set the guidelines 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 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 and expenditures related to compensated absences, claims, and judgments are recorded only when payment is due.

New Assets Capital Improvement Projects Account (CIP)

An account 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

This account provides for the District's daily routine needs and sustains the effective financial delivery of its 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 Board (PWB)

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 a specific purpose.

Resources/Sources (financial)

Total amounts available to fund expenditures.

Revenue

Rates and charges received by the District are 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 became the 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. Most of the District's collected sewage is transmitted to the SCTP for treatment. Beginning July 1, 2022, the District plans to become the contract operator of this plant.

Salmon Creek Wastewater Management System (SCWMS)

The Salmon Creek Wastewater Management System comprises the SCTP and 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)

The state of Washington administers a fund that provides low-interest loans for investment in water and sewer sanitation infrastructure.

System Development Charges (SDC)

Charges to customers are used to pay for future capital improvements.

Treatment Costs

The District pays Discovery Clean Water Alliance, the City of Vancouver, and the City of Battle Ground to treat the sewage it collects and transmits to the treatment plants.

Unemployment Reserve Account

Funds are set aside to cover potential unemployment claims for which the District may be liable.

Utility Local Improvement District (ULID)

A local government formed a district to levy special benefit assessments against property specially benefited by district-related improvements.

Wastewater District

A special purpose district that provides sanitary sewer services.