



LAKE WHATCOM WATER AND SEWER DISTRICT
1220 LAKEWAY DRIVE
BELLINGHAM, WASHINGTON 98229

REGULAR MEETING
OF THE BOARD OF COMMISSIONERS

AGENDA

June 14, 2017

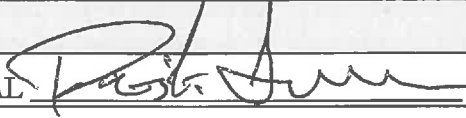
6:30 p.m. – Regular Session

1. CALL TO ORDER
2. PUBLIC COMMENT OPPORTUNITY
At this time, members of the public may address the Commission. Please state your name prior to making comments.
3. ADDITIONS, DELETIONS, OR CHANGES TO THE AGENDA
4. CONSENT AGENDA
5. SPECIFIC ITEMS OF BUSINESS:
 - A. North Shore Water Quality Testing – Presentation by Herrera Environmental
 - B. Connection Fees
 - C. Accounting Clerk Position Description Amendment
 - D. Monthly Budget Analysis
6. OTHER BUSINESS
7. MANAGER'S REPORT
8. PUBLIC COMMENT OPPORTUNITY
9. ADJOURNMENT



LAKE WHATCOM WATER AND SEWER DISTRICT

AGENDA BILL

DATE SUBMITTED:	June 6, 2017		
TO BOARD OF COMMISSIONERS			
FROM: Patrick Sorensen	MANAGER APPROVAL 		
MEETING AGENDA DATE:	June 14, 2017		
AGENDA ITEM NUMBER:	5.A.		
SUBJECT:	North Shore Water Quality Testing – Presentation by Herrera Environmental		
LIST DOCUMENTS PROVIDED ⇒ NUMBER OF PAGES INCLUDING AGENDA BILL: _____	1. Herrera Report		
	2.		
	3.		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL/ OTHER <input checked="" type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

Rob Zissette from Herrera Environmental will present his final report regarding the North Shore Water Quality Testing results. The Herrera Report is being reviewed at this time by the consultants. The document will be sent to the Board via e-mail on Monday, June 12th.

FISCAL IMPACT

Unknown at this time.

RECOMMENDED BOARD ACTION

Listen to Zissette's report and discuss/ask questions.

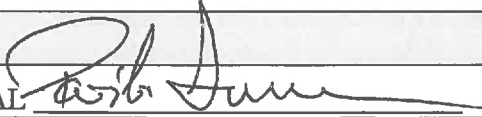
PROPOSED MOTION

No proposed motion at this time.



LAKE WHATCOM WATER AND SEWER DISTRICT

AGENDA BILL

DATE SUBMITTED:	June 6, 2017		
TO BOARD OF COMMISSIONERS			
FROM: Patrick Sorensen	MANAGER APPROVAL 		
MEETING AGENDA DATE:	June 14, 2017		
AGENDA ITEM NUMBER:	5.B		
SUBJECT:	Connection Fees – Updated Information by FCSG		
LIST DOCUMENTS PROVIDED ⇒ NUMBER OF PAGES INCLUDING AGENDA BILL: _____	1. Updated FCS Group Memorandum Dated May 31, 2017		
	2. _____		
	3. _____		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input checked="" type="checkbox"/>	INFORMATIONAL/ OTHER <input checked="" type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

FCS Group was contracted to examine our current General Facilities Charges (GFC) for both water and sewer earlier this year. These fees were last modified through Resolution 757 with an effective date of January 1, 2009. At the May 10, 2017 Board meeting FCSG presented their findings to the Board through a power point presentation. After a long discussion, the Board was of the opinion that fees needed to be increased and that like our user rates they should be increased annually over the next four to five years using an annual Construction Cost Index (CCI) inflation factor of 2.5% each year.

At the end of the discussion FCSG was asked to review and update the number of lots within the Sudden Valley community for inclusion within their final report and recommendation for a starting new GFC. The Board generally felt comfortable with the proposed numbers they presented. The only other general policy issues left for further discussion was the actual date of implementation. Should the increase be made now (as in this summer), or in January. In addition, there was also discussion of increasing the fee all at one time, or broken up over a two year period. The attached Project Memorandum from FCSG summarizes the findings presented at the May 10 meeting and includes the updated information requested earlier by the Board. FCSG staff will not be present for this meeting.

FISCAL IMPACT

For comparison purposes, the District has issued approximately 31 water/sewer availabilities in the trailing 12-months. Using this number, and the existing 2017 water and sewer GFC schedule, District revenue from fees would be approximately \$289K (31x \$4,110+\$5,201).

Using the proposed 2017 fees revenue would be approximately \$407K (31x \$5,602+\$7,538), or an increase of about \$118K. Both the existing GFC in 2017 and the updated/calculated numbers used for 2017 are found in the Memorandum within Exhibit G – 1 on page 9 under Summary.

RECOMMENDED BOARD ACTION

Staff recommends the following:

1. Adopt both the water and sewer GFC schedule through 2021 presented within Exhibit G – 1, as found within in the FCSG Memorandum dated May 31, 2017;
2. Use the 2.5% annual Construction Cost Index (CCI) to inflate the GFC each year;
3. Initiate the new GFC fee schedule on January 1, 2018, using the full calculated 2018 numbers as described in the Memorandum. Staff believes that it is best interest of the District to implement the new fees starting the first of the year because most people have already factored in the existing fee structure in their project/construction plans this year. We think this is only fair and it will give us time to notify the public.

PROPOSED MOTION

To adopt the new General Facilities Connection Fee schedule as proposed under “Recommended Board Action”.



FCS GROUP | Project Memorandum

Solutions-Oriented Consulting

To: Patrick Sorensen, General Manager
Lake Whatcom Water & Sewer District

Date: May 31, 2017

From: Gordon Wilson, Project Manager
Tage Aaker, Project Manager

RE: 2017 Update of Water & Sewer General Facilities Charges (GFCs)

A. INTRODUCTION TO STUDY

In September 2016, Lake Whatcom Water and Sewer District contracted with FCS GROUP to perform a water and sewer rate study update. The tasks related to that study were completed in early 2017, concluding with a project memorandum dated January 24, 2017. While we were engaged in the rate update, the District expressed interest in reviewing and updating the General Facilities Charges (GFC) for both water and sewer utilities. These charges have not increased since January 1, 2009 (Resolution 757).

This memo documents the assumptions and results of the GFC update. The District's existing GFCs are as follows, accompanied by the calculated update charge for 2017, plus an inflationary adjustment for 2018:

Exhibit A-1: Current GFCs by Utility, for Smallest Meter Size

District GFCs	Water	Sewer
5/8 x 3/4 Meter		
Existing 2017	\$4,110	\$5,201
Study Results:		
Calculated 2017	\$5,602	\$7,538
Inflated 2018 (2.5%)	\$5,742	\$7,726

B. BACKGROUND ON GENERAL FACILITIES CHARGES

GFCs are imposed on newly connecting customers, but they should not be confused with water meter installation charges or other fees that reimburse the District for the cost of making the physical connection for a new customer. Instead, a GFC is a method of recovering from new customers a proportionate share of the utility's investment in capital capacity—both the historical cost of existing capital assets and the planned cost of future capital improvements. GFCs serve two main purposes: to provide equity between existing and new customers, and to provide a source of utility capital funding. In addition, GFCs help ensure that growth pays for the cost of growth. The charge is imposed on both new development and redevelopment that increases demand for system capacity.

In part, the GFC functions as a "buy-in charge." To avoid dilution of the investment of existing customers, new customers are required to buy in to the system commensurate with the cost of the assets needed to serve them.

C. LEGAL BASIS FOR GFC

There are a variety of approaches that are used in the industry to establish a defensible GFC. The development of such charges always occurs in the context of state law. The District is authorized to assess fees and charges in general under Section 57.08.005 of the Revised Code of Washington (RCW) sets forth the powers of water-sewer districts in general. Paragraph 11 of that section states that among those powers is the authority to charge property owners a “reasonable connection charge.” This is what the District and many other districts refer to as a General Facilities Charge. This paragraph also describes some conditions that must be met in calculating this charge:

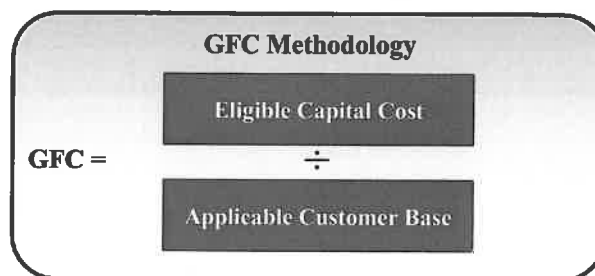
Section 57.08.005 (11) “Subject to subsection (7) of this section, to fix rates and charges for water, sewer, reclaimed water, and drain service supplied and to charge property owners seeking to connect to the district's systems, as a condition to granting the right to so connect, in addition to the cost of the connection, such reasonable connection charge as the board of commissioners shall determine to be proper in order that those property owners shall bear their equitable share of the cost of the system. For the purposes of calculating a connection charge, the board of commissioners shall determine the pro rata share of the cost of existing facilities and facilities planned for construction within the next ten years and contained in an adopted comprehensive plan and other costs borne by the district which are directly attributable to the improvements required by property owners seeking to connect to the system. The cost of existing facilities shall not include those portions of the system which have been donated or which have been paid for by grants. The connection charge may include interest charges applied from the date of construction of the system until the connection, or for a period not to exceed ten years, whichever is shorter, at a rate commensurate with the rate of interest applicable to the district at the time of construction or major rehabilitation of the system, or at the time of installation of the lines to which the property owner is seeking to connect. . .

While the District has some flexibility to define an equitable share of system costs, it is important that the District follows a rational approach to consistently implement cost-based GFCs. FCS GROUP uses this language as guidance for calculating GFCs as it is likely to be used as a reference if GFCs are challenged. Since the calculated charges represent the maximum allowable charge, the District may choose to charge less but may not charge more than the calculated charge.

D. METHODOLOGY

D1. GENERAL OVERVIEW

The basic approach to a GFC calculation can be shown in general terms:



The capital costs used in the GFC calculation can be separated into two major categories:

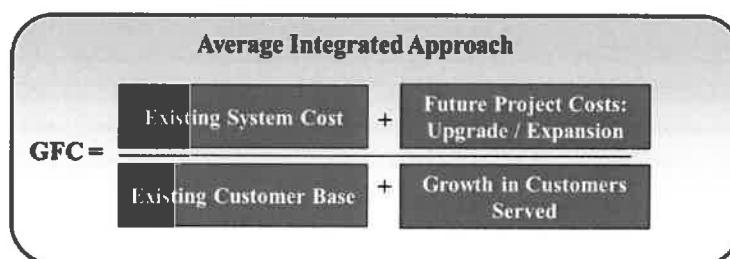
- Existing system: These costs represent the net investment in assets that currently provide service to customers (and that presumably have some amount of capacity to serve growth).

- **Future capital projects:** These costs refer to capital improvement projects that the utility plans to undertake within a period of time specified in the system planning documents, but not more than ten years. These projects typically fall into one of three categories, depending on the reason for the capital expenditure. District staff helped allocate projects to these categories for this analysis.
 - **Repair & Replacement (R&R) Projects:** These projects are to replace existing infrastructure due to wear and tear over time. These projects do not increase system capacity and are not upgrades to functionality or regulatory compliance. These costs are excluded from the GFC calculation as they are assumed to be repairing or replacing fixed assets that are already accounted for within the existing system cost.
 - **Upgrade Projects:** These projects broadly benefit both existing and future customers without increasing system capacity. Examples might include construction of an operations facility, improving system security, or projects driven by new regulations.
 - **Expansion Projects.** These projects primarily increase system capacity to serve additional customers. They may include main extensions, investments in conservation programs, treatment plant expansions, or pipe upsizing projects.

The applicable customer base is measured in Meter Capacity Equivalents (MCEs) at system buildout.

D2. RECOMMENDED APPROACH

The average integrated approach is as follows:



Under this methodology, all relevant capital costs (existing assets, upgrades and expansion projects) are divided by buildout capacity. The main policy emphasis here is on intergenerational equity—there is no cost advantage for either existing or new customers. This calculation is like a simple buy-in charge (which consists of existing costs divided by existing customers), except that it is projected into a future year, after the planned capital projects are completed. The resulting GFC is generally stable over time, and we recommend this methodology for the District.

D3. DEFINING EXISTING SYSTEM COSTS

The existing cost basis is intended to recognize the current ratepayers' net investment in the original cost of system assets. The main provisions of the calculation include:

- **Utility Plant-In-Service:** The existing cost basis is typically comprised of the original cost of plant-in-service, as documented in the fixed asset schedules of a utility. The District's asset records consist of replacement cost estimates as of 2013. These estimates were converted into original cost estimates, by using the Engineering News Record's Construction Cost Index.
 - While relatively low-value items such as tools, vehicles, furniture, etc. can be included in the original cost basis, they were not included in this replacement cost data. Therefore they were not incorporated into this analysis. This results in a slightly conservative estimate of the existing utility plant-in-service cost basis.

- Major assets constructed from 2013 to 2016 were noted and included to fill in the missing years of asset data. A review of assets was performed to ensure that no asset was double counted in the existing basis and in the 2016 capital plan.
- **Plus: Construction Work In Progress:** The cost of construction work in progress is added to the existing cost basis to recognize investments that a utility has made in capital projects that are currently underway, despite the fact that these projects have not yet been placed into service. The District did not currently have any construction in progress as of the end of 2016.
- **Less: Contributed Capital:** Assets funded by developers or grants are excluded from the cost basis on the premise that the GFC should only recover costs actually incurred by the District.
- **Plus: Interest on Utility-Funded Assets:** The RCW and subsequent legal interpretations provide a guideline for GFCs which suggests that such charges can include interest on an asset at the rate applicable during the time of construction. Using the historical Bond Buyer Index for 20-year term bonds, interest can accumulate for a maximum of ten years from the date of construction for any particular asset. Conceptually, this interest provision attempts to account for opportunity costs that the District's customers incurred by supporting investments in infrastructure rather than having it available for other needs.
- **Less: Net Debt Principal Outstanding:** Another adjustment to the existing system cost basis is to deduct the net liability of outstanding utility debt, recognizing that new customers will bear a proportionate share of annual debt service through ongoing utility service rates. Outstanding debt represents assets that have been placed in service but that today's ratepayers have not yet paid for. However, cash reserves represent money that today's ratepayers *have* paid for, and that cash could be substituted for indebtedness if needed. So in calculating the amount that should be subtracted from the GFC cost basis, we first deduct cash reserves from the outstanding debt (which is why it is referred to as "*net* debt principal outstanding"—that is, net of cash reserves). If the amount of cash reserves is greater than the amount of outstanding debt, the deduction for net debt principal outstanding is zero—it cannot be negative. (The term "cash reserves" includes both cash and investments.)

D4. DEFINING FUTURE SYSTEM COSTS

A utility capital improvement program (CIP) includes projects that address many needs, including system expansion, upgrades and the repair and replacement of infrastructure. In some cases, a single CIP project can serve more than one of these purposes. A maximum of 10-years of capital projects may be included in GFC calculations for special purpose districts, according to RCW 57.08.005, and those projects must be included in an adopted comprehensive plan. As previously noted, repair and replacement projects are excluded from the future cost basis. All costs included in the calculations are in estimated 2016 dollars. The District currently has a six-year adopted CIP, spanning 2016-2021, and this is used in the charge calculations.

D5. DEFINING THE CUSTOMER BASE

A key objective in defining the customer base is to determine the number of "customer units" the system can support. In other words, "How many customer equivalents can the system serve, once the capital plan has been fully executed?" Based on discussions with District staff and the District's consulting engineer, once the six-year capital plan is executed, the system could serve projected buildout in each utility—with the single exception of the North Shore area of the sewer utility service area. This area's assets can only serve the 20-year projection rather than full-buildout.

E. WATER UTILITY RESULTS

E1. OVERVIEW OF RESULTS

The following exhibit shows the existing charge and updated calculation.

Exhibit E-1: Results of the Water GFC Calculation

District GFCs	Existing 2017	Calculated 2017
Water		
5/8 x 3/4 Meter	\$4,110	\$5,602
Increase (\$)		\$1,492
Increase (%)		36%

E2. DEFINING THE CUSTOMER BASE

The District currently administers the water GFC based on the meter size of the new development, using meter capacity equivalents (MCEs) as defined by the American Water Works Association (AWWA). The MCE ratios shown below represent the maximum safe operating flow capacity in gallons per minute, relative to the smallest meter size (which is a 5/8" x 3/4" meter).

However, capacity and buildout figures in the District's system plans are represented in ERUs rather than MCEs. A reasonable effort was made to correlate those ERUs to MCEs. This helps maintain consistency with how the charge was calculated (MCEs) and how the charge is administered (MCEs).

The most recent detailed customer data download we had from the District was from a previous study which used 2012 customer data. This 2012 data was used in this GFC update to calculate MCEs, which was compared to the estimated number of ERUs in 2012, based on projections from the 2010 Water Comprehensive Plan. It was found that 1 ERU was approximately equal to 0.93 MCEs, which is shown in the following exhibit. For the purposes of this analysis, we are assuming that this relationship remains intact through present day and through buildout.

Exhibit E-2: Relating 2012 Water System ERUs to MCEs

Meter Capacity Equivalents in 2012 (Actual Customer Data)			
Meter Size (inches)	Accounts in 2012	MCE Ratio	MCEs in 2012
0.625	3,426	1	3,426
1	29	2	58
1.5	19	5	93
2	5	8	43
3	1	22	22
	3,480		3,642

Equivalent Residential Units in 2012 (2010 Comprehensive Plan)	
Area	Estimated ERUs
Sudden Valley	2,674
Geneva	1,130
North Shore / Eagleridge	69
North Shore / Wells	44
Total	3,917

In 2012, MCEs + ERUs	93%
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This 93% factor was then applied to the estimated number of ERUs at system buildout. These buildout numbers were provided by the District's consulting engineer, Wilson Engineering. They estimated 4,660 ERUs at buildout, which we equated to 4,330 MCEs.

Exhibit E-3: Relating Buildout ERUs to MCEs

Equivalent Residential Units at Buildout (2017 Wilson Engineering Figures)	
Area	Estimated ERUs
Sudden Valley	3,287
Geneva	1,250
North Shore / Eagleridge	71
North Shore / Wells	52
Total	4,660

Apply 93% Factor to estimate MCEs	4,333
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E3. GFC CALCULATION

The following exhibit shows the summary calculation for the Water GFC. The total existing cost basis is \$22.59 million plus \$1.69 million in eligible capital projects, for a total cost basis of \$24.3 million. This is then divided by an estimated system capacity, once the capital plan is executed, of 4,333 MCEs. This results in a charge of \$5,602 per MCE, as of 2017.

Exhibit E-4: Summary-level 2017 Water GFC Calculation per MCE

Water Utility: GFC Calculation	
Capital Cost Basis (\$)	
Existing Assets	\$22,587,608
Future Assets (Upgrade/Expansion of System)	1,686,906
Total Cost Basis	\$24,274,514
Buildout Capacity (Estimated in MCEs)	4,333
General Facilities Charge per MCE	\$5,602

F. SEWER UTILITY RESULTS

F1. OVERVIEW OF RESULTS

The following exhibit shows the existing charge and updated calculation.

Exhibit F-1: Results of the Sewer GFC Calculation

District GFCs	Existing 2017	Calculated 2017
Sewer		
5/8 x 3/4 Meter	\$5,201	\$7,538
Increase (\$)		\$2,337
Increase (%)		45%

F2. DEFINING THE CUSTOMER BASE

The District also administers the sewer GFC based on meter size and the equivalent meter capacity ratio. The sewer utility customer data from 2012 did not have the number of accounts by meter size—rather the data consisted of just the number of accounts since the service charges are not based on meter size like they are for the water utility. However, because the Sewer GFC is administered based on meter size, the number of MCEs needs to be estimated.

To estimate the number of sewer MCEs, we took the proportion of sewer accounts to water accounts, and applied that factor to the number of water MCEs. At the time of the 2012 rate study, there were 3,832 sewer accounts compared to 3,480 water accounts—or 10% more sewer accounts than water accounts. This 10% factor was applied to the estimated number of water MCEs in 2012 to arrive at an estimated number of 2012 sewer MCEs: 4,010 MCEs. This methodology assumes the same meter size composition for the portion of the sewer service area that does not overlap with the water utility.

Exhibit F-2: Relating 2012 Sewer System ERUs to MCEs

Meter Capacity Equivalents in 2012 (Actual Customer Data)			
Meter Size (inches)	Accounts in 2012	MCE Ratio	MCEs in 2012
0.625	3,426	1	3,426
1	29	2	58
1.5	19	5	93
2	5	8	43
3	1	22	22
	3,480		3,642
Apply 10% Factor: more Sewer than Water Accounts			4,010

Equivalent Residential Units in 2012 (2014 Comprehensive Plan)	
Area	Estimated ERUs
Sudden Valley / Geneva	3,842
North Shore	366
Total	4,208

In 2012, MCEs + ERUs	95%
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With this assumption, 1 ERU was approximately equal to 0.95 MCEs.

This 95% factor was then applied to the estimated number of ERUs at system buildout. These buildout numbers came from the District's 2014 Comprehensive Sewer Plan, with one adjustment suggested by Wilson Engineering.

Wilson Engineering explained that the build-out numbers shown in the 2014 Comprehensive Sewer Plan for the North Shore area include the area at the end of Northshore Road, with 100 houses on septic systems. There is no sewer service yet for those houses, and a major sewer extension project would be required in order to serve them. That major sewer extension is not included in the 2014 Comprehensive Sewer Plan. In order to exclude those homes, Wilson Engineering suggested that we use the 20-year projection for the North Shore area rather than the buildout figure. So Exhibit F-3 assumes buildout for South Shore (Sudden Valley and Geneva) and 20-year growth projections for the North Shore service area.

Given those assumptions, the total number of ERUs that could be served by the sewer system after the capital plan is executed, is 5,234 ERUs, which is equivalent to 4,988 MCEs.

Exhibit F-3: Relating Buildout ERUs to MCEs

Equivalent Residential Units Capacity (2017 Wilson Engineering Figures)	
Area	Estimated ERUs
Sudden Valley / Geneva (Buildout)	4,810
North Shore (20-Year Growth)	424
Total	5,234

Apply 95% Factor to estimate MCEs	4,988
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F3. GFC CALCULATION

The following exhibit shows the summary calculation for the Sewer GFC. The total existing cost basis is \$37.6 million. District staff determined that all projects in the capital plan were related to the repair and replacement of existing assets. Therefore, we excluded all future capital costs.

The \$37.6 million is divided by 4,988 MCEs, resulting in a charge of \$7,538 per MCE.

Exhibit F-4: Summary-level 2017 Sewer GFC Calculation per MCE

Sewer Utility: GFC Calculation	
Capital Cost Basis (\$)	
Existing Assets	\$ 37,597,880
Future Assets (Upgrade/Expansion of System)	-
Total Cost Basis	\$ 37,597,880
Buildout Capacity (Estimated in MCEs)	4,988
General Facilities Charge per MCE	\$7,538

G. SUMMARY

The following exhibit shows the existing GFCs by utility, the updated GFC calculation in 2017, and the forecasted charges through 2021, assuming an annual Construction Cost Index (CCI) inflation factor of 2.5% per year. The District is allowed to increase the calculated 2017 charge by the annual increase in the Engineering News Record's CCI.

If the District wants to adopt a multi-year schedule, as they currently do for customer service rates, we believe the 2.5% per year used in Exhibit G-1 is conservative and defensible (the five-year annual historical average is 2.7% and the ten-year average is 2.9%).

Exhibit G-1: Summary of GFC Calculation plus Projected Charges

District Existing GFCs				Update	Forecasted GFCs with Estimated CCI Inflation (2.5% / yr.)			
Meter Size (inch)	Continuous Flow (gpm)	Meter Capacity Ratio	Existing 2017	Calculated 2017	2018	2019	2020	2021
Water								
5/8 x 3/4	15	1	\$4,110	\$5,802	\$5,742	\$5,885	\$6,033	\$6,183
1	30	2	\$8,220	\$11,204	\$11,484	\$11,771	\$12,065	\$12,367
1.5	75	5	\$20,550	\$28,009	\$28,710	\$29,427	\$30,163	\$30,917
2	120	8	\$32,880	\$44,815	\$45,935	\$47,084	\$48,261	\$49,467
3	330	22	\$90,420	\$123,241	\$126,322	\$129,480	\$132,717	\$136,035
4	440	29.33	\$120,546	\$164,303	\$168,411	\$172,621	\$176,936	\$181,360
Sewer								
5/8 x 3/4		1	\$5,201	\$7,538	\$7,726	\$7,919	\$8,117	\$8,320
1		2	\$10,402	\$15,075	\$15,452	\$15,839	\$16,235	\$16,640
1.5		5	\$26,005	\$37,688	\$38,631	\$39,596	\$40,586	\$41,601
2		8	\$41,608	\$60,302	\$61,809	\$63,354	\$64,938	\$66,562
3		22	\$114,422	\$165,829	\$169,975	\$174,224	\$178,580	\$183,044
4		29.33	\$152,545	\$221,080	\$226,607	\$232,273	\$238,079	\$244,031

A two-year, phase-in strategy was initially presented to the District's Board of Commissioners, but the general feedback was that they would lean towards adopting the full increase at once. The full charge is reflected in **Exhibit G-1**, and no phase-in strategy is shown in this documentation.

While the District may adjust the GFC at any time, we suggest allowing enough time for public outreach and communication before the new, higher charge goes into effect.

H. APPENDICES

H1. WATER GFC

Existing Cost Basis			Notes
PLANT-IN-SERVICE			
Utility Capital Assets	\$	18,172,481	Fixed Assets as of end of 2016, Estimated Original Cost from Replacement Cost
less: Contributed Capital	\$	(3,550)	Donated Assets at Original Cost
plus: Interest on Non-Contributed Plant		7,593,851	Interest on assets up to a maximum 10-year period
plus: Construction-Work-in-Progress		-	
Year-end Estimated Cash Balances	\$	1,482,650	Projected Year Ending 2016
less: Debt Principal Outstanding		(4,657,825)	Projected Year Ending 2016
less: Net Debt Principal Outstanding	\$	(3,175,174)	Debt principal outstanding, net of cash reserves
TOTAL EXISTING COST BASIS	\$	22,587,608	
Future Cost Basis			Notes
CAPITAL IMPROVEMENT PLAN (2016-2021)			
			CIP costs begin in 2016 and are in 2016 dollars.
Total Projects	\$	3,221,082	
less: R&R Projects	\$	(1,534,176)	
Growth Related Projects	\$	1,686,906	
TOTAL FUTURE COST BASIS	\$	1,686,906	
Resulting Charge			Notes
Charge Components	Cost Basis	MCEs	Charge
Component for Existing Assets	\$ 22,587,608	4,333	\$5,213
Component for Future Assets	\$ 1,686,906	4,333	\$389
	\$ 24,274,514	4,333	\$5,602
TOTAL GFC PER MCE			\$5,602
Existing GFC per MCE			\$4,110
Increase (%) - Calculated Above Existing GFC			36%
Increase (\$) - Calculated Above Existing GFC			\$1,492

H2. SEWER GFC

Existing Cost Basis			Notes
PLANT-IN-SERVICE			
Utility Capital Assets	\$	28,180,217	Fixed Assets as of end of 2016, Estimated Original Cost from Replacement Cost Donated Assets at Original Cost Interest on assets up to a maximum 10-year period
less: Contributed Capital	\$	(860,560)	
plus: Interest on Non-Contributed Plant		13,256,845	
plus: Construction-Work-in-Progress		-	
Year-end Estimated Cash Balances	\$	3,160,728	Projected Year Ending 2016
less: Debt Principal Outstanding		(6,139,350)	Projected Year Ending 2016
less: Net Debt Principal Outstanding	\$	(2,978,622)	Debt principal outstanding, net of cash reserves
TOTAL EXISTING COST BASIS	\$	37,597,880	
Future Cost Basis			Notes
CAPITAL IMPROVEMENT PLAN (2016-2021)			CIP costs begin in 2016 and are in 2016 dollars.
Total Projects	\$	6,590,388	
less: R&R Projects	\$	(6,590,388)	
Growth Related Projects	\$	-	
TOTAL FUTURE COST BASIS	\$	-	
Resulting Charge			Notes
Charge Components	Cost Basis	MCEs	Charge
Component for Existing Assets	\$ 37,597,880	4,988	\$7,538
Component for Future Assets	\$ -	4,988	\$0
	\$ 37,597,880	4,988	\$7,538
TOTAL GFC PER MCE			2017 \$7,538
Existing GFC per MCE			\$5,201
Increase (%) - Calculated Above Existing GFC			45%
Increase (\$) - Calculated Above Existing GFC			\$2,337



LAKE WHATCOM WATER AND SEWER DISTRICT

AGENDA BILL

DATE SUBMITTED:	June 6, 2017		
TO BOARD OF COMMISSIONERS			
FROM: Patrick Sorensen	MANAGER APPROVAL <i>Patrick Sorensen</i>		
MEETING AGENDA DATE:	June 14, 2017		
AGENDA ITEM NUMBER:	5.C.		
SUBJECT:	Accounting Clerk Position Description Amendment		
LIST DOCUMENTS PROVIDED ⇒ NUMBER OF PAGES INCLUDING AGENDA BILL: _____	1. Accounting Clerk Job Description - Red Line Version		
	2. Accounting Clerk Job Description – Draft Final Copy		
	3. Office restructure spreadsheet cost savings		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input checked="" type="checkbox"/>	INFORMATIONAL/ OTHER <input type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

Amend the Accounting Clerk Position to add new duties and increase work hours from ½ time to ¾ time. The office staff scheduling is a continuous struggle to maintain coverage and still allow vacation/sick leave which employees are entitled to. The Accounting Clerk position will also be utilized as back up for the monthly meter reading function as well as processing all travel/training arrangements for the crew.

FISCAL IMPACT

See the attached spreadsheet for the office restructure cost savings. There will be additional health care premium expenses but these are not known at this time. They should be minimal.

RECOMMENDED BOARD ACTION

Approve the amended Accounting Clerk position job description.

PROPOSED MOTION

Approve the amended Accounting Clerk position job description.

CURRENT OFFICE STRUCTURE

9 Adm Asst	\$	37.03	2080	\$	77,022.40
5 Receivable Tech	\$	30.47	2080	\$	63,377.60
2 Acc Clerk	\$	20.80	1040	\$	21,632.00
5 Payables/Payroll Tech	\$	30.47	2080	\$	63,377.60
				\$	225,409.60

PROPOSED OFFICE STRUCTURE

6 Adm Asst	\$	25.26	2080	\$	52,540.80
5 Receivable Tech	\$	30.47	2080	\$	63,377.60
2 Acc Clerk	\$	20.80	1664	\$	34,611.20
5 Payables/Payroll Tech	\$	30.47	2080	\$	63,377.60
				\$	213,907.20

SAVINGS OF **\$ 11,502.40**



Lake Whatcom Water & Sewer District Job Description

Job Title: Accounting Clerk

FLSA Status: Non-Exempt

Reports To: Finance Manager

Wage Grade: 2 – 64 hours bi-weekly

Revision Date: July 1, 2017

POSITION PURPOSE:

Responsible for providing customer service to the public and performs a variety of accounting and clerical duties in support of the District's Finance Department and Operations.

REPORTING RELATIONSHIPS:

Reports to the Finance Manager and does not supervise others.

ESSENTIAL DUTIES AND RESPONSIBILITIES include but are not limited to the following:

- Responsible for being the District's first point of contact at the front counter and on the telephone performing all related customer service tasks such as responding to inquiries and complaints, providing general information, and routing customers to appropriate District staff;
- Assists accounts receivable in generating utility bills; assists in receiving and processing utility payments; posts payments for utility accounts; identifies and resolve errors and discrepancies;
- Assists with monthly past due/disconnection lists. Assists with office lock and unlock actions;
- Adds and posts daily mail deposits to utility billing and special assessment/ULID accounts; pulls overnight dropped payments and posts to cash drawer; posts to appropriate accounts and prepares bank deposits;
- Assists with all ULID functions (ie: billing, foreclosures, escrow requests, etc.)
- Process all liens and release of liens;
- Assists in bulk mailing projects (ie: ULID billing, past due notices, etc.);
- Processes travel/training arrangements for crew members;
- Acts as back-up for the monthly meter reading;
- Assists with Accounts Payable invoice entry;
- Orders, maintains inventories and distributes office supplies;
- Opens, sorts and distributes incoming mail; assists in mailing of outgoing correspondence;
- Performs other duties as required or assigned.

MINIMUM QUALIFICATIONS:

Knowledge of:

- Accounting fundamentals and procedures;
- Customer service techniques and telephone etiquette;
- Computers and applicable software applications;
- Grammar, spelling and punctuation;
- Filing and file maintenance techniques;
- Basic office procedures.

Ability to:

- Apply District accounting and auditing guidelines, policies and procedures;
- Apply effective customer service techniques; respond to customer inquiries and complaints in a courteous, understanding and concerned manner;
- Pay attention to detail and accuracy;
- Use a computer and applicable software related to job duties;
- Establish and maintain effective interpersonal relationships at all organization levels and with the public;
- Communicate with co-workers, supervisor, the general public, etc., sufficient to exchange or convey information and to receive work direction;
- Prioritize work, accommodate interruptions, and meet deadlines;
- Maintain confidentiality;
- Use office equipment such as multi-line telephone system, copiers, calculators and fax machines.

Experience/Education:

Any equivalent combination of education and experience that provides the applicant with the knowledge, skills and abilities required to perform the job. A typical way to obtain the knowledge and abilities would be:

Experience: Two years of experience in general accounting support, billing customer service or related experience.

Education: High school diploma or GED.

Licenses and Certifications:

- Valid Washington State Driver's License.

WORK ENVIRONMENT:

Duties are performed primarily in an office environment with sitting for long periods of time, utilizing standard office equipment and a personal computer. The noise level in the work environment is usually moderately quiet. May be required to deal with upset customers.

PHYSICAL REQUIREMENTS:

This classification typically requires stooping, kneeling, walking, pulling, lifting, finger dexterity, grasping, talking, hearing, seeing, and repetitive motions.

Light Work: Frequently lifting, carrying, pushing or pulling up to 10 pounds and/or occasionally lifting, carrying, pushing or pulling up to 20 pounds. Frequent walking, standing or sitting most of the time and using arms or legs to push/pull.

This job description does not constitute an employment agreement and may be changed or amended at any time to meet the needs of the District.



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Ability to:

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LAKE WHATCOM WATER AND SEWER DISTRICT

AGENDA BILL

DATE SUBMITTED:	June 6, 2017		
TO BOARD OF COMMISSIONERS			
FROM: Debi Denton	MANAGER APPROVAL <i>Debi Denton</i>		
MEETING AGENDA DATE:	June 14, 2017		
AGENDA ITEM NUMBER:	5.D.		
SUBJECT:	Monthly Budget Analysis		
LIST DOCUMENTS PROVIDED ⇒ NUMBER OF PAGES INCLUDING AGENDA BILL:	Monthly Budget Analysis through 5/31/2017		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL/ OTHER <input checked="" type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

Information only

FISCAL IMPACT

n/a

RECOMMENDED BOARD ACTION

n/a

PROPOSED MOTION

n/a



LAKE WHATCOM WATER AND SEWER

INVESTMENTS/CASH AS OF 05/31/2017

Cash	\$	993,425	0.40%
LGIP	\$	1,005,327	0.87%

		PAR VALUE	YIELD	
FNMA - ProEquity	Callable 10/2017	\$ 1,000,000	Jul-18	1.00%
FICO - ProEquity	Non-Callable	\$ 440,000	Aug-18	0.91%
FICO - ProEquity	Non-Callable	\$ 375,000	Dec-18	0.90%
FICO - ProEquity	Non-Callable	\$ 250,000	Dec-18	0.90%
FFCB - ProEquity	Callable 10/2017	\$ 500,000	Oct-19	1.44%
FFCB - ProEquity	Callable 8/2017	\$ 750,000	Aug-20	1.10%

US Bank	\$	3,315,000
TOTAL	\$	5,313,752



LAKE WHATCOM WATER AND SEWER FUND SUMMARY 2017

	401	420	425	426	431	440	450	460	
	OPERATING	SYSTEM REINVESTMENT	SEWER/ STORM WATER CONTINGENCY	WATER CONTINGENCY	2016 BOND PROJECTS	DWSRF PROJECTS	DEBT SERVICE	2009 BOND RESERVE (RESTRICTED)	TOTAL
2017 REVENUES AND TRANSFERS IN	2,585,857	172,137	4,958	-	300,000	404,862	159,048	4,935	3,631,597
2017 EXPENDITURES AND TRANSFERS OUT	(2,185,472)	(171,890)	(34,648)	-	(1,763)	(586,488)	(181,960)	(690)	(3,162,911)
CASH/INVESTMENTS 2016 CARRYOVER	1,980,328	-	878,723	440,000	98,444	661,352	22,980	763,229	4,845,066
MONTH END BALANCE	\$2,380,713	\$247	\$849,033	\$440,000	\$396,881	\$479,526	\$78	\$767,474	\$5,313,752
ALLOCATED TO OPERATING RESERVES	-\$800,000								-\$800,000
	\$1,580,713								\$4,513,752



MONTHLY BUDGET ANALYSIS

Description

Budget
2017

YTD
5/31/2017
42%

OPERATING FUND - 401

REVENUES

401-333-97-00	FEMA Aug 2015 Storm Assistance	-	14,280	
401-343-40-10	Water Sales Metered (8.75% base rate increase) *	2,279,985	864,650	38%
401-343-41-10	Permits Operation portion (10 new connection permits)	30,000	7,319	24%
401-343-50-11	Sewer Service Residential (2.5% rate increase) *	3,844,032	1,602,366	42%
401-343-50-19	Sewer Service Other	5,000	1,244	25%
401-343-81-10	Combined Fees	30,000	11,251	38%
401-359-90-00	Late fees	50,000	22,423	45%
401-361-11-00	Investment Interest	1,500	1,041	69%
401-361-40-00-80	ULID #18 Interest	15,000	13,787	92%
401-368-10-00-80	ULID #18 Principal	40,000	46,897	117%
401-369-10-00	Sale of scrap metal and surplus	2,500	-	0%
401-369-10-01	Miscellaneous	-	599	
TOTAL REVENUES		6,298,017	2,585,857	41%

* Per Resolution 820 effective 11/9/2015
Scheduled annual rate increase

	Description	Budget	YTD
	MONTHLY BUDGET ANALYSIS	2017	5/31/2017
OPERATING FUND - 401			42%
EXPENDITURES			
401-53X-10-10	Admin Payroll (2.4% cola plus step increases - 2017)	639,252	267,960
401-53X-10-20	Admin Personnel Benefits (Medical, Retirement etc)	269,830	101,837
401-53X-10-31	Gen Admin Supplies	25,000	8,986
401-53X-10-31-01	Meetings/Team building	1,500	1,377
401-53X-10-40	Web pay/Bank Fees (WA Fed; Xpress, Chase)	20,000	11,497
	Interlocal - Lake Whatcom Management Program 5,000		
	Interlocal - Invasive Species 50,000		
	Interlocal - Lake Whatcom Tributary Monitor 10,000		
401-534-10-41-00	Water Quality Assurance Programs (TOTAL)	65,000	5,316
	County Auditor Filing Fees (Simplifile)	4,500	
	Data Bar (Statement processing)	21,000	
	Answering Service	1,700	
	Data Pro (Time clock system)	1,500	
	BIAS Financial Software	20,000	
	Web Check services	5,000	
	WA State Auditor	22,000	
	CPA (Internal audit and Financial statements)	6,000	
	Docuware/Web site maintenance and upgrade	5,000	
	Legal Counsel	60,000	
	3D - Computer support	20,000	
	Watchguard	1,000	
	Building security	1,500	
	Building custodial	7,700	
	Pest control	600	
	Landscaping service	5,500	
	South Whatcom Fire (hydrant maintenance)	2,000	
	GE Scada System Software Maintenance - Operations	7,500	
	Wilson Engineering	7,000	
	Camera Van Software	1,500	
	SCADA/PLC Support - Engineering/Operations	5,000	
	Cartegraph - Engineering/Operations	8,000	
	Auto Desk (DLT) - Engineering	1,000	
	GIS Partnership	1,000	
	Rockwell - Engineering/Operations	500	
	IT Pipes	1,500	
	ESRI - ARC GIS	1,500	
	Innovyze - Engineering	2,500	
	Master Meter	2,000	
	Generator Load Testing	22,000	
	Cyberlock software	1,000	
	Whatcom Co Emergency Management	20,000	
	Misc (Bid notices etc.)	3,000	
401-53X-10-41-01	Professional Services (TOTAL)	270,000	157,970
401-53X-10-42	Communication	50,000	22,933
401-53X-10-45	Admin Lease	2,000	450
401-53X-10-46	Property Insurance	138,000	-
401-53X-10-49	Admin Misc.	1,000	84
401-53X-10-49-01	Memberships/Dues	15,000	13,878
401-53X-10-49-02	WA State Dept of Revenue Taxes/Permits	208,000	76,139
401-53X-40-43	Training & Travel	35,000	9,316
401-53X-40-43-01	Tuition reimbursement	1,000	-
401-53X-50-31	Maintenance Supplies	180,000	48,895
401-53X-50-48	Operations Repair/Maint	130,000	121,172
401-53X-50-49	Insurance Claims	5,000	-
401-53X-60-41	Operations Contracted	9,000	1,538
401-534-60-47	Water City of Bellingham	40,000	15,185
401-535-60-47	Sewer City of Bellingham Treatment Fee	815,000	327,142
401-53X-80-10	Operations Payroll (2.4% cola plus step increases - 2017)	951,544	388,297
401-53X-80-20	Operations Personnel Benefits (Medical, Retirement etc)	414,930	165,101
401-53X-80-32	Fuel	20,000	10,429
401-53X-80-35	Safety Supplies	10,000	6,418
401-53X-80-35-01	Safety Supplies Boots	2,500	166
401-53X-80-35-02	Emergency Preparedness	10,000	
401-53X-80-47	General Utilities	208,000	98,719
401-53X-80-49	Laundry	4,000	1,532

	Description	Budget	YTD
	MONTHLY BUDGET ANALYSIS	2017	5/31/2017
	OPERATING EXPENDITURES	4,340,556	1,862,337
TRANSFERS	Transfers Out to System Reinvestment Fund 420	1,598,000	164,087
	Transfers Out to Sewer Contingency Reserve Fund 425	100,000	-
	Transfers Out to 2009 Bond Debt Service Fund 450	890,172	159,048
	TOTAL EXPENDITURES	6,928,728	2,185,472
OPERATING FUND	OPERATING REVENUES	6,298,017	2,585,857
	EXPENDITURES	(6,928,728)	(2,185,472)
	CASH/INVESTMENTS BALANCE CARRYOVER	1,750,000	1,980,328
	RATE STABILIZATION RESERVES	(800,000)	(800,000)
	CASH/INVESTMENTS BALANCE	319,289	1,580,713

	Description	Budget	YTD
	MONTHLY BUDGET ANALYSIS	2017	5/31/2017
SYSTEM REINVESTMENT FUND - 420			
420-333-86-00-00	North Shore Consolidatoin Feasibility Study		12,418
420-343-40-19-21	DEA Permits	-	-
420-343-40-19-22	DEA Permits	-	-
420-343-41-20-00	Permits Capital Portion (10 new connection permits)	70,000	(4,368)
420-343-50-20-00	Latecomer Fees	-	-
420-397-10-00-01	Transfers In from Operating Fund 401	1,598,000	164,087
	TOTAL REVENUES	1,668,000	172,137
420-534-10-41-21	DEA 16-01		473
	Active Projects to be completed in 2017	777,500	
	C13-06 Sewer Air Vac Valve Replacement		966
	C 14-07 Lowe Sewer PS VFD	3,450	-
	C 15-04 Reservoir Site Security	5,000	1,863
	C15-06B Whatcom Falls Manhole Repair	17,350	250
	C16-03 Marina-Tomb Stationary Generator	6,785	1,044
	C 16-05 Water System Plan Update	100,000	43,650
	C 16-06 Replace SCADA Hardware	2,670	
	C 16-10 Little Strawberry Water Leak on bridge	10,000	
	C 16-11 Country Club Sewer Pump Station	632,245	11,212
	New 2017 Capital Projects (see CIP detail - 2017)	890,500	
	C 17-01 Tool truck	65,000	
	C 17-02 Admin staff vehicle	26,000	25,231
	C 17-03 Locator/Meter reading van	28,000	
	C 17-04 New Admin Server	15,000	
	C 17-05 Geneva Pump Station pre-design and permits	100,000	11,951
	C 17-05 Geneva Pump Station deisgn and bidding	100,000	
	Par Pump Station pre-design and permits	100,000	
	Par Pump Station design and bidding	100,000	
	C 17-06 Strawberry Canyon Back up Generator	20,000	425
	C 17-07 Beaver and Flat Car Level Transmitter Replacement	50,000	
	C 17-08 Install Ball Check Valves	10,000	
	C 17-09 CMOM	25,000	
	C 17-10 Eagleridge Fire Pump Control Upgrade - Scope and estimate	5,000	
	C 17-10 Eagleridge Fire Pump Control Upgrade Construction	35,000	
	C 17-11 Replace SVWTP Booster Station Roof	30,000	12,898
	C 17-12 Mechanical Staff gauge for SVWTP Clearwell	4,000	
	C 17-13 Eagleridge Booster station controls	50,000	
	C 17-14 SVWTP Floor coating	5,000	
	C 17-15 SVWTP pumps and turbidimeter	7,500	1,180
	C 17-16 Water System rehab and replacement projects	40,000	5,822
	Water meter replacements	110,000	54,925
	TOTAL EXPENDITURES	1,668,000	171,890
SYSTEM REINVESTMENT FUND	REVENUES	1,668,000	172,137
	EXPENDITURES	(1,668,000)	(171,890)
	CASH/INVESTMENTS BALANCE CARRYOVER	-	-
	CASH/INVESTMENTS BALANCE	-	247

	Description	Budget	YTD
	MONTHLY BUDGET ANALYSIS	2017	5/31/2017
SEWER/STORM WATER CONTINGENCY FUND - 425			
425-361-11-00	Investment Interest	3,750	4,958
425-397-10-00	Transfers In from Operating Fund 401	100,000	-
		-	
	TOTAL REVENUES	103,750	4,958
425-535-10-42	Investment Service Charges	200	112
425-594-38-63			
	C 16-07 North Shore Sampling	75,000	34,536
	C 16-12 Cedar Hills Storm Drain Relocate (Wilson Eng)	135,000	-
	TOTAL EXPENDITURES	210,200	34,648
SEWER/STORM WATER CONTINGENCY FUND	REVENUES	103,750	4,958
	EXPENDITURES	(210,200)	(34,648)
	CASH/INVESTMENTS BALANCE CARRYOVER	887,000	878,723
	CASH/INVESTMENTS BALANCE (CAPITAL RESERVES SEWER)	780,550	849,033
WATER CONTINGENCY FUND - 426			
426-361-11-00	Investment Interest	2,500	
	TOTAL REVENUES	2,500	-
426-594-38-64	Machinery/Equipment		
	TOTAL EXPENDITURES	-	-
WATER CONTINGENCY FUND	REVENUES	2,500	-
	EXPENDITURES	-	-
	CASH/INVESTMENTS BALANCE CARRYOVER	440,000	440,000
	CASH/INVESTMENTS BALANCE (CAPITAL RESERVES WATER)	442,500	440,000

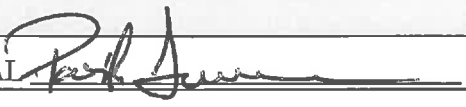
	Description	Budget	YTD
	MONTHLY BUDGET ANALYSIS	2017	5/31/2017
2016 CAPITAL BOND PROJECTS FUND - 431 RESTRICTED			
	Transfers In from Fund 440		300,000
	TOTAL REVENUES	-	300,000
431-594-38-63	Strawberry Point Pump Station C14-05	156,923	1,763
	TOTAL EXPENDITURES	156,923	1,763
CAPITAL BOND PROJECTS FUND	REVENUES	-	300,000
	EXPENDITURES	(156,923)	(1,763)
	CASH/INVESTMENTS BALANCE CARRYOVER	156,923	98,444
	CASH/INVESTMENTS BALANCE	-	396,681
DWSRF PROJECTS FUND - 440			
440-391-70-46-41	Geneva AC Mains	-	
440-391-70-46-42	Division 22 Reservoir	229,950	404,662
440-397-10-41	Transfers In from Operating Fund 401	-	
	TOTAL REVENUES	229,950	404,662
440-594-34-62-40	Division 22 Reservoir	1,058,100	286,488
440-594-34-62-41	Geneva AC Mains		
	Transfers Out to Fund 431		300,000
	TOTAL EXPENDITURES	1,058,100	586,488
DWSRF PROJECTS FUND	REVENUES	229,950	404,662
	EXPENDITURES	(1,058,100)	(586,488)
	CASH/INVESTMENTS BALANCE CARRYOVER	828,150	661,352
	CASH/INVESTMENTS BALANCE	-	479,526
Expenditures offset by draws as projects progress.			

	Description	Budget	YTD
	MONTHLY BUDGET ANALYSIS	2017	5/31/2017
DEBT SERVICE FUND - 450			
450-397-10-00	Transfers In from Operating Fund 401	890,172	159,048
	TOTAL REVENUES	890,172	159,048
450-535-10-41-50	Bond Admin Fee	100	
450-591-34-77-41	Principal Geneva AC Mains	43,023	
450-591-34-77-42	Principal Div 22 Reservoir	119,937	
450-591-34-77-73	Principal Loan 064	47,252	47,252
450-591-35-72-50	Principal Bond 2009	265,000	
450-591-35-72-51	Principal Bond 2016	125,000	
450-592-34-83-41	Interest Geneva AC Mains	14,923	
450-592-34-83-42	Interest Div 22 Reservoir	34,182	
450-592-34-83-73	Interest Loan 064	5,670	5,670
450-592-35-83-50	Interest Bond 2009	30,900	15,450
450-592-35-83-51	Interest Bond 2016	227,175	113,588
	TOTAL EXPENDITURES	913,162	181,960
DEBT SERVICE FUND	REVENUES	890,172	159,048
	EXPENDITURES	(913,162)	(181,960)
	CASH/INVESTMENTS BALANCE CARRYOVER	22,990	22,990
	CASH/INVESTMENTS BALANCE	-	78
BONDS RESERVE FUND - 460			
RESTRICTED			
460-361-11-00	Investment Interest	3,850	4,935
	TOTAL REVENUES	3,850	4,935
460-535-10-41	Investment Service Charges	200	690
	TOTAL EXPENDITURES	200	690
BONDS RESERVE FUND (RESTRICTED)	REVENUES	3,850	4,935
	EXPENDITURES	(200)	(690)
	CASH/INVESTMENTS BALANCE CARRYOVER	773,200	763,229
	CASH/INVESTMENTS BALANCE	776,850	767,474



LAKE WHATCOM WATER AND SEWER DISTRICT

AGENDA BILL

DATE SUBMITTED:	June 6, 2017		
TO BOARD OF COMMISSIONERS			
FROM: Patrick Sorensen	MANAGER APPROVAL 		
MEETING AGENDA DATE:	June 14, 2017		
AGENDA ITEM NUMBER:	7.0		
SUBJECT:	Manager's Report		
LIST DOCUMENTS PROVIDED ⇒ NUMBER OF PAGES INCLUDING AGENDA BILL: _____	1. Manager's Report		
	2.		
	3.		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL/ OTHER <input checked="" type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

Updated information from the General Manager in advance of the Board meeting.

FISCAL IMPACT

None

RECOMMENDED BOARD ACTION

None required.

PROPOSED MOTION

None

General Manager Comments

Wednesday

June 14, 2017

Regular Meeting

6:30 p.m.

Important Upcoming Dates:

- **Meetings Associated with the Lake Whatcom Management Program:**
 - **Policy Group Meeting:** Reminder: The next meeting is scheduled for July 17, 2017 at 3:00 p.m. downstairs at the Municipal Court Building in the conference room.
 - **Management Meeting:** There is not a meeting scheduled at this time.
- **Next Regular Board Meeting:** The next regular meeting will be held on **Wednesday, June 28, 2017** at 8:00 a.m.
- **Employee Staff Meeting:** The next staff meeting is set for **Thursday, June 15, 2017 at 8:00 a.m.** in the Board Room. Commissioner Ford is scheduled to attend.
- **Employee Safety Committee Meeting:** The next meeting is set for **June 15, 2017 at 9:00 a.m.** in the small conference room.
- **Washington Association of Sewer & Water Districts (WASWD) Section III Meeting:** The next Section III meeting will be held at Bob's Burger and Brew min Tulalip on **June 13, 2017** at 6:15 p.m.
- **Whatcom Water District's Caucus Meeting:** The next Caucus meeting is set for **June 21, 2017** at 1:00 p.m. in the Board Room.

Other:

- **Committee Meeting Reports as Needed:** This is a place holder for Board and staff members to report on recent committee meetings, such as the Lake Whatcom Policy Group, since the last Board Meeting.
- **Date of Fall 2017 WASWD Conference:** Reminder, the Fall Conference will be September 27 - 29 in Wenatchee. The conference ends on Friday at noon.
- **June 20, 2017 North Shore Water Consolidation Public Meeting:** This is a reminder that the North Shore Water Consolidation Study public meeting will be held on Tuesday, June 20 at 6:30 p.m. at the North Whatcom Fire & Rescue Station located at 4142 Britton Loop Road. We will advertise this as a Special Meeting with no action to be taken. Melanie Mankamy, from Wilson Engineering will be making a power point presentation, which will be followed by questions. I will be introducing the meeting topic and Melanie.

- **Septic Tank Users Connection Notice Update:** Reminder. Last summer staff identified and subsequently notified seven property owners about the need to abandon their on-site septic systems and connect to the District sewer system by September 1, 2017. With legal counsels help we are in the process of re-notifying those who have still not yet connected in order to remind them of the consequences should they not connect by September 1. Following September we will be making plans to connect those unconnected in 2018.
- **Updating District Administrative Code Policies:** FYI. Like we have done in the past staff is in the process of updating a number of different policy topics in the Administrative Code. Things change and we often discover inconsistencies and other issues in our policies. The goal is to bring all of the proposed changes to you in July.